Greenwood Metropolitan District
Greenwood, South Carolina

Comprehensive Annual Financial Report

For the fiscal years ended June 30, 2017 and 2016

Issued By:
Greenwood Metropolitan District

Prepared By:
Finance Department

Introductory Section

10/31/2017

Commissioners of Greenwood Metropolitan District
Greenwood County, South Carolina

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Manley Garvin LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Greenwood Metropolitan District's financial statements for the years ended June 30, 2017 and 2016. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the District

The Greenwood Metropolitan District is a special purpose district created by Act No. 441 of the South Carolina Legislature in 1959. Its mission is to transport and treat wastewater within its service area, the District boundaries.

Greenwood Metropolitan District is governed by six commission members; three of which serve by virtue of being elected Commissioners of the Greenwood Commission of Public Works and three of which are appointed by the Governor of South Carolina from nominations by the state legislative delegation. The Commissioners serve six year staggered terms. The Commission is an independent body and the system is not includable in the financial statements of any other jurisdiction. This report includes all activities over which the Commissioners have financial accountability.

Economic Condition and Outlook

The District operates in Greenwood County. The industrial base in Greenwood is widespread and stable. It includes companies in life sciences, food processing and advanced materials. Existing industries continue to invest and renew commitments in the community. Greenwood continues to serve as a hub for the seven surrounding counties as evidenced by the increase in commercial development. The county continues to enjoy a stable economic environment. The unemployment rate as of August 2017 is 4.5% and 4.0% overall for South Carolina compared to 5.3% and 4.6% respectively the previous year in August. The Greenwood County Economic Alliance was established in 1986, more than 8,900 jobs and $2.5 billion of investment in the Greenwood community have been announced since inception.

Relevant Financial Information

The District's long range capital improvement plan is reviewed annually and was updated during the year ended June 30, 2017. The plan includes facility upgrades; manhole and line rehabilitations to improve handling of peak wet weather flow and reduce inflow and infiltration throughout the system. The estimated cost through fiscal year 2022 is approximately $25 million. Capital costs will be primarily funded through available reserves and operating revenues. Average liquidity is expected to remain above 450 days of operating expenses throughout fiscal year 2022.

Idle cash may be invested, according to State law, in obligations of the United States and its agencies, general obligations of the State of South Carolina and its political subdivisions, certificates of deposit that are collaterally secured by the aforementioned securities and investment companies or investment trusts whose portfolios consist solely of U.S. Government securities.

Major Initiatives

The District continues its upgrade of Wilson Creek Wastewater Treatment Plant to handle peak wet weather flow and mitigate Sanitary Sewer Overflows while meeting stringent regulatory requirements. Major capital projects planned over the next five years include: the replacement of screw pumps the Wilson Creek Wastewater treatment plant, sand filters are scheduled to be replaced with cloth filters and upgrades to the Headworks at the West Alexander wastewater treatment plant, approximately 29,000 linear feet of trunk lines are scheduled for replacement over the next five years.

Upgrades to sewer lines, rehabilitation of manholes and collection lines to eliminate excess inflow and infiltration have provided significant reductions at several permanent flow monitoring points throughout the system. Rehabilitation projects in the Stockman and Sullivan St. areas are scheduled for completion during the upcoming years.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for excellence in financial reporting to Greenwood Metropolitan District for the fiscal year ended June 30, 2016. This was the fifteenth consecutive year that the District submitted and received this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report on a timely basis that satisfies both generally accepted accounting principles in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for a certificate.

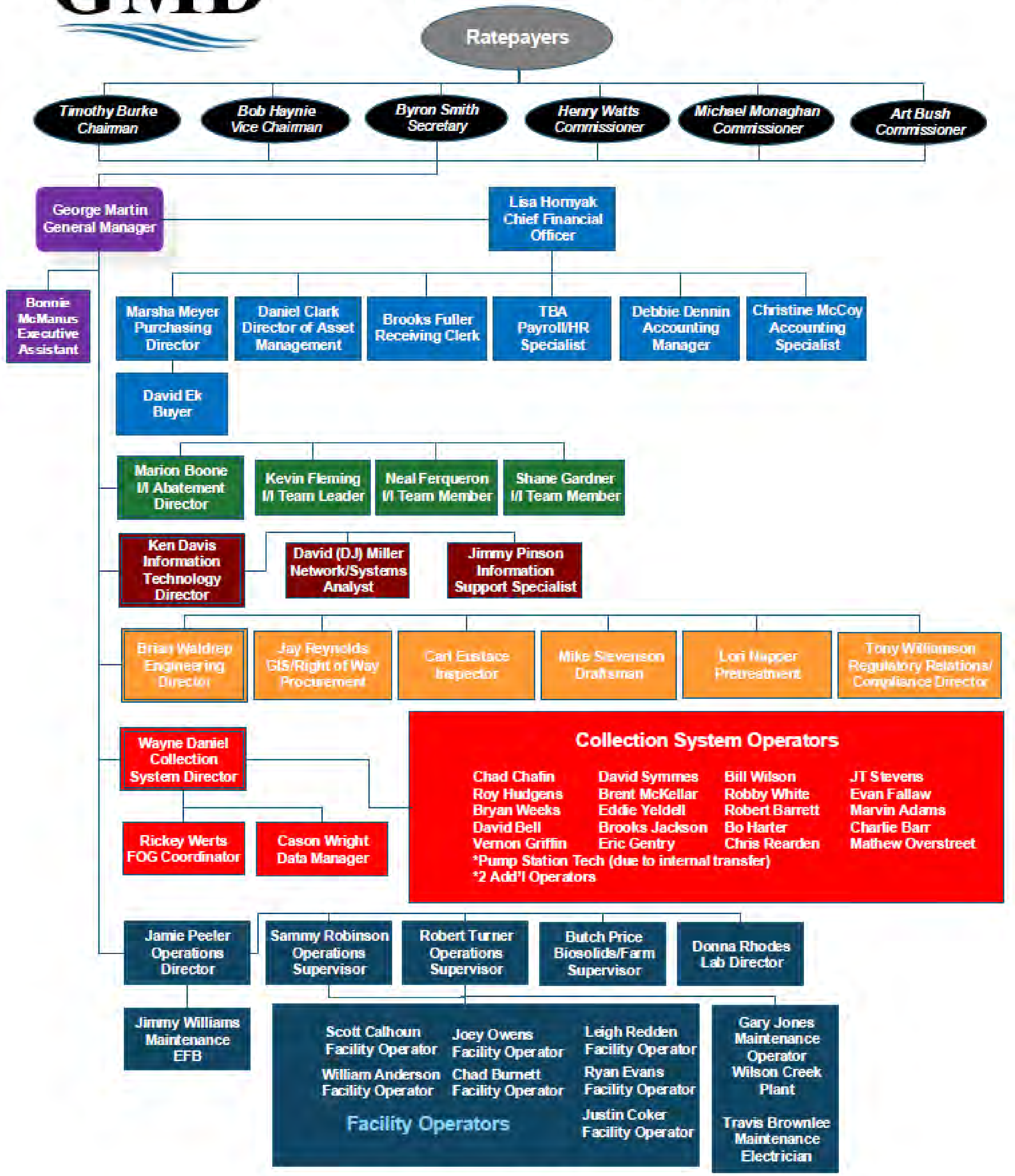
We would like to acknowledge the dedicated efforts of the finance staff and the leadership and support of the Commissioners of Greenwood Metropolitan District which make preparation of this comprehensive annual financial report possible.

Sincerely,

Lisa Hornyak

Lisa Hornyak,
Chief Financial Officer

ORGANIZATION STRUCTURE



Caring People, Protecting The Environment

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Greenwood Metropolitan District

South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

Financial Section

Independent Auditor's Report

The Commissioners
Greenwood Metropolitan District
Greenwood, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of Greenwood Metropolitan District (the District) as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Greenwood Metropolitan District as of June 30, 2017 and 2016, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Manley Garvin, LLC

Greenwood, South Carolina
October 31, 2017

This section presents management's analysis of the District's financial condition and activities for the year. This information should be read in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

Management believes the District's financial condition is strong. The District is well within its debt covenants. The following are key financial highlights:

- Total assets at year-end were approximately $150,129,000 and total liabilities were approximately $67,628,000. Of the total net position, approximately $10,766,000 was unrestricted and was available to support short-term operations. Total unrestricted net position decreased from fiscal year end 2016 to 2017 in the amount of approximately $1,262,000, while total net position increased by approximately $2,891,000.
- Debt service coverage was 194%, which exceeds the amounts required by the Bond covenant.
- Total revenues decreased approximately $543,000 or 2.8%. Operating revenues decreased approximately $68,000 or .4% compared to fiscal year 2016.
- Operating expenses before depreciation increased by approximately $88,000 or .9% compared to fiscal year 2016. Total expenses decreased by approximately $555,000 or 3.2% compared to fiscal year 2016.
- Increase in net position for the year was approximately $2,891,000 compared to an increase of approximately $1,973,000 in the prior year.

OVERVIEW OF ANNUAL FINANCIAL REPORT

Management's Discussion and Analysis (MD&A) serves as an introduction to the basic financial statements and supplementary information. The MD&A represents management's examination and analysis of the District's financial condition and performance.

The financial statements report information about the District using full accrual accounting methods as utilized by similar business activities in the private sector. However, rate-regulated accounting principles applicable to private sector utilities are not used by government utilities.

The financial statements include a statement of net position; a statement of revenues, expenses and changes in net position; a statement of cash flows; and notes to the financial statements. The statement of net position presents the financial position of the District on a full accrual historical cost basis. While the statement of net position provides information about the nature and amount of resources and obligations at year-end, the statement of revenues, expenses, and changes in net position presents the results of the business activities over the course of the fiscal year and information as to how the net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement also provides certain information about the District's recovery of its costs.

The statement of cash flows presents changes in cash and cash equivalents, resulting from operational, financing and investing activities. This statement presents cash receipts and cash disbursement information, without consideration of the earnings event, when an obligation arises, or depreciation of capital assets.

The notes to the financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the District's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

The financial statements were prepared by the District's staff from the detailed books and records of the District.

FINANCIAL ANALYSIS

The following comparative condensed financial statements and other selected information serve as the key financial data and indicators for management, monitoring and planning. Comments regarding year-to-year variances are included in each section by the name of the statement or account.

Condensed Financial Analysis

	June 30,			Variance			
				Dollars		Percentage	
	2017	2016	2015	2017-2016	2016-2015	2017-16	2016-15
Current assets	$ 25,223,777	$ 26,583,562	$ 28,406,994	$ (1,359,785)	$ (1,823,432)	-5.1%	-6.4%
Capital assets							
Producing assets	119,517,565	118,822,103	122,873,889	695,462	(4,051,786)	0.6%	-3.3%
Construction in progress	3,869,946	3,439,922	623,821	430,024	2,816,101	12.5%	451.4%
Restricted and other assets	1,517,281	1,548,376	1,476,951	(31,095)	71,425	-2.0%	4.8%
Total Assets	**150,128,569**	**150,393,963**	**153,381,655**	**(265,394)**	**(2,987,692)**	-0.2%	-1.9%
Deferred Outflows of Resources							
Deferred charge on refunding	2,736,725	2,919,049	-	(182,324)	2,919,049	-6.2%	0.0%
Deferred outflows related to pension	1,226,358	566,203	561,708	660,155	4,495	116.6%	0.8%
Total deferred outflows of resources	**3,963,083**	**3,485,252**	**561,708**	**477,831**	**2,923,544**	13.7%	520.5%
Current Liabilities	5,197,870	5,401,429	4,576,775	(203,559)	824,654	-3.8%	18.0%
Long term liabilities	62,430,449	64,820,739	67,393,621	(2,390,290)	(2,572,882)	-3.7%	-3.8%
Total liabilities	**67,628,319**	**70,222,168**	**71,970,396**	**(2,593,849)**	**(1,748,228)**	-3.7%	-2.4%
Deferred Inflows of Resources							
Deferred inflows related to pension	**184,316**	**269,350**	**558,258**	**(85,034)**	**(288,908)**	-31.6%	-51.8%
Net Position							
Net investment in capital assets	71,562,584	63,835,118	62,659,377	7,727,466	1,175,741	12.1%	1.9%
Restricted for capital activity, and debt service	3,950,449	4,605,702	4,837,834	(655,253)	(232,132)	-14.2%	-4.8%
Unrestricetd	10,765,984	14,946,877	13,917,498	(4,180,893)	1,029,379	-28.0%	7.4%
Total net position	**$ 86,279,017**	**$ 83,387,697**	**$ 81,414,709**	**$ 2,891,320**	**$ 1,972,988**	3.5%	2.4%

The District's financial condition remained strong at year-end with adequate liquid assets, reliable plants and systems to meet demand, and a reasonable level of unrestricted net position. The current financial condition, technical support staff capabilities and operating and expansion plans to meet anticipated customer needs are well balanced and under control.

Total assets decreased by .2% or approximately $265,000 from June 30, 2016 to June 30, 2017. Decreases in current assets and restricted and other assets were offset by increases in capital assets. Total assets decreased by 1.9% or approximately $2,988,000 from June 30, 2015 to June 30, 2016. Decreases in current assets and capital assets were offset by increases in restricted and other assets.

Total liabilities decreased approximately $2,594,000 or 3.7% from June 30, 2016 to June 30, 2017. The main factors in the decrease were decreases in the amount of general obligation, revenue bonds and state revolving funds offset by increases in net post- employment benefit obligation and net pension liability.

Total liabilities decreased approximately $1,748,000 or 2.4% from June 30, 2015 to June 30, 2016. The main factors in the decrease were decreases in the amount of general obligation, revenue bonds and state revolving funds offset by increases in net post- employment benefit obligation and net pension liability.

Net position increased by approximately $2,891,000 or 3.5% as of June 30, 2017. Total net position at June 30, 2017, totaled approximately $86,279,000 of which approximately $10,766,000 or 12.4% of total net position was unrestricted.

Net position increased approximately $1,973,000 or 2.4% as of June 30, 2016. Total net position at June 30, 2016, totaled approximately $83,388,000 of which approximately $14,947,000 or 17.9% of total net position was unrestricted.

Revenues. The following schedule presents a summary of District's revenues and expenses for the fiscal year ended June 30, 2017, and the amount and percentage of increases in relation to prior year revenues or expenses.

Changes in Net Position

	June 30,			Variance			
				Dollars		Percentage	
	2017	2016	2015	2017-2016	2016-2015	2017-16	2016-15
Operating Revenues							
Sewer service charges	$ 15,557,347	$ 15,588,081	$ 15,040,634	$ (30,734)	$ 547,447	-0.2%	3.6%
Extra strength surcharge	642,312	576,364	594,565	65,948	(18,201)	11.4%	-3.1%
Miscellaneous	196,797	300,247	184,443	(103,450)	115,804	-34.5%	62.8%
Nonoperating Revenues							
Tax revenue	1,807,492	1,753,376	1,729,849	54,116	23,527	3.1%	1.4%
Investment income, net	16,959	414,783	267,725	(397,824)	147,058	-95.9%	54.9%
Capacity charges	109,766	232,168	332,349	(122,402)	(100,181)	-52.7%	-30.1%
Miscellaneous	123,972	132,182	131,269	(8,210)	913	-6.2%	0.7%
Total revenues	**$ 18,454,645**	**$ 18,997,201**	**$ 18,280,834**	**$ (542,556)**	**$ 716,367**	-2.9%	3.9%
Operating Expenses							
Salaries and employees' benefits	$ 6,213,907	$ 5,892,578	$ 5,838,328	$ 321,329	$ 54,250	5.5%	0.9%
Utilities	730,065	770,765	860,057	(40,700)	(89,292)	-5.3%	-10.4%
Repairs and maintenance	500,057	570,757	569,964	(70,700)	793	-12.4%	0.1%
Other operating expenses	1,126,423	1,242,659	1,162,588	(116,236)	80,071	-9.4%	6.9%
Contracted services	306,813	321,500	544,464	(14,687)	(222,964)	-4.6%	-41.0%
Administrative and general	177,342	180,218	220,126	(2,876)	(39,908)	-1.6%	-18.1%
Miscellaneous	175,155	163,783	166,750	11,372	(2,967)	6.9%	-1.8%
Depreciation	5,829,014	5,794,637	5,750,323	34,377	44,314	0.6%	0.8%
Nonoperating Expenses							
Paying agents' fees	9,778	11,556	9,778	(1,778)	1,778	-15.4%	18.2%
Interest expense	1,615,162	2,290,369	2,523,427	(675,207)	(233,058)	-29.5%	-9.2%
Total expenses	**$ 16,683,716**	**$ 17,238,822**	**$ 17,645,805**	**$ (555,106)**	**$ (406,983)**	-3.2%	-2.3%
Total revenues	$ 18,454,645	$ 18,997,201	$ 18,280,834	$ (542,556)	$ 716,367	-2.9%	3.9%
Total expenses	16,683,716	17,238,822	17,645,805	(555,106)	(406,983)	-3.2%	-2.3%
Increase (decrease) in net position, before capital contribution	1,770,929	1,758,379	635,029	12,550	1,123,350	0.7%	176.9%
Capital Contribution	1,120,391	214,609	524,570	905,782	(309,961)	422.1%	-59.1%
Increase (decrease) in net position	2,891,320	1,972,988	1,159,599	$ 918,332	$ 813,389	46.5%	70.1%
Net Position - beginning, as previously reported	83,387,697	81,414,709	86,783,350				
Prior period adjustment	-	-	(6,528,240)				
Net Position, beginning, as restated	83,387,697	81,414,709	80,255,110				
Net Position - ending	$ 86,279,017	$ 83,387,697	$ 81,414,709				

During the year ended June 30, 2017, total revenues decreased 2.9% or approximately $543,000. The decrease was attributable to increases in extra strength surcharges and tax revenue offset by decreases in sewer service charges, miscellaneous, investment income and capacity charges. Total expenses decreased by 3.2% or approximately $555,000. The decrease was attributable to decreases in utilities, repairs and maintenance, other operating expenses, contracted services, administrative and general, paying agent fees and interest charges offset by increases in salaries and employee benefits, miscellaneous and depreciation.

During the year ended June 30, 2016, total revenues increased 3.9% or approximately $716,000. The increase was attributable to an increase in sewer service charges, miscellaneous, tax revenue and investment income offset by a decrease in extra strength surcharges and capacity charges. Total expenses decreased by 2.3% or approximately $407,000. The decrease was attributable to decreases in utilities, contracted services, administrative and general, miscellaneous and interest expense offset by increases in salaries and employee benefits, repairs and maintenance, other operating expenses, depreciation and paying agent fees.

OTHER SELECTED INFORMATION

Ratio of operating revenue to:	2017	2016	2015
Operating expenses	1.09	1.10	1.05
Operating expenses net of depreciation	1.78	1.80	1.69
Total Assets	0.11	0.11	0.10
Net Position	0.19	0.20	0.19
Debt related ratios:			
Debt to net position	0.63	0.70	0.74

CASH FLOW ACTIVITY

The following table shows the District's ability to generate net operating cash. Net cash provided by operating activities is shown both in total dollars (in thousands) and as a percentage of operating revenues.

	2017	2016	2015
Total operating revenues	$ 16,396	$ 16,464	$ 15,819
Net cash provided by operations	7,714	7,906	6,769
Net cash provided by operations as a % of operating revenue	47.0%	48.0%	42.7%

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2017, the District had invested approximately $123,388,000 in capital assets. This amount represents a net increase (including additions and deductions) of approximately $1,126,000, or .9%, compared to fiscal year 2016. Projects completed during the year totaled approximately $6,365,000. At June 30, 2016, the District had invested approximately $122,262,000 million in capital assets. This amount represents a net decrease (including additions and deductions) of approximately $1,236,000, or 1.0%, compared to fiscal year 2015. Projects completed during the year totaled approximately $1,015,000.

Capital Assets
(*net of depreciation, in thousands of dollars)*

	June 30,			Variance – Dollars		Variance – Percentage	
	2017	2016	2015	2017-2016	2016-2015	2017-16	2016-15
Land	$ 1,264	$ 1,264	$ 1,264	$ -	$ -	0.0%	0.0%
Office buildings	4,001	3,997	3,997	4	-	0.1%	0.0%
Sewage treatment systems	134,159	127,794	126,892	6,365	902	5.0%	0.7%
Autos, trucks and equipment	64,818	64,971	64,295	(153)	676	-0.2%	1.1%
Construction in progress	3,870	3,439	624	431	2,815	12.5%	451.1%
Accumulated depreciation	(84,724)	(79,203)	(73,574)	(5,521)	(5,629)	7.0%	7.7%
Net	$ 123,388	$ 122,262	$ 123,498	$ 1,126	$ (1,236)	0.9%	-1.0%

More detailed information about the District's capital assets is presented in Note 5 to the financial statements.

LONG-TERM DEBT

At June 30, 2017, the District had approximately $54,332,000 in bonds and notes outstanding – a decrease of 6.5% or approximately $3,749,000 compared to fiscal year 2016. At June 30, 2016, the District had approximately $58,081,000 in bonds and notes outstanding – a decrease of 4.2% or approximately $2,546,000 compared to fiscal year 2015.

More detailed information about the District's long-term liabilities is presented in Note 6 to the financial statements.

Outstanding Debt
(*in thousands of dollars)*

	June 30,			Variance – Dollars		Variance – Percentage	
	2017	2016	2015	2017-2016	2016-2015	2017-16	2016-15
General obligation bonds	$ 8,872	$ 10,357	$ 11,811	$ (1,485)	$ (1,454)	-14.3%	-12.3%
Revenue bonds and notes	45,460	47,724	48,816	(2,264)	(1,092)	-4.7%	-2.2%
	$ 54,332	$ 58,081	$ 60,627	$ (3,749)	$ (2,546)	-6.5%	-4.2%

ECONOMIC FACTORS

- Unemployment in the District stands at 4.5%, slightly higher than the state average of 4.0% as of June 30, 2017.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Lisa Hornyak, Chief Financial Officer, 110 Metro Drive Greenwood, South Carolina 29646.

Greenwood Metropolitan District

Statements of Net Position

June 30, 2017 and 2016

	2017	2016
Assets and Deferred Outflows of Resources		
Current assets		
Cash	$ 1,580,383	$ 2,938,857
Investments	17,287,632	16,576,878
Restricted investments	1,812,637	1,168,947
Taxes receivable, net of allowance	55,496	50,472
Accounts receivable, net of allowance	2,004,191	1,944,026
Due from other governments	54,980	52,902
Monies held by Commissioners of Public Works	1,085,999	1,113,946
Restricted assets held by others	998,851	2,321,679
Accrued interest receivable	61,026	52,159
Prepaid expenses	3,025	94,043
Inventory	279,557	269,653
Total current assets	25,223,777	26,583,562
Noncurrent assets		
Restricted cash	771,955	771,955
Restricted investments	367,006	343,121
Due from other governments	378,320	433,300
Capital assets		
Land and land rights	1,263,864	1,263,864
Construction in progress	3,869,946	3,439,922
System and equipment in service	202,978,089	196,760,994
Less accumulated depreciation	(84,724,388)	(79,202,755)
Total noncurrent assets	124,904,792	123,810,401
Total assets	150,128,569	150,393,963
Deferred outflows of resources		
Deferred charge on refunding	2,736,725	2,919,049
Deferred outflows - pension	1,226,358	566,203
Total deferred outflows of resources	3,963,083	3,485,252
Total assets and deferred outflows of resources	$ 154,091,652	$ 153,879,215
Liabilities, Deferred Inflows of Resources and Net Position		
Current liabilities		
Accounts payable	$ 595,960	$ 675,254
Accounts payable - Construction	230,037	346,337
Accrued wages	44,974	36,137
Accrued compensated absences	212,805	209,362
Payroll taxes and retirement withheld and accrued	102,649	96,640
Accrued interest payable	426,882	307,021
Bonds payable		
General obligation bonds	1,522,000	1,485,000
Revenue bonds	1,678,000	1,781,000
State revolving fund loan payable	487,922	464,678
Total current liabilities	5,301,229	5,401,429
Long-term liabilities		
General obligation bonds	8,872,000	10,357,000
Revenue bonds	39,813,882	41,952,848
State revolving fund loan	5,645,733	5,770,722
Net post employment benefit obligation	2,900,340	2,661,970
Net pension liability	7,905,709	6,941,748
Accrued compensated absences	109,446	99,227
Unearned revenue	767,902	767,902
Less: Maturities due within one year	(3,687,922)	(3,730,678)
Total long-term liabilities	62,327,090	64,820,739
Total liabilities	67,628,319	70,222,168
Deferred inflows of resources		
Deferred inflows - pension	184,316	269,350
	184,316	269,350
Net position		
Net investment in capital assets	71,562,584	66,754,167
Restricted for debt service	2,709,462	3,363,857
Restricted for capital activity	1,240,987	1,241,845
Unrestricted	10,765,984	12,027,828
Total net position	86,279,017	83,387,697
Total liabilities, deferred inflows of resources and net position	$ 154,091,652	$ 153,879,215

See Notes to Financial Statements

Greenwood Metropolitan District

Statements of Revenues, Expenses, and Changes in Net Position

For the years ended June 30, 2017 and 2016

	2017	2016
Operating revenues		
Sewer service charges	$ 15,557,347	$ 15,588,081
Extra strength surcharge	642,312	576,364
Miscellaneous revenue	196,797	300,247
	16,396,456	16,464,692
Operating expenses before depreciation		
Salaries - Operating and maintenance	2,881,779	2,729,109
Billing and collection fees	245,200	243,668
Utilities & telephone	730,065	770,765
Bad debts	48,598	45,320
Chemical cost	78,477	97,204
Miscellaneous supplies and small tools	453,271	492,663
Repairs and maintenance	500,057	570,757
Salaries - Administrative	788,075	762,052
Professional services	52,456	45,111
Training	124,886	135,107
Contracted services	306,813	321,500
Insurance	193,321	195,626
Employees' benefits	2,544,053	2,401,417
Office supplies	10,729	12,848
Uniforms	18,253	26,431
Miscellaneous	175,155	163,783
Fuel cost	78,574	128,899
	9,229,762	9,142,260
Operating income before depreciation	7,166,694	7,322,432
Depreciation	5,829,014	5,794,637
Operating income	1,337,680	1,527,795
Nonoperating revenues (expenses)		
Tax revenue	1,807,492	1,753,376
Net investment income/loss	16,959	414,783
Capacity charges	109,766	232,168
Inspection revenue	3,360	7,632
Tap fees	53,400	100,181
Interest and debt issuance costs	(1,615,162)	(2,290,369)
Paying agents' fees	(9,778)	(11,556)
Gain on sale of capital assets	67,212	24,369
	433,249	230,584
Capital contributions	1,120,391	214,609
Increase in net position	2,891,320	1,972,988
Net position, beginning of year	83,387,697	81,414,709
Net position, end of year	**$ 86,279,017**	**$ 83,387,697**

See Notes to Financial Statements

Greenwood Metropolitan District

Statements of Cash Flows

For the years ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities		
Cash received from charges, fees and other	$ 16,354,905	$ 16,294,607
Cash paid to employees	(5,728,257)	(5,547,868)
Cash paid to suppliers	(2,912,535)	(2,840,308)
Net cash provided by operating activities	7,714,113	7,906,431
Cash flows from noncapital related financing activities		
Restricted assets held by others - received (remitted)	1,322,828	26,142
Monies held by other governments - received (remitted)	27,947	(6,551)
Tax revenue	1,802,468	1,780,760
Net cash provided by noncapital related financing activities	3,153,243	1,800,351
Cash flows from investing activities		
Interest and dividends on investments	283,045	455,431
Proceeds from sale of investments	7,706,335	12,754,222
Purchases of investments	(9,319,898)	(10,929,322)
Investment management fees	(39,719)	(42,718)
Net cash provided by/(used for) investing activities	(1,370,237)	2,237,613
Cash flows from capital and related financing activities		
Purchases of capital assets	(7,139,457)	(4,454,236)
Proceeds from sale of capital assets	68,657	30,010
Principal paid on loan and bonds	(3,730,677)	(3,073,588)
Payments to bond refunding agent	-	(44,264,049)
Proceeds from issuance of debt	339,688	42,327,867
Capital contributions	1,120,391	214,609
Interest and fees paid on bonds	(1,680,721)	(3,018,861)
Capacity charges	109,766	232,168
Inspection revenue	3,360	7,632
Transmission fees	53,400	100,181
Net cash used for capital and related financing activities	(10,855,593)	(11,898,267)
Net increase/(decrease) in cash and restricted cash	(1,358,474)	46,128
Cash and restricted cash, beginning of year	3,710,812	3,664,684
Cash and restricted cash end of year	**$ 2,352,338**	**$ 3,710,812**
Reconciliation of cash and restricted cash to statement of net position		
Cash	$ 1,580,383	$ 2,938,857
Restricted cash for capital projects	771,955	771,955
	$ 2,352,338	**$ 3,710,812**
Reconciliation of operating income to net cash provided by operating activities		
Operating income	$ 1,337,680	$ 1,527,795
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	5,829,014	5,794,637
Gain on sale of assets	67,212	24,369
Bad Debt	48,598	45,320
Changes in deferred and accrued amounts		
Accounts receivable	(108,763)	(170,085)
Due from other governments	52,902	50,903
Inventory	(9,904)	5,093
Prepaid expenses	91,018	(2,901)
Deferred outflows of resources	(660,155)	(4,495)
Accounts payable	(79,294)	286,590
Payroll taxes accrued and withheld	6,009	(9,116)
Net post employment benefit obligation	238,370	296,439
Net pension obligation	963,961	320,038
Deferred inflows of resources	(85,034)	(288,908)
Accrued wages and compensated absences	22,499	30,752
Net cash provided by operating activities	$ 7,714,113	$ 7,906,431

See Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The Greenwood Metropolitan District (the District) is a special purpose district created by Act No. 441 of the South Carolina Legislature in 1959. Its mission is to transport, treat, and recycle wastewater within its service area, the District boundaries.

The District's significant accounting policies are as follows:

Basis of presentation and accounting:

The accrual basis of accounting is utilized by the District. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. The District applies all Governmental Accounting Standards Board (GASB) pronouncements as well as Financial Accounting Standards Board (FASB) statements and interpretations, unless those pronouncements conflict with or contradict GASB pronouncements.

All activities of the District are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the balance sheet. Net position (i.e., total assets net of total liabilities) are segregated into net investment in capital assets, restricted for capital activity and debt service, and unrestricted components.

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services. The principal operating revenues of the District are charges to customers for services. Operating expenses for the District include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. This includes property tax revenue collected by Greenwood County and remitted to the District.

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

Statement of cash flows:

For purposes of reporting changes in cash flows, the District considers all liquid nonequity investments with an original maturity of three months or less to be cash.

Note 1. Summary of Significant Accounting Policies, Continued

Deposits and investments:

The District's cash consists of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate and municipal bonds, repurchase agreements and the SC Local Government's Investment Pool.

Investments are stated at fair value except that repurchase agreements and U.S. Government Securities that have a maturity at the time of purchase of one year or less are shown at amortized cost.

Restricted assets:

Restricted assets represent cash, investments and receivables maintained in accordance with bond resolutions, loan agreements, grant awards, and other resolutions or by agreement for the purpose of funding certain debt service payments, depreciation and contingency activities, and improvements and extensions to the utility systems.

Receivables:

Allowances for uncollectible taxes and accounts receivable are as follows at June 30:

	2017	2016
Allowances:		
Taxes receivable	$ 1,717	$ 2,103
Accounts receivable	45,000	45,000

Receivables due from other governments due in the next year are reflected as current due from other governments and are recorded at their net realizable value. Receivables due from other governments in subsequent years are reflected as long-term due from other governments and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the receivables are received to discount the amounts.

Inventory:

Inventory is stated at the lower of cost or market which is determined on the first-in, first-out basis. Certain materials for line improvements and maintenance and chemicals are included in inventory.

Capital assets:

Capital assets, including additions and betterments, are carried at cost, if purchased or constructed. Minimum capitalization costs are $3,000 for all categories of capital assets. Assets acquired through contributions from developers, other customers, or other governmental entities are capitalized at their acquisition value. Maintenance and repair costs and minor replacements not resulting in betterments are charged to expenses when incurred. Depreciation is provided for, principally using the straight-line method, over the estimated useful lives of the assets.

Note 1. Summary of Significant Accounting Policies, Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets activities is included as part of the capitalized value of the assets constructed. The total interest incurred by the District was $1,615,162 and $1,893,082 for the fiscal years ended June 30, 2017 and 2016, respectively. No interest was capitalized during the fiscal years ended June 30, 2017 and 2016, respectively.

Bond premiums and discounts:

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and additions to/deductions from SCRS's fiduciary net position have been determined on the same basis as they are reported by SCRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred outflows of resources and deferred inflows of resources:

Changes in net pension liability not included in pension expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability are reported as deferred outflows of resources.

Unearned revenue:

Revenues related to a specific capital project which are unearned at year-end, are recorded as unearned revenue. Under the terms of an agreement, the District will record revenues only when the capital project begins construction and are earned through the construction process. Unearned revenue related to this project amounted to $767,902 as of June 30, 2017 and 2016, respectively.

Compensated absences:

Vested or accumulated vacation leave is recorded as an expense and a liability as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Full-time employees of the District accumulate vacation benefits at 1 day per month up to five years of service, 1 1/4 days per month up to fifteen years of service and 1 1/2 days per month up to twenty-five years of service and 1 3/4 days per month for twenty-five years of service or over, up to a total of 45 days. On termination and retirement, employees are paid for unused, accumulated vacation. These amounts are shown as both current and long-term liabilities on the Statement of Net Position. The liability for accumulated vacation leave amounted to $322,251 and $308,589 at June 30, 2017 and 2016, respectively.

Note 1. Summary of Significant Accounting Policies, Continued

Capital contributions:

Capital contributions are recognized in the Statement of Revenues, Expenses and Changes in Net Position. Capital contributions include developer contributed utility systems, capacity and other supplemental support by other utilities and industrial customers and federal, state and local grants in support of system improvements.

Net position:

Net position consists of the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net position is classified in the following three components: net investment in capital assets; restricted for capital activity and debt service; and unrestricted net position. Net investment in capital assets consists of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction and improvement of those assets; debt related to unspent proceeds or other restricted cash and investments is excluded from the determination. Restricted for capital activity and debt service consists of net position for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations and enabling legislation. Unrestricted consists of all other net position not included in the above categories.

Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the District's financial position and results of operations and disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Subsequent events:

In preparing these financial statements, the District's management has evaluated events and transactions for potential recognition or disclosure through October 31, 2017, the date the financial statements were available for issuance.

Note 2. Cash and Investments

Custodial credit risk – deposits:

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. At June 30, 2017, the carrying amount of the District's deposits was $2,352,338 and the bank balance was $2,521,700. At June 30, 2016, the carrying amount of the District's deposits was $3,710,812 and the bank balance was $3,813,636. State law requires that all of the District's deposits be covered by federal depository insurance or by collateral held by the pledging financial institution's trust department in the District's name. All of the District's deposits at year-end were covered by federal depository insurance and collateralized.

Note 2. Cash and Investments, Continued

Investments:

State statutes authorize the District to invest in the following:

(1) Obligations of the United States and agencies thereof
(2) General obligations of the State of South Carolina
(3) (a) Accounts or certificates of deposit of financial institutions to the extent that the same are insured by an agency of the federal government
(b) Certificates of deposit or accounts that are collaterally secured by securities of the type described in (1) and (2) above with the collateral security not less than the amount of the account or certificate including interest
(c) Repurchase agreements when collateralized by securities as stipulated above
(d) No load open end or closed end management type of investment companies or investment trusts registered under the Investment Company Act of 1940 where a bank or trust company is making investments for the fund in securities which qualify as referenced above and whose objective is to maintain a constant net position value of one dollar.

As of June 30, 2017, the District had the following investments:

		Investment maturities (in years)			
Investment Type	Fair Value	Less than 1	Greater than 1, less than 5	Greater than 5, less than 10	Greater than 10
U S Government Agency Obligations	$ 11,931,954	$ 2,061,322	$ 7,225,940	$ 1,060,915	$ 1,583,777
Trust Money Market	951,035	951,035	-	-	-
Certificates of Deposit	6,584,286	550,265	5,791,231	242,790	-
	$ 19,467,275	$ 3,562,622	$ 13,017,171	$ 1,303,705	$ 1,583,777

As of June 30, 2016, the District had the following investments:

		Investment maturities (in years)			
Investment Type	Fair Value	Less than 1	Greater than 1, less than 5	Greater than 5, less than 10	Greater than 10
U S Government Agency Obligations	$ 12,110,422	$ 1,042,178	$ 7,170,314	$ 2,078,050	$ 1,819,880
Trust Money Market	1,300,639	1,300,639	-	-	-
Certificates of Deposit	4,677,885	811,438	3,866,447	-	-
	$ 18,088,946	$ 3,154,255	$ 11,036,761	$ 2,078,050	$ 1,819,880

Note 2. Cash and Investments, Continued

Interest rate risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk:

The District has no investment policy that would further limit its investment choices other than state law.

The District's investments in U.S. Government Agency Obligations of Federal Home Loan Bank obligations and Federal Home Loan Mortgage Corporation obligations were rated Aaa by Moody's Investors Services. The remaining fixed income investments are unrated or range from A1 through Aaa.

Concentration of credit risk:

The District places no limit on the amount the District may invest in any one issuer.

Custodial credit risk:

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The following reconciles deposits and investments to cash and investments as presented in the Statement of Net Position:

	2017	2016
Disclosures regarding deposits and investments:		
Cash	$ 2,352,338	$ 3,710,812
Investments	19,467,275	18,088,946
Total	$ 21,819,613	$ 21,799,758
Statement of Net Position:		
Cash:		
Unrestricted	$ 1,580,383	$ 2,938,857
Restricted - noncurrent	771,955	771,955
Total cash	2,352,338	3,710,812
Investments (excluding repurchase agreements):		
Unrestricted	17,287,632	16,576,878
Restricted - current	1,812,637	1,168,947
Restricted - noncurrent	367,006	343,121
Total restricted investments	2,179,643	1,512,068
Total investments (excluding repurchase agreements)	19,467,275	18,088,946
Total cash and investments	$ 21,819,613	$ 21,799,758

Note 3. Restricted Cash, Investments, and Other Assets

	2017	2016
Investments:		
Capacity charges	$ 469,032	$ 469,890
Monies available for debt service		
Revenue bonds	1,607,177	966,522
State revolving fund escrow	103,434	75,656
Total restricted investments	2,179,643	1,512,068
Less current portion	1,812,637	1,168,947
Noncurrent restricted investments	$ 367,006	$ 343,121
Cash:		
Monies available for capital expenditures		
South Carolina DHEC funds	$ 771,955	$ 771,955
Total restricted cash - noncurrent	$ 771,955	$ 771,955
Other assets:		
Available for capital improvements – General obligation bonds	$ 594,352	$ 1,948,362
Available for debt service - General obligation bonds	404,499	373,317
Total other assets - current	$ 998,851	$ 2,321,679

Revenues generated from capacity charges are for the exclusive purpose of offsetting the cost of capital improvements for wastewater treatment facilities, trunk lines and transportation systems. No capacity charge revenues will be utilized for lateral lines or collection system improvements or normal operation and maintenance expense of the existing system.

Note 4. Due From Other Governments

Receivables due from other governments as of June 30, 2017, consist of payments to be received from Greenwood County as part of an agreement to undertake a sewer extension project to protect the environment of Lake Greenwood as well as the health and welfare of residents in that area. Per the agreement, Greenwood County agreed to pay the District $72,000 per year for twenty years. The receivable is discounted at the District's borrowing rate in effect at the time of the agreement and is deemed to be fully collectible by management. Discounted payments due to the District at June 30, 2017 and 2016, were $433,300 and $486,202, respectively.

The following schedule summarizes the District's due from other governments at June 30, 2017:

Within one year	$ 72,000
One to five years	360,000
Six to ten years	72,000
Total due	504,000
Less: Discount for time value of money	(70,700)
	433,300
Less: Current portion	(54,980)
	$ 378,320

Note 5. Capital Assets

The following is a summary of the changes in capital assets:

	Balance June 30, 2016	Additions	Deletions	Transfers	Balance June 30, 2017
Capital Assets, Not Being Depreciated					
Land and land rights	$ 1,263,864	$ -	$ -	$ -	$ 1,263,864
Construction in progress	3,439,922	6,813,511	(18,555)	(6,364,932)	3,869,946
Total capital assets, not being depreciated	4,703,786	6,813,511	(18,555)	(6,364,932)	5,133,810
Capital Assets, Being Depreciated					
Sewage treatment systems	127,794,326	-	-	6,364,932	134,159,258
Equipment	62,444,490	156,699	(20,782)	-	62,580,406
Autos and trucks	2,525,140	90	(288,041)	-	2,237,190
Office buildings	3,997,038	4,197	-	-	4,001,235
	196,760,994	160,986	(308,823)	6,364,932	202,978,089
Accumulated Depreciation					
Sewage treatment systems	61,535,306	3,571,432	-	-	65,106,738
Equipment	14,395,055	2,017,411	(19,340)	-	16,393,126
Autos and trucks	2,048,587	112,949	(288,041)	-	1,873,495
Office buildings	1,223,807	127,222	-	-	1,351,029
	79,202,755	5,829,014	(307,381)	-	84,724,388
Total capital assets, being depreciated net	117,558,239	(5,668,028)	(1,442)	6,364,932	118,253,701
Total capital assets, net	**$ 122,262,025**	**$ 1,145,483**	**$ (19,997)**	**$ -**	**$ 123,387,511**

	Balance June 30, 2015	Additions	Deletions	Transfers	Balance June 30, 2016
Capital Assets, Not Being Depreciated					
Land and land rights	$ 1,263,864	$ -	$ -	$ -	$ 1,263,864
Construction in progress	623,821	3,831,567	-	(1,015,466)	3,439,922
Total capital assets, not being depreciated	1,887,685	3,831,567	-	(1,015,466)	4,703,786
Capital Assets, Being Depreciated					
Sewage treatment systems	126,892,410	16,170	-	885,746	127,794,326
Equipment	62,106,867	315,107	(107,204)	129,720	62,444,490
Autos and trucks	2,188,093	401,749	(64,702)	-	2,525,140
Office buildings	3,997,038	-	-	-	3,997,038
	195,184,408	733,026	(171,906)	1,015,466	196,760,994
Accumulated Depreciation					
Sewage treatment systems	57,966,250	3,569,056	-	-	61,535,306
Equipment	12,478,475	2,018,143	(101,563)	-	14,395,055
Autos and trucks	2,032,666	80,623	(64,702)	-	2,048,587
Office buildings	1,096,992	126,815	-	-	1,223,807
	73,574,383	5,794,637	(166,265)	-	79,202,755
Total capital assets, being depreciated net	121,610,025	(5,061,611)	(5,641)	1,015,466	117,558,239
Total capital assets, net	**$ 123,497,710**	**$ (1,230,044)**	**$ (5,641)**	**$ -**	**$ 122,262,025**

The following is a summary of the estimated useful lives of the system and equipment used to determine depreciation:

Office Buildings	40 years
Sewage Treatment Systems	15-30 years
Equipment	5-7 years
Autos and Trucks	5 years

Depreciation of sewage treatment system is pursuant with guidelines set forth by the Environmental Protection Agency.

Note 6. Long-term Liabilities

Bonds payable were as follows at June 30:

	2017	2016
2009 $7,000,000 General Obligation bonds, due in annual principal installments ranging from $325,000 to $560,000, with interest at 4.55% payable October 1 and April 1, maturing 2025.	$ 3,935,000	$ 4,345,000
2014 $2,842,000 General Obligation bonds, due in annual principal installments ranging from $526,000 to $590,000, with interest at 1.24%, payable October 1 and April 1, maturing 2024.	1,173,000	1,748,000
2014 $5,204,000 General Obligation bonds, due in annual principal installments ranging from $449,000 to $567,000, with interest at 1.82%, payable October 1 and April 1, maturing 2024.	3,764,000	4,264,000
	$ 8,872,000	$ 10,357,000
2012 $3,820,000 Sewer Systems Revenue bonds, due in annual principal installments ranging from $305,000 to $610,000 with interest at 1.69% payable October 1, maturing 2019.	$ 1,210,000	$ 1,800,000
2015 $7,942,000 Sewer Systems Revenue Bonds, due in annual principal installments ranging from $131,000 to $938,000, with interest at 1.89% payable October, 1, maturing 2025.	7,811,000	7,942,000
2016 $26,555,000 Sewer Systems Revenue Bonds, due in annual principal installments ranging from $275,000 to $3,410,000 with interest at 2.00% to 5.00% payable October, 1 maturing 2030.	25,495,000	26,555,000
	34,516,000	36,297,000
Add: Unamortized premium	5,297,882	5,655,848
	$ 39,813,882	$ 41,952,848

During the fiscal year ending June 30, 2016, the District issued $7,942,000 Sewer Systems Revenue Refunding Bonds, Series 2015A and $26,555,000 Sewer Systems Revenue Refunding Bonds, Series 2016, to refund Sewer Systems Revenue Bonds, Series 2006 and 2008, respectively. The refunding resulted in the District saving approximately $9,390,000 in the cash required to service the old debts, Series 2006 and 2008, versus servicing the new debt, Series 2015A and 2016, including the costs associated with completing the refunding. The resulting economic gain from the refunding is approximately $5,730,000.

Bonds payable:

The following is a summary of changes in long-term liabilities - Bonds payable:

	General obligation bonds	Revenue bonds
Balance - June 30, 2015	$ 11,811,000	$ 44,355,000
Retirements	(1,454,000)	(42,555,000)
Additions	-	34,497,000
Balance - June 30, 2016	$ 10,357,000	$ 36,297,000
Retirements	(1,485,000)	(1,781,000)
Additions	-	-
Balance - June 30, 2017	$ 8,872,000	$ 34,516,000
Due within one year	$ 1,522,000	$ 1,678,000

Note 6. Long-term Liabilities, Continued

The annual requirements to amortize all bonds payable outstanding (principal paid annually, interest paid semi-annually) as of June 30, 2017, were as follows:

Year ending	Revenue bonds		General obligation bonds		Total
June 30,	Principal	Interest	Principal	Interest	requirement
2018	$ 1,678,000	$ 1,375,120	$ 1,522,000	$ 262,093	$ 4,837,213
2019	1,708,000	1,341,227	1553,000	226,036	4,828,263
2020	1,752,000	1,296,532	988,000	189,044	4,225,576
2021	1,809,000	1,243,099	1,018,000	158,504	4,228,603
2022	2,080,000	1,177,326	1,047,000	126,872	4,431,198
2023 - 2027	12,839,000	4,477,494	2,744,000	180,016	20,240,510
2028 - 2032	12,650,000	1,249,250	-	-	13,899,250
	$ 34,516,000	$ 12,160,048	$ 8,872,000	$ 1,142,565	$ 56,690,613

State revolving fund loan payable	**2017**	**2016**
2000 State Revolving Fund Loan Interest at 2.25%, eighty quarterly installments of $102,180, including principal and interest.	$ 1,809,200	$ 2,147,316

The agreement requires prorata amounts of the next quarterly payment due be set aside in another trustee maintained escrow fund. These amounts held in this debt service fund totaled $63,958 and $63,939 as of June 30, 2017 and 2016, respectively.

2009 State Revolving Fund Loan Interest at 1.84%, eighty quarterly installments ranging from $5,840 to $8,261, including principal and interest.	$ 341,934	$ 365,054

The agreement requires prorata amounts of the next quarterly payment due be set aside in another trustee maintained escrow fund. These amounts held in this debt service fund totaled $4,803 as of June 30, 2017 and 2016, respectively.

State revolving fund loan payable, continued	**2017**	**2016**
2012 State Revolving Fund Loan Interest at 2.25%, eighty quarterly installments of $20,737, including principal and interest.	$ 1,097,476	$ 1,154,923

The agreement requires prorata amounts of the next quarterly payment due be set aside in another trustee maintained escrow fund. These amounts held in this debt service fund totaled $6,912 and $6,913 as of June 30, 2017 and 2016, respectively.

2015 State Revolving Fund Loan Interest at 2.00%, one hundred twenty quarterly installments of $27,755, including principal and interest.	$ 2,397,123	$ 2,103,429

The agreement requires prorata amounts of the next quarterly payment due be set aside in another trustee maintained escrow fund. These amounts held in this debt service fund totaled $27,761 and $0 as of June 30, 2017 and 2016, respectively.

Note 6. Long-term Liabilities, Continued

The following is a summary of these changes in state revolving fund loans payable:

Balance - June 30, 2015	$ 4,076,883
Retirements	(409,590)
Additions	2,103,429
Balance - June 30, 2016	$ 5,770,722
Retirements	(464,677)
Additions	339,688
Balance - June 30, 2017	**$ 5,645,733**
Due within one year	**$ 487,922**

The annual requirements to amortize the State Revolving Fund Loans as of June 30, 2017 are as follows:

Year ending June 30,	
2018	$ 487,922
2019	499,710
2020	510,702
2021	521,941
2022	533,439
2023 - 2027	825,059
2028 - 2032	863,088
2033 - 2037	489,735
2038 - 2042	473,140
2043 - 2047	440,997
	$ 5,645,733

Revenue bonds and the state revolving fund loan payable are collateralized by an irrevocable pledge of income and revenues derived from the operation of the sewer systems.

Compensated absences liability activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	**Additions**	**Reductions**	**Ending Balance**	**Due Within One Year**	**Long-Term Portion**
Compensated absences	$ 308,589	$ 223,141	$ 209,479	$ 322,251	$ 212,805	$ 109,446

Note 7. Net Position

Net position represents the difference between assets and liabilities. The restricted net position amounts were as follows:

	2017	2016
Net investment in capital assets:		
Net capital assets	$ 123,387,511	$ 122,262,025
Deferred charge on refunding	2,736,725	2,919,049
Less: Revenue bonds payable	(39,813,882)	(41,952,848)
State revolving loans payable	(5,645,733)	(5,770,722)
General obligation bonds	(8,872,000)	(10,357,000)
Construction related accounts payable	(230,037)	(346,337)
	71,562,584	66,754,167
Restricted for capital activity and debt service:		
Restricted cash and assets held by others	1,770,806	3,093,634
Restricted investments	2,179,643	1,512,068
Total restricted for capital activity and debt service:	3,950,449	4,605,702
Unrestricted	10,765,984	12,027,828
Total net position	**$ 86,279,017**	**$ 83,387,697**

At June 30, 2017, the total restricted net position was comprised of $2,709,462 restricted for debt service and $1,240,987 restricted for capital activity. At June 30, 2016, the total restricted net position was comprised of $3,363,857 restricted for debt service and $1,241,845 restricted for capital activity.

Note 8. Pension Plan

The South Carolina Public Employee Benefit Authority (PEBA), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems (Systems) and serves as a co-trustee of the Systems in conducting that review.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Note 8. Pension Plan, Continued

Plan description:

The South Carolina Retirement System (SCRS), a cost–sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.

Membership:

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

- SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits:

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of the benefit terms for each system is presented below.

- SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

  The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

Note 8. Pension Plan, Continued

Contributions:

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. Upon recommendation by the actuary in the annual actuarial valuation, the PEBA Board may adopt and present to the SFAA for approval an increase in the SCRS employer and employee contribution rates, but any such increase may not result in a differential between the employee and total employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS. An increase in the contribution rates adopted by the Board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the Board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the Board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

Required employee contribution rates[1] are as follows:

	Fiscal Year 2017	Fiscal Year 2016
SCRS		
Employee Class Two	8.66%	8.16%
Employee Class Three	8.66%	8.16%

Required employer contribution rates[1] are as follows:

	Fiscal Year 2017	Fiscal Year 2016
SCRS		
Employer Class Two	11.41%	10.91%
Employer Class Three	11.41%	10.91%
Employer Incidental Death Benefit	0.15%	0.15%

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

Actuarial assumptions and methods:

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Actuarial assumptions and methods used during the annual valuation process are subject to periodic revision, typically with an experience study, as actual results over an extended period of time are compared with past expectations and new estimates are made about the future.

South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued as of July 1, 2015. The June 30, 2016, total pension liability, net pension liability, and sensitivity information were determined by the Systems consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the July 1, 2015, actuarial valuations, as adopted by the PEBA Board and SFAA which utilized membership data as of July 1, 2015. The total pension liability was rolled-forward from the valuation date to the Systems' fiscal year ended June 30, 2016, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

Note 8. Pension Plan, Continued

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

	SCRS
Actuarial cost method	Entry age normal
Investment rate of return[1]	7.5%
Projected salary increases	3.5% to 12.5% (varies by service)[1]
Benefit adjustments	lesser of 1% or $500 annually
[1] *Includes inflation at 2.75%*	

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000. Assumptions used in the July 1, 2015, valuation for SCRS is as follows.

Former Job Class	Males	Females
Educators	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 100%	RP-2000 Females multiplied by 90%
Public Safety and Firefighters	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

Net pension liability:

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL total, as of June 30, 2016, for SCRS is presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	$ 45,356,214,752	$ 23,996,362,354	$ 21,359,852,398	52.9%

The total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The net pension liability is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

Note 8. Pension Plan, Continued

Long-term expected rate of return:

The long-term expected rate of return on pension plan investments, as used in the July 1, 2015, actuarial valuations, was based upon the 30 year capital markets outlook at the end of third quarter 2015. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the revised target asset allocation adopted beginning January 1, 2016. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Global Equity	**43.0%**		
Global Public Equity	34.0%	6.52%	2.22%
Private Equity	9.0%	9.30%	0.84%
Real Assets	**8.0%**		
Real Estate	5.0%	4.32%	0.22%
Commodities	3.0%	4.53%	0.13%
Opportunistic	**20.0%**		
GTAA/Risk Parity	10.0%	3.90%	0.39%
HF (Low Beta)	10.0%	3.87%	0.39%
Diversified Credit	**17.0%**		
Mixed Credit	5.0%	3.52%	0.17%
Emerging Markets Debt	5.0%	4.91%	0.25%
Private Debt	7.0%	4.47%	0.31%
Conservative Fixed Income	**12.0%**		
Core Fixed Income	10.0%	1.72%	0.17%
Cash and Short Duration (Net)	2.0%	0.71%	0.01%
Total Expected Real Return	100%		5.10%
Inflation for Actuarial Purposes			2.75%
Total Expected Nominal Return			7.85%

Discount rate:

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that the funding policy specified in the South Carolina State Code of Laws will remain unchanged in future years. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 8. Pension Plan, Continued

Sensitivity analysis:

The following table presents the collective net pension liability of the District calculated using the discount rate of 7.50 percent, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.50 percent) or 1.00 percent higher (8.50 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	**1.00% Decrease (6.50%)**	**Current Discount Rate (7.50%)**	**1.00% Increase (8.50%)**
SCRS	$ 9,862,155	$ 7,905,709	$ 6,277,041

Deferred inflows of resources and deferred outflows of resources:

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each of the respective plans:

	SCRS	
	Deferred outflows of resources	**Deferred inflows of resources**
Differences between expected and actual experience	$ 81,952	$ 8,568
Net difference between projected and actual earnings on pension plan investments	665,124	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	57,075	175,748
Employer contributions subsequent to the measurement date	422,207	-
Total	**$ 1,226,358**	**$ 184,316**

The $422,207 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date for the SCRS plan during the year ended June 30, 2017, will be recognized as a reduction of the net pension liability in the year ending June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS plan:

Year ended June 30,	SCRS
2018	$ (120,441)
2019	(77,604)
2020	(270,102)
2021	(151,688)
2022	-
	$ (619,835)

Note 8. Pension Plan, Continued

Additional financial and actuarial information:

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the Systems' audited financial statements for the fiscal year ended June 30, 2016, (including the unmodified audit opinion on the financial statements). Additional actuarial information is available in the accounting and financial reporting actuarial valuation as of June 30, 2016.

Note 9. Deferred Compensation Plan

The District offers their employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, which is administered and controlled by the State of South Carolina. The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Great West Retirement Services - South Carolina Deferred Compensation Program, PO Box 173764, Denver, CO 80217-3764, (under state contract) is the program administrator of the 457 plan as well as the 401k plan, which is also available to District employees at their option.

Note 10. Post-employment Health Care Benefits

In addition to providing retirement benefits, the District, according to Commission policy, sponsors a single-employer defined benefit health plan administered by the Insurance Benefits Division of PEBA. Generally, employees are eligible for health and dental benefits on or after age 60 with at least 10 years of service or at any age with 28 years of service at retirement. The District will contribute to retirees: 50% of single coverage for employees with 10-19 years of service, and 100% for employees with 20 or more years of service. The cost of these benefits is recognized as an expenditure on a pay-as-you-go basis.

The vesting schedule for retirees is as follows:

Percentage of Insurance Premiums Paid by Employer for Retirees

Years of Service	Age of Retirement							
	55	56	57	58	59	60	61	62
10	50%	50%	50%	50%	50%	50%	50%	50%
20+	100%	100%	100%	100%	100%	100%	100%	100%

Except under certain circumstances detailed in the policy manual, employees who terminate employment are not eligible for retiree health care benefits. Employees who retire under disability retirement are eligible for retiree health care benefits based on the years of service provided in the chart above, or at the member's expense depending on years of service. Spouses of retired employees are eligible to receive retiree health care benefits at member's cost. Retirees are required to enroll in Medicare once eligible. Retiree pays Medicare premiums according to years of service. The District coverage continues when retiree becomes eligible for Medicare and once actively retired, the District insurance becomes secondary. Employees and spouses retiring with retiree health care benefits are eligible for District dental benefits for an additional $20 for retirees and $15 for spouses.

Note 10. Post-employment Health Care Benefits, Continued

Funding for OPEB:

The District's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with GASB statement number 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded liabilities (UAAL) of funding excess over a period of 30 years using a level dollar amount. As of June 30, 2017 and 2016, the Plan's unfunded OPEB liability was $2,900,340 and $2,661,970, respectively.

The District currently pays for post-employment benefits on a pay-as-you-go basis. For fiscal years 2017 and 2016, the District contributed $135,232 and $129,002 for current premiums of existing retirees, respectively. The age adjusted contributions detailed below are the actual contributions adjusted to include the effect of any implicit subsidy inherent in the retiree premiums. The District is currently studying various funding alternatives and/or modifications to the existing plan. These financial statements assume that a pay-as-you-go funding policy will continue. A separate, audited GAAP-basis post-employment benefit plan report is not available as the District is funding the plan on a pay-as-you go basis.

Annual OPEB costs and net OPEB obligation:

For 2017 and 2016, the District's annual OPEB cost was $373,602 and $425,441, respectively. The District's annual OPEB costs and the net OPEB obligation for June 30, 2017 and 2016, were as follows:

For the year ending June 30, 2017:

Employer Normal Cost	$ 229,170
Amortization of UAL*	182,433
Annual Required Contribution (ARC)	411,603
Adjustment to ARC	(127,177)
Interest on Net OPEB Obligation	89,176
Annual OPEB Cost	373,602
Age Adjusted Contributions made	(135,232)
Net change in OPEB Obligation for fiscal year ending June 30, 2017	238,370
Net OPEB Obligation – Beginning of year	2,661,970
Net OPEB Obligation – End of year	$ 2,900,340

For the year ending June 30, 2016:

Employer Normal Cost	$ 282,639
Amortization of UAL*	163,651
Annual Required Contribution (ARC)	446,290
Adjustment to ARC	(100,094)
Interest on Net OPEB Obligation	79,245
Annual OPEB Cost	425,441
Age Adjusted Contributions made	(129,002)
Net change in OPEB Obligation for fiscal year ending June 30, 2016	296,439
Net OPEB Obligation – Beginning of year	2,365,531
Net OPEB Obligation – End of year	$ 2,661,970

* Unfunded Actuarial Accrued Liabilities (UAL) were amortized over 25 years.

Note 10. Post-employment Health Care Benefits, Continued

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017, 2016 and 2015 are summarized below:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	$428,138	28.5%	$2,365,531
2016	$425,441	30.3%	$2,661,970
2017	$373,602	36.1%	$2,900,340

Funded status and funding progress:

Schedule of funding progress

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b – a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2015	June 30, 2014	$ -	$ 3,652,646	$ 3,652,646	$ -	$ 3,435,680	106.3%
June 30, 2016	June 30, 2014	$ -	$ 3,652,646	$ 3,652,646	$ -	$ 3,584,164	101.9%
June 30, 2017	June 30, 2017	$ -	$ 3,710,941	$ 3,710,941	$ -	$ 3,630,703	102.2%

Actuarial methods and assumptions:

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events well into the future. Examples would include assumptions about future employment, rates of retirement, mortality, and health care cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

In the June 30, 2017, actuarial valuation, the entry age normal cost method was used. The actuarial assumption used a 3.35% rate of investment return. The valuation assumes a 5.3% health care trend inflation rate for 2017, 5.2% for 2018 through 2021, and 4.7% thereafter. General inflation is assumed to be 3.35% per year. The schedule of funding progress and schedule of employer contributions is presented as required supplementary information following the notes to the financial statements.

Note 10. Post-employment Health Care Benefits, Continued

Valuation Date:	June 30, 2017
Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level percentage of payroll, open
Amortization Period:	22 years
Asset Valuation Method:	Market Value

Actuarial Assumptions:

Investment Rate of Return:	3.35% annual rate of return net of both administrative and investment related expenses
Health Cost Trend Assumption:	5.3% to 4.7% in varying steps
Payroll Growth:	2.9% per year

Note 11. Leases

The West Alexander disposal plant and certain sewerage trunk lines are leased by the District from the Greenwood Commissioners of Public Works. The original lease was for a period of 25 years from November 1, 1966 to November 1, 1991, at a yearly rental of $1.00. On November 19, 1969, the term of the lease was amended to run from January 31, 1971, for a period of 50 years at the same yearly rental. The District is responsible for all maintenance of the property and facility.

Note 12. Fair Value Measurements

To the extent available, the District's investments are recorded at fair value as of June 30, 2017. GASB Statement No. 72 - *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Level 1: Investments whose values are based on quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date.

Level 2: Investments with inputs – other than quoted prices included within Level 1 – that are observable for an asset, either directly or indirectly.

Level 3: Investments classified as Level 3 have unobservable inputs for an asset and may require a degree of professional judgment.

Note 12. Fair Value Measurements, Continued

The following table summarizes the District's investments within the fair value hierarchy at June 30, 2017:

Investment Type	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U S Government Agency Obligations	$ 11,931,954	$ -	$ 11,931,954	$ -
Trust Money Market	951,035	-	951,035	-
Certificates of Deposit	6,584,286	-	6,584,286	-
	$ 19,467,275	$ -	$ 19,467,275	$ -

The following table summarizes the District's investments within the fair value hierarchy at June 30, 2016:

Investment Type	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U S Government Agency Obligations	$ 12,110,422	$ -	$ 12,110,422	$ -
Trust Money Market	1,300,639	-	1,300,639	-
Certificates of Deposit	4,677,885	-	4,677,885	-
	$ 18,088,946	$ -	$ 18,088,946	$ -

Note 13. Concentration of Credit Risk

The District provides sewer service and grants credit to customers located in its geographical service area which is Greenwood County.

Note 14. Commitments and Contingent Liabilities

In the normal course of business, the District has numerous contracts for construction and other activities for which it is committed to complete and pay. As of June 30, 2017, the District had open contracts of $9,400,131 of which $6,334,898 remains to be paid upon further progress by the contractors.

The District participates in a number of federal and state assisted grant programs. These programs are subject to compliance audits by grantors or their representatives. The audits of these programs for the year ended June 30, 2017, have not yet been conducted; therefore, the District's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Note 15. Litigation

It is the opinion of management and the District's attorneys that there are no unresolved claims against the District that will materially affect the financial condition of the District.

Note 16. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To insure against casualty risks, the District is a member of the State of South Carolina Insurance Reserve Fund, a public entity risk pool currently operating as a common risk management and insurance program for local governments in South Carolina.

The District carries employee medical and dental insurance through the CPW - City of Greenwood plan which represents Commission of Public Works and Greenwood Metropolitan District. The District pays premiums to the plan for its employee health and dental insurance.

The District acquires insurance from the State Accident Fund for job related injury and illness (workers' compensation) to its employees.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Note 17. Related Party Transactions

The District has an agreement with the Greenwood Commissioners of Public Works (CPW) to perform the billing and collection function for the majority of the District's sewer charges. Sewer charges billed by the CPW on behalf of the District but not yet collected totaled $1,068,322 and $981,802, and monies collected on behalf of the district by the CPW and not remitted to the District totaled $1,085,999 and $1,113,946 as of June 30, 2017 and 2016, respectively. The District paid the CPW $245,200 and $243,668 for the years ended June 30, 2017 and 2016, respectively, for performing these billing and collection services.

All of the CPW's commissioners are also commissioners for the District. They represent three of the six commissioners of the District.

Note 18. Tax Abatements

The District is located in Greenwood, South Carolina and Greenwood County (the "County") collects property taxes on behalf of the District. The County provides tax abatements under four programs: Fee-in-Lieu of Tax Program (FILOT), Special Source Revenue Credit Program (SSRC), Fee-in-Lieu of Tax and Special Source Revenue Credit Program (FILOT + SSRC), and Special Source Revenue Credit and Infrastructure Program (SSRC + IP).

1. The Fee-in-Lieu of Tax Program (FILOT) offers individual incentive packages by abating property taxes to attract new business to the County and to retain current businesses. The FILOT program was established by the SC Code Title 12, Chapter 44 and Title 4, Chapter 12. Generally, for taxpayers to be approved for this program they must agree to invest the statutory minimum (A higher amount may be negotiated) during the investment period. The investment period begins on the day in which the property described in the agreement is entered into service and ends at an agreed upon point in time. Once the investment period begins, the taxpayer may receive a reduction of assessed rate, reduction in millage rate and elimination of (or reduction in) the number of times the millage rates change for the property over the length of the agreement. Repayments of any savings in property taxes are required by state law if the taxpayer fails to maintain the conditions set forth in the agreement. Other recapture provisions may be negotiated on a case by case basis.

Note 18. Tax Abatements, Continued

2. The Special Source Revenue Credit Program (SSRC) offers individual incentive packages by abating property taxes to attract new business to the County and to retain current businesses. The SSRC program was established by the SC Code Sections 4-29-68, 4-1-170, and 12-44-70. Generally, for taxpayers to be approved for this program they must agree to incur costs of designing, acquiring, constructing, improving, or expanding improved or unimproved real estate or personal property used in the operation of a manufacturing or commercial enterprise, infrastructure servicing the project, or certain aircraft within the investment period. The investment period begins on the day in which the property described in the agreement is entered into service and ends at an agreed upon point in time. Once the investment period begins, the taxpayer will receive a specified percentage refund of their property taxes for the property included in the agreement within 30 days of their property tax payment. If the taxpayer fails to maintain conditions set forth in the agreement, state law requires that the taxpayer pay two additional years of property tax if the SSRC was received on personal property. Other recapture provisions may be negotiated on a case by case basis.
3. Fee-in-Lieu of Tax and Special Source Revenue Credit Program (FILOT + SSRC) offers individual incentive packages by abating property taxes to attract new business to the County and to retain current businesses. The Fee-in-Lieu of Tax and Special Source Revenue Credit Program (FILOT + SSRC) was established by SC Code Title 12, Chapter 44 and Title 4, Chapter 12 as SC Code Sections 4-29-68, 4-1-170, and 12-44-70. Generally, for taxpayers to be approved for this program they must agree to invest the statutory minimum (A higher amount may be negotiated) within the investment period. The investment period begins on the day in which the property described in the agreement is entered into service and ends at an agreed upon point in time. The taxpayer must also agree to incur costs of designing, acquiring, constructing, improving, or expanding improved or unimproved real estate or personal property used in the operation of a manufacturing or commercial enterprise, infrastructure servicing the project, or certain aircraft within the investment period. Once the investment period begins, the taxpayer may receive a reduction of assessed rate, reduction in millage rate and elimination of (or reduction in) the number of times the millage rates change for the property over the length of the agreement. Then the taxpayer will receive a specified percentage refund of their fee-in-lieu of tax payment within 30 days of their FILOT payments. If the taxpayer fails to maintain conditions set forth in the agreement, state law requires that the taxpayer repay all savings in property taxes from fee-in-lieu of tax payments and the taxpayer is also required by state law to pay two additional years of property tax if the SSRC was received on personal property. Other recapture provisions may be negotiated on a case by case basis.
4. The Special Source Revenue Credit and Infrastructure Program (SSRC + IP) offers individual incentive packages by abating property taxes and giving property grants to attract new business to the County and to retain current businesses. The Special Source Revenue Credit and Infrastructure Program (SSRC + IP) was established by the SC Code Sections 4-29-68, 4-1-170, and 12-44-70. Generally, for taxpayers to be approved for this program they must agree to incur costs of designing, acquiring, constructing, improving, or expanding improved or unimproved real estate or personal property used in the operation of a manufacturing or commercial enterprise, infrastructure servicing the project, or certain aircraft within the investment period. The investment period begins on the day in which the property described in the agreement is entered into service and ends at an agreed upon point in time. Generally, the taxpayer agrees to invest the statutory minimum and a job creation minimum within the investment period.

Note 18. Tax Abatements, Continued

Once the investment period begins, the taxpayer will receive a specified percentage refund of their property taxes for the property included in the agreement within 30 days of their property tax payment. The taxpayer will also receive a land grant for an amount negotiated in the agreement. If the taxpayer fails to maintain conditions set forth in the agreement, state law requires that the taxpayer pay two additional years of property tax if the SSRC was received on personal property. Additionally, the taxpayer will be required to reimburse the County for the land grant as well as interest based on the negotiated percentage in the agreement. Other recapture provisions may be negotiated on a case by case basis.

Information relevant to the disclosure of those programs for the fiscal year ended June 30, 2017, is as follows:

Tax Abatement Program	Amount of Taxes Abated During the Fiscal Year
Fee-in-Lieu of Taxes Program (FILOT)	$ 318,421
Special Source Revenue Credits Program (SSRC)	10,150
Fee-in-Lieu of Tax and Special Source Revenue Credit Program (FILOT+SSRC)	34,298
Special Source Revenue Credit and Infrastructure Program (SSRC+IP)	5,265
Total amount of taxes abated as of June 30, 2017	$ 368,134

Required Supplementary Information

Schedule of Funding Progress

Fiscal Year Ending	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2015	June 30, 2014	$ -	$ 3,652,646	$ 3,652,646	-	$ 3,435,680	106.3%
June 30, 2016	June 30, 2014	-	3,652,646	3,652,646	-	3,584,164	101.9%
June 30, 2017	June 30, 2017	-	3,710,941	3,710,941	-	3,630,703	102.2%

Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contribution	Contributions	Percent Funded	Net OPEB Obligation
June 30, 2015	$ 446,290	$ 122,078	27.4%	$ 2,365,531
June 30, 2016	446,290	129,002	28.9%	2,661,970
June 30, 2017	411,603	135,232	32.9%	2,990,340

Note: For the years ended June 30, 2017, 2016, and 2015, contributions of $135,232, $129,002, and $122,078 are the age adjusted contributions, respectively.

Greenwood Metropolitan District

Required Supplementary Information

Schedule of the Employer's Proportionate Share of the Net Pension Liability

For the years ended June 30

	SCRS			
	2017	**2016**	**2015**	**2014**
Employer's proportion of the net pension liability	0.03701%	0.03660%	0.03846%	0.03846%
Employer's proportionate share of the net pension liability	$ 7,905,709	$ 6,941,748	$ 6,621,710	$ 6,898,531
Employer's covered payroll during the measurement period	$ 3,584,164	$ 3,431,900	$ 3,491,781	$ 3,442,870
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	220.57331%	202.27128%	189.63704%	200.37152%
Plan fiduciary net position as a percentage of the total pension liability	52.91%	56.99%	59.92%	59.92%

Note: Data unavailable for years prior to 2014

Greenwood Metropolitan District
Required Supplementary Information
Schedule of the Employer's Contributions
For the year ended June 30

	SCRS									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Contractually required contribution	$ 422,207	$ 396,408	$ 374,077	$ 370,129	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	422,207	396,408	374,077	370,129	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	N/A	N/A	N/A	N/A	N/A	N/A
Employer's covered-employee payroll	$ 3,652,303	$ 3,584,164	$ 3,431,900	$ 3,491,781	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	11.56002%	11.05998%	10.90000%	10.60001%	N/A	N/A	N/A	N/A	N/A	N/A

Note: Data unavailable for years prior to 2014

Other Supplementary Information

Greenwood Metropolitan District

Schedule 1 - Budgetary Comparison Schedule

For the year ended June 30, 2017

	Original & Final Budget	Actual	Variance favorable (unfavorable)
Operating revenues			
Sewer service charges	$ 15,698,000	$ 15,557,347	$ (140,653)
Extra strength surcharge	560,000	642,312	82,312
Miscellaneous revenue	153,000	196,797	43,797
	16,411,000	16,396,456	(14,544)
Operating expenses before depreciation			
Salaries and fringe benefits - Operating and maintenance	6,061,222	6,532,114	(470,892)
Utilities	821,500	730,065	91,435
Bad debts	71,000	48,598	22,402
Chemical cost	121,000	78,477	42,523
Supplies and maintenance	1,240,555	1,031,902	208,653
Contracted services	509,775	359,269	150,506
Miscellaneous	610,046	449,337	160,709
	9,435,098	9,229,762	205,336
Operating income before depreciation	6,975,902	7,166,694	190,792
Depreciation	5,804,543	5,829,014	(24,471)
Operating income	1,171,359	1,337,680	166,321
Nonoperating revenues (expenses)			
Tax revenue	1,772,650	1,807,492	34,842
Net investment gain	290,000	16,959	(273,041)
Capacity charges	203,500	109,766	(93,734)
Inspection revenue	2,436	3,360	924
Tap fees	28,000	53,400	25,400
Interest and debt issuance costs	(1,682,417)	(1,615,162)	67,255
Paying agents' fees	(11,750)	(9,778)	1,972
Gain on sale of capital assets	-	67,212	67,212
	602,419	433,249	(169,170)
Increase in net position, before capital contributions	**$ 1,773,778**	**$ 1,770,929**	**$ (2,849)**

Greenwood Metropolitan District

Schedule 2 - Schedule of Outstanding Bonds Issued

June 30, 2017

Date issued	Description	Interest rate	Annual amount	Principal Maturities Date
June 25, 2009	General Obligation Bonds			
		4.55	430,000	10/1/2017
		4.55	445,000	10/1/2018
		4.55	460,000	10/1/2019
		4.55	480,000	10/1/2020
		4.55	500,000	10/1/2021
		4.55	520,000	10/1/2022
		4.55	540,000	10/1/2023
		4.55	560,000	10/1/2024
			3,935,000	
March 25, 2012	Revenue Bonds			
		1.69	600,000	10/1/2017
		1.69	610,000	10/1/2018
			1,210,000	
November 6, 2014	General Obligation Bonds			
		1.82	509,000	4/1/2018
		1.82	518,000	4/1/2019
		1.82	528,000	4/1/2020
		1.82	538,000	4/1/2021
		1.82	547,000	4/1/2022
		1.82	557,000	4/1/2023
		1.82	567,000	4/1/2024
			3,764,000	
November 6, 2014	General Obligation Bonds			
		1.24	583,000	4/1/2018
		1.24	590,000	4/1/2019
			1,173,000	

Greenwood Metropolitan District

Schedule 2 - Schedule of Outstanding Bonds Issued, Continued

June 30, 2016

Date issued	Description	Interest rate	Annual amount	Principal Maturities Date
November 19, 2015	Revenue Bonds			
		1.89	803,000	10/1/2017
		1.89	818,000	10/1/2018
		1.89	837,000	10/1/2019
		1.89	849,000	10/1/2020
		1.89	865,000	10/1/2021
		1.89	884,000	10/1/2022
		1.89	900,000	10/1/2023
		1.89	917,000	10/1/2024
		1.89	938,000	10/1/2025
			7,811,000	
May 11, 2016	Revenue Bonds			
		2.00	275,000	10/1/2017
		4.00	280,000	10/1/2018
		4.00	915,000	10/1/2019
		4.00	960,000	10/1/2020
		5.00	1,215,000	10/1/2021
		5.00	1,485,000	10/1/2022
		5.00	1,560,000	10/1/2023
		5.00	1,645,000	10/1/2024
		5.00	1,725,000	10/1/2025
		5.00	2,785,000	10/1/2026
		5.00	2,925,000	10/1/2027
		5.00	3,075,000	10/1/2028
		4.31	3,240,000	10/1/2029
		5.00	3,410,000	10/1/2030
			25,495,000	
	Totals		**$ 43,388,000**	

Greenwood Metropolitan District

Schedule 3 - Schedule of Revenues and Expenses

For the years ended June 30, 2017, 2016 and 2015

	2017	2016	2015
Operating revenues			
Sewer service charges	$ 15,557,347	$ 15,588,081	$ 15,040,634
Extra strength surcharge	642,312	576,364	594,565
Miscellaneous revenue	196,797	300,247	184,443
	16,396,456	16,464,692	15,819,642
Operating expenses before depreciation			
Salaries - Operating and maintenance	2,881,779	2,729,109	2,716,598
Billing and collection fees	245,200	243,668	241,431
Utilities	730,065	770,765	860,057
Bad debts	48,598	45,320	70,654
Chemical cost	78,477	97,204	5,674
Miscellaneous supplies and small tools	453,271	492,663	494,270
Repairs and maintenance	500,057	570,757	569,964
Salaries - Administrative	788,075	762,052	694,648
Professional services	52,456	45,111	102,047
Contracted services	306,813	321,500	544,464
Insurance	193,321	195,626	173,601
Employees' benefits	2,544,053	2,401,417	2,427,082
Office supplies	10,729	12,848	14,300
Miscellaneous	318,294	325,321	311,124
Fuel cost	78,574	128,899	136,363
	9,229,762	9,142,260	9,362,277
Operating income before depreciation	7,166,694	7,322,432	6,457,365
Depreciation	5,829,014	5,794,637	5,750,323
Operating income	1,337,680	1,527,795	707,042
Nonoperating revenues (expenses)			
Tax revenue	1,807,492	1,753,376	1,729,849
Capacity charges	109,766	232,168	332,349
Inspection revenue	3,360	7,632	4,608
Transmission fees	53,400	100,181	51,725
Interest and debt issuance costs	(1,615,162)	(2,290,369)	(2,523,427)
Paying agents' fees	(9,778)	(11,556)	(9,778)
Gain on sale of capital assets	67,212	24,369	74,936
Investment income	56,678	457,501	307,965
Investment management fees	(39,719)	(42,718)	(40,240)
	433,249	230,584	(72,013)
Capital contributions	1,120,391	214,609	524,570
Increase in net position	**$ 2,891,320**	**$ 1,972,988**	**$ 1,159,599**

Statistical Section (Unaudited)

This part of Greenwood Metropolitan District's comprehensive annual financial report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant revenue source.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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

Greenwood Metropolitan District

Table 1 - Net Position by Component

Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Primary government										
Net investment in capital assets	$ 61,418,079	$ 63,272,911	$ 63,416,700	$ 63,141,538	$ 61,146,144	$ 63,777,519	$ 64,461,870	$ 62,659,377	$ 66,754,167	$ 71,562,584
Restricted	4,487,070	1,155,530	1,381,767	2,351,623	2,479,978	2,702,307	2,928,977	4,837,834	4,605,702	3,950,449
Unrestricted	21,516,648	22,283,512	21,198,606	20,598,324	22,006,200	19,409,592	19,392,503	13,917,498	12,027,828	10,765,984
Total primary government net position	**$ 87,421,797**	**$ 86,711,953**	**$ 85,997,073**	**$ 86,091,485**	**$ 85,632,322**	**$ 85,889,418**	**$ 86,783,350**	**$ 81,414,709**	**$ 83,387,697**	**$ 86,279,017**

Greenwood Metropolitan District

Table 2 - Changes in Net Position

Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income (Loss)	Total Nonoperating Revenues/ (Expenses)	Income (Loss) Before Capital Contributions	Capital Contributions	Change In Net Position
2008	$ 10,687,953	$ 11,876,177	$ (1,188,224)	$ 2,143,183	$ 954,959	$ -	$ 954,959
2009	11,105,654	13,096,154	(1,990,500)	1,014,836	(975,664)	265,820	(709,844)
2010	12,511,324	13,611,242	(1,099,918)	385,038	(714,880)	-	(714,880)
2011	14,345,435	14,172,942	172,493	(633,638)	(461,145)	555,557	94,412
2012	15,072,798	14,872,329	200,469	(1,108,138)	(907,669)	448,506	(459,163)
2013	15,750,370	14,780,548	969,822	(776,078)	193,744	383,646	577,390
2014	15,712,034	14,826,838	885,196	(491,264)	393,932	500,000	893,932
2015	15,819,642	15,112,600	707,042	(72,013)	635,029	524,570	1,159,599
2016	16,464,692	14,936,897	1,527,795	230,584	1,758,379	214,609	1,972,988
2017	16,396,456	15,058,776	1,337,680	433,249	1,770,929	1,120,391	2,891,320

Greenwood Metropolitan District

Table 3 - Revenues by Source

Last Ten Fiscal Years

Fiscal Year	Charges	Surcharges	Miscellaneous	Total Operating Revenues	Taxes	Net Investment Income (loss)	Miscellaneous and Capital Contributions	Total Nonoperating Revenues	Total
2008	$ 9,489,816	$ 445,482	$ 752,655	$ 10,687,953	$ 1,496,002	$ 1,799,495	$ 467,808	$ 3,763,305	$ 14,451,258
2009	9,585,452	458,303	1,061,899	11,105,654	1,128,736	1,198,994	259,270	2,587,000	13,692,654
2010	11,192,024	698,588	620,712	12,511,324	1,042,030	266,191	1,000,660	2,308,881	14,820,205
2011	12,865,503	1,182,483	297,449	14,345,435	1,480,428	152,906	53,365	1,686,699	16,032,134
2012	13,587,114	1,214,784	270,900	15,072,798	1,336,702	319,653	89,365	1,745,720	16,818,518
2013	14,591,036	914,960	244,374	15,750,370	1,672,042	(133,423)	257,828	1,796,447	17,546,817
2014	14,717,871	767,598	226,565	15,712,034	1,709,971	189,542	170,656	2,070,169	17,782,203
2015	15,040,634	594,565	184,443	15,819,642	1,729,849	267,725	988,188	2,985,762	18,805,404
2016	15,588,081	576,364	300,247	16,464,692	1,753,376	414,783	578,959	2,747,118	19,211,810
2017	15,557,347	642,312	196,797	16,396,456	1,807,492	16,959	1,354,129	3,178,580	19,575,036

Greenwood Metropolitan District

Table 4 - Expenses by Category

Last Ten Fiscal Years

Fiscal Year	Salaries	Employee Benefits	Other Operating	Depreciation	Total Operating	Interest and Debt Issuance Costs	Other	Total Nonoperating	Total
2008	$ 2,686,638	$ 1,359,286	$ 3,135,558	$ 4,694,695	$ 11,876,177	$ 1,615,659	$ 4,463	$ 1,620,122	$ 13,496,299
2009	2,929,907	1,873,046	3,441,858	4,851,343	13,096,154	1,566,201	5,963	1,572,164	14,668,318
2010	3,092,885	1,943,479	3,635,809	4,939,069	13,611,242	1,916,880	6,963	1,923,843	15,535,085
2011	3,149,560	2,040,444	3,747,496	5,235,442	14,172,942	2,313,374	6,963	2,320,337	16,493,279
2012	3,413,698	1,838,411	3,918,083	5,702,137	14,872,329	2,844,395	9,463	2,853,858	17,726,187
2013	3,432,860	2,461,894	3,234,005	5,651,789	14,780,548	2,564,678	7,847	2,572,525	17,353,073
2014	3,494,712	2,416,360	3,219,039	5,696,727	14,826,838	2,552,845	8,588	2,561,433	17,388,271
2015	3,411,246	2,427,082	3,523,949	5,750,323	15,112,600	2,523,427	9,778	2,533,205	17,645,805
2016	3,491,161	2,401,417	3,249,682	5,794,637	14,936,897	2,290,369	11,556	2,301,925	17,238,822
2017	3,669,854	2,544,053	3,015,855	5,829,014	15,058,776	1,615,162	9,778	1,624,940	16,683,716

Greenwood Metropolitan District

Table 5 - Principal Customers
Current Year and Nine Years Ago
****In thousands***

Customer	2017 Annual Billings	Rank	Percentage of Charges	2008 Annual Billings	Rank	Percentage of Charges
Fuji Photo Film, Inc.	$ 2,443,495	1	14.90%	$ 1,870,750	1	17.50%
Ascend Performance Materials Operations, LLC	1,210,538	2	7.38%	995,869	2	9.32%
Carolina Pride Foods	501,219	3	3.06%	597,400	3	5.59%
Capsugel	493,148	4	3.01%	276,292	4	2.59%
Self Regional Healthcare	332,552	5	2.03%	257,434	5	2.41%
Greenwood Fabricating and Plating	126,730	6	0.77%	66,419	7	0.62%
Greenwood Mills - Harris Plant	83,340	7	0.51%	27,674	10	0.26%
Covidien	77,184	8	0.47%	75,184	6	0.70%
MEC- Center Manufacturing Sc, Inc.	77,174	9	0.47%	10,021	N/A	0.09%
Eaton/Cutler Hammer	54,740	10	0.33%	38,837	9	0.36%
Subtotal (ten largest)	5,400,120		32.93%	4,215,880		39.45%
Balance from other customers	10,996,336		67.07%	6,472,073		60.55%
Total	**$ 16,396,456**		**100.00%**	**$ 10,687,953**		**100.00%**

Source: Prior annual reports

Greenwood Metropolitan District

Table 6 - Demographic Statistics
Last Ten Fiscal Years

Fiscal year	Estimated population	Personal income (in thousands)	Per capita personal income	School enrollment	Unemployment rate	
					State	County
2008	68,259	1,803,267	26,529	12,267	5.5%	6.2%
2009	68,259	1,803,267	29,036	12,267	12.1%	14.4%
2010	69,671	2,005,989	29,036	12,056	10.7%	12.1%
2011	69,671	2,067,569	29,676	11,882	10.5%	12.4%
2012	69,835	2,067,862	29,658	11,468	9.6%	10.9%
2013	69,756	2,259,945	32,398	11,294	8.1%	9.9%
2014	69,723	2,265,645	32,495	11,630	5.3%	6.3%
2015	71,843	2,265,645	32,495	11,806	6.6%	6.9%
2016	69,214	2,288,081	32,913	11,751	5.4%	5.8%
2017*	69,214	2,288,081	32,913	11,751	4.0%	4.5%

* Estimated

Source: Greenwood County, SC CAFR

Greenwood Metropolitan District

Table 7 - Principal Employers

Current Year and Nine Years Ago

	2017			2008		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Self Regional Healthcare	2,284	1	7.50%	2,500	1	8.84%
Fuji Photo Film Inc.	1,500	2	4.93%	1,000	3	3.54%
Greenwood School District 50	1,183	3	3.89%	1,300	2	4.60%
Carolina Pride Foods Inc. (Gwd Packing)	938	4	3.08%	740	4	2.62%
Eaton Corp (Electric & Hydraulic)	800	5	2.63%	490	8	1.73%
Capsugel - Divison of Pfizer Inc.	675	6	2.22%	700	5	2.48%
Kendall-Tyco Healthcare (Medtronic)	623	7	2.05%	470	9	1.66%
Ascend Performance Materials	623	7	2.05%	600	6	2.12%
Piedmont Technical College	525	9	1.72%	-	-	-
Velux	350	10	1.15%	400	10	1.42%
Total	**9,501**		**31.22%**	**8,200**		**29.01%**

Source: SC Appalachian Council of Governments, SC Dept. of Employment and Workforce

Greenwood Metropolitan District

Table 8 - Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Revenue Bonds	Revolving Fund Loan	Bond Premium	Total	Percentage of Personal Income	Per Capita
2008	$ 9,915,000	$ 51,580,000	$ 4,508,352	$ 568,212	$ 66,571,564	3.69%	975
2009	16,210,000	50,680,000	4,254,114	541,874	71,685,988	3.85%	1,046
2010	14,980,000	49,745,000	4,458,470	515,534	69,699,004	3.47%	1,000
2011	13,890,000	48,770,000	4,194,424	489,195	67,343,619	3.36%	953
2012	12,980,000	47,545,000	4,436,002	462,856	65,423,858	3.16%	937
2013	12,040,000	46,680,000	4,867,380	436,517	64,023,897	2.83%	918
2014	11,050,000	45,530,000	4,477,589	410,178	61,467,767	2.71%	882
2015	11,811,000	44,355,000	4,076,883	383,839	60,626,722	2.68%	870
2016	10,357,000	36,297,000	5,770,722	5,655,848	58,080,570	2.54%	839
2017	8,872,000	34,516,000	5,645,733	5,297,882	54,331,615	2.37%	785

Greenwood Metropolitan District

Table 9 - Pledged Revenue Coverage

Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Non-Operating Revenues (excluding tax revenue)	Gross Revenues	Operating Expenses (excluding depreciation)	Net Available Revenues	Principal	Interest	Total	Coverage Ratio
2008	$ 10,687,953	$ 2,267,303	$ 12,955,256	$ 7,181,482	$ 5,773,774	$ 1,110,531	$ 2,187,425	$ 3,297,956	175%
2009	11,105,654	1,458,264	12,563,918	8,244,811	4,319,107	1,154,238	2,441,975	3,596,213	120%
2010	12,511,324	1,266,851	13,778,175	8,672,173	5,106,002	1,198,254	2,385,788	3,584,042	142%
2011	14,345,435	206,271	14,551,706	8,937,500	5,614,206	1,263,657	2,354,480	3,618,137	155%
2012	15,072,798	409,018	15,481,816	9,128,759	6,353,057	1,354,856	2,247,086	3,601,942	176%
2013	15,750,370	124,405	15,874,775	9,362,277	6,512,498	1,211,492	2,102,402	3,313,894	197%
2014	15,712,034	360,198	16,072,232	9,130,111	6,942,121	1,539,791	2,083,739	3,623,530	192%
2015	15,819,642	1,255,913	17,075,555	9,362,277	7,713,278	1,575,708	2,042,953	3,618,661	213%
2016	16,464,692	993,742	17,458,434	9,142,260	8,316,174	1,619,588	1,877,203	3,496,791	238%
2017	16,396,456	1,371,088	17,767,544	7,166,694	10,600,850	2,245,677	1,383,114	3,628,791	292%

Greenwood Metropolitan District

Table 10 - Full-time Equivalent Government Employees by Function/Program

Last Ten Calendar Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Operations	15	15	14	16	18	20	20	19	17	17
Plant Maintenance	5	6	6	7	3	4	4	4	4	4
System Maintenance	28	28	26	23	27	24	24	25	24	23
Engineering	4	3	6	5	6	6	6	6	6	6
Administration	8	9	9	12	13	13	13	12	14	14
Total	**60**	**61**	**61**	**63**	**67**	**67**	**67**	**66**	**65**	**64**

Source: State accident Payroll Report

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Table 11 - Operating and Capital Indicators

Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of customers	14,990	14,956	14,975	14,948	14,961	15,003	15,003	15,098	15,344	15,802
Miles of sewers	362	368	368	368	368	368	368	368	368	368
Number of treatment plants	2	2	2	2	2	2	2	2	2	2
Treatment capacity (MGD)	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2
Average daily flow (MGD)	7.19	7.78	8.19	6.59	6.36	6.92	6.92	6.25	6.84	5.67
Peak week flow (MGD)	12.00	15.40	14.90	9.4	8.1	11.7	11.7	9.1	15.8	7.8
Amount treated annually (millions of gallons)	2,624	2,839	2,989	2,405	2,321	2,526	2,526	2,281	2,497	2,040
Unused capacity (millions of gallons)	2,559	2,344	2,194	2,778	2,862	2,657	2,657	2,902	2,688	3,143
Percentage of capacity used	51%	55%	58%	46%	45%	49%	49%	44%	48%	40%

Greenwood Metropolitan District

Table 12 - Sewer Rates

Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Sewer Rates									
Base rate (meter size)									
5/8" or 3/4"	$ 8.64	$ 10.40	$ 11.40	$ 11.40	$ 12.50	$ 13.50	$ 13.85	$ 13.85	$ 14.75
1.0 "	21.60	26.00	28.50	28.50	31.25	34.00	34.75	34.75	36.85
1.5"	43.20	52.00	57.00	57.00	62.50	68.00	69.50	69.50	73.65
2.0"	69.12	83.20	91.20	91.20	100.00	108.00	111.00	111.00	117.85
3.0"	138.24	166.40	182.40	182.40	200.00	218.00	222.25	222.25	235.70
4.0"	216.00	260.00	285.00	285.00	312.50	340.00	346.80	346.80	368.35
6.0"	432.00	520.00	570.00	570.00	625.00	680.00	693.10	693.10	736.50
8.0"	691.20	832.00	912.00	912.00	1,000.00	1,090.00	1,108.60	1,108.60	1,178.50
Usage rate (per 100 cubic feet)									
Residential	$ 2.39	$ 2.89	$ 3.18	$ 3.18	$ 3.49	$ 3.84	$ 3.96	$ 4.06	$ 4.21
Commercial	2.39	2.89	3.18	3.18	3.49	3.84	3.96	4.06	4.21
Industrial	2.53	3.05	3.35	3.35	3.67	4.03	4.15	4.25	4.41
Capacity fee	$ 650.00	$ 700.00	$ 750.00	$ 800.00	$ 850.00	$ 900.00	$ 950.00	$ 1,050.00	$ 1,150.00
Tap Fee	$ 450.00	$ 500.00	$ 550.00	$ 600.00	$ 650.00	$ 700.00	$ 750.00	$ 850.00	$ 950.00
Inspection fee	$ 72.00	$ 72.00	$ 72.00	$ 72.00	$ 72.00	$ 72.00	$ 72.00	$ 72.00	$ 72.00
Grinder Pump fee	$ 13.00	$ 13.00	$ 13.00	$ 13.00	$ 13.00	$ 13.00	$ 13.00	$ 13.40	$ 13.80