COUNTY OF CHARLESTON
SOUTH CAROLINA

APPROVED BUDGET FOR FISCAL YEAR 2008

CITIZEN’S GUIDE

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COUNTY ADMINISTRATOR
MCROY CANTERBURY, JR., AICP
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**How To Use The Citizen's Guide**

This document provides a brief look at the approved Fiscal Year 2008 Charleston County budget. It should enhance your understanding of how the County is organized, the services provided, and the funding sources used to provide those services.

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**The FY 2008 Approved Budget is Available:**

**On the Internet**
www.charlestoncounty.org

**At Your Local Charleston County Public Library**
Reference copies of all budget volumes are available at the main and regional Charleston County Public Libraries.

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If you have any questions, the Budget Office can be reached by the following:

Telephone: (843) 958-4640  
FAX: (843) 958-4645  
E-mail: pgile@charlestoncounty.org

General County questions can be submitted via the County Web site or by the following:

Toll Free: 1-800-524-7832  
en Espanol: (843) 202-7191
Introduction to the County

In 1948, the State legislature provided for a system of municipal government in Charleston County. Voters chose a county council of seven members who would appoint a county manager as chief executive officer. Since that time, Council was expanded to nine members to accommodate a growing population. Under the “Home Rule Act” of 1975, the council-manager form of government gave way to the council-administrator form of government under which Charleston County operates today.

In 2004, a court order changed the method of electing Charleston County Council members from countywide to single member districts to better represent minority voters. The November 2004 election was the first to require the use of single member districts.

The following pages illustrate the County’s organization, mission statement, values, and goals.
Charleston County

Mission
We will promote and protect the quality of life in Charleston County by delivering service of value to the community.

Values

Trust is essential - We value trust as the essential building block for all successful relationships.

Commitment brings success - We are committed to taking personal responsibility and action to ensure mission success.

Communication is open and ongoing - We engage in a complete and ongoing exchange of information to ensure the stated goals and objectives are understood by all.

We are a versatile workforce - We willingly create and apply new methods to meet and overcome emerging challenges from a diverse community.

We are accountable for our actions - We accept responsibility for our actions, and we evaluate others' actions fairly.

We work as a team - To accomplish our goals, we work together as members of a team, each accountable to himself, to his coworkers, and to the community.

We value safety and security - We share accountability for the health and well-being of our employees and the community we serve.
Introduction to the County

The County Goals are comprised of five Initiatives developed to set the direction for the County Departments/Divisions in fulfilling the mission and maintaining value in daily activities. The following includes Fiscal Year 2007 Notable Results for each County Initiative.

**Fiscal Year 2007 Notable Results**

**Initiative I: Service Delivery** - Provide a level of service that the customer recognizes as high in quality and value.

- The Human Resources Department in conjunction with Technology Services implemented an on-line application process to facilitate completion of job applications and streamline the employment process.

- The Emergency Preparedness Division held a Disaster Preparedness Workshop for the public to learn from local experts and have an opportunity to ask questions about disaster preparedness, local evacuation routes, shelter information, and many other topics. A separate Children’s Preparedness Workshop was held for youth between the ages of 8 and 11 years old.

- The Planning Department received a $1.4 million reimbursement from the State Office of Budget and Control for implementation of Phase II of the Wireless Identification System for the six Public Safety Answering Points (PSAPs) in the County, which allows cell phone callers to be located anywhere within the County.

- The Solid Waste Department launched an anti-litter commercial and three recycling commercials to educate the community about conserving resources through recycling and waste reduction. The commercials were recognized by the Advertising Federation of Charleston and the Carolina Recycling Association.

- Twelve County departments represented Charleston County at its first Contacts to Contracts Workshop to develop relationships between small business owners, particularly Minority/Women/Disadvantaged Business Enterprises, and County Government supervisors. This networking format provided information on upcoming projects, current bids, and how to transact business with the County.

**Initiative II: Human Resources & Resource Management** - Develop and maintain a flexible organization that is knowledgeable, productive, and committed.

- The Human Resources Department implemented a Professional Development series of workshops for employees to support career track enhancement and success in the workplace.

- The County’s newest department, Organizational Development, conducted its first diversity survey in an effort to gauge the diversity views of its workforce. In addition, focus groups were conducted to assist in the redesign of the employee performance appraisal system to include succession planning and employee career development. Also, a pilot mentor program was launched to support leadership development.
**Initiative III: Long-Term Financial Planning** - Ensure sound fiscal long-term planning.

- With the efforts of the **Economic Development Department**, Charleston County joined in the celebration of the roll-out of the first Boeing 787 with Vought Aircraft Industries, Inc., Alenia Aeronautica, and Global Aeronautica, makers of the 787 fuselage. The County also joined Daimler Chrysler executives in celebration as they dedicated their new Sprinter van assembly plant.

**Initiative IV: Workflow Analysis-Process Management** - Ensure all new and existing processes and workflow are reviewed for efficiency of resources and utilized funding.

- The **Emergency Preparedness Division** completed a set of rigorous warning and evacuation criteria necessary to earn the distinction of being TsunamiReady and StormReady from the NOAA National Weather Service.

- The **Safety & Risk Management Department** achieved a 15 year record low and the lowest consecutive three injury years in this 15 year history of on-the-job injuries, which can translate into a reduction in insurance premiums calculated on a running three year average.

- The **Solicitor's Office** reduced the backlog of cases by closing a record 13,009 cases, which is an increase of 1,705 closed cases from the previous year.

- The **Telecommunications Division** implemented a transportable satellite system, which is designed to be used solely to provide limited data communications backup when the County's emergency primary and secondary data communications systems are knocked out of service due to hurricane, earthquake, or other disasters.

**Initiative V: Quality Control** - Track progress of County development and use the information to make educated decisions for the future of the County.

- The **Emergency Medical Services** initiated the first digital mapping project in the State, which uses the new MARVLIS digital navigation program that allows crews to see live, Global Positioning System (GPS) maps in their ambulances. In addition, the auto-life stretchers were deployed saving the County hundreds of thousands in Workers Compensation costs. Also, several advanced treatment procedures were introduced for patients involving airway management and heart failure.

- With the efforts of the **Emergency Preparedness Division**, the Lowcountry Community Emergency Response Team (CERT) was formed to provide continuing education and other resources necessary to sustain over 300 CERT members on 17 response teams to train citizens in how to be better prepared in the event of a disaster.
Introduction to the County

REGION, GEOGRAPHY, ECONOMY, EDUCATION & DEMOGRAPHICS

Region
Charleston County is situated along the scenic southeastern coast of South Carolina. It has a land territory of 919 square miles and a 97-mile coastline along the Atlantic Ocean. Charleston is South Carolina’s largest and third most populated county with approximately 327,000 residents. The population of the entire Charleston area increased by 8% from 1990 to 2000. It is estimated that the area will reach a population of 613,000 individuals by 2010.

Geographic Location
The Charleston region’s tourism success is largely due to its geographic location providing a natural beauty, moderate climate, and a coveted quality of life which has been deliberately and carefully preserved in an effort to keep a small town feel. The region’s coastal location along the Atlantic Seaboard, at the junction of two rivers, assures it’s near tropical climate and creates immense advantages for the seaport. The flat landscape is accented by numerous rivers, tidal creeks, vast expanses of pristine salt marshes, and hallmark live oaks. The scenic backdrop is the perfect setting for the stunning eighteenth and nineteenth-century architecture of Old Charleston such as the homes of Rainbow Row and the homes located along the Charleston Battery. Charleston County also offers urban and suburban communities that lie beyond the old city hosting businesses, industries, and residences alike. The region’s charm is evident in the “slow pace and friendly environment” despite the 8% growth in population over the past decade. Residents and tourists alike can enjoy the area’s charm by visiting restaurants, shops, parks, resorts, golf courses, beaches, or the numerous cultural festivals the region hosts throughout the year.

Economic Base
The region’s economic base includes the Port of Charleston which is fourth in container volume in the United States and sixth in the nation with cargo values of $53 billion. The Port of Charleston has earned distinction for Port designation by Port Development International and is considered the most efficient port in the world for its cargo handling systems. Tourism has long been an economic mainstay in this historic eighteenth century setting and continues to grow in importance. The region’s visitor industry has expanded rapidly over the past few years experiencing 5.1 million visitors in 2005. The tourism industry contributes more than $5.4 billion annually to the area’s economy and provides approximately 105,000 jobs. The region’s growing international operations, stable businesses, and industrial bases have contributed to a diverse economy. The area has a busy port, modern airport, and good rail access and is committed to the constant upgrading of its highways. Road improvements include the planned completion of the I-526 Beltway as well as the recent replacement of the Grace and Pearman bridges over the Cooper River. The new bridge is a 2.8 mile long, 8 lane bridge with the longest cable-stay expansions in North America. This bridge offers higher spans linking Charleston to areas east of the Cooper River. Plans are in progress for the expansion of water and waste water systems, utilities, and telecommunications networks to meet the demands of growth and to maintain the region’s competitive edge.
**Introduction to the County**

**Education**
The area’s educational institutions provide well trained workers for industry. There are 17 colleges and universities offering a range of certification programs and associate, bachelor, and master degrees. In addition, the Medical University of South Carolina offers advanced medical degrees at the State’s largest teaching hospital, and Trident Technical College provides a diverse range of industrial training programs. In 2004, the area’s post-secondary educational offerings were bolstered by the creation of the Charleston School of Law at the College of Charleston.

**Demographics**
Charleston County has the third largest population in South Carolina based on the 2000 Census. The median age and per capita income for the County’s population is increasing. The following table shows the detail of these changes.

<table>
<thead>
<tr>
<th>CALENDAR YEAR</th>
<th>COUNTY POPULATION</th>
<th>MEDIAN AGE</th>
<th>PER CAPITA INCOME</th>
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<tr>
<td>2006</td>
<td>327,466</td>
<td>36.2</td>
<td>$33,176</td>
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<tr>
<td>2005</td>
<td>324,224</td>
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<td>2004</td>
<td>321,014</td>
<td>35.4</td>
<td>31,272</td>
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<td>2003</td>
<td>316,611</td>
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<td>30,361</td>
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<td>2002</td>
<td>312,365</td>
<td>33.9</td>
<td>29,346</td>
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<tr>
<td>2001</td>
<td>309,969</td>
<td>31.9</td>
<td>28,725</td>
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<tr>
<td>2000</td>
<td>319,921</td>
<td>31.8</td>
<td>28,466</td>
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<tr>
<td>1999</td>
<td>316,482</td>
<td>31.6</td>
<td>26,085</td>
</tr>
<tr>
<td>1998</td>
<td>313,478</td>
<td>31.4</td>
<td>24,490</td>
</tr>
<tr>
<td>1997</td>
<td>307,945</td>
<td>31.1</td>
<td>22,839</td>
</tr>
</tbody>
</table>

NOTE: This information was obtained from the Charleston Metro Chamber of Commerce.

Based on a comparison of the 1990 Census to the 2000 Census, the County’s population has become better educated. Considering the changes in the County’s demographics, Charleston County will endeavor to adapt the services it provides to reflect the needs of the changing population it serves.
Introduction to Services

Charleston County is responsible for several functions and services delivered throughout the County. Responsibilities often associated in error with Charleston County government are the Charleston County School District, the Charleston Area Regional Transportation Authority (CARTA) bus system, and municipal garbage pickup. The County provides residents with the following services which are listed by function.

GENERAL GOVERNMENT

The Assessor is responsible for locating, appraising, and listing all real property and mobile homes in the County. The Assessor also maintains a continuous record of recorded deed sales transactions, building permits, tax maps, and other records necessary for a continuing reassessment program.

The Auditor prepares legal records for all real and personal property; assembles real property, personal property, and motor vehicle information to establish a fair market value; and computes assessed values. The Auditor calculates and sets millage for all County taxing authorities and provides all exemptions as mandated.

The Budget Department develops financial plans for the County's resources while anticipating the impact on future fiscal periods within parameters established by County Council and the Administrator.

Capital Projects is responsible for project design services, construction project management, and contract administration services in relation to the renovation of existing buildings and construction of new facilities.

The Controller is responsible for maintaining accurate records of the County's financial transactions and reporting the results through the Comprehensive Annual Financial Report.

Delinquent Tax is responsible for collecting delinquent property taxes, levying tax liens and seizing property for unpaid taxes, conducting tax sales, redeeming properties, and conveying deeds to tax sale bidders if the properties are not redeemed.

The Elections and Voter Registration Board is responsible for conducting local, State, and Federal elections. It is also responsible for registering all voters and placing them in the proper voting precinct.

Facilities Management provides repair, maintenance, renovations, and minor construction of County facilities.

The Geographic Information System Division is responsible for managing, developing, maintaining, and disseminating spatial data for the County. It also performs quality assurance for all digital geographic data considered for inclusion in the County's database including aerial photography, real estate parcels, buildings, roads, bodies of water, points of interest, transportation infrastructure, and utilities.

The Grants Department is responsible for actively seeking grant funding for County departments and administering the Community Development Block Grant and Workforce Development program.

Human Resources supports the County by administering employment activities including compensation and benefits programs, providing training, facilitating employee
relations and interventions, providing performance counseling, and conducting wellness and benefits education programs.

**Information Technology Services** operates an integrated real and personal property tax system; civil, criminal, juvenile, and family court systems; user fee and business license systems; finance and personnel systems; and many other applications through a contract with an outside vendor.

The **Internal Auditor** provides Council with professional and independent evaluations of County activities, assists all members of management by furnishing analyses, appraisals, recommendations, and comments resulting from operational reviews of departmental activities, and provides independent financial and operational oversight when required.

**Internal Services** supports departments and agencies within County Government. These services include the upkeep of telephone systems; the storage of records; the processing of postal services; support services for vehicles; and the management of the County’s parking garages.

The **Legal Department** advises, represents, and defends the Charleston County Council, its members, and all County employees before all courts and administrative bodies; drafts and enforces ordinances; and collects existing claims in favor of Charleston County.

The **Legislative Delegation** serves as a liaison between the public, governmental agencies, and the elected State legislators that represent Charleston County.

**Organizational Development** promotes diversity and organizational effectiveness through strategic planning, human resource management, and systems development and implementation to better adapt to new and emerging technologies, markets and challenges.

The **Planning Department** provides planning and administrative advice to the County, citizen review boards, municipalities, the public and private sector, and real estate interests.

**Procurement** purchases all goods, equipment, and services for the County.

**Radio Communications** provides comprehensive communications support to County agencies and neighboring external public safety agencies, including management of the 800 MHz Public Safety Radio System, and operation of the Communications Electronics Maintenance Facility.

**Register of Mesne Conveyance** (RMC) records legal instruments, which include real estate titles, deeds, and mortgages. These recordings are made in compliance with State and Federal statutes and are available for public examination.

**Revenue Collections** administers the collection of fees for accommodations, business licenses, hazardous materials, stormwater, and Solid Waste User programs. In addition, the Department also collects similar revenues for municipalities under a contract arrangement.

**Safety & Risk Management** establishes a safe working environment for County employees and keeps premises free of hazards for the general public while ensuring that adequate insurance is obtained to cover the County’s assets, liabilities, and employees.
Introduction to Services

The Treasurer collects real, personal, motor vehicle, and other taxes and oversees their disbursement to the County, municipalities, school districts, and special service districts. Any funds not needed for immediate disbursement are invested.

JUDICIAL

The Clerk of Court is responsible for all administrative duties related to the functioning of the civil, criminal, domestic, and juvenile courts. Some of these duties include maintaining all pertinent pleadings, collecting and disbursing all fees and fines, creating trial dockets, and certifying copies of legal instruments.

The Coroner is elected by the citizens of Charleston County and conducts independent investigations of deaths in the County, serving as a representative of the decedents and survivors.

The Magistrates’ Courts handle various issues, including restraining orders, traffic violations and criminal cases with punishments of a fine not exceeding $500 plus assessments or imprisonment not exceeding 30 days or both as mandated by State statute.

The Master-In-Equity provides a relatively quick and inexpensive means of litigation for non-jury matters and hears most foreclosure cases and a substantial number of civil, non-jury matters as referred by Order of Reference of Circuit Judge or the Clerk of Court.

Probate Court assists citizens in handling involuntary commitments for drug/alcohol abuse and mental illness, and appointing and supervising guardians and conservators for the protection of themselves and others. It also administers wills, trusts and estates of deceased persons who die with or without a will, resolves disputes in estates and trusts, and issues marriage licenses.

The Solicitor provides prosecution services to the Court of General Sessions (Criminal Court), Ninth Judicial Circuit and Family Court (Juvenile), Ninth Judicial Court. The Court of General Sessions prosecutes all criminal cases in accordance with South Carolina Statutes and time constraints established by Circuit Court rules and regulations. Family Court has exclusive jurisdiction over minors alleged to have violated any State or municipal ordinance.

PUBLIC SAFETY

Building Services assures compliance with the Standard Building Codes to preserve the safety, health, and welfare of County residents.

Emergency Management is responsible for setting up measures that assist the public in the event of a natural or manmade disaster, providing land and water search operations, and recording hazardous materials in the community. These include fire protection, educational services, and rescue operations.

Emergency Medical Services provides advanced life support and paramedic services to the residents of the County. A board certified emergency medical physician directs the medical aspects of the services, and a professional staff of dispatchers and emergency medical technicians perform the services.

The Sheriff provides law enforcement services for the unincorporated areas of the County and for the incorporated areas as necessary. The Sheriff also maintains the Adult and Juvenile Detention Centers.
PUBLIC WORKS

Public Works is responsible for setting up measures that protect the public from hazards, providing safe passage to and from destinations within the County, improving public services in order to improve the quality of life for County citizens, and maintaining County property. These include the construction and maintenance of roads, bridges, and storm drainage systems; the upkeep of County grounds; and the provision of drainage and engineering services.

Solid Waste responsibilities encompass solid waste collection, processing, disposal, and recycling in order to provide citizens with a clean and healthy environment in which to live. These include the disposal of ash; collection throughout rural areas for incineration, recycling, and composting; proper disposal of residential household hazardous wastes; and enforcement of litter codes.

HEALTH/WELFARE

Department of Alcohol and Other Drug Services - Charleston Center provides outpatient and inpatient treatment services including detoxification for alcoholism, drug dependency, and other addictions. Programs are available for women and adolescents. Its 24-Hour Helpline, 722-0100, provides initial assessments for alcohol and drug problems. The Prevention Department offers important information to the public. The Alcohol and Drug Safety Action Program is designated by the State for citizens convicted of DUI violations.

The Health Department administers community-focused programs including those designed to prevent the spread of disease and to improve waste disposal.

Mosquito Control regulates and manages the mosquito population through an integrated program of inspection, control, and source reduction. It involves constructing tidal flushing canals in natural wetlands; cleaning canals and ditches; spraying for juvenile and adult mosquitoes with hand, truck-mounted, and aircraft-mounted spray equipment; and providing neighborhood clean up and education.

The Medically Indigent Assistance Program pays for inpatient hospital services for citizens with income meeting the federal poverty guidelines within the County.

Veterans Affairs serves as a local contact to assist U.S. veterans and their dependents in determining their basic eligibility and conditions of entitlement for all benefits from State and Federal governments.

CULTURE AND RECREATION

The Library identifies, evaluates, and responds to the informational, educational, cultural, and recreational needs of all County residents.

ECONOMIC DEVELOPMENT

Economic Development serves as a liaison between the County and governmental entities, nonprofit and private sector development interests, and the general public to promote economic growth in the Charleston region.
BUDGET SPECIFICS

**What is a budget?**
A budget is a financial plan of operation that includes estimates of disbursements (i.e., expenditures, transfers out) and sources (i.e., revenues, transfers in, fund balance) for a given period. It provides a basis for planning, controlling, and evaluating County activities.

The County adopts its operating budget on an annual basis for the period of July 1 through June 30. This is the County’s fiscal year which is often referred to by the acronym “FY”. For example, FY 2008 refers to the period of July 1, 2007 to June 30, 2008.

**What is a balanced budget?**
South Carolina law requires counties to have a balanced budget which consists of equal proposed sources to equal proposed disbursements. Charleston County’s budget is balanced.

**What are the components of a budget?**
A budget includes distinguishable pieces that are summarized below and described in the following questions:

\[
\text{Revenues} + \text{Transfers In} = \text{Sources}
\]
\[
\text{Sources} + \text{Decrease (Use) of Fund Balance} = \text{Available}
\]
\[
\text{Expenditures} + \text{Transfers Out} = \text{Disbursements}
\]
\[
\text{Disbursements} + \text{Increase in Fund Balance} = \text{Uses}
\]

**What is a revenue?**
Revenue is a yield of financial resources of income that a government collects for public use. Charleston County receives revenue from taxes, charges and fees, permits, licenses, fines and forfeitures, leases and rentals, interest, and other governmental entities during the fiscal year.

The County uses the accrual basis of accounting where revenues are recorded when earned, regardless of when cash is received.

**What is an expenditure?**
An expenditure is a decrease in financial resources. Expenditures are recorded when liabilities are incurred, regardless of when payment is made.

Expenditures include personnel, capital, and operating. Personnel expenditures include salaries and benefits for regular employees, temporary employees, and contracted services. Capital expenditures include purchases such as vehicles and equipment with a per unit cost of more than $5,000 and a useful life of more than one year. Operating expenditures include all expenditures other than personnel and capital expenditures. Some examples include advertising, printing, supplies, and training.
Introduction to the Budget

What is a transfer in/out?
A transfer is the movement of monies between funds during the fiscal year. This process of moving money from one fund (transfer out) to another fund (transfer in) is comparable to using separate bank accounts.

What are sources?
Sources are the total of revenues and transfers in.

What are disbursements?
Disbursements are the total of expenditures and transfers out.

What is a fund?
Funds are accounting entities with their own assets, liabilities, equity, revenues, and expenditures. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. These various funds enable the County to record transactions according to generally accepted accounting principles. The following is a summary of the types of funds used by the County:

<table>
<thead>
<tr>
<th>Governmental Funds =</th>
<th>General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Debt Service Fund</td>
</tr>
<tr>
<td></td>
<td>Special Revenue Funds</td>
</tr>
<tr>
<td></td>
<td>Capital Projects Fund</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proprietary Funds * =</th>
<th>Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Internal Service Funds</td>
</tr>
</tbody>
</table>

* Activities conducted as a business

What is fund balance?
Fund balance is unexpended funds at the end of the fiscal year. The ending fund balance increases when sources exceed disbursements or decreases when disbursements exceed sources. These funds are carried forward to the next fiscal year and may be used to fund future expenditures.

How does the County keep its accounting records?
Fund accounting separates funds according to their intended purpose and is used to aid management in complying with national accounting standards and legal requirements of the State and Federal government. Charleston County publishes an annual budget and audit that have received awards from the Government Finance Officers Association (GFOA). GFOA is the professional association of state and local finance officers in the United States who are dedicated to the sound management of government financial resources.
THE BUDGET PROCESS

The annual Charleston County Budget Process is divided into five phases: Planning, Development, Approval, Compliance Monitoring, and External Audit. The Budget Office works closely with the County Administrator in preparing a budget according to the following timetable:

**Planning**  
**October**  
• The Budget Office conducts Budget Workshops.

**November**  
• Departments submit requests to program managers for employee, vehicle, information technology, facility, and other internal service needs.

**December**  
• Departments submit information for the Capital Improvement Plan.

**Development**  
**January**  
• Departments submit their budgets to the Budget Office.

**February - March**  
• The Budget Office compiles and reviews requests for recommendation to the Administrator.

**April**  
• The Administrator finalizes the budget.

**Approval**  
**May - June**  
• Public hearings are held for citizen participation.

• Council's budget hearings are held to review the budgets in depth.

• Three readings of the budget ordinance are conducted.

**Compliance Monitoring**  
**Ongoing**  
• Quarterly reviews are held for adjustments to the budget.

• Mid-year and third quarter projections of ending fund balance are incorporated into the available funding for the following budget year.

• Budget amendments are made if applicable.

**External Audit**  
**July - December**  
• An Independent Audit for compliance with Council's approved budget is conducted after the end of the fiscal year.
TAX IMPACT

No Net Increase in Taxes for the Homeowner

The net tax bill for the four percent assessed property homeowner of $250,000 in appraised property value will total $332.00 which is changed from the current year. The Local Option Sales Tax credit of $235.00 for the $250,000 homeowner remains unchanged. The fee portion of the homeowner’s tax bill reflects a $99 user fee for disposal of solid waste and is increased from the previous rate of $89. In addition to this information, an annual fee of $36 per household located in the unincorporated areas of the County is included on the annual bill for a stormwater drainage program. This fee is not included in the information shown below.

For a more detailed discussion on the calculation of property taxes, refer to pages 27 – 28.
The County receives funding from several sources to finance its operating budget. The following graph and table summarize the total available budgeted sources for FY 2008.

### WHERE IT COMES FROM...

**FY 2008 All Funds**

- General Fund
- Debt Service Fund
- Special Revenue Funds
- Enterprise Funds
- Internal Service Funds

**Total Available Budgeted: $367,061,333**

<table>
<thead>
<tr>
<th>Source</th>
<th>FY 2005 Actual</th>
<th>FY 2006 Actual</th>
<th>FY 2007 Adjusted</th>
<th>FY 2008 Approved</th>
<th>Change</th>
<th>Percent Change</th>
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<tr>
<td>Property Tax</td>
<td>$77,664,088</td>
<td>$82,081,517</td>
<td>$80,707,983</td>
<td>$84,425,617</td>
<td>$3,717,634</td>
<td>4.6</td>
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<td>51,581,542</td>
<td>154,578,244</td>
<td>90,763,800</td>
<td>97,027,500</td>
<td>6,263,700</td>
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<td>Licenses &amp; Permits</td>
<td>4,612,542</td>
<td>5,152,121</td>
<td>5,118,750</td>
<td>5,270,050</td>
<td>151,300</td>
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<td>Intergovernmental</td>
<td>28,151,470</td>
<td>30,596,232</td>
<td>32,684,990</td>
<td>35,468,301</td>
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<td>105,981,140</td>
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<td>8,690,043</td>
<td>6,068,000</td>
<td>6,082,500</td>
<td>14,500</td>
<td>0.2</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>16,119,952</td>
<td>3,281,318</td>
<td>2,449,455</td>
<td>485,929</td>
<td>(1,963,526)</td>
<td>(80.2)</td>
</tr>
<tr>
<td>Leases &amp; Rentals</td>
<td>900,898</td>
<td>963,630</td>
<td>782,879</td>
<td>833,577</td>
<td>50,698</td>
<td>6.5</td>
</tr>
<tr>
<td>Debt Proceeds</td>
<td>-</td>
<td>-</td>
<td>1,117,000</td>
<td>-</td>
<td>(1,117,000)</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$275,037,102</td>
<td>$384,430,802</td>
<td>$321,839,439</td>
<td>$338,751,050</td>
<td>$16,911,611</td>
<td>5.3</td>
</tr>
<tr>
<td><strong>Transfers In</strong></td>
<td>16,527,301</td>
<td>28,236,449</td>
<td>12,690,466</td>
<td>15,301,579</td>
<td>2,611,113</td>
<td>20.6</td>
</tr>
<tr>
<td><strong>Use of Fund Balance</strong></td>
<td>1,739,259</td>
<td>8,401,596</td>
<td>15,157,372</td>
<td>13,008,704</td>
<td>(2,148,668)</td>
<td>(14.2)</td>
</tr>
<tr>
<td><strong>Total Avail. Budgeted</strong></td>
<td>$293,303,662</td>
<td>$421,068,847</td>
<td>$349,687,277</td>
<td>$367,061,333</td>
<td>$17,374,056</td>
<td>5.0</td>
</tr>
</tbody>
</table>
The County disburses funds according to functional areas. The following graph and table summarize the total uses by function and/or fund type for FY 2008.

**WHERE IT GOES...**

**FY 2008 All Funds**

```
<table>
<thead>
<tr>
<th></th>
<th>FY 2005</th>
<th>FY 2006</th>
<th>FY 2007</th>
<th>FY 2008</th>
<th>Change</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
<td>Adjusted</td>
<td>Approved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Govt.</td>
<td>$74,379,911</td>
<td>$87,440,972</td>
<td>$94,415,855</td>
<td>$99,818,615</td>
<td>$5,402,760</td>
<td>5.7</td>
</tr>
<tr>
<td>Judicial</td>
<td>15,381,965</td>
<td>17,389,764</td>
<td>19,594,273</td>
<td>20,543,761</td>
<td>949,488</td>
<td>4.8</td>
</tr>
<tr>
<td>Public Safety</td>
<td>60,654,910</td>
<td>63,877,716</td>
<td>73,085,792</td>
<td>73,179,884</td>
<td>94,092</td>
<td>0.1</td>
</tr>
<tr>
<td>Public Works</td>
<td>38,632,371</td>
<td>47,893,857</td>
<td>69,964,123</td>
<td>71,875,024</td>
<td>1,910,901</td>
<td>2.7</td>
</tr>
<tr>
<td>Health/Welfare</td>
<td>15,287,320</td>
<td>16,210,506</td>
<td>19,453,370</td>
<td>19,929,202</td>
<td>475,832</td>
<td>2.4</td>
</tr>
<tr>
<td>Culture/Recreation</td>
<td>16,029,300</td>
<td>17,427,709</td>
<td>25,071,915</td>
<td>26,151,986</td>
<td>1,080,071</td>
<td>4.3</td>
</tr>
<tr>
<td>Education</td>
<td>3,798,208</td>
<td>4,939,319</td>
<td>4,838,000</td>
<td>5,131,322</td>
<td>293,322</td>
<td>6.1</td>
</tr>
<tr>
<td>Economic Develop.</td>
<td>953,526</td>
<td>1,655,344</td>
<td>1,043,700</td>
<td>1,001,304</td>
<td>(42,396)</td>
<td>(4.1)</td>
</tr>
<tr>
<td>Debt Service</td>
<td>20,042,031</td>
<td>24,775,394</td>
<td>28,364,640</td>
<td>32,339,528</td>
<td>3,974,888</td>
<td>14.0</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>245,159,542</td>
<td>281,610,581</td>
<td>335,831,688</td>
<td>349,970,626</td>
<td>14,138,958</td>
<td>4.2</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>19,383,521</td>
<td>33,613,547</td>
<td>13,407,575</td>
<td>15,486,579</td>
<td>2,079,004</td>
<td>15.5</td>
</tr>
<tr>
<td>Total Disbursements</td>
<td>264,543,063</td>
<td>315,224,128</td>
<td>349,239,243</td>
<td>365,457,205</td>
<td>16,217,962</td>
<td>4.6</td>
</tr>
<tr>
<td>Increase in Fund Bal.</td>
<td>28,760,599</td>
<td>105,844,719</td>
<td>448,034</td>
<td>1,604,128</td>
<td>1,156,094</td>
<td>258.0</td>
</tr>
<tr>
<td>Total Uses</td>
<td>$293,303,662</td>
<td>$421,068,847</td>
<td>$349,687,277</td>
<td>$367,061,333</td>
<td>$17,374,056</td>
<td>5.0</td>
</tr>
</tbody>
</table>
```

Total Uses: $367,061,333
GOVERNMENTAL FUND TYPES

GENERAL FUND

The FY 2008 approved budgeted disbursements and available sources for the General Fund total $172.2 million, a $7.7 million or 4.7 percent increase from the FY 2007 budget. The General Fund millage is 40.2 mills. Refer to pages 27 and 28 for a further discussion of millage.

The following shows a representation of the County’s General Fund budget. Pages 21 and 22 discuss significant changes to available sources and disbursements.

WHERE IT COMES FROM...
FY 2008 Charleston County General Fund

WHERE IT GOES...
FY 2008 Charleston County General Fund

Total Available Budgeted: $172,184,839

Total Uses: $172,184,839
Approved Budget

GENERAL FUND (continued)

Available Sources

<table>
<thead>
<tr>
<th></th>
<th>FY 2006 Actual</th>
<th>FY 2007 Adjusted</th>
<th>FY 2008 Approved</th>
<th>Dollar Change</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>$59,056,888</td>
<td>$57,818,500</td>
<td>$60,106,500</td>
<td>$2,288,000</td>
<td>4.0</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>42,159,174</td>
<td>43,500,000</td>
<td>46,500,000</td>
<td>3,000,000</td>
<td>6.9</td>
</tr>
<tr>
<td>Licenses and Permits</td>
<td>5,006,086</td>
<td>4,958,750</td>
<td>5,120,050</td>
<td>161,300</td>
<td>3.3</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>18,715,037</td>
<td>19,399,615</td>
<td>21,795,845</td>
<td>2,396,230</td>
<td>12.4</td>
</tr>
<tr>
<td>Charges and Fees</td>
<td>21,457,604</td>
<td>21,339,000</td>
<td>21,054,800</td>
<td>(284,200)</td>
<td>(1.3)</td>
</tr>
<tr>
<td>Fines and Forfeitures</td>
<td>2,183,433</td>
<td>1,762,500</td>
<td>2,258,000</td>
<td>495,500</td>
<td>28.1</td>
</tr>
<tr>
<td>Interest</td>
<td>5,631,261</td>
<td>4,563,500</td>
<td>4,571,000</td>
<td>7,500</td>
<td>0.2</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2,154,424</td>
<td>1,967,405</td>
<td>26,329</td>
<td>(1,941,076)</td>
<td>(98.7)</td>
</tr>
<tr>
<td>Leases and Rentals</td>
<td>784,352</td>
<td>625,000</td>
<td>670,000</td>
<td>45,000</td>
<td>7.2</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$157,148,259</strong></td>
<td><strong>$155,934,270</strong></td>
<td><strong>$162,102,524</strong></td>
<td><strong>$6,168,254</strong></td>
<td><strong>4.0</strong></td>
</tr>
<tr>
<td><strong>Transfers In</strong></td>
<td>4,614,544</td>
<td>1,694,905</td>
<td>1,582,315</td>
<td>(112,590)</td>
<td>(6.6)</td>
</tr>
<tr>
<td><strong>Use of Fund Balance</strong></td>
<td><strong>(10,404,307)</strong></td>
<td><strong>6,873,682</strong></td>
<td><strong>8,500,000</strong></td>
<td><strong>1,626,318</strong></td>
<td><strong>23.7</strong></td>
</tr>
<tr>
<td><strong>TOTAL AVAILABLE</strong></td>
<td><strong>$151,358,496</strong></td>
<td><strong>$164,502,857</strong></td>
<td><strong>$172,184,839</strong></td>
<td><strong>$7,681,982</strong></td>
<td><strong>4.7</strong></td>
</tr>
</tbody>
</table>

Budgeted available funds of $172.2 million reflect an increase of $7.7 million or 4.7 percent from FY 2007. Significant changes in the FY 2008 budget are as follows:

- **Sales Tax** - reflects an increase of $3.0 million from the FY 2007 projection. Revenue from the local option sales tax shows a consistent trend of increasing since FY 2003. The local option sales tax is directly tied to the level of consumer spending in Charleston County.

- **Intergovernmental** - represents an increase of $1.8 million in State Aid to Local Governments due to the growth in the State’s economy. The disbursement ratio for the State Aid is based on the ratio of the County’s population to the population of the State. This ratio is applied by a formula that includes the State’s General Fund revenue for the last completed fiscal year.

- **Charges and Fees** - represents a decrease of $0.3 million. This decrease is offset by Detention Center revenues due to the increased number of federal prisoners housed within the County’s facilities and revenues from Emergency Medical Services due to a revision in the EMS rate schedule and an increase in the collection rate.

- **Interfund Transfer In** - decreased $0.1 million or 6.7% from the prior year.
GENERAL FUND (continued)

Disbursements

<table>
<thead>
<tr>
<th></th>
<th>FY 2006</th>
<th>FY 2007</th>
<th>FY 2008</th>
<th>Dollar Change</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$41,449,144</td>
<td>$46,094,222</td>
<td>$48,337,869</td>
<td>$2,243,647</td>
<td>4.9</td>
</tr>
<tr>
<td>Judicial</td>
<td>15,493,277</td>
<td>17,230,512</td>
<td>17,802,624</td>
<td>572,112</td>
<td>3.3</td>
</tr>
<tr>
<td>Public Safety</td>
<td>59,700,549</td>
<td>66,535,806</td>
<td>68,376,880</td>
<td>1,841,074</td>
<td>2.8</td>
</tr>
<tr>
<td>Public Works</td>
<td>8,684,416</td>
<td>11,258,678</td>
<td>12,020,893</td>
<td>762,215</td>
<td>6.8</td>
</tr>
<tr>
<td>Health/Welfare</td>
<td>3,624,545</td>
<td>4,042,676</td>
<td>4,015,331</td>
<td>(27,345)</td>
<td>(0.7)</td>
</tr>
<tr>
<td>Economic Development</td>
<td>482,302</td>
<td>561,654</td>
<td>471,435</td>
<td>(90,219)</td>
<td>(16.1)</td>
</tr>
<tr>
<td>Culture and Recreation</td>
<td>12,301,077</td>
<td>13,277,590</td>
<td>14,100,000</td>
<td>822,410</td>
<td>6.2</td>
</tr>
<tr>
<td>Debt Service</td>
<td>10,650</td>
<td>391,832</td>
<td>402,255</td>
<td>10,423</td>
<td>2.7</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$141,745,960</td>
<td>$159,392,970</td>
<td>$165,527,287</td>
<td>$ 6,134,317</td>
<td>3.8</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>9,612,536</td>
<td>5,109,887</td>
<td>6,657,552</td>
<td>1,547,665</td>
<td>30.3</td>
</tr>
<tr>
<td>TOTAL DISBURSEMENTS</td>
<td>$151,358,496</td>
<td>$164,502,857</td>
<td>$172,184,839</td>
<td>$ 7,681,982</td>
<td>4.7</td>
</tr>
</tbody>
</table>

General Fund budgeted disbursements of $172.2 million represent a $7.7 million or 4.7 percent increase over the FY 2007 budget. Significant changes in the FY 2008 budget are as follows:

- **Sheriff** - reflects separating the Dispatch Division from the Law Enforcement Division. In addition, operating expenditures represent the addition of 12 full-time positions and increases to inmate-related costs at the Detention Center.

- **Technology Services** – reflects an increase in the management contract for transition costs associated with vendors and the cost of acquiring a new tax system.

- **Salary Adjustment** – represents a Cost of Living Adjustment (COLA) of 2.5 percent for full-time County employees, a revised employee compensation philosophy, and beginning to set-aside funds for post-employment benefits.

Fund Balance

The beginning fund balance for FY 2008 is $44.8 million and consists of unanticipated prior year revenues and transfers in, lapsed prior year funds, and the “Rainy Day Fund,” which is a reserve established and maintained by County Ordinance for catastrophes.

The funds designated for the “Rainy Day Fund” are anticipated to increase by $0.5 million to a balance of $9.5 million, pending completion of the FY 2007 audit. The first additional $0.5 million of actual tax revenues over budget goes to the Rainy Day Fund designation per County Ordinance. This designation was established in FY 1992 to strengthen the County’s balance sheet and to strengthen the County’s disaster preparedness position. The designation is intended to equal no less than four percent of the General Fund disbursements as required by the Budget Ordinance.

Council authorized, in total, the use of $8.5 million from fund balance. The FY 2008 ending fund balance is projected to be $36.3 million. Of this amount, $27.8 million is unreserved and undesignated in an effort to maintain a one to two months buffer in addition to the Rainy Day Fund.
DEBT SERVICE FUND

Charleston County issues debt to accomplish large capital projects that are not affordable on a pay-as-you-go basis. The three main types of debt used are General Obligation Bonds (GOBs), Certificates of Participation (COPs), and Revenue Bonds. Such bonds are authorized by resolution indicating the amount and purpose of the bonds, interest rate, and repayment terms. These bonds are secured by the full faith and credit of the County, which means there is a pledge of the County's general taxing power for the repayment of the debt.

Another source of funding utilized is a Capital Lease. Capital leases provide the ability to fund relatively smaller capital needs without issuing General Obligation Bonds. For example, during FY 2002, the County entered into a lease agreement to fund replacement computer equipment over a three year period.

As of July 1, 2007, total outstanding debt for the next 25 fiscal years is $377.9 million (principal payments of $264.5 million and interest payments of $113.4 million). The FY 2008 budget addresses the repayment of the current portion of this debt.

The FY 2008 approved budgeted disbursements for the Debt Service Fund total $26.9 million which is a $3.2 million or 13.3 percent increase from the FY 2007 budget. The increase represents costs associated with an anticipated borrowing to occur in FY 2008. The Debt Service Fund millage is 6.6 mills representing no change from FY 2007.

WHERE IT COMES FROM...
FY 2008 Charleston County Debt Service Fund

WHERE IT GOES...
FY 2008 Charleston County Debt Service Fund

The amount of debt that the County can issue is restricted by State Law. Based on this restriction, the County can issue $148.9 million in new debt. The County anticipates borrowing additional funds in FY 2008 to implement a five-year Capital Improvement Plan. The County plans to issue $125 million in General Obligation Bonds with $75 million being issued in FY 2008 and $50 million planned for FY 2010, to help finance property acquisitions, building construction, and other large projects.
SPECIAL REVENUE FUNDS

The FY 2008 approved budgeted disbursements and available sources for the Special Revenue Funds total $69.0 million (including budgeted increases in fund balance), a $12.0 million or 14.0 percent decrease from the FY 2007 budget. Significant changes in the FY 2008 budget are as follows:

- **Stormwater Drainage** - reflects the drainage fee implemented during FY 2007 as a result of a federal mandate and is based on actual collections during the prior year.

- **Transportation Sales Tax** - represents results of increased consumer spending and a more accurate collection and reporting of this tax by businesses.

- **Accommodations Fee** - represents the continued growth in local tourism.

CAPITAL PROJECTS FUND

The County defines a capital expenditure as a single item that costs $5,000 or more and lasts longer than one year. Some capital expenditures are included within the operating budget since they are recurring or affordable on a pay-as-you-go basis. Examples of capital expenditures included in the operating budget are vehicles and equipment purchases. Following is a table summarizing capital in the operating budget.

<table>
<thead>
<tr>
<th>Capital Expenditures</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$ 5,048,441</td>
</tr>
<tr>
<td>Special Revenue Fund</td>
<td>125,725</td>
</tr>
<tr>
<td>Enterprise Funds</td>
<td>3,404,000</td>
</tr>
<tr>
<td>Internal Service Funds</td>
<td>229,000</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$ 8,807,166</strong></td>
</tr>
</tbody>
</table>

Capital expenditures that are not included in the operating budget are considered in the Capital Improvement Plan (CIP). Charleston County’s CIP allocates existing funds and anticipated revenues to rehabilitate, restore, improve, and add to the County’s capital facilities.

Implementing a multi-year CIP promotes better use of the County’s limited financial resources and assists in the coordination of public and private development. As a financial tool, a multi-year CIP provides early indications of major outlays and assures timely facility maintenance or replacement. In addition, multi-year capital improvement plans are an integral part of long-range planning and consequently are viewed positively by bond rating agencies.

The County’s CIP adopted in the FY 2008 budget process includes several projects. The most significant of the projects included in the CIP is the expansion of the Adult Detention Facility. Other projects include improvements to the Azalea Complex which incorporates an Automotive Shop and Phase II of rehabilitating the 13 year-old 800 MHz Radio Communication system.
Approved Budget

The new projects approved for FY 2008 also include a multi-jurisdictional Consolidated Dispatch Center for police, fire, and emergency medical services and the repairs at the Judicial Center. County Council and staff annually review the CIP and monitor its direction, progress, and financing requirements.

PROPRIETARY FUNDS

ENTERPRISE FUNDS

The FY 2008 approved budgeted disbursements and available sources for the Enterprise Funds total $62.2 million (including budgeted increases in fund balance). This is a $6.2 million or an 11.1 percent increase from the FY 2007 budget. Significant changes in the FY 2008 budget are as follows:

- **Revenue Collections** - represents growth in the collection of fees and charges.

- **Solid Waste** - reflects the $10 increase in the Solid Waste User Fee.

- **Solid Waste – Incinerator** – reflects a higher contract payment related to the contractor’s debt service on the facility.

INTERNAL SERVICE FUNDS

The FY 2008 approved budgeted disbursements and available sources for the Internal Service Funds total $36.7 million, which is consistent with the FY 2007 budget. There were no significant changes in the FY 2008 budget.
STAFFING

There were 48 Full-Time Equivalents (FTEs) added for FY 2008, bringing the total number of FTEs employed by Charleston County to 2,253. Twelve detention officer positions were added for the Sheriff; three positions for the Solicitor; one position for Economic Development; three positions for the Awendaw Fire Department; seven positions for the continued implementation of the Stormwater Drainage program; one position for Transportation Administration; four positions for DAODAS; one position for E-911 communications; two positions for Solid Waste; and ten grant funded positions. During budget deliberations, Council added one position each to the following offices: Coroner, Master-in-Equity, Probate Courts, and Veterans’ Affairs.

The following two charts organize FTEs by different categories. The first chart represents authorized positions by function. The second chart represents authorized positions by fund type (General Fund versus all other funds).

**Authorized Positions (FTEs) By Function**

**FY 2008 Charleston County All Funds**

**Authorized Positions Summary**

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>2353.4</td>
<td>665.8</td>
<td>1,667.6</td>
<td>1,712.1</td>
<td>1,731.6</td>
<td>1,736.5</td>
</tr>
<tr>
<td>2186.2</td>
<td>450.1</td>
<td>1,712.1</td>
<td>1,731.6</td>
<td>1,736.5</td>
<td>1,746.4</td>
</tr>
<tr>
<td>2162.2</td>
<td>454.6</td>
<td>454.6</td>
<td>454.6</td>
<td>454.6</td>
<td>454.6</td>
</tr>
<tr>
<td>2205.2</td>
<td>468.7</td>
<td>506.7</td>
<td>506.7</td>
<td>506.7</td>
<td>506.7</td>
</tr>
<tr>
<td>2253.0</td>
<td>506.7</td>
<td>506.7</td>
<td>506.7</td>
<td>506.7</td>
<td>506.7</td>
</tr>
</tbody>
</table>

Charleston County 2008 Citizen’s Guide
PROPERTY TAXES

Millage Rate - a property tax rate, also referred to as Ad Valorem tax rate, is expressed in terms of mills. A mill is a monetary unit equal to one one-thousandth of a dollar or $0.001. The rate at which the tax is charged is called the millage rate. Each mill is equal to $1 per $1,000 of property value. Refer to the following page for an example of computing real property taxes.

The millage rate for the County is comprised of the General Fund (or operating) millage and the debt service millage. The General Fund millage remains constant from FY 2007 at 40.2 mills. The debt service levy, used to pay interest and principal on funds borrowed for capital projects, also remained constant in FY 2008 at 6.6 mills. The combined operating and debt service levy remains unchanged at 46.8 mills.

Local Option Sales Tax (LOST) - a sales tax added to the price you pay for many goods and services you buy. An additional one percent sales tax is levied in Charleston County on top of the State’s five percent sales tax. Although State law requires only 71 percent of the receipts be earmarked as property tax relief and returned to taxpayers as a credit, the County applies 100 percent of the receipts to reduce property taxes.

For the owner of a $250,000 home (four percent assessed property) the 46.8 mills equate to a tax of $468.00. As allowed under State law, the County elected in FY 1991 to reduce property taxes by levying a one percent Local Option Sales Tax (LOST). The Sales Tax credit for FY 2008 is $235.00 for the $250,000 homeowner and remains unchanged from the current year. After applying the Sales Tax credit, the net tax is $233.00 representing no change from the current year for the $250,000 homeowner.

Exemptions - are provided by South Carolina law to qualified real property owners to reduce the value of property subject to taxation. The most frequently used exemption is the Homestead Exemption and is comprised of the following:

The first $50,000 of the value of an owner-occupied residence is exempt for all legal residents of South Carolina that have resided in the State for at least one year on or before December 31 of the year prior to exemption and are one of the following:

- 65 or before December 31, preceding the tax year in which you wish to claim exemption
- certified totally and permanently disabled by State or Federal agency
- legally blind
- at least 50 years of age when your spouse who was eligible for exemption died

Calculating Tax Bills - The Assessor supervises the valuation process following the appropriate State laws, regulations, and professional guidelines. Based on the County millage rates, the Solid Waste User Fee, and the LOST credit, the following illustrates the computation of taxes on a $250,000 owner-occupied home.
Calculating the Tax Bill

The following information is needed to compute property tax on a parcel:
- the appraised value as determined by the property appraiser
- the amount of the value which is not subject to the tax due to the application of exemptions
- the millage rate authorized by a taxing authority

<table>
<thead>
<tr>
<th>WITH HOMESTEAD</th>
<th>WITHOUT HOMESTEAD</th>
</tr>
</thead>
<tbody>
<tr>
<td>$250,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>(50,000) Less Homestead Exemption</td>
<td></td>
</tr>
<tr>
<td>200,000</td>
<td></td>
</tr>
<tr>
<td>Adjusted Appraised Property Value</td>
<td></td>
</tr>
<tr>
<td>8,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Multiplied by the Legal Residence Assessment Ratio</td>
<td>0.04</td>
</tr>
<tr>
<td>374.40</td>
<td>468.00</td>
</tr>
<tr>
<td>Total Assessment</td>
<td></td>
</tr>
<tr>
<td>Multiplied by the combined millage, for example, using the FY 2008</td>
<td>0.0468</td>
</tr>
<tr>
<td>adopted County millage rate</td>
<td></td>
</tr>
<tr>
<td>0.0468</td>
<td>0.0468</td>
</tr>
<tr>
<td>235.00</td>
<td>235.00</td>
</tr>
<tr>
<td>Less County Sales Tax Credit x Appraised Value (.00094 x 250,000)</td>
<td></td>
</tr>
<tr>
<td>139.40</td>
<td>233.00</td>
</tr>
<tr>
<td>Tax Due After Sales Tax Credit</td>
<td></td>
</tr>
<tr>
<td>99.00</td>
<td>99.00</td>
</tr>
<tr>
<td>Plus Solid Waste Recycling and Disposal Fee</td>
<td></td>
</tr>
<tr>
<td>$ 238.00</td>
<td>$ 332.00</td>
</tr>
<tr>
<td>Total Amount Due</td>
<td></td>
</tr>
</tbody>
</table>

*Note: Does not include the following entities: Trident Technical College, Charleston County Park & Recreation Commission, Charleston County School District, or various special purpose districts or municipalities.

History of Countywide Millage Rates

![Countywide Millage Rates Graph](image)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>County</th>
<th>School</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>79.1</td>
<td>103.7</td>
<td>12.3</td>
<td>195.1</td>
</tr>
<tr>
<td>1999</td>
<td>82.1</td>
<td>105.6</td>
<td>13.0</td>
<td>200.7</td>
</tr>
<tr>
<td>2000</td>
<td>85.8</td>
<td>119.8</td>
<td>12.9</td>
<td>218.5</td>
</tr>
<tr>
<td>2001</td>
<td>85.8</td>
<td>115.2</td>
<td>12.9</td>
<td>213.9</td>
</tr>
<tr>
<td>2002</td>
<td>66.8</td>
<td>103.4</td>
<td>9.8</td>
<td>180.0</td>
</tr>
<tr>
<td>2003</td>
<td>61.2</td>
<td>109.7</td>
<td>9.3</td>
<td>180.2</td>
</tr>
<tr>
<td>2004</td>
<td>61.2</td>
<td>117.2</td>
<td>9.3</td>
<td>187.7</td>
</tr>
<tr>
<td>2005</td>
<td>61.2</td>
<td>121.4</td>
<td>9.3</td>
<td>191.9</td>
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<tr>
<td>2006</td>
<td>46.8</td>
<td>106.9</td>
<td>7.6</td>
<td>161.3</td>
</tr>
<tr>
<td>2007</td>
<td>46.8</td>
<td>106.4</td>
<td>7.6</td>
<td>160.8</td>
</tr>
</tbody>
</table>

* Reassessment

Other includes the Charleston County Park and Recreation Commission and Trident Technical College.
LOOKING AHEAD – CHALLENGES IN FISCAL YEAR 2009 AND BEYOND

Operating and Debt Service Impact of the Construction Improvement Plan
To address current building and infrastructure needs, the County has adopted a rolling five-year Capital Improvement Plan (CIP). While Council has identified funding for some of the projects in the CIP, the majority of the funding will come from the issuance of $75 million of General Obligation Bonds in Fiscal Year 2008 and $50 million in Fiscal Year 2010. It is anticipated that the borrowing of these funds will require a millage increase in Fiscal Year 2010.

State Actions
During the 2006 legislative session, State lawmakers changed the methodology for increasing local tax millage. Local municipalities can increase the millage rate for general operating purposes above the rate imposed in the preceding tax year by no more than the average Consumer Price Index (CPI) for the previous calendar year plus the percentage increase in population during the fiscal year two years earlier. This limitation could play a factor in future years as the new detention center becomes operational (which brings additional costs) or the County decides to implement new or additional services. If the millage cannot be increased to meet these costs, then new revenues must be found and/or current services must be reduced.

Other Post Employment Benefits (OPEB)
Under an accounting pronouncement (General Accounting Standards Board Statement No. 45), the County is required to account for post retirement benefits beginning in Fiscal Year 2008. These post retirement benefits include health insurance costs for current and future retirees. In addition to setting aside funds in Fiscal Year 2008, the County will set aside funds for a total of 30 years to fund the cost of benefits earned for service previously provided by employees.

Implementation of Projects Related to the Transportation Sales Tax
Collection of a half percent sales tax approved by voter referendum began in Charleston County in May 2005. The referendum authorized funding for transportation related projects, mass transit, and greenbelts. The transportation portion will include road construction and maintenance projects, as well as the $3.0 million annual payment for the Arthur Ravenel, Jr. Bridge. Funding designated for mass transit will be used to partially fund the existing operations of the local regional and rural bus systems. The portion of the tax designated for greenbelts was used to develop a comprehensive plan and will now be followed by land acquisitions. The tax will bring in $1.3 billion over approximately 25 years. In an effort to be fiscally responsible, the County is borrowing funds to purchase land and build roads now in anticipation of future increases in land and construction costs. Administration of the tax and the accelerated projects will have a significant effect upon the County’s operations.