

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**WITH**

**INDEPENDENT AUDITOR'S REPORT**



**PREPARED BY:**

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# INTRODUCTORY SECTION





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January 18, 2016

To the members of County Council and the citizens of Charleston County, South Carolina:

State law requires that all general-purpose local governments publish at the close of each fiscal year a complete set of financial statements, presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to this requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) for Charleston County, South Carolina, for the fiscal year ending June 30, 2015.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and fairness of presentation of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed to ensure compliance with applicable laws, regulations and County policies, and safeguards the County's assets. It is designed to compile sufficient reliable information for the preparation of the County financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and accurate in all material respects, and presents fairly the financial position and results of operations of the various funds and component units of the County.

Charleston County's financial statements have been audited by Scott and Company LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on auditor's judgment, including the assessment of risk of material misstatement to the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was sufficient and appropriate evidence for rendering an unmodified opinion that Charleston County's financial statements for the fiscal year ended June 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Charleston County was part of a broader, federally mandated "Single Audit" that is designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in Charleston County's separately issued *Supplemental Federal Financial Assistance Reports*.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement, and should be read in conjunction with MD&A. Charleston County's MD&A can be found immediately following the report of the independent auditors.

## PROFILE OF THE GOVERNMENT

The County of Charleston was established by the state of South Carolina on April 9, 1948, under the provisions of Act 681 of 1942. The County operates under a Council-Administrator form of government under the S.C Home Rule Act of 1975. Policy-making and legislative authority is vested in a governing council consisting of nine Council members. The Council is elected to single member districts on a partisan basis.

Charleston County Council is responsible for, among other duties, passing ordinances and policies, approving the budget, appointing committee members, and hiring the County's Clerk of Council, County Administrator, and appointing the Internal Auditor, and Attorney. The Administrator is responsible for implementing the policies and ordinances of the governing council, overseeing the day-to-day operations of government (except those services provided by countywide elected officials), and for appointing the heads of the various non-elected or appointed County departments. The County has approximately 2,500 employees.

Charleston County provides or supports a broad range of services that include, but are not limited to:

- Public safety - countywide law enforcement (Sheriff's Office), detention facilities, emergency preparedness plans to include activation of the County's Emergency Operations Center in an event of a disaster, as well as fire protection in the Awendaw McClellanville Consolidated Fire Protection District, the East Cooper Fire District, the West St. Andrew's Fire District, and the Northern Charleston County Fire District
- Veterans' assistance
- Health-related assistance - Emergency Medical Services (EMS), alcohol and other drug abuse services, indigent health care, and social services
- Voter registration
- Rural street and drainage maintenance and urban maintenance upon request of the municipalities
- Waste disposal and recycling
- Planning and zoning administration
- Criminal, civil, probate, and family court administration in county Magistrates' court and in State courts with the support of the elected Clerk of Court
- Public defender assistance funding to the Public Defender office, run by an appointed official
- Property assessments, tax billing (Auditor's office), collection and disbursement to appropriate entities/municipalities (Treasurer's office)
- Mosquito control

Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. The Charleston Development Corporation has been shown in the government-wide statements in the governmental activities, and in the fund financial statements in other governmental funds.

Discretely presented component units are reported in a separate column in the Statement of Net Position and in the Statement of Activities in order to emphasize that they are legally separate from the primary government, and to differentiate their financial position and results of operations from those of the primary government.

The following entities are being reported as discretely presented component units:

- Charleston County Library (CCL)
- Charleston County Park and Recreation Commission (CCPRC)
- Cooper River Park and Playground Commission (CRPPC)
- North Charleston District (NCD)
- St. Andrew's Parish Parks and Playground Commission (SAPPPC)
- St. John's Fire District (SJFD)
- St. Paul's Fire District (SPFD)
- Charleston County Volunteer Rescue Squad (CCVRS)

Additional information on these nine legally separate entities can be found in Note I.B. in the Notes to Financial Statements starting on page 62.

The annual budget serves as the foundation for Charleston County's financial planning and control. All agencies of the County are required to submit requests for appropriation to the County's Budget Office by February 1 each year. The County Administrator presents the proposed budget to County Council for review during May. Council is required to hold public hearings on the proposed budget, and to adopt a final budget each year no later than June 30, which is the close of Charleston County's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., Sheriff's Office).

The legal level of budgetary control is determined by County Council at the individual fund level. Expenditures by department, sub-organizational level, and major category (personnel, non-personnel, and capital outlay) are further defined in the budget document. The County Administrator has the authority to make transfers between major expenditure categories within departments and between departments within the same fund. The Administrator has further delegated to five Deputy County Administrators the authority to transfer between departments under their authority. County Council may effect changes in fund totals through amendment to the budget ordinance or the County Administrator has the authority to change fund totals, with the exception of the general fund, if available sources (revenues, transfer in, and fund balance) differ from the budget.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 44-46 as part of the Basic Financial Statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the nonmajor governmental fund subsection of this report, which begins on page 151.

## **LOCAL ECONOMIC CONDITIONS AND OUTLOOK**

Charleston County has a strong and diverse economy that is driven by six engines of growth as follows: Port of Charleston; Medical Industry; Visitor Industry; Military; Higher Education; and Manufacturing.

**Port of Charleston** – The Port of Charleston is the fourth largest container port along the U.S. East and Gulf Coasts. The South Carolina Ports Authority (SCPA) comprises seaport facilities in the Cities of Charleston, North Charleston and Georgetown. The SCPA owns and operates five facilities located in Charleston harbor and these facilities employ approximately 500 people. With facilities that handle containerized, break-bulk, project cargo and roll-on/roll-off cargoes, the SCPA annually handles system-wide shipments valued at \$63.6 billion and helps facilitate the employment of an estimated 260,800 residents of the State of South Carolina. In addition to its cargo business, the SCPA operates a cruise terminal in downtown Charleston that will handle an estimated 95 ships in 2015 with a regional economic impact of more than \$37 million.



The Port of Charleston had a 15 percent increase in cargo container volume in fiscal year 2015, nearly breaking the record set in fiscal year 2005. In addition, the port handled 253,338 vehicle exports, a new high for the port.

The SCPA is awaiting approval from the Army Corp of Engineers for the Port of Charleston harbor deepening project. This project will deepen the harbor to 52 feet which will accommodate post-Panamax vessels that will have access to the East Coast once the Panama Canal expansion is completed. Funding to deepen the harbor will come from both the Federal and State governments. The SCPA's fiscal year 2016 capital improvement program calls for \$165.6 million in development and enhancements of new and existing facilities, with \$73.3 million slated for the on-going construction of the new container terminal on the former Navy Base. The new terminal is scheduled to open in 2019.

**Medical Industry** – The region's medical industry accounts for over ten percent of the area's total employment and is anchored by the state's teaching hospital, the Medical University of South Carolina (MUSC). The majority of the employment currently exists in Charleston's seven area hospitals - five private regional hospitals, MUSC and the Ralph H. Johnson VA Medical Center.

**Visitor Industry** - The Charleston region attracted over 4.9 million visitors in 2014, generating an economic impact of \$3.3 billion. Hotel occupancy rates were 74.2 percent and the average daily rate for lodging was \$136.30. The average expenditure per visitor per day was \$197. The hospitality industry directly employs 29,860 people in Charleston County accounting for 15.8 percent of the workforce.

Charleston received national significant and international recognition in 2014 as it was voted #1 Best City in the United States for the fourth year in a row and #2 World's Best City, due to its amenities lifestyle attributes, according to the *Condé Nast Traveler* annual Reader's Choice survey. *Condé Nast* also named Charleston the Friendliest City in the U.S. for the third year in a row.

Restaurants in Charleston multiply and flourish, nourished by a constant flow of aspiring and accomplished chefs coupled with an increasingly affluent Charleston visitor. *The New York Times*, *Southern Living*, *Bon Appétit*, and *Wine Spectator* have all praised area restaurants where seafood, nouvelle and southern cooking predominate in the over 100 restaurants in downtown Charleston alone.

Charleston offers a vast array of festivals and events that bring tourists to the region. These include cultural events such as the annual Spoleto and Piccolo Spoleto festivals, as well as sports events like the Family Circle Cup (now Volvo Cars Open) tennis tournament and the annual Cooper River Bridge Run.

In 2015, the PGA announced that the 2021 PGA Championship will return to the Ocean Course on Kiawah Island. In August 2012, the PGA Championship was held at Kiawah Island. Approximately 210,000 spectators visiting the Charleston area generated \$92 million in direct spending, \$26 million in labor income and \$75 million in media exposure. The event was seen in 100 countries around the world.

Tourists arrive in Charleston from land, sea and air. The region sees vast numbers of tourists who drive to Charleston for its charm and hospitality. In addition, the centrally located Charleston International Airport brings in tourists from around the world. The airport offers daily non-stop service to 19 cities and 24 airports in the United States and Canada. Carriers include American Eagle, Continental, Delta, JetBlue, United Express, US Airways and Southwest. In addition, Silver Airways started flying out of Charleston on March 19, 2015. Silver Airways is offering daily flights to Ft. Lauderdale, Tampa, and Orlando. New air service will be added in November 2015. Alaska airlines will offer flights between Charleston and Seattle. In addition, JetBlue will offer daily nonstop service to Fort-Lauderdale-Hollywood (FLL) International Airport.

The Charleston International Airport saw a record number of arriving and departing passengers in 2014. The airport is currently undergoing a \$189 million expansion that will add five new gates and an eight-lane consolidated security checkpoint, in addition to other improvements.

The past few years have seen the emergence of a new facet to Charleston's tourism market - the cruise ship industry. Both Carnival Cruise Lines and Celebrity Cruise Lines have chosen to make Charleston a departure and arrival point. In addition, many other cruise lines (Holland America, Oceana, Princess, Costa, P&O, Aida, Regent Seven Seas and Crystal Cruises) bring their ships to Charleston as a port of call. The cruise business has an estimated \$37 million annual impact on the Charleston market. Carnival Cruise announced in 2015 that it will add five more departures for the Carnival Sunshine. The Sunshine will offer cruises of between two and ten days between Charleston and ports in

the Bahamas, St. Thomas, Antigua, Martinique, St. Kitts and San Juan. In addition, Carnival will add Bermuda as a cruise destination next year.

**Military** - The military makes a large annual economic impact to the region. There are 22,000 active-duty reserve personnel, civilians and civilian contractors employed in the region by the area's defense facilities. In total, the military provides an annual economic impact on the Charleston region estimated at \$6.4 billion.

In October 2010, the Charleston Air Force Base and the Charleston Naval Weapons Station merged to create Joint Base Charleston. The Air Force portion of Joint Base Charleston is one of three military transport service aerial ports on the Atlantic seaboard. It provides airlift support for military installations in Europe, Africa, the Middle East, and South America. The base is home to the 437<sup>th</sup> Airlift Wing and its squadron of over 50 C-17 transport planes that are currently serving a vital supply role to military personnel in the Middle East. The Naval Consolidated Brig which houses prisoners from all branches of the armed services is located on the Joint Base Charleston campus. The brig has 400 cells and can hold 288 inmates.

Other facilities include the Space and Naval Warfare Systems Center (SPAWAR), the Nuclear Power Training Command, the Nuclear Power Training Unit, and the Army's Combat Equipment Group Afloat and Surface Deployment Distribution Commands.

**Higher Education** – There are 26 colleges and universities offering a range of two-year, bachelor's, master's, and doctoral degree programs in Charleston. The five largest are: Trident Technical College, with 17,489 students; the College of Charleston with 11,619 students; The Citadel with 3,598 students; Charleston Southern University with an enrollment of 3,269; and the Medical University of South Carolina with 2,775 students.

Trident Technical College's Aeronautical Studies division is designed to prepare students for three tracks in the aviation industry, aircraft assembly, aircraft maintenance and avionics. Construction of a 215,000 square \$79 million aeronautical training facility is scheduled to start in 2016 with completion in 2018. Primary funding for the project comes from the State and Charleston County.

*Aerospace* - Boeing fabricates, assembles and installs systems for aft (rear) fuselage sections of the Boeing 787 Dreamliner and joins and integrates midbody fuselage sections. The site is also home to the newest 787 Dreamliner final assembly and delivery facility, which began production in July 2011. The 240-acre facility is located in North Charleston. This Boeing facility, an approximately 58,000 square-foot facility, opened on November 11, 2011, delivers South Carolina-built 787s to customers from around the world. This Boeing facility is only the third site in the world to assemble and deliver twin-aisle commercial airplanes. Boeing delivered the first 787 to Air India on October 5, 2012.

In 2014 Boeing expanded with the opening of the Boeing Research and Technology Center, which focuses on advanced manufacturing technology and composite fuselage manufacturing; and Propulsion South Carolina, where the design and assembly of the 737 MAX engine nacelle inlet will be done. In addition, construction began in 2014 on a new state-of-the-art, 256,000-square-foot decorative paint facility to open in late 2016.

**Manufacturing** – In March of 2015, Daimler Chrysler announced it will build its Mercedes-Benz Sprinter vans at the North Charleston location. This \$500 million project will create 1,200 new manufacturing jobs. The U.S. is the second largest market for the Sprinter van.

The Milken Institute 2014 Best Performing Large Cities Index ranked Charleston-North Charleston-Summerville fourth in the U.S. for high-tech industry output. The Institute notes "high-tech output grew nearly 30 percentage points faster than the national average over the five years ending 2011--the fourth best in the nation".

In 2014, Charleston County continued its success in the recruitment of new jobs and capital investment. Over \$193 million in capital investment and 823 jobs were announced.

**Biomedical** – Charleston is garnering international recognition as an emerging biomedical market, and the Medical University of South Carolina's world-class research is key to this region becoming a globally competitive location for biomedical business and talent. Charleston is home to more than 35 medical device and pharmaceutical manufacturers, and more than 50 research laboratories and development companies. Furthermore, the Foundation for Research Development is paving the way for investors, industry, and entrepreneurs to collaborate. MUSC's new \$350 million children's hospital is scheduled to open in 2019 as well.

**Advanced Security & IT** – The Charleston region houses many U.S. Department of Defense and Department of Homeland Security agencies, including the Space & Naval Warfare Systems Center (SPAWAR). These agencies engage complex information systems to respond to current military security needs and to build the next generation of weapons, security and monitoring systems. SPAWAR Systems Center Atlantic has a \$3.4 billion statewide economic impact and supports over 27,400 jobs with a payroll of \$1.3 billion.

**Energy Systems** – The Clemson University Research Institute (CURI) campus is home to the nation’s newest and world’s most advanced capacity wind-turbine drive train testing facility. The \$100 million Clemson University SCE&G Energy Innovation Center opened in November 2013. The center is capable of full-scale highly accelerated mechanical and electrical testing of advanced drivetrain systems for wind turbines with a 7.5 MW and a 15 MW test bays. This technology will pave the way for future energy innovation.

## MAJOR COUNTY INITIATIVES



The **Charleston County Library** renovation plan was developed after a detailed assessment of existing facilities, a review of population growth, changing technology, along with focus groups and interviews to determine community needs. Local citizens showed their support by overwhelmingly approving a major referendum. The \$108.5 million plan includes construction or renovation of 19 buildings throughout the county. Five new libraries will be constructed—two in areas of rapid growth and three to replace outdated facilities that are not able to meet customer needs. A total of 13 existing libraries will be renovated, the library’s support staff will be relocated from the Main Library to free up space for public use, and the library’s technology will be upgraded to include self-checkout kiosks, more public computers and the latest equipment in meeting rooms.

The **Zoning and Planning Department** hosted public workshops in five different areas of the County to gather input for the five-year review of the Charleston County Comprehensive Plan. The main objectives of the five-year review are to:

- Review and revise the location of the Urban Growth Boundary for consistency with geographic features, property boundaries, and the Urban Growth Boundaries adopted by the City of Charleston and Town of Mount Pleasant.
- Review and revise the future land use designations to reflect current demographic trends and community needs and desires.
- Review and revise the goals, needs, and strategies of all Plan elements.
- Update the implementation work plan.

The Comprehensive Plan is an expression of the County’s intent for where and how future growth and development should occur. The Plan also identifies parts of the County that may or may not be appropriate for certain types of growth. The public input, along with the proposed amendments, will be presented to the Charleston County Planning Commission.

**Transportation Solutions:** The Transportation Development Department actively worked on 93 projects in 2014 with expenditures totaling \$44.7 million. Of the 93 active projects, 28 projects were completed that year. Pavement preservation and rehabilitation activities were performed on 194 roads totaling 93 miles as part of the department’s pavement management program.

The Bees Ferry Road widening project was one of the major bonded projects approved by voters during the half-cent sales tax referendum. West Ashley is one of the fastest growing areas in Charleston County and traffic will be a concern moving forward. This project was designed to address those issues by widening Bees Ferry Road from two to four lanes, providing a multi-use path for bicyclists and pedestrians, and constructing a major realignment at Savannah Highway.

**Urban/Rural Parkland and Rural Greenspace:** During fiscal year 2015, County Council approved five urban Greenbelt projects totaling 14.5 acres recommended by the Urban Grants Review Committee and the Charleston County Park and Recreation Commission. Four of the approved urban projects were for the City of North Charleston to

purchase future park land along Noisette Creek and in neighborhoods off Ashley Phosphate Road. The Town of James Island was also awarded funding to purchase over seven acres of land for a future town park on Fort Johnson Road.

Rural Greenbelt funds were exhausted during FY15. During the life of the Rural Program 16,736 acres were forever protected with \$66.4 million at an average cost per acre of \$3,900. Over 3,700 rural acres were purchased using \$45 million that will be managed as rural parks and public greenspace.

The Urban Greenbelt Program has approximately \$2 million remaining with \$1.5 million of the urban funds allocated to the City of North Charleston. To date, the Urban Program has awarded \$26.7 million for the purchase of 775 acres for urban parks.

Of the total Greenbelt projects funded since the program's inception in 2007, \$76 million was used to purchase 5,677 acres of land for public access and use.

**Environmental Management:** Charleston County's Environmental Management department has been named the 2014 Composter of the Year by the U.S. Composting Council (USCC), the national trade association for compost manufacturers. The award was presented at a ceremony during the USCC's national conference in Austin, Texas in January 2015. The Composter of the Year award is presented to a commercial-scale composting facility, public or private, which has displayed excellence in compost production, marketing and distribution. Charleston County was selected for its role as a leader within the compost manufacturing industry, regionally and nationally.

Charleston County has a 40 percent recycling goal, which was adopted by Charleston County Council following a comprehensive assessment of the County's integrated solid waste management program in 2009.

**Protecting our Community:** Charleston County launched a new Emergency Notification Program for Citizens. The Charleston County Emergency Management Department and Consolidated 9-1-1 Dispatch Center launched a new Citizen Alert Notification System in December. Charleston County can send information about emergency situations to its citizens through a multitude of platforms. Citizens can get alerted about emergencies and other important community news by signing up for our Emergency Alert Program. This system provides critical information quickly in a variety of situations, such as severe weather, unexpected road closures, missing persons and evacuations of buildings or neighborhoods. Those who sign up receive time-sensitive messages wherever they specify, such as their home, mobile or business phones, email address, text messages and more.



In November 2014 Charleston County celebrated the grand opening of the new Charleston County Law Enforcement Center. Construction of the 110,000 square-foot structure began in May 2013 and consolidates a number of public safety services in a centralized location. The new facility houses the Sheriff's Office headquarters as well as field operations.

#### **Awards and Acknowledgements:**

Charleston County Government's offices, departments and employees have been honored with numerous awards and recognitions in FY 2015. These awards reflect Charleston County employees' dedication to providing the best services to our citizens.

- The International Academies of Emergency Dispatch awarded accreditation to the Consolidated 9-1-1 Center as an Emergency Fire and Emergency Medical Dispatch Center of Excellence. The Consolidated 9-1-1 Center is only the 24<sup>th</sup> Emergency Fire Dispatch Center and the 171<sup>st</sup> Emergency Medical Dispatch Center in the world to be awarded the highest distinction for their comprehensive implementation and compliance with the Fire and Medical Priority Dispatch Systems.
- The Awendaw McClellanville Consolidated Fire Protection District received an enhanced insurance rating of stations. Fire department leaders credit the rating improvement to the addition of personnel, more capable fire apparatus and fire hydrants, as well as improved personnel training.
- The International Association of Coroners and Medical Examiners (IAC&ME) awarded Accreditation to the

Coroner's department for its efforts in providing the highest level of service to the citizens, neighbors and visitors of Charleston County. The review covered 288 standards including the review of its administrative, forensic, investigative procedures and a site visit by the IAC&ME. The accreditation allows coroner and medical examiner offices to ensure they are conducting business practices and procedures in compliance with international standards. The Coroner's department is one of only 23 accredited departments in the United States.


- Fleet Management was recognized as a Certified Fleet Management Operation (CFMO) by the Government Fleet Management Alliance (GFMA). The accreditation covered 120 specific criteria points and included 15 performance standards. The principle role of Fleet Management is to provide, repair, and maintain vehicles and equipment for county departments. In addition, the department provides research, development, and assistance to agencies with specifications for vehicles and heavy equipment purchases.
- The Government Finance Officers Association of the United States and Canada (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting for the 27<sup>th</sup> consecutive year to Charleston County for its Fiscal Year 2014 Comprehensive Annual Financial Report. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting given to governments that demonstrate a constructive "spirit of full disclosure" to communicate clearly the County's financial story. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that Charleston County's current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.
- Charleston County also received its 26<sup>th</sup> consecutive **Distinguished Budget Presentation Award** for its Fiscal Year 2015 budget from GFOA. According to the GFOA, the award reflects the commitment of Charleston County Government and its staff to meeting the highest principles of governmental budgeting. The award was given based not only on how well the County budgets its funds, but also on how well it communicates to the public how the money is spent. The Fiscal Year 2016 budget was submitted to the GFOA and we believe it will receive the award.
- Charleston County maintained its AAA bond rating with Standard & Poor's Ratings Services, Moody's Investors Service and Fitch Ratings.

The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the Charleston County's Finance Department. Special thanks go to the team headed by Carla Ritter, who with the assistance of Laurie Hagberg, Chrisanne Porter, and Patricia Davis of the Finance Department produced the Comprehensive Annual Financial Report, and coordinated the audit with the external auditors. Substantial contributions were also made by several financial staffs throughout the County: Mack Gile, and Catherine Ksenzak from the Budget Office; Andrew Smith and Julie Riley-Hollar from the Treasurer's Office; Lisa Murray from the Department of Alcohol and Other Drug Abuse Services; Jean Sullivan from Grants Administration; Jackie Proveaux from the Public Works Department; and Reggie Fuller of the Economic Development Office. Substantial assistance also came from the staff members of the County Administrator and Deputy Administrator for Finance. Thanks are also extended to the staff of Scott and Company LLC, the external auditors, for their efforts in assisting the County produce this Comprehensive Annual Financial Report.

In addition, Charleston County staff would like to acknowledge the leadership and support of Charleston County Council in making this report possible.

  
\_\_\_\_\_  
Keith Bustran  
County Administrator

  
\_\_\_\_\_  
Corine Altenhein  
Deputy Administrator for Finance

  
\_\_\_\_\_  
Carla Ritter  
Finance Director



Government Finance Officers Association

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Presented to

**County of Charleston**  
**South Carolina**

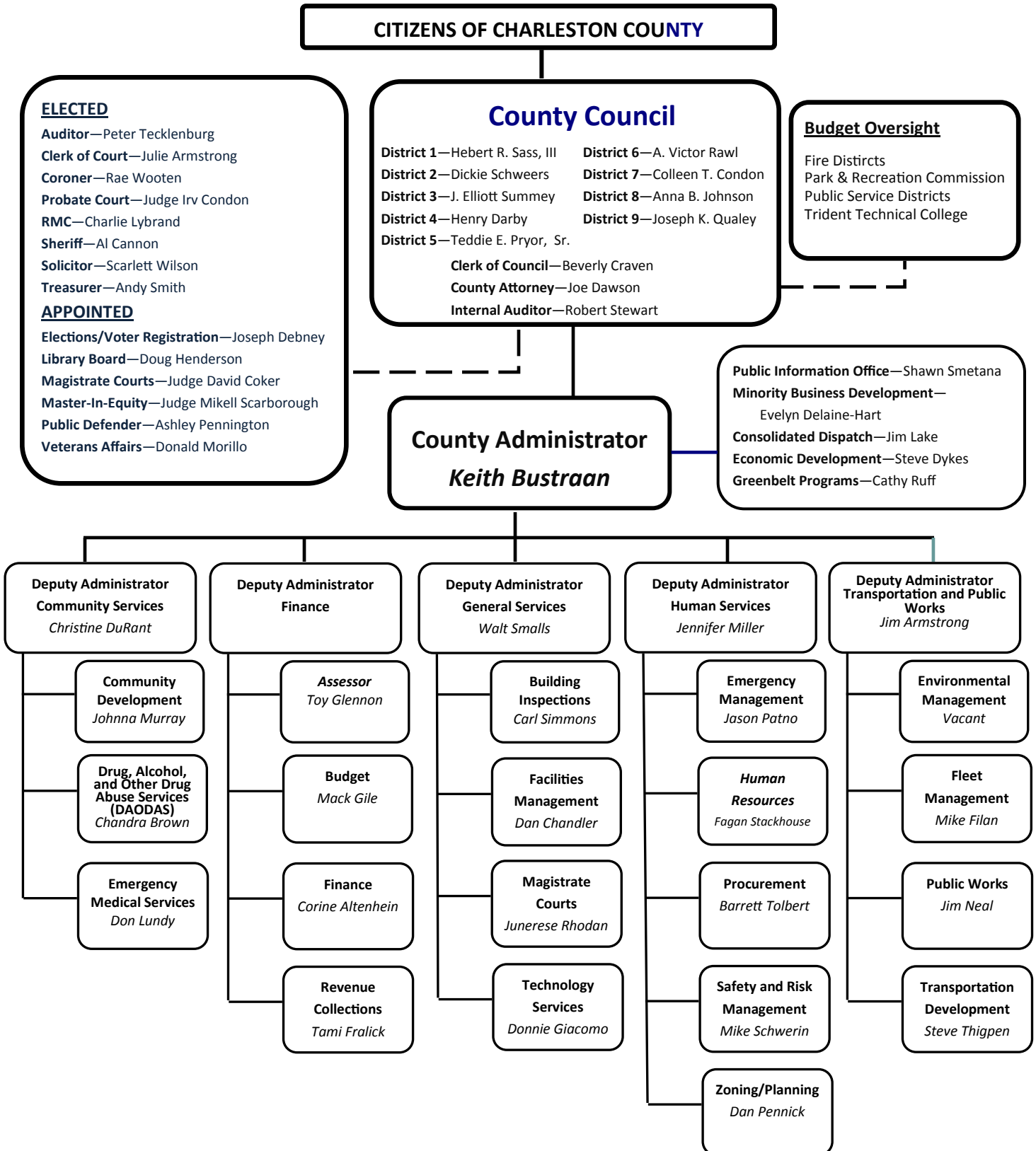
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

# Charleston County, South Carolina

## Organizational Chart—County Departments





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**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**PRINCIPAL OFFICIALS**  
**For the Year Ended June 30, 2015**

**MEMBERS OF COUNTY COUNCIL**

	<u>Year's in Office</u>	<u>Term Expiration Date</u>	
J. Elliott Summey	6 <sup>1/2</sup>	12/31/2016	Chairman District 3
A. Victor Rawl	6 <sup>1/2</sup>	12/31/2016	V. Chairman District 6
Herbert R. Sass, III	4	12/31/2018	District 1
Henry D. Schweers	8 <sup>1/2</sup>	12/31/2018	District 2
Henry E. Darby	10 <sup>1/2</sup>	12/31/2016	District 4
Teddy E. Pryor, Sr.	10 <sup>1/2</sup>	12/31/2018	District 5
Colleen T. Condon	10	12/31/2016	District 7
Anna B. Johnson	4 <sup>1/2</sup>	12/31/2018	District 8
Joseph K. Qualey	4 <sup>1/2</sup>	12/31/2018	District 9

**ELECTED OFFICIALS**

Peter Tecklenburg	2	6/30/2017	Auditor
Julie J. Armstrong	23 <sup>1/2</sup>	12/31/2016	Clerk of Court
Rae Wooten	9	12/31/2016	Coroner
Irvin G. Condon	21 <sup>1/2</sup>	12/31/2018	Probate Court
Charlie Lybrand	21 <sup>1/2</sup>	12/31/2018	Register Mesne Conveyance
James A. Cannon, Jr.	27 <sup>1/2</sup>	12/31/2016	Sheriff
Scarlett A. Wilson	8	12/31/2016	Solicitor
Andrew Smith	18	6/30/2017	Treasurer

**OTHER OFFICIALS**

	<u>Years with County</u>	<u>Years in Current Position</u>	
Keith D. Bustraan	28 <sup>1/2</sup>	2 months	County Administrator
Walter L. Smalls	16	9	Deputy Admin Gen Svcs
Jennifer Miller	27	8	Deputy Admin Human Svcs
Jim Armstrong	27	1 yr, 2 months	Deputy Administrator Transportation & Public Works
Christine DuRant	25 <sup>1/2</sup>	1 yr, 2 months	Deputy Administrator Community Services Deputy Administrator Finance*
Corine Altenhein	25	8	Finance Director**

\*On July 1, 2015, Corine Altenhein was named Deputy Administrator Finance

\*\*On July 1, 2015, Carla Ritter was named Finance Director

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# FINANCIAL SECTION



## Independent Auditor's Report

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To the Charleston County Council  
County of Charleston, South Carolina

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, other than the financial statements of the aggregate discretely presented component units, and the budgetary comparison schedule of the general fund, of the County of Charleston, South Carolina (the "County"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the County's non-major governmental, enterprise, internal service, and agency funds, and the respective budgetary comparison schedules for the special revenue funds, presented as supplementary information in the accompanying combining financial statements and schedules, as of and for the year ended June 30, 2015, 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 opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit 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 audit to obtain reasonable assurance about whether the financial statements are free of 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 County'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 County'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 opinions.

### ***Opinions***

In our opinion, based upon our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison schedule for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental, enterprise, internal service, and agency fund of the County as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the special revenue funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As discussed in Note I.F.13 to the financial statements, the County has adopted Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. These two GASB statements required that the County record its share of the State of South Carolina's net pension liability and related deferred inflows and outflows of resources. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 and the other auditors 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.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The victim notification schedule of fines, assessments, and surcharges collected on page 162 as well as the schedules of capital assets used in the operation of governmental funds on pages 182 and 183 are the responsibility of management and were derived from and relate 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic 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 victim notification schedule of fines, assessments, and surcharges collected as well as the schedules of capital assets used in the operation of governmental funds are fairly stated, in all material respects in relation to the financial statements as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections has 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 January 18, 2016, on our consideration of the County'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 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 County's internal control over financial reporting and compliance.

*Scott and Company LLC*

Columbia, South Carolina  
January 18, 2016

## Management's Discussion and Analysis

As management of Charleston County, South Carolina, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Charleston County for the fiscal year ended June 30, 2015. The Management Discussion and Analysis (MD&A) section is designed to assist the reader in focusing on significant financial issues, providing an overview of the County's financial activity, and identifying changes in the County's financial condition, material deviations from the financial budget and individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 2 through 10 of this report, and the County's financial statements, which follow this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- Liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources of the County at June 30, 2015 by \$158,047 (net position.) This is comprised of net investment in capital assets of \$158,871, restricted net position of \$37,531 and unrestricted net position of (\$354,449). The unrestricted net position deficit was primarily due to implementing Governmental Accounting Standard Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27* (GASB #68) and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68* (GASB #71) in the fiscal year ending June 30, 2015.
- Charleston County's total net position decreased by \$8,276 during the fiscal year ended June 30, 2015, with a \$15,816 decrease resulting from governmental activities and a \$7,540 increase resulting from business-type activities.
- As of the close of the current fiscal year, Charleston County's governmental funds reported combined ending fund balances of \$289,831, which is a \$36,791 decrease from the prior year. Approximately 14.45 percent or \$41,899 of this total amount is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of committed, assigned and unassigned components of fund balance) for the general fund was \$52,622 or approximately 29 percent of the total general fund disbursements. Unassigned fund balance of the general fund was \$41,899, or approximately 23 percent of total general fund disbursements.
- The County implemented GASB #68 and GASB #71 in the fiscal year ended June 30, 2015. These Statements require the County to recognize a net pension liability, deferred outflows of resources, and deferred inflows of resources for their participation in the South Carolina Retirement System and South Carolina Police Officers Retirement System ("Plans"), cost-sharing multiple-employer defined benefit pension plans, on financial statements prepared on the economic resources measurement focus and actual basis of accounting (i.e., the Statement of Net Position) and present more extensive note disclosures.
- The adoption of these Statements had no impact on the County's governmental fund financial statements, which continue to report expenditures in the amount of the contractually required contributions, as required by the South Carolina Public Employee Benefit Authority who administers the Plans. However, the adoption has resulted in the restatement of the County's net position as of July 1, 2014 for its government-wide and Proprietary Statements to reflect the reporting of net pension liabilities and deferred outflows of resources and deferred inflows of resources for each of its qualified Plans in accordance with the provisions of these Statements. Net position of the County's government-wide financial statements and internal service funds as of July 1, 2014 was decreased by \$166,323 and the net position of the enterprise funds was decreased by \$18,030, reflecting the cumulative change in accounting principle related to the adoption of these Statements. See Note IV.H. in the notes to the financial statements for more information regarding the County's retirement plans.



## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Charleston County's basic financial statements which are comprised of three sections:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains required supplementary and other supplementary financial information in addition to the basic financial statements.

**Government-wide Financial Statements.** Government-wide financial statements are designed to provide readers with a broad overview of the financial position of Charleston County and are similar to private sector financial statements. They include a Statement of Net Position and a Statement of Activities. These statements appear on pages 36 through 38 of this report.

The Statement of Net Position presents financial information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Changes in net position over time may be helpful in indicating an improving or deteriorating financial position.

The Statement of Activities follows the statement of net position and presents information showing how the County's net position changed during the fiscal year. The statement presents all underlying events, which give rise to the change, regardless of the timing of related cash flows. Some included items, such as accounts payable or earned but unused vacation leave, will produce changes in cash in future fiscal periods.

Both statements distinguish between functions of Charleston County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Governmental activities reported in the statements include general government, public safety, judicial, public works, health and welfare, economic development, culture and recreation, and education. Major business activities include environmental management (recycling and waste disposal) and parking garages. Other business-type activities include the Department of Alcohol and Other Drug Abuse Services (DAODAS), a countywide E-911 communication system, public safety system, radio communications, and revenue collections.

Charleston County's government-wide financial statements include component units of the County. Component units can be blended or discretely presented. Component units are legally separate organizations for which the primary government is financially accountable and are presented as a separate column in the government-wide statements and as combining statements of net position and of activities in the fund financial statements. The focus of the statements is clearly on the primary government and the presentation allows the user to address the relative relationship with the component units. For those readers interested in more information on the component units, contact information is provided in Note I. B. on pages 62 through 64 of this report.

The government-wide financial statements can be found on pages 36 through 38 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, Charleston County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Charleston County government can be divided into three categories: governmental, proprietary, and fiduciary.

**Governmental Funds.** Governmental funds, presented on pages 40 through 43, essentially account for the same functions as those reported under the governmental activities on the government-wide Statement of Net Position and Statement of Activities. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balance of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide financial statements. Such information may be useful in evaluating Charleston County's near-term financing requirements and available resources.

By comparing functions between the two sets of statements for governmental funds and governmental activities, readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison.

Governmental funds individually presented in Charleston County's statements include four major funds: the General Fund, the Debt Service Fund, the Transportation and Road Sales Tax Special Revenue Fund, and the Special Source Revenue Bond Fund. Although there are many smaller governmental funds in Charleston County government, they have been presented in a total column termed as "Other Governmental Funds". Combining statements for these other governmental funds have been presented on pages 139 through 149 of this report.

**Proprietary Funds.** Charleston County maintains and presents two different types of proprietary funds, enterprise and internal service, shown on pages 47 through 52 and pages 165 through 176 of this report.

Enterprise funds report in greater detail the same information presented as business-type activities in the government-wide financial statements for Environmental Management and Parking Garages. DAODAS, E-911 Communications, Public Safety System, Radio Communications, and Revenue Collections are presented in one total column termed as "Non-major Other Funds" but may be separately reviewed in the combining statements on pages 165 through 170.

Internal service funds (ISFs) are an accounting mechanism to accumulate and allocate costs internally for Charleston County Government. The County uses internal service funds to account for Fleet Management, Office Support Services, Workers' Compensation, Employee Benefits, and Telecommunications. See pages 172 through 176 of this report. ISFs have been eliminated on the Statement of Net Position.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Charleston County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 178 through 180 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in both government-wide and fund financial statements. Notes are presented on pages 59 through 125 of the report.

**Other Information.** Individual statements, which present more detailed views of non-major funds used in governmental and business-type funds, begin on page 139. Additional trend information about the County, which may be of interest to the reader, is found under the Statistical Section of this report, starting on page 186. As required by the State, the County also presents a Schedule of Fines, Assessments, and Surcharges Collected on page 162.

This report also presents required supplementary financial information concerning the County's progress in funding its obligation to provide other postemployment benefits (OPEB) to its employees and the proportionate share of the net pension liability. Required Supplementary Financial Information can be found starting on page 128.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Charleston County, liabilities and deferred inflows exceeded assets and deferred outflows by \$158,047 at the close of fiscal year 2015. This was a decrease of \$8,276 or 5 percent during fiscal year 2015.

A portion of the County's net position, \$158,871, is net investment in capital assets (e.g., land, building, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. Although the County's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate those liabilities.

An additional portion of the County's net position, \$37,532, represents resources that are subject to external restrictions on how they may be used. These include funds for road projects, construction/purchase of capital assets, and debt service. This net position is negative as the County has borrowed and expended funds on state and municipal roads. The debt is County debt, but the asset created does not belong to the County.

Unrestricted net position is (\$354,450), indicates the portion of net position which can be used for day-to-day operations without constraints established by legislation or other legal requirements. This balance is negative as the County has borrowed and expended funds on state and municipal roads. The debt is County debt but the assets improved/created do not belong to the County.

At the end of 2015, the County had positive balances in two of the three categories of net position for the primary government. As stated above, the unrestricted net position is negative as the County has issued GO bonds for roads and greenbelt projects in the transportation sales tax fund. The roads are not County roads and the greenbelt funds are used by other local governments, therefore those assets are not shown on the County's statements. An additional contributing factor to the negative unrestricted net position was the implementation of GASB 68.

Charleston Country's Net Position

June 30, 2015

(Recapped from page 36)

	Governmental Activities		Business-Type Activities		Total	
	2015 <sup>(1)</sup>	2014	2015 <sup>(1)</sup>	2014	2015 <sup>(1)</sup>	2014
	Current, restricted and other assets	\$ 524,453	\$ 515,366	\$ 80,263	\$ 94,857	\$ 604,716
Capital assets	309,249	319,279	52,721	47,561	361,970	366,840
Total Assets	833,702	834,645	132,984	142,418	966,686	977,063
Total deferred outflows of resources	35,414	19,595	-	-	35,414	19,595
Long-term liabilities outstanding	726,668	721,365	8,096	7,097	734,764	728,462
Other liabilities	227,932	78,156	6,054	5,997	233,986	84,153
Total liabilities	954,600	799,521	14,150	13,094	968,750	812,615
Total deferred inflows of resources	191,397	149,462	-	-	191,397	149,462
Net Position:						
Investment in capital assets	106,150	98,106	52,721	47,561	158,871	145,667
Restricted for:						
Capital projects	7,821	6,566	-	-	7,821	6,566
Debt service	17,017	19,939	-	-	17,017	19,939
General government	238	204	-	-	238	204
Law enforcement	4,000	4,032	-	-	4,000	4,032
Judicial	3,220	3,217	-	-	3,220	3,217
Public works	-	10,454	-	-	-	10,454
Health and welfare assistance	385	406	-	-	385	406
Economic development	2,777	2,429	-	-	2,777	2,429
Tourism related	2,073	1,135	-	-	2,073	1,135
Unrestricted	(420,562)	(241,231)	66,113	81,763	(354,449)	(159,468)
<b>Total net position</b>	<b>\$ (276,881)</b>	<b>\$ (94,743)</b>	<b>\$ 118,834</b>	<b>\$ 129,324</b>	<b>\$ (158,047)</b>	<b>\$ 34,581</b>

<sup>(1)</sup> The County implemented GASB 68 and GASB 71 in FY2015.

The County's net position decreased by \$8,276 during fiscal year 2015. The governmental activities had a decrease in net position of \$15,816. This is due primarily to expenses in the transportation and road sales tax special revenue fund. During fiscal year 2015, proceeds from the transportation sales tax general obligation bonds (GOBs) were used by the Charleston County Parks and Recreation Commission (PRC), municipalities and other special purpose districts to acquire greenspace within the County. This property is not an asset of Charleston County. In addition, proceeds from the transportation sales tax GOBs were used to construct and improve roads that are not assets of the County.

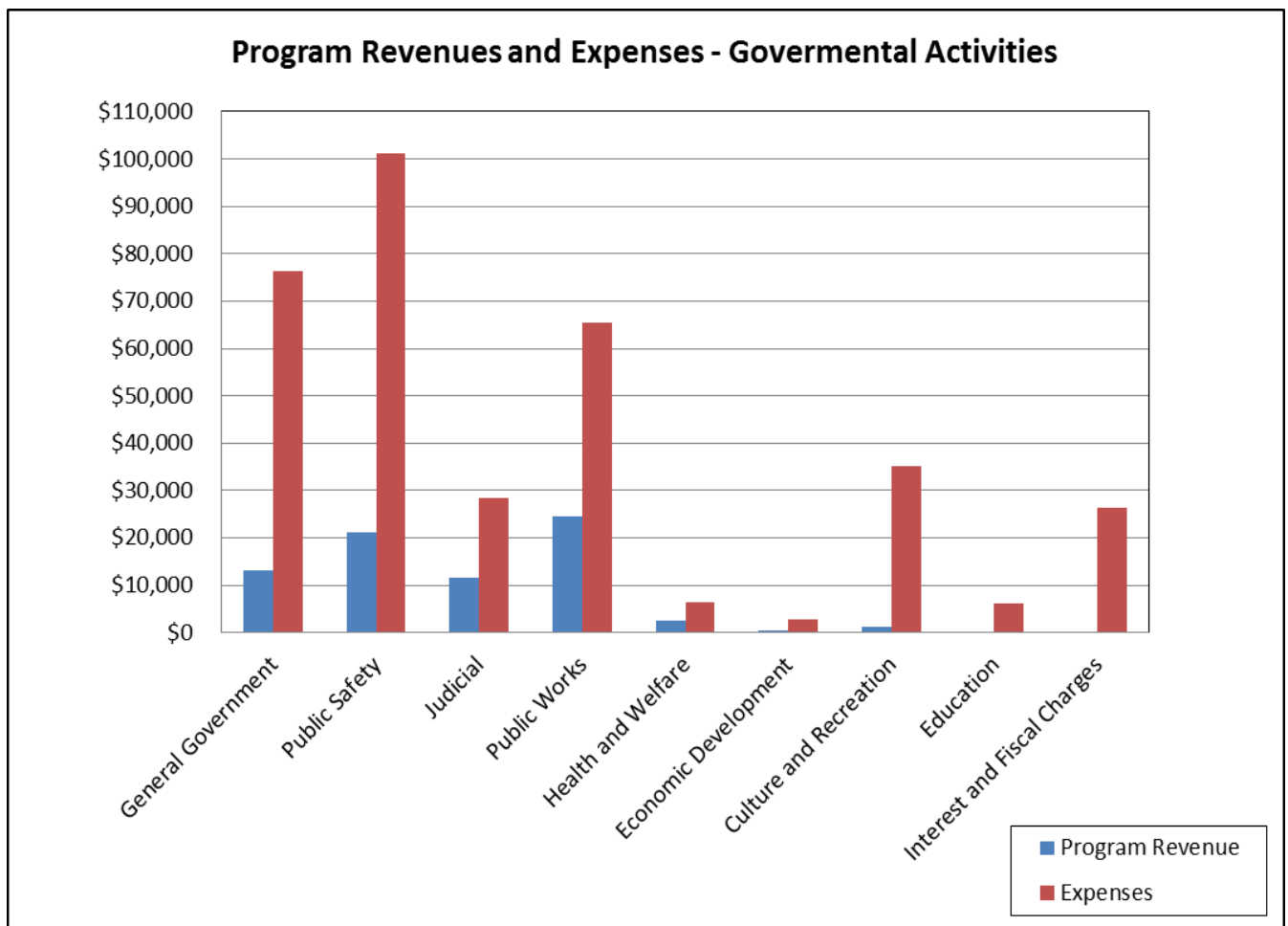
County of Charleston, South Carolina  
Changes in Net Position (Recapped from pages 37 and 38)  
For the Fiscal Year Ended June 30, 2015

	Governmental Activities		Business-Type Activities		Total	
	2015 <sup>(1)</sup>	2014	2015 <sup>(1)</sup>	2014	2015 <sup>(1)</sup>	2014
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 47,457	\$ 44,442	\$ 45,145	\$ 43,990	\$ 92,602	\$ 88,432
Operating grants and contributions	26,992	22,231	1,009	978	28,001	23,209
Capital grants and contributions	-	-	-	-	-	-
<b>General Revenues:</b>						
Property taxes	120,790	116,098	-	-	120,790	116,098
Other taxes and fees	123,989	116,105	549	543	124,538	116,648
State aid to political subdivisions	13,152	12,937	-	-	13,152	12,937
Unrestricted investments earnings	1,201	1,294	132	23	1,333	1,317
Gain on sale of capital assets	-	-	85	5	85	5
<b>Total Revenues</b>	<b>333,581</b>	<b>313,107</b>	<b>46,920</b>	<b>45,539</b>	<b>380,501</b>	<b>358,646</b>
<b>Program Expenses</b>						
<b>Governmental Activities:</b>						
General government	76,386	73,881	-	-	76,386	73,881
Public safety	101,118	98,306	-	-	101,118	98,306
Judicial	28,308	27,773	-	-	28,308	27,773
Public works	65,384	59,859	-	-	65,384	59,859
Health and welfare	6,436	6,510	-	-	6,436	6,510
Economic development	2,747	1,833	-	-	2,747	1,833
Culture and recreation	35,232	36,353	-	-	35,232	36,353
Education	6,103	17,089	-	-	6,103	17,089
Interest and fiscal charges	26,246	24,297	-	-	26,246	24,297
<b>Business-Type Activities:</b>						
DAODAS	-	-	7,935	7,648	7,935	7,648
E-911 communications	-	-	2,730	1,896	2,730	1,896
Environmental management	-	-	23,053	25,030	23,053	25,030
Parking garages	-	-	2,036	2,057	2,036	2,057
Public safety system	-	-	380	422	380	422
Radio communications	-	-	3,351	3,293	3,351	3,293
Revenue collections	-	-	1,332	1,357	1,332	1,357
<b>Total Expenses</b>	<b>347,960</b>	<b>345,901</b>	<b>40,817</b>	<b>41,703</b>	<b>388,777</b>	<b>387,604</b>
Excess (deficiency) of revenues before transfers over (under) expenses	(14,379)	(32,794)	6,103	3,836	(8,276)	(28,958)
Transfers	(1,437)	(2,508)	1,437	2,508	-	-
<b>Increase (Decrease) in Net Position</b>	<b>(15,816)</b>	<b>(35,302)</b>	<b>7,540</b>	<b>6,344</b>	<b>(8,276)</b>	<b>(28,958)</b>
Net position, beginning <sup>(1)</sup>	(261,065)	(59,440)	111,294	122,980	(149,771)	63,540
<b>Net Position, ending</b>	<b>\$ (276,881)</b>	<b>\$ (94,742)</b>	<b>\$ 118,834</b>	<b>\$ 129,324</b>	<b>\$ (158,047)</b>	<b>\$ 34,582</b>

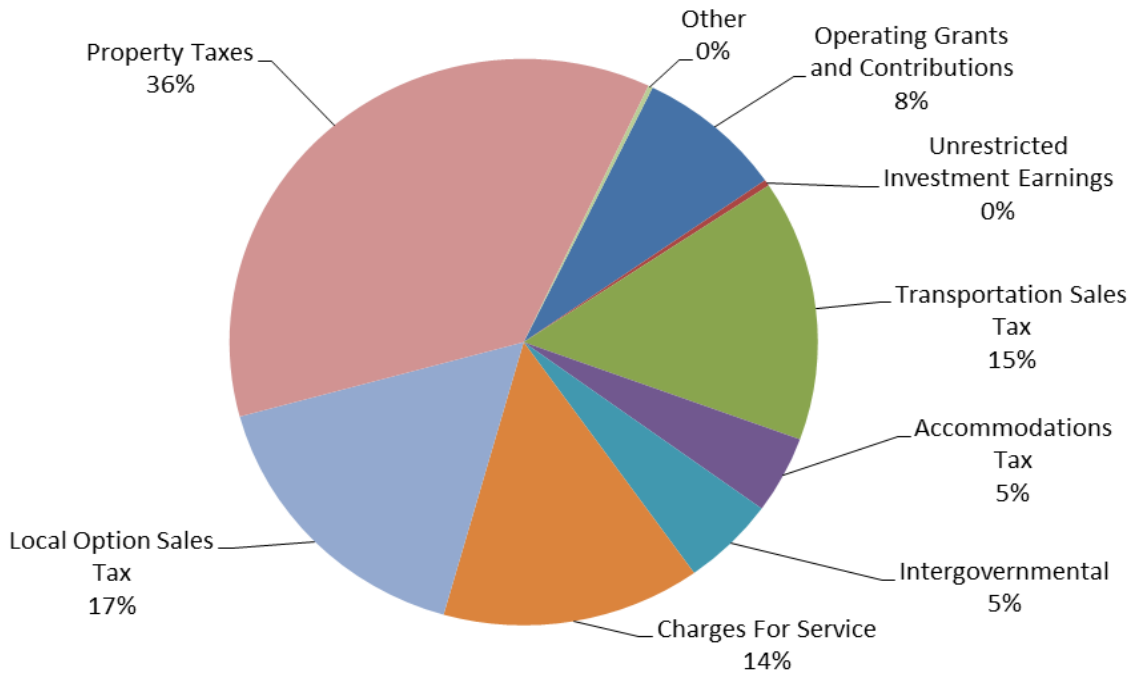
<sup>(1)</sup> The County implemented GASB 68 and GASB 71 in FY2015.

**Governmental Activities.** Governmental activities decreased the County's net position by \$15,816. The key elements of the decrease are:

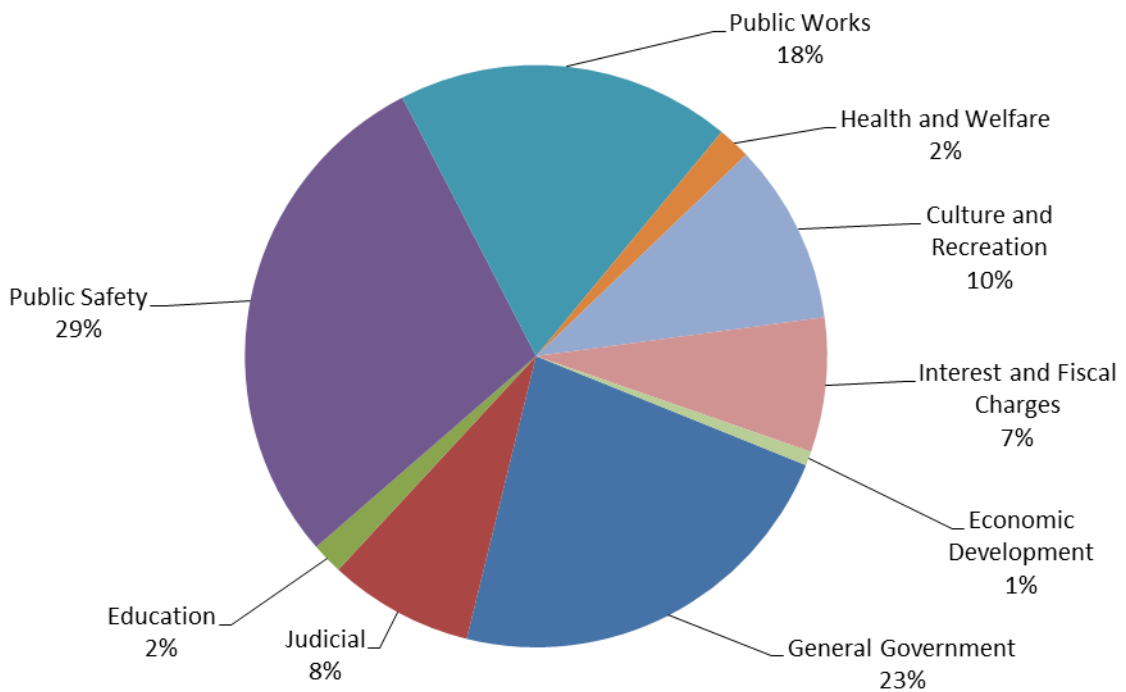
- The allocation of internal service fund activity to the governmental activities increased \$1,542 (85.06 percent) primarily due to the implementation of GASB 68.
- Public safety expenses increased by \$2,812 (2.86 percent) primarily due to an increase in overtime hours and associated fringe benefits.
- Public works expenses increased \$5,525 (9.23 percent) due to an increase in heavy equipment use and the transfer of 21 positions from Stormwater Drainage (Special Revenue Fund) to the General Fund Budget.
- General government expenses increased by \$2,504 (3.38 percent) primarily due to salary and benefits costs and an increase in facilities projects to include new buildings (Dispatch Center and Law Enforcement Center).



### Revenues by Source - Governmental Activities

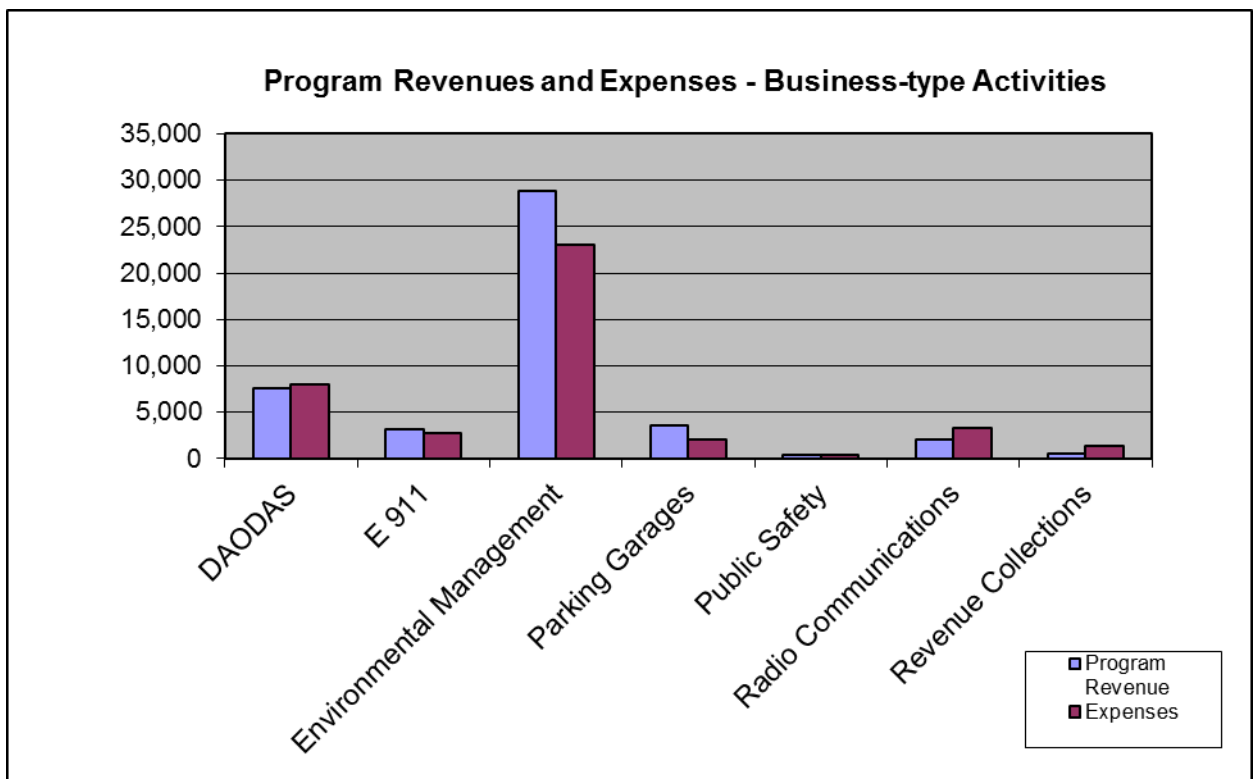
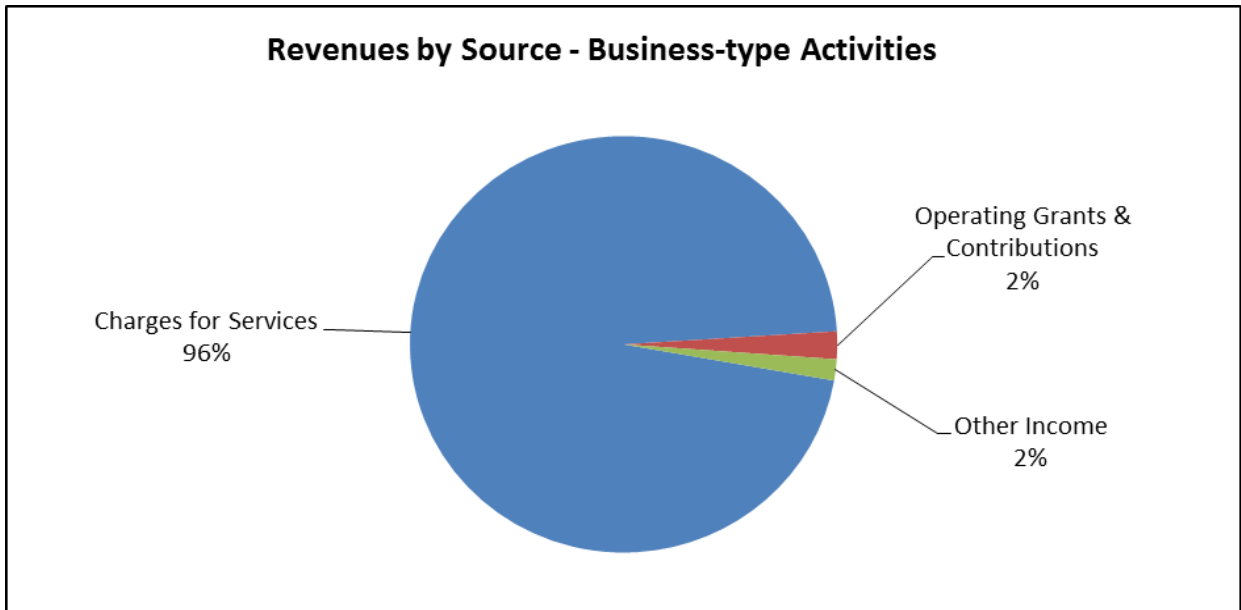


### Expenses by Program - Governmental Activities



**Business-type Activities.** Business-type activities increased the County's net position by \$7,540. The key element of this increase was:

- The operating grants in the business-type activities increased by \$1,552 (158.72 percent) primarily due to the E-911 reimbursement grant from the State.
- The expenses of the Environmental Management fund decreased by \$1,976 (7.895 percent) primarily due to the reduction of operating expenses, including interest expense (debt paid off in prior fiscal year) and the estimate for post-closure land fill costs.





## Financial Analysis of the Government's Funds

As noted earlier, Charleston County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Charleston County's governmental funds reported combined ending fund balances of \$289,831, a decrease of \$36,791 in comparison with the prior year. This decrease is due to several factors, including an increase in debt service expenditures of \$11,849, an increase in Special Source Revenue Bond expenditures of \$3,816 and an increase in Public Works expenditures of \$6,545.

The ending fund balance of \$289,831 for the governmental funds is composed of five components: unassigned fund balance of \$41,899, assigned fund balance of \$10,722, committed fund balance of \$35,367, restricted fund balance of \$200,682 and non-spendable fund balance of \$1,161.

Unassigned fund balance accounts for approximately 14.4 percent or \$41,899 of the total fund balance. Unassigned fund balance is available for spending at Charleston County's discretion.

Assigned fund balance for the current fiscal year is \$10,722 or 3.7 percent of ending fund balance. Assigned fund balance includes \$7,612 budgeted for use in the 2016 budget and \$1,323 which was encumbered at the end of fiscal year 2015. Assigned fund balances are intended to be used by Charleston County for specific purposes.

Committed fund balance is \$35,367 or 12.2 percent of ending fund balance and is comprised of the fund balances in the capital project funds. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of County Council.

The restricted fund balance totals \$200,682 or 69.7 percent of ending fund balance. The major restricted fund balances are for: 1) Capital and infrastructure projects of \$73,550, 2) debt service of \$17,017, 3) \$4,000 for law enforcement activities (primarily comprised of balances in the Sheriff's office), 4) \$3,219 for judicial services (primarily balances in the Solicitor's office), and 5) \$86,213 for Special Source Revenue Bond Fund. The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Non-spendable fund balance is \$1,161. Non-spendable fund balance accounts for inventories recorded in the general fund.

**General Fund.** The general fund is the chief operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$41,899 while total fund balance reached \$53,783. Unassigned fund balance is made up of two components: the rainy day fund and all other unassigned fund balance. The rainy day fund totals \$9,401 and is composed of \$3,701 from the general fund and \$5,700 from the environmental management fund. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund disbursements. Unassigned fund balance represents 23 percent of total general fund disbursements, while total fund balance represents 30 percent of that same amount. This meets the County's financial policy of maintaining an unassigned fund balance of 2 months of expenditures. Excluding the rainy day fund from the calculation, unassigned fund balance is 17.9 percent of disbursements, which also meets the financial policy. There was a decrease of \$(23) in the total fund balance of the general fund during the current year. Highlights of the general fund were as follows:

Revenues were \$1,956 or 1 percent higher than the previous fiscal year.

- Services charges were up \$1,599 or 7 percent.
- Intergovernmental revenues decreased \$1,806 or 7 percent.
- Other revenues were down \$1,233
- Taxes were up \$3,094

Expenditures increased by \$6,400 or 4 percent.

- Public Safety expenditures are up \$2,590 or 3 percent.
- General Government expenditures increased \$2,364 or 5 percent.

**Debt Service Fund.** The debt service fund balance is \$17,017 and is \$2,922 or 14 percent lower than the prior fiscal year.

**Transportation and Road Sales Tax Special Revenue Fund.** This fund balance was decreased \$28,128 or 22 percent from the prior fiscal year. The County has several major road projects that were in the construction process during fiscal year 2015.

**Special Source Revenue Bonds.** These bond proceeds will be used to defray the costs of design and construction of an extension of South Aviation Avenue in North Charleston, pay capitalized interest on the Bonds through December 1, 2016, and pay the costs of issuance of the Bonds. The fund balance at fiscal year end was \$86,213 which is a \$4,075 decrease from the prior fiscal year.

**Other Governmental Funds.** The other governmental funds had a decrease in fund balance of \$1,644 or 5 percent from the prior fiscal year.

**Non-major Capital Projects Funds.** The non-major capital projects funds reflect a total fund balance of \$9,803 and are shown on pages 142 through 143 and 148 through 149. The fund balance for the non-major capital projects funds is decreased \$3,666 in fiscal year 2015. The decrease is in the GOB capital projects fund which is down \$4,158.

**Non-major Special Revenue Funds.** The non-major special revenue funds have a combined total fund balance of \$23,901, all classified as restricted. Non-major special revenue funds are shown on pages 139 through 142, and 145 through 148. The fund balance for the non-major special revenue funds increased \$2,023 from the prior year. The largest increase in fund balance is \$938 in the accommodations fund which accounts for the two percent local accommodation tax collected by the State. In addition, the fund balance in the economic development fund increased \$348.

**Proprietary Funds.** The County's proprietary funds provide the same type of information found in the business-type activities of the government-wide financial statements, but in more detail. Total net position for the enterprise funds at June 30, 2015, is \$85,015 (before the elimination of internal service fund charges and indirect costs.) The major funds are environmental management and the parking garages with total net position of \$79,821. The non-major proprietary funds have total net position of \$5,194. These funds include DAODAS, E-911 communications, radio communications, public safety systems, and revenue collections. See pages 47 through 52 and pages 165 through 170 for the proprietary funds statements.

As of the end of the current fiscal year, Charleston County's enterprise funds reported combined ending net position of \$85,015 (before internal eliminations), an increase of \$4,030 or 4 percent in comparison with the prior year. Environmental Management had an increase of \$3,821. This increase was primarily due to a decrease in operating expenses.

## General Fund Budgetary Highlights

During fiscal year 2015, the Administrator made adjustments to the budget in accordance with the guidelines contained in the budget ordinance.

Actual revenues and transfers in were \$2,345 over the final budget. The most significant revenue variances are outlined below:

- Service charges were over budget by \$2,777. Emergency Medical Services charges were over budget by \$2,057 due to expanding service demands and improved collections. RMC charges exceeded budget by \$773 due to the increased volume of recorded real estate transactions.
- Property and local option sales taxes were under budget by \$2,378 due to over-optimistic growth projections.

Actual expenditures and transfers out were \$6,071 under the final budgeted amounts. The most significant contributions to this variance were the following:

- Technology Services was \$931 under budget, Facilities was \$585 under budget and Public Safety was \$1,474 under budget. Capital purchases were \$412 under budget. Some of the lapsed budget was rolled forward to fiscal year 2016 for continuing projects.

## Capital Asset and Debt Administration

**Capital Assets.** Charleston County's net investment in capital assets for its governmental and business-type activities as of June 30, 2015, amounted to \$361,970 (net of accumulated depreciation). This net investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, bridges and drainage easements. The County's net investment in capital assets decreased \$4,870 or 1.33 percent for the current year. Construction in progress decreased \$2,566 due to the Law Enforcement Center being placed into service. The depreciation expense increased by \$572 which, in turn, decreased the net book value of the County's capital assets.

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land and easements	\$ 30,378	\$ 21,211	\$ 6,915	\$ 3,951	\$ 37,293	\$ 25,162
Buildings	235,654	234,512	16,943	17,386	252,597	251,898
Improvements other than buildings	2,320	2,105	12,223	12,936	14,543	15,041
Machinery and equipment	36,692	42,530	12,816	13,288	49,508	55,818
Infrastructure	4,118	12,444	-	-	4,118	12,444
Construction in progress	87	6,477	3,824	-	3,911	6,477
<b>Total</b>	<b>\$ 309,249</b>	<b>\$ 319,279</b>	<b>\$ 52,721</b>	<b>\$ 47,561</b>	<b>\$ 361,970</b>	<b>\$ 366,840</b>

Additional information on the County's capital assets can be found in Note III. C. on pages 82 through 85 of this report.

**Long-Term Debt.** At the end of the current fiscal year, Charleston County had bonded debt outstanding of \$657,153. Of this amount, \$564,130 comprises debt backed by the full faith and credit of the government (general obligation bonds) and \$93,023 is Special Source Revenue Bonds to be repaid with FILOT payments.

In addition to the bonded debt, Charleston County signed a contract with the S.C. Infrastructure Bank to pay \$3,000 a year starting on January 1, 2004, for a period of 25 years as the County's commitment toward the new Arthur Ravenel, Jr. Bridge over the Cooper River. As of June 30, 2015, this obligation is recorded at a net present value of \$26,982 using a discount rate of 5.7 percent. This is the same rate the Bank is repaying its loan from the federal government, using the money received from the County.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
General obligation bonds	\$ 564,130	\$ 599,366	\$ -	\$ -	\$ 564,130	\$ 599,366
Special source revenue bonds	93,023	93,353	-	-	93,023	93,353
Intergovernmental note payable	<u>26,982</u>	<u>28,357</u>	<u>-</u>	<u>-</u>	<u>26,982</u>	<u>28,357</u>
Total	<u>\$ 684,135</u>	<u>\$ 721,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 684,135</u>	<u>\$ 721,076</u>

The County's total bonded debt decreased by \$35,236 (6 percent) during the current fiscal year.

The County's GOBs were rated Aaa by Moody's Investors Service, AAA by Standard & Poor's Ratings Service, and AAA by Fitch Ratings.

South Carolina statutes limit the amount of general obligation (G.O.) debt a governmental entity may issue (without referendum) to 8 percent of its total assessed value. The current available G.O. debt limit for Charleston County is \$286,234. The outstanding debt at June 30, 2015 subject to the debt limitation is \$192,370. This would indicate that the County has not exceeded its limit.

Additional information on the County's long-term debt can be found in Note III. I. on pages 89 through 101 of this report.

### **Economic Factors and Next Year's Budget Rates**

The fiscal year 2016 general fund budget is a balanced budget. Total disbursements are \$214,749, an increase of \$18,843 or 9.6 percent from the prior year. The budget includes the use of \$9,161 of fund balance for pay-as-you-go capital projects and other one-time expenditures. The millage is 44.7, which reflects an increase of 4.0 mills from fiscal year 2015. The local option sales tax credit, which is used to offset the amount property owners pay on their tax bill, remains constant.

The general fund budgeted revenues for fiscal year 2016 increased by \$12,872 or 6.8 percent from 2015. The major changes are:

- Property tax revenues reflect an increase of \$16,850 or 13.4 percent. Charleston County increased the millage rate in fiscal year 2016 by 4.0 mills to address the expanded service requirements for the county's growing population (estimated to grow close to 1,000 per month).

- The local option sales tax, which is applied as a credit against property taxes, is anticipated to increase \$2,300 or 4.3 percent. This increase reflects continued improvements in the level of consumer spending in the Charleston County area.
- The increase of \$789 or 120 percent in interest income reflects a projected increase in the interest earnings rate in fiscal year 2016. The current interest rate is 0.25% and is anticipated to grow to 0.50% in January 2016, halfway through fiscal year 2016.
- Charges and fees are increased \$1,006 or 4.6 percent in the fiscal year 2016 budget. RMC fees are expected to increase \$1,000 or 20.0 percent based on the recent economic upswing and the resulting increase in property sales in the County.
- Intergovernmental revenues are decreased \$2,499 or 11.2 percent for fiscal year 2016. Local government contributions for the operation of the consolidated dispatch center are decreased by \$3,174 or 81.1 percent which reflects a planned reduction in agency fees over a two year transition period. Fiscal year 2016 is the last year the County will receive payment under the interagency agreement.
- Transfers in are increased \$3,119 or 208 percent from the fiscal year 2015 budget. The increase represents an amount from the Transportation Special Source Revenue Bond (Special Revenue Fund) due to an accounting change where the Multi-County Park fee-in-lieu of taxes serves as security for a special source revenue bond. After the bond payments are made from other sources, the funds are released to the General Fund through an interfund transfer. The increase also represents a higher amount from the Parking Garages (Enterprise Fund) due to an increase in available funds.

The general fund budgeted disbursements for fiscal year 2016 are increased \$18,843 or 9.6 percent from fiscal year 2015. The major changes for fiscal year 2016 are:

- The fiscal year 2016 General Fund budget includes an increase of \$2,736 or 21.2 percent in Emergency Medical Services and represents the start-up costs and partial funding of the personnel costs related to adding five ambulances and eight quick response vehicles. During fiscal year 2017, the recurring costs for the 51 positions are anticipated to be fully funded without the need for additional revenues. The increase is slightly offset by an increased reimbursement from the Local Accommodations Tax for servicing tourist areas.
- The budget for Sheriff: Law Enforcement increased \$2,430 or 8.7 percent and represents the start-up costs and partial funding for 16 Deputy Sheriffs and eight Law Enforcement Specialists II positions. During fiscal year 2017, the recurring costs are anticipated to be fully funded without the need for additional revenues. The budgeted increase also represents purchasing body cameras for all law enforcement officers.
- The budget for Facilities Management increased \$1,135 or 7.9 percent due to an increase in leasing costs due to moving the Department of Alcohol and Other Drug Abuses Service (DAODAS) and the Department of Health and Environmental Control (DHEC) to a new building. The increase in Facilities Management also includes higher rates for electricity and gas charges and maintenance contracts.
- These increases are offset by a budgeted \$1,367 or 16.5 percent decrease to Consolidated Dispatch operating expenditures. This decrease reflects an increased amount of reimbursement from the Local Accommodations Tax, a fee charged to tourist staying in transient accommodations.
- Transfers out are increased \$9,711 or 81 percent from the prior fiscal year primarily due to an increase in funds being transferred to the Capital Projects Fund for the library expansion approved by voters in the November 2014 referendum. The County will use a pay-as-you-go approach to fund the initial two years of the library expansion capital project, and expects to borrow funds in fiscal year 2017 for the remainder of the project.

## **Requests for Information**

This financial report is designed to provide a general overview of Charleston County's finances for all those with an interest in the government's financing. Questions concerning any of the information should be addressed to the Finance Department, 4045 Bridge View Drive, Suite A225, North Charleston, SC 29405-7464.

# BASIC FINANCIAL STATEMENTS



COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF NET POSITION  
June 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Non-pooled cash and cash equivalents	\$ 4,723,807	\$ 411,878	\$ 5,135,685	\$ 20,985,760
Pooled cash and cash equivalents	78,274,719	39,516,179	117,790,898	-
Pooled investments	210,620,636	17,533,141	228,153,777	-
Non-pooled investments	-	-	-	38,315
Cash with fiscal agent	125,000	-	125,000	-
Restricted cash	884,569	-	884,569	12,818,815
Restricted investments	6,409,381	-	6,409,381	-
Receivables (net of allowances for uncollectibles)	237,714,336	6,919,716	244,634,052	39,578,011
Due from primary government	-	-	-	458,693
Internal balances - current	(15,789,248)	15,789,248	-	-
Inventories	1,489,649	-	1,489,649	833,342
Prepaid items and deposits	-	92,821	92,821	5,790,867
Other noncurrent assets	-	-	-	44,769
Capital assets:				
Land and other nondepreciable	30,464,986	10,738,489	41,203,475	107,377,757
Capital assets, net of accumulated depreciation	278,783,773	41,982,848	320,766,621	66,318,336
<b>Total assets</b>	<b>833,701,608</b>	<b>132,984,320</b>	<b>966,685,928</b>	<b>254,244,665</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension contributions made subsequent to measurement date	12,779,064	-	12,779,064	3,241,718
Differences between expected and actual experience	5,186,119	-	5,186,119	1,248,369
Deferred loss on refunding	17,448,602	-	17,448,602	-
<b>Total deferred outflows of resources</b>	<b>35,413,785</b>	<b>-</b>	<b>35,413,785</b>	<b>4,490,087</b>
<b>LIABILITIES</b>				
Accounts payable	12,043,190	2,383,506	14,426,696	2,406,979
Accrued payroll and fringe benefits	7,923,937	741,904	8,665,841	1,153,641
Intergovernmental payable	13,447,055	2,903,056	16,350,111	525,821
Interest payable	5,469,748	-	5,469,748	503,643
Net pension liability	186,113,466	-	186,113,466	42,971,253
Tax anticipation note payable	2,500,000	-	2,500,000	-
Unearned revenue	434,478	25,976	460,454	1,511,040
Noncurrent liabilities:				
Due within one year	38,273,574	99,876	38,373,450	6,005,180
Due in more than one year	688,394,389	7,995,883	696,390,272	48,950,049
<b>Total liabilities</b>	<b>954,599,837</b>	<b>14,150,201</b>	<b>968,750,038</b>	<b>104,027,606</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Net difference between projected and actual earnings on pension plan investments	17,356,651	-	17,356,651	4,106,210
Deferred property taxes - current	174,040,121	-	174,040,121	37,528,547
<b>Total deferred inflows of resources</b>	<b>191,396,772</b>	<b>-</b>	<b>191,396,772</b>	<b>41,634,757</b>
<b>NET POSITION</b>				
Net investment in capital assets	106,149,896	52,721,337	158,871,233	126,791,540
Restricted for:				
Capital and infrastructure projects	7,820,625	-	7,820,625	163,800
Debt service	17,016,973	-	17,016,973	12,395,341
General government operations	238,375	-	238,375	-
Law enforcement	4,000,783	-	4,000,783	-
Judicial assistance and programs	3,219,768	-	3,219,768	-
Health and welfare assistance	384,893	-	384,893	-
Local economic development	2,777,364	-	2,777,364	-
Tourism related	2,072,867	-	2,072,867	-
1% fee	-	-	-	10,683
Donors / Grantors	-	-	-	114,395
Unrestricted	(420,562,760)	66,112,782	(354,449,978)	(26,403,370)
<b>Total net position</b>	<b>\$ (276,881,216)</b>	<b>\$ 118,834,119</b>	<b>\$ (158,047,097)</b>	<b>\$ 113,072,389</b>

See notes to the financial statements.



COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2015

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
<b>Primary Government</b>								
<b>Governmental activities:</b>								
General government	\$ 76,385,859	\$ 12,978,933	\$ 276,747	\$ -	\$ (63,130,179)	\$ -	\$ (63,130,179)	\$ -
Public safety	101,117,724	18,289,146	2,871,994	-	(79,956,584)	-	(79,956,584)	-
Judicial	28,308,049	11,445,329	113,019	-	(16,749,701)	-	(16,749,701)	-
Public works	65,384,300	3,314,996	21,092,809	-	(40,976,495)	-	(40,976,495)	-
Health and welfare	6,436,270	148,364	2,262,686	-	(4,025,220)	-	(4,025,220)	-
Economic development	2,746,640	-	375,000	-	(2,371,640)	-	(2,371,640)	-
Culture and recreation	35,231,789	1,280,708	-	-	(33,951,081)	-	(33,951,081)	-
Education	6,103,436	-	-	-	(6,103,436)	-	(6,103,436)	-
Interest and fiscal charges	26,245,946	-	-	-	(26,245,946)	-	(26,245,946)	-
<b>Total governmental activities</b>	<b>347,960,013</b>	<b>47,457,476</b>	<b>26,992,255</b>	<b>-</b>	<b>(273,510,282)</b>	<b>-</b>	<b>(273,510,282)</b>	<b>-</b>
<b>Business-type activities:</b>								
DAODAS	7,934,733	6,717,861	856,587	-	-	(360,285)	(360,285)	-
E-911 Communications	2,729,556	1,695,333	1,520,822	-	-	486,599	486,599	-
Environmental Management	23,053,431	28,753,577	152,363	-	-	5,852,509	5,852,509	-
Parking Garages	2,036,470	3,630,944	-	-	-	1,594,474	1,594,474	-
Public Safety Systems	379,728	324,550	-	-	-	(55,178)	(55,178)	-
Radio Communications	3,351,391	2,034,708	-	-	-	(1,316,683)	(1,316,683)	-
Revenue Collections	1,331,530	467,233	-	-	-	(864,297)	(864,297)	-
<b>Total business-type activities</b>	<b>40,816,839</b>	<b>43,624,206</b>	<b>2,529,772</b>	<b>-</b>	<b>-</b>	<b>5,337,139</b>	<b>5,337,139</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 388,776,852</b>	<b>\$ 91,081,682</b>	<b>\$ 29,522,027</b>	<b>\$ -</b>	<b>(273,510,282)</b>	<b>5,337,139</b>	<b>(268,173,143)</b>	<b>-</b>
<b>Component Units:</b>								
Charleston County Library	\$ 16,293,350	\$ 485,275	\$ 15,071,240	\$ 545,095				(191,740)
Charleston County PRC	32,585,592	14,879,339	11,863	19,257,780				1,563,390
Cooper River Park & Playground	210,239	-	-	-				(210,239)
North Charleston District	1,211,805	-	-	-				(1,211,805)
St. Andrew's Parish Parks & Playground	4,015,071	1,731,408	-	-				(2,283,663)
St. John's Fire District	12,204,336	-	-	-				(12,204,336)
St. Paul's Fire District	5,877,356	-	-	-				(5,877,356)
Charleston County Volunteer Rescue Squad	417,082	-	340,547	50,000				(26,535)
<b>Total component units</b>	<b>\$ 72,814,831</b>	<b>\$ 17,096,022</b>	<b>\$ 15,423,650</b>	<b>\$ 19,852,875</b>				<b>(20,442,284)</b>

<b>General Revenues:</b>				
Property taxes	120,789,785	-	120,789,785	-
Charleston County PRC	-	-	-	16,506,230
Cooper River Park & Playground	-	-	-	160,217
North Charleston District	-	-	-	1,009,818
St. Andrew's Parish Parks & Playground	-	-	-	1,535,198
St. John's Fire District	-	-	-	13,031,932
St. Paul's Fire District	-	-	-	5,611,587
Local option sales tax	54,628,245	-	54,628,245	-
Transportation sales tax	49,707,277	-	49,707,277	-
Accommodations tax	14,750,760	-	14,750,760	-
Franchise tax	826,616	-	826,616	33,312
Alcohol beverage tax	84,900	537,916	622,816	-
Merchants inventory tax and manufacturer's depreciation	1,471,286	10,832	1,482,118	1,293,997
Motor carrier tax	145,831	-	145,831	-
Homestead exemption	2,374,258	-	2,374,258	-
Unrestricted state aid to political subdivisions	13,151,306	-	13,151,306	-
Grants and contributions not restricted to specific program	-	-	-	140,675
Unrestricted investment earnings	1,200,970	132,021	1,332,991	25,297
Gain on sale of capital assets	-	85,328	85,328	81,484
Fundraising and donations	-	-	-	41,762
Miscellaneous	-	-	-	1,439,493
Transfers	(1,436,924)	1,436,924	-	-
<b>Total general revenues and transfers</b>	<b>257,694,310</b>	<b>2,203,021</b>	<b>259,897,331</b>	<b>40,911,002</b>
Change in position	(15,815,972)	7,540,160	(8,275,812)	20,468,718
Net position - beginning, as restated	(261,065,244)	111,293,959	(149,771,285)	92,603,671
<b>Net position - ending</b>	<b>\$ (276,881,216)</b>	<b>\$ 118,834,119</b>	<b>\$ (158,047,097)</b>	<b>\$ 113,072,389</b>

See notes to financial statements.

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COUNTY OF CHARLESTON, SOUTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2015

<u>ASSETS</u>	General	Debt Service	Transportation and Road Sales Tax Special Revenue	Special Source Revenue Bonds	Other Governmental Funds	Total Governmental Funds
Non-pooled cash and cash equivalents	\$ 3,242,692	\$ -	\$ -	\$ -	\$ 1,481,115	\$ 4,723,807
Pooled cash and cash equivalents	-	-	-	-	36,236,230	36,236,230
Pooled investments	38,154,526	16,911,448	76,522,996	79,031,666	-	210,620,636
Restricted cash and cash equivalents	-	-	-	-	884,569	884,569
Restricted investments	-	-	-	6,409,381	-	6,409,381
Receivables (net of allowances for uncollectibles)	167,647,099	20,059,998	30,219,974	805,983	18,765,786	237,498,840
Due from other funds	48,635	-	-	-	-	48,635
Inventories	1,161,306	-	-	-	-	1,161,306
<b>Total assets</b>	<b>\$ 210,254,258</b>	<b>\$ 36,971,446</b>	<b>\$ 106,742,970</b>	<b>\$ 86,247,030</b>	<b>\$ 57,367,700</b>	<b>\$ 497,583,404</b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>						
<b>Liabilities:</b>						
Accounts payable	\$ 3,383,096	\$ -	\$ 2,773,358	\$ 33,786	\$ 1,754,921	\$ 7,945,161
Accrued payroll and fringe benefits	5,112,170	-	82,693	-	626,475	5,821,338
Due to other funds	1,069,658	-	-	-	48,635	1,118,293
Intergovernmental payable	2,235,453	5,934	4,773,626	-	6,327,212	13,342,225
Bond anticipation note payable	-	-	-	-	2,500,000	2,500,000
Unearned revenue	-	-	-	-	434,478	434,478
<b>Total liabilities</b>	<b>11,800,377</b>	<b>5,934</b>	<b>7,629,677</b>	<b>33,786</b>	<b>11,691,721</b>	<b>31,161,495</b>
<b>Deferred inflows of resources:</b>						
Unavailable property tax revenues - current	142,766,996	19,554,297	-	-	11,718,828	174,040,121
Unavailable property tax revenues - delinquent	1,904,042	394,242	-	-	252,771	2,551,055
<b>Total deferred inflows of resources</b>	<b>144,671,038</b>	<b>19,948,539</b>	<b>-</b>	<b>-</b>	<b>11,971,599</b>	<b>176,591,176</b>
<b>Fund balances:</b>						
Nonspendable - Inventories	1,161,306	-	-	-	-	1,161,306
Restricted - Debt service	-	17,016,973	-	-	-	17,016,973
Restricted - General government operations	-	-	-	-	238,375	238,375
Restricted - Law enforcement	-	-	-	-	4,000,783	4,000,783
Restricted - Judicial assistance and programs	-	-	-	-	3,219,768	3,219,768
Restricted - Health and welfare assistance	-	-	-	-	384,893	384,893
Restricted - Local economic development	-	-	-	-	2,777,364	2,777,364
Restricted - Tourism related	-	-	-	-	2,072,867	2,072,867
Restricted - Capital and infrastructure projects	-	-	73,549,795	86,213,244	11,206,891	170,969,930
Committed - Capital and infrastructure projects	-	-	25,563,498	-	9,803,439	35,366,937
Assigned - General government operations	364,000	-	-	-	-	364,000
Assigned - Capital and infrastructure projects	622,109	-	-	-	-	622,109
Assigned - Law enforcement	801,133	-	-	-	-	801,133
Assigned - Purchases on order	1,323,166	-	-	-	-	1,323,166
Assigned - Subsequent year's budget appropriation of fund balance	7,611,661	-	-	-	-	7,611,661
Unassigned	41,899,468	-	-	-	-	41,899,468
<b>Total fund balances</b>	<b>53,782,843</b>	<b>17,016,973</b>	<b>99,113,293</b>	<b>86,213,244</b>	<b>33,704,380</b>	<b>289,830,733</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 210,254,258</b>	<b>\$ 36,971,446</b>	<b>\$ 106,742,970</b>	<b>\$ 86,247,030</b>	<b>\$ 57,367,700</b>	<b>\$ 497,583,404</b>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
June 30, 2015**

**Total Governmental Fund Balances** **\$ 289,830,733**

*Amounts reported for governmental activities in the statement of net position are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 294,991,721

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:

Deferred loss on refunding	\$ 17,448,602	
Property taxes	<u>2,551,055</u>	19,999,657

Internal service funds are used by management to charge the costs of insurance, employee benefits and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. (164,179,450)

Elimination of indirect revenues and expenses between governmental funds and the enterprise funds which creates an internal balance. (15,789,248)

Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:

General obligation bonds	\$ (564,129,572)	
Special source revenue bonds	(93,023,393)	
Leases payable	(1,315,718)	
Compensated absences	(10,814,217)	
Intergovernmental note payable	(26,981,981)	
Accrued interest payable	<u>(5,469,748)</u>	<u>(701,734,629)</u>

**Net position of governmental activities** **\$ (276,881,216)**

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2015

	General	Debt Service	Transportation and Road Sales Tax Special Revenue	Special Source Revenue Bonds	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property, local option sales and transportation sales tax	\$ 128,268,138	\$ 18,617,736	\$ 49,707,277	\$ 14,899,943	\$ 13,978,546	\$ 225,471,640
Intergovernmental	22,819,490	356,836	16,267,310	-	13,745,657	53,189,293
Permits and licenses	4,520,556	-	-	-	-	4,520,556
Fines and forfeitures	1,806,572	-	-	-	1,178,545	2,985,117
Interest	1,187,582	42,392	210,060	776,356	63,357	2,279,747
Service charges	24,818,317	-	-	-	17,022,335	41,840,652
Rental and use of property	636,459	-	8,500	-	-	644,959
Other revenues	4,924,354	-	506,527	-	2,236,249	7,667,130
<b>Total revenues</b>	<b>188,981,468</b>	<b>19,016,964</b>	<b>66,699,674</b>	<b>15,676,299</b>	<b>48,224,689</b>	<b>338,599,094</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	50,136,855	-	8,052,000	12,378,331	166,252	70,733,438
Public safety	86,158,679	-	-	-	5,045,586	91,204,265
Judicial	18,001,127	-	-	-	8,913,342	26,914,469
Public works	8,769,025	-	50,694,253	-	5,965,299	65,428,577
Health and welfare	3,915,919	-	-	-	2,292,337	6,208,256
Economic development	-	-	-	-	2,778,596	2,778,596
Culture and recreation	14,745,747	-	5,066,137	-	14,987,972	34,799,856
Education	-	-	-	-	6,103,436	6,103,436
Capital outlay	-	-	-	-	5,906,547	5,906,547
Debt service	-	29,421,443	28,015,213	4,269,369	-	61,706,025
<b>Total expenditures</b>	<b>181,727,352</b>	<b>29,421,443</b>	<b>91,827,603</b>	<b>16,647,700</b>	<b>52,159,367</b>	<b>371,783,465</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>7,254,116</b>	<b>(10,404,479)</b>	<b>(25,127,929)</b>	<b>(971,401)</b>	<b>(3,934,678)</b>	<b>(33,184,371)</b>
<b>Other financing sources (uses):</b>						
Capital lease proceeds	-	-	-	-	483,458	483,458
Transfers in	4,508,331	7,482,819	20,483,414	3,493,814	12,991,311	48,959,689
Transfers out	(11,784,947)	-	(23,483,414)	(6,597,925)	(11,216,490)	(53,082,776)
Proceeds from sale of capital assets	-	-	-	-	32,684	32,684
<b>Total other financing sources (uses)</b>	<b>(7,276,616)</b>	<b>7,482,819</b>	<b>(3,000,000)</b>	<b>(3,104,111)</b>	<b>2,290,963</b>	<b>(3,606,945)</b>
<b>Net change in fund balances</b>	<b>(22,500)</b>	<b>(2,921,660)</b>	<b>(28,127,929)</b>	<b>(4,075,512)</b>	<b>(1,643,715)</b>	<b>(36,791,316)</b>
<b>Fund balances at beginning of year</b>	<b>53,805,343</b>	<b>19,938,633</b>	<b>127,241,222</b>	<b>90,288,756</b>	<b>35,348,095</b>	<b>326,622,049</b>
<b>Fund balances at end of year</b>	<b>\$ 53,782,843</b>	<b>\$ 17,016,973</b>	<b>\$ 99,113,293</b>	<b>\$ 86,213,244</b>	<b>\$ 33,704,380</b>	<b>\$ 289,830,733</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2015

Net Change in Fund Balances - Total Governmental Funds		\$ (36,791,316)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capital asset additions	\$ 17,388,612	
Depreciation expense	<u>(18,178,115)</u>	(789,503)
In the statement of activities, the gain or loss on disposal of capital assets is reported. Conversely, governmental funds do not report any gain or loss on disposal of capital assets:		
Cost of capital assets	1,684,996	
Accumulated depreciation	<u>(1,514,016)</u>	
Net book value	170,980	
Proceeds	<u>(32,684)</u>	
Loss on disposal	138,296	
Difference of proceeds and loss on sale		(170,980)
Because some property taxes and other income will not be collected for several months after the County's fiscal year ends, they are not considered "available" revenues in the governmental funds:		
Property taxes and local option sales tax		(346,331)
Other expenditures which do not use current resources		(1,828,210)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not result in an expense in the statement of activities.		32,070,851
Other financing source (use) which does not provide current resources or current uses:		
Capital lease proceeds		(483,458)
In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due.		265,241
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Compensated absences payable	(331,078)	
Deferred refunding costs and amortization of premium	<u>(3,196,928)</u>	(3,528,006)
To record internal service fund transfers.		2,686,163
The internal service funds are used by management to charge the costs of insurance and other services to individual funds. The net loss of the internal service funds are reported with governmental activities.		(44,229)
Elimination of indirect income between governmental funds and the enterprise funds.		(3,501,765)
The increase of governmental expenditures to avoid the doubling up of net income from the internal service funds.		(3,354,429)
Change in net position of governmental activities		<u>\$ (15,815,972)</u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

<u>REVENUES</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Property and local option sales taxes	\$ 132,906,000	\$ 130,646,000	\$ 128,268,138	\$ (2,377,862)
Intergovernmental	22,269,641	22,269,641	22,819,490	549,849
Permits and licenses	4,645,500	4,645,500	4,520,556	(124,944)
Fines and forfeitures	1,958,000	1,958,000	1,806,572	(151,428)
Interest	656,400	656,400	1,187,582	531,182
Service charges	22,041,292	22,041,292	24,818,317	2,777,025
Rental and use of property	355,000	355,000	636,459	281,459
Other revenues	4,814,120	4,814,120	4,924,354	110,234
<b>Total revenues</b>	<b>189,645,953</b>	<b>187,385,953</b>	<b>188,981,468</b>	<b>1,595,515</b>
 <u>EXPENDITURES</u>				
Current:				
General Government:				
Assessor	4,422,570	4,169,054	3,903,550	265,504
Auditor	2,156,720	2,166,278	2,058,204	108,074
Board of Elections & Voter Registration	1,772,218	1,810,238	1,761,197	49,041
Budget	729,740	730,451	662,900	67,551
Community Services	585,127	607,296	529,572	77,724
County Administrator	1,047,484	891,025	919,392	(28,367)
County Council	1,464,749	1,885,890	1,427,512	458,378
Deputy Administrator for Finance	463,784	464,165	442,370	21,795
Deputy Administrator for General Services	386,212	392,143	390,750	1,393
Deputy Administrator for Human Services	403,103	403,103	405,093	(1,990)
Facilities Management	14,098,705	14,441,153	13,855,659	585,494
Finance	969,404	969,771	974,110	(4,339)
Human Resources	1,568,637	1,646,825	1,428,331	218,494
Internal Auditor	225,612	225,954	224,240	1,714
Legal	1,140,524	1,144,514	1,169,559	(25,045)
Legislative Delegation	200,041	221,225	215,523	5,702
Nondepartmental	724,380	171,000	87,599	83,401
Procurement	908,796	926,864	908,357	18,507
Register Mesne Conveyance	1,932,552	1,939,398	1,848,736	90,662
Revenue Collections - Delinquent Tax	1,196,292	1,200,565	912,798	287,767
Safety & Risk Management	2,106,849	2,108,575	2,062,691	45,884
Technology Services	9,703,375	11,455,533	10,524,757	930,776
Treasurer	1,848,771	1,867,480	1,787,337	80,143
Zoning/Planning	1,680,203	1,696,063	1,636,618	59,445
<b>Total general government</b>	<b>51,735,848</b>	<b>53,534,563</b>	<b>50,136,855</b>	<b>3,397,708</b>

See notes to financial statements.



**COUNTY OF CHARLESTON, SOUTH CAROLINA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Public Safety:</b>				
Building Inspections	\$ 1,671,529	\$ 1,680,635	\$ 1,571,237	\$ 109,398
Consolidated Dispatch	8,406,686	7,867,228	7,587,369	279,859
Emergency Management	880,441	882,567	847,753	34,814
Emergency Medical Services	12,870,586	14,318,986	14,126,596	192,390
Sheriff	61,456,806	62,883,067	62,025,724	857,343
<b>Total public safety</b>	<b>85,286,048</b>	<b>87,632,483</b>	<b>86,158,679</b>	<b>1,473,804</b>
<b>Judicial:</b>				
Clerk of Court	3,666,245	3,669,937	3,535,140	134,797
Coroner	1,358,565	1,360,429	1,416,781	(56,352)
Magistrates Courts	4,848,373	4,825,667	4,725,967	99,700
Master-In-Equity	657,620	658,584	654,152	4,432
Probate Court	2,409,554	2,421,037	2,385,964	35,073
Solicitor	5,379,180	5,387,738	5,283,123	104,615
<b>Total judicial</b>	<b>18,319,537</b>	<b>18,323,392</b>	<b>18,001,127</b>	<b>322,265</b>
<b>Public Works:</b>				
Transportation Development	392,047	398,620	332,482	66,138
Public Works Department	8,949,345	8,871,160	8,436,543	434,617
<b>Total public works</b>	<b>9,341,392</b>	<b>9,269,780</b>	<b>8,769,025</b>	<b>500,755</b>
<b>Health and Welfare:</b>				
Indigent Care	1,341,849	1,319,680	1,319,107	573
Public Works - Mosquito Abatement	2,194,429	1,997,693	1,913,886	83,807
State Agencies	377,106	377,106	332,148	44,958
Veterans Affairs	354,490	355,875	350,778	5,097
<b>Total health and welfare</b>	<b>4,267,874</b>	<b>4,050,354</b>	<b>3,915,919</b>	<b>134,435</b>
<b>Culture and Recreation:</b>				
Charleston County Library	14,702,230	14,745,747	14,745,747	-
<b>Total culture and recreation</b>	<b>14,702,230</b>	<b>14,745,747</b>	<b>14,745,747</b>	<b>-</b>
<b>Total expenditures</b>	<b>183,652,929</b>	<b>187,556,319</b>	<b>181,727,352</b>	<b>5,828,967</b>
<b>Excess of revenues over expenditures</b>	<b>5,993,024</b>	<b>(170,366)</b>	<b>7,254,116</b>	<b>7,424,482</b>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Other financing sources (uses):				
Transfers in	\$ 1,499,202	\$ 3,759,202	\$ 4,508,331	\$ 749,129
Transfers out	(12,252,505)	(12,026,856)	(11,784,947)	241,909
Total other financing sources and (uses)	<u>(10,753,303)</u>	<u>(8,267,654)</u>	<u>(7,276,616)</u>	<u>991,038</u>
Net change in fund balance	(4,760,279)	(8,438,020)	(22,500)	8,415,520
Fund balance at beginning of year	<u>53,805,343</u>	<u>53,805,343</u>	<u>53,805,343</u>	<u>-</u>
Fund balance at end of year	<u>\$ 49,045,064</u>	<u>\$ 45,367,323</u>	<u>\$ 53,782,843</u>	<u>\$ 8,415,520</u>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2015

<u>ASSETS</u>	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Environmental Management	Parking Garages	Nonmajor Other Funds	Total	
<b>Current assets:</b>					
Non-pooled cash and cash equivalents	\$ 1,251	\$ 9,500	\$ 401,127	\$ 411,878	\$ -
Pooled cash and cash equivalents	30,979,901	1,792,525	6,743,753	39,516,179	42,038,489
Cash with fiscal agent	-	-	-	-	125,000
Pooled investments	17,533,141	-	-	17,533,141	-
Receivables (net of allowances for uncollectibles)	3,028,475	108,552	3,782,689	6,919,716	215,496
Due from other funds	-	-	-	-	19,099,338
Inventories	-	-	-	-	328,343
Prepaid rent	-	-	92,821	92,821	-
<b>Total current assets</b>	<b>51,542,768</b>	<b>1,910,577</b>	<b>11,020,390</b>	<b>64,473,735</b>	<b>61,806,666</b>
<b>Capital assets:</b>					
Land	4,564,562	2,350,320	-	6,914,882	-
Construction in progress	3,823,607	-	-	3,823,607	-
Buildings	3,836,940	14,515,236	9,702,367	28,054,543	1,695,683
Improvements other than buildings	16,551,526	108,715	270,255	16,930,496	-
Machinery and equipment	23,689,549	1,163,592	4,111,910	28,965,051	33,779,245
Less accumulated depreciation	(19,832,504)	(5,615,276)	(6,519,462)	(31,967,242)	(21,217,890)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>32,633,680</b>	<b>12,522,587</b>	<b>7,565,070</b>	<b>52,721,337</b>	<b>14,257,038</b>
<b>Total noncurrent assets</b>	<b>32,633,680</b>	<b>12,522,587</b>	<b>7,565,070</b>	<b>52,721,337</b>	<b>14,257,038</b>
<b>Total assets</b>	<b>84,176,448</b>	<b>14,433,164</b>	<b>18,585,460</b>	<b>117,195,072</b>	<b>76,063,704</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>					
Pension contributions made subsequent to measurement date	-	-	-	-	12,779,064
Difference between expected and actual experience	-	-	-	-	5,186,119
<b>Total deferred outflows of resouces</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,965,183</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2015

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Environmental Management	Parking Garages	Nonmajor Other Funds		
<b><u>LIABILITIES</u></b>					
<b>Current liabilities:</b>					
Accounts payable	\$ 1,716,050	\$ 116,039	\$ 551,417	\$ 2,383,506	\$ 4,098,029
Accrued payroll and fringe benefits	330,655	46,728	364,521	741,904	2,102,599
Compensated absences - current	14,250	-	85,026	99,276	30,042
Due to other funds	7,853,419	1,179,856	8,996,405	18,029,680	-
Intergovernmental payable	8,504	1,192	2,893,360	2,903,056	104,830
Unearned revenue	4,500	-	21,476	25,976	-
Lease payable - current	-	-	-	-	260,369
Accrual for landfill closure - current	600	-	-	600	-
<b>Total current liabilities</b>	<b>9,927,978</b>	<b>1,343,815</b>	<b>12,912,205</b>	<b>24,183,998</b>	<b>6,595,869</b>
<b>Noncurrent liabilities:</b>					
OPEB liability	-	-	-	-	29,186,803
Accrual for landfill closure	6,854,800	-	-	6,854,800	-
Compensated absences	589,713	71,880	479,490	1,141,083	333,111
Lease payable	-	-	-	-	592,757
Net pension liability	-	-	-	-	186,113,466
<b>Total noncurrent liabilities</b>	<b>7,444,513</b>	<b>71,880</b>	<b>479,490</b>	<b>7,995,883</b>	<b>216,226,137</b>
<b>Total liabilities</b>	<b>17,372,491</b>	<b>1,415,695</b>	<b>13,391,695</b>	<b>32,179,881</b>	<b>222,822,006</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>					
Net difference between projected and actual earnings on pension plan investments	-	-	-	-	17,356,651
<b><u>NET POSITION</u></b>					
Net investment in capital assets	32,633,680	12,522,587	7,565,070	52,721,337	13,403,912
Unrestricted	34,170,277	494,882	(2,371,305)	32,293,854	(159,553,682)
<b>Total net position</b>	<b>\$ 66,803,957</b>	<b>\$ 13,017,469</b>	<b>\$ 5,193,765</b>	<b>85,015,191</b>	<b>\$ (146,149,770)</b>
Adjustment to reflect the consolidation of internal service funds related to business-type activities				(3,636,368)	
Adjustment to reflect the elimination of indirect costs charged by the governmental funds				37,455,296	
<b>Total net position for business-type activities</b>				<b>\$ 118,834,119</b>	

See notes to financial statements.

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COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Environmental Management	Parking Garages	Nonmajor Other Funds	Total	
<b>Operating revenues:</b>					
Charges for services	\$ 1,043,251	\$ 3,630,944	\$ 13,862,402	\$ 18,536,597	\$ 62,455,200
User fees	27,393,882	-	-	27,393,882	-
Sale of recyclables	301,663	-	-	301,663	-
Other revenues	14,781	-	28,513	43,294	-
<b>Total operating revenues</b>	<b>28,753,577</b>	<b>3,630,944</b>	<b>13,890,915</b>	<b>46,275,436</b>	<b>62,455,200</b>
<b>Operating expenses:</b>					
Personnel services	7,035,470	966,254	7,738,637	15,740,361	3,695,693
Contractual services	7,885,735	203,728	817,372	8,906,835	4,257,167
Materials and supplies	916,426	113,626	760,579	1,790,631	9,423,854
Utilities	109,245	156,681	855,465	1,121,391	1,532,815
Repairs and maintenance	41,772	115,226	2,053,179	2,210,177	348,668
Rental expenses	151,808	-	608,225	760,033	11,674
Vehicle fleet charges	3,824,758	6,944	48,877	3,880,579	127,577
Employee benefits	-	-	-	-	41,553,868
Other expenses	1,733,848	230,420	4,735,144	6,699,412	1,329,861
Depreciation and amortization	3,574,758	380,011	1,152,392	5,107,161	3,824,567
Landfill closure	(600)	-	-	(600)	-
<b>Total operating expenses</b>	<b>25,273,220</b>	<b>2,172,890</b>	<b>18,769,870</b>	<b>46,215,980</b>	<b>66,105,744</b>
<b>Operating income (loss)</b>	<b>3,480,357</b>	<b>1,458,054</b>	<b>(4,878,955)</b>	<b>59,456</b>	<b>(3,650,544)</b>
<b>Nonoperating revenues (expenses):</b>					
Interest income	105,457	5,993	20,571	132,021	13,388
Interest expense	-	-	-	-	(72,941)
Intergovernmental revenues	152,363	-	2,377,409	2,529,772	-
Gain (loss) on disposal of capital assets	83,177	(500)	(211,061)	(128,384)	320,493
<b>Total nonoperating revenues (expenses)</b>	<b>340,997</b>	<b>5,493</b>	<b>2,186,919</b>	<b>2,533,409</b>	<b>260,940</b>
<b>Income (loss) before transfers</b>	<b>3,821,354</b>	<b>1,463,547</b>	<b>(2,692,036)</b>	<b>2,592,865</b>	<b>(3,389,604)</b>
Transfers in	-	-	3,695,833	3,695,833	3,332,054
Transfers out	-	(1,938,206)	(320,703)	(2,258,909)	(645,891)
<b>Change in net position</b>	<b>3,821,354</b>	<b>(474,659)</b>	<b>683,094</b>	<b>4,029,789</b>	<b>(703,441)</b>
<b>Total net position- beginning, as restated</b>	<b>62,982,603</b>	<b>13,492,128</b>	<b>4,510,671</b>		<b>(145,446,329)</b>
<b>Total net position - ending</b>	<b>\$ 66,803,957</b>	<b>\$ 13,017,469</b>	<b>\$ 5,193,765</b>		<b>\$ (146,149,770)</b>
Adjustment to reflect the elimination of indirect costs charged by governmental funds				3,501,317	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				9,054	
<b>Change in net position of business-type activities</b>				<b>\$ 7,540,160</b>	

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Environmental Management	Parking Garages	Nonmajor Other Funds	Total	
<b>Cash flows from operating activities:</b>					
Cash received from customers	\$ 29,503,995	\$ 3,549,314	\$ 14,594,114	\$ 47,647,423	\$ 293,706
Cash receipts from interfund services provided	-	-	-	-	62,064,938
Cash payments to suppliers for goods and services	(13,790,464)	(765,887)	(10,034,025)	(24,590,376)	(54,634,394)
Cash payments to employees for services	(6,963,950)	(965,375)	(7,723,749)	(15,653,074)	(1,782,096)
<b>Net cash (used in) provided by operating activities</b>	<b>8,749,581</b>	<b>1,818,052</b>	<b>(3,163,660)</b>	<b>7,403,973</b>	<b>5,942,154</b>
<b>Cash flows from noncapital financing activities:</b>					
Transfers in	-	-	3,695,833	3,695,833	3,332,054
Transfers (out)	-	(1,938,206)	(320,703)	(2,258,909)	(645,891)
Intergovernmental receipt	-	-	488,922	488,922	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>-</b>	<b>(1,938,206)</b>	<b>3,864,052</b>	<b>1,925,846</b>	<b>2,686,163</b>
<b>Cash flows from capital and related financing activities:</b>					
Principal paid on long-term debt	-	-	-	-	(251,896)
Interest paid	-	-	-	-	(72,941)
Proceeds from capital lease	-	-	-	-	82,431
Proceeds from sale of capital assets	223,217	-	2,151	225,368	431,569
Acquisition and construction of capital assets	(9,131,830)	(660,830)	(828,677)	(10,621,337)	(3,087,484)
<b>Net cash used in capital and related financing activities</b>	<b>(8,908,613)</b>	<b>(660,830)</b>	<b>(826,526)</b>	<b>(10,395,969)</b>	<b>(2,898,321)</b>
<b>Cash flows from investing activities:</b>					
Interest received	105,457	5,993	20,571	132,021	13,388
<b>Net cash provided by investing activities</b>	<b>105,457</b>	<b>5,993</b>	<b>20,571</b>	<b>132,021</b>	<b>13,388</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(53,575)</b>	<b>(774,991)</b>	<b>(105,563)</b>	<b>(934,129)</b>	<b>5,743,384</b>
Cash and cash equivalents at beginning of year	48,567,868	2,577,016	7,250,443	58,395,327	36,420,105
Cash and cash equivalents at end of year	48,514,293	1,802,025	7,144,880	57,461,198	42,163,489
<b>Reconciliation to balance sheet:</b>					
Non-pooled cash and cash equivalents	\$ 1,251	\$ 9,500	\$ 401,127	\$ 411,878	\$ -
Pooled cash and cash equivalents	30,979,901	1,792,525	6,743,753	39,516,179	42,038,489
Pooled investments	17,533,141	-	-	17,533,141	-
Cash with fiscal agent	-	-	-	-	125,000
<b>Cash and cash equivalents at end of year</b>	<b>\$ 48,514,293</b>	<b>\$ 1,802,025</b>	<b>\$ 7,144,880</b>	<b>\$ 57,461,198</b>	<b>\$ 42,163,489</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2015

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Environmental Management	Parking Garages	Nonmajor Other Funds		
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 3,480,357	\$ 1,458,054	\$ (3,358,133)	\$ 1,580,278	\$ (3,650,544)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	3,574,758	380,011	1,152,392	5,107,161	3,824,567
Provision for landfill closure	(600)	-	-	(600)	-
Allowance for uncollectable accounts	60,000	-	403,350	463,350	-
Changes in assets, deferred outflows and inflows of resources, and liabilities:					
(Increase) decrease in receivables	685,918	(81,630)	(1,242,450)	(638,162)	(96,556)
(Increase) decrease in inventories	-	-	-	-	26,464
Increase (decrease) in accounts payable	873,128	60,738	(155,183)	778,683	3,094,481
Increase (decrease) in accrued payroll	71,520	879	14,888	87,287	1,591,370
Increase (decrease) in unearned revenue	4,500	-	21,476	25,976	-
Increase (decrease) in net pension liability	-	-	-	-	(9,956,342)
(Increase) decrease in deferred outflows of resources for pensions	-	-	-	-	(6,247,937)
Increase (decrease) in deferred inflows of resources for pensions	-	-	-	-	17,356,651
Total adjustments	5,269,224	359,998	194,473	5,823,695	9,592,698
Net cash provided by (used in) operating activities	\$ 8,749,581	\$ 1,818,052	\$ (3,163,660)	\$ 7,403,973	\$ 5,942,154

See notes to financial statements.



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**COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
June 30, 2015**

**ASSETS**

Non-pooled cash and cash equivalents	\$ 15,962,984
Non-pooled investments	123,000
Pooled investments	<u>54,329,602</u>
 Total assets	 <u><u>\$ 70,415,586</u></u>

**LIABILITIES**

Due to component units	\$ (16,436)
Intergovernmental payable	37,781,081
Due to third parties	<u>32,650,941</u>
 Total liabilities	 <u><u>\$ 70,415,586</u></u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**COMBINING STATEMENT OF NET POSITION - DISCRETELY PRESENTED COMPONENT UNITS**

	Charleston County Library	Charleston County PRC	Cooper River Park & Playground	North Charleston District
<b><u>ASSETS</u></b>				
Non-pooled cash and cash equivalents	\$ 1,882,380	\$ 13,987,034	\$ 20,965	\$ 651,174
Investments	-	-	-	-
Receivables (net of allowances for uncollectibles)	235,869	19,162,225	148,327	890,315
Due from primary government	-	-	16,186	8,299
Inventories	54,504	778,838	-	-
Prepaid items and deposits	149,870	5,392,591	-	-
Other non current asset	-	4,769	-	-
Restricted assets:				
Cash and cash equivalents	-	12,637,225	-	-
Capital assets:				
Nondepreciable assets	11,000	104,311,808	66,161	4,368
Other capital assets, net of accumulated depreciation	3,006,428	41,009,466	7,036	71,780
Total assets	<u>5,340,051</u>	<u>197,283,956</u>	<u>258,675</u>	<u>1,625,936</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>				
Pension contributions made subsequent to measurement date	828,413	1,080,200	-	-
Differences between expected and actual experience	384,795	501,054	-	-
Total deferred outflows of resources	<u>1,213,208</u>	<u>1,581,254</u>	<u>-</u>	<u>-</u>
<b><u>LIABILITIES</u></b>				
Accounts payable	545,134	1,438,030	-	-
Accrued payroll and fringe benefits	198,450	450,139	-	-
Intergovernmental payable	-	439,922	-	85,899
Interest payable	-	379,579	-	-
Unearned revenue	5,758	1,086,608	-	35,642
Net pension liability	13,579,832	17,682,740	-	-
Noncurrent liabilities:				
Due within one year	63,522	3,875,520	-	-
Due in more than one year	1,246,271	30,860,433	-	-
Total liabilities	<u>15,638,967</u>	<u>56,212,971</u>	<u>-</u>	<u>121,541</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>				
Deferred revenue - property taxes	-	17,989,388	133,278	817,440
Net differences between projected and actual earnings on pension plan investments	1,145,156	1,490,786	-	-
Total deferred inflows of resources	<u>1,145,156</u>	<u>19,480,174</u>	<u>133,278</u>	<u>817,440</u>
<b><u>NET POSITION</u></b>				
Net investment in capital assets	2,850,645	111,976,784	73,197	76,148
Restricted for:				
Debt service	-	12,092,133	-	-
Capital improvement program	-	-	-	-
1% fee	-	-	-	-
Donors / Grantors	64,060	335	-	-
Unrestricted	(13,145,569)	(897,187)	52,200	610,807
Total net position	<u>\$ (10,230,864)</u>	<u>\$ 123,172,065</u>	<u>\$ 125,397</u>	<u>\$ 686,955</u>

See notes to financial statements.

Charleston County Volunteer Rescue Squad Dec. 31, 2014	St. Andrew's Parish Parks & Playground	St. John's Fire District	St. Paul's Fire District	Totals
\$ 424,856	\$ 471,045	\$ 3,332,034	\$ 216,272	\$ 20,985,760
-	-	38,315	-	38,315
-	1,325,705	12,482,140	5,333,430	39,578,011
-	30,365	271,239	132,604	458,693
-	-	-	-	833,342
22,359	21,311	142,843	61,893	5,790,867
-	40,000	-	-	44,769
-	-	14,206	167,384	12,818,815
87,679	519,000	586,806	1,790,935	107,377,757
717,245	2,983,748	13,226,513	5,296,120	66,318,336
1,252,139	5,391,174	30,094,096	12,998,638	254,244,665
-	152,364	808,287	372,454	3,241,718
-	62,435	187,708	112,377	1,248,369
-	214,799	995,995	484,831	4,490,087
-	63,530	340,354	19,931	2,406,979
-	139,446	198,275	167,331	1,153,641
-	-	-	-	525,821
-	-	96,771	27,293	503,643
57,205	325,827	-	-	1,511,040
-	2,203,391	9,505,290	4,198,761	47,170,014
-	188,945	1,496,352	380,841	6,005,180
-	305,387	8,646,866	3,692,331	44,751,288
57,205	3,226,526	20,283,908	8,486,488	104,027,606
-	1,260,470	12,278,943	5,049,028	37,528,547
-	185,762	804,966	479,540	4,106,210
-	1,446,232	13,083,909	5,528,568	41,634,757
804,924	3,105,427	4,488,579	3,415,836	126,791,540
-	-	228,987	74,221	12,395,341
-	-	-	163,800	163,800
-	-	-	10,683	10,683
50,000	-	-	-	114,395
340,010	(2,172,212)	(6,995,292)	(4,196,127)	(26,403,370)
\$ 1,194,934	\$ 933,215	\$ (2,277,726)	\$ (531,587)	\$ 113,072,389

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF ACTIVITIES - DISCRETELY PRESENTED COMPONENT UNITS  
 For the Year Ended June 30, 2015

	Program Revenues			Net (Expense) Revenue and Changes in Net Position									Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Charleston County Library	Charleston County PRC	Cooper River Park & Playground	North Charleston District	Chas County Volunteer Rescue Squad Dec. 31, 2014	St. Andrew's Parish Parks & Playground	St. John's Fire District	St. Paul's Fire District		
Expenses													
<b>Charleston County Library</b>													
Governmental activities:													
Culture and recreation	\$ 16,293,350	\$ 485,275	\$ 15,071,240	\$ 545,095	\$ (191,740)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (191,740)	
<b>Charleston County PRC</b>													
Governmental activities:													
General government	12,064,259	-	11,863	19,257,780	-	7,205,384	-	-	-	-	-	7,205,384	
Recreation/Park operations	4,056,471	531,232	-	-	-	(3,525,239)	-	-	-	-	-	(3,525,239)	
Planning and development	291,504	-	-	-	-	(291,504)	-	-	-	-	-	(291,504)	
Interest and fiscal charges	909,020	-	-	-	-	(909,020)	-	-	-	-	-	(909,020)	
Total governmental activities	17,321,254	531,232	11,863	19,257,780	-	2,479,621	-	-	-	-	-	2,479,621	
Business-type activities:													
Park operations	15,264,338	14,348,107	-	-	-	(916,231)	-	-	-	-	-	(916,231)	
Total Charleston County PRC	32,585,592	14,879,339	11,863	19,257,780	-	1,563,390	-	-	-	-	-	1,563,390	
<b>Cooper River Park &amp; Playground</b>													
Governmental activities:													
General government	11,564	-	-	-	-	(11,564)	-	-	-	-	-	(11,564)	
Culture and recreation	198,675	-	-	-	-	(198,675)	-	-	-	-	-	(198,675)	
Total governmental activities	210,239	-	-	-	-	(210,239)	-	-	-	-	-	(210,239)	
<b>North Charleston District</b>													
Governmental activities:													
General government	24,110	-	-	-	-	-	(24,110)	-	-	-	-	(24,110)	
Public safety	892,288	-	-	-	-	-	(892,288)	-	-	-	-	(892,288)	
Public works	295,407	-	-	-	-	-	(295,407)	-	-	-	-	(295,407)	
Total governmental activities	1,211,805	-	-	-	-	-	(1,211,805)	-	-	-	-	(1,211,805)	
<b>Charleston County Volunteer Rescue Squad</b>													
Governmental activities:													
Public Safety	417,082	-	340,547	50,000	-	-	-	(26,535)	-	-	-	(26,535)	

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF ACTIVITIES - DISCRETELY PRESENTED COMPONENT UNITS  
 For the Year Ended June 30, 2015

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets									Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Charleston County Library	Charleston County PRC	Cooper River Park & Playground	North Charleston District	Chas County Volunteer Rescue Squad Dec. 31, 2014	St. Andrew's Parish Parks & Playground	St. John's Fire District	St. Paul's Fire District	
<b>St. Andrew's Parish Parks &amp; Playground Commission</b>													
<b>Governmental activities:</b>													
General government	\$ 1,518,683	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,518,683)	\$ -	\$ -	\$ (1,518,683)
Culture and recreation	530,127	505,750	-	-	-	-	-	-	-	(24,377)	-	-	(24,377)
Interest	5,061	-	-	-	-	-	-	-	-	(5,061)	-	-	(5,061)
<b>Total governmental activities</b>	<b>2,053,871</b>	<b>505,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,548,121)</b>	<b>-</b>	<b>-</b>	<b>(1,548,121)</b>
<b>Business-type activities:</b>													
Culture and recreation	1,961,200	1,225,658	-	-	-	-	-	-	-	(735,542)	-	-	(735,542)
<b>Total St. Andrew's Parish Parks &amp; Playground Commission</b>	<b>4,015,071</b>	<b>1,731,408</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,283,663)</b>	<b>-</b>	<b>-</b>	<b>(2,283,663)</b>
<b>St. John's Fire District</b>													
<b>Governmental activities:</b>													
Public safety	11,918,246	-	-	-	-	-	-	-	-	-	(11,918,246)	-	(11,918,246)
Interest	286,090	-	-	-	-	-	-	-	-	-	(286,090)	-	(286,090)
<b>Total governmental activities</b>	<b>12,204,336</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,204,336)</b>	<b>-</b>	<b>(12,204,336)</b>
<b>St. Paul's Fire District</b>													
<b>Governmental activities:</b>													
Public safety	5,877,356	-	-	-	-	-	-	-	-	-	-	(5,877,356)	(5,877,356)
<b>Total Component Units</b>	<b>\$ 72,814,831</b>	<b>\$ 17,096,022</b>	<b>\$ 15,423,650</b>	<b>\$ 19,852,875</b>									<b>\$ (20,442,284)</b>
<b>General Revenues:</b>													
Property taxes	-	-	-	-	-	16,506,230	160,217	1,009,818	-	1,535,198	13,031,932	5,611,587	37,854,982
Merchants inventory tax and manufacturer's depreciation	-	-	-	-	-	713,267	55,574	211,890	-	277,975	21,549	13,742	1,293,997
Franchise fees	-	-	-	-	-	-	-	33,312	-	-	-	-	33,312
Grants not restricted to specific program	-	-	-	-	-	140,675	-	-	-	-	-	-	140,675
Unrestricted investment earnings	-	-	-	-	-	22,758	-	358	-	417	1,110	654	25,297
Gains on sale of capital assets	-	-	-	-	-	66,941	-	-	13,507	-	-	1,036	81,484
Fundraising and donations	-	-	-	-	-	-	-	-	41,762	-	-	-	41,762
Miscellaneous	-	-	-	-	-	1,308,553	-	-	1,184	-	30,437	99,319	1,439,493
<b>Total general revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,758,424</b>	<b>215,791</b>	<b>1,255,378</b>	<b>56,453</b>	<b>1,813,590</b>	<b>13,085,028</b>	<b>5,726,338</b>	<b>40,911,002</b>
<b>Change in net position</b>	<b>(191,740)</b>	<b>20,321,814</b>	<b>5,552</b>	<b>43,573</b>	<b>29,918</b>	<b>(470,073)</b>	<b>880,692</b>	<b>(151,018)</b>	<b>20,468,718</b>				
<b>Net position - beginning, as restated</b>	<b>(10,039,124)</b>	<b>102,850,251</b>	<b>119,845</b>	<b>643,382</b>	<b>1,165,016</b>	<b>1,403,288</b>	<b>(3,158,418)</b>	<b>(380,569)</b>	<b>92,603,671</b>				
<b>Net position - end of year</b>	<b>\$ (10,230,864)</b>	<b>\$ 123,172,065</b>	<b>\$ 125,397</b>	<b>\$ 686,955</b>	<b>\$ 1,194,934</b>	<b>\$ 933,215</b>	<b>\$ (2,277,726)</b>	<b>\$ (531,587)</b>	<b>\$ 113,072,389</b>				

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Introduction**

The financial statements of the County of Charleston (County) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds, governmental and business-type activities, and similar component units apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note. The remainders of the notes are organized to provide explanations, including required disclosures, of the County's financial activities for the fiscal year ended June 30, 2015.

**B. Financial Reporting Entity**

The County of Charleston, South Carolina, was established by the State of South Carolina on April 9, 1948, under the provisions of Act 681 of 1942. The County operates under a Council-Administrator form of government and provides the following services: public safety (sheriff and fire), highways and streets, sanitation, health and social services, cultural and recreational programs, public improvements, planning and zoning, courts, economic development and general administrative services. As required by GAAP, these financial statements present the County (the Primary Government) and its component units, entities for which the County is considered to be financially accountable or for which exclusion of a component unit would render the financial statements misleading.

The core of the financial reporting entity is the primary government, which has a separately elected governing body. As required by generally accepted accounting principles, the financial reporting entity includes both the primary government and all of its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In turn, component units may have component units.

An organization other than a primary government may serve as a nucleus for a reporting entity when it issues separate financial statements. That organization is identified herein as a primary entity. The financial reporting entity includes the County (a primary entity).

A primary government or entity is financially accountable if it appoints a voting majority of the organization's governing body, including situations in which the voting majority consists of the primary entity's officials serving as required by law (e.g., employees who serve in an ex officio capacity on the component unit's board are considered appointments by the primary entity) and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary entity. The primary entity is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

An organization can provide a financial benefit to, or impose a financial burden on, a primary government in a variety of ways. The benefit or burden may result from legal entitlements or obligations, or it may be less formalized and exist because of decisions made by the primary government or agreements between the primary government and a component unit. If a primary government appoints a voting majority of an



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organization's officials or if the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or to impose specific financial burdens on, the primary government, the primary government is financially accountable for those organizations. An organization has a financial benefit or burden relationship with the primary government if, for example, any one of these conditions exists:

- (1) The primary government is legally entitled to or can otherwise access the organization's resources.
- (2) The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- (3) The primary government is obligated in some manner for the debt of the organization.



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Based on the criteria, component units are reported in the County's Comprehensive Annual Financial Report (CAFR) as shown in the following table:

Blended Component Units Reported with the Primary Government	Brief Description of Activities and Relationship to the County	Reporting Funds
<p>Charleston Development Corporation Administrative Office Address: 4045 Bridge View Drive Suite B226 North Charleston, SC 29405 Telephone: (843) 958-4600</p>	<p>Non-Profit Corporate entity established September 16, 2004, to further human, social, and economic development in the County of Charleston, to promote a healthier and safer community, and apply for funding that the County would otherwise not be eligible to receive. The Corporation is governed by a Board of Directors which shall consist of one member of Charleston County Council, two Charleston County employees, and two Charleston County citizens. The Corporation exists solely for the benefit of Charleston County and Charleston County is the sole beneficiary of the corporation's funding.</p>	<p>Special Revenue Fund- Charleston Development Corporation</p>
Discretely Presented Component Units	Brief Description of Activities and Relationship to the County	
<p>Charleston County Library (CCL) Administrative Office Address: 68 Calhoun Street Charleston, SC 29401 Telephone: (843) 805-6801</p>	<p>The Charleston County Library System was created by South Carolina Legislation in 1979 as part of Charleston County Government. Its primary purpose is to provide library services to the citizens of Charleston County and bookmobile services in the rural areas of the County. The Library operates under an 11 member Board of Trustees which is appointed by County Council. County Council approves the budget and all general obligation debt for the Library.</p>	

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Discretely Presented Component Units	Brief Description of Activities and Relationship to the County
<p>Charleston County Parks and Recreation Commission (CCPRC) Administrative Office Address: 861 Riverland Drive Charleston, SC 29412 Telephone: (843) 762-2172</p>	<p>The Commission was created under the provisions of Act 1595 of the South Carolina Legislature on August 3, 1972. The Commission is empowered to acquire land, establish recreational facilities, and provide recreational activities within Charleston County. The Commission is governed by a seven member board which is appointed by the Governor upon recommendation of the County Council. County Council approves the operating budget, levies taxes, and authorizes the issuance of all general obligation debt for the Commission.</p>
<p>Cooper River Park &amp; Playground Commission (CRPPC) Administrative Office Address: PO Box 71846 N. Charleston, SC 29415 Telephone: (843) 764-3072</p>	<p>The Commission was created on April 27, 1942, under Act 640 of the South Carolina Legislature to provide parks and recreation facilities for use by citizens residing within the geographic boundaries of the Commission. The Commission is governed by a six member Board of Trustees appointed by the North Charleston District and the Cooper River School District. County Council approves the operating budget, levies taxes, and authorizes the issuance of all general obligation debt for the Commission.</p>
<p>North Charleston District (NCD) Administrative Office Address: P.O. Box 63009 Charleston, SC 29419 Telephone: (843) 764-3072</p>	<p>The District was created as a public service district in 1972 by Act 1768 of the South Carolina Legislature. The District provides fire, sanitation, street lighting, and cleaning services to the residents within its geographic boundaries. The District is governed by a nine member Commission appointed by the Governor through recommendations of the City of North Charleston and the Legislative Delegation. County Council approves the operating budget, levies taxes, and authorizes the issuance of all general obligation debt for the District.</p>

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Discretely Presented Component Units	Brief Description of Activities and Relationship to the County
<p>St. Andrew's Parish Parks &amp; Playground Commission (SAPPPC) Administrative Office Address: P.O. Box 31825 Charleston, SC 29407 Telephone: (843) 763-4360</p>	<p>The Commission was created by the General Assembly of the State of South Carolina in 1945. The Commission has the power to create, develop, maintain, and operate a system of parks and playgrounds for the use and benefit of the residents within its jurisdictional area. The Commission is governed by five members appointed by the Governor upon recommendation of the County Council. County Council approves the operating budget, levies taxes, and authorizes the issuance of all general obligation debt for the Commission.</p>
<p>St. John's Fire District (SJFD) Administrative Office Address: P.O. Box 56 Johns Island, SC 29457 Telephone: (843) 559-9194</p>	<p>The Fire District was created by Act 369 of the South Carolina General Assembly on April 9, 1959. The Fire District provides fire protection services to residents within its geographic boundaries. The Fire District is governed by a seven member commission appointed by the Governor upon recommendation of the County Council. County Council approves the operating budget, levies taxes, and authorizes the issuance of all general obligation debt for the Fire District.</p>
<p>St. Paul's Fire District (SPFD) Administrative Office Address: P.O. Box 65 Hollywood, SC 29449 Telephone: (843) 889-6450</p>	<p>The Fire District was formed under Act 440 of the South Carolina General Assembly in 1949. The Fire District provides fire protection services to the western portion of the County. The Fire District is governed by a seven member commission appointed by the Governor upon recommendation of the County Council. County Council approves the operating budget, levies taxes, and authorizes the issuance of all general obligation debt for the Fire District.</p>
<p>Charleston County Volunteer Rescue Squad, Inc. (CCVRS) Administrative Office Address: P.O. Box 5012 North Charleston, SC 24906 Telephone: (843) 225-7728</p>	<p>The Rescue Squad received its Charter January 30, 1973, from the State of South Carolina. The primary purpose is to provide volunteer rescue services for the citizens of Charleston County. The rescue squad is exempt from federal and state income taxation under Section 501(c) (3) of the U.S. Internal Revenue Code and is not a private foundation. The rescue squad's operating budget is based on an annual appropriations approved by County Council during their budget process. The rescue squad is economically dependent on the County. In the event CCVRS is dissolved, Charleston County would be the beneficiary of any assets.</p>

The complete financial statements for each component unit may be obtained from their administrative offices at the addresses stated above.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**C. Basis of Presentation**

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information. The accounts of the County and its component units are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. There are three categories of funds: governmental, proprietary, and fiduciary.

**Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities for the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues and all taxes are presented as general revenues of the County, with certain limited exceptions.

The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

**Fund Financial Statements**

The County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

**Fund Accounting** - The major fund types are:

**Governmental funds** are used to account for general governmental activities. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

*General Fund* – This is the primary operating fund of the County. This fund accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Debt Service Fund* – This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

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*Special Source Revenue Bond Fund* – This fund accounts for the financial resources to be used for the cost of designing and constructing an extension of South Aviation Avenue Project as part of the Charleston Airport Area Improvement Project.

*Transportation and Road Sales Tax Special Revenue Fund* – This fund accounts for revenues generated by the half cent sales tax for roads, public transportation, and greenbelts.

**Proprietary funds** reporting focus is on the determination of operating income, changes in net position, financial position, and cash flow. Proprietary funds are classified as either enterprise or internal service. These funds use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

**Enterprise Funds** – These funds are used to account for those operations that are financed and operated in a manner similar to private business. In the enterprise funds a fee is charged to external users. The County reports the following major proprietary funds:

*Environmental Management* – This fund is used to account for the County's solid waste disposal activities, currently consisting of the following:

1. Landfill to dispose of all county dry goods and construction materials.
2. Service contracts for hauling and transfer of municipal solid waste.

This fund is also used to account for the County's recycling operations, which consist of the following:

1. Curbside collection of recyclables in the urban areas of the County.
2. Drop-box collection in all areas of the County.
3. Operation of materials recovery facility.
4. Yard waste mulch facility.

These services are funded from collection of a countywide user fee, tipping fees at the landfill, and sale of recyclables.

*Parking Garages* – This fund is used to account for the operation, financing, and construction of parking facilities. The County currently owns and operates two parking garages in downtown Charleston.

*Public Safety Systems* – This fund accounts for the cost related to the implementation and maintenance of records management systems for the detention center, law enforcement, fire districts, and other public safety entities.

**Internal Service Funds** – These funds account for the financing of services provided by one department to other departments of the County, or to other governments, on a cost reimbursement basis.

*Fleet Management* – This fund is used to account for all operations of the County's centrally administered vehicle operation. Functions included within this operation are writing the specifications and assisting in the purchase of all on and off-road vehicles and equipment; owning all vehicles and equipment not specifically used in other County proprietary operation; maintaining all vehicles and equipment; operating a County-wide fuel distribution and monitoring system; operating a fleet of pool cars for those departments not directly assigned vehicles; and operating a vehicle parts warehouse.

*Office Support Services* – This fund is used to account for the centrally administered mail pick-up and delivery service, duplicating machines, postage metering service, and records management. Records management includes establishing records retention schedules for all County operations, centralized storage of records, and a centralized microfilming operation.

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*Telecommunications* – This fund is used to account for the centrally administered telecommunications system, which includes pagers and cellular telephones.

*Workers' Compensation* – This fund is used to account for the costs of staffing a workers' compensation division as well as the cost of providing insurance through the S.C. Association of County Commissioners Self-Insurance Fund. Funding is provided by levying a percentage charge against all departmental payrolls. In fiscal year 1996, insurance was converted to self-insurance coverage for all claims less than \$100,000.

*Employee Benefits* – This fund is used to account for costs of providing health and life insurance to the County's employees and retirees, as well as providing retirement benefits. Funding is provided by a percentage charge against all departmental payrolls and payments from retirees. The fund is administered by seven trustees; the Finance Director and Human Resources Director as permanent members, the Chairman of the Employee Insurance Committee for the duration of term in office, and for two year periods, trustees appointed by the 1) Elected Officials, 2) Appointed Officials, 3) County Administrator and 4) Assistant Administrator of Finance. As of January 1, 1993, the Trustees had contracted with the South Carolina Department of Insurance to provide all of the County's health and life insurance. To provide retirement benefits to its employees, the County also contracts with the South Carolina Public Employee Benefit Authority (PEBA) which administers the various retirement systems and retirement programs managed by its Retirement Division.

**Fiduciary fund** reporting focuses on net position and changes in net position. This fund accounts for assets held by the County as an agent on behalf of others. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The County's only fiduciary funds are agency funds.

*Agency Funds* – This fund primarily consists of monies collected and disbursed by the County Treasurer (an elected, constitutionally mandated official) for various governmental units and taxing entities within Charleston County's borders as defined by South Carolina law. These monies are not under the control of Charleston County Council. This fund also consists of monies administered by several elected, appointed and other officials who, by nature of their position, collect and disburse cash. These officials consist of the Revenue Collections Director, Clerk of Court (who administers both Clerk of Court and Family Court funds), Delinquent Tax Collector, Family Court, Magistrates, Master-In-Equity, Probate Court Judge, Sheriff, and Solicitor.

**Component units** are either legally separate organizations for which the elected officials of the County are financially accountable, or legally separate organizations for which the nature and significance of its relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. Component unit disclosures represent a consolidation of various fund types.

#### **D. Measurement Focus**

**Government-Wide Financial Statements** – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the County are included on the statement of net position.

**Fund Financial Statements** – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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**E. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise on the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Revenues – Exchange and Non-Exchange Transactions** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within sixty days of fiscal year-end with respect to property taxes and one year after fiscal year-end for all other governmental revenues.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements in which the County must provide local resources to be used for a specified purpose, and expenditure requirements in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: delinquent taxes collected within 60 days of fiscal year end, sales tax, grants, interest, accommodations fees, intergovernmental revenue, and charges for services.

**Unavailable and Unearned Revenues** – Unavailable and unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied, and are not considered to be available to liquidate liabilities of the current period.

Property taxes for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance fiscal year 2016 operations have been recorded as deferred inflows of resources. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unearned revenue.

The County also defers revenue recognition in connection with resources received prior to meeting eligibility requirements (other than time requirements). As such, certain grants have been received, but not yet earned.

**Deferred Outflows/Inflows of Resources** – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditures) until then.



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In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenues) until then. *Unavailable revenue* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Expenses/Expenditures** – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

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

When committed, assigned and unassigned resources are available for use for the same purpose, it is the County's policy to use committed resources first, then assigned and unassigned, as needed for their intended purposes.

**F. Assets, Liabilities and Equity**

**1. Cash and Investments**

The County maintains and controls several major cash and investment pools which the funds of the primary government share. Each fund's portion of a pool is presented on its respective balance sheets as "pooled cash and cash equivalents." In addition, non-pooled cash and investments are separately held and reflected in the respective funds as "non-pooled cash and cash equivalents" and "investments," some of which are restricted assets.

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments. For purposes of the Proprietary Funds' statement of cash flows, all short-term highly liquid investments, including restricted assets, with original maturities of three months or less from the date of acquisition are considered to be cash equivalents.

South Carolina State law limits investments to those authorized by South Carolina Code of Laws Section 6-5-10. These state statues authorize investments in the following:

1. Obligations of the United States and agencies thereof.
2. General obligations of the State of South Carolina or any of its political units.
3. Savings and loan association deposits to the extent insured by the Federal Deposit Insurance Corporation.
4. Certificates of deposits and repurchase agreements collateralized by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, at a market value not less than the amount of certificates of deposit and repurchase agreements so secured, including interest.
5. No load open and closed-end portfolios of certain investment companies with issues of the US Government.

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The County and its component units have certain funds invested with the South Carolina State Treasurer's Office which established the South Carolina Local Government Investment Pool (the Pool) pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs which are under the custody of any county treasurer or any governing body of a political subdivision of the State may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. Separate financial statements can be requested from the South Carolina office of the State Treasurer at the Wade Hampton Office Building, 1200 Senate Street, Columbia, SC, 29201.

**2. Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. The allowance for trade accounts receivable is computed based upon an estimate of collections within each aging category. The allowance for property taxes receivable is based upon a composite average of each delinquent tax year's collections to the outstanding balance at the beginning of the fiscal year.

The County bills and collects property taxes for itself and all other taxing entities within the County. Property taxes are recognized in the period for which they are levied and available for financing current expenditures. Property taxes receivable represents current and delinquent real and personal taxes for the past ten years, less an allowance for amounts estimated to be uncollectible. All net property taxes receivable at year-end, except those collected within 60 days, are recorded as deferred revenue and thus not recognized as revenue until collected in the governmental funds. Taxes on real property and certain personal property attach as an enforceable lien on the property as of January 1. Taxes are levied and billed the following September on all property other than vehicles and are payable without penalty until January 15 of the following year. Penalties are assessed on unpaid taxes on the following dates: January 16 – 3 percent, February 1 – an additional 7 percent, March 16 – an additional 5 percent. On March 16, the property tax bills are turned over to the delinquent tax office and the properties are subject to sale. Taxes on licensed motor vehicles are levied during the month when the taxpayer's vehicle license registration is up for renewal. The County must provide proof of payment to the South Carolina Department of Transportation before that agency will renew the taxpayer's vehicle license.

The County charges a user fee to real property owners and certain commercial and governmental entities providing revenues for a portion of the County's solid waste collection and disposal effort (e.g., incineration, landfill and recycling). Tipping fees charged to certain commercial and governmental entities are also included. Annual charges to real property owners are billed in the fall for the subsequent calendar year, but are recognized in full in the year of billing. An allowance for uncollectible accounts is established based upon an historical estimate of the collections within each customer category: residential, commercial, governmental or housing agencies.

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The County also charges an annual storm water fee to real property owners in unincorporated areas and certain municipalities. This fee funds the County's storm water management program, which is now required under federal regulations. An allowance for uncollectible accounts is established based upon historical estimates.

**3. *Inventories and Prepaid Items***

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

In the governmental fund statements, reported inventories and prepaid items are equally offset by a nonspendable fund balance which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

**4. *Restricted Assets***

Certain assets of the County's Special Source Revenue Bond Fund and component units derived from proceeds of various General Obligation Bonds and Special Source Revenue Bonds are set aside for their repayment or earmarked by the Trustee for specific purposes. These assets are classified as restricted assets on the balance sheet in both the government-wide and fund financial statements, because their use is limited by applicable bond covenants. All restricted assets are considered expendable.

**5. *Capital Assets***

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the assets are not capitalized by governmental or business-type activities.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized for the year ended June 30, 2015.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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All reported capital assets except land and certain infrastructure assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	45
Buildings Improvements	10-45
Improvements other than buildings	10-45
Public Domain Infrastructure	20-50
Vehicles	5
Office Equipment	5-10
Computer Equipment	3-5
Other Equipment	5-12
Landfill Land	10-20
Sewer Systems	25-50

**6. Long-term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Deferred loss on refunding represents the difference between the reacquisition price and the net carrying value of the refunded debt. This difference is reported as a deferred outflow of resources.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**7. Compensated Absences**

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when employees separate from service with the County. All vacation pay is recorded when accrued by the employee in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured; for example, as a result of the employee resignations and retirements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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**8. Fund Equity**

**Government-Wide Statements**

Equity is classified as net position and displayed in three components:

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of the other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position – A net position that does not meet the definition of “net investment in capital assets” or “restricted.”

**Fund Statements**

The County has adopted GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (required implementation date of June 2011). This Statement establishes criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the County to classify and report amounts in the appropriate fund balance classifications. The County's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned, or unassigned. Fund balances are classified as follows:

Nonspendable fund balance cannot be spent because of its form.

Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Restrictions are placed on fund balances when legally enforceable legislation establishes the County's right to assess, levy, or charge fees to be used for a specific purpose. Legal enforceability means that the County can be compelled by an external party to use resources created by enabling legislation only the purpose specified by the legislation.

Committed fund balance has self-imposed limitations imposed at the highest level of decision making authority. County Council is the County's highest level of decision making that can, by adoption of an ordinance establish, modify or rescind a fund balance commitment. Committed amounts cannot be used for any other purpose unless Council removes those constraints by taking the same type of action. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Council.

Assigned fund balance are amounts intended to be used by the County for specific purposes. Assigned fund balance includes all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted, or committed and amounts in the General Fund that are intended to be used for a specific purpose. At this time, Council has elected not to delegate this authority.

Unassigned fund balance in the General Fund equals the net resources in excess of what can be properly classified in one of the above four categories. The County targets General Fund unassigned fund balance at a minimum of 1-1/2 to 2 months of the subsequent year's General Fund disbursements.

Unassigned – All amounts not included in other spendable classifications. The County permits funds to be expended in the following order: Committed, Assigned, and Unassigned.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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**9. Accounting Estimates**

The preparation of financial statements in accordance with GAAP requires the County's management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**10. Net Position**

Net position, net investment in capital assets, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Nonspendable fund balance cannot be spent because of its form.

Restricted fund balance has limitations imposed by creditors, grantors, or contributors of by enabling legislation or constitutional provisions. Restrictions are placed on fund balances when legally enforceable legislation establishes the County's right to assess, levy, or charge fees to be used for a specific purpose. Legal enforceability means that the County can be compelled by an external party to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed fund balance has self-imposed limitations imposed at the highest level of decision making authority. Council is the County's highest level of decision making that can, by adoption of an ordinance establish, modify or rescind a fund balance commitment. Committed amounts cannot be used for any other purpose unless Council removes those constraints by taking the same type of action. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Council.

Assigned fund balanced are amounts intended to be used by the County for specific purposes. Assigned fund balance includes all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted, or committed and amounts in the General Fund that are intended to be used for a specific purpose.

Unassigned fund balance in the General Fund equals the net resources in excess of what can be properly classified in one of the above four categories.

**11. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for solid waste disposal, recycling, parking garages, E-911 communication system, radio communication system, revenue collections, public safety systems, and the activity of the programs administered by the Department of Alcohol and Other Drug Abuse Services (DAODAS), vehicle maintenance, telephone service, and employee benefit programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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**12. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported as general revenues as transfers.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**13. Significant New Accounting Standards Adopted – Change in Accounting Principle**

The County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* (“GASB #68”) and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* (“GASB #71” and collectively “Statements”) in the year ended June 30, 2015. The primary objective of these Statements is to improve accounting and financial reporting by state and local governments for pensions. In addition, state and local governments who participate in a cost-sharing multiple-employer plan are now required to recognize a liability for their proportionate share of the net pension liability of that plan. It is GASB’s intention that these Statements will provide citizens and other users of the financial statements with a clearer picture of the size and nature of the County’s financial obligations to current and former employees for past services rendered. In particular, these Statements require the County to recognize a net pension liability, deferred outflows of resources, and deferred inflows of resources for its participation in the South Carolina Retirement System (“Plan”), a cost-sharing multiple-employer defined benefit pension plan, on financial statements prepared on the economic resources measurement focus and accrual basis of accounting (i.e., the Statement of Net Position) and present more extensive note disclosures.

The adoption of these Statements had no impact on the County’s governmental fund financial statements, which continue to report expenditures in the amount of the contractually required contributions, as required by the South Carolina Public Employee Benefit Authority (“PEBA”) who administers the Plan. However, the adoption has resulted in the restatement of the County’s net position as of July 1, 2014 for its government-wide, enterprise funds and internal service fund financial statements to reflect the reporting of net pension liabilities and deferred outflows of resources for its qualified Plan in accordance with the provisions of these Statements. Net position of the County’s government-wide and internal service funds as of July 1, 2014 was decreased by \$166,322,882 and the County’s enterprise funds were decreased by \$18,029,680, reflecting the cumulative change in accounting principle related to the adoption of these Statements. See Note I.V.H. for more information regarding the County’s retirement plan.

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the General Fund and certain Special Revenue Funds including Accommodations, Child Support Enforcement, Economic Development, Education, Fire Districts, Hazardous Materials Enforcement, Public Defender, Storm Water Drainage, Sheriff, Solicitor, and Victim Notification Funds. The balance of the Special Revenue Funds and Capital Projects Funds are budgeted over the life of the grant or project. Formal budgetary policies are not employed for the Debt Service Funds because effective budgetary control is alternatively achieved through General Obligation Bond indenture provisions. Certain reclasses have been made to the general fund presentation of the budget.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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All agencies of the County and its component units must submit requests for appropriations to the County Administrator by March 15 along with revenue estimates so that a budget may be prepared. By May 1, the proposed budgets are presented to County Council for review. The Council holds public hearings and adopts the final budgets by July 1 through passage of an ordinance.

The legal level of budgetary control is determined by County Council at the individual fund level. Expenditures by department, sub-organizational level and major category, i.e. personnel, non-personnel and capital outlay, are further defined in the budget document and are subject to County Administrator approval. The County Administrator is authorized to make transfers between major expenditure categories within departments and between departments within the same fund.

The Administrator has further delegated to the Assistant Administrators the authority to transfer between departments. The budget ordinance must be amended by Council to effect changes in fund totals.

Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations were necessary.

The results were increases and decreases within the individual departments within the funds. All annual appropriations lapse at year-end.

**III. DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits, Cash Equivalents and Investments**

***Custodial Credit Risk - Deposits***

Custodial Credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County follows Section 6-5-15, South Carolina Code of Law, 1976 (as amended) as its policy for custodial credit risk which states that to the extent that these deposits exceed the amount of insurance coverage provided by the Federal Deposit Insurance Corporation, the bank or savings and loan association at the time of deposit must: (1) furnish an indemnity bond in a responsible surety company authorized to do business in this State; or (2) pledge as collateral: (a) obligations of the United States; (b) obligations fully guaranteed both as to principal and interest by the United States; (c) general obligations of this State or any political subdivision of this State; or (d) obligations of the Federal National Mortgage Association, the Federal Home Loan Bank, Federal Farm Credit Bank, or the Federal Home Loan Mortgage Corporation, in which the local entity is named as beneficiary and the letter of credit otherwise meets the criteria established and prescribed by the local entity.

As of June 30, 2015, none of the County's bank balance of \$385,302,937 was exposed to custodial credit risk.

***Custodial Credit Risk – Investments***

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2015, the County had no exposed custodial credit risk on its investments which total \$289,015,760. \$234,563,158 is reported on the Statement of Net Position and \$54,542,602 is reported with Agency Funds. The County does not have a formal investment policy to address custodial credit risk.



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The State Treasurer sells participation in the South Carolina Local Government Investment Pool to political subdivisions of the State. Funds deposited into the South Carolina Local Government Investment Pool by legally qualified entities are used to purchase investment securities as follows:

1. U.S. Government Securities (direct obligations)
2. Federal Agency Securities
3. Repurchase Agreements Secured by U.S. Government Securities and/or Federal Agency Securities
4. A1/P1 Commercial Paper (Moody's/S&P highest rating)

Funds belonging to any entity that are on deposit with the South Carolina Local Government Investment Pool represent participation units in a portfolio comprised of the above referenced securities, and the external investment pool is not rated.

It is policy of the State Treasurer's Office that no derivatives of U.S. Government Securities and/or Federal Agency Securities and/or A1/P1 Commercial Paper are to be purchased by or for the South Carolina Local Government Investment Pool.

***Credit Risk***

The County had \$50,524,480 invested in the South Carolina Local Government Investment Pool (SCLGIP). \$1,415,064 has been invested in certificates of deposits and therefore by definition is not subject to credit risk. \$40,743,470 has been invested in debt securities of the Federal Home Loan Mortgage Discount Note and \$56,155,000 has been invested in Federal National Mortgage Assistance Pool. \$2,155,000 has been invested in Federal Farm Credit Bank and \$131,620,000 has been invested in Federal Home Loan Bank and \$6,402,746 has been invested in Treasury STRIPS. They are rated AAA and Aaa for long-term unsecured debt by Standards & Poor's and Moodys, respectively. The County has no formal policy relating to the credit risk of investments.

***Investment Policy***

The County's Investments are carried at cost or amortized cost. Non-participating interest-earning investment contracts, such as bank certificates of deposit whose terms are not affected by changes in market rates, are stated at cost. Investment contracts that have a remaining maturity at the time of the purchase of one year or less are stated at amortized cost, provided the fair value of the investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Amortization of investment premiums and discounts is netted against investment income for financial statement purposes. Money market investments are short-term, highly liquid debt instruments including US Treasury obligations. Interest-earning investment contracts are contracts that a government enters into with a financial institution or other financial services company for which it receives interest payments.

As a means of limiting its exposure to fair value losses arising from interest rates, the County's investment policy specifies limitations on instruments; diversification and maturity scheduling that are dependent upon whether the funds being invested are considered short term or long term funds. Investment maturities for operating funds are scheduled to coincide with projected cash flow needs, taking in to account large routine expenditures as well as considering sizeable blocks of anticipated revenue. Maturities in this category are timed to comply with the following guidelines:

Under 30 days	10% minimum
Under 90 days	25% minimum
Under 270 days	50% minimum
Under 1 year	90% minimum
Under 18 months	100% minimum

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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Long-term investment maturity scheduling is timed according to anticipated needs. The County's investments have a fair value of \$289,015,760 as of June 30, 2015.

	<u>Maturity Date</u>		
<b>Investments and Maturity:</b>	<u>Less than 1 year</u>	<u>1-5 years</u>	<u>Over 5 years</u>
Certificates of Deposits	\$ 128,000	\$ 1,287,064	\$ -
SCLGIP	50,524,480	-	-
Federal Home Loan Bank	35,000,000	96,620,000	-
Treasury Strips	6,402,746	-	-
Federal Farm Credit Bureau	-	2,155,000	-
Federal Home Loan Mortgage Discount Note	-	40,743,470	-
Federal National Mortgage Assistance Pool	-	56,155,000	-
	\$ 92,055,226	\$ 196,960,534	\$ -

**Concentrations of Credit Risk**

More than 5 percent of the County's investments are listed as follows:

Certificates of Deposits	.49%
SCLGIP	17.48%
Federal Home Loan Bank	45.54%
Federal Farm Credit Bureau	.75%
Federal Home Loan Mortgage Discount Note	14.09%
Federal National Mortgage Assistance Pool	19.43%
Treasury Strips	2.22%
	100.00%

**Component Units**

**Cash Deposits, Cash Equivalents and Investments**

**Interest Rate Risk**

The Component Units have no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Custodial Credit Risk**

None of the component units' bank balances were exposed to custodial credit risk since the entire amount was either insured by FDIC or fully collateralized with securities held by the pledging financial institution's trust departments or agents in the component units' names.

**Credit Risk**

None of the component units' deposits or investments were subject to credit risk.

**Concentrations of Credit Risk**

The component units have no formal policies that limit the amounts that may be invested in any one issuer.

**Custodial Credit Risk-Investments**

None of the component units have a formal investment policy for managing custodial credit risk. As of June 30, 2015, St. John's Fire District had \$52,521 and Charleston County Parks and Recreation Commission had \$558,651 invested in the State Treasurer's Local Government Investment Pool.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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**Concentration of Risk**

The Library and St. Paul's Fire District have no limit on the amount they may invest in any one issuer. The remaining component units have no formal investment policy that would limit its investment choices. None of the component units have more than 5 percent of their investments in any one issuer.

A reconciliation of cash and investments as shown on the Statement of Net Position for the primary government and the component units and Statement of Fiduciary Net Position for agency funds follows:

Cash on hand - primary government	\$ 102,578
Carrying amount of deposits - primary government	139,671,558
Carrying amount of deposits - component units	33,804,575
Carrying amount of investments - primary government	289,015,760
Carrying amount of investments - component units	38,315
Cash with fiscal agent - primary government	125,000
Total carrying amount of cash and investments	<u>\$ 462,757,786</u>
Non-pooled cash and cash equivalents	\$ 42,084,429
Pooled cash and cash equivalents	117,790,898
Restricted cash and cash equivalents	13,703,384
Pooled investments	282,483,379
Non-pooled investments	161,315
Restricted investments	6,409,381
Cash with fiscal agent	125,000
Total carrying amount of cash and investments	<u>\$ 462,757,786</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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**B. Receivables**

Receivables as of June 30, 2015, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Governmental Funds</u>				
	<u>General</u>	<u>Debt Service</u>	<u>Transportation Special Revenue Fund</u>	<u>Special Source Revenue Bonds</u>	<u>Non-major Governmental Funds</u>
<b>Primary government:</b>					
Receivables:					
Current property taxes	\$ 149,807,971	\$ 20,443,593	\$ -	\$ -	\$ 12,372,126
Delinquent property taxes	3,765,984	793,362	-	-	522,099
Accounts	25,436,986	-	11,894	-	1,269,760
Intergovernmental	19,357,475	33,989	30,208,080	805,983	6,123,195
Gross receivables	<u>198,368,416</u>	<u>21,270,944</u>	<u>30,219,974</u>	<u>805,983</u>	<u>20,287,180</u>
Less allowance for					
Current property taxes	7,040,975	889,296	-	-	653,298
Delinquent property taxes	1,553,453	321,650	-	-	206,228
Accounts	22,126,889	-	-	-	661,868
Gross allowance	<u>30,721,317</u>	<u>1,210,946</u>	<u>-</u>	<u>-</u>	<u>1,521,394</u>
Net total receivable	<u>\$ 167,647,099</u>	<u>\$ 20,059,998</u>	<u>\$ 30,219,974</u>	<u>\$ 805,983</u>	<u>\$ 18,765,786</u>
	<u>Proprietary</u>				<u>Totals</u>
	<u>Governmental Activities-Internal Service Funds</u>	<u>Environmental Management</u>	<u>Parking Garages</u>	<u>Non-major Business-Type Activities</u>	<u>Primary Government</u>
Receivables:					
Current property taxes	\$ -	\$ -	\$ -	\$ -	\$ 182,623,690
Delinquent property taxes	-	-	-	-	5,081,445
Accounts	89,794	6,250,270	45,498	3,161,368	36,185,795
Intergovernmental	125,702	50,567	63,054	1,999,356	58,847,176
Gross receivables	<u>215,496</u>	<u>6,300,837</u>	<u>108,552</u>	<u>5,160,724</u>	<u>282,738,106</u>
Less allowance for uncollectable:					
Current property taxes	-	-	-	-	8,583,569
Delinquent property taxes	-	-	-	-	2,081,331
Accounts	-	3,272,362	-	1,378,035	27,439,154
Gross allowance	<u>-</u>	<u>3,272,362</u>	<u>-</u>	<u>1,378,035</u>	<u>38,104,054</u>
Net total receivable	<u>\$ 215,496</u>	<u>\$ 3,028,475</u>	<u>\$ 108,552</u>	<u>\$ 3,782,689</u>	<u>\$ 244,634,052</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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**Component Units:**

	<u>CCL</u>	<u>CCPRC</u>	<u>CRPPC</u>	<u>NCD</u>
Receivables:				
Current property taxes	\$ -	\$ 18,811,448	\$ 144,116	\$ 883,910
Delinquent property taxes	-	702,679	17,451	106,505
Accounts	43,242	575,225	-	-
Intergovernmental	192,627	335	3,886	190
Gross receivables	<u>235,869</u>	<u>20,089,687</u>	<u>165,453</u>	<u>990,605</u>
Less allowance for uncollectible:				
Current property taxes	-	822,060	10,838	66,470
Delinquent property taxes	-	105,402	6,288	33,820
Gross allowance	-	927,462	17,126	100,290
Net total receivable	<u>\$ 235,869</u>	<u>\$ 19,162,225</u>	<u>\$ 148,327</u>	<u>\$ 890,315</u>

	<u>SAPPPC</u>	<u>SJFD</u>	<u>SPFD</u>	<u>Total Component Units</u>
Receivables:				
Current property taxes	\$ 1,358,704	\$ 12,713,754	\$ 5,475,046	\$ 39,386,978
Delinquent property taxes	79,714	276,325	424,134	1,606,808
Accounts	2,000	-	-	620,467
Intergovernmental	5,387	-	-	202,425
Gross receivables	<u>1,445,805</u>	<u>12,990,079</u>	<u>5,899,180</u>	<u>41,816,678</u>
Less allowance for uncollectible:				
Current property taxes	98,230	434,811	465,379	1,897,788
Delinquent property taxes	21,870	73,128	100,371	340,879
Gross allowance	<u>120,100</u>	<u>507,939</u>	<u>565,750</u>	<u>2,238,667</u>
Net total receivable	<u>\$ 1,325,705</u>	<u>\$ 12,482,140</u>	<u>\$ 5,333,430</u>	<u>\$ 39,578,011</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**C. Capital Assets**

Primary government capital asset activity for the year ended June 30, 2015, was as follows:

<b>Governmental Activities</b>	Balance July 1, 2014	Transfers/ Additions	Transfers/ Deletions	Balance June 30, 2015
Capital assets not being depreciated:				
Land	\$ 21,210,704	\$ 172,402	\$ -	\$ 21,383,106
Construction in progress	6,476,572	2,380,141	(8,769,710)	87,003
Infrastructure-easements, land	8,825,489	172,044	(2,656)	8,994,877
Total capital assets not being depreciated	<u>36,512,765</u>	<u>2,724,587</u>	<u>(8,772,366)</u>	<u>30,464,986</u>
Capital assets being depreciated:				
Buildings	322,603,577	8,687,931	-	331,291,508
Improvements other than buildings	3,655,913	340,590	-	3,996,503
Machinery and equipment	111,358,674	8,358,966	(4,409,492)	115,308,148
Infrastructure	37,414,237	1,173,225	-	38,587,462
Total capital assets being depreciated	<u>475,032,401</u>	<u>18,560,712</u>	<u>(4,409,492)</u>	<u>489,183,621</u>
Less accumulated depreciation:				
Buildings	(88,091,508)	(7,546,219)	-	(95,637,727)
Improvements other than buildings	(1,550,553)	(125,633)	-	(1,676,186)
Machinery and equipment	(68,828,755)	(13,848,079)	4,059,734	(78,617,100)
Infrastructure	(33,795,436)	(673,399)	-	(34,468,835)
Total accumulated depreciation	<u>(192,266,252)</u>	<u>(22,193,330)</u>	<u>4,059,734</u>	<u>(210,399,848)</u>
Total capital assets being depreciated, net	<u>282,766,149</u>	<u>(3,632,618)</u>	<u>(349,758)</u>	<u>278,783,773</u>
Governmental activities				
Total capital assets, net	<u>\$ 319,278,914</u>	<u>\$ (908,031)</u>	<u>\$ (9,122,124)</u>	<u>\$ 309,248,759</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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	Balance July 1, 2014	Transfer/ Additions	Transfers/ Deletions	Balance June 30, 2015
<b>Business-type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 3,950,930	\$ 2,963,952	\$ -	\$ 6,914,882
Construction in progress	-	3,823,607	-	3,823,607
Total capital assets not being depreciated	3,950,930	6,787,559	-	10,738,489
Capital assets being depreciated:				
Buildings	27,872,058	182,485	-	28,054,543
Improvements other than buildings	16,821,781	108,715	-	16,930,496
Machinery and equipment	29,095,584	3,542,578	(3,673,111)	28,965,051
Total capital assets being depreciated	73,789,423	3,833,778	(3,673,111)	73,950,090
Less accumulated depreciation:				
Buildings	(10,486,417)	(625,840)	-	(11,112,257)
Improvements other than buildings	(3,885,980)	(821,324)	-	(4,707,304)
Machinery and equipment	(15,817,045)	(3,659,997)	3,329,361	(16,147,681)
Total accumulated depreciated	(30,189,442)	(5,107,161)	3,329,361	(31,967,242)
Total capital assets being depreciated, net				
Business-type activities	43,599,981	(1,273,383)	(343,750)	41,982,848
Total capital assets, net	\$ 47,550,911	\$ 5,514,176	\$ (343,750)	\$ 52,721,337

Depreciation expense was charged to functions of the primary government as follows:

**Governmental Activities**

General government	\$ 8,784,423
Public safety	10,123,025
Judicial	1,529,507
Public works	730,568
Health and welfare	230,899
Economic development	11,393
Culture and recreation	783,515
Total	\$ 22,193,330

**Business-type Activities**

DAODAS	\$ 246,009
E-911 Communications	854,394
Environmental Management	3,574,758
Parking Garages	380,011
Radio Communications	40,643
Revenue Collections	11,346
Total	\$ 5,107,161

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**Component Units**

Capital assets not being depreciated:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Land	\$ 85,406,318	\$ 19,605,909	\$ (87,886)	\$ 104,924,341
Construction in progress	3,842,022	5,466,024	(6,865,630)	2,442,416
Artwork	11,000	-	-	11,000
<b>Total capital assets not being depreciated</b>	<b>89,259,340</b>	<b>25,071,933</b>	<b>(6,953,516)</b>	<b>107,377,757</b>
Capital assets being depreciated:				
Buildings	65,270,347	6,871,229	(780,263)	71,361,313
Improvements other than buildings	22,843,717	674,664	-	23,518,381
Machinery and equipment	28,829,635	1,174,047	(1,424,513)	28,579,169
Infrastructure	4,886,974	722,636	(144,266)	5,465,344
Library materials	18,083,565	1,301,652	(1,644,690)	17,740,527
<b>Total capital assets being depreciated</b>	<b>139,914,238</b>	<b>10,744,228</b>	<b>(3,993,732)</b>	<b>146,664,734</b>
Less accumulated depreciation	(77,097,199)	(6,849,029)	3,599,830	(80,346,398)
<b>Total capital assets being depreciated, net</b>	<b>62,817,039</b>	<b>3,895,199</b>	<b>(393,902)</b>	<b>66,318,336</b>
<b>Component units total capital assets, net</b>	<b>\$ 152,076,379</b>	<b>\$ 28,967,132</b>	<b>\$ (7,347,418)</b>	<b>\$ 173,696,093</b>

Depreciation expense was charged to functions of the component units as follows:

General government	\$ 2,783,930
Public safety	1,521,800
Culture and recreation	<u>2,543,299</u>
<b>Total</b>	<b>\$ <u>6,849,029</u></b>



**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

Construction in progress in the Governmental and Business-type Activities as of June 30, 2015, is composed of the following:

<b>Primary Government</b>	<u>Project</u>	<u>Expended to</u>	<u>Commitments</u>	<u>Required Future</u>
Governmental activities:	<u>Authorization</u>	<u>June 30, 2015</u>	<u>Outstanding</u>	<u>Financing</u>
Software Upgrade	\$ 294,152	\$ 87,003	\$ 202,870	None
Total governmental activities	<u>\$ 294,152</u>	<u>\$ 87,003</u>	<u>\$ 202,870</u>	
Business-type activities:	<u>Project</u>	<u>Expended to</u>	<u>Commitments</u>	<u>Required Future</u>
Bees Ferry Construction	<u>Authorization</u>	<u>June 30, 2015</u>	<u>Outstanding</u>	<u>Financing</u>
Lined Landfill	\$ 6,381,175	\$ 3,823,607	\$ 2,542,976	None
Total business-type activities	<u>\$ 6,381,175</u>	<u>\$ 3,823,607</u>	<u>\$ 2,542,976</u>	

Commitments outstanding represent signed contracts and outstanding encumbrances of the County. As of June 30, 2015, the County has assets under capital lease with a total cost of \$5,424,480 and a net book value of \$3,530,093. The assets are computer equipment depreciated over a three to five year period, copier equipment depreciated over a five year period and two firefighting vehicles depreciated over an eight year period included in the County's machinery and equipment capital asset category.



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**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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JUNE 30, 2015**

<b>Component Unit</b>	<u>Project Authorization</u>	<u>Expended to June 30, 2015</u>	<u>Commitments Outstanding</u>	<u>Required Future Financing</u>
CCPRC				
Bulow Bulkhead	\$ 187,500	\$ 4,631	\$ 21,954	None
Old Towne Stabilization	156,543	24,600	86,600	None
West Ashley Phase I	223,268	117,575	24,000	None
Skate Park	3,618,670	1,303,126	194,122	None
Small Projects	<u>2,850</u>	<u>2,850</u>	<u>-</u>	None
Total CCPRC	<u>4,188,831</u>	<u>1,452,782</u>	<u>326,676</u>	
SPFD Fire Stations	<u>1,223,660</u>	<u>989,634</u>	<u>234,026</u>	General Obligation
Total SJFD	<u>1,223,660</u>	<u>989,634</u>	<u>234,026</u>	Bonds
Total Component Units	<u>\$ 5,412,491</u>	<u>\$ 2,442,416</u>	<u>\$ 560,702</u>	

**D. Interfund Receivables and Payables**

The composition of primary government interfund balances at June 30, 2015, is as follows:

	<u>Receivable Fund</u>	<u>Payable Fund</u>
Major governmental funds: General Fund	\$ 48,635	\$ 1,069,658
Non-major governmental funds	-	48,635
Major enterprise funds: Environmental Management	-	7,853,419
Major enterprise funds: Parking Garages	-	1,179,856
Non-major enterprise funds	-	8,996,405
Internal service funds	<u>19,099,338</u>	<u>-</u>
Total	<u>\$ 19,147,973</u>	<u>\$ 19,147,973</u>

Interfund activity relates to funding from the County's General Fund related to County policies for cash flow and operating cash levels of governmental funds, and are expected to be collected within one year. The interfund activity related to the internal service funds and enterprise funds is due to the implementation of GASB 68.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**E. Interfund Transfers**

A summary of transfers is as follows:

	Transfer In	Transfer out
Major governmental funds:		
General Fund	\$ 4,508,331	\$ (11,784,947)
Debt Service Fund	7,482,819	-
Transportation and Road Sales Tax	20,483,414	(23,483,414)
Special Source Revenue Bonds	3,493,814	(6,597,925)
Non-major governmental funds	12,991,311	(11,216,490)
Major business-type activities:		
Parking Garage	-	(1,938,206)
Non-major business-type activities	3,695,833	(320,703)
Internal Service Funds	3,332,054	(645,891)
 Total	 \$ 55,987,576	 \$ (55,987,576)

Transfers are used to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**F. Leases**

**Operating Leases**

In December 2012 the Charleston County Library entered into a lease agreement for non-public use computers. The original lease agreement was for a thirty-six month period commencing January 2013, with a minimum monthly charge of \$8,468. In February 2014, this lease was extended another twelve months with a new monthly charge of \$6,866 for a total minimum commitment of \$130,456 over the lease term. In April 2014, the Library entered into an additional lease agreement for public computers. The lease agreement is for a forty-eight month period commencing May 2014 with a minimum monthly charge of \$7,142 for a total minimum commitment of \$242,812 over the lease term. Total rent expense associated with the computer lease for the year ended June 30, 2015, is \$168,091. In addition to this lease, the Library holds other verbal agreements with various parties for the rental of Library branches and equipment. These leases run on a month-to-month basis and are cancelable by either party. Rental expense associated with the copier leases for the year ended June 30, 2015, is \$175,843.

Future minimum lease payments under these non-cancelable operating leases are as follows:

Year Ending - June 30	CCL
2016	\$ 168,091
2017	133,761
2018	71,416
	\$ 373,268

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
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St. Andrew's Parish Parks and Playground Commission currently leases certain equipment under non-cancelable operating leases. The future minimum lease payments due under this lease are:

<u>Year Ending - June 30</u>	<u>SAPPPC</u>
2016	\$ 8,964
2017	8,964
2018	8,964
2019	<u>1,494</u>
	<u>\$ 28,386</u>

**G. Landfill Closure and Post-Closure Cost**

State and federal laws and regulations require the County to place a final cover on its Romney Street and Bees Ferry landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$6,855,400 reported as the accrual for landfill closure and post-closure at June 30, 2015, represents the estimated remaining cost reported of \$24,440,200 less \$17,584,800 deferred to date based on the following information:

<u>Landfill Site</u>	Percentage of Capacity Used	<u>Estimated Costs Recognized</u>			Balance To Be Recognized
		<u>Closure</u>	<u>Post-closure</u>	<u>Total</u>	
Romney Street	100%	\$ 5,295,578	\$ 476,800	\$ 5,772,378	\$ -
Bees Ferry					
Ash storage facility	100%	1,152,318	88,600	1,240,918	-
68 acres	100%	6,038,809	-	6,038,809	-
54 acres	100%	9,727,000	-	9,727,000	-
Bees Ferry lined landfill	20.20%	3,762,300	660,700	4,423,000	17,474,000
Bees Ferry C&D landfill	94.4%	<u>1,199,300</u>	<u>667,700</u>	<u>1,867,000</u>	<u>110,800</u>
Totals		<u>\$ 27,175,305</u>	<u>\$ 1,893,800</u>	<u>\$ 29,069,105</u>	<u>\$ 17,584,800</u>

These amounts are based on what it would cost to perform all closure and post-closure care in fiscal year 2015. The County began to close the Landfills in 1994. Actual cost may be higher due to inflation, changes in technology or changes in regulations. The County anticipates that available resources will be the primary source of funds to pay the cost of closure.

The County has issued under separate cover, a certification signed by its Deputy Administrator for Finance stating compliance with final Environmental Protection Agency regulations regarding financial assurance for operators of Municipal Solid Waste Landfill Facilities, including a required statement from our independent auditors. The computations required under these regulations are included in page 210 in the statistical section of this report.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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**JUNE 30, 2015**

**H. Short-term Debt**

The County had one short-term borrowing during the fiscal year for Awendaw Fire District's capital additions. Some of the County's component units use short-term tax anticipation notes or lines of credit to finance general operating expenditures during the fiscal year ended June 30, 2015. The activity in short-term debt for the fiscal year is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Primary Government	\$ -	\$ 2,500,000	\$ -	\$ 2,500,000
SPFD	\$ 16,579	\$ -	\$ (16,579)	\$ -
SJFD	-	2,000,000	(2,000,000)	-
	<u>\$ 16,579</u>	<u>\$ 2,000,000</u>	<u>\$ (2,016,579)</u>	<u>\$ -</u>

**I. Long-term Debt**

The following is a summary of debt transactions for the County for the year ended June 30, 2015.

<b>Primary Government:</b>	Balance			Balance June 30, 2015	Amounts Due In One Year
	July 1, 2014	Increase	Decrease		
<u>Governmental activities</u>					
General obligation bonds	\$ 599,365,712	\$ -	\$ (35,236,140)	\$ 564,129,572	\$ 35,496,372
Special source revenue bond	93,352,479	-	(329,086)	93,023,393	(343,135)
Intergovernmental note payable	28,357,118	-	(1,375,137)	26,981,981	1,453,933
Capital lease payable	2,480,565	565,889	(877,610)	2,168,844	810,166
Compensated absences	10,872,187	1,161,421	(856,238)	11,177,370	856,238
OPEB	25,203,859	3,982,944	-	29,186,803	-
Total	<u>\$ 759,631,920</u>	<u>\$ 5,710,254</u>	<u>\$ (38,674,211)</u>	<u>\$ 726,667,963</u>	<u>\$ 38,273,574</u>
<u>Business-type activities</u>					
Accrual for landfill closure	\$ 6,856,000	\$ -	\$ (600)	\$ 6,855,400	\$ 600
Compensated absences	1,212,675	126,960	(99,276)	1,240,359	99,276
Total	<u>\$ 8,068,675</u>	<u>\$ 126,960</u>	<u>\$ (99,876)</u>	<u>\$ 8,095,759</u>	<u>\$ 99,876</u>

Internal Service Funds predominantly serve the Governmental Funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences, net pension obligations and net other post-employment benefit obligations are generally liquidated from the applicable governmental fund's budgeted operations monies.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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**General Obligation Bonds.** The County and its component units issue General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation Bonds have been issued for both general government and proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. All other obligations are reported in the Governmental activities. General Obligation Bonds are direct obligations and pledge the full faith and credit of the County.

Primary government General Obligation Bond's payable at June 30, 2015, is comprised of the following:

Issue Date	Title of Issues	Principal Amount	
		Original	Outstanding
April 2, 2004	General Obligation Refunding Bonds, Series 2004, 2.00 percent to 4.00 percent interest, semi-annual principal and interest payments beginning in 2004, matures 2021, the first principal payment was due in fiscal year 2005.	\$ 63,740,000	\$ 3,170,000
May 2, 2006	General Obligation Transportation Sales Tax Bonds, Series 2006 (referendum) 4.00 percent to 5.00 percent interest, semi-annual interest payments beginning in November 2006, matures 2027; the first annual principal payment was due in fiscal year 2008.	65,000,000	2,695,000
December 5, 2007	General Obligation Bonds, Series 2007, 4.30 percent to 5.0 percent interest, semi-annual interest payments beginning in May 2008, matures 2028; the first annual principal payment was due in fiscal year 2010.	75,000,000	34,500,000
December 5, 2007	General Obligation Transportation Sales Tax Bonds, Series 2007 (referendum), 4.00 percent to 5.25 percent interest, semi-annual interest payments beginning in May 2008, matures 2027; the first annual principal payment was due in fiscal year 2010.	150,000,000	68,885,000
August 1, 2009	General Obligation Capital Improvement Bonds of 2009, Series A, 3.00 percent to 5.50 percent interest, annual principal payment beginning in fiscal year 2012, semi-annual interest payments beginning in fiscal year 2010, matures in fiscal year 2029.	50,000,000	44,735,000
August 1, 2009	General Obligation Refunding Bonds of 2009, Series B, 1.25 percent to 3.25 percent interest, annual principal payments beginning in fiscal year 2011, semi-annual interest payments beginning in fiscal year 2010, matures in fiscal year 2021.	20,775,000	4,450,000
July 27, 2011	General Obligation Capital Improvement Transportation Sales Tax Bonds of 2011, 3.00 percent to 5.00 percent interest, semi-annual interest payments beginning in November 2011, first annual principal payment due in fiscal year 2013, matures in fiscal year 2030.	167,000,000	152,230,000

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
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July 27, 2011	General Obligation Capital Improvement Bonds of 2011, 2.00 percent to 5.00 percent interest, semi-annual interest payments beginning in November 2011, first annual principal payment due in fiscal year 2013, matures in fiscal year 2032.	27,100,000	24,490,000
March 22, 2012	General Obligation Transportation Sales Tax Refunding Bonds of 2012, 2.00 percent to 5.00 percent interest, semi-annual interest payments beginning in May 2012, first annual principal payment due in fiscal year 2013, matures in fiscal year 2025.	32,095,000	31,520,000
May 21, 2013	General Obligation Transportation Sales Tax Refunding Bond of 2013, 3.25 percent to 5.00 percent semi-annual interest payments beginning in November 2013, first annual principal payment due in fiscal year 2018, matures in fiscal year 2028.	70,135,000	70,135,000
May 21, 2013	General Obligation Refunding Bond Series A of 2013, 3.00 percent to 5.00 percent semi-annual interest payments beginning in November 2013, first annual principal payment due in fiscal year 2020, matures in fiscal year 2025.	28,940,000	28,940,000
May 21, 2013	General Obligation Refunding Bond Taxable Series B of 2013, 2.00 percent to 2.50 percent semi-annual interest payments beginning in November 2013, first annual principal payment due in fiscal year 2014, matures in fiscal year 2022.	30,695,000	29,660,000
May 15, 2014	General Obligation Refunding Bonds Series A of 2014, 2.00 percent to 5.00 percent semi-annual interest payments beginning in December 2014, first annual principal payment due in fiscal year 2015, matures in fiscal year 2022.	14,955,000	12,480,000
May 15, 2014	General Obligation Refunding Bonds Taxable Series B of 2014, 1.35 percent to 5.00 percent semi-annual interest payments beginning in December 2014, first annual principal payment due in fiscal year 2015, matures in fiscal year 2019.	14,235,000	9,945,000
Subtotal		<u>\$809,670,000</u>	<u>517,835,000</u>
Add: Premium			<u>46,294,572</u>
General obligation debt per statement of net position			564,129,572
Less current portion, including premium			<u>(35,496,372)</u>
Long-term portion outstanding			<u>\$ 528,633,200</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**Special Source Revenue Bonds.** The County issued \$86,405,000 Special Source Revenue Bonds on December 11, 2013. The proceeds of this issue are to be used for the costs of designing and constructing an extension of South Aviation Avenue Project as part of the Charleston Airport Area Improvement Project. These bonds are expected to be repaid from a portion of the FILOT payments.

Primary government Special Source Revenue Bonds payable at June 30, 2015, is comprised of the following:

Issue Date	Title of Issues	Principal Amount	
		Original	Outstanding
December 11, 2013	Charleston County Special Source Revenue Bonds, Series 2013, 4.00 percent to 5.00 percent semi-annual interest payments beginning in June 2014, first annual principal payment due in fiscal year 2019, matures in fiscal year 2039.	\$ 86,405,000	\$ 86,405,000
Subtotal		<u>\$ 86,405,000</u>	86,405,000
Add: Premium			6,618,393
Special source revenue debt per statement of net position			93,023,393
Less current portion, including premium			343,135
Long-term portion outstanding			<u>\$ 93,366,528</u>

**Intergovernmental Note Payable** - In July 2001 the County entered into an intergovernmental loan agreement with the South Carolina Transportation Infrastructure Bank to fund a portion of the cost of the new Arthur Ravenel, Jr. Bridge over the Cooper River. The County has agreed to pay \$3,000,000 per year for the next twenty-five years beginning January 2004. The County has recorded the obligation on its records at a net present value using the discount rate of 5.73 percent.

Annual requirements to amortize the intergovernmental note payable outstanding at June 30, 2015, are as follows:

Year Ending June 30	Intergovernmental Note Payable	Principal	Interest
2016	\$ 3,000,000	\$ 1,453,933	\$ 1,546,067
2017	3,000,000	1,537,243	1,462,757
2018	3,000,000	1,625,327	1,374,673
2019	3,000,000	1,718,458	1,281,542
2020	3,000,000	1,816,926	1,183,074
2021-2025	15,000,000	10,770,832	4,229,168
2026-2028	9,000,000	8,059,262	940,738
Total	<u>\$ 39,000,000</u>	<u>\$ 26,981,981</u>	<u>\$ 12,018,019</u>



**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**Capital Lease Obligations** - Several component units have utilized capital leases to finance the acquisition of various types of equipment. The details of each entity's capital leasing activities are summarized later in this note. The County uses capital lease funding to finance the purchase of various equipment. Capital leases outstanding at June 30, 2015, include the following:

<u>Governmental Activities</u>	<u>Original</u>	<u>Outstanding</u>
Leases dated July 2013 to March 2014 payable to Ontario Investments, Inc. for the purchase of new computer equipment. Payable in eight equal installments of \$110,733 through December 2017, includes principal and interest at 5.485 percent to 5.993 percent per annum.	\$ 794,923	500,466
Leases dated March 2015 payable to Ontario Investments, Inc. for the purchase of new computer equipment. Payable in eight equal semi-annual installments of \$66,985 through December 2018, includes principal and interest at 5.285 percent to 5.680 percent per annum.	483,458	421,187
Leases dated June 2012, payable to Ontario Investments, Inc. for the purchase of new computer equipment. Payable in eight semi-annual installments of \$4,649 through April 2016 includes principal and interest at 7.181 percent per annum.	32,575	8,821
Leases dated June 2012 payable to Ontario Investments, Inc. for the purchase of new computer equipment. Payable in ten semi-annual installments of \$31,338 through April 2017, includes principal and interest at 6.572 to 6.587 percent per annum.	267,075	115,687
Leases dated January 2013, payable to Ontario Investments, Inc. for the purchase of new computer equipment. Payable in eight semi-annual installments of \$94,841 through December 2016 includes principal and interest at 5.49 to 5.52 percent per annum.	712,055	269,557
<u>Internal Service Fund</u>		
Lease dated July 2013 payable to Ontario Investments, Inc. for the purchase of new copier equipment. Payable in five annual installments of \$298,832 through October 2017, and includes principal and interest at 7.085 percent per annum.	1,286,123	783,008
Leases dated October to November 2014 payable to Ontario Investments, Inc. for the purchase of new copiers. Payable in five payments ranging from \$12,889 to \$24,471 through July 2018 includes principal and interest at 4.378 to 7.836 percent per annum.	82,432	70,118
	<u>\$ 3,658,641</u>	<u>2,168,844</u>
Less current portion		(810,166)
Long-term portion outstanding		<u>\$ 1,358,678</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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A summary of the annual requirements are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	\$ 810,166	\$ 126,350	\$ 936,516
2017	759,459	76,799	836,258
2018	522,934	33,114	556,048
2019	<u>76,285</u>	<u>2,283</u>	<u>78,568</u>
Total	<u>\$ 2,168,844</u>	<u>\$ 238,546</u>	<u>\$ 2,407,390</u>



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**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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**Amortization of Long-term Debt.** Annual requirements to amortize primary government general long-term debt outstanding at June 30, 2015.

Year Ending <u>June 30</u>	General <u>Obligation Bonds</u>		Special Source <u>Revenue Bonds</u>		Totals
	Principal	Interest	Principal	Interest	
2016	\$ 30,005,000	\$ 22,206,318	\$ -	\$ 4,269,369	\$ 56,480,687
2017	32,470,000	20,887,766	-	4,269,369	57,627,135
2018	34,915,000	19,522,148	-	4,269,369	58,706,517
2019	35,905,000	18,094,490	3,380,000	4,184,869	61,564,359
2020	36,995,000	16,632,999	3,570,000	4,011,119	61,209,118
2021	31,775,000	15,215,532	3,330,000	3,838,619	54,159,151
2022	33,035,000	13,672,131	3,080,000	3,678,368	53,465,499
2023	34,340,000	12,029,830	2,930,000	3,528,118	52,827,948
2024	37,380,000	10,311,940	3,030,000	3,379,118	54,101,058
2025	40,605,000	8,473,175	3,155,000	3,224,494	55,457,669
2026	45,335,000	6,475,362	3,315,000	3,062,744	58,188,106
2027	48,965,000	4,316,393	3,480,000	2,892,869	59,654,262
2028	33,550,000	2,478,065	3,655,000	2,714,494	42,397,559
2029	22,055,000	1,290,750	3,835,000	2,527,244	29,707,994
2030	16,535,000	489,500	4,030,000	2,350,769	23,405,269
2031	1,945,000	119,900	4,190,000	2,186,368	8,441,268
2032	2,025,000	40,500	4,355,000	2,012,747	8,433,247
2033	-	-	4,535,000	1,809,550	6,344,550
2034	-	-	4,765,000	1,577,050	6,342,050
2035	-	-	5,000,000	1,326,675	6,326,675
2036	-	-	5,265,000	1,057,219	6,322,219
2037	-	-	5,540,000	773,587	6,313,587
2038	-	-	5,830,000	475,125	6,305,125
2039	-	-	6,135,000	161,044	6,296,044
Totals	517,835,000	172,256,799	86,405,000	63,580,297	840,077,096
Add Premium	46,294,572	-	6,618,393	-	52,912,965
Total debt- governmental activity	<u>\$ 564,129,572</u>	<u>\$ 172,256,799</u>	<u>\$ 93,023,393</u>	<u>\$ 63,580,297</u>	<u>\$ 892,990,061</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
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There are a number of limitations and restrictions contained in the various bond and certificate indentures, such as types of investments, promise to levy tax sufficient to cover debt service and establishment of a sinking fund. The County is in compliance with all significant limitations and restrictions as of June 30, 2015.

The following is a summary of the changes in long-term obligations of the component units for the year-ended June 30, 2015:

<b>Component Units</b>	Balance			Balance June 30, 2015	Amount Due in One Year
	July 1, 2014	Increases	Decreases		
Accrued compensated absences	\$ 3,483,995	\$ 2,199,471	\$ (1,826,254)	\$ 3,857,212	\$ 958,634
Net other post-employment benefits	558,958	-	(507,484)	51,474	8,630
General obligation bonds	47,062,082	-	(4,744,917)	42,317,165	3,755,367
Capital lease obligations	4,877,053	1,166,783	(1,950,540)	4,093,296	1,143,705
Revenue bonds	294,087	200,000	(119,448)	374,639	119,082
Notes payable	28,911	40,000	(6,229)	62,682	19,762
<b>Total</b>	<b>\$ 56,305,086</b>	<b>\$ 3,606,254</b>	<b>\$ (9,154,872)</b>	<b>\$ 50,756,468</b>	<b>\$ 6,005,180</b>



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**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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	Range of Maturity Dates	Range of Interest Rates	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015
<b>Accrued compensated absences:</b>						
CCL			\$ 1,151,690	\$ 585,058	\$ (593,738)	\$ 1,143,010
CCPRC			1,165,067	606,472	(382,418)	1,389,121
SAPPPC			34,290	22,721	-	57,011
SJFD			842,293	716,149	(643,193)	915,249
SPFD			290,655	269,071	(206,905)	352,821
Total accrued compensated absences			3,483,995	2,199,471	(1,826,254)	3,857,212
<b>Net other post-employment benefits:</b>						
CCPRC			493,876	-	(491,534)	2,342
SPFD			65,082	-	(15,950)	49,132
Total net other post-employment benefits			558,958	-	(507,484)	51,474
<b>General obligation bonds:</b>						
CCPRC	2015 - 2028	2.00% - 4.00%	36,361,123	-	(4,016,633)	32,344,490
SPFD	2015 - 2025	2.315% - 3.45%	3,994,897	-	(323,678)	3,671,219
SJFD	2015 - 2024	2.00% - 2.125%	6,706,062	-	(404,606)	6,301,456
Total general obligation bonds			47,062,082	-	(4,744,917)	42,317,165
<b>Capital lease obligations:</b>						
CCL	2015 - 2020		-	166,783	-	166,783
CCPRC	2015 - 2017	1.16%	1,241,242	1,000,000	(1,241,242)	1,000,000
SAPPPC	2015	2.36% - 3.05%	29,461	-	(29,461)	-
SJFD	2015 - 2021	3.076% - 5.593%	3,606,350	-	(679,837)	2,926,513
Total capital lease obligations			4,877,053	1,166,783	(1,950,540)	4,093,296
<b>Revenue Bonds:</b>						
SAPPPC	2015 - 2019	1.77% - 3.95%	294,087	200,000	(119,448)	374,639
<b>Notes payable:</b>						
SAPPPC	2015 - 2019	1.46% - 3.89%	28,911	40,000	(6,229)	62,682
Total component units long-term obligations			\$ 56,305,086	\$ 3,606,254	\$ (9,154,872)	\$ 50,756,468

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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The annual debt service requirements to maturity for component unit long-term obligations, excluding compensated absences, are as follows:

**General Obligation Bonds**

<u>Year Ending June 30</u>				Total
	<u>SJFD</u>	<u>SPFD</u>	<u>CCPRC</u>	Component Units
2016	\$ 652,713	\$ 442,613	\$ 3,987,198	\$ 5,082,524
2017	537,212	442,811	3,982,748	4,962,771
2018	703,813	442,941	3,989,448	5,136,202
2019	701,912	443,001	3,974,148	5,119,061
2020	469,813	442,991	3,963,218	4,876,022
2021 - 2025	3,933,606	1,909,236	11,848,233	17,691,075
2026 - 2028	-	173,857	5,235,750	5,409,607
<b>Total</b>	<b>6,999,069</b>	<b>4,297,450</b>	<b>36,980,743</b>	<b>48,277,262</b>
Less interest and plus amortized premium included above	(697,613)	(626,231)	(4,636,253)	(5,960,097)
Debt per statement of net position	<u>\$ 6,301,456</u>	<u>\$ 3,671,219</u>	<u>\$ 32,344,490</u>	<u>\$ 42,317,165</u>

**Future minimum capital lease payments**

<u>Year Ending June 30</u>				Total
	<u>CCL</u>	<u>CCPRC</u>	<u>SJFD</u>	Component Units
2016	\$ 38,443	\$ 371,064	\$ 734,198	\$ 1,143,705
2017	38,443	371,064	734,198	1,143,705
2018	38,443	278,298	565,938	882,679
2019	38,443	-	565,938	604,381
2020	28,835	-	565,938	594,773
2021	-	-	214,401	214,401
Future minimum capital lease payments	182,607	1,020,426	3,380,611	4,583,644
Less amount representing interest	(15,824)	(20,426)	(454,098)	(490,348)
Debt per statement of net position	<u>\$ 166,783</u>	<u>\$ 1,000,000</u>	<u>\$ 2,926,513</u>	<u>\$ 4,093,296</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
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**Revenue Bonds**

<u>Year Ending June 30</u>	<u>SAPPPC</u>
2016	\$ 119,082
2017	88,770
2018	88,772
2019	73,147
2020	<u>20,706</u>
Total	390,477
Less interest included above	<u>(15,838)</u>
Debt per statement of net position	<u><u>\$ 374,639</u></u>

**Notes Payable**

<u>Year Ending June 30</u>	<u>SAPPPC</u>
2016	\$ 21,148
2017	21,153
2018	19,944
2019	<u>3,251</u>
Total	65,496
Less interest included above	<u>(2,814)</u>
Debt per statement of net position	<u><u>\$ 62,682</u></u>



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**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
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**Prior Year Defeasance of Debt** - In prior years, the primary government defeased various outstanding debt issues by placing proceeds of new debt or other funds in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust accounts and the defeased debt are not included in these financial statements. At June 30, 2015, the following debt issues outstanding are considered defeased:

	<u>Governmental Activities</u>
Primary Government:	
General Obligation Bonds:	
Series 2006 - TST	30,910,000
Series 2006 - CIP	30,265,000
Series 2007 - TST	<u>60,635,000</u>
Total General Obligation Bonds	<u>121,810,000</u>
 Total Primary Government	 <u><u>\$ 121,810,000</u></u>



**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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**Legal Debt Limit** - The County's borrowing power is restricted by amended Article X, Section 14, of the State Constitution effective December 1, 1977. This section provides that a local unit cannot at any time have total general obligation debt outstanding in an amount that exceeds eight percent of its assessed property value. Excluded from the limitation are: bonded indebtedness approved by the voters and issued within five years of the date of such referendum; special bonded indebtedness; levies assessed on properties located in an area receiving special benefits from the taxes collected; and bonded indebtedness existing on December 1, 1977, the effective date of the constitutional amendment.

Beginning January 1, 1996, the South Carolina Legislature changed the definition of debt subject to the 8 percent limit to include all Certificates of Participation at the time of issue subsequent to December 31, 1995. The following computation reflects the County's compliance with this limitation:

Assessed value of real and personal property		\$ 3,550,976,915
Value of merchants inventory and manufacturers depreciation		<u>26,943,597</u>
Total assessed value		<u>\$ 3,577,920,512</u>
Debt limitation-8 percent of total assessed value		\$ 286,233,641
Total bonded debt:		
General Obligation Bonds	\$ 517,835,000	
Less:		
Series 2006 G.O. Bond Transportation Sales Tax	\$ (2,695,000)	
Series 2007 G.O. Bond Transportation Sales Tax	(68,885,000)	
Series 2011 G.O. Bond Transportation Sales Tax	(152,230,000)	
Series 2012 G.O. Bond Transportation Sales Tax	(31,520,000)	
Series 2013 G.O. Bond Transportation Sales Tax	(70,135,000)	(325,465,000)
Total debt subject to debt limit		<u>192,370,000</u>
Legal debt margin		<u>\$ 93,863,641</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**J. Fund Equity**

*Nonspendable for inventories and prepaid items.* These amounts do not represent available spendable resources even though they are components of net current assets.

*Restricted for debt service.* Fund balance subject to the provision of various bond indenture and Certificate of Participation lease agreements as to restrictions on expenditures.

*Committed for capital projects.* All capital project fund balances, are committed for the acquisition of capital assets, for the completion of existing projects and for future projects.

*Restricted for special revenue funds.* Amounts restricted in accordance with the various use restrictions placed on their assets under applicable grant agreements and legislation.

**I.V. OTHER INFORMATION**

**A. Risk Management**

The County and its component units are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. For all of these risks, the County and its component units are members 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. The County and its component units pay an annual premium to the State Insurance Reserve Fund for its general insurance coverage. The State Insurance Reserve Fund is self-sustaining through member premiums and reinsures through commercial companies for certain claims.

The County and its component units are also subject to risks of loss from providing health, life, accident, dental, and other medical benefits to employees, retirees, and their dependents. The County has enrolled substantially all of its employees in the State's health insurance plans administered by the South Carolina Budget and Control Board. The County records contributions from employer funds, employees, and retirees in the Employee Benefits Trust Internal Service Fund which remits the premiums to the State. The State reinsures through commercial companies for these risks. The various component units of the County insure the health, life, accident, dental and other medical benefits to their employees and their dependents through commercial insurance companies.

Effective July 1, 1995, the County established a self-insured plan to fund risks associated with workers' compensation claims. Claims administration is handled by a third party with reinsurance through commercial insurance companies for all individual claims in excess of \$100,000. All funds of the County participate in the program and make payments to the Workers' Compensation Internal Service Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of \$3,420,000 reported in the Fund at June 30, 2015, is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The County purchases insurance contracts from commercial insurers to satisfy certain liabilities under workers' compensation claims; accordingly, no liability is reported for those claims. The liability is included in the County's accounts payable as reported in the fund statement and statement of net position.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
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Changes in the Fund's estimated claims liability amount in fiscal year 2014 and 2015 were:

Year Ended June 30	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2014	\$ 3,370,000	\$ 4,603,148	\$ (4,433,148)	\$ 3,540,000
2015	\$ 3,540,000	\$ 4,070,475	\$ (4,190,475)	\$ 3,420,000

For all of the above risk management programs, except workers' compensation, the County and its component units have not significantly reduced insurance coverage from the previous year; settled claims in excess of insurance coverage for the last three years were immaterial. For each of the insurance programs and public entity risk pools in which they participate, the County and its Component units have effectively transferred all risk with no liability for unfunded claims.



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**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**B. Subsequent Events**

On October 30, 2015, Charleston County purchased a commercial building off of Leeds Avenue to be used for the Coroner's office and lab space.

In November 2015, Charleston County issued \$123,805,000 aggregate principal amount of General Obligation Bonds, Series 2015. The Bonds were issued in four series in the following initial principal amounts: (1) \$18,795,000 Capital Improvement General Obligation Bonds, Series 2015A; (2) \$2,080,000 Fire Protection Services General Obligation Bonds, Series 2015B; (3) \$56,680,000 General Obligation Refunding Bonds, Series 2015C; and (4) \$46,250,000 General Obligation Transportation Sales Tax Refunding Bonds, Series 2015D.

The St. Paul's Fire District has evaluated subsequent events through October 1, 2015, the date their financial statements were issued. The following subsequent events have occurred:

An ordinance approved by Charleston County authorizing a tax anticipation note of \$2.5 million was utilized in October for \$1.3 million. Payment would be made from the general fund tax collection.

A five year arrangement in the amount of \$793,000 for fire trucks and equipment was approved by the board at the October 1<sup>st</sup> meeting. Payment would be made through the debt service fund.

As part of the budgeting process for fiscal year 2016, the Charleston County Parks and Recreation Commission increased its operating millage from 4.1 mills to 4.5 mills.

In July 2015, the Charleston County Parks and Recreation Commission issued \$6,000,000 in General Obligation Bonds with an interest rate of 0.65% in order to defray the costs of improving, expanding and renovating existing and new facilities, undertaking other capital expenditures identified in the Commission's capital improvement plan, and paying the costs of issuance of the bonds. Interest is due in two semi-annual installments on February 1, 2016 and August 1, 2016, with the full \$6,000,000 in principal due on August 1, 2016.

Subsequent to June 30, 2015, the Charleston County Parks and Recreation Commission accepted a grant from the Roper Saint Francis Physicians' Endowment to provide funding for the Move IT! Program in the amount of \$699,000.

During the year ending June 30, 2015, Charleston County Council approved the future issuance of a tax anticipation note (TAN) in the amount of \$2,000,000 to St. John's Fire District. Subsequent to June 30, 2015, the District has borrowed \$1,500,000 from this TAN as of the audit report date. As a result, \$500,000 of the \$2,000,000 TAN is still available to the District. Any advances received by the District against the TAN will bear interest at a rate equal to the interest rate paid by the South Carolina Investment Pool during the period the note is outstanding, and the principal and accrued interest, if any, is due and payable in March 2016.

**C. Contingent Liabilities**

**Federal Grants** - Amounts received or receivable from grants are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. Management has not been informed of any significant matters of non-compliance with grant provisions or planned grantor audits. The amount of grant expenditures which may be disallowed cannot be determined at this time, but the County believes that any amount will be immaterial.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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**Litigation** - The County and its component units are party to various lawsuits that are normal in the operations of a county government. These lawsuits involve disputes arising from various matters, including the termination of employment, wrongful death and survival, personal injury and other tort actions, delinquent tax sales, contractual agreements, and civil rights violations. It is the opinion of legal counsel that it cannot be determined whether resolution of these matters, individually or in the aggregate in excess of insurance coverage, will have a material adverse effect on the financial condition of the County and its component units.

**Annexation** - Several of the component units serve geographic regions which are subject to annexation by the surrounding municipalities. Should these annexations continue, there could be a significant impact on the operations of the various component units. The South Carolina General Assembly is currently considering legislation which would require the municipality which annexes properties of another political subdivision to assume responsibility for payment of the pro-rata bonded debt outstanding on the date of annexation.

In May 2000, the South Carolina General Assembly passed legislation to address the loss of revenues by public service districts due to annexations by municipalities. The legislation calls for an agreed-upon plan between the annexing municipality and the public service district. This plan would protect the remaining unannexed area in the public service district from economic loss of revenue brought about by annexation.

This new legislation should lessen but not eliminate the impact on the operations of various component units due to annexations.

**D. Commitments**

The County and its various component units have various commitments to provide facilities or services under numerous agreements signed with third parties in addition to its construction commitments and recorded encumbrances.

In July 2001, the County entered into an intergovernmental agreement with the South Carolina Infrastructure Bank to make twenty-five annual payments of \$3,000,000 beginning in January 2004 as a local match to help defray the cost of the Arthur Ravenel Jr. Bridge over the Cooper River built by the State to replace the existing bridges connecting the City of Charleston and the Town of Mt. Pleasant. This debt is shown as an inter-government note payable in Note I of these financial statements.

The County entered into an agreement with the South Carolina Transportation Infrastructure Bank (SCTIB) for the completion of the Mark Clark Expressway. This agreement was executed on June 8, 2007, between the County, the SCTIB, and The South Carolina Department of Transportation. The total project funding requested was \$725 million. On December 15, 2015, the South Carolina Transportation Infrastructure Bank Board has passed a resolution which requires Charleston County to:

1. Develop a solid plan to cover the project's \$305 million to \$353 million funding shortfall and adopt a binding resolution to fund or secure funding for it by March 30.
2. Complete a new three-party contract, known as an Intergovernmental Agreement, with the bank and the DOT by April 30.
3. Adopt and implement a legally enforceable ordinance putting the plan in place and making funds available on a schedule acceptable to the bank by December 16, 2016.

On September 15, 1997, the County entered into an intergovernmental agreement with the City of North Charleston to help fund the construction of a convention center adjacent to the North Charleston Coliseum. The agreement requires the County to be responsible for the pro-rata debt service on \$18,095,000 of a total \$48,045,000 in Certificates of Participation issued by the City on September 15, 1997. The debt service is to be paid monthly to a trustee from the revenues of the County Accommodations Special Revenue Fund.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
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The agreement allows for non-payment in the event of non-appropriation by the City of North Charleston and for reduced payments if accommodation fee revenues fall below the payment amount. Annual debt service on the County's \$18,095,000 obligation, maturing in 2020, under the agreement is approximately \$1.4 million.

This agreement is funded from a specific source of funds, the Accommodations Fee. The agreement also contains provisions for the non-payment of these obligations by the County if the revenues from the Accommodations Fee are not sufficient to make the payment or if the party that issued the debt (the City of North Charleston) does not make their pro-rata debt service. Therefore, the determination has been made that this commitment does not represent debt to the County and is not reflected in the entity-wide financial statements.

On April 7, 2008, the County entered into a ten-year agreement with the Charleston Animal Society formerly the John Ancrum Society for the Prevention of Cruelty to Animals for the care and impoundment of animals delivered to the shelter by the County. The original agreement with the Society was dated January 23, 1979, and has been updated several times since then. The amended non-cancelable portion of the agreement calls for the County to pay a base monthly fee of \$34,539. Additionally, the County agrees to pay the Society \$5.77 for the receiving and immunization of each animal placed in custody and \$5.77 boarding fee per animal per day. The County will also pay a euthanasia fee of \$5.77 for each animal. The County also agrees to pay any reasonable out-of-pocket expenses associated with animal cruelty cases.

As part of the contract, the County provided \$4,500,000 in funds and property towards the construction of a new shelter. Upon early termination of the agreement by the Society, the Society shall repay the County a pro-rata portion of the \$4,500,000.

This contract was amended on July 1, 2009. The amended, non-cancellable portion of the agreement calls for the County to pay a base monthly fee of \$51,772, as well as \$7.48 for the receiving and immunization of each animal placed in the custody of the Society, and \$7.48 boarding fee per animal per day. The County will also pay a euthanasia fee of \$7.48 to the Society for each animal euthanized.

In addition, the County agrees to pay a cremation fee of \$7.48 for each dead animal brought to the shelter by a law enforcement officer, animal control officer of the County or municipality within the County. The Society will bill the County separately for stray animals that it receives from citizens of the County.

The non-cancelable portion of the agreement states the County shall continue to pay the Society the current monthly fee for a five-year period plus any annual increases in the CPI during such five-year period if the County terminates the contract. The agreement was amended February 1, 2011. The following language was added: The Society may contract for accounting services in order to maintain an accurate record of fees and costs associated with the intake of animals delivered to Society. The Society will submit monthly invoices to the County for reimbursement. These monthly invoices shall include an itemized bill for said accounting services.

The Society will be entirely responsible for any and all costs that exceed Fifteen Hundred (\$1,500.00) Dollars per month. The County may, at any time, request from Society a full audit of the accounting services and duties performed by accountant and Society will comply within a reasonable time with any and all such requests.

A new agreement with the Charleston Animal Society is effective July 1, 2014. The amount the County shall pay to the Society will be approved annually in the County budget and subject to modification at mid-year budget review. The Society will receive the amount approved in the County budget, set by County Council, in monthly installments.

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The Charleston County Parks and Recreation Commission has entered into an agreement with the City of Folly Beach to restrict \$77,850 each year to provide for the re-nourishment of the erosion that occurs along Folly Beach. Capital Projects fund balance of \$82,949 has been reserved for beach re-nourishment as of June 30, 2015. The annual contribution for the year ended June 30, 2015 was made subsequent to June 30, 2015.

As of June 30, 1997, the Charleston County Parks and Recreation Commission had provided approximately \$2,065,171 to the City of Charleston for the construction of the Charleston Maritime Center which was to be leased to and operated by the Commission. On August 4, 1997, the City of Charleston and Charleston County Parks and Recreation Commission entered into an agreement that terminated the Master Lease of the Charleston Maritime Center dated August 1, 1995, between the two parties. This agreement grants the Commission the right of first refusal for the purchase of the Maritime Center for a period of 50 years from the date of execution of the agreement. In the event that the Commission does elect to purchase the Maritime Center, then the City of Charleston will credit \$1,500,000 toward the purchase price. If the Commission elects not to purchase the Maritime Center, then the City of Charleston will pay the Commission \$1,500,000 from the proceeds of the sale.

In July 1995, the Commission entered into a lease agreement with Charleston County whereby the Commission assumed the responsibilities of operating and maintaining 19 boat landings throughout Charleston County. The lease is for a term of 99 years and commenced on July 1, 1995. The Commission pays a nominal fee of \$1 per year under the lease terms, but the agreement expressed the intent of Charleston County to transfer millage each year to help fund related expenses. Funding is contingent upon future County Council approval.

On June 29, 1988, Kiawah Island was sold to Kiawah Resort Associates. The Charleston County Parks and Recreation Commission has been in contact with the owners in order to obtain a new lease agreement for Beach Walker Park. A verbal agreement has been made to ensure that the Park can continue to operate. To date, however, no formal agreement has been signed.

During 1988, the Charleston County Parks and Recreation Commission was advised by the South Carolina Highway Department that the proposed Mark Clark Expressway will go through the northern portion of James Island County Park. The Commission is awaiting determination from the South Carolina Department of Transportation and Charleston County on the future location of the Mark Clark corridor.

On August 22, 2005, the Charleston County Parks and Recreation Commission entered into an agreement with K.L.B. Group DBA Locklear's Beach City Grill to allow this corporation to operate the restaurant at the Folly Pier. The building held for rent had an estimated cost of \$1,253,494 and an estimated net book value of \$710,315 at June 30, 2015, and is included in the governmental activities capital assets. Rent started at \$7,400 per month and increases each November based on the current CPI. The new rental per month based on the CPI increased to \$8,883 per month on November 1, 2014. The lease also provided for contingent rentals of 7.25 percent of annual sales greater than \$1,200,000.

The original lease term was for five years beginning October 1, 2005. On August 16, 2007, the Commission and K.L.B. Group agreed to suspend the contract for convenience during the time period October 1, 2007 through March 1, 2008, so that the Commission could progress with repairs to the Folly Beach Fishing Pier building. In return, the lessee received an extension of the lease for the period of time the building was closed for repairs.

On August 25, 2009, the Commission entered into an agreement with K.L.B. Group to allow the corporation to exercise the option of extending the lease for an additional five years, with the option terminating on October 31, 2015. This lease was extended for one additional year at the November 17, 2014 Commissioners meeting.

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The following is a schedule by year of the minimum future rentals on the non-cancelable operating lease as of June 30, 2015:

<u>Year Ending June 30</u>	<u>Total</u>
2016	\$ 106,596
2017	<u>35,532</u>
Total minimum future rentals	<u>\$ 142,128</u>

Total rental income of \$122,114 was recorded during the current year.

During October 2010, the Charleston County Parks and Recreation Commission entered into a lease for an area commonly known as Laurel Hill Plantation for an initial period of 25 years with a provision that the lease will be automatically extended for three separate successive terms of 25 years each provided that the Commission is not in default. The Commission is required to pay base rental fees, operating expenses and additional rental fees. The base rental fee was \$1,330,000 for the first five years of the rental term for a total of \$6,650,000 with no further base rent being required for the remainder of the lease, including extension periods. Additional rental fees are defined as other items for which the Commission may become liable during the lease, including, but not limited to, premiums for insurance. Operating expenses are defined as nominal costs including, but not limited to, ad valorem taxes and premiums for insurance. The lease also contains an option to purchase contingent upon the Lessor obtaining the right to convey a fee simple interest in the property as well as the acceptance of an appraisal of fair market value. The base rental fee is being amortized on a straight-line basis over the initial lease term of 25 years in the government-wide financial statements, and at June 30, 2015, the unamortized prepaid rent was \$5,385,000.

In December 2000, the U.S. Secretary of the Interior conveyed property consisting of approximately 25 acres in fee and 0.6 acres of easements to the Charleston County Parks and Recreation Commission in a Quitclaim Deed. The property conveyed includes areas presently known as the Cooper River Marina, previously known as the Old Navy Base Marina facilities. The conveyance has several restrictions including the following: the property must be used and maintained for the public park and recreation purposes for which it was conveyed in perpetuity, the property shall not be sold, leased, assigned or otherwise disposed of except to another eligible governmental agency that the Secretary of the Interior agrees in writing can assure the same continued use of the property, and funds generated on the property may not be used for non-recreational purposes and, furthermore, must be used for the development, operation and maintenance of the property until it is fully developed in accordance with the Program of Utilization. There are also various reporting requirements.

The Cooper River Park and Playground Commission contracted on July 1, 1996, with the City of North Charleston (City) to provide recreational services for the fiscal year to the citizens within the Commission's jurisdictional boundaries. Since the original contract date, the Commission and the City have renewed this contract annually with an effective date of July 1 of each fiscal year. Under the terms of this contract, the City agrees to pay all reasonable administrative and professional costs incurred by the Commission, and the Commission agrees to transfer and pay over to the City all appropriated funds, from whatever source, in the accounts of the Commission except for the remaining unassigned fund balance carried forward from June 30, 2009. The City also assumed control and possession (but not legal title) of fixed property and equipment. Due to the declining tax base and the fractured property lines of the Commission, it would be difficult or impractical to provide services to its citizens without this contract with the City. The Commission is currently negotiating another one year contract with the City covering the period from July 1, 2015 to June 30, 2016, with essentially identical terms as previous contracts.



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Certain real estate and facilities acquired by the Cooper River Park and Playground Commission are located within the corporate limits of the City of North Charleston. Those facilities were originally leased to the City for a 25-year lease term commencing May 23, 1980, at a \$1 annual rental fee. This lease was renegotiated and signed May 23, 2006, for a 50-year term at a \$1 annual rental fee. Additional facilities were leased in February and May of 1990 for a 100-year term also at an annual rental fee of \$1.

Under the annual contract with the City of North Charleston, the Cooper River Park and Playground Commission has agreed to assign to the City all of its assets, real and personal, thereby allowing the City exclusive use, possession, control and management of these assets. As of June 30, 2015, the leased assets have a book value of \$73,197.

Most of the land on which the Cooper River Park and Playground operates playground facilities is provided by the Charleston County School District at no cost. These facilities originally operated in accordance with a 20-year lease agreement dated December 25, 1981. This lease continues on a month-to-month basis until such time as the lease is terminated or renegotiated.

The North Charleston District entered into an agreement on April 1, 1996, with the City of North Charleston for the City to provide fire, sanitation, and street lighting services to the constituents of the District. The contract requires the payment of substantially all of the District's revenues to the City and turning over control and possession, but not legal title to, all of the District's fixed property and equipment. On an annual basis since June 30, 1997, the District has entered into additional one year contracts with the City with essentially the same terms as described above. To fulfill the contract at June 30, 2015, the District owes the City \$85,420. This contract was extended for one year until June 30, 2016. Due to the declining tax base and the fractured lines of the District, it would be difficult or impractical to provide services to its citizens without this contract. The District anticipates total annexation by the City in the foreseeable future.

**E. Deferred Compensation Plan**

The County and its component units offer their employees several deferred compensation plans under programs administered by the South Carolina Deferred Compensation Commission. The multiple employer plans were created in accordance with Internal Revenue Code Sections 457 and 401(K). The plans available to all full-time County and component unit employees, at their option, permit participants to defer a portion of their salary until future years. Only upon termination, retirement, disability, death, or an approved hardship is the deferred compensation available to an employee.

During the year ended June 30, 2000, the deferred compensation plans were amended to allow for employer matching contributions of up to \$300 per year for each covered participant. Effective December 23, 2008, the County suspended this match of \$75 per quarter. The total contributions made by the County's plan members were \$2,206,671 for the fiscal year ending June 30, 2015.

Total contributions made by the Charleston County Library's plan members were \$201,147 for the fiscal year ending June 30, 2015.

**F. Other Post-Employment Benefits**

***Plan Description***

The County provides post-employment health, life and dental care benefits, as per the requirement of a local ordinance, for certain retirees and their dependents. This plan is a single employer defined benefit plan. Substantially all employees who retire under the State retirement plans are eligible to continue their coverage with the County paying 50 percent of health insurance premiums and the retiree paying 100 percent of life and dental insurance premiums and the remaining 50 percent of the health insurance premiums. The County's regular insurance providers underwrite the retirees' policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans. Effective July 1, 2008, the County modified its post-employment benefits policy as follows:

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- A) Increase years of service with the County:
  - 1. Twenty five years of service with the County for the fifty percent of health premium benefit
  - 2. Fifteen years of service with the County for the twenty five percent of health premium benefit
- B) Reduce surviving spouse benefit to one year for future retirees who start work with the County January 1, 2009 and later.

During the fiscal year ended June 30, 2006, the St. Paul's Fire District established a policy that allowed retiree insurance benefits. The plan was amended in 2009 to cease coverage at the earlier of the date of death or the date the participant becomes eligible for Medicare coverage. The plan was further curtailed at the end of the 2010 fiscal year, continuing coverage for those individuals who had retired prior to June 30, 2010, but providing no coverage to any employee retiring after that date.

The Charleston County Parks and Recreation Commission provide retiree benefits.

The Commission changed the eligibility criteria during the year ended June 30, 2015. The eligibility criteria as of June 30, 2015 are as follows.

Employees who retire from the Commission prior to July 1, 2016:

- A) Any covered employee who retires with at least 20 years, but less than 25 years of Commission covered entity service credit under the South Carolina Retirement Systems will be eligible for Commission funded retiree insurance benefits effective with his/her date of retirement provided he/she is eligible for retirement at the time he/she leaves active Commission service. The last five years must be consecutive and in a full-time, regular position. The Commission will pay 50 percent of the retiree cost and 50 percent of the dependent cost for health and dental coverage.
- B) Any covered employee who retires with 25 years or more years of Commission-covered entity service credit under the South Carolina Retirement Systems will be eligible for Commission funded retiree insurance benefits effective with his/her date of retirement provided he/she is eligible for retirement at the time he/she leaves active Commission service. The last five years must be consecutive and in a full-time, regular, position. The Commission will pay 100 percent of the retiree cost and 65 percent of the dependent cost for health and dental coverage.
- C) The health and dental insurance premium for surviving spouses and dependents of deceased retirees will be waived for one year after the retiree's death. Following one year, the surviving spouse and/or dependents are eligible to continue coverage at the same proportional cost (50 percent or 65 percent) as in effect prior to the retiree's death. Survivors may remain on the plan until death or remarriage, whichever comes first.

Employees who retire from the Commission between July 1, 2016 and July 1, 2025:

- A) Any covered employee who retires with at least 20 years, but less than 25 years of Commission covered entity service credit under the South Carolina Retirement Systems will be eligible for Commission funded retiree insurance benefits effective with his/her date of retirement, provided he/she is eligible for retirement at the time he/she leaves active Commission service. The last five years must be consecutive and in a full-time, regular position. The Commission will pay 50% of the retiree cost and 50% of the dependent cost for health and dental coverage.
- B) Any covered employee who retires with 25 or more years of Commission covered entity service credit under the South Carolina Retirement Systems will be eligible for Commission funded retiree insurance benefits effective with his/her date of retirement, provided he/she is eligible for retirement at the time

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he/she leaves active Commission service. The last five years must be consecutive and in a full-time, regular position. The Commission will pay 100% of the retiree cost and 65% of the dependent cost for health and dental coverage.

- C) Retirees and their dependents may remain on retiree coverage until the retiree reaches Medicare eligible age. No benefit is provided to the retiree after reaching the eligibility age for Medicare. After the retiree reaches Medicare eligibility, the retiree's dependents may continue coverage, however, dependents will be required to pay 100% of the premium cost as outlined in the guidelines of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). If a covered spouse becomes Medicare eligible prior to the retiree, the covered spouse must be enrolled in Medicare coverage and will cease to be covered by CCPRC. Once a retiree or their spouse reaches the Medicare eligible age, they may continue to purchase dental and vision coverage through CCPRC's group coverage at a cost of 100% of the premium.
- D) The surviving spouse and/or dependents are eligible to continue coverage for 36 months at the full cost of the premium as outlined in the guidelines of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA).

Employees who retire from the Commission after July 1, 2025:

- A) Any covered employee who meets the following requirements: is at least 55 years old, who retires with at least 20 Commission full-time years, but less than 25 full-time years of Commission service credit under the South Carolina Retirement Systems will be eligible for Commission funded retiree insurance benefits effective with his/her date of retirement, and provided he/she is eligible for retirement at the time he/she leaves active Commission service and retires at the time of separation with the Commission. The last five years must be consecutive and in a full-time, regular position. The Commission will pay 50% of the retiree cost only. Retiree's dependents may remain on the insurance plan, but retirees will be responsible for the full cost of the dependent's premium.
- B) Any covered employee who meets the following requirements: is at least 55 years old, who retires with at least 25 or more years of Commission service credit under the South Carolina Retirement Systems will be eligible for Commission funded retiree insurance benefits effective with his/her date of retirement, and provided he/she is eligible for retirement at the time he/she leaves active Commission service and retires at the time of separation with the Commission. The last five years must be consecutive and in a full-time, regular position. The Commission will pay 75% of the retiree cost only. Retiree's dependents may remain on the insurance plan, but retirees will be responsible for the full cost of the dependent's premium.
- C) After the retiree reaches Medicare eligibility the retiree's dependents may continue coverage. No benefit is provided to the retiree after reaching the eligibility age for Medicare. However, dependents will be required to pay 100% of the premium cost as outlined in the guidelines of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). If a covered spouse becomes Medicare eligible prior to the retiree, the covered spouse must be enrolled in Medicare coverage and will cease to be covered by the Commission. Once a retiree or their spouse reaches the Medicare eligible age, they may continue to purchase dental and vision coverage through the Commission's group coverage at a cost of 100% of the premium.
- D) The surviving spouse and/or dependents are eligible to continue coverage for 36 months at the full cost of the premium as outlined in the guidelines of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA).

No coverage is available to an employee not eligible for employer paid coverage.

Covered participants are required to apply for Medicare when eligible, and retiree coverage will be secondary to Medicare or any other group coverage that employees or their dependents have.

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Employees may opt out of the plan. The Commission is not required to contribute at an actuarially determined rate, but has elected to contribute based on an advanced funding basis based on the actuarial determined amount.

Membership of the plan is as follows:

Retirees, survivors and beneficiaries receiving benefits	11
Active Employees	<u>175</u>
Total	<u><u>186</u></u>

***Funding Policy***

As of year-end, there were 456 employees who had retired from the County and are receiving health insurance premium coverage benefits. The County currently finances the plan on a pay-as-you-go basis.

For the year ended June 30, 2015, the County recognized expenses of \$1,631,900 for retiree healthcare, which were net of retiree contributions of \$1,837,545. The St. Paul's Fire District had 3 employees who had retired and receiving benefits under their plan. The District recognized expenses of \$15,950 for health care premiums for the current year. The Charleston County Parks and Recreation Commission had 11 employees who are retired and receiving benefits.

The County's annual cost (expense) for other post-employment benefits is calculated based on the annual required contribution (ARC) of the employer, which is actuarially determined based upon the requirements and parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost for each year plus the amount necessary to amortize any unfunded actuarial liability (or funding excess) over a period not to exceed 30 years. The current ARC is based on a level percent of payroll increasing at 3 percent.

For the year ended June 30, 2015, the County's annual OPEB cost was \$6,088,069 for the post-employment healthcare plan. The County's annual OPEB cost for the current year is as follows:

Annual required Contribution	\$ 6,004,695
Interest on OPEB obligation	1,134,174
Adjustment of ARC	<u>(1,050,800)</u>
Annual OPEB cost (expense) end of year	6,088,069
Net estimated employer contributions	<u>(2,105,125)</u>
Increase in net OPEB obligation	\$ 3,982,944
Net OPEB obligation/ (asset) beginning of year	<u>25,203,859</u>
Net OPEB obligation/ (asset) end of year	<u><u>\$ 29,186,803</u></u>

Actuarial methods and assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the County's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

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Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and the County's employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial Methods and Assumptions

Investment rate of return	4.5% net of expenses
Actuarial cost method	Projected Unit credit Cost Method
Amortization method	Level as a percentage of employee payroll
Amortization period	Open 30-year period
Salary Growth	3.00% per annum
Inflation	3.00% per annum
Medical Trend	Initial rate of 6.00% declining to an ultimate rate of 4.50% after 9 years

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the County's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending June 30, 2015, and the preceding two fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Amount Contributed	Percentage Contributed	Net OPEB Obligation
June 30, 2013	\$6,142,719	\$2,163,467	35.2%	\$21,780,235
June 30, 2014	\$5,901,850	\$2,478,226	42.0%	\$25,203,859
June 30, 2015	\$6,088,069	\$2,105,125	34.6%	\$29,186,803

Schedule of Funding Progress and Status

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)
7/1/2007	\$ -	\$52,972,306	\$52,972,306	0%	\$93,550,000	56.62%
7/1/2007	\$ -	\$52,972,306	\$52,972,306	0%	\$97,800,000	54.16%
7/1/2009	\$ -	\$47,374,110	\$47,374,110	0%	\$96,600,000	49.04%
7/1/2010	\$ -	\$47,374,110	\$47,374,110	0%	\$99,400,000	47.66%
7/1/2011	\$ -	\$54,526,503	\$54,526,503	0%	\$98,300,000	55.47%
7/1/2013	\$ -	\$63,154,853	\$63,154,853	0%	\$105,200,000	60.04%
7/1/2014	\$ -	\$58,570,371	\$58,570,371	0%	\$110,888,000	52.82%

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**G. Funds Held by Coastal Community Foundation**

As of June 30, 2015, the Coastal Community Foundation held \$499,234 in the Charleston County Library Fund. The fund was established in November 1983 as a capital fund for the purpose of providing support for unusual or innovative programs and services at the Library not normally funded by government appropriations. Of the balance, \$17,338 is available for grants to the Library.

As of June 30, 2015, the Coastal Community Foundation was holding \$101,269 in the Roper Foundation Community Wellness Endowment for the Charleston County Library. The endowment was established for the purpose of updating the health education information collection from earnings on the funds. At year-end, \$3,517 is available for grants to the Library.

These amounts are not reflected in the Library's financial statements until grants are received by the Library from the Foundation. During the year, no amounts were awarded as grants to the library.

**H. Employee Retirement Systems and Plans**

**South Carolina Retirement and Police Officers' Retirement Systems**

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 Budget and Control Board (restructured into the Department of Administration on July 1, 2015), 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.

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](http://www.peba.sc.gov), or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960. 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.

**Plan Descriptions**

- 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.
- The South Carolina Police Officers Retirement System ("PORS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its 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.

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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.

- PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. 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.

- PORS - 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 55 or with 25 years of service regardless of age. 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 at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The 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.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

*Contributions*

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and 5 percent for PORS. 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.

As noted above, both employees and the County are required to contribute to the plans at rates established and as amended by the PEBA. The County's contributions are actuarially determined, but are communicated to and paid by the County as a percentage of the employees' annual eligible compensation as follows for the past three years:

	SCRS Rates			PORS Rates		
	2013	2014	2015	2013	2014	2015
Employer Rate:						
Retirement	10.45%	10.45%	10.75%	11.90%	12.44%	13.01%
Incidental Death Benefit	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Accidental Death Contributions	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
	<u>10.60%</u>	<u>10.60%</u>	<u>10.90%</u>	<u>12.30%</u>	<u>12.84%</u>	<u>13.41%</u>
Employee Rate	<u>7.00%</u>	<u>7.50%</u>	<u>8.00%</u>	<u>7.00%</u>	<u>7.84%</u>	<u>8.41%</u>

The required contributions and percentages of amounts contributed by the County to the plans for the past three years were as follows:

Year Ended June 30	SCRS Contributions		PORS Contributions	
	Required	% Contributed	Required	% Contributed
2015	\$ 8,122,490	100%	\$ 4,656,574	100%
2014	7,450,960	100%	4,263,734	100%
2013	7,099,972	100%	4,094,830	100%



**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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. Amounts determined during the valuation process are subject to continual revision as actual results 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. The last experience study was performed on data through June 30, 2010, and the next experience study is scheduled to be conducted after the June 30, 2015 annual valuation is complete.

The most recent annual actuarial valuation reports adopted by the PEBA Board are as of July 1, 2013. The net pension liability of each defined benefit pension plan was therefore determined by the consulting actuary, Gabriel, Roeder, Smith and Company ("GRS"), based on the July 1, 2013 actuarial valuations, using membership data as of July 1, 2013, projected forward to the end of the fiscal year, and financial information of the pension trust funds as of June 30, 2014, using generally accepted actuarial procedures. Information included in the following schedules is based on the certification provided by PEBA's consulting actuary, GRS.

The following provides a summary of the actuarial assumptions and methods used in the July 1, 2013, valuations for SCRS and PORS.

	<b>SCRS</b>	<b>PORS</b>
Actuarial cost method	Entry age	Entry age
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	levels off at 3.5%	levels off at 4.0%
Includes inflation at	2.75%	2.75%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

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.

<b>Former Job Class</b>	<b>Males</b>	<b>Females</b>
Educators and Judges	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, Firefighters and members of the South Carolina National Guard	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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 Statement No. 67 less that System's fiduciary net position. The County and component units' proportional share of the NPL amounts for SCRS and PORS are presented below:

	<u>Measurement Period Ended June 30, 2015</u>	<u>Fiscal Year Ended June 30, 2015</u>	<u>System</u>	<u>Proportional Share of Net Pension Liability</u>
Primary Government	2014	2015	SCRS	\$ 133,058,460
	2014	2014	PORS	\$ 53,055,006
Component Units				
CCL	2014	2015	SCRS	\$ 13,579,832
CCPRC	2014	2015	SCRS	\$ 17,682,740
SAPPPC	2014	2015	SCRS	\$ 2,203,391
SJFD	2014	2015	SCRS	\$ 845,339
	2014	2015	PORS	\$ 8,659,951
SPFR	2014	2015	SCRS	\$ 168,894
	2014	2015	PORS	\$ 3,998,531

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 County's proportionate share of the net pension liability was calculated on the basis of historical employer contributions. Although GASB 68 encourages the use of the employer's projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is considered acceptable. For the year ending June 30, 2014, the County's percentage of the SCRS and PORS net pension liability were 0.772846% and 2.77133%, respectively.

*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 contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. 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.

*Long-term Expected Rate of Return*

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30 year capital market outlook at the end of the third quarter 2012. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment Commission ("RSIC") using a building block approach, reflecting observable inflation and interest rate

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The RSIC has exclusive authority to invest and manage the retirement trust funds' assets. As co-fiduciary of the Systems, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation which is summarized in the table on the following page. 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.

<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Expected Arithmetic Real Rate of Return</b>	<b>Long Term Expected Portfolio Real Rate of Return</b>
<b>Short Term</b>	<b>5.0%</b>		
Cash	2.0%	0.3%	0.01%
Short Duration	3.0%	0.6%	0.02%
<b>Domestic Fixed Income</b>	<b>13.0%</b>		
Core Fixed Income	7.0%	1.1%	0.08%
High Yield	2.0%	3.5%	0.07%
Bank Loans	4.0%	2.8%	0.11%
<b>Global Fixed Income</b>	<b>9.0%</b>		
Global Fixed Income	3.0%	0.8%	0.02%
Emerging Markets Debt	6.0%	4.1%	0.25%
<b>Global Public Equity</b>	<b>31.0%</b>	<b>7.8%</b>	<b>2.42%</b>
<b>Global Tactical Asset Allocation Alternatives</b>	<b>10.0%</b>	<b>5.1%</b>	<b>0.51%</b>
Hedge Funds (Low Beta)	8.0%	4%	0.32%
Private Debt	7.0%	10.2%	0.71%
Private Equity	9.0%	10.2%	0.92%
Real Estate (Broad Market)	5.0%	5.9%	0.29%
Commodities	3.0%	5.1%	0.15%
Total Expected Real Return	<u>100.0%</u>		<u>5.88%</u>
Inflation for Actuarial Purposes			<u>2.75%</u>
Total Expected Nominal Return			<u>8.63%</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

*Sensitivity Analysis*

The following schedule presents the proportional net pension liability of the County and its component units calculated using the discount rate of 7.50 percent, as well as what the 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.

**Primary Government**

**Sensitivity of the Proportional Share of Net Pension Liability to Changes in the Discount Rate**

<b>System</b>	<b>1.00% Decrease (6.50%)</b>	<b>Current Discount Rate (7.50%)</b>	<b>1.00% Increase (8.50%)</b>
SCRS	\$ 172,185,879	\$ 133,058,460	\$ 100,414,967
PORS	\$ 74,143,127	\$ 53,055,006	\$ 35,606,513

**Component Units**

**Sensitivity of the Proportional Share of Net Pension Liability to Changes in the Discount Rate**

<b>System</b>	<b>1.00% Decrease (6.50%)</b>	<b>Current Discount Rate (7.50%)</b>	<b>1.00% Increase (8.50%)</b>
CCL SCRS	\$ 17,570,777	\$ 13,579,832	\$ 10,248,265
CCPRC SCRS	\$ 22,882,560	\$ 17,682,740	\$ 13,344,599
SAPPPC SCRS	\$ 2,851,325	\$ 2,203,391	\$ 1,662,829
SJFD SCRS	\$ -	\$ -	\$ -
PORS	\$ -	\$ -	\$ -
SPFD SCRS	\$ 259,110	\$ 200,230	\$ 151,107
PORS	\$ 5,587,762	\$ 3,998,531	\$ 2,683,468

**Deferred Outflows (Inflows) of Resources**

For the year ended June 30, 2015, the County recognized pension expense of \$13,931,436. At June 30, 2015, the County reported deferred outflows (inflows) of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 12,779,064	\$ -
Differences in actual and expected experience	5,186,119	-
Net differences between projected and actual earnings on plan investments	-	17,356,651
	<u>\$ 17,965,183</u>	<u>\$ 17,356,651</u>

The County reported \$12,779,064 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows (inflows) of resources will be recognized in

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

pension expense in future years. The following schedule reflects the amortization of the County and its component units' proportional share of the net balance of remaining deferred outflows (inflows) of resources at June 30, 2015. Average remaining service lives of all employees provided with pensions through the pension plans at June 30, 2014 was 4.233 years for SCRS and 4.856 years for PORS.

**Primary Government**

Measurement Period Ending June 30,	Fiscal Year Ending June 30,	SCRS	PORS
2015	2016	\$ (1,638,252)	\$ (1,167,547)
2016	2017	(1,638,252)	(1,167,547)
2017	2018	(1,638,252)	(1,167,547)
2018	2019	(2,532,716)	(1,220,419)
Net Balance of Deferred Outflows / (Inflows) of Resources		<u>\$ (7,447,472)</u>	<u>\$ (4,723,060)</u>



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**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

The following schedule reflects the amortization of the County's component units' proportionate share of the net balance of remaining deferred outflows (inflows) of resources at June 30, 2015:

**Component Units**

	<b>Measurement Period</b>	<b>Fiscal Year Ending</b>	<b>SCRS</b>	<b>PORS</b>
	<b>Ending June 30, 2015</b>	<b>June 30, 2015</b>		
CCL	2015	2016	\$ (167,199)	N/A
	2016	2017	(167,199)	N/A
	2017	2018	(167,199)	N/A
	2018	2019	<u>(258,764)</u>	N/A
Net Balance of Deferred Outflows/(Inflows) of Resources			<u>\$ (760,361)</u>	
CCPRC	2015	2016	\$ (217,715)	N/A
	2016	2017	(217,715)	N/A
	2017	2018	(217,715)	N/A
	2018	2019	<u>(336,587)</u>	N/A
Net Balance of Deferred Outflows/(Inflows) of Resources			<u>\$ (989,732)</u>	
SAPPPC	2015	2016	\$ (27,129)	N/A
	2016	2017	(27,129)	N/A
	2017	2018	<u>(41,941)</u>	N/A
Net Balance of Deferred Outflows/(Inflows) of Resources			<u>\$ (96,199)</u>	
SJFD	2015	2016	\$ (10,408)	\$ (190,573)
	2016	2017	(10,408)	(190,573)
	2017	2018	<u>(16,091)</u>	<u>(199,204)</u>
Net Balance of Deferred Outflows/(Inflows) of Resources			<u>\$ (36,907)</u>	<u>\$ (580,350)</u>
SPFD	2015	2016	\$ (2,465)	\$ (87,993)
	2016	2017	(2,465)	(87,993)
	2017	2018	(2,465)	(87,993)
	2018	2019	<u>(3,810)</u>	<u>(91,979)</u>
Net Balance of Deferred Outflows/(Inflows) of Resources			<u>\$ (11,205)</u>	<u>\$ (355,958)</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**I. Related Party**

During the year there were several transactions between Charleston County Library and Charleston County. These transactions were as follows:

Amounts given to CCL:	Amount
Appropriation (including supplemental appropriation)	\$ 14,768,919
Amounts paid to the County by CCL:	
Janitorial services	101,571
Carpet cleaning	24,942
Workers' compensation	387,797
OPEB compensation	359,100
Insurance coverage-building & contents, liability, fidelity bond, theft	98,718
Motor vehicle repairs	21,984
Motor vehicle fuel charges	17,454
Other general services	122,390
Solid Waste User Fee	12,821
Health, life and dental insurance (library employees covered through County plan)	935,424
Other minor charges	7,399
	\$ 2,089,600
Other transactions:	
Rent-free use of County-owned Library buildings and County-owned vehicles*	*

\*Not Determined

**J. Pending Implementation of GASB Statements**

The GASB has issued the following statements:

GASB Statement No. 72, *Fair Value Measurement and Application*, provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015. The County will implement the new guidance with the 2016 financial statements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statement 67 and 68*. The requirements of this Statement will improve financial reporting by establishing a single framework for the presentation of information about pensions, which will enhance the comparability of pension-related information reported by employers and non-employer contributing entities. The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015 – except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. The County will implement the new guidance with the 2016 financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about post-employment benefits other than pensions (other post-employment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016. The County will implement the new guidance with the 2017 financial statements.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB as well as for certain non-employer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The County will implement the new guidance with the 2018 financial statements.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in non-authoritative literature. The provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015. The County will implement the new guidance with the 2016 financial statements.

GASB Statement No. 77, *Tax Abatement Disclosures*, requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements, and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The County will implement the new guidance with the 2017 financial statements.

Management has not yet determined the impact implementation of these standards will have on the County's financial statements, if any.



**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**K. Restatements**

During the year ended June 30, 2015, the County and its component units implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. As part of this implementation, the County and its component units were required to record their proportionate share of the state retirement system's net pension liability. The implementation of this new accounting policy was retroactive. The effect of the restatement is as follows:

	Government-wide Statements					
	Primary Government	CCL	CCPRC	SAPPPC	SJFD	SPFD
Net position as originally presented June 30, 2014	\$ (94,742,362)	\$ 3,349,362	\$ 120,283,832	\$ 2,937,108	\$ 6,353,565	\$ 3,767,592
Adoption of GASB 68 and 71 principles	<u>(166,322,882)</u>	<u>(13,388,486)</u>	<u>(17,433,581)</u>	<u>(2,172,353)</u>	<u>(9,511,983)</u>	<u>(4,143,161)</u>
Net position as restated June 30, 2014	<u>\$ (261,065,244)</u>	<u>\$ (10,039,124)</u>	<u>\$ 102,850,251</u>	<u>\$ 764,755</u>	<u>\$ (3,158,418)</u>	<u>\$ (375,569)</u>

	Proprietary Funds			
	Environmental Management	Parking Garages	Non-major Other Funds	Internal Service Funds
Net position as originally presented June 30, 2014	\$ 70,836,022	\$ 14,671,984	\$ 13,507,076	\$ 20,876,553
Adoption of GASB 68 and 71 principles	<u>(7,853,419)</u>	<u>(1,179,856)</u>	<u>(8,996,405)</u>	<u>(166,322,882)</u>
Net position as restated June 30, 2014	<u>\$ 62,982,603</u>	<u>\$ 13,492,128</u>	<u>\$ 4,510,671</u>	<u>\$ (145,446,329)</u>

These restatements for the Primary Government resulted in negative positions in some of the Proprietary funds. The negative net position in the employee benefits fund will be reduced by contributions from other County funds.

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**CHARLESTON COUNTY, SOUTH CAROLINA  
REQUIRED SUPPLEMENTARY FINANCIAL  
INFORMATION**



**COUNTY OF CHARLESTON, SOUTH CAROLINA  
SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS –  
OTHER POSTEMPLOYMENT BENEFITS – DEFINED BENEFIT HEALTH CARE PLAN  
FISCAL YEAR ENDED JUNE 30, 2015 (UNAUDITED)**

**SCHEDULE OF FUNDING PROGRESS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a)/c)</b>
<b>Primary Government</b>						
7/1/2007	\$ -	\$52,972,306	\$52,972,306	0%	\$93,550,000	56.62%
7/1/2007	\$ -	\$52,972,306	\$52,972,306	0%	\$97,800,000	54.16%
7/1/2009	\$ -	\$47,374,110	\$47,374,110	0%	\$96,600,000	49.04%
7/1/2010	\$ -	\$47,374,110	\$47,374,110	0%	\$99,400,000	47.66%
7/1/2011	\$ -	\$54,526,503	\$54,526,503	0%	\$98,300,000	55.47%
7/1/2013	\$ -	\$63,154,853	\$63,154,853	0%	\$105,200,000	60.04%
7/1/2014	\$ -	\$58,570,371	\$58,570,371	0%	\$110,888,000	52.83%
<b>Component Units</b>						
<u>7/1/2007</u>						
CCPRC	\$ -	\$3,089,213	\$3,089,213	0%	\$6,457,330	47.84%
SPFD	\$ -	\$3,111,459	\$3,111,459	0%	\$2,022,100	153.87%
<u>7/1/2008</u>						
CCPRC	\$ -	\$3,089,213	\$3,089,213	0%	\$7,155,052	43.18%
SPFD	\$ -	\$1,138,768	\$1,138,768	0%	\$2,299,864	49.51%
<u>7/1/2009</u>						
CCPRC	\$ -	\$3,089,213	\$3,089,213	0%	\$7,780,156	39.71%
SPFD	\$ -	\$120,334	\$120,334	0%	0	0%
<u>7/1/2010</u>						
CCPRC	\$ -	\$3,058,193	\$3,058,193	0%	\$8,003,946	38.21%
SPFD	\$ -	\$130,811	\$130,811	0%	0	0%
<u>7/1/2011</u>						
CCPRC	\$ -	\$4,321,784	\$4,321,784	0%	\$7,780,156	55.55%
SPFD	\$ -	\$127,310	\$127,310	0%	0	0%
<u>7/1/2012</u>						
CCPRC	\$ -	\$4,137,514	\$4,137,514	0%	\$8,282,581	49.95%
SPFD	\$ -	\$79,257	\$79,257	0%	0	0%
<u>7/1/2013</u>						
CCPRC	\$ -	\$4,137,514	\$4,137,514	0%	\$8,282,581	49.95%
SPFD	\$ -	\$65,082	\$65,082	0%	\$0	0%
<u>7/1/2014</u>						
CCPRC	\$ 2,625,705	\$2,597,755	(\$27,950)	101%	\$9,314,460	-0.30%
SPFD	\$ -	\$49,132	\$49,132	0%	\$0	0%

**CONTINUED**

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS –  
OTHER POSTEMPLOYMENT BENEFITS – DEFINED BENEFIT HEALTH CARE PLAN  
FISCAL YEAR ENDED JUNE 30, 2015 (UNAUDITED)**

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**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

<b>Fiscal Year Ended June 30</b>	<b>Annual Required Contribution</b>	<b>Percent of ARC Contributed</b>
Primary Government		
2008	\$5,874,245	28.30%
2009	\$5,947,354	31.49%
2010	\$4,402,193	39.74%
2011	\$4,570,445	36.67%
2012	\$5,952,395	33.30%
2013	\$6,142,719	35.22%
2014	\$5,901,850	42.00%
2015	\$6,088,069	34.58%
Component Units		
<u>2008</u>		
CCPRC	\$378,935	0%
SPFD	\$367,100	0%
<u>2009</u>		
CCPRC	\$378,935	0%
SPFD	\$242,038	0%
<u>2010</u>		
CCPRC	\$378,935	0%
SPFD	0	0%
<u>2011</u>		
CCPRC	\$363,911	0%
SPFD	0	0%
<u>2012</u>		
CCPRC	\$497,510	0%
SPFD	0	0%
<u>2013</u>		
CCPRC	\$493,875	0%
SPFD	0	0%
<u>2014</u>		
CCPRC	\$493,875	0%
SPFD	0	0%
<u>2015</u>		
CCPRC	\$64,602	-30%
SPFD	0	0%

**Note: The amounts shown as Actual Contribution include the implicit subsidy.**

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**SOUTH CAROLINA RETIREMENT SYSTEM**  
**LAST TWO FISCAL YEARS**

<b>SCRS</b>						
	Year Ended June 30,	Proportion of the net pension liability	Proportionate share of the net pension liability	Covered Employee Payroll	Proportionate share of the net pension liability as a percentage of covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Primary Government	2015	0.772846%	\$ 133,058,460	\$ 74,518,254	179%	59.92%
	2014	0.772846%	\$ 138,621,003	\$ 70,292,078	197%	56.39%
Component Units						
CCL	2015	0.0789%	\$ 13,579,832	\$ 7,600,121	179%	59.92%
	2014	0.0789%	\$ 1,417,541	\$ 7,161,389	198%	56.39%
CCPRC	2015	0.10271%	\$ 17,682,740	\$ 9,324,443	189.64%	59.92%
	2014	0.10271%	\$ 18,421,972	\$ 8,915,053	206.64%	56.39%
SAPPPC	2015	0.012798%	\$ 2,203,391	\$ 1,414,338	155.79%	59.92%
	2014	NA	NA	NA	NA	NA
SJFD	2015	0.00491%	\$ 845,339	\$ 445,755	189.64%	59.92%
	2014	NA	NA	NA	NA	NA
SPFD	2015	0.001163%	\$ 200,230	\$ 168,894	118.55%	59.92%
	2014	NA	NA	NA	NA	NA
<b>PORS</b>						
Primary Government	2015	2.77133%	\$ 53,055,006	\$ 34,724,641	153%	67.55%
	2014	2.77133%	\$ 57,448,805	\$ 33,206,658	173%	62.97%
Component Units						
SJFD	2015	0.45235%	\$ 8,659,951	\$ 5,440,646	159.17%	67.55%
	2014	NA	NA	NA	NA	NA
SPFD	2015	0.20886%	\$ 3,998,531	\$ 2,640,155	151.45%	67.55%
	2014	NA	NA	NA	NA	NA

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**SCHEDULE OF REQUIRED CONTRIBUTIONS AND PERCENTAGES - PAST TEN YEARS**  
**SOUTH CAROLINA RETIREMENT SYSTEM**  
**FISCAL YEAR ENDED JUNE 30, 2015 (UNAUDITED)**

Year Ended June 30	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
<b>Primary Government</b>					
2015	\$ 8,122,490	\$ 8,122,490	\$ -	\$ 74,518,254	10.90%
2014	\$ 7,450,960	\$ 7,450,960	\$ -	\$ 70,292,078	10.60%
2013	\$ 7,099,973	\$ 7,099,973	\$ -	\$ 66,980,874	10.60%
2012	\$ 6,215,075	\$ 6,215,075	\$ -	\$ 65,215,897	9.53%
2011	\$ 6,025,136	\$ 6,025,136	\$ -	\$ 64,159,794	9.39%
2010	\$ 6,038,511	\$ 6,038,511	\$ -	\$ 64,307,891	9.39%
2009	\$ 6,157,100	\$ 6,157,100	\$ -	\$ 65,570,820	9.39%
2008	\$ 5,721,280	\$ 5,721,280	\$ -	\$ 62,120,304	9.21%
2007	\$ 4,764,224	\$ 4,764,224	\$ -	\$ 58,100,293	8.20%
2006	\$ 4,313,704	\$ 4,313,704	\$ -	\$ 56,022,130	7.70%
<b>Component Units</b>					
<u>2015</u>					
CCL	\$ 828,413	\$ 828,413	\$ -	\$ 7,600,121	10.90%
CCPRC	\$ 1,080,200	\$ 1,080,200	\$ -	\$ 9,910,088	10.90%
SAPPPC	\$ 154,163	\$ 154,163	\$ -	\$ 1,414,338	10.90%
SJFD	\$ 45,321	\$ 45,321	\$ -	\$ 415,787	10.90%
SPFD	\$ 18,409	\$ 18,409	\$ -	\$ 168,894	10.90%
<u>2014</u>					
CCL	\$ 759,107	\$ 759,107	\$ -	\$ 7,161,389	10.60%
CCPRC	\$ 988,391	\$ 988,391	\$ -	\$ 9,324,443	10.60%
SAPPPC	\$ 123,077	\$ 123,077	\$ -	\$ 1,161,104	10.60%
SJFD	\$ 47,250	\$ 47,250	\$ -	\$ 445,755	10.60%
SPFD	\$ 11,195	\$ 11,195	\$ -	\$ 105,613	10.60%
<u>2013</u>					
CCL	\$ 729,721	\$ 729,721	\$ -	\$ 6,884,164	10.60%
CCPRC	\$ 944,996	\$ 944,996	\$ -	\$ 8,915,057	10.60%
SAPPPC	\$ 106,091	\$ 106,091	\$ -	\$ 1,000,858	10.60%
SJFD	\$ 42,139	\$ 42,139	\$ -	\$ 397,535	10.60%
SPFD	\$ 11,905	\$ 11,905	\$ -	\$ 112,311	10.60%
<u>2012</u>					
CCL	\$ 679,873	\$ 679,873	\$ -	\$ 7,130,293	9.53%
CCPRC	\$ 820,708	\$ 820,708	\$ -	\$ 8,611,836	9.53%
SAPPPC	\$ 108,404	\$ 108,404	\$ -	\$ 1,137,503	9.53%
SJFD	\$ 36,652	\$ 36,652	\$ -	\$ 384,596	9.53%
SPFD	\$ 9,968	\$ 9,968	\$ -	\$ 104,596	9.53%
<u>2011</u>					
CCL	\$ 653,680	\$ 653,680	\$ -	\$ 6,961,443	9.39%
CCPRC	\$ 810,537	\$ 810,537	\$ -	\$ 8,631,914	9.39%
SAPPPC	\$ 106,196	\$ 106,196	\$ -	\$ 1,130,948	9.39%
SJFD	\$ 36,538	\$ 36,538	\$ -	\$ 389,116	9.39%
SPFD	\$ 9,464	\$ 9,464	\$ -	\$ 100,841	9.39%
<u>2010</u>					
CCL	\$ 652,306	\$ 652,306	\$ -	\$ 6,946,820	9.39%
CCPRD	\$ 750,734	\$ 750,734	\$ -	\$ 7,995,037	9.39%
SAPPPC	\$ 109,493	\$ 109,493	\$ -	\$ 1,166,060	9.39%
SJFD	\$ 47,767	\$ 47,767	\$ -	\$ 508,701	9.39%
SPFD	\$ 9,998	\$ 9,998	\$ -	\$ 106,475	9.39%
<u>2009</u>					
CCL	\$ 681,277	\$ 681,277	\$ -	\$ 7,255,348	9.39%
CCPRC	\$ 691,007	\$ 691,007	\$ -	\$ 7,358,967	9.39%
SAPPPC	\$ 109,493	\$ 109,493	\$ -	\$ 1,166,060	9.39%
SJFD	\$ 44,726	\$ 44,726	\$ -	\$ 476,315	9.39%
SPFD	\$ 7,633	\$ 7,633	\$ -	\$ 81,289	9.39%
<u>2008</u>					
CCL	\$ 696,167	\$ 696,167	\$ -	\$ 7,588,819	9.17%
CCPRC	\$ 605,375	\$ 605,375	\$ -	\$ 6,573,018	9.21%
SAPPPC	\$ 110,901	\$ 110,901	\$ -	\$ 1,204,137	9.21%
SJFD	\$ 42,971	\$ 42,971	\$ -	\$ 466,569	9.21%
SPFD	\$ 5,261	\$ 5,261	\$ -	\$ 57,123	9.21%
<u>2007</u>					
CCL	\$ 552,420	\$ 552,420	\$ -	\$ 6,736,825	8.20%
CCPRC	\$ 497,760	\$ 497,760	\$ -	\$ 6,070,244	8.20%
SAPPPC	\$ 90,314	\$ 90,314	\$ -	\$ 1,101,390	8.20%
SJFD	\$ 33,575	\$ 33,575	\$ -	\$ 409,451	8.20%
SPFD	\$ 4,405	\$ 4,405	\$ -	\$ 53,720	8.20%
<u>2006</u>					
CCL	\$ 495,405	\$ 495,405	\$ -	\$ 6,433,833	7.70%
CCPRC	\$ 428,048	\$ 428,048	\$ -	\$ 5,559,065	7.70%
SAPPPC	\$ 88,968	\$ 88,968	\$ -	\$ 1,155,429	7.70%
SJFD	\$ 31,956	\$ 31,956	\$ -	\$ 415,013	7.70%
SPFD	\$ 4,954	\$ 4,954	\$ -	\$ 64,338	7.70%

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**SCHEDULE OF REQUIRED CONTRIBUTIONS AND PERCENTAGES - PAST TEN YEARS**  
**SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM**  
**FISCAL YEAR ENDED JUNE 30, 2015 (UNAUDITED)**

Year Ended June 30	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
<b>Primary Government</b>					
2015	\$ 4,656,574	\$4,656,574	\$ -	\$ 34,724,641	13.41%
2014	\$ 4,263,735	\$4,263,735	\$ -	\$ 33,206,658	12.84%
2013	\$ 4,094,829	\$4,094,829	\$ -	\$ 33,291,297	12.30%
2012	\$ 3,798,218	\$3,798,218	\$ -	\$ 32,289,538	11.76%
2011	\$ 3,759,700	\$3,759,700	\$ -	\$ 32,607,975	11.53%
2010	\$ 3,303,451	\$3,303,451	\$ -	\$ 29,895,484	11.05%
2009	\$ 3,290,463	\$3,290,463	\$ -	\$ 29,777,946	11.05%
2008	\$ 3,157,167	\$3,157,167	\$ -	\$ 29,506,221	10.70%
2007	\$ 2,831,604	\$2,831,604	\$ -	\$ 26,463,589	10.70%
2006	\$ 2,839,254	\$2,839,254	\$ -	\$ 26,535,084	10.70%
<b>Component Units</b>					
<u>2015</u>					
SJFD	\$ 762,965	\$762,965	\$ -	\$ 5,689,526	13.41%
SPFD	\$ 354,044	\$354,044	\$ -	\$ 2,640,155	13.41%
<u>2014</u>					
SJFD	\$ 698,579	\$698,579	\$ -	\$ 5,440,646	12.84%
SPFD	\$ 322,448	\$322,448	\$ -	\$ 2,511,277	12.84%
<u>2013</u>					
SJFD	\$ 619,842	\$619,842	\$ -	\$ 5,039,365	12.30%
SPFD	\$ 307,664	\$307,664	\$ -	\$ 2,501,333	12.30%
<u>2012</u>					
SJFD	\$ 559,355	\$559,355	\$ -	\$ 4,755,207	11.76%
SPFD	\$ 281,982	\$281,982	\$ -	\$ 2,397,195	11.76%
<u>2011</u>					
SJFD	\$ 525,406	\$525,406	\$ -	\$ 4,556,860	11.53%
SPFD	\$ 258,948	\$258,948	\$ -	\$ 2,245,863	11.53%
<u>2010</u>					
SJFD	\$ 492,090	\$492,090	\$ -	\$ 4,453,303	11.05%
SPFD	\$ 267,074	\$267,074	\$ -	\$ 2,416,959	11.05%
<u>2009</u>					
SJFD	\$ 479,814	\$479,814	\$ -	\$ 4,342,208	11.05%
SPFD	\$ 236,949	\$236,949	\$ -	\$ 2,144,335	11.05%
<u>2008</u>					
SJFD	\$ 407,113	\$407,113	\$ -	\$ 3,804,794	10.70%
SPFD	\$ 175,945	\$175,945	\$ -	\$ 1,644,346	10.70%
<u>2007</u>					
SJFD	\$ 385,573	\$385,573	\$ -	\$ 3,603,486	10.70%
SPFD	\$ 173,041	\$173,041	\$ -	\$ 1,617,206	10.70%
<u>2006</u>					
SJFD	\$ 378,872	\$378,872	\$ -	\$ 3,540,860	10.70%
SPFD	\$ 158,866	\$158,866	\$ -	\$ 1,484,729	10.70%



**CHARLESTON COUNTY, SOUTH CAROLINA  
SUPPLEMENTARY FINANCIAL INFORMATION**



**CHARLESTON COUNTY, SOUTH CAROLINA  
COMBINING FINANCIAL STATEMENTS  
AND  
SCHEDULES**



# CHARLESTON COUNTY COMBINING SCHEDULES - NONMAJOR GOVERNMENTAL FUNDS

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## Nonmajor Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Accommodations** – This fund is used to account for the two percent local accommodation tax collected by the County and the two percent accommodation tax collected by the State on transient room rentals throughout the County. All expenditures must be tourist related with the exception of the first \$25,000 and five percent of the remainder of accommodations taxes remitted by the State. The budget is adopted on an annual basis.

**Child Support Enforcement** – This fund is used to account for federal monies received to enforce child support obligations at the local level. The budget is adopted on an annual basis.

**Community Development** – This fund is used to account for Community Development Block Grants received from the U.S. Department of Housing and Urban Development, various state community development grants and matching funds. The budget is adopted on a project-length basis.

**Construction Public Works** – This fund is used to account for the receipt of state gasoline tax “C” funds earmarked for local road maintenance. The budget is adopted on a project-length basis.

**Economic Development** – This fund was established to account for local cooperative economic development activities in the tri-county area. Revenue is received from Multi-county Industrial Park fees assessed in lieu of property taxes on individual properties under regulations developed by the S. C. Department of Revenue. The budget is adopted on an annual basis.

**Education** – This fund is used to account for specific property taxes levied to fund maintenance of facilities owned by the Trident Technical College within the tri-county area used by residents of Charleston County. The budget is adopted on an annual basis.

**Emergency Medical Services** – This fund is used to account for proceeds of state grants and matching funds used to purchase equipment for use by emergency medical service personnel. The budget is adopted on a project-length basis.

**Fire Districts** – This fund was established to account for revenues generated by a property tax levy for the Awendaw Consolidated Fire District, East Cooper Fire District, Northern Charleston County Fire District, and West St. Andrew’s Fire District. In addition, this fund accounts for revenues received under a contract with the Towns of McClellanville and Awendaw for the Awendaw Consolidated Fire District to provide fire protection for the Town’s residents. These services are provided by County employees and through contracts with other entities. The budget is adopted on an annual basis.

**Hazardous Materials Enforcement** – This fund was established to pay for a county-wide hazardous materials training program and to acquire equipment needed to support the various fire departments within the county when they have to handle hazardous material situations. It is funded by a fee charged to the various businesses within the county that use hazardous materials. The budget is adopted on an annual basis.

**Public Defender** - This fund was established to account for the activities of the Ninth Circuit Public Defender. The Public Defender is mandated to defend in the State court system all persons within Charleston County who are required by Statute, State or Federal Constitution to be provided with a legal counsel at public expense. The budget is adopted on an annual basis.

**Safety Enforcement** – This fund is used to account for federal and state grants, contributions from individuals and corporations, and County matching funds to provide public safety enforcement and prevention activities. The budget is adopted on a project-length basis.

**Sheriff** – This fund was established to account for federal and state grants and asset forfeitures received in various drug interdiction activities used to fund law enforcement activities. The budget is adopted on an annual basis.

**Solicitor** – This fund was established to account for funds provided by the State, grants for reducing domestic violence, grants for prosecuting DUI cases and fees charged to first time defendants under the Pretrial Intervention Program, who upon completion may have their records expunged. State appropriations are to be used for providing assistance to victims and witnesses of violent crimes and to supplement County appropriations for Solicitor activities. The budget is adopted on an annual basis.

**Storm Water Drainage** – This fund was established to account for the storm water fee the County began charging November 1, 2006. This fee funds the County's storm water management program which is required under federal regulations. The program regulates run off from all properties and activities that have the potential to pollute local water systems. The fee provides funds for operations, maintenance and capital improvements. The budget is adopted on an annual basis.

**Victim Notification** – This fund was established to account for court assessments and conviction surcharges received pursuant to a change in state law which required counties to provide notification to victims of violent crime anytime there is a change in the status of the offender. The budget is adopted on an annual basis.

**Charleston Development Corporation** – This fund is used to account for the County's non-profit blended component unit. This entity was established in September 2004 to further human, social, and economic development in the County of Charleston. The Corporation exists solely for the benefit of the County. The budget is adopted on a project-length basis.

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### **Nonmajor Capital Projects Funds**

Capital Projects funds are used to account for the acquisition and construction of major capital outlays other than those financed by proprietary funds.

**Construction** - This fund was established in fiscal year 1986 by amendment to the budget ordinance to receive the proceeds of property sales and finance new construction with these funds. Per the County Budget Ordinance, all proceeds from the sale of real estate must be used for capital projects.

**G.O.B. Capital Projects** – This fund accounts for financial resources to be used to complete several construction projects funded by bond issues. These projects include radio communications equipment, station alerting system, consolidated dispatch building, and the law enforcement center.

**Equipment Replacement Fund** - This fund was established in fiscal year 2005 to finance replacement of fleet and technology equipment. Funding comes from the sale of the County's general capital assets (excluding real estate) and from the general fund.

**ITS/Management Information Systems** - This fund was established in fiscal year 1996 to control funds for multi-year data processing hardware and software acquisitions that have been approved by County Council. Funding comes from the general fund. This fund also was established to account for the replacement of computer hardware and software. Funding comes from various leases.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2015

<u>ASSETS</u>	Special Revenue Funds		
	Accommo- dations	Child Support Enforcement	Community Development
Non-pooled cash and cash equivalents	\$ -	\$ -	\$ -
Pooled cash and cash equivalents	4,396,263	-	312,719
Restricted cash and cash equivalents	884,569	-	-
Receivables (net of allowances for uncollectibles)	3,431,501	100,992	273,977
Total assets	\$ 8,712,333	\$ 100,992	\$ 586,696
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 750,028	\$ 26,723	\$ 116,022
Accrued payroll and fringe benefits	-	25,634	12,522
Due to other funds	-	48,635	-
Intergovernmental payable	5,889,438	-	109,246
Bond anticipation note payable	-	-	-
Unearned revenue	-	-	-
Total liabilities	6,639,466	100,992	237,790
Deferred inflows of resources:			
Unavailable property tax revenues-current	-	-	-
Unavailable property tax revenues-delinquent	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances:			
Restricted	2,072,867	-	348,906
Committed	-	-	-
Total fund balances	2,072,867	-	348,906
Total liabilities, deferred inflows of resources and fund balances	\$ 8,712,333	\$ 100,992	\$ 586,696

See notes to financial statements.

**Special Revenue Funds**

<u>Construction Public Works</u>	<u>Economic Development</u>	<u>Education</u>	<u>Emergency Medical Services</u>	<u>Fire Districts</u>	<u>Hazardous Materials Enforcement</u>	<u>Public Defender</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8,306,986	3,032,573	244,742	27,093	2,888,203	141,634	1,270,344
-	-	-	-	-	-	-
1,463,937	284,832	9,548,977	146	2,617,399	127	114,007
<u>\$ 9,770,923</u>	<u>\$ 3,317,405</u>	<u>\$ 9,793,719</u>	<u>\$ 27,239</u>	<u>\$ 5,505,602</u>	<u>\$ 141,761</u>	<u>\$ 1,384,351</u>
\$ 381,854	\$ 207,430	\$ 36	\$ 1,159	\$ 9,715	\$ 4,721	\$ 28,257
-	43,699	28,571	-	72,844	12,053	222,256
-	-	-	-	-	-	-
-	19	30,040	1,076	21,063	-	555
-	-	-	-	2,500,000	-	-
-	288,893	-	-	-	-	-
381,854	540,041	58,647	2,235	2,603,622	16,774	251,068
-	-	9,325,843	-	2,392,985	-	-
-	-	170,854	-	81,917	-	-
-	-	9,496,697	-	2,474,902	-	-
9,389,069	2,777,364	238,375	25,004	427,078	124,987	1,133,283
-	-	-	-	-	-	-
9,389,069	2,777,364	238,375	25,004	427,078	124,987	1,133,283
<u>\$ 9,770,923</u>	<u>\$ 3,317,405</u>	<u>\$ 9,793,719</u>	<u>\$ 27,239</u>	<u>\$ 5,505,602</u>	<u>\$ 141,761</u>	<u>\$ 1,384,351</u>



COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2015

<u>ASSETS</u>	Special Revenue Funds		
	Safety Enforcement	Sheriff	Solicitor
Non-pooled cash and cash equivalents	\$ 31,997	\$ 85,148	\$ 1,328,796
Pooled cash and cash equivalents	338,775	2,929,250	448,330
Restricted cash and cash equivalents	-	-	-
Receivables (net of allowances for uncollectibles)	385,025	42	222,942
Total assets	\$ 755,797	\$ 3,014,440	\$ 2,000,068
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 31,762	\$ 16,107	\$ 5,113
Accrued payroll and fringe benefits	27,966	17,582	99,997
Due to other funds	-	-	-
Intergovernmental payable	107,421	100	91,226
Bond anticipation note payable	-	-	-
Unearned revenue	145,585	-	-
Total liabilities	312,734	33,789	196,336
Deferred inflows of resources:			
Unavailable property tax revenues-current	-	-	-
Unavailable property tax revenues-delinquent	-	-	-
Total deferred inflows of resources	-	-	-
Fund balances:			
Restricted	443,063	2,980,651	1,803,732
Committed	-	-	-
Total fund balances	443,063	2,980,651	1,803,732
Total liabilities, deferred inflows of resources and fund balances	\$ 755,797	\$ 3,014,440	\$ 2,000,068

See notes to financial statements.

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2015**

<u>Special Revenue Funds</u>			<u>Capital Projects Fund</u>	
<u>Storm Water Drainage</u>	<u>Victim Notification</u>	<u>Charleston Development Corp</u>	<u>Construction</u>	<u>G.O.B Capital Projects</u>
\$ -	\$ 35,174	\$ -	\$ -	\$ -
1,687,317	285,065	33,487	3,757,296	1,949,028
-	-	-	-	-
239,585	53	2,500	-	-
<u>\$ 1,926,902</u>	<u>\$ 320,292</u>	<u>\$ 35,987</u>	<u>\$ 3,757,296</u>	<u>\$ 1,949,028</u>
\$ 4,174	\$ 2,327	\$ -	\$ 33,151	\$ 63,621
42,636	20,715	-	-	-
-	-	-	-	-
62,270	14,497	-	-	104
-	-	-	-	-
-	-	-	-	-
<u>109,080</u>	<u>37,539</u>	<u>-</u>	<u>33,151</u>	<u>63,725</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,817,822</u>	<u>282,753</u>	<u>35,987</u>	<u>-</u>	<u>-</u>
-	-	-	3,724,145	1,885,303
<u>1,817,822</u>	<u>282,753</u>	<u>35,987</u>	<u>3,724,145</u>	<u>1,885,303</u>
<u>\$ 1,926,902</u>	<u>\$ 320,292</u>	<u>\$ 35,987</u>	<u>\$ 3,757,296</u>	<u>\$ 1,949,028</u>

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2015**

<u>ASSETS</u>	<u>Capitol Projects Fund</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Equipment Replacement Fund</u>	<u>ITS / MIS</u>	
Non-pooled cash and cash equivalents	\$ -	\$ -	\$ 1,481,115
Pooled cash and cash equivalents	426,395	3,760,730	36,236,230
Restricted cash and cash equivalents	-	-	884,569
Receivables (net of allowances for uncollectibles)	65,542	14,202	18,765,786
<b>Total assets</b>	<b>\$ 491,937</b>	<b>\$ 3,774,932</b>	<b>\$ 57,367,700</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
<b>Liabilities:</b>			
Accounts payable	\$ 9,659	\$ 63,062	\$ 1,754,921
Accrued payroll and fringe benefits	-	-	626,475
Due to other funds	-	-	48,635
Intergovernmental payable	157	-	6,327,212
Bond anticipation note payable	-	-	2,500,000
Unearned revenue	-	-	434,478
<b>Total liabilities</b>	<b>9,816</b>	<b>63,062</b>	<b>11,691,721</b>
 <b>Deferred inflows of resources:</b>			
Unavailable property tax revenues-current	-	-	11,718,828
Unavailable property tax revenues-delinquent	-	-	252,771
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>11,971,599</b>
 <b>Fund balances:</b>			
Restricted	-	-	23,900,941
Committed	482,121	3,711,870	9,803,439
<b>Total fund balances</b>	<b>482,121</b>	<b>3,711,870</b>	<b>33,704,380</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 491,937</b>	<b>\$ 3,774,932</b>	<b>\$ 57,367,700</b>

See notes to financial statements.

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**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2015**

	Special Revenue Funds			
	Accommo- dations	Child Support Enforcement	Community Development	Construction Public Works
<b>Revenues:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	23,148	1,086,874	2,183,961	4,825,499
Fines and forfeitures	-	-	-	-
Service charges	14,750,760	-	-	-
Interest	7,917	-	-	17,789
Other revenues	1,167,157	-	-	-
<b>Total revenues</b>	<b>15,948,982</b>	<b>1,086,874</b>	<b>2,183,961</b>	<b>4,843,288</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	-	-	-	-
Public safety	-	84,846	-	-
Judicial	-	692,900	-	-
Public works	-	-	-	4,369,996
Health and welfare	-	-	2,191,830	-
Economic development	-	-	-	-
Culture and recreation	14,987,972	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>14,987,972</b>	<b>777,746</b>	<b>2,191,830</b>	<b>4,369,996</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>961,010</b>	<b>309,128</b>	<b>(7,869)</b>	<b>473,292</b>
<b>Other financing sources (uses):</b>				
Capital lease proceeds	-	-	-	-
Transfers in	-	18,730	33,365	5,127,465
Transfers out	(23,322)	(327,858)	(33,365)	(5,127,465)
Proceeds from sale of capital assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(23,322)</b>	<b>(309,128)</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>937,688</b>	<b>-</b>	<b>(7,869)</b>	<b>473,292</b>
<b>Fund balances at beginning of year</b>	<b>1,135,179</b>	<b>-</b>	<b>356,775</b>	<b>8,915,777</b>
<b>Fund balances at end of year</b>	<b>\$ 2,072,867</b>	<b>\$ -</b>	<b>\$ 348,906</b>	<b>\$ 9,389,069</b>

See notes to financial statements.

**Special Revenue Funds**

<b>Economic Development</b>	<b>Education</b>	<b>Emergency Medical Services</b>	<b>Fire Districts</b>	<b>Hazardous Materials Enforcement</b>	<b>Public Defender</b>
\$ 2,468,947	\$ 8,805,592	\$ -	\$ 2,704,007	\$ -	\$ -
375,000	223,564	26,283	151,344	-	1,849,089
-	-	-	-	212,912	-
-	-	-	-	-	311,110
-	-	-	1,742	-	2,622
282,538	50,000	-	1,260	-	-
<b>3,126,485</b>	<b>9,079,156</b>	<b>26,283</b>	<b>2,858,353</b>	<b>212,912</b>	<b>2,162,821</b>
-	121,395	-	-	-	-
-	-	3,659	3,108,234	244,605	-
-	-	-	-	-	5,095,262
-	-	-	-	-	-
-	-	-	-	-	-
2,778,596	-	-	-	-	-
-	6,103,436	-	-	-	-
-	-	-	-	-	-
<b>2,778,596</b>	<b>6,224,831</b>	<b>3,659</b>	<b>3,108,234</b>	<b>244,605</b>	<b>5,095,262</b>
<b>347,889</b>	<b>2,854,325</b>	<b>22,624</b>	<b>(249,881)</b>	<b>(31,693)</b>	<b>(2,932,441)</b>
-	-	-	-	-	-
63,362	281,370	2,380	144,608	-	3,057,548
(63,362)	(3,101,411)	-	(144,608)	(327)	-
-	-	-	-	-	-
-	(2,820,041)	2,380	-	(327)	3,057,548
<b>347,889</b>	<b>34,284</b>	<b>25,004</b>	<b>(249,881)</b>	<b>(32,020)</b>	<b>125,107</b>
<b>2,429,475</b>	<b>204,091</b>	<b>-</b>	<b>676,959</b>	<b>157,007</b>	<b>1,008,176</b>
<b>\$ 2,777,364</b>	<b>\$ 238,375</b>	<b>\$ 25,004</b>	<b>\$ 427,078</b>	<b>\$ 124,987</b>	<b>\$ 1,133,283</b>

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COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2015

	Special Revenue Funds			
	Safety Enforcement	Sheriff	Solicitor	Storm Water Drainage
<b>Revenues:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	903,455	103,500	1,269,772	652,879
Fines and forfeitures	40,851	489,827	10,465	-
Service charges	-	34,900	706,883	1,218,554
Interest	126	2,972	-	3,173
Other revenues	230,936	431,725	4,933	-
<b>Total revenues</b>	<b>1,175,368</b>	<b>1,062,924</b>	<b>1,992,053</b>	<b>1,874,606</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	44,857	-	-	-
Public safety	515,579	883,937	-	-
Judicial	656,538	6,732	2,235,806	-
Public works	-	-	-	1,595,303
Health and welfare	19,632	-	-	-
Economic development	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<b>1,236,606</b>	<b>890,669</b>	<b>2,235,806</b>	<b>1,595,303</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(61,238)</b>	<b>172,255</b>	<b>(243,753)</b>	<b>279,303</b>
<b>Other financing sources (uses):</b>				
Capital lease proceeds	-	-	-	-
Transfers in	80,242	80,261	339,471	-
Transfers out	-	(45,855)	(269,157)	-
Proceeds from sale of capital assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>80,242</b>	<b>34,406</b>	<b>70,314</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>19,004</b>	<b>206,661</b>	<b>(173,439)</b>	<b>279,303</b>
<b>Fund balances at beginning of year</b>	<b>424,059</b>	<b>2,773,990</b>	<b>1,977,171</b>	<b>1,538,519</b>
<b>Fund balances at end of year</b>	<b>\$ 443,063</b>	<b>\$ 2,980,651</b>	<b>\$ 1,803,732</b>	<b>\$ 1,817,822</b>

See notes to financial statements.

Special Revenue Funds		Capital Projects Funds		
Victim Notification	Charleston Development Corp	Construction	G.O.B. Capital Projects	Equipment Replacement Fund
\$ -	\$ -	\$ -	\$ -	\$ -
57,086	-	-	-	-
424,490	-	-	-	-
128	-	-	-	-
-	80	5,474	9,673	1,016
-	67,700	-	-	-
<u>481,704</u>	<u>67,780</u>	<u>5,474</u>	<u>9,673</u>	<u>1,016</u>
-	-	-	-	-
204,726	-	-	-	-
226,104	-	-	-	-
-	-	-	-	-
-	80,875	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	1,127,957	4,167,315	-
<u>430,830</u>	<u>80,875</u>	<u>1,127,957</u>	<u>4,167,315</u>	<u>-</u>
50,874	(13,095)	(1,122,483)	(4,157,642)	1,016
-	-	-	-	-
-	-	2,413,975	-	507,066
-	-	(30,838)	-	(560,159)
-	-	-	-	32,684
-	-	2,383,137	-	(20,409)
50,874	(13,095)	1,260,654	(4,157,642)	(19,393)
<u>231,879</u>	<u>49,082</u>	<u>2,463,491</u>	<u>6,042,945</u>	<u>501,514</u>
<u>\$ 282,753</u>	<u>\$ 35,987</u>	<u>\$ 3,724,145</u>	<u>\$ 1,885,303</u>	<u>\$ 482,121</u>

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**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2015**

	<b>Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>ITS / MIS</b>	
<b>Revenues:</b>		
Property taxes	\$ -	\$ 13,978,546
Intergovernmental	14,203	13,745,657
Fines and forfeitures	-	1,178,545
Service charges	-	17,022,335
Interest	10,773	63,357
Other revenues	-	2,236,249
	<b>24,976</b>	<b>48,224,689</b>
<b>Expenditures:</b>		
<b>Current:</b>		
General government	-	166,252
Public safety	-	5,045,586
Judicial	-	8,913,342
Public works	-	5,965,299
Health and welfare	-	2,292,337
Economic development	-	2,778,596
Culture and recreation	-	14,987,972
Education	-	6,103,436
Capital outlay	611,275	5,906,547
	<b>611,275</b>	<b>52,159,367</b>
<b>Total expenditures</b>	<b>611,275</b>	<b>52,159,367</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(586,299)</b>	<b>(3,934,678)</b>
<b>Other financing sources (uses):</b>		
Capital lease proceeds	483,458	483,458
Transfers in	841,468	12,991,311
Transfers out	(1,488,763)	(11,216,490)
Proceeds from sale of capital assets	-	32,684
	<b>(163,837)</b>	<b>2,290,963</b>
<b>Total other financing sources (uses)</b>	<b>(163,837)</b>	<b>2,290,963</b>
<b>Net change in fund balance</b>	<b>(750,136)</b>	<b>(1,643,715)</b>
<b>Fund balances at beginning of year</b>	<b>4,462,006</b>	<b>35,348,095</b>
<b>Fund balances at end of year</b>	<b>\$ 3,711,870</b>	<b>\$ 33,704,380</b>

See notes to financial statements.

**CHARLESTON COUNTY, SOUTH CAROLINA  
INDIVIDUAL FUND SCHEDULES OF REVENUES  
EXPENDITURES AND CHANGES IN FUND  
BALANCES – BUDGET  
(GAAP BASIS) AND ACTUAL**



**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**ACCOMMODATIONS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	FINAL BUDGET POSITIVE (NEGATIVE)
<b>Revenues:</b>				
Intergovernmental	\$ 75,000	\$ 75,000	\$ 23,148	\$ (51,852)
Service charges	14,750,000	14,800,000	14,750,760	(49,240)
Interest	5,000	5,000	7,917	2,917
Other revenues	-	157,567	1,167,157	1,009,590
	<u>14,830,000</u>	<u>15,037,567</u>	<u>15,948,982</u>	<u>911,415</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Culture and recreation	15,146,864	15,354,431	14,987,972	366,459
	<u>15,146,864</u>	<u>15,354,431</u>	<u>14,987,972</u>	<u>366,459</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(316,864)</u>	<u>(316,864)</u>	<u>961,010</u>	<u>1,277,874</u>
<b>Other financing uses:</b>				
Transfers out	(27,500)	(27,500)	(23,322)	4,178
<b>Net change in fund balance</b>	<u>(344,364)</u>	<u>(344,364)</u>	<u>937,688</u>	<u>1,282,052</u>
<b>Fund balance at beginning of year</b>	<u>1,135,179</u>	<u>1,135,179</u>	<u>1,135,179</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 790,815</u>	<u>\$ 790,815</u>	<u>\$ 2,072,867</u>	<u>\$ 1,282,052</u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
CHILD SUPPORT ENFORCEMENT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>Revenues:</b>				
Intergovernmental	\$ 1,055,000	\$ 1,075,758	\$ 1,086,874	\$ 11,116
<b>Total revenues</b>	<b>1,055,000</b>	<b>1,075,758</b>	<b>1,086,874</b>	<b>11,116</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	79,964	79,964	84,846	(4,882)
Judicial	734,946	692,900	692,900	-
<b>Total expenditures</b>	<b>814,910</b>	<b>772,864</b>	<b>777,746</b>	<b>(4,882)</b>
<b>Excess of revenues over expenditures</b>	<b>240,090</b>	<b>302,894</b>	<b>309,128</b>	<b>6,234</b>
<b>Other financing sources (uses):</b>				
Transfers in	24,964	24,964	18,730	(6,234)
Transfers out	(265,054)	(327,858)	(327,858)	-
<b>Total other financing sources (uses)</b>	<b>(240,090)</b>	<b>(302,894)</b>	<b>(309,128)</b>	<b>(6,234)</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL  
For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>Revenues:</b>				
Property taxes	\$ 2,133,231	\$ 2,434,985	\$ 2,468,947	\$ 33,962
Intergovernmental	45,000	3,820,000	375,000	(3,445,000)
Other revenues	-	-	282,538	282,538
<b>Total revenues</b>	<u>2,178,231</u>	<u>6,254,985</u>	<u>3,126,485</u>	<u>(3,128,500)</u>
<b>Expenditures:</b>				
Current:				
Economic development	2,180,612	6,406,988	2,778,596	3,628,392
<b>Total expenditures</b>	<u>2,180,612</u>	<u>6,406,988</u>	<u>2,778,596</u>	<u>3,628,392</u>
<b>Excess (deficiency) of revenues over (under) over expenditures</b>	<u>(2,381)</u>	<u>(152,003)</u>	<u>347,889</u>	<u>499,892</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	63,362	63,362	-
Transfers out	-	(63,362)	(63,362)	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>(2,381)</u>	<u>(152,003)</u>	<u>347,889</u>	<u>499,892</u>
<b>Fund balance at beginning of year</b>	<u>2,429,475</u>	<u>2,429,475</u>	<u>2,429,475</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 2,427,094</u>	<u>\$ 2,277,472</u>	<u>\$ 2,777,364</u>	<u>\$ 499,892</u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**EDUCATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	FINAL BUDGET POSITIVE (NEGATIVE)
<b>Revenues:</b>				
Property taxes	\$ 9,259,000	\$ 9,259,000	\$ 8,805,592	\$ (453,408)
Intergovernmental	-	-	223,564	223,564
Other revenues	-	-	50,000	50,000
<b>Total revenues</b>	<u>9,259,000</u>	<u>9,259,000</u>	<u>9,079,156</u>	<u>(179,844)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	100,000	309,770	121,395	188,375
Education	6,210,000	6,210,000	6,103,436	106,564
<b>Total expenditures</b>	<u>6,310,000</u>	<u>6,519,770</u>	<u>6,224,831</u>	<u>294,939</u>
<b>Excess of revenues over expenditures</b>	<u>2,949,000</u>	<u>2,739,230</u>	<u>2,854,325</u>	<u>115,095</u>
<b>Other financing sources (uses):</b>				
Transfers in	100,000	166,198	281,370	115,172
Transfers out	(3,049,000)	(3,109,519)	(3,101,411)	8,108
<b>Total other financing sources (uses)</b>	<u>(2,949,000)</u>	<u>(2,943,321)</u>	<u>(2,820,041)</u>	<u>123,280</u>
<b>Net change in fund balance</b>	-	(204,091)	34,284	238,375
<b>Fund balance at beginning of year</b>	<u>204,091</u>	<u>204,091</u>	<u>204,091</u>	-
<b>Fund balance at end of year</b>	<u>\$ 204,091</u>	<u>\$ -</u>	<u>\$ 238,375</u>	<u>\$ 238,375</u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**FIRE DISTRICTS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	FINAL BUDGET POSITIVE (NEGATIVE)
<b>Revenues:</b>				
Property taxes	\$ 2,748,200	\$ 2,749,869	\$ 2,704,007	\$ (45,862)
Intergovernmental	116,430	116,430	151,344	34,914
Interest	-	1,742	1,742	-
Other revenues	-	2,500,000	1,260	(2,498,740)
<b>Total revenues</b>	<b>2,864,630</b>	<b>5,368,041</b>	<b>2,858,353</b>	<b>(2,509,688)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	2,570,936	5,689,275	3,108,234	2,581,041
<b>Total expenditures</b>	<b>2,570,936</b>	<b>5,689,275</b>	<b>3,108,234</b>	<b>2,581,041</b>
<b>Deficiency of revenues under expenditures</b>	<b>293,694</b>	<b>(321,234)</b>	<b>(249,881)</b>	<b>71,353</b>
<b>Other financing sources (uses):</b>				
Transfers in	-	65,451	144,608	79,157
Transfers out	(273,942)	(144,609)	(144,608)	1
<b>Total other financing sources (uses)</b>	<b>(273,942)</b>	<b>(79,158)</b>	<b>-</b>	<b>79,158</b>
<b>Net change in fund balance</b>	<b>19,752</b>	<b>(400,392)</b>	<b>(249,881)</b>	<b>150,511</b>
<b>Fund balance at beginning of year</b>	<b>676,959</b>	<b>676,959</b>	<b>676,959</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 696,711</b>	<b>\$ 276,567</b>	<b>\$ 427,078</b>	<b>\$ 150,511</b>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**HAZARDOUS MATERIALS ENFORCEMENT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>		<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>(NEGATIVE)</u>
<b>Revenues:</b>				
Fines and forfeitures	\$ 220,000	\$ 220,000	\$ 212,912	\$ (7,088)
<b>Total revenues</b>	<b>220,000</b>	<b>220,000</b>	<b>212,912</b>	<b>(7,088)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	270,126	269,799	244,605	25,194
<b>Total expenditures</b>	<b>270,126</b>	<b>269,799</b>	<b>244,605</b>	<b>25,194</b>
Deficiency of revenues under expenditures	(50,126)	(49,799)	(31,693)	18,106
Other financing sources				
Transfers out	-	(327)	(327)	-
Net change in fund balance	(50,126)	(50,126)	(32,020)	18,106
Fund balance at beginning of year	157,007	157,007	157,007	-
Fund balance at end of year	<u>\$ 106,881</u>	<u>\$ 106,881</u>	<u>\$ 124,987</u>	<u>\$ 18,106</u>

See notes to financial statements.



**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**PUBLIC DEFENDER SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>Revenues:</b>				
Intergovernmental	\$ 1,751,412	\$ 1,877,467	\$ 1,849,089	\$ (28,378)
Service charges	285,000	335,000	311,110	(23,890)
Interest	2,000	2,000	2,622	622
<b>Total revenues</b>	<u>2,038,412</u>	<u>2,214,467</u>	<u>2,162,821</u>	<u>(51,646)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Judicial	5,080,212	5,285,054	5,095,262	189,792
<b>Total expenditures</b>	<u>5,080,212</u>	<u>5,285,054</u>	<u>5,095,262</u>	<u>189,792</u>
Deficiency of revenues under expenditures	<u>(3,041,800)</u>	<u>(3,070,587)</u>	<u>(2,932,441)</u>	<u>138,146</u>
<b>Other financing sources:</b>				
Transfers in	<u>3,029,247</u>	<u>3,057,548</u>	<u>3,057,548</u>	<u>-</u>
Net change in fund balance	(12,553)	(13,039)	125,107	138,146
Fund balance at beginning of year	<u>1,008,176</u>	<u>1,008,176</u>	<u>1,008,176</u>	<u>-</u>
Fund balance at end of year	<u>\$ 995,623</u>	<u>\$ 995,137</u>	<u>\$ 1,133,283</u>	<u>\$ 138,146</u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**SHERIFF SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>Revenues:</b>				
Intergovernmental	\$ 103,500	\$ 103,500	\$ 103,500	\$ -
Fines and forfeitures	250,748	250,748	489,827	239,079
Interest	-	-	2,972	2,972
Service charges	-	-	34,900	34,900
Other revenues	357,720	357,720	431,725	74,005
<b>Total revenues</b>	<b>711,968</b>	<b>711,968</b>	<b>1,062,924</b>	<b>350,956</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	1,508,707	1,706,196	883,937	822,259
Judicial	-	6,732	6,732	-
<b>Total expenditures</b>	<b>1,508,707</b>	<b>1,712,928</b>	<b>890,669</b>	<b>822,259</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(796,739)</b>	<b>(1,000,960)</b>	<b>172,255</b>	<b>1,173,215</b>
<b>Other financing sources (uses):</b>				
Transfers in	76,311	80,261	80,261	-
Transfers out	-	(45,855)	(45,855)	-
<b>Total other financing sources (uses)</b>	<b>76,311</b>	<b>34,406</b>	<b>34,406</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(720,428)</b>	<b>(966,554)</b>	<b>206,661</b>	<b>1,173,215</b>
<b>Fund balance at beginning of year</b>	<b>2,773,990</b>	<b>2,773,990</b>	<b>2,773,990</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 2,053,562</b>	<b>\$ 1,807,436</b>	<b>\$ 2,980,651</b>	<b>\$ 1,173,215</b>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**SOLICITOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>Revenues:</b>				
Intergovernmental	\$ 1,149,050	\$ 1,174,892	\$ 1,269,772	\$ 94,880
Fines and forfeitures	35,000	35,000	10,465	(24,535)
Service charges	769,500	798,000	706,883	(91,117)
Other revenues	500	500	4,933	4,433
<b>Total revenues</b>	<u>1,954,050</u>	<u>2,008,392</u>	<u>1,992,053</u>	<u>(16,339)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Judicial	2,710,510	2,729,142	2,235,806	493,336
<b>Total expenditures</b>	<u>2,710,510</u>	<u>2,729,142</u>	<u>2,235,806</u>	<u>493,336</u>
Deficiency of revenues under expenditures	<u>(756,460)</u>	<u>(720,750)</u>	<u>(243,753)</u>	<u>476,997</u>
<b>Other financing sources (uses):</b>				
Transfers in	577,103	586,143	339,471	(246,672)
Transfers out	(239,001)	(280,153)	(269,157)	10,996
<b>Total other financing sources</b>	<u>338,102</u>	<u>305,990</u>	<u>70,314</u>	<u>(235,676)</u>
<b>Net change in fund balance</b>	<u>(418,358)</u>	<u>(414,760)</u>	<u>(173,439)</u>	<u>241,321</u>
<b>Fund balance at beginning of year</b>	<u>1,977,171</u>	<u>\$ 1,977,171</u>	<u>\$ 1,977,171</u>	<u>\$ -</u>
<b>Fund balance at end of year</b>	<u>\$ 1,558,813</u>	<u>\$ 1,562,411</u>	<u>\$ 1,803,732</u>	<u>\$ 241,321</u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**STORMWATER DRAINAGE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
<b>Revenues:</b>				
Intergovernmental	\$ 624,500	\$ 624,500	\$ 652,879	\$ 28,379
Service charges	1,120,000	1,120,000	1,218,554	98,554
Interest	-	-	3,173	3,173
<b>Total revenues</b>	<u>1,744,500</u>	<u>1,744,500</u>	<u>1,874,606</u>	<u>130,106</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Public works	<u>2,701,928</u>	<u>3,014,119</u>	<u>1,595,303</u>	<u>1,418,816</u>
<b>Total expenditures</b>	<u>2,701,928</u>	<u>3,014,119</u>	<u>1,595,303</u>	<u>1,418,816</u>
<b>Deficiency of revenues under expenditures</b>	<u>(957,428)</u>	<u>(1,269,619)</u>	<u>279,303</u>	<u>1,548,922</u>
<b>Net change in fund balance</b>	(957,428)	(1,269,619)	279,303	1,548,922
<b>Fund balance at beginning of year</b>	<u>1,539,519</u>	<u>\$ 1,538,519</u>	<u>\$ 1,538,519</u>	<u>\$ -</u>
<b>Fund balance at end of year</b>	<u>\$ 582,091</u>	<u>\$ 268,900</u>	<u>\$ 1,817,822</u>	<u>\$ 1,548,922</u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**VICTIM NOTIFICATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2015**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	FINAL BUDGET POSITIVE (NEGATIVE)
<b>Revenues:</b>				
Intergovernmental	\$ 3,000	\$ 58,000	\$ 57,086	\$ (914)
Fines and forfeitures	345,000	345,000	424,490	79,490
Service charges	-	-	128	128
	<u>348,000</u>	<u>403,000</u>	<u>481,704</u>	<u>78,704</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	209,686	209,686	204,726	4,960
Judicial	200,416	255,416	226,104	29,312
	<u>410,102</u>	<u>465,102</u>	<u>430,830</u>	<u>34,272</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(62,102)</u>	<u>(62,102)</u>	<u>50,874</u>	<u>112,976</u>
Net change in fund balance	(62,102)	(62,102)	50,874	112,976
Fund balance at beginning of year	<u>231,879</u>	<u>231,879</u>	<u>231,879</u>	<u>-</u>
Fund balance at end of year	<u>\$ 169,777</u>	<u>\$ 169,777</u>	<u>\$ 282,753</u>	<u>\$ 112,976</u>

See notes to financial statements.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
VICTIM NOTIFICATION SPECIAL REVENUE FUND  
SCHEDULE OF FINES, ASSESSMENTS AND SURCHARGES COLLECTED  
June 30, 2015**

	<u>Total Collections</u>	<u>Remittance to State</u>	<u>Retained by County</u>	<u>General Fund</u>	<u>Victim Notification</u>	<u>Total County Revenue</u>
<b>Magistrates:</b>						
<b>Fines:</b>						
Traffic/criminal	\$ 2,164,164	\$ -	\$ 2,164,164	\$ 2,164,164	\$ -	\$ 2,164,164
DUI/DUS/BUI	60,616	60,616	-	-	-	-
Assessments	1,544,825	1,403,349	141,476	-	141,476	141,476
Surcharges	606,662	545,036	61,626	-	61,626	61,626
	<u>4,376,267</u>	<u>2,009,001</u>	<u>2,367,266</u>	<u>2,164,164</u>	<u>203,102</u>	<u>2,367,266</u>
<b>Clerk of Court:</b>						
<b>Fines:</b>						
Fines and Fees	1,218,408	843,885	374,523	374,523	-	374,523
Family court	2,092,021	1,095,895	996,126	996,126	-	996,126
DUI/DUS/BUI	13,007	13,007	-	-	-	-
Assessments	143,282	92,093	51,189	-	51,189	51,189
Surcharges	291,786	121,587	170,199	-	170,199	170,199
	<u>3,758,504</u>	<u>2,166,467</u>	<u>1,592,037</u>	<u>1,370,649</u>	<u>221,388</u>	<u>1,592,037</u>
	<u>\$ 8,134,771</u>	<u>\$ 4,175,468</u>	<u>\$ 3,959,303</u>	<u>\$ 3,534,813</u>	<u>\$ 424,490</u>	<u>\$ 3,959,303</u>

See notes to financial statements.

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## CHARLESTON COUNTY COMBINING STATEMENTS - NONMAJOR ENTERPRISE FUNDS

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Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business.

**DAODAS** – This fund records the activity of programs administered by the Department of Alcohol and Other Drug Abuse Services (DAODAS). These programs reduce the negative impact of alcohol and other drugs on constituents by planning and implementing comprehensive and effective programs of professional services. State and Federal funding, Medicaid, client fees, and other funding sources support these programs.

**E-911 Communications** – This fund is used to account for the operations of the County's Emergency 911 communication system. This service is funded through a county-wide service charge on all telephone service and is collected by local utilities for the County.

**Public Safety System** – This fund is used to account for the cost related to the implementation and maintenance of records management systems for the detention center, law enforcement, fire districts, and other public safety entities.

**Radio Communications** – This fund is used to account for the comprehensive communications support to Charleston County agencies and neighboring external public safety agencies, including management of the 800 MHz public safety radio system, operation of the communications electronic maintenance facility, and management of the command post's emergency equipment and vehicles for response to emergencies and natural disasters.

**Revenue Collections** – This fund is used to account for the administration on a fee basis of the collection of accommodations, business licenses, hazardous material fees, storm water fees and the solid waste user fee for the County and municipalities.



COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 June 30, 2015

<u>ASSETS</u>	<u>DAODAS</u>	<u>E-911 Communications</u>	<u>Public Safety Systems</u>	<u>Radio Communications</u>	<u>Revenue Collections</u>	<u>Totals</u>
<b>Current assets:</b>						
Non-pooled cash and cash equivalents	\$ 700	\$ -	\$ -	\$ -	\$ 400,427	\$ 401,127
Pooled cash and cash equivalents	1,796,758	1,616,717	47,773	441,182	2,841,323	6,743,753
Receivables (net of allowances for uncollectibles)	1,807,005	1,789,497	2,204	76,608	107,375	3,782,689
Prepaid rent	92,821	-	-	-	-	92,821
<b>Total current assets</b>	<b>3,697,284</b>	<b>3,406,214</b>	<b>49,977</b>	<b>517,790</b>	<b>3,349,125</b>	<b>11,020,390</b>
<b>Capital assets:</b>						
Buildings	9,702,367	-	-	-	-	9,702,367
Improvements other than buildings	270,255	-	-	-	-	270,255
Machinery and equipment	593,816	2,961,873	-	457,784	98,437	4,111,910
Less accumulated depreciation	(4,104,307)	(2,105,847)	-	(289,213)	(20,095)	(6,519,462)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>6,462,131</b>	<b>856,026</b>	<b>-</b>	<b>168,571</b>	<b>78,342</b>	<b>7,565,070</b>
<b>Total noncurrent assets</b>	<b>6,462,131</b>	<b>856,026</b>	<b>-</b>	<b>168,571</b>	<b>78,342</b>	<b>7,565,070</b>
<b>Total assets</b>	<b>10,159,415</b>	<b>4,262,240</b>	<b>49,977</b>	<b>686,361</b>	<b>3,427,467</b>	<b>18,585,460</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 June 30, 2015

<u>LIABILITIES AND EQUITY</u>	<u>DAODAS</u>	<u>E-911 Communications</u>	<u>Public Safety Systems</u>	<u>Radio Communications</u>	<u>Revenue Collections</u>	<u>Totals</u>
<b>Current liabilities:</b>						
Accounts payable	\$ 406,928	\$ 47,652	\$ 1,527	\$ 93,450	\$ 1,860	\$ 551,417
Accrued payroll and fringe benefits	268,486	23,709	2,429	9,205	60,692	364,521
Compensated absences-current	71,550	5,808	1,021	6,647	-	85,026
Due to other funds	6,802,610	424,011	73,741	239,658	1,456,385	8,996,405
Intergovernmental payable	11,674	76	-	6,245	2,875,365	2,893,360
Unearned revenue	9,377	-	12,099	-	-	21,476
<b>Total current liabilities</b>	<b>7,570,625</b>	<b>501,256</b>	<b>90,817</b>	<b>355,205</b>	<b>4,394,302</b>	<b>12,912,205</b>
<b>Noncurrent liabilities:</b>						
Compensated absences	333,651	13,328	-	-	132,511	479,490
<b>Total noncurrent liabilities</b>	<b>333,651</b>	<b>13,328</b>	<b>-</b>	<b>-</b>	<b>132,511</b>	<b>479,490</b>
<b>Total liabilities</b>	<b>7,904,276</b>	<b>514,584</b>	<b>90,817</b>	<b>355,205</b>	<b>4,526,813</b>	<b>13,391,695</b>
<b><u>NET POSITION</u></b>						
Net investment in capital assets	6,462,131	856,026	-	168,571	78,342	7,565,070
Unrestricted	(4,206,992)	2,891,630	(40,840)	162,585	(1,177,688)	(2,371,305)
<b>Total net position</b>	<b>\$ 2,255,139</b>	<b>\$ 3,747,656</b>	<b>\$ (40,840)</b>	<b>\$ 331,156</b>	<b>\$ (1,099,346)</b>	<b>\$ 5,193,765</b>

See notes to financial statements.

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COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 For the Year Ended June 30, 2015

	DAODAS	E-911 Communications	Public Safety Systems	Radio Communications	Revenue Collections	Totals
<b>Operating revenues:</b>						
Charges for services	\$ 7,238,096	\$ 1,695,333	\$ 324,550	\$ 2,754,048	\$ 1,850,375	\$ 13,862,402
Other revenues	28,513	-	-	-	-	28,513
<b>Total operating revenues</b>	<b>7,266,609</b>	<b>1,695,333</b>	<b>324,550</b>	<b>2,754,048</b>	<b>1,850,375</b>	<b>13,890,915</b>
<b>Operating expenses:</b>						
Personnel services	5,595,569	713,633	47,816	181,313	1,200,306	7,738,637
Contractual services	558,006	-	53,961	177,820	27,585	817,372
Materials and supplies	449,411	30,157	-	270,351	10,660	760,579
Utilities	323,957	425,888	-	105,620	-	855,465
Repairs and maintenance	177,604	55,706	-	1,818,369	1,500	2,053,179
Rental expenses	169,398	-	-	438,827	-	608,225
Vehicle fleet charges	32,016	1,305	-	7,022	8,534	48,877
Other expenses	2,105,448	557,397	289,228	1,260,003	523,068	4,735,144
Depreciation and amortization	246,009	854,394	-	40,643	11,346	1,152,392
<b>Total operating expenses</b>	<b>9,657,418</b>	<b>2,638,480</b>	<b>391,005</b>	<b>4,299,968</b>	<b>1,782,999</b>	<b>18,769,870</b>
<b>Operating income (loss)</b>	<b>(2,390,809)</b>	<b>(943,147)</b>	<b>(66,455)</b>	<b>(1,545,920)</b>	<b>67,376</b>	<b>(4,878,955)</b>
<b>Nonoperating revenues (expenses):</b>						
Interest income	3,528	4,225	-	-	12,818	20,571
Intergovernmental revenues	856,587	1,520,822	-	-	-	2,377,409
Gain (loss) on disposal of capital assets	2,151	(213,212)	-	-	-	(211,061)
<b>Total nonoperating revenues (expenses)</b>	<b>862,266</b>	<b>1,311,835</b>	<b>-</b>	<b>-</b>	<b>12,818</b>	<b>2,186,919</b>
<b>Income (loss) before transfers</b>	<b>(1,528,543)</b>	<b>368,688</b>	<b>(66,455)</b>	<b>(1,545,920)</b>	<b>80,194</b>	<b>(2,692,036)</b>
Transfers in	1,874,139	-	79,387	1,742,307	-	3,695,833
Transfers out	-	-	-	-	(320,703)	(320,703)
<b>Change in net position</b>	<b>345,596</b>	<b>368,688</b>	<b>12,932</b>	<b>196,387</b>	<b>(240,509)</b>	<b>683,094</b>
<b>Total net position - beginning, as restated</b>	<b>1,909,543</b>	<b>3,378,968</b>	<b>(53,772)</b>	<b>134,769</b>	<b>(858,837)</b>	<b>4,510,671</b>
<b>Total net position - ending</b>	<b>\$ 2,255,139</b>	<b>\$ 3,747,656</b>	<b>\$ (40,840)</b>	<b>\$ 331,156</b>	<b>\$ (1,099,346)</b>	<b>\$ 5,193,765</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 For the Year Ended June 30, 2015

	DAODAS	E-911 Communications	Public Safety System	Radio Communications	Revenue Collections	Totals
<b>Cash flows from operating activities:</b>						
Cash received from customers	\$ 7,638,539	\$ 1,932,425	\$ 348,221	\$ 2,824,554	\$ 1,850,375	\$ 14,594,114
Cash payments to suppliers for goods and services	(3,573,519)	(1,113,739)	(355,899)	(4,031,959)	(958,909)	(10,034,025)
Cash payments to employees for services	(5,605,717)	(699,856)	(55,172)	(186,136)	(1,176,868)	(7,723,749)
<b>Net cash provided by (used in) operating activities</b>	<b>(1,540,697)</b>	<b>118,830</b>	<b>(62,850)</b>	<b>(1,393,541)</b>	<b>(285,402)</b>	<b>(3,163,660)</b>
<b>Cash flows from noncapital financing activities:</b>						
Transfers in	1,874,139	-	79,387	1,742,307	-	3,695,833
Transfers (out)	-	-	-	-	(320,703)	(320,703)
Intergovernmental receipt	488,922	-	-	-	-	488,922
<b>Net cash provided by noncapital financing activities</b>	<b>2,363,061</b>	<b>-</b>	<b>79,387</b>	<b>1,742,307</b>	<b>(320,703)</b>	<b>3,864,052</b>
<b>Cash flows from capital and related financing activities:</b>						
Proceeds from sale of capital assets	2,151	-	-	-	-	2,151
Acquisition and construction of capital assets	(439,159)	(188,335)	-	(163,956)	(37,227)	(828,677)
<b>Net cash used in capital and related financing activities</b>	<b>(437,008)</b>	<b>(188,335)</b>	<b>-</b>	<b>(163,956)</b>	<b>(37,227)</b>	<b>(826,526)</b>
<b>Cash flows from investing activities:</b>						
Interest received	3,528	4,225	-	-	12,818	20,571
<b>Net cash provided by investing activities</b>	<b>3,528</b>	<b>4,225</b>	<b>-</b>	<b>-</b>	<b>12,818</b>	<b>20,571</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>388,884</b>	<b>(65,280)</b>	<b>16,537</b>	<b>184,810</b>	<b>(630,514)</b>	<b>(105,563)</b>
Cash and cash equivalents at beginning of year	1,408,574	1,681,997	31,236	256,372	3,872,264	7,250,443
<b>Cash and cash equivalents at end of year</b>	<b>\$ 1,797,458</b>	<b>\$ 1,616,717</b>	<b>\$ 47,773</b>	<b>\$ 441,182</b>	<b>\$ 3,241,750</b>	<b>\$ 7,144,880</b>
<b>Reconciliation to balance sheet:</b>						
Non-pooled cash and cash equivalents	\$ 700	\$ -	\$ -	\$ -	\$ 400,427	\$ 401,127
Pooled cash and cash equivalents	1,796,758	1,616,717	47,773	441,182	2,841,323	6,743,753
<b>Cash and cash equivalents at end of year</b>	<b>\$ 1,797,458</b>	<b>\$ 1,616,717</b>	<b>\$ 47,773</b>	<b>\$ 441,182</b>	<b>\$ 3,241,750</b>	<b>\$ 7,144,880</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 For the Year Ended June 30, 2015

	DAODAS	E-911 Communications	Public Safety System	Radio Communications	Revenue Collections	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (2,390,809)	\$ 577,675	\$ (66,455)	\$ (1,545,920)	\$ 67,376	\$ (3,358,133)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	246,009	854,394	-	40,643	11,346	1,152,392
Allowance for doubtful account	403,350	-	-	-	-	403,350
Changes in assets and liabilities:						
(Increase) decrease in receivables	(40,798)	(1,283,730)	11,572	70,506	-	(1,242,450)
Increase (decrease) in accounts payable	242,322	(43,286)	(12,710)	46,053	(387,562)	(155,183)
Increase (decrease) in accrued payroll	(10,148)	13,777	(7,356)	(4,823)	23,438	14,888
Increase (decrease) in unearned revenue	9,377	-	12,099	-	-	21,476
Total adjustments	850,112	(458,845)	3,605	152,379	(352,778)	194,473
Net cash provided by (used in) operating activities	\$ (1,540,697)	\$ 118,830	\$ (62,850)	\$ (1,393,541)	\$ (285,402)	\$ (3,163,660)

See notes to financial statements.

## CHARLESTON COUNTY COMBINING STATEMENTS - INTERNAL SERVICE FUNDS

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments of the government, on a cost reimbursement basis.

**Fleet Management** - This fund is used to account for all operations of the County's centrally administered vehicle operation. Functions included within this operation are writing the specifications and assisting in the purchase of all on and off-road vehicles and equipment; owning all vehicles and equipment not specifically used in other County proprietary operations; maintaining all vehicles and equipment; operating a County-wide fuel distribution and monitoring system; operating a fleet of pool cars for those departments not directly assigned vehicles; and operating a vehicle parts warehouse.

**Office Support Services** - This fund is used to account for the mail pick-up and delivery service, duplicating machines, postage metering service and records management. Records management includes establishing records retention schedules for all County operations, centralized storage of records and a centralized microfilming operation.

**Workers' Compensation** - This fund is used to account for the costs of staffing a workers' compensation division as well as the cost of providing insurance through the S.C. Association of County Commissioners Self-Insurance Fund. Funding is provided by levying a percentage charge against all departmental payrolls. In fiscal year 1996, insurance was converted to self-insurance coverage for all claims less than \$100,000.

**Employee Benefits** - This fund is used to account for costs of providing health and life insurance to the County's employees and retirees, as well as providing retirement benefits. Funding is provided by a percentage charge against all departmental payrolls and payments from retirees. The fund is administered by seven trustees; the Finance Director and Human Resources Director as permanent members, the Chairman of the Employee Insurance Committee for the duration of term in office, and for two year periods, trustees appointed by the 1) Elected Officials, 2) Appointed Officials, 3) County Administrator, and 4) Deputy Administrator for Finance. As of January 1, 1993, the Trustees had contracted with the South Carolina Department of Insurance to provide all of the County's health and life insurance. To provide retirement benefits to its employees, the County contracts with the South Carolina Public Employee Benefits Authority (PEBA) which administers the various retirement systems and retirement programs managed by its retirement division.

**Telecommunications** – This fund is used to account for the centrally administered telecommunications system, which includes pagers and cellular telephones.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
June 30, 2015

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
<b>ASSETS</b>						
Current assets:						
Pooled cash and cash equivalents	\$ 3,204,807	\$ 327,462	\$ 5,946,994	\$ 32,172,428	\$ 386,798	\$ 42,038,489
Cash with fiscal agent	-	-	125,000	-	-	125,000
Receivables (net of allowances for uncollectibles)	97,445	252	31	117,535	233	215,496
Due from other funds	-	-	280,075	18,819,263	-	19,099,338
Inventories	328,343	-	-	-	-	328,343
<b>Total current assets</b>	<b>3,630,595</b>	<b>327,714</b>	<b>6,352,100</b>	<b>51,109,226</b>	<b>387,031</b>	<b>61,806,666</b>
Capital assets:						
Buildings	1,550,503	145,180	-	-	-	1,695,683
Machinery and equipment	30,416,811	1,910,601	351,578	-	1,100,255	33,779,245
Less accumulated depreciation	(19,614,763)	(1,045,641)	(211,480)	-	(346,006)	(21,217,890)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>12,352,551</b>	<b>1,010,140</b>	<b>140,098</b>	<b>-</b>	<b>754,249</b>	<b>14,257,038</b>
<b>Total assets</b>	<b>15,983,146</b>	<b>1,337,854</b>	<b>6,492,198</b>	<b>51,109,226</b>	<b>1,141,280</b>	<b>76,063,704</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension contributions made subsequent to measurement date	-	-	-	12,779,064	-	12,779,064
Difference between expected and actual experience	-	-	-	5,186,119	-	5,186,119
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,965,183</b>	<b>-</b>	<b>17,965,183</b>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	382,531	115,468	3,470,476	27,374	102,180	4,098,029
Accrued payroll and fringe benefits	109,444	34,850	20,831	1,921,582	15,892	2,102,599
Compensated absences-current	21,326	-	8,509	-	207	30,042
Intergovernmental payable	3,969	-	100,806	-	55	104,830
Lease payable - current	-	260,369	-	-	-	260,369
<b>Total current liabilities</b>	<b>517,270</b>	<b>410,687</b>	<b>3,600,622</b>	<b>1,948,956</b>	<b>118,334</b>	<b>6,595,869</b>
Noncurrent liabilities:						
OPEB liability	-	-	-	29,186,803	-	29,186,803
Compensated absences	224,491	58,091	39,069	4,687	6,773	333,111
Lease payable	-	592,757	-	-	-	592,757
Net pension liability	-	-	-	186,113,466	-	186,113,466
<b>Total noncurrent liabilities</b>	<b>224,491</b>	<b>650,848</b>	<b>39,069</b>	<b>215,304,956</b>	<b>6,773</b>	<b>216,226,137</b>
<b>Total liabilities</b>	<b>741,761</b>	<b>1,061,535</b>	<b>3,639,691</b>	<b>217,253,912</b>	<b>125,107</b>	<b>222,822,006</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Net difference between projected and actual earnings on pension plan investments	-	-	-	17,356,651	-	17,356,651
<b>NET POSITION</b>						
Net investment in capital assets	12,352,551	157,014	140,098	-	754,249	13,403,912
Unrestricted	2,888,834	119,305	2,712,409	(165,536,154)	261,924	(159,553,682)
<b>Total net position</b>	<b>\$ 15,241,385</b>	<b>\$ 276,319</b>	<b>\$ 2,852,507</b>	<b>\$ (165,536,154)</b>	<b>\$ 1,016,173</b>	<b>\$ (146,149,770)</b>

See notes to financial statements.



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COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 INTERNAL SERVICE FUNDS  
 For the Year Ended June 30, 2015

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
<b>Operating revenues:</b>						
Charges for services	\$ 12,733,001	\$ 1,964,126	\$ 5,006,786	\$ 40,793,871	\$ 1,957,416	\$ 62,455,200
<b>Total operating revenues</b>	<b>12,733,001</b>	<b>1,964,126</b>	<b>5,006,786</b>	<b>40,793,871</b>	<b>1,957,416</b>	<b>62,455,200</b>
<b>Operating expenses:</b>						
Personnel services	2,140,657	738,533	417,725	104,421	294,357	3,695,693
Contractual services	5,566	14,092	4,227,491	8,650	1,368	4,257,167
Materials and supplies	8,567,857	629,846	152,230	61,318	12,603	9,423,854
Utilities	103,903	21,341	-	-	1,407,571	1,532,815
Repairs and maintenance	12,924	222,012	38,067	-	75,665	348,668
Rental expenses	-	11,674	-	-	-	11,674
Vehicle fleet charges	102,581	9,232	10,212	-	5,552	127,577
Employee benefits	-	-	-	41,553,868	-	41,553,868
Other expenses	1,267,964	24,401	26,273	-	11,223	1,329,861
Depreciation	3,448,502	299,352	40,765	-	35,948	3,824,567
<b>Total operating expenses</b>	<b>15,649,954</b>	<b>1,970,483</b>	<b>4,912,763</b>	<b>41,728,257</b>	<b>1,844,287</b>	<b>66,105,744</b>
<b>Operating income (loss)</b>	<b>(2,916,953)</b>	<b>(6,357)</b>	<b>94,023</b>	<b>(934,386)</b>	<b>113,129</b>	<b>(3,650,544)</b>
<b>Nonoperating revenues (expenses):</b>						
Interest income	-	-	13,388	-	-	13,388
Interest expense	-	(72,941)	-	-	-	(72,941)
Gain (loss) on disposal of capital assets	324,329	(3,836)	-	-	-	320,493
<b>Total nonoperating revenues (expenses)</b>	<b>324,329</b>	<b>(76,777)</b>	<b>13,388</b>	<b>-</b>	<b>-</b>	<b>260,940</b>
<b>Income (loss) before transfers</b>	<b>(2,592,624)</b>	<b>(83,134)</b>	<b>107,411</b>	<b>(934,386)</b>	<b>113,129</b>	<b>(3,389,604)</b>
Transfers in	3,293,229	38,825	-	-	-	3,332,054
Transfers out	(507,066)	-	-	-	(138,825)	(645,891)
<b>Change in net position</b>	<b>193,539</b>	<b>(44,309)</b>	<b>107,411</b>	<b>(934,386)</b>	<b>(25,696)</b>	<b>(703,441)</b>
<b>Total net position - beginning (as restated)</b>	<b>15,047,846</b>	<b>320,628</b>	<b>2,745,096</b>	<b>(164,601,768)</b>	<b>1,041,869</b>	<b>(145,446,329)</b>
<b>Total net position - ending</b>	<b>\$ 15,241,385</b>	<b>\$ 276,319</b>	<b>\$ 2,852,507</b>	<b>\$ (165,536,154)</b>	<b>\$ 1,016,173</b>	<b>\$ (146,149,770)</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 For the Year Ended June 30, 2015

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
<b>Cash flows from operating activities:</b>						
Cash received from customers	\$ 289,124	\$ -	\$ -	\$ -	\$ 4,582	\$ 293,706
Cash receipts from interfund services provided	12,576,203	1,964,341	4,994,472	40,577,173	1,952,749	62,064,938
Cash payments to suppliers for goods and services	(10,685,732)	(855,012)	(4,783,301)	(36,518,906)	(1,791,443)	(54,634,394)
Cash payments to employees for services	(2,144,941)	(740,060)	(424,526)	1,821,030	(293,599)	(1,782,096)
Net cash provided by operating activities	<u>34,654</u>	<u>369,269</u>	<u>(213,355)</u>	<u>5,879,297</u>	<u>(127,711)</u>	<u>5,942,154</u>
<b>Cash flows from noncapital financing activities:</b>						
Transfers in	3,293,229	38,825	-	-	-	3,332,054
Transfers (out)	(507,066)	-	-	-	(138,825)	(645,891)
Net cash provided by noncapital financing activities	<u>2,786,163</u>	<u>38,825</u>	<u>-</u>	<u>-</u>	<u>(138,825)</u>	<u>2,686,163</u>
<b>Cash flows from capital and related financing activities:</b>						
Principal paid on long-term debt	-	(251,896)	-	-	-	(251,896)
Interest paid	-	(72,941)	-	-	-	(72,941)
Proceeds from capital lease	-	82,431	-	-	-	82,431
Proceeds from sale of capital assets	431,569	-	-	-	-	431,569
Acquisition and construction of capital assets (including capitalized interest)	(2,652,610)	(185,030)	(89,413)	-	(160,431)	(3,087,484)
Net cash used in capital and related financing activities	<u>(2,221,041)</u>	<u>(427,436)</u>	<u>(89,413)</u>	<u>-</u>	<u>(160,431)</u>	<u>(2,898,321)</u>
<b>Cash flows from investing activities:</b>						
Interest received	-	-	13,388	-	-	13,388
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>13,388</u>	<u>-</u>	<u>-</u>	<u>13,388</u>
Net increase in cash and cash equivalents	599,776	(19,342)	(289,380)	5,879,297	(426,967)	5,743,384
Cash and cash equivalents at beginning of year	2,605,031	346,804	6,361,374	26,293,131	813,765	36,420,105
Cash and cash equivalents at end of year	<u>\$ 3,204,807</u>	<u>\$ 327,462</u>	<u>\$ 6,071,994</u>	<u>\$ 32,172,428</u>	<u>\$ 386,798</u>	<u>\$ 42,163,489</u>
<b>Reconciliation to balance sheet:</b>						
Pooled cash and cash equivalents	\$ 3,204,807	\$ 327,462	\$ 5,946,994	\$ 32,172,428	\$ 386,798	\$ 42,038,489
Cash with fiscal agent	-	-	125,000	-	-	125,000
Cash and cash equivalents at end of year	<u>\$ 3,204,807</u>	<u>\$ 327,462</u>	<u>\$ 6,071,994</u>	<u>\$ 32,172,428</u>	<u>\$ 386,798</u>	<u>\$ 42,163,489</u>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 For the Year Ended June 30, 2015

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ (2,916,953)	\$ (6,357)	\$ 94,023	\$ (934,386)	\$ 113,129	\$ (3,650,544)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	3,448,502	299,352	40,765	-	35,948	3,824,567
Changes in assets, deferred outflows and inflows of resources, and liabilities:						
(Increase) decrease in receivables	132,326	215	(12,314)	(216,698)	(85)	(96,556)
(Increase) decrease in inventory	26,464	-	-	-	-	26,464
Increase (decrease) in accounts payable	(651,401)	77,586	(6,801)	3,952,558	(277,461)	3,094,481
Increase (decrease) in accrued payroll	(4,284)	(1,527)	(329,028)	1,925,451	758	1,591,370
Increase (decrease) in net pension liability	-	-	-	(9,956,342)	-	(9,956,342)
(Increase) decrease in deferred outflows of resources for pensions	-	-	-	(6,247,937)	-	(6,247,937)
Increase (decrease) in deferred inflows of resources for pensions	-	-	-	17,356,651	-	17,356,651
Total adjustments	2,951,607	375,626	(307,378)	6,813,683	(240,840)	9,592,698
Net cash provided by operating activities	\$ 34,654	\$ 369,269	\$ (213,355)	\$ 5,879,297	\$ (127,711)	\$ 5,942,154

See notes to financial statements.

## CHARLESTON COUNTY COMBINING STATEMENTS - FIDUCIARY FUNDS

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Agency funds are custodial in nature (assets equal liabilities) and thus do not represent the measurement or results of operations.

**Agency Funds** - This fund primarily consists of monies collected and disbursed by the County Treasurer (an elected, constitutionally mandated official) for various governmental units and taxing entities within Charleston County's borders as defined by South Carolina law. These monies are not under the control of Charleston County Council. This fund also consists of monies administered by several elected, appointed and other officials who, by nature of their position, collect and disburse cash. These officials consist of the Revenue Collections, Clerk of Court (who administers both Clerk of Court and Family Court funds), Delinquent Tax Collector, Family Court, Magistrates, Master-In-Equity, Probate Court Judge, Sheriff, and Solicitor.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 For the Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<b><u>ASSETS</u></b>				
<b>Non-pooled cash and cash equivalents:</b>				
Held by Revenue Collections				
Third parties	\$ 210,374	\$ 31,909	\$ 1,754	\$ 240,529
Held by Clerk of Court				
Third parties	5,483,864	15,449,470	10,500,541	10,432,793
Held by Delinquent Tax				
Third parties	648,670	45,131	243,598	450,203
Held by Family Court				
Third parties	449,348	32,273,664	32,190,317	532,695
Held by Magistrates				
Third parties	99,191	74,084	99,191	74,084
Held by Master-In-Equity				
Third parties	3,098,531	43,575,017	43,185,141	3,488,407
Held by Probate				
Third parties	5,934	6,057	8,581	3,410
Held by Public Defender				
Third parties	11,912	112,956	116,485	8,383
Held by Sheriff				
Third parties	345,422	4,580,336	4,662,399	263,359
Held by Solicitor				
Third parties	543,522	818,654	893,055	469,121
<b>Total non-pooled cash and cash equivalents</b>	<b>10,896,768</b>	<b>96,967,278</b>	<b>91,901,062</b>	<b>15,962,984</b>
<b>Non-pooled investments:</b>				
Held by Clerk of Court				
Third parties	123,000	-	-	123,000

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See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<b><u>ASSETS</u></b>				
Pooled investments:				
Held by Treasurer				
C & B Fire Department	\$ -	\$ 11,543	\$ 11,543	\$ -
Charleston County Airport	(1,038)	-	-	(1,038)
Charleston County PRC	124,824	18,243,580	18,808,326	(439,922)
Charleston County School District	32,121,687	514,169,758	510,241,198	36,050,247
City of Charleston	363,747	70,934,812	70,935,224	363,335
City of Folly Beach	8,553	1,934,568	1,930,012	13,109
City of Folly Beach/James Island	598	85,661	85,490	769
City of Isle of Palms	13,804	4,316,105	4,305,152	24,757
City of North Charleston	(930,018)	51,158,844	49,903,830	324,996
Cooper River PPC	1,332	226,413	226,446	1,299
East Cooper Fire District	68	-	-	68
James Island PSD	205,309	5,493,849	5,239,688	459,470
James Island Fireman's Fund	-	74,356	74,356	-
North Charleston District	8,189	1,262,186	1,262,390	7,985
S. C. Fireman's Association	-	2,584,086	2,584,086	-
St. Andrew's PPPC	30,478	1,733,150	1,733,263	30,365
St. Andrew's Public Service District	204,617	6,783,156	6,759,321	228,452
St. John's Fire District	266,817	13,392,072	13,407,651	251,238
St. John's Fireman's Fund	-	393,054	393,054	-
St. Paul's Fire District	339,784	5,874,133	6,081,318	132,599
St. Paul's Fireman's Fund	-	76,915	76,915	-
State Agencies	256,306	679,734,805	679,757,978	233,133
Third parties	18,132,018	175,217,810	177,284,415	16,065,413
Town of Awendaw Fireman's Assoc	-	54,511	54,511	-
Town of Awendaw	1,993	131,179	130,766	2,406
Town of Lincolnville	2,602	113,297	112,252	3,647
Town of McClellanville	555	44,295	44,599	251
Town of Mount Pleasant	41,454	42,830,926	42,827,449	44,931
Town of Sullivan's Island	11,069	1,965,140	1,964,016	12,193
Town of Summerville	321,425	388,213	705,758	3,880
EMS Employee Fund	-	450	-	450
Ten Mile Whitehall Escrow	26,944	47	10,966	16,025
<b>Total held by Treasurer</b>	<b>51,553,117</b>	<b>1,599,228,914</b>	<b>1,596,951,973</b>	<b>53,830,058</b>
Held by Drug & Vice Seizure Trust				
Third parties	453,670	349,443	303,569	499,544
<b>Total pooled investments</b>	<b>52,006,787</b>	<b>1,599,578,357</b>	<b>1,597,255,542</b>	<b>54,329,602</b>
<b>Total assets</b>	<b>\$ 63,026,555</b>	<b>\$ 1,696,545,635</b>	<b>\$ 1,689,156,604</b>	<b>\$ 70,415,586</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<b><u>LIABILITIES</u></b>				
Due to component units:				
Charleston County PRC	\$ 124,824	\$ 18,243,580	\$ 18,808,326	\$ (439,922)
Cooper River PPC	1,332	226,413	226,446	1,299
North Charleston District	8,189	1,262,186	1,262,390	7,985
St. Andrew's PPPC	30,478	1,733,150	1,733,263	30,365
St. John's Fire District	266,817	13,392,072	13,407,651	251,238
St. Paul's Fire District	339,784	5,874,133	6,081,318	132,599
	<hr/>	<hr/>	<hr/>	<hr/>
Total due to component units	771,424	40,731,534	41,519,394	(16,436)
Intergovernmental payable:				
C & B Fire Department	-	11,543	11,543	-
Charleston County Airport	(1,038)	-	-	(1,038)
Charleston County School District	32,121,687	514,169,758	510,241,198	36,050,247
City of Charleston	363,747	70,934,812	70,935,224	363,335
City of Folly Beach	8,553	1,934,568	1,930,012	13,109
City of Folly Beach/James Island	598	85,661	85,490	769
City of Isle of Palms	13,804	4,316,105	4,305,152	24,757
City of North Charleston	(930,018)	51,158,844	49,903,830	324,996
East Cooper Fire District	68	-	-	68
James Island Fireman's Fund	-	74,356	74,356	-
S. C. Fireman's Association	-	2,584,086	2,584,086	-
St. John's Fireman's Fund	-	393,054	393,054	-
St. Andrew's Public Service District	204,617	6,783,156	6,759,321	228,452
St. Paul's Fireman's Fund	-	76,915	76,915	-
State Agencies	256,306	679,734,805	679,757,978	233,133
Town of Awendaw Fireman's Assoc	-	54,511	54,511	-
Town of Awendaw	1,993	131,179	130,766	2,406
Town of Lincolnville	2,602	113,297	112,252	3,647
Town of McClellanville	555	44,295	44,599	251
Town of Mount Pleasant	41,454	42,830,926	42,827,449	44,931
Town of Sullivan's Island	11,069	1,965,140	1,964,016	12,193
Town of Summerville	321,425	388,213	705,758	3,880
James Island PSD	205,309	5,493,849	5,239,688	459,470
EMS Employee Fund	-	450	-	450
Ten Mile Whitehall Escrow	26,944	47	10,966	16,025
	<hr/>	<hr/>	<hr/>	<hr/>
Total intergovernmental payable	32,649,675	1,383,279,570	1,378,148,164	37,781,081
Due to third parties				
	29,605,456	272,534,531	269,489,046	32,650,941
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	\$ 63,026,555	\$ 1,696,545,635	\$ 1,689,156,604	\$ 70,415,586

See notes to financial statements.



**CHARLESTON COUNTY, SOUTH CAROLINA  
CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENT FUNDS**



**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Function**  
**June 30, 2015**

Function	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
General government	\$ 2,695,971	\$ 78,234,594	\$ 1,284,163	\$ 35,721,885	\$ -	\$ 87,003	\$ 118,023,616
Public safety	6,002,667	158,680,245	1,260,586	42,121,309	-	-	208,064,807
Judicial	-	60,706,495	376,824	1,301,926	-	-	62,385,245
Public works	188,336	570,761	31,160	1,330,381	47,582,339	-	49,702,977
Health and welfare	177,160	3,282,223	1,043,770	868,650	-	-	5,371,803
Culture and recreation	12,318,972	28,121,507	-	105,000	-	-	40,545,479
Economic Development	-	-	-	79,750	-	-	79,750
<b>Total</b>	<b>\$ 21,383,106</b>	<b>\$ 329,595,825</b>	<b>\$ 3,996,503</b>	<b>\$ 81,528,901</b>	<b>\$ 47,582,339</b>	<b>\$ 87,003</b>	<b>\$ 484,173,677</b>

This schedule presents only the capital asset balances related to the governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function**  
**For the Year Ended June 30, 2015**

<u>Function</u>	<u>Balance July 1, 2014</u>	<u>Additions *</u>	<u>Deletions *</u>	<u>Balance June 30, 2015</u>
General government	\$ 115,377,847	\$ 3,221,626	\$ (575,857)	\$ 118,023,616
Public safety	205,093,253	3,933,460	(961,906)	208,064,807
Judicial	62,163,370	272,856	(50,981)	62,385,245
Public works	48,069,028	1,681,544	(47,595)	49,702,977
Health and welfare	5,362,850	57,610	(48,657)	5,371,803
Culture and recreation	40,545,479	-	-	40,545,479
Economic Development	79,750	-	-	79,750
<b>Total</b>	<b><u>\$ 476,691,577</u></b>	<b><u>\$ 9,167,096</u></b>	<b><u>\$ (1,684,996)</u></b>	<b><u>\$ 484,173,677</u></b>

\* The additions and deletions include amounts for inter-function transfers.

This schedule presents only the capital asset balances related to the governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

# STATISTICAL TABLES (UNAUDITED)



# STATISTICAL TABLES

This section of the County of Charleston South Carolina's comprehensive annual financial report presents detailed trend and other information as a context for understanding what the information in the basic financial statements, notes to the basic financial statements, required supplementary information and other supplementary information says about the County's overall financial health.

	<b>Page Number</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	186 - 192
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	193 - 197
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	198 - 202
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	203 -204
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	205 - 209
<b>Financial Assurance Coverage</b>	210

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

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

**UNAUDITED**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities										
Net Investment in Capital Assets	\$ 73,784,397	\$ 89,153,294	\$ 102,685,537	\$ 99,409,429	\$ 98,333,460	\$ 109,879,879	\$ 113,295,767	\$ 93,885,285	\$ 98,106,506	\$ 106,149,896
Restricted	51,638,770	69,829,579	120,020,898	26,497,016	31,716,002	133,951,227	297,250,879	(138,560,395)	48,382,297	37,531,648
Unrestricted	37,628,366	26,178,518	(61,981,588)	(1,257,571)	(41,322,471)	(205,897,191)	(428,921,260)	(11,589,346)	(241,231,165)	(420,562,760)
Total Governmental Activities Net Position	<u>\$ 163,051,533</u>	<u>\$ 185,161,391</u>	<u>\$ 160,724,847</u>	<u>\$ 124,648,874</u>	<u>\$ 88,726,991</u>	<u>\$ 37,933,915</u>	<u>\$ (18,374,614)</u>	<u>\$ (56,264,456)</u>	<u>\$ (94,742,362)</u>	<u>\$ (276,881,216)</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 17,983,156	\$ 24,637,561	\$ 26,839,792	\$ 27,790,358	\$ 30,486,244	\$ 32,625,114	\$ 38,035,202	\$ 41,685,714	\$ 47,560,913	\$ 52,721,337
Restricted	49,159,942	34,873,968	38,021,909	39,974,530	41,832,681	48,107,916	54,181,917	57,336,068	-	-
Unrestricted	15,023,549	36,781,998	40,032,892	35,882,091	30,461,308	29,145,836	27,593,816	24,015,581	81,762,726	66,112,782
Total Business-type Activities Net Position	<u>\$ 82,166,647</u>	<u>\$ 96,293,527</u>	<u>\$ 104,894,593</u>	<u>\$ 103,646,979</u>	<u>\$ 102,780,233</u>	<u>\$ 109,878,866</u>	<u>\$ 119,810,935</u>	<u>\$ 123,037,363</u>	<u>\$ 129,323,639</u>	<u>\$ 118,834,119</u>
Primary Government										
Net Investment in Capital Assets	\$ 91,767,553	\$ 113,790,855	\$ 129,525,329	\$ 127,199,787	\$ 128,819,704	\$ 142,504,993	\$ 151,330,969	\$ 135,570,999	\$ 145,667,419	\$ 158,871,233
Restricted	100,798,712	104,703,547	158,042,807	66,471,546	73,548,683	182,059,143	351,432,796	(81,224,327)	48,382,297	37,531,648
Unrestricted	52,651,915	62,960,516	(21,948,696)	34,624,520	(10,861,163)	(176,751,355)	(401,327,444)	12,426,235	(159,468,439)	(354,449,978)
Total Primary Government Net Position	<u>\$ 245,218,180</u>	<u>\$ 281,454,918</u>	<u>\$ 265,619,440</u>	<u>\$ 228,295,853</u>	<u>\$ 191,507,224</u>	<u>\$ 147,812,781</u>	<u>\$ 101,436,321</u>	<u>\$ 66,772,907</u>	<u>\$ 34,581,277</u>	<u>\$ (158,047,097)</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

UNAUDITED

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 54,974,087	\$ 65,198,099	\$ 65,852,893	\$ 57,001,166	\$ 51,006,419	\$ 55,667,451	\$ 60,157,225	\$ 62,312,191	\$ 73,881,418	\$ 76,385,859
Public Safety	67,475,922	65,619,715	79,153,052	79,004,932	77,890,858	82,516,821	86,501,938	96,642,229	98,306,015	101,117,724
Judicial	19,042,092	20,545,790	22,201,442	28,605,375	25,578,697	26,116,113	26,577,935	26,996,074	27,772,787	28,308,049
Public Works	23,717,878	40,185,783	31,011,124	39,605,730	56,597,207	80,325,185	92,740,984	75,871,851	59,859,073	65,384,300
Health and Welfare	10,992,770	11,112,177	12,879,164	13,211,079	16,552,891	7,903,090	7,173,509	7,455,826	6,509,931	6,436,270
Economic Development	3,481,117	1,324,790	3,228,377	858,483	6,078,107	1,457,107	4,314,493	1,699,728	1,832,505	2,746,640
Culture and Recreation	18,133,308	21,307,239	53,822,207	48,254,152	41,390,976	38,886,387	30,820,517	26,936,941	36,353,141	35,231,789
Education	5,004,959	5,137,843	5,325,300	5,651,921	5,719,553	5,884,830	6,642,621	10,033,030	17,089,466	6,103,436
Interest and Fiscal Charges	10,453,449	9,311,104	18,461,680	20,934,569	21,109,522	20,739,273	26,019,356	24,988,554	24,296,503	26,245,946
Total Governmental Activities Expenses	<u>213,275,582</u>	<u>239,742,540</u>	<u>291,935,239</u>	<u>293,127,407</u>	<u>301,924,230</u>	<u>319,496,257</u>	<u>340,948,578</u>	<u>332,936,424</u>	<u>345,900,839</u>	<u>347,960,013</u>
Business-Type Activities:										
DOADAS	8,667,219	8,984,048	9,348,853	8,976,846	8,407,723	7,802,742	7,760,727	7,691,351	7,648,298	7,934,733
E 911 Communications	888,812	984,112	1,015,968	1,096,409	1,199,876	1,564,753	1,616,207	2,083,438	1,894,982	2,729,556
Environmental Management	32,430,587	30,229,939	39,064,678	43,209,125	33,738,089	19,920,437	21,278,034	24,543,597	25,029,815	23,053,431
Parking Garages	1,712,310	1,753,719	2,008,395	2,149,055	1,969,322	1,967,543	1,974,977	2,067,862	2,056,808	2,036,470
Public Safety Systems	-	-	-	-	-	-	-	-	422,102	379,728
Radio Communications	-	1,800,430	1,973,647	2,153,163	2,226,905	2,226,407	2,469,246	3,058,029	3,292,487	3,351,391
Revenue Collections	-	-	1,724,477	1,641,615	1,721,430	1,483,346	1,320,851	1,364,203	1,357,247	1,331,530
Total Business-Type Activities Expenses	<u>43,698,928</u>	<u>43,752,248</u>	<u>55,136,018</u>	<u>59,226,213</u>	<u>49,263,345</u>	<u>34,965,228</u>	<u>36,420,042</u>	<u>40,808,480</u>	<u>41,701,739</u>	<u>40,816,839</u>
Total Primary Government Expenses	<u>\$ 256,974,510</u>	<u>\$ 283,494,788</u>	<u>\$ 347,071,257</u>	<u>\$ 352,353,620</u>	<u>\$ 351,187,575</u>	<u>\$ 354,461,485</u>	<u>\$ 377,368,620</u>	<u>\$ 373,744,904</u>	<u>\$ 387,602,578</u>	<u>\$ 388,776,852</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$ 19,041,161	\$ 18,098,660	\$ 16,034,883	\$ 10,852,721	\$ 9,697,135	\$ 13,632,343	\$ 9,999,742	\$ 16,937,093	\$ 14,623,436	\$ 12,978,933
Public Safety	6,157,762	6,622,976	11,396,678	11,079,419	11,478,288	19,420,040	12,539,246	16,546,185	18,145,233	18,289,146
Judicial	7,778,889	7,641,424	8,319,231	9,285,809	8,892,660	8,379,703	7,738,371	8,442,110	8,735,792	11,445,329
Public Works	196,147	1,927,468	4,941,336	4,123,329	1,939,108	1,780,797	8,821,907	1,767,564	2,598,661	3,314,996
Health and Welfare	1,150,312	4,930,221	612,029	476,756	412,732	233,266	250,352	309,820	189,629	148,364
Culture and Recreation	201,705	179,007	4,003,383	1,767,195	912,786	882,902	511,170	4,721,867	149,356	1,280,708
Operating Grants and Contributions	21,435,951	18,216,119	20,814,984	18,703,242	29,232,648	15,639,213	25,771,280	22,966,436	22,230,605	26,992,255
Capital Grants and Contributions	-	-	-	-	-	396,000	2,620,425	-	-	-
Total Governmental Activities Program Revenues	<u>55,961,927</u>	<u>57,615,875</u>	<u>66,122,524</u>	<u>56,288,471</u>	<u>62,565,357</u>	<u>60,364,264</u>	<u>68,252,493</u>	<u>71,691,075</u>	<u>66,672,712</u>	<u>74,449,731</u>

(CONTINUED)

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

<b>UNAUDITED</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Business-Type Activities:</b>										
Charges for Services:										
DAODAS	\$ 4,113,731	\$ 6,361,075	\$ 4,475,009	\$ 4,700,331	\$ 6,124,605	\$ 5,095,135	\$ 5,916,198	\$ 6,230,481	\$ 6,780,014	\$ 6,717,861
E 911 Communications	1,265,946	1,379,569	1,365,183	1,429,854	2,070,562	1,690,605	1,747,860	2,244,167	1,842,270	1,695,333
Environmental Management	35,799,249	37,594,483	43,770,682	38,969,998	30,790,268	27,092,882	29,223,218	28,784,638	29,038,354	28,753,577
Parking Garages	2,066,315	2,424,078	2,501,491	2,698,693	2,556,854	2,807,563	2,902,769	3,245,683	3,467,727	3,630,944
Public Safety Systems	-	-	-	-	-	-	-	-	150,000	324,550
Radio Communications	-	107,515	525,126	1,099,255	846,525	1,137,250	1,272,530	1,543,965	1,946,124	2,034,708
Revenue Collections	-	-	1,071,795	464,550	528,649	497,742	629,551	490,052	765,637	467,233
Operating Grants and Contributions	2,933,166	979,399	3,081,039	2,661,638	284,416	768,317	779,097	765,244	977,744	2,529,772
Capital Grants and Contributions	904,389	1,240	-	-	-	-	-	-	-	-
Total Business-type Activities Program Revenues	<u>47,082,796</u>	<u>48,847,359</u>	<u>56,790,325</u>	<u>52,024,319</u>	<u>43,201,879</u>	<u>39,089,494</u>	<u>42,471,223</u>	<u>43,304,230</u>	<u>44,967,870</u>	<u>46,153,978</u>
Total Primary Government Program Revenues	<u>\$ 103,044,723</u>	<u>\$ 106,463,234</u>	<u>\$ 122,912,849</u>	<u>\$ 108,312,790</u>	<u>\$ 105,767,236</u>	<u>\$ 99,453,758</u>	<u>\$ 110,723,716</u>	<u>\$ 114,995,305</u>	<u>\$ 111,640,582</u>	<u>\$ 120,603,709</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (157,313,655)	\$ (182,126,665)	\$ (225,812,715)	\$ (236,838,936)	\$ (239,358,873)	\$ (259,131,993)	\$ (272,696,085)	\$ (261,245,349)	\$ (279,228,127)	\$ (273,510,282)
Business-type Activities	3,383,868	5,095,111	1,654,307	(7,201,894)	(6,061,466)	4,124,266	6,051,181	2,495,750	3,266,131	5,337,139
Total Primary Government Net (Expense)/Revenue	<u>\$ (153,929,787)</u>	<u>\$ (177,031,554)</u>	<u>\$ (224,158,408)</u>	<u>\$ (244,040,830)</u>	<u>\$ (245,420,339)</u>	<u>\$ (255,007,727)</u>	<u>\$ (266,644,904)</u>	<u>\$ (258,749,599)</u>	<u>\$ (275,961,996)</u>	<u>\$ (268,173,143)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes by Source:										
Property Tax	\$ 82,216,983	\$ 82,289,668	\$ 86,507,891	\$ 96,621,772	\$ 104,955,894	\$ 106,384,010	\$ 107,176,522	\$ 105,803,544	\$ 116,097,868	\$ 120,789,785
Local Option Sales Tax	42,159,174	44,024,396	44,458,297	41,085,569	39,955,809	41,340,224	46,044,345	47,280,580	51,409,611	54,628,245
Transportation Sales Tax	37,116,336	39,521,307	40,097,074	37,469,812	36,292,922	37,930,907	40,672,545	42,527,427	46,683,572	49,707,277
Accommodations Tax	8,292,848	9,176,823	9,872,302	8,864,365	8,851,895	9,927,318	11,010,862	11,987,748	13,425,525	14,750,760
Franchise Tax	774,254	538,048	955,712	793,067	825,465	578,864	754,091	791,536	771,276	826,616
Alcohol Beverage Tax	-	-	-	-	-	-	-	-	-	84,900
Merchants Inventory Tax and Manufacture's Depreciation	1,563,067	1,632,214	1,611,561	1,607,308	1,385,891	1,440,092	1,395,507	1,402,584	1,435,762	1,471,286
Motor Carrier Tax	116,292	129,110	140,426	138,236	120,432	111,247	92,429	105,961	115,352	145,831
Homestead Exemption	-	-	-	-	-	-	-	-	2,264,775	2,374,258
Unrestricted State Aid to Political Subdivisions	14,603,288	16,098,226	17,864,865	17,036,681	14,223,422	12,111,216	10,779,692	12,882,676	12,936,633	13,151,306
Unrestricted Investment Earnings	5,757,314	5,421,959	3,749,245	1,173,784	1,318,508	837,142	1,276,697	769,780	1,293,748	1,200,970
Gain on Sale of Capital Assets	514,247	-	-	-	-	-	239,152	-	-	-
Transfers	(3,601,887)	(5,052,023)	(3,881,034)	(4,337,551)	(4,493,248)	(2,322,103)	(3,054,286)	(196,329)	(2,507,996)	(1,436,924)
Total Governmental Activities	<u>189,511,916</u>	<u>193,779,728</u>	<u>201,376,339</u>	<u>200,453,043</u>	<u>203,436,990</u>	<u>208,338,917</u>	<u>216,387,556</u>	<u>223,355,507</u>	<u>243,926,126</u>	<u>257,694,310</u>



(CONTINUED)

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

<b>UNAUDITED</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Business-type activities:</b>										
Property Taxes	\$ 65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alcoholic Beverage Tax	523,037	505,366	542,927	542,927	542,927	537,486	594,682	469,405	532,043	537,916
Merchants Inventory tax and Manufacture's Depreciation	10,832	10,832	10,832	10,832	10,832	10,832	10,832	10,832	10,832	10,832
Unrestricted Investment Earnings	1,782,440	3,368,608	2,446,082	747,835	102,188	85,303	31,880	34,210	22,615	132,021
Gain on Sale of Capital Assets	3,811	94,940	65,886	45,467	45,525	18,643	189,208	19,902	5,226	85,328
Transfers	3,601,887	5,052,023	3,881,034	4,337,551	4,493,248	2,322,103	3,054,286	196,329	2,507,996	1,436,924
<b>Total Business-type Activities</b>	<b>5,922,072</b>	<b>9,031,769</b>	<b>6,946,761</b>	<b>5,684,612</b>	<b>5,194,720</b>	<b>2,974,367</b>	<b>3,880,888</b>	<b>730,678</b>	<b>3,078,712</b>	<b>2,203,021</b>
<b>Total Primary Government</b>	<b>\$ 195,433,988</b>	<b>\$ 202,811,497</b>	<b>\$ 208,323,100</b>	<b>\$ 206,137,655</b>	<b>\$ 208,631,710</b>	<b>\$ 211,313,284</b>	<b>\$ 220,268,444</b>	<b>\$ 224,086,185</b>	<b>\$ 247,004,838</b>	<b>\$ 259,897,331</b>
<b>Special Items</b>	\$ 1,383,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Change in Net Position:</b>										
Governmental Activities	33,582,201	11,653,063	(24,436,376)	(36,385,893)	(35,921,883)	(50,793,076)	(56,308,529)	(37,889,842)	(35,302,001)	(15,815,972)
Business-type Activities	9,305,940	14,126,880	8,601,068	(1,517,282)	(866,746)	7,098,633	9,932,069	3,226,428	6,344,843	7,540,160
<b>Total Primary Government</b>	<b>\$ 42,888,141</b>	<b>\$ 25,779,943</b>	<b>\$ (15,835,308)</b>	<b>\$ (37,903,175)</b>	<b>\$ (36,788,629)</b>	<b>\$ (43,694,443)</b>	<b>\$ (46,376,460)</b>	<b>\$ (34,663,414)</b>	<b>\$ (28,957,158)</b>	<b>\$ (8,275,812)</b>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

(Modified Accrual Basis of Accounting)

UNAUDITED

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 5,202,242	\$ 3,367,810	\$ 1,461,994	\$ 2,035,197	\$ 2,727,154	-	-	-	-	-
Unreserved	43,731,980	46,333,758	43,266,383	43,676,650	49,868,870	-	-	-	-	-
Nonspendable - inventory	-	-	-	-	-	1,080,137	935,078	923,453	1,282,008	1,161,306
Assigned	-	-	-	-	-	10,093,341	12,579,028	11,469,914	8,438,022	10,722,069
Unassigned	-	-	-	-	-	41,175,155	42,944,449	40,799,184	44,085,313	41,899,468
Total General Fund	<u>\$ 48,934,222</u>	<u>\$ 49,701,568</u>	<u>\$ 44,728,377</u>	<u>\$ 45,711,847</u>	<u>\$ 52,596,024</u>	<u>\$ 52,348,633</u>	<u>\$ 56,458,555</u>	<u>\$ 53,192,551</u>	<u>\$ 53,805,343</u>	<u>\$ 53,782,843</u>
All Other Governmental Funds										
Reserved:										
Inventories and Prepaid Items	\$ 11,603	\$ 11,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Encumbrances	13,318,333	9,008,571	11,406,709	48,296,368	60,767,518	-	-	-	-	-
Debt Service	18,953,106	18,252,403	19,702,506	17,263,879	20,672,652	-	-	-	-	-
Capital Projects Funds	32,685,664	22,441,838	82,345,276	27,529,136	39,387,522	-	-	-	-	-
Transportation and Road Sales Tax	78,931,458	96,021,511	230,106,543	171,548,405	109,412,393	-	-	-	-	-
Unreserved, Reported in:										
Special Revenue Funds	12,042,386	16,128,286	18,760,941	9,386,959	10,096,927	-	-	-	-	-
Restricted - Debt Service	-	-	-	-	-	19,694,980	19,122,743	17,516,049	19,938,633	17,016,973
Restricted - Transportation Sales Tax	-	-	-	-	-	90,159,784	213,333,488	168,524,165	127,241,222	73,549,795
Restricted - Special Source Revenue Bonds	-	-	-	-	-	-	-	-	-	86,213,244
Restricted - Special Revenue Funds	-	-	-	-	-	24,096,463	22,863,714	19,671,944	112,166,895	23,900,941
Committed - Transportation Sales Tax	-	-	-	-	-	-	-	-	-	25,563,498
Committed - Capital Project Funds	-	-	-	-	-	37,748,923	41,930,934	31,871,717	13,469,956	9,803,439
Total All Other Governmental Funds	<u>\$ 155,942,550</u>	<u>\$ 161,864,211</u>	<u>\$ 362,321,975</u>	<u>\$ 274,024,747</u>	<u>\$ 240,337,012</u>	<u>\$ 171,700,150</u>	<u>\$ 297,250,879</u>	<u>\$ 237,583,875</u>	<u>\$ 272,816,706</u>	<u>\$ 236,047,890</u>

GASB 54 was implemented fiscal year 2011; fund balance information is not available for prior fiscal years.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

**UNAUDITED**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Revenues</b>										
Taxes by Source:										
Property Tax	\$ 82,395,793	\$ 82,296,820	\$ 84,190,895	\$ 94,147,427	\$ 102,001,515	\$ 104,625,890	\$ 106,334,895	\$ 105,984,756	\$ 116,120,500	\$ 121,136,118
Local Option Sales Tax	42,159,174	44,024,396	44,458,297	41,085,569	39,955,809	41,340,224	46,044,345	47,280,580	51,409,611	54,628,245
Transportation Sales Tax	37,116,336	39,521,307	40,097,074	37,469,812	36,292,922	37,930,907	40,672,545	42,527,427	46,683,572	49,707,277
Intergovernmental	38,162,337	36,427,704	44,083,506	43,140,957	49,794,898	42,499,737	51,449,921	49,978,461	47,309,522	53,189,293
Permits and Licenses	5,039,668	5,290,740	5,700,779	4,439,742	3,985,696	3,883,031	4,215,705	4,363,426	4,170,418	4,520,556
Fines and Forfeitures	3,120,755	3,171,436	3,183,551	2,826,897	3,148,433	2,546,099	2,744,848	2,834,281	2,699,833	2,985,117
Interest	8,221,219	12,701,241	13,619,319	6,408,940	2,781,824	1,691,902	2,072,291	1,415,303	2,351,691	2,279,747
Service Charges	30,891,094	31,321,258	32,921,990	28,331,156	29,905,313	32,021,795	33,092,628	35,361,690	38,798,498	41,840,652
Rental and Use of Property	824,999	749,145	723,986	632,741	663,862	618,864	610,801	587,533	591,338	644,959
Other Revenues	3,195,766	2,912,098	5,356,322	5,695,690	6,356,037	9,838,439	5,286,895	5,138,050	7,215,910	7,667,130
<b>Total Revenues</b>	<b>251,127,141</b>	<b>258,416,145</b>	<b>274,335,719</b>	<b>264,178,931</b>	<b>274,886,309</b>	<b>276,996,888</b>	<b>292,524,874</b>	<b>295,471,507</b>	<b>317,350,893</b>	<b>338,599,094</b>
<b>Expenditures</b>										
Current:										
General Government	47,343,899	49,539,889	54,474,427	51,243,769	48,173,320	50,423,995	55,735,812	54,046,865	68,510,760	70,733,438
Public Safety	65,342,995	67,808,448	73,042,772	75,028,138	71,750,504	77,281,411	82,715,371	86,776,620	88,079,029	91,204,265
Judicial	17,593,865	19,349,156	20,946,565	23,390,831	23,894,465	23,801,633	24,845,144	25,740,844	26,391,640	26,914,469
Public Works	25,287,241	30,892,171	28,562,619	36,624,088	55,001,817	79,237,736	90,687,146	74,671,729	58,883,361	65,428,577
Health and Welfare	10,822,458	10,984,189	12,728,543	12,876,658	16,366,568	7,858,271	7,118,808	7,221,233	6,360,512	6,208,256
Economic Development	3,480,343	1,327,411	3,230,479	858,031	6,121,263	1,473,821	4,297,764	1,689,704	1,866,650	2,778,596
Culture and Recreation	17,427,709	20,501,703	53,428,524	47,899,154	42,786,960	40,394,034	33,975,501	28,348,070	38,421,593	34,799,856
Education	5,004,959	5,137,843	5,325,300	5,651,921	5,719,553	5,833,110	6,642,621	10,033,030	5,940,318	6,103,436
Capital Outlay	11,443,269	16,785,576	23,940,281	55,775,140	42,040,219	12,706,413	23,016,677	13,791,125	22,237,663	5,906,547
Debt Service:										
Principal	13,935,403	14,163,474	16,569,890	16,503,464	19,671,318	18,910,800	18,302,723	25,231,675	24,750,150	32,070,851
Interest and Fiscal Charges	9,437,517	8,906,724	15,476,402	21,410,902	20,983,775	21,716,423	25,323,973	26,881,813	24,180,295	29,635,174
Bond Issuance Costs	288,427	-	97,756	102,252	413,848	-	1,474,750	837,882	926,665	-
<b>Total Expenditures</b>	<b>227,408,085</b>	<b>245,396,584</b>	<b>307,823,558</b>	<b>347,364,348</b>	<b>352,923,610</b>	<b>339,637,647</b>	<b>374,136,290</b>	<b>355,270,590</b>	<b>366,548,636</b>	<b>371,783,465</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,719,056	13,019,561	(33,487,839)	(83,185,417)	(78,037,301)	(62,640,759)	(81,611,416)	(57,648,783)	(49,197,743)	(33,184,371)

(CONTINUED)

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

UNAUDITED

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Other Financing Sources (Uses)</b>										
Capital Lease Proceeds	\$ 841,831	\$ 1,429,804	\$ 100,539	\$ 775,100	\$ 702,710	\$ 632,831	\$ 299,650	\$ 712,056	\$ 794,923	\$ 483,458
Special source revenue bonds issued	-	-	-	-	-	-	-	-	86,405,000	-
Sale of GO Transportation Sales Tax Bonds	65,000,000	-	150,000,000	-	-	-	167,000,000	-	-	-
Sale of General Obligation Bonds	-	-	75,000,000	-	50,000,000	-	27,100,000	-	-	-
Refunding General Obligation Bonds Issued	-	-	-	-	20,775,000	-	32,095,000	129,770,000	29,190,000	-
Premium on Bonds Sold	1,978,623	-	10,789,016	-	6,493,791	-	27,995,947	23,983,718	9,356,441	-
Payment to Refunded Debt Escrow Agent	-	-	-	-	(21,447,212)	-	(36,334,680)	(152,862,692)	(33,404,536)	-
Transfers In	26,475,413	20,464,780	30,244,272	30,727,314	29,771,504	69,527,149	33,566,665	44,932,048	54,072,724	48,959,689
Transfers Out	(32,954,151)	(28,357,277)	(37,208,200)	(36,161,026)	(35,529,299)	(76,474,112)	(40,697,894)	(50,147,172)	(61,470,866)	(53,082,776)
Proceeds from Sale of Capital Assets	1,390,616	194,554	46,780	220,347	467,250	70,524	247,378	478,115	99,828	32,684
Total Other Financing Sources (Uses)	<u>62,732,332</u>	<u>(6,268,139)</u>	<u>228,972,407</u>	<u>(4,438,265)</u>	<u>51,233,744</u>	<u>(6,243,608)</u>	<u>211,272,066</u>	<u>(3,133,927)</u>	<u>85,043,514</u>	<u>(3,606,945)</u>
Special Item	1,383,940	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	<u>\$ 87,835,328</u>	<u>\$ 6,751,422</u>	<u>\$ 195,484,568</u>	<u>\$ (87,623,682)</u>	<u>\$ (26,803,557)</u>	<u>\$ (68,884,367)</u>	<u>\$ 129,660,650</u>	<u>\$ (60,782,710)</u>	<u>\$ 35,845,771</u>	<u>\$ (36,791,316)</u>
Capital Asset Expenditures	<u>\$ 16,576,342</u>	<u>\$ 15,664,602</u>	<u>\$ 21,139,930</u>	<u>\$ 52,710,904</u>	<u>\$ 42,611,071</u>	<u>\$ 14,204,807</u>	<u>\$ 28,282,000</u>	<u>\$ 17,270,045</u>	<u>\$ 14,192,041</u>	<u>\$ 17,388,612</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>11.1%</u>	<u>10.0%</u>	<u>11.2%</u>	<u>12.9%</u>	<u>13.1%</u>	<u>12.5%</u>	<u>12.6%</u>	<u>15.4%</u>	<u>13.9%</u>	<u>17.4%</u>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)**

**UNAUDITED**

<b>Fiscal Year Ended June 30</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Vehicles</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Estimated Actual Tax Value</b>
2006	2,197,536,874	194,576,361	153,380,326	2,545,493,561	160.8	47,282,058,031	5.38%
2007	2,308,701,112	210,195,223	159,335,124	2,678,231,459	168.0	49,446,157,317	5.42%
2008	2,525,310,042	215,663,434	175,326,815	2,916,300,291	177.0	52,960,945,426	5.51%
2009	2,567,170,930	225,355,873	167,364,803	2,959,891,606	181.0	55,081,538,273	5.37%
2010	2,530,782,359	236,859,543	156,340,695	2,923,982,597	181.0	54,571,987,194	5.36%
2011	2,729,144,416	234,746,374	155,001,548	3,118,892,338	179.5	58,181,179,259	5.36%
2012	2,748,065,264	241,398,440	141,452,040	3,130,915,744	180.3	58,596,835,791	5.34%
2013	2,834,713,312	236,854,152	168,553,108	3,240,120,572	181.1	60,515,482,331	5.35%
2014	2,817,056,508	227,202,178	190,025,685	3,234,284,371	181.6	60,729,353,205	5.33%
2015	3,008,285,095	270,073,540	199,568,161	3,477,926,796	186.0	65,179,532,446	5.34%

Source: Charleston County Auditor

Note: 1 Property in the county was last reassessed for fiscal year 2010. Tax rates are per \$1,000 of assessed value.

Note: 2 For FY 1989, the State passed legislation that exempted business inventory from property tax. The assessed value of the exempted inventory for FY 1990 was approximately \$209,000,000. In place of the property tax, the State now pays the County, through State shared revenues the amount of tax that was received in FY 1988. This amount is frozen for all future years at the FY 1988 level.

Note: 3 Under SC Law all real property is appraised at actual market value then adjusted to reflect the county-wide composite average of appraised value to sales for the prior year, to arrive at assessed value. This value of both real estate and personal property is then adjusted to a taxable value between 4 percent and 10.5 percent depending on the type of property. This is used to determine the legal debt margin.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
**(Rate per \$1,000 of Assessed Value)**

**UNAUDITED**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>County Direct Rates:</b>										
Charleston County Government Operating	40.2	40.2	40.2	40.2	40.2	40.2	39.1	39.9	40.7	40.7
Charleston County Government Debt Service	6.6	6.6	6.6	6.6	6.6	6.6	6.1	6.1	6.1	6.1
Park and Recreation Commission Operating	3.5	3.5	3.5	3.6	3.7	3.7	3.6	4.0	4.1	4.1
Park and Recreation Commission Debt Service	2.1	2.1	2.1	2.0	1.9	1.9	1.8	1.4	1.3	1.3
Trident Technical College	2.0	2.0	2.0	2.0	2.0	2.0	2.4	1.9	1.9	1.9
Trident Technical College Bonds	-	-	-	-	-	-	-	0.5	0.5	1.0
County School Board Operating	91.1	92.8	95.4	98.7	98.7	98.7	98.6	100.5	100.5	100.5
County School Board Debt Service	15.8	13.6	18.2	23.9	27.9	27.9	27.9	26.0	26.0	26.0
<b>Total Direct Rate</b>	<b>161.3</b>	<b>160.8</b>	<b>168.0</b>	<b>177.0</b>	<b>181.0</b>	<b>181.0</b>	<b>179.5</b>	<b>180.3</b>	<b>181.1</b>	<b>181.6</b>
<b>Fire District Rates:</b>	<b>16.7 - 38.0</b>	<b>16.7 - 40.3</b>	<b>12.0 - 41.5</b>	<b>12.0 - 42.7</b>	<b>12.0 - 47.7</b>	<b>12.0 - 48.4</b>	<b>11.2 - 48.6</b>	<b>11.2 - 51.3</b>	<b>11.2 - 55.3</b>	<b>11.2 - 57.1</b>
<b>City/Town Rates:</b>	<b>17.9 - 115.5</b>	<b>18.5 - 92.8</b>	<b>22.4 - 92.8</b>	<b>22.2 - 92.8</b>	<b>22.2 - 92.8</b>	<b>22.2 - 92.8</b>	<b>22.9 - 93.6</b>	<b>22.9 - 94.0</b>	<b>10.2 - 96.3</b>	<b>10.2 - 96.3</b>
<b>Public Service District Rates:</b>	<b>55.2 - 111.2</b>	<b>55.2 - 102.3</b>	<b>51.6 - 102.3</b>	<b>55.2 - 102.3</b>	<b>57.6 - 102.3</b>	<b>57.6 - 102.3</b>	<b>53.9 - 102.3</b>	<b>53.9 - 102.3</b>	<b>54.9 - 102.3</b>	<b>54.9 - 102.3</b>

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2015**

<u>Name of Jurisdiction</u>	<u>Net Governmental Activities Debt Outstanding</u>	<u>Percentage of Debt Applicable to this Jurisdiction</u>	<u>Jurisdiction's Share of Debt</u>
County of Charleston	\$ 564,129,572	100%	\$ 564,129,572
Overlapping:			
Park & Recreation Commission	32,344,490	100%	32,344,490
Public School Districts	206,449,441	100%	206,449,441
Subtotal	238,793,931	100%	238,793,931
Total	\$ 802,923,503	100%	\$ 802,923,503

**Note:** This schedule represents the debt of all county-wide jurisdictions. Individual cities and other districts within Charleston County have debt which is paid separately from their individual tax levies. These individual debts have not been included in the overlapping principal balance because the total debt differs within each individual jurisdiction.

This information was obtained from the Charleston County Treasurer's Office.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
PRINCIPAL PROPERTY TAXPAYERS  
(Modified Accrual Basis of Accounting)**

**UNAUDITED**

Taxpayer	Type of Business	2015			2006		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
SC Electric & Gas	Public Utility	\$ 61,388,000	1	2.10%	\$ 36,569,110	1	3.63%
Boeing	Manufacturing	48,282,731	2	1.66%	-		-
Kapstone Kraft	Manufacturing/Chemical	13,961,286	3	0.48%	16,885,507	3	1.68%
Bell South	Public Utility	8,370,210	4	-	19,359,740	2	1.92%
Kiawah Real Estate Co.	Real Estate	7,876,700	5	0.27%	7,581,340	4	0.75%
Charleston/North Charleston MSA	Retail	6,247,780	6	0.21%	4,897,680	9	-
Northwood Mall CMBS	Retail	5,428,950	7	0.19%	-		-
Odfjell Terminals LLC	Shipping	5,121,070	8	0.18%	-		-
Charleston Place LLC	Hotel	5,008,500	9	0.17%	5,380,080	6	0.53%
Cummings, Inc.	Manufacturing	4,372,883	10	0.15%	-		-
Tanger Properties Limited	Retail	-		-	-		-
East Cooper Community Hospital	Hospital	-		-	-		-
G and I III	Developer/PropertyManager	-		-	4,873,640	10	0.48%
Kiawah Resort Associates, LP	Real Estate	-		-	5,335,880	7	0.53%
Berkeley Electric Co-Op	Public Utility	-		-	4,904,550	8	0.49%
Cellco	Telecommunications	-		-	6,144,209	5	0.61%
<b>Totals</b>		<u>\$ 166,058,110</u>		<u>5.41%</u>	<u>\$ 100,882,977</u>		<u>10.62%</u>

Source: Charleston County Auditor



**COUNTY OF CHARLESTON  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

**UNAUDITED**

Fiscal Year Ended June 30	Original Tax Levy for Fiscal Year	Adjusted Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 75,825,360	\$ 75,825,360	\$ 73,525,524	97.0%	\$ 2,222,782	\$ 75,748,306	99.9%
2007	76,026,583	76,026,583	73,199,901	96.3%	2,724,070	75,923,971	99.9%
2008	78,854,461	78,854,461	75,500,629	95.7%	3,225,954	78,726,583	99.8%
2009	82,649,921	82,649,921	77,757,867	94.1%	4,749,224	82,507,091	99.8%
2010	92,300,468	92,300,468	86,401,791	93.6%	5,991,968	92,393,759	100.1%
2011	93,003,512	93,003,513	87,880,320	94.5%	4,678,681	92,559,001	99.5%
2012	92,854,478	92,854,478	86,833,723	93.5%	5,638,409	92,472,132	99.6%
2013	91,424,352	91,424,352	86,267,951	94.4%	4,455,923	90,723,874	99.2%
2014	95,016,978	95,016,978	89,976,201	94.7%	3,429,876	93,406,077	98.3%
2015	97,657,553	97,657,553	93,450,651	95.7%	1,756,054	95,206,705	97.5%

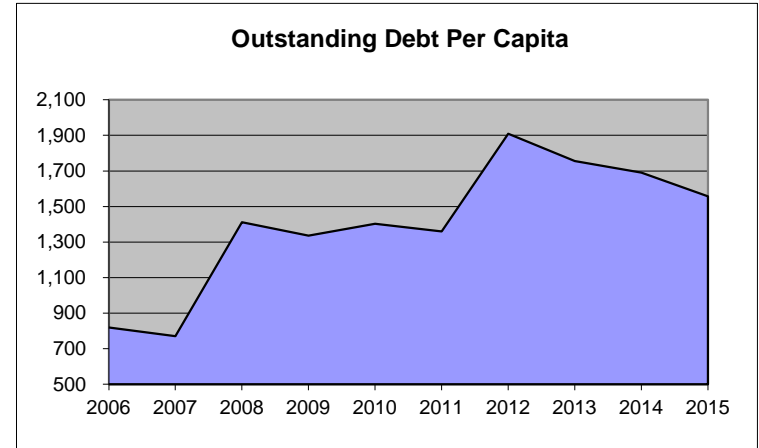
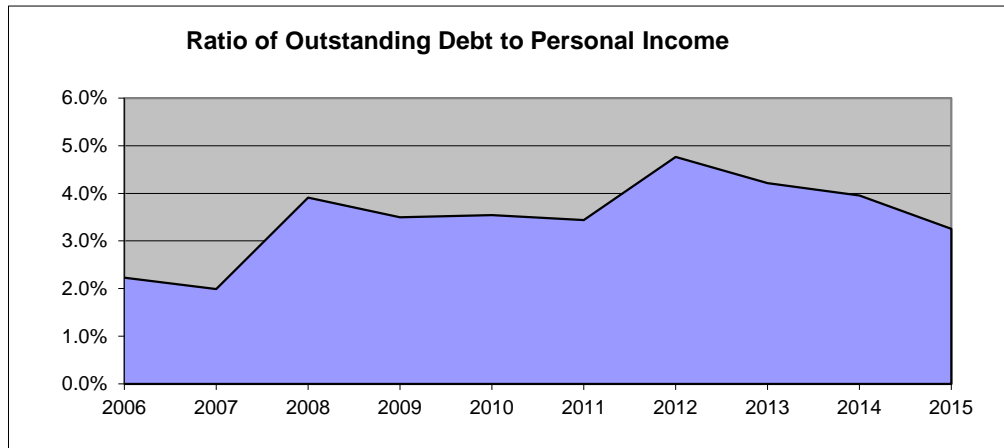
Source: This information was provided by the Charleston County Treasurer's Office.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

**UNAUDITED**

Fiscal Year Ended June 30	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Intergovernmental Note Payable	Capital Leases	Certificates of Participation	Revenue Bonds			
2006	153,448,297	62,427,073	36,988,439	3,474,081	11,065,789	11,723,994	279,127,673	2.2%	819
2007	146,394,774	57,631,034	36,107,877	3,873,002	10,231,634	10,491,229	264,729,550	2.0%	771
2008	373,504,430	52,628,009	35,176,858	2,947,139	9,356,755	9,194,837	482,808,028	3.9%	1,411
2009	363,444,567	47,313,497	34,192,492	3,788,455	8,418,114	7,824,327	464,981,452	3.5%	1,336
2010	406,590,609	41,756,721	33,151,722	3,070,072	7,421,883	6,374,140	498,365,147	3.5%	1,403
2011	394,957,209	35,245,570	32,051,316	2,810,433	6,252,256	4,843,673	476,160,457	3.4%	1,360
2012	597,380,150	31,582,499	30,887,856	2,038,252	5,609,545	3,232,288	670,730,590	4.8%	1,909
2013	575,303,035	27,990,569	29,657,730	1,577,179	4,967,151	1,534,306	641,029,970	4.2%	1,755
2014	599,365,712	-	28,357,118	2,480,565	-	-	630,203,395	4.0%	1,690
2015	564,129,572	-	26,981,981	2,168,844	-	-	593,280,397	3.3%	1,557

See the Schedule of Demographic and Economic Statistics for personal income and population data.



**COUNTY OF CHARLESTON, SOUTH CAROLINA  
RATIO OF GENERAL OBLIGATION BONDED DEBT TO  
ASSESSED VALUE AND GENERAL OBLIGATION BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

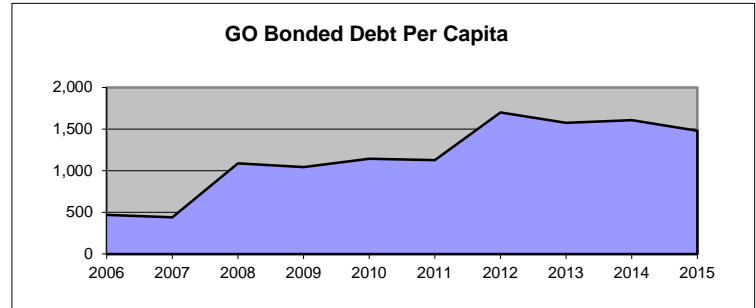
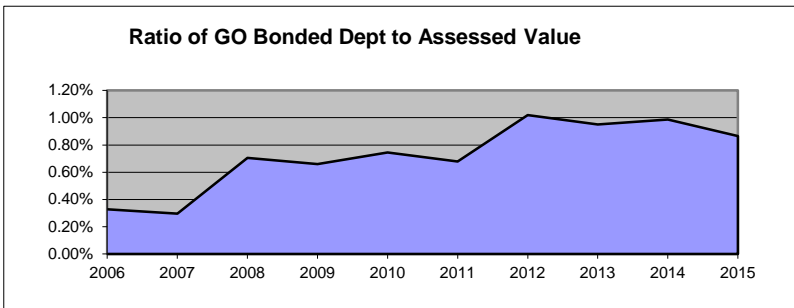
**UNAUDITED**

<u>Fiscal Year</u>	<u>Estimated Population</u>	<u>Assessed Value</u>	<u>G.O. Bonded Debt</u>	<u>Ratio of G.O. Bonded Debt to Assessed Value</u>	<u>G.O. Bonded Debt Per Capita</u>
2006	329,482	47,282,058,031	155,025,000	0.33%	471
2007	331,917	49,446,157,317	146,394,774	0.30%	441
2008	342,973	52,960,945,426	373,504,430	0.71%	1,089
2009	348,046	55,081,538,273	363,444,567	0.66%	1,044
2010	355,276	54,571,987,194	406,590,609	0.75%	1,144
2011	350,209	58,181,179,259	394,957,209	0.68%	1,128
2012	351,336	58,596,835,791	597,380,150	1.02%	1,700
2013	365,162	60,515,482,331	575,303,035	0.95%	1,575
2014	372,803	60,729,353,205	599,365,712	0.99%	1,608
2015	381,015	65,179,532,446	564,129,572	0.87%	1,481

Note 1 Details regarding the County of Charleston's Outstanding Debt can be found in the notes to the basic financial statements.

Note 2 See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for the Property Value Data.

Note 3 See the Schedule for Demographic and Economic Statistics for population data.



**COUNTY OF CHARLESTON, SOUTH CAROLINA  
RATIO OF TOTAL TAX SUPPORTED DEBT TO  
ASSESSED VALUE AND TOTAL TAX SUPPORTED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

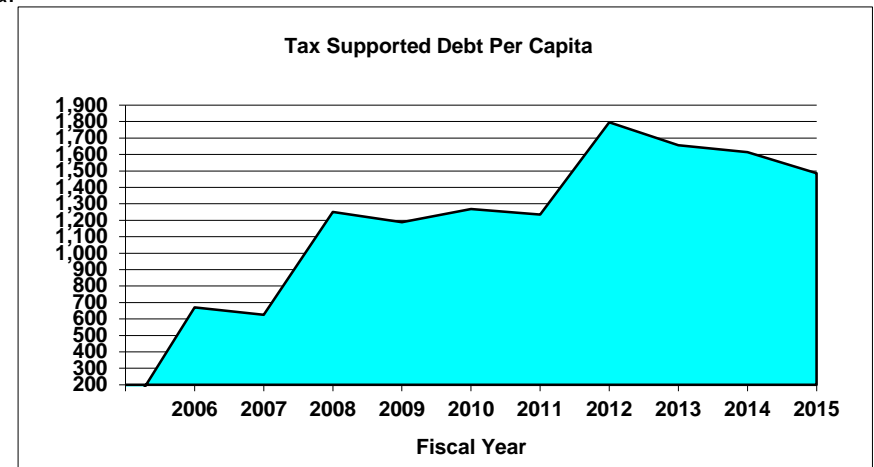
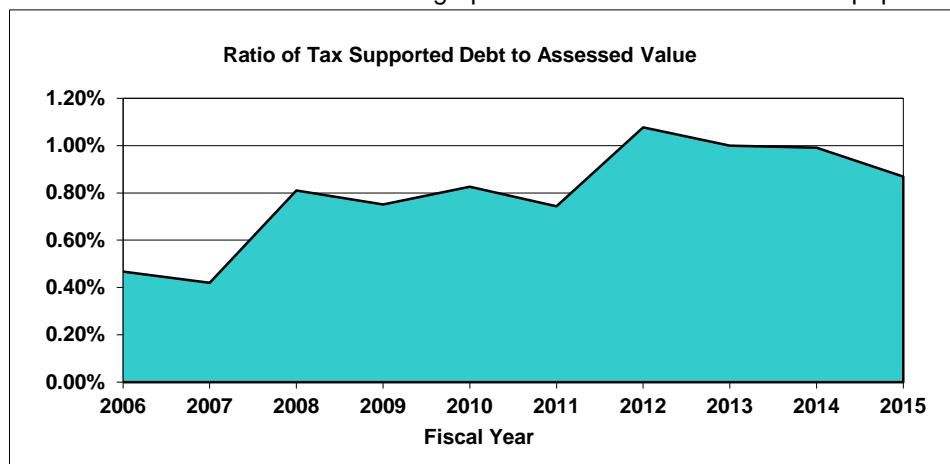
**UNAUDITED**

<u>Fiscal Year</u>	<u>Estimated Population</u>	<u>Assessed Value</u>	<u>General Obligation Bonds</u>	<u>Certificates of Participation</u>	<u>Capital Leases</u>	<u>Net Tax Supported Debt</u>	<u>Ratio of Tax Supported Debt to Assessed Value</u>	<u>Net Tax Supported Debt Per Capita</u>
2006	329,482	47,282,058,031	155,025,000	62,427,073	3,474,081	220,926,154	0.47%	671
2007	331,917	49,446,157,317	146,394,774	57,361,034	3,873,002	207,628,810	0.42%	626
2008	342,973	52,960,945,426	373,504,430	52,628,009	2,886,523	429,018,962	0.81%	1,251
2009	348,046	55,081,538,273	363,444,567	47,313,498	2,907,395	413,665,460	0.75%	1,189
2010	355,276	54,571,987,194	406,590,609	41,756,721	2,360,292	450,707,622	0.83%	1,269
2011	350,209	58,181,179,259	394,957,209	35,245,570	2,283,608	432,486,387	0.74%	1,235
2012	351,336	58,596,835,791	597,380,150	31,582,499	2,038,252	631,000,901	1.08%	1,796
2013	365,162	60,515,482,331	575,303,035	27,990,569	1,577,179	604,870,783	1.00%	1,656
2014	372,803	60,729,353,205	599,365,712	-	2,480,565	601,846,277	0.99%	1,614
2015	381,015	65,179,532,446	564,129,572	-	2,168,844	566,298,416	0.87%	1,486

Note 1 Details regarding the County of Charleston's Outstanding Debt can be found in the notes to the basic financial statements.

Note 2 See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for the Property Value Data.

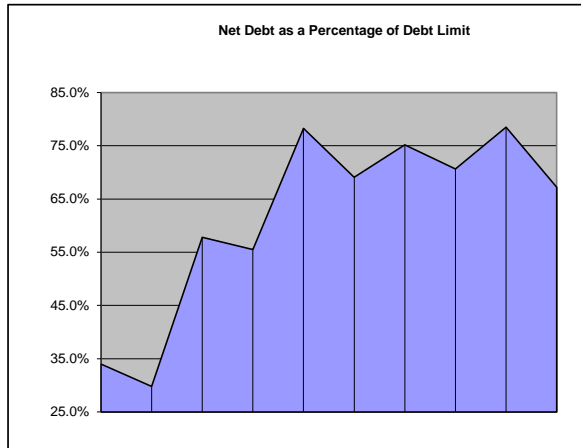
Note 3 See the Schedule for Demographic and Economic Statistics for population data.



**COUNTY OF CHARLESTON, SOUTH CAROLINA  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**UNAUDITED**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt Limit	\$ 205,995,772	\$ 216,723,669	\$ 235,740,344	\$ 239,227,649	\$ 235,980,407	\$ 251,666,874	\$ 257,590,000	\$ 265,880,783	\$ 267,120,722	\$ 286,233,641
Total Net Debt Applicable to Debt Limit	69,974,368	64,575,697	136,260,341	132,862,801	184,650,000	173,825,000	193,600,000	187,795,000	209,625,000	192,370,000
Legal Debt Margin	<u>\$ 136,021,404</u>	<u>\$ 152,147,972</u>	<u>\$ 99,480,003</u>	<u>\$ 106,364,848</u>	<u>\$ 51,330,407</u>	<u>\$ 77,841,874</u>	<u>\$ 63,990,000</u>	<u>\$ 78,085,783</u>	<u>\$ 57,495,722</u>	<u>\$ 93,863,641</u>
Total Net Debt Applicable to Debt Limit as a Percentage of Debt Limit	<u>34.0%</u>	<u>29.8%</u>	<u>57.8%</u>	<u>55.5%</u>	<u>78.2%</u>	<u>69.1%</u>	<u>75.2%</u>	<u>70.6%</u>	<u>78.5%</u>	<u>67.2%</u>



**Legal Debt Margin Calculation for Fiscal Year 2014**

Total Assessed Value	\$ 3,577,920,512
Debt Limit (8% of Total Assessed Value)	286,233,641
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt	517,835,000
Less: Debt Issued Through Referendum	(325,465,000)
Total Amount of Debt Applicable to Debt Limit	<u>192,370,000</u>
Legal Debt Margin	<u>\$ 93,863,641</u>

Note: Article Ten X, Section fourteen (14) of the South Carolina Constitution of December 1, 1977, as amended, provides that no government shall incur any bonded debt which shall exceed eight percent of the assessed value of the property therein without voter approval.

**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**Collected Pledged FILOT Revenues**

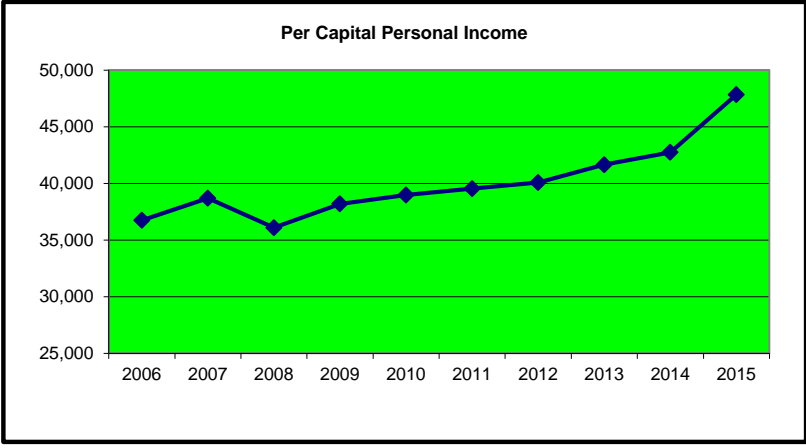
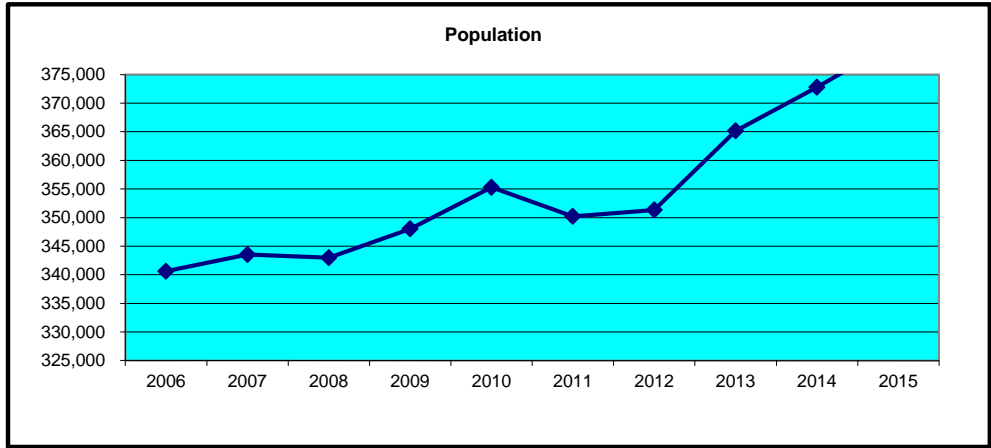
<b>Fiscal Year Ended June 30</b>	<b>Derived from Fee Agreements (1)</b>
2008	\$ 6,668,553
2009	7,978,100
2010	7,358,041
2011	10,389,121
2012	11,423,756
2013	12,178,308
2014	12,316,021
2015	14,899,943

(1) In addition to the Fee Agreements between the County and certain industries as described at "Pledged Revenues" herein, other industries are deemed located in the Multi-County Park for the purpose of receiving State Jobs Tax Credits and State Job Development Credits. Such properties are included in the Multi-County Park for substantially shorter periods of time and may be removed therefrom under certain circumstances at the option of the industry. FILOT Revenues from such industries, and which constitute Pledged FILOT Revenues, are not derived from Fee Agreements and therefore are not reflected in the above table.

**COUNTY OF CHARLESTON  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Fiscal Year Ended June 30</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>	<b>Median Age</b>	<b>School Enrollment</b>
2006	340,625	12,517,629,000	36,749	5.0%	36.2	43,335
2007	343,522	13,295,048,000	38,702	5.0%	36.0	42,742
2008	342,973	12,380,254,000	36,097	4.5%	36.0	42,303
2009	348,046	13,295,048,000	38,199	5.3%	36.0	42,482
2010	355,276	13,844,611,000	38,969	8.6%	36.9	42,942
2011	350,209	13,845,863,000	39,536	9.4%	36.0	43,796
2012	351,336	14,079,924,000	40,075	7.8%	35.0	45,076
2013	365,162	14,900,450,000	41,656	7.2%	35.7	45,278
2014	372,803	15,936,532,000	42,748	6.3%	35.7	46,148
2015	381,015	18,228,802,000	47,843	5.1%	35.8	44,995



The following Data Sources were used to develop this information:  
 South Carolina Office of Research and Statistics  
 Charleston County Chamber of Commerce  
 Charleston County School District - 45 Day Enrollment  
 South Carolina Association of Counties

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

**UNAUDITED**

County Employment for 2015	179,962
County Employment for 2006	165,326

Employer	2015			2006		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Joint Base Charleston	22,000	1	12.22%			
Medical University of South Carolina (MUSC)	13,000	2	7.22%	7,550	1	4.57%
Boeing Charleston	8,200	3	4.56%			
Charleston County School District	5,300	4	2.95%	5,150	3	3.12%
Roper St. Francis Healthcare	5,134	5	2.85%	2,900	4	1.75%
JEM Restaurant Group Inc.	3,000	6	1.67%			
County of Charleston	2,500	7	1.39%	2,300	6	1.39%
Wal-Mart	2,300	8	1.28%	2,150	7	1.30%
College of Charleston	2,000	9	1.11%			
City of Charleston	1,576	10	0.88%	1,450	9	0.88%
Piggly Wiggly Carolina Co. Inc.				2,500	5	1.51%
Mead Westvaco				1,600	8	0.97%
US Navy <sup>1</sup>						
Charleston Air Force Base <sup>1</sup>				5,600	2	3.39%
Bi-Lo Stores				1,300	10	
Totals	<u>65,010</u>		<u>23.90%</u>	<u>31,200</u>		<u>18.87%</u>

<sup>1</sup> In 2010 all military installations were combined to form Joint Base Charleston

Source: Charleston Metro Chamber of Commerce, Center for Business Research.



**COUNTY OF CHARLESTON, SOUTH CAROLINA  
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
General Government										
Administrator	7.00	7.00	7.00	6.31	5.31	6.80	5.90	5.90	7.80	7.80
Assessor	47.00	47.00	49.00	53.00	51.00	53.00	53.00	53.00	55.00	58.00
Auditor	30.00	29.00	29.00	30.00	29.00	31.00	31.00	31.00	31.00	31.00
Budget	6.00	8.00	8.00	8.00	7.00	8.00	7.00	7.00	8.00	8.00
County Council	11.00	11.00	11.00	11.00	11.00	11.00	12.00	12.00	12.00	12.00
Community Services	11.25	9.75	9.75	8.75	8.15	7.40	6.40	6.40	6.40	4.40
Deputy Admin for Finance	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Deputy Admin for General Svcs	-	-	-	4.00	4.00	3.00	3.00	3.00	3.00	3.00
Deputy Admin for Human Svcs	-	3.00	3.00	3.00	3.00	4.00	3.00	3.00	3.00	3.00
Elections/Voter Registration	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	14.00	14.00
Facilities Mgmt.	17.00	16.00	14.00	12.00	11.00	62.00	75.25	75.25	95.00	104.00
Finance	14.00	14.00	14.00	15.00	13.00	13.00	12.00	12.00	11.00	12.00
Fleet Management	-	-	-	-	-	-	-	-	26.50	27.00
Human Resources	14.00	14.00	14.00	17.00	15.00	16.00	17.00	17.00	17.00	17.00
Internal Auditor	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Internal Services	72.60	68.60	68.60	67.80	61.80	60.00	30.50	30.50	6.50	-
Legal	5.56	6.56	6.42	8.42	7.42	6.67	6.41	6.41	7.11	7.41
Legislative Delegation	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Minority Business Development	-	-	-	-	-	-	-	-	-	3.00
Organization Development	-	4.00	4.00	4.35	3.35	-	-	-	-	-
Procurement Services	15.00	16.00	16.00	16.00	15.00	14.00	14.00	14.00	15.00	15.00
Radio Communications	3.00	-	-	-	-	-	-	-	-	-
Register Mesne Conveyance	30.00	33.00	33.00	32.00	27.00	27.00	27.00	27.00	27.00	27.00
Revenue Collections	6.00	6.00	22.00	22.00	22.00	30.00	25.00	25.00	26.00	26.00
Safety & Risk Management	6.00	6.00	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00
Technology Services	9.00	17.00	17.00	17.00	16.00	16.00	25.25	25.25	25.00	25.00
Treasurer	18.00	18.00	18.00	18.00	18.00	19.00	20.00	20.00	22.00	23.00
Zoning/Planning	26.00	24.00	24.00	24.00	22.00	21.00	20.60	20.60	21.20	22.20
<b>Total General Government</b>	<b>368.41</b>	<b>376.91</b>	<b>392.77</b>	<b>402.63</b>	<b>375.03</b>	<b>432.87</b>	<b>418.31</b>	<b>418.31</b>	<b>453.51</b>	<b>463.81</b>

(CONTINUED)

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Public Safety										
Building Inspections	22.00	22.00	22.00	24.00	21.00	22.00	21.00	21.00	23.00	23.00
Consolidated Dispatch	-	-	-	1.00	72.50	100.25	120.00	120.00	160.00	160.00
Emergency Management	25.00	27.00	30.00	30.00	24.50	34.00	33.00	33.00	34.00	34.00
Emergency Medical Svcs.	169.00	174.00	174.00	165.00	139.50	134.00	151.50	151.50	167.50	218.50
Planning	1.00	1.00	2.00	-	-	-	-	-	-	-
Sheriff	779.31	780.31	792.31	808.11	834.11	828.74	836.74	836.74	835.74	860.74
Technology Services	-	-	-	2.00	2.00	-	-	-	1.00	-
Other (No Longer Used)	-	-	-	-	-	-	-	-	-	-
<b>Total Public Safety</b>	<b>996.31</b>	<b>1,004.31</b>	<b>1,020.31</b>	<b>1,030.11</b>	<b>1,093.61</b>	<b>1,118.99</b>	<b>1,162.24</b>	<b>1,162.24</b>	<b>1,221.24</b>	<b>1,296.24</b>
Judicial										
Clerk of Court	53.00	54.00	54.00	54.00	55.00	56.00	57.00	57.00	57.00	57.00
Coroner	6.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	11.00	12.00
Magistrates Courts	70.41	70.41	70.41	69.41	68.39	68.13	68.63	68.63	71.63	70.70
Master-In-Equity	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00
Probate Courts	19.30	19.30	20.30	20.30	19.30	19.30	19.80	19.80	20.80	21.80
Public Defender	-	-	-	52.00	52.00	52.00	52.00	52.00	54.00	54.00
Solicitor	81.00	88.00	91.00	93.00	96.00	111.00	102.00	102.00	102.00	101.70
<b>Total Judicial</b>	<b>235.71</b>	<b>243.71</b>	<b>249.71</b>	<b>303.71</b>	<b>305.69</b>	<b>321.43</b>	<b>315.43</b>	<b>315.43</b>	<b>324.43</b>	<b>325.20</b>
Public Works										
Environmental Management	126.00	126.00	128.00	127.00	134.20	132.26	130.40	130.40	123.80	114.80
Procurement Svcs.						2.00	3.00	3.00	3.00	3.00
Public Works	161.00	168.00	176.00	164.00	150.00	138.02	136.00	136.00	162.10	162.10
Transportation Development						21.63	21.41	21.41	23.11	23.21
<b>Total Public Works</b>	<b>287.00</b>	<b>294.00</b>	<b>304.00</b>	<b>291.00</b>	<b>284.20</b>	<b>293.91</b>	<b>290.81</b>	<b>290.81</b>	<b>312.01</b>	<b>303.11</b>

(CONTINUED)

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Health and Welfare										
Facilities	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Coppmunity Services	25.75	26.25	36.25	33.25	33.85	5.60	5.60	5.60	5.60	5.60
DAODAS	131.00	133.00	137.00	129.00	111.00	107.00	102.00	102.00	115.00	115.00
Public Works	24.00	23.00	23.00	24.00	20.00	20.00	20.00	20.00	28.00	28.00
Veterans Affairs	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00
Total Health and Welfare	<u>185.75</u>	<u>187.25</u>	<u>202.25</u>	<u>192.25</u>	<u>170.85</u>	<u>138.60</u>	<u>132.60</u>	<u>132.60</u>	<u>154.60</u>	<u>154.60</u>
Culture and Recreation										
Assist Admin for Transportation & Emergency Management	-	-	-	2.00	1.80	-	-	-	-	-
Greenbelt						2.00	1.30	1.30	1.30	1.20
Planning	-	1.00	1.00	-	-	-	-	-	-	-
Revenue Collections	3.00	3.00	-	-	-	-	-	-	-	-
Total Culture and Recreation	<u>-</u>	<u>1.00</u>	<u>1.00</u>	<u>2.00</u>	<u>1.80</u>	<u>2.00</u>	<u>1.30</u>	<u>1.30</u>	<u>1.30</u>	<u>1.20</u>
Economic Development	2.00	2.00	3.00	3.00	3.00	5.00	5.00	5.00	5.00	10.00
Total Economic Development	<u>2.00</u>	<u>2.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>10.00</u>
<b>Total</b>	<u><u>2,075.18</u></u>	<u><u>2,109.18</u></u>	<u><u>2,173.04</u></u>	<u><u>2,224.70</u></u>	<u><u>2,234.18</u></u>	<u><u>2,312.80</u></u>	<u><u>2,325.69</u></u>	<u><u>2,325.69</u></u>	<u><u>2,472.09</u></u>	<u><u>2,554.16</u></u>

Source: Charleston County Budget Department

Note: 1 Includes the Authorized Full Time Employees for both Government and Business-type Activities

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

**UNAUDITED**

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Government</b>										
Auditor - Tax Notices Processed	600,000	590,283	521,701	550,000	575,000	585,470	583,240	560,097	651,050	586,801
RMC Documents Recorded	147,569	133,772	116,770	84,711	90,890	87,894	97,137	116,435	106,096	109,245
Zoning Applications Processed	3,741	3,336	3,266	2,846	2,500	1,206	1,327	2,864	<sup>3</sup> 1,957	1,610
Illegal Businesses Located	714	278	346	86	117	172	154	165	175	50
<b>Public Safety</b>										
Building Inspections Performed	28,191	23,702	22,519	15,472	12,577	17,634	19,400	20,804	19,054	21,410
Bad Check Warrants Served	3,774	6,124	6,194	6,594	9,107	<sup>1</sup> 0	<sup>1</sup> 0	6,078	6,702	1,792
Daily Costs Per Prisoner	40	40	55	55	55	55	55	55	55	55
<b>Judicial</b>										
Marriage Licenses Issued	3,733	3,877	3,769	3,846	3,764	4,000	4,200	4,500	4,600	5,026
Master-in-Equity Cases Disposed of	718	998	1,390	2,227	3,560	3,459	2,063	1,736	1,481	1,675
<b>Health and Welfare</b>										
Veterans Claims Filed	8,038	9,215	9,215	10,254	10,688	522	2,871	3,388	8,681	8,238
<b>Economic Development</b>										
Number of New Companies Relocating to Charleston	5	1	4	0	1	3	3	2	4	4
Number of New Jobs From Relocating Companies	328	25	390	0	30	120	360	203	348	188
Number of Expanding Employers in Charleston	2	3	1	3	3	4	5	7	3	5
Number of Jobs Resulting from Expansion	300	268	30	320	4,275	323	492	2,226	114	1,627
<b>Culture &amp; Recreation</b>										
Library Visits Per Capita	6.21	6.38	6.66	6.99	7.01	6.05	5.54	5.45	5.24	5.01
Library Cards In Use	350,320	329,189	355,481	310,417	326,600	<sup>2</sup> 284,617	<sup>2</sup> 269,552	284,328	264,289	264,113
<b>Environmental Management</b>										
Total Tons of Incinerated Waste	227,383	227,514	211,907	188,626	69,215	n/a	n/a	n/a	n/a	n/a
<b>Parking Garages</b>										
Average Operating Revenue Per Space	1,623	1,777	1,913	2,114	2,043	2,287	2,264	2,463	2,732	3,174
Average Operating Expenditure Per Space	945	1,115	984	1,852	1,179	1,742	1,683	1,585	1,330	1,689

Sources: Charleston County Budget Performance Measures

<sup>1</sup> The Sheriff's Office did not perform this function in 2011 and 2012. No indicators available.

<sup>2</sup> Library system was purged of old unused accounts in 2012.

<sup>3</sup> Beginning in FY 2014, this department no longer processed building permits that do not require a zoning permit. Building Inspections began processing these permits exclusively.

**COUNTY OF CHARLESTON  
CAPITAL ASSETS BY FUNCTION  
LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
General Government										
Automobiles	80	84	91	80	79	92	118	114	110	102
Buildings	28	28	44	97	99	104	102	104	104	111
Public Safety										
Police Cars	290	325	316	332	324	336	333	351	355	360
Fire Trucks	8	11	11	10	10	10	10	11	10	13
Ambulances	23	24	28	22	23	24	25	30	31	24
Judicial										
Magistrate Courts	14	15	15	15	15	15	15	15	15	13
Public Works										
Paved Streets (in Miles)	195	132	129	128	129	129	131	131	131	132
Ground Equipment	43	51	62	60	65	67	69	68	66	66
Heavy Trucks	25	29	35	35	35	35	34	34	37	37
Environmental Management										
Collection/Refuse Trucks	33	37	45	44	48	44	47	59	57	59
Ground Equipment	16	19	24	26	25	26	27	30	30	27
Culture & Recreation										
Libraries, Main and Branches	16	16	16	16	11	11	11	11	11	11

Note 1. Town of James Island was created in 2007 creating a decrease in county owned infrastructure.

Note 2. Some indicators have been added through the years.

Note 3. There was a review of buildings in fiscal year 2008 that reorganized the buildings and assigned more to the general government.

Note 4. Charleston County owns 11 libraries and leases 5 libraries.

**COUNTY OF CHARLESTON, SOUTH CAROLINA  
FINANCIAL ASSURANCE COVERAGE  
MUNICIPAL SOLID WASTE LANDFILL FACILITIES**

**LOCAL GOVERNMENT FINANCIAL TEST:**

1. Financial component:

A. Bond rating requirement: Investment grade bond rating of no less than BBB.  
The County's current general obligation bond ratings are:

Moody's Investors Service	Aaa
Standard & Poors Rating Service	AAA
Fitch Ratings	AAA

B. Financial ratio alternative:

The prescribed financial ratios computed under GAAP are:

1. Ratio of cash and marketable securities to total expenditures - Primary Government

Cash and cash equivalents	\$ 123,811,152	
Total expenditures	<u>\$ 484,178,130</u>	
Requirement is no less than 5 percent		<u><u>25.57%</u></u>

2. Ratio of annual debt service expenditures - Primary Government

Total debt service expenditures	\$ 62,030,862	
Total expenditures	<u>\$ 484,178,130</u>	
Requirement is no more than 20 percent		<u><u>12.81%</u></u>

2. Financial assurance limitation test:

Financial assurance limitation under financial test:

Total Revenue - Primary Government	\$ 450,229,704	
Maximum percent of revenue eligible for self-insured local government financial test		<u>43%</u>
Limitation on deferred cost of closure		\$ 193,598,773

Total estimated closure and post-closure costs for County landfills:

Estimated costs from Note III.G. on landfill closure	\$ 46,653,905	
Less: Expenditures to date	\$ (22,213,705)	
Restricted assets committed to closure	<u>\$ (6,855,400)</u>	
Balance of closure costs being deferred		<u>\$ 17,584,800</u>
Additional permissible deferred cost		<u><u>\$ 176,013,973</u></u>

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