

COUNTY OF CHARLESTON, SOUTH CAROLINA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2008

<u>ASSETS</u>	General	Debt Service	Transportation and Road Sales Tax Special Revenue	G.O.B. Capital Projects	Other Governmental Funds	Total Governmental Funds
Non-pooled cash and cash equivalents	\$ 2,781,211	\$ -	\$ -	\$ -	\$ 1,568,850	\$ 4,350,061
Pooled cash and cash equivalents	11,774,885	-	-	-	11,781,704	23,556,589
Pooled investments	20,425,188	14,916,656	149,900,893	69,921,479	20,343,651	275,507,867
Restricted investments	-	4,665,794	-	-	-	4,665,794
Restricted cash and cash equivalents	-	21,641	74,241,318	-	870,037	75,132,996
Receivables (net of allowances for uncollectibles)	122,486,243	17,626,995	17,110,147	-	15,210,558	172,433,943
Due from other funds	1,140,667	-	-	-	-	1,140,667
Inventory	630,802	-	-	-	-	630,802
Prepaid items and deposits	393	-	-	-	-	393
Total assets	<u>\$ 159,239,389</u>	<u>\$ 37,231,086</u>	<u>\$ 241,252,358</u>	<u>\$ 69,921,479</u>	<u>\$ 49,774,800</u>	<u>\$ 557,419,112</u>
 <u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Accounts payable	\$ 2,172,407	\$ 55,401	\$ 1,109,472	\$ 1,350,812	\$ 2,033,624	\$ 6,721,716
Accrued payroll and fringe benefits	2,332,133	-	23,831	-	220,981	2,576,945
Due to component units	481,299	-	-	-	-	481,299
Due to other funds	486,812	-	-	-	1,140,667	1,627,479
Intergovernmental payable	2,230,933	520	171	-	5,583,128	7,814,752
Due to third parties	1,455,872	-	-	-	-	1,455,872
Unearned revenue	105,351,556	17,472,659	-	-	6,866,482	129,690,697
Total liabilities	<u>114,511,012</u>	<u>17,528,580</u>	<u>1,133,474</u>	<u>1,350,812</u>	<u>15,844,882</u>	<u>150,368,760</u>
Fund balances:						
Reserved for inventories and prepaid items	631,195	-	-	-	-	631,195
Reserved for encumbrances	830,799	-	10,012,341	-	1,394,368	12,237,508
Reserved for debt service	-	19,702,506	-	-	-	19,702,506
Reserved for capital projects	-	-	-	68,570,667	13,774,609	82,345,276
Reserved for transportation and road sales tax special revenue fund	-	-	230,106,543	-	-	230,106,543
Unreserved:						
Designated for rainy day	8,000,000	-	-	-	-	8,000,000
Designated for subsequent years' appropriation - general fund	2,500,000	-	-	-	-	2,500,000
Designated for subsequent years' appropriation - special revenue funds	-	-	-	-	18,760,941	18,760,941
Undesignated - general fund	32,766,383	-	-	-	-	32,766,383
Total fund balances	<u>44,728,377</u>	<u>19,702,506</u>	<u>240,118,884</u>	<u>68,570,667</u>	<u>33,929,918</u>	<u>407,050,352</u>
Total liabilities and fund balances	<u>\$ 159,239,389</u>	<u>\$ 37,231,086</u>	<u>\$ 241,252,358</u>	<u>\$ 69,921,479</u>	<u>\$ 49,774,800</u>	<u>\$ 557,419,112</u>

See notes to financial statements.

County of Charleston, South Carolina  
 Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2008

Total Governmental Fund Balances		\$407,050,352
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		224,350,211
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Deferred issuance costs	\$1,865,241	
Property taxes	<u>1,911,059</u>	
		3,776,300
Internal service funds are used by management to charge the costs of insurance, fleet and office services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		17,754,112
Elimination of indirect income and expenses between governmental funds and the enterprise funds which creates an internal balance.		(15,364,155)
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	(373,504,430)	
Certificates of participation	(52,628,009)	
Lease payable	(2,886,523)	
Compensated absences	(8,360,704)	
Intergovernmental note payable	(35,176,858)	
Accrued interest payable	<u>(4,285,449)</u>	
		<u>(476,841,973)</u>
Net assets of governmental activities		<u><u>\$160,724,847</u></u>

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, 2008**

	General	Debt Service	Transportation and Road Sales Tax Special Revenue	G.O.B Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property, local option sales and transportation sales tax	\$ 103,923,480	\$ 17,159,389	\$ 40,097,074	\$ -	\$ 7,566,323	\$ 168,746,266
Intergovernmental	23,316,873	360,918	12,715	-	20,393,000	44,083,506
Permits and licenses	5,657,339	-	43,440	-	-	5,700,779
Fines and forfeitures	2,173,365	-	-	-	1,010,186	3,183,551
Interest	3,481,940	850,006	6,651,404	1,371,565	1,264,404	13,619,319
Service charges	20,973,166	-	-	-	11,948,824	32,921,990
Rental and use of property	668,705	-	-	-	55,281	723,986
Other revenues	4,325,194	-	-	-	1,031,128	5,356,322
<b>Total revenues</b>	<b>164,520,062</b>	<b>18,370,313</b>	<b>46,804,633</b>	<b>1,371,565</b>	<b>43,269,146</b>	<b>274,335,719</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	45,991,880	-	8,432,547	-	50,000	54,474,427
Public safety	68,153,018	-	-	-	4,889,754	73,042,772
Judicial	17,869,238	-	-	-	3,077,327	20,946,565
Public works	9,421,539	-	13,192,595	-	5,948,485	28,562,619
Health and welfare	3,929,327	-	44,810	-	8,754,406	12,728,543
Economic development	470,763	-	-	-	2,759,716	3,230,479
Culture and recreation	14,103,768	-	32,747,948	-	6,576,808	53,428,524
Education	-	-	-	-	5,325,300	5,325,300
Capital outlay	-	-	-	15,940,489	7,999,792	23,940,281
Debt service	-	24,514,614	7,629,434	-	-	32,144,048
<b>Total expenditures</b>	<b>159,939,533</b>	<b>24,514,614</b>	<b>62,047,334</b>	<b>15,940,489</b>	<b>45,381,588</b>	<b>307,823,558</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>4,580,529</b>	<b>(6,144,301)</b>	<b>(15,242,701)</b>	<b>(14,568,924)</b>	<b>(2,112,442)</b>	<b>(33,487,839)</b>
<b>Other financing sources (uses):</b>						
Sale of General Obligation Transportations Sales Tax Bonds	-	-	150,000,000	-	-	150,000,000
Sale of General Obligation Bonds	-	-	-	75,000,000	-	75,000,000
Premium	-	-	6,838,709	3,950,307	-	10,789,016
Capital lease proceeds	-	-	-	-	100,539	100,539
Transfers in	2,836,765	8,354,726	7,784,193	-	11,268,588	30,244,272
Transfers out	(12,394,063)	(760,322)	(10,629,193)	-	(13,424,622)	(37,208,200)
Proceeds from sale of capital assets	3,577	-	-	-	43,203	46,780
<b>Total other financing sources (uses)</b>	<b>(9,553,721)</b>	<b>7,594,404</b>	<b>153,993,709</b>	<b>78,950,307</b>	<b>(2,012,292)</b>	<b>228,972,407</b>
<b>Net change in fund balances</b>	<b>(4,973,192)</b>	<b>1,450,103</b>	<b>138,751,008</b>	<b>64,381,383</b>	<b>(4,124,734)</b>	<b>195,484,568</b>
<b>Fund balances at beginning of year</b>	<b>49,701,569</b>	<b>18,252,403</b>	<b>101,367,876</b>	<b>4,189,284</b>	<b>38,054,652</b>	<b>211,565,784</b>
<b>Fund balances at end of year</b>	<b>\$ 44,728,377</b>	<b>\$ 19,702,506</b>	<b>\$ 240,118,884</b>	<b>\$ 68,570,667</b>	<b>\$ 33,929,918</b>	<b>\$ 407,050,352</b>

See notes to financial statements.

County of Charleston, South Carolina  
 Reconciliation of the Statement of Revenues, Expenditures and Changes  
 in Fund Balances of Governmental Funds to the Statement of Activities  
 For the Year Ended June 30, 2008

Net Change in Fund Balances - Total Governmental Funds \$195,484,568

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

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	\$21,139,930	
Depreciation expense	<u>(12,773,836)</u>	8,366,094

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	7,740,000	
Accumulated depreciation	<u>(4,065,869)</u>	
Net book value	3,674,131	
Proceeds	<u>(46,780)</u>	
Loss on disposal	3,627,351	
Difference of proceeds and gain on sale		(3,674,131)

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	<u>302,946</u>	302,946
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Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and does not result in an expense in the statement of activities. 16,572,683

Other financing source (use) which does not provide current resources or current uses.

Capital lease proceeds		(100,539)
General Obligation Bond proceeds		(225,000,000)
Premium		(10,789,016)

In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due. (1,668,595)

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	(673,070)	
Deferred refunding costs / Amortization of Premium	<u>(413,355)</u>	(1,086,425)

To record Internal service fund transfers 3,082,894

The internal service funds are used by management to charge the costs of insurance and other services to individual funds. The net revenue of the internal service funds are reported with governmental activities. 244,554

Elimination of indirect income between governmental funds and the enterprise funds. (3,872,496)

The increase of governmental expenditures to avoid the doubling up of net loss from the internal service fund. (2,298,913)

Change in net assets of governmental activities (\$24,436,376)

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, 2008**

<u>REVENUES</u>	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
Property, local option sales and transportation sales taxes	\$ 106,606,500	\$ 106,606,500	\$ 103,923,480	\$ (2,683,020)
Intergovernmental	21,923,145	21,923,145	23,316,873	1,393,728
Permits and licenses	5,120,050	5,120,050	5,657,339	537,289
Fines and forfeitures	2,258,000	2,258,000	2,173,365	(84,635)
Interest	4,571,000	4,571,000	3,481,940	(1,089,060)
Service charges	20,872,500	20,872,500	20,973,166	100,666
Rental and use of property	670,000	670,000	668,705	(1,295)
Other revenues	3,905,998	3,905,998	4,325,194	419,196
<b>Total revenues</b>	<b>165,927,193</b>	<b>165,927,193</b>	<b>164,520,062</b>	<b>(1,407,131)</b>
 <u>EXPENDITURES</u>				
Current:				
General Government:				
County Council	2,587,613	3,593,194	3,400,046	193,148
Legal	1,163,569	1,248,744	997,091	251,653
Internal Auditor	200,006	202,786	199,926	2,860
Auditor	1,689,342	1,746,723	1,735,038	11,685
Treasurer	1,563,978	1,578,200	1,587,782	(9,582)
Register Mesne Conveyance	1,995,745	1,998,498	1,851,059	147,439
Legislative Delegation	179,033	179,033	165,853	13,180
Contributions	315,000	315,000	203,500	111,500
Board of Elections & Voter Registration	1,494,836	1,516,464	1,327,934	188,530
County Administrator	940,769	861,301	779,143	82,158
Deputy Administrator of Operations	455,399	486,590	485,703	887
Deputy Administrator of Support	328,263	332,677	334,838	(2,161)
Deputy Administrator of Sales	-	-	25,428	(25,428)
Tax Transportation	-	-	25,428	(25,428)
Planning Department	1,940,554	1,884,692	1,783,295	101,397
Human Resources	1,377,910	1,387,973	1,288,016	99,957
Safety & Risk Management	2,266,760	2,195,190	2,100,671	94,519
Facilities Management	10,713,906	10,574,390	10,466,306	108,084
Capital Projects Administration	1,208,674	1,128,657	1,117,585	11,072
Assessor	3,285,012	3,224,318	2,984,308	240,010
Chief Financial Officer	426,966	454,367	453,880	487
Budget	643,709	641,685	611,587	30,098
Controller	1,070,543	1,121,844	1,096,249	25,595
Delinquent Tax	1,269,949	1,287,408	842,031	445,377
Grants Administration	765,605	763,425	693,532	69,893
Internal Services	395,943	395,943	395,938	5
Procurement	975,313	974,681	941,793	32,888
Technology Services	11,142,961	9,217,930	7,764,609	1,453,321
Organizational Development	346,765	361,273	358,739	2,534
<b>Total general government</b>	<b>50,744,123</b>	<b>49,672,986</b>	<b>45,991,880</b>	<b>3,681,106</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, 2008**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
Public Safety:				
Sheriff's Department	\$ 52,790,789	\$ 53,624,885	\$ 53,046,533	\$ 578,352
Building Services	1,447,856	1,460,484	1,326,224	134,260
Emergency Medical Services	13,828,347	14,013,440	13,091,677	921,763
Emergency Management	679,513	679,513	681,529	(2,016)
Consolidated Dispatch	-	49,000	7,055	41,945
Total public safety	68,746,505	69,827,322	68,153,018	1,674,304
Judicial:				
Public Defender	2,365,000	2,365,000	2,365,000	-
Clerk of Court	2,850,045	2,991,317	2,857,560	133,757
Coroner	587,786	622,965	599,690	23,275
Probate Court	1,815,189	1,864,551	1,862,618	1,933
Solicitor	4,407,565	4,521,842	4,701,866	(180,024)
Master-In-Equity	510,627	514,595	517,687	(3,092)
State Agencies	850	850	850	-
Medical Examiner's Commission	370,000	370,000	362,398	7,602
Magistrates	4,927,692	4,838,677	4,601,569	237,108
Total judicial	17,834,754	18,089,797	17,869,238	220,559
Public Works				
Public Works Department	12,360,062	9,994,904	9,421,539	573,365
Total public works	12,360,062	9,994,904	9,421,539	573,365
Health and Welfare:				
State Agencies	386,069	386,069	361,559	24,510
Public Works - Mosquito Abatement	2,169,594	2,241,237	2,046,122	195,115
Veterans Affairs	272,910	272,924	271,135	1,789
Indigent Care	1,198,873	1,366,373	1,250,511	115,862
Total health and welfare	4,027,446	4,266,603	3,929,327	337,276
Economic Development	471,435	471,435	470,763	672
Culture and Recreation:				
Charleston County Library	14,100,000	14,103,768	14,103,768	-
Total culture and recreation	14,100,000	14,103,768	14,103,768	-
Total expenditures	168,284,325	166,426,815	159,939,533	6,487,282
Excess (deficiency) of revenues over (under) expenditures	(2,357,132)	(499,622)	4,580,529	5,080,151

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, 2008**

	<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	\$ 1,637,315	\$ 1,637,315	\$ 2,836,765	\$ 1,199,450
Transfers Out	(6,657,552)	(12,394,731)	(12,394,063)	668
Proceeds from Sale of Capital Assets	-	-	3,577	3,577
	<u>(5,020,237)</u>	<u>(10,757,416)</u>	<u>(9,553,721)</u>	<u>1,203,695</u>
 Total other financing sources and (uses)				
	(5,020,237)	(10,757,416)	(9,553,721)	1,203,695
 Net change in fund balance	(7,377,369)	(11,257,038)	(4,973,192)	6,283,846
 Fund balance at beginning of year	49,701,569	49,701,569	49,701,569	-
	<u>49,701,569</u>	<u>49,701,569</u>	<u>49,701,569</u>	<u>-</u>
 Fund balance at end of year	\$ 42,324,200	\$ 38,444,531	\$ 44,728,377	\$ 6,283,846
	<u>\$ 42,324,200</u>	<u>\$ 38,444,531</u>	<u>\$ 44,728,377</u>	<u>\$ 6,283,846</u>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
June 30, 2008

<u>ASSETS</u>	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste	Parking Garages	Non-Major Other Funds	Total	
<b>Current assets:</b>					
Non-pooled cash and cash equivalents	\$ 537,969	\$ 3,000	\$ 221,310	\$ 762,279	\$ -
Pooled cash and cash equivalents	437,039	4,296,779	9,958,382	14,692,200	14,181,159
Pooled investments	650,000	-	-	650,000	-
Restricted cash - current portion	1,300,511	-	-	1,300,511	-
Cash with fiscal agent	-	-	-	-	125,000
Receivables (net of allowances for uncollectibles)	4,546,494	43,648	1,589,018	6,179,160	78,769
Note receivable - current portion	56,693	-	-	56,693	-
Due from other funds	-	-	-	-	486,812
Inventories	-	-	-	-	384,136
<b>Total current assets</b>	<b>7,528,706</b>	<b>4,343,427</b>	<b>11,768,710</b>	<b>23,640,843</b>	<b>15,255,876</b>
<b>Noncurrent assets:</b>					
Restricted cash and cash equivalents	46,024,688	-	-	46,024,688	-
Restricted investments	1,452,297	-	-	1,452,297	-
	47,476,985	-	-	47,476,985	-
Notes receivable - non-current portion	340,499	-	-	340,499	-
Deferred issuance costs	199,762	96,563	65,882	362,207	-
<b>Capital assets:</b>					
Land	1,600,610	2,350,320	-	3,950,930	-
Buildings	3,519,525	11,859,212	9,554,391	24,933,128	1,695,683
Improvements other than buildings	580,652	-	270,255	850,907	-
Machinery and equipment	13,102,724	619,134	1,990,671	15,712,529	26,464,348
Construction in progress	15,958,218	-	-	15,958,218	-
Less accumulated depreciation	(9,621,140)	(3,284,743)	(3,108,445)	(16,014,328)	(16,976,677)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>25,140,589</b>	<b>11,543,923</b>	<b>8,706,872</b>	<b>45,391,384</b>	<b>11,183,354</b>
<b>Total noncurrent assets</b>	<b>73,157,835</b>	<b>11,640,486</b>	<b>8,772,754</b>	<b>93,571,075</b>	<b>11,183,354</b>
<b>Total assets</b>	<b>\$ 80,686,541</b>	<b>\$ 15,983,913</b>	<b>\$ 20,541,464</b>	<b>\$ 117,211,918</b>	<b>\$ 26,439,230</b>

See notes to financial statements.



COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
June 30, 2008

<u>LIABILITIES</u>	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste	Parking Garages	Non-Major Other Funds	Total	
<b>Current liabilities:</b>					
Accounts payable	\$ 2,280,886	\$ 71,990	\$ 588,010	\$ 2,940,886	\$ 3,019,818
Accrued payroll and fringe benefits	156,982	22,396	219,442	398,820	89,538
Compensated absences - current	15,464	335	34,785	50,584	6,681
Intergovernmental payable	1,150	-	1,739,648	1,740,798	522,648
OPEB liability	-	-	-	-	4,211,804
Unearned revenue	7,846	-	-	7,846	7,367
Accrued interest payable	157,417	22,851	18,860	199,128	12,079
Note payable - current	-	-	-	-	56,693
Lease payable - current	-	-	-	-	20,578
Certificates of participation - current	-	547,242	391,398	938,640	-
Revenue bonds - current restricted	1,300,511	-	-	1,300,511	-
Accrual for landfill closure - current	900,000	-	-	900,000	-
<b>Total current liabilities</b>	<b>4,820,256</b>	<b>664,814</b>	<b>2,992,143</b>	<b>8,477,213</b>	<b>7,947,206</b>
<b>Noncurrent liabilities:</b>					
Note payable	-	-	-	-	340,499
Accrual for landfill closure	1,783,000	-	-	1,783,000	-
Compensated absences	524,726	44,892	539,208	1,108,826	357,375
Lease payable	-	-	-	-	40,038
Certificates of participation (net of unamortized discounts and deferred amount on refunding)	-	4,739,501	3,678,614	8,418,115	-
Revenue bonds (net of unamortized discounts) - restricted	7,894,326	-	-	7,894,326	-
<b>Total noncurrent liabilities</b>	<b>10,202,052</b>	<b>4,784,393</b>	<b>4,217,822</b>	<b>19,204,267</b>	<b>737,912</b>
<b>Total liabilities</b>	<b>15,022,308</b>	<b>5,449,207</b>	<b>7,209,965</b>	<b>27,681,480</b>	<b>8,685,118</b>
<b><u>NET ASSETS</u></b>					
Invested in capital assets, net of related debt	15,945,752	6,257,180	4,636,860	26,839,792	10,725,546
Restricted for construction	5,483,333	-	-	5,483,333	-
Restricted for incinerator operations	30,977,826	-	-	30,977,826	-
Restricted for debt service	1,560,750	-	-	1,560,750	-
Unrestricted	11,696,572	4,277,526	8,694,639	24,668,737	7,028,566
<b>Total net assets</b>	<b>\$ 65,664,233</b>	<b>\$ 10,534,706</b>	<b>\$ 13,331,499</b>	<b>89,530,438</b>	<b>\$ 17,754,112</b>
Adjustment to reflect the consolidation of internal service funds related to business-type activities				(968,674)	
Adjustment to reflect the elimination of indirect costs charged by the governmental funds				16,332,829	
				<b>\$ 104,894,593</b>	

See notes to financial statements.



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**COUNTY OF CHARLESTON, SOUTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2008**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste	Parking Garages	Non-Major Other Funds	Total	
<b>Operating revenues:</b>					
Charges for services	\$ 2,873,230	\$ 2,501,491	\$ 10,985,770	\$ 16,360,491	\$ 36,700,196
User fees	26,065,505	-	-	26,065,505	-
Energy sales	11,603,638	-	-	11,603,638	-
Sale of recyclables	3,228,309	-	-	3,228,309	-
Other revenues	-	-	14,083	14,083	-
<b>Total operating revenues</b>	<b>43,770,682</b>	<b>2,501,491</b>	<b>10,999,853</b>	<b>57,272,026</b>	<b>36,700,196</b>
<b>Operating expenses:</b>					
Personnel services	6,238,953	762,613	7,098,596	14,100,162	3,392,541
Contractual services	6,478,006	296,487	2,076,349	8,850,842	3,225,179
Materials and supplies	1,173,838	41,222	813,124	2,028,184	7,864,633
Utilities	119,192	118,100	889,560	1,126,852	1,371,130
Repairs and maintenance	24,198	25,343	1,196,944	1,246,485	129,248
Rental expenses	52,870	-	225,259	278,129	293,777
Vehicle fleet charges	2,516,050	6,968	58,633	2,581,651	145,978
Employee benefits	-	-	-	-	18,908,952
Other expenses	1,371,323	60,344	3,840,010	5,271,677	943,351
Incinerator operations	10,676,239	-	-	10,676,239	-
Operator's debt	11,865,294	-	-	11,865,294	-
Depreciation and amortization	1,358,748	401,959	411,495	2,172,202	2,664,964
Landfill closure	(900,000)	-	-	(900,000)	-
<b>Total operating expenses</b>	<b>40,974,711</b>	<b>1,713,036</b>	<b>16,609,970</b>	<b>59,297,717</b>	<b>38,939,753</b>
<b>Operating income (loss)</b>	<b>2,795,971</b>	<b>788,455</b>	<b>(5,610,117)</b>	<b>(2,025,691)</b>	<b>(2,239,557)</b>
<b>Nonoperating revenues (expenses):</b>					
Interest income	1,964,143	167,898	314,041	2,446,082	266,337
Interest expense	(555,358)	(308,222)	(446,286)	(1,309,866)	(35,237)
Intergovernmental revenues	199,924	-	1,209,748	1,409,672	-
Gain (loss) on disposal of capital assets	65,240	1,087	(441)	65,886	125,547
<b>Total nonoperating revenues (expenses)</b>	<b>1,673,949</b>	<b>(139,237)</b>	<b>1,077,062</b>	<b>2,611,774</b>	<b>356,647</b>
<b>Income (loss) before transfers</b>	<b>4,469,920</b>	<b>649,218</b>	<b>(4,533,055)</b>	<b>586,083</b>	<b>(1,882,910)</b>
Transfers out	-	(154,958)	(1,575,000)	(1,729,958)	(1,418,873)
Transfers in	-	-	5,610,992	5,610,992	4,501,767
<b>Change in net assets</b>	<b>4,469,920</b>	<b>494,260</b>	<b>(497,063)</b>	<b>4,467,117</b>	<b>1,199,984</b>
<b>Total net assets - beginning</b>	<b>61,194,313</b>	<b>10,040,446</b>	<b>13,828,562</b>		<b>16,554,128</b>
<b>Total net assets - ending</b>	<b>\$ 65,664,233</b>	<b>\$ 10,534,706</b>	<b>\$ 13,331,499</b>		<b>\$ 17,754,112</b>
<b>Adjustment to reflect the elimination of indirect costs charged by governmental funds</b>				<b>\$ 3,646,842</b>	
<b>Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds</b>				<b>487,109</b>	
<b>Change in net assets of business-type activities</b>				<b>\$ 8,601,068</b>	

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2008

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste	Parking Garages	Non-Major Other Funds	Total	
<b>Cash flows from operating activities:</b>					
Cash received from customers	\$ 52,763,428	\$ 2,491,132	\$ 10,696,441	\$ 65,951,001	\$ 542,969
Cash receipts from interfund services provided	-	-	-	-	36,197,286
Cash payments to suppliers for goods and services	(57,811,477)	(598,168)	(7,003,724)	(65,413,369)	(28,243,679)
Cash payments to employees for services	(6,216,708)	(751,231)	(6,900,197)	(13,868,136)	(3,380,344)
<b>Net cash provided by (used in)   operating activities</b>	<b>(11,264,757)</b>	<b>1,141,733</b>	<b>(3,207,480)</b>	<b>(13,330,504)</b>	<b>5,116,232</b>
<b>Cash flows from noncapital financing activities:</b>					
Transfers in	-	-	5,610,992	5,610,992	4,501,767
Transfers (out)	-	(154,958)	(1,575,000)	(1,729,958)	(1,418,873)
Intergovernmental receipt	199,924	-	1,209,748	1,409,672	-
<b>Net cash provided by (used in)   noncapital financing activities</b>	<b>199,924</b>	<b>(154,958)</b>	<b>5,245,740</b>	<b>5,290,706</b>	<b>3,082,894</b>
<b>Cash flows from capital and related financing activities:</b>					
Principal paid on long-term debt	(1,296,392)	(527,674)	(435,521)	(2,259,587)	(96,403)
Interest paid	(577,608)	(296,594)	(244,799)	(1,119,001)	(11,879)
Interfund loan principal payment received	53,395	-	-	53,395	-
Proceeds from sale of capital assets	407,989	1,087	-	409,076	486,514
Acquisition and construction of capital assets	(2,197,301)	(47,441)	(253,063)	(2,497,805)	(3,731,906)
<b>Net cash used in capital and   related financing activities</b>	<b>(3,609,917)</b>	<b>(870,622)</b>	<b>(933,383)</b>	<b>(5,413,922)</b>	<b>(3,353,674)</b>
<b>Cash flows from investing activities:</b>					
Interest received	1,965,766	167,898	184,720	2,318,384	266,337
<b>Net cash provided by investing activities</b>	<b>1,965,766</b>	<b>167,898</b>	<b>184,720</b>	<b>2,318,384</b>	<b>266,337</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(12,708,984)</b>	<b>284,051</b>	<b>1,289,597</b>	<b>(11,135,336)</b>	<b>5,111,789</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>61,009,191</b>	<b>4,015,728</b>	<b>8,890,095</b>	<b>73,915,014</b>	<b>9,194,370</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 48,300,207</b>	<b>\$ 4,299,779</b>	<b>\$ 10,179,692</b>	<b>\$ 62,779,678</b>	<b>\$ 14,306,159</b>
<b>Reconciliation to balance sheet:</b>					
Non-pooled cash and cash equivalents	\$ 537,969	\$ 3,000	\$ 221,310	\$ 762,279	\$ -
Pooled cash and cash equivalents	437,039	4,296,779	9,958,382	14,692,200	14,181,159
Restricted cash and cash equivalents	47,325,199	-	-	47,325,199	-
Cash with fiscal agent	-	-	-	-	125,000
<b>Cash and cash equivalents at end of year</b>	<b>\$ 48,300,207</b>	<b>\$ 4,299,779</b>	<b>\$ 10,179,692</b>	<b>\$ 62,779,678</b>	<b>\$ 14,306,159</b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2008

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Solid Waste	Parking Garages	Non-Major Other Funds	Total	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 2,795,971	\$ 788,455	\$ (5,610,117)	\$ (2,025,691)	\$ (2,239,557)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	1,358,748	401,959	411,495	2,172,202	2,664,964
Provision for landfill closure	(900,000)	-	-	(900,000)	-
Provision for uncollectible accounts	(164,387)	-	-	(164,387)	-
Changes in assets and liabilities:					
(Increase) decrease in receivables	8,145,355	(10,359)	(303,408)	7,831,588	39,611
Increase in inventory	-	-	-	-	(52,327)
Increase (decrease) in accounts payable	(23,412,285)	(49,704)	2,096,152	(21,365,837)	4,695,607
Increase in accrued payroll	22,245	11,382	198,398	232,025	12,195
Decrease in deferred revenue	(10,404)	-	-	(10,404)	(4,261)
Decrease in accrual for landfill closure	900,000	-	-	900,000	-
Total adjustments	(14,060,728)	353,278	2,402,637	(11,304,813)	7,355,789
Net cash provided by (used in) operating activities	<u>\$ (11,264,757)</u>	<u>\$ 1,141,733</u>	<u>\$ (3,207,480)</u>	<u>\$ (13,330,504)</u>	<u>\$ 5,116,232</u>

See notes to financial statements.



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COUNTY OF CHARLESTON, SOUTH CAROLINA  
STATEMENT OF FIDUCIARY NET ASSETS  
AGENCY FUNDS  
June 30, 2008

**ASSETS**

Non-pooled cash and cash equivalents	\$ 27,730,906
Pooled cash and cash equivalents	11,696,406
Pooled investments	<u>1,707,843</u>
<b>Total assets</b>	<b><u><u>\$ 41,135,155</u></u></b>

**LIABILITIES**

Due to component units	\$ 481,299
Intergovernmental payable	13,876,957
Due to third parties	<u>26,776,899</u>
<b>Total liabilities</b>	<b><u><u>\$ 41,135,155</u></u></b>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF NET ASSETS - DISCRETELY PRESENTED COMPONENT UNITS  
 June 30, 2008

<u>ASSETS</u>	Charleston County Library	Charleston County PRC	Cooper River Park & Playground	James Island PSD
Non-pooled cash and cash equivalents	\$ 1,974,648	\$ 21,273,960	\$ 58,089	\$ 3,596,142
Investments	-	-	-	4,659,784
Receivables (net of allowances for uncollectibles)	13,481	15,540,484	159,507	5,500,817
Due from primary government	-	(60,596)	3,027	347,057
Inventories	46,933	387,032	-	107,404
Prepaid items and deposits	148,443	44,602	-	-
Deferred issuance costs	-	-	-	257,861
Restricted Assets:				
Cash and cash equivalents	-	5,793,792	-	1,439,502
Capital Assets:				
Land and easements - nondepreciable	-	40,785,885	66,161	539,230
Buildings	-	42,023,853	183,786	1,501,339
Improvements other than buildings	-	19,316,085	-	46,964
Machinery and equipment	2,682,524	5,554,445	360,260	6,901,836
Infrastructure	-	4,693,190	-	30,123,160
Construction in progress	-	287,427	-	546,787
Library materials	22,381,829	-	-	-
Artwork - nondepreciable	11,000	-	-	-
Accumulated depreciation	(20,997,376)	(26,414,858)	(519,725)	(14,037,254)
Total assets	<u>6,261,482</u>	<u>129,225,301</u>	<u>311,105</u>	<u>41,530,629</u>
<u>LIABILITIES</u>				
Accounts payable	582,079	1,090,742	-	356,080
Accrued payroll and fringe benefits	133,327	681,739	-	208,494
Intergovernmental payable	-	-	1,056	-
Interest payable	-	334,648	-	39,439
Unearned revenue	50,730	15,951,684	151,534	4,738,218
Noncurrent liabilities:				
Due within one year	58,140	4,681,800	-	889,746
Due in more than one year	849,550	19,012,563	-	8,814,237
Total liabilities	<u>1,673,826</u>	<u>41,753,176</u>	<u>152,590</u>	<u>15,046,214</u>
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	4,077,977	69,303,651	90,482	16,588,582
Restricted for:				
Debt service	-	6,175,039	-	1,732,460
Beach renourishment	-	219,697	-	-
Unrestricted	509,679	11,773,738	68,033	8,163,373
Total net assets	<u>\$ 4,587,656</u>	<u>\$ 87,472,125</u>	<u>\$ 158,515</u>	<u>\$ 26,484,415</u>

See notes to financial statements.



North Charleston District	St. Andrew's Parish Parks & Playground	St. John's Fire District	St. Paul's Fire District	Volunteer Fire & Rescue Squad Dec. 31, 2007	Totals
\$ 582,613	\$ 219,177	\$ 576,432	\$ 1,323,956	\$ 207,144	\$ 29,812,161
-	-	3,125,165	70,912	178,175	8,034,036
985,931	1,131,036	9,647,926	3,305,667	-	36,284,849
18,680	20,505	107,675	44,951	-	481,299
-	-	-	-	-	541,369
-	41,537	115,908	41,923	19,554	411,967
-	5,086	10,305	-	-	273,252
-	-	220,222	-	-	7,453,516
80,122	519,000	256,665	346,799	87,679	42,681,541
494,891	5,309,339	5,466,317	1,744,625	311,761	57,035,911
-	-	-	-	34,747	19,397,796
1,155,493	1,431,202	6,255,786	2,711,852	1,610,974	28,664,372
-	-	-	-	-	34,816,350
-	-	-	-	-	834,214
-	-	-	-	-	22,381,829
-	-	-	-	-	11,000
(1,337,156)	(2,734,800)	(4,001,548)	(2,230,021)	(1,214,293)	(73,487,031)
<u>1,980,574</u>	<u>5,942,082</u>	<u>21,780,853</u>	<u>7,360,664</u>	<u>1,235,741</u>	<u>215,628,431</u>
-	69,834	84,589	-	9,478	2,192,802
-	39,029	202,504	106,346	-	1,371,439
29,163	2,655	-	-	-	32,874
-	316	116,185	4,389	-	494,977
1,017,023	1,258,761	9,493,627	3,609,595	43,780	36,314,952
-	239,006	878,082	147,041	-	6,893,815
-	563,694	5,376,405	452,457	-	35,068,906
<u>1,046,186</u>	<u>2,173,295</u>	<u>16,151,392</u>	<u>4,319,828</u>	<u>53,258</u>	<u>82,369,765</u>
393,350	3,749,543	2,609,989	2,448,056	-	99,261,630
-	-	71,013	-	-	7,978,512
-	-	-	-	-	219,697
541,038	19,244	2,948,459	592,780	1,182,483	25,798,827
<u>\$ 934,388</u>	<u>\$ 3,768,787</u>	<u>\$ 5,629,461</u>	<u>\$ 3,040,836</u>	<u>\$ 1,182,483</u>	<u>\$ 133,258,666</u>

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF ACTIVITIES - DISCRETELY PRESENTED COMPONENT UNITS  
 For the Year Ended June 30, 2008

	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	James Island PSD	North Charleston District	St. Andrew's Parish Parks & Playground	St. John's Fire District	St. Paul's Fire District	Chas County Volunteer Fire Rescue Squad Dec. 31, 2007	
<b>Charleston County Library</b>														
<b>Governmental Activities</b>														
Culture and recreation	\$ 15,686,307	\$ 511,552	\$ 14,233,885	\$ 697,430	\$ (243,440)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (243,440)
<b>Charleston County PRC</b>														
<b>Governmental Activities</b>														
General government	9,060,716	-	-	14,271,063	-	5,210,347	-	-	-	-	-	-	-	5,210,347
Culture and recreation	2,997,711	822,792	-	-	-	(2,174,919)	-	-	-	-	-	-	-	(2,174,919)
Planning and development	1,803,853	-	-	-	-	(1,803,853)	-	-	-	-	-	-	-	(1,803,853)
Interest and fiscal charges	839,651	-	-	-	-	(839,651)	-	-	-	-	-	-	-	(839,651)
Total governmental activities	14,701,931	822,792	-	14,271,063	-	391,924	-	-	-	-	-	-	-	391,924
<b>Business-type activities</b>														
Park operations	11,541,668	10,651,016	-	-	-	(890,652)	-	-	-	-	-	-	-	(890,652)
Total Charleston County PRC	26,243,599	11,473,808	-	14,271,063	-	(498,728)	-	-	-	-	-	-	-	(498,728)
<b>Cooper River Park &amp; Playground</b>														
<b>Governmental Activities</b>														
General government	18,998	-	-	-	-	(18,998)	-	-	-	-	-	-	-	(18,998)
Culture and recreation	219,181	-	-	-	-	(219,181)	-	-	-	-	-	-	-	(219,181)
Total governmental activities	238,179	-	-	-	-	(238,179)	-	-	-	-	-	-	-	(238,179)
<b>James Island PSD</b>														
<b>Governmental Activities</b>														
General government	787,912	-	-	-	-	-	(787,912)	-	-	-	-	-	-	(787,912)
Public safety	3,423,005	-	-	-	-	-	(3,423,005)	-	-	-	-	-	-	(3,423,005)
Health and welfare	1,944,992	-	-	-	-	-	(1,944,992)	-	-	-	-	-	-	(1,944,992)
Total governmental activities	6,155,909	-	-	-	-	-	(6,155,909)	-	-	-	-	-	-	(6,155,909)
<b>Business-type activities</b>														
Wastewater	4,609,581	4,737,439	-	-	-	-	127,858	-	-	-	-	-	-	127,858
Total James Island PSD	10,765,490	4,737,439	-	-	-	-	(6,028,051)	-	-	-	-	-	-	(6,028,051)
<b>North Charleston District</b>														
<b>Governmental Activities</b>														
General government	20,098	-	-	-	-	-	-	(20,098)	-	-	-	-	-	(20,098)
Public safety	1,023,238	-	-	-	-	-	-	(1,023,238)	-	-	-	-	-	(1,023,238)
Public works	381,222	-	-	-	-	-	-	(381,222)	-	-	-	-	-	(381,222)
Total governmental activities	1,424,558	-	-	-	-	-	-	(1,424,558)	-	-	-	-	-	(1,424,558)

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA  
 COMBINING STATEMENT OF ACTIVITIES - DISCRETELY PRESENTED COMPONENT UNITS  
 For the Year Ended June 30, 2008

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets									Chas County Volunteer Fire Rescue Squad Dec. 31, 2007	Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Charleston County Library	Charleston County PRC	Cooper River Park & Playground	James Island PSD	North Charleston District	St. Andrew's Parish Parks & Playground	St. John's Fire District	St. Paul's Fire District			
<b>St. Andrew's Parish Parks and Playground Commission</b>															
<b>Governmental Activities</b>															
General government	\$ 992,704	\$ -	\$ 6,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (985,723)	\$ -	\$ -	\$ -	\$ (985,723)	
Culture and recreation	852,346	475,836	-	-	-	-	-	-	-	(376,510)	-	-	-	(376,510)	
Interest	16,812	-	-	-	-	-	-	-	-	(16,812)	-	-	-	(16,812)	
	<u>1,861,862</u>	<u>475,836</u>	<u>6,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,379,045)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,379,045)</u>	
<b>Business-type activities</b>															
Family recreation	1,172,563	1,149,186	-	-	-	-	-	-	-	(23,377)	-	-	-	(23,377)	
<b>Total St. Andrew's Parish Parks and Playground Commission</b>	<u>3,034,425</u>	<u>1,625,022</u>	<u>6,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,402,422)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,402,422)</u>	
<b>St. John's Fire District</b>															
<b>Governmental Activities</b>															
Public safety	8,775,051	-	-	11,213	-	-	-	-	-	-	(8,763,838)	-	-	(8,763,838)	
<b>St. Paul's Fire District</b>															
<b>Governmental Activities</b>															
Public safety	4,149,445	-	-	39,515	-	-	-	-	-	-	-	(4,109,930)	-	(4,109,930)	
<b>Charleston County Volunteer Fire &amp; Rescue Squad</b>															
Public Safety	403,628	-	348,856	-	-	-	-	-	-	-	-	-	(54,772)	(54,772)	
<b>Total Component Units</b>	<u>\$ 70,720,682</u>	<u>\$ 18,347,821</u>	<u>\$ 14,589,722</u>	<u>\$ 15,019,221</u>										<u>(22,763,918)</u>	
<b>General Revenues</b>															
Property taxes					-	15,491,273	176,939	5,714,132	1,086,771	1,344,036	9,458,253	3,211,300	-	36,482,704	
Merchants inventory tax and manufacturer's depreciation					-	427,591	55,574	-	212,947	572,251	20,754	20,135	-	1,309,252	
Franchise fees					-	-	-	-	88,554	-	-	-	-	88,554	
Grants not restricted to specific programs					-	3,587	-	-	-	-	-	-	-	3,587	
Unrestricted investment earnings					51,263	603,451	-	255,376	14,159	-	115,994	29,623	18,838	1,088,704	
Gain on sale of capital assets					-	-	-	-	-	-	-	3,500	15,284	18,784	
Fundraising and donations					-	-	-	-	-	5,415	-	-	80,383	85,798	
Miscellaneous					-	328,287	4,497	2,629	-	-	2,993	-	9,207	347,613	
<b>Total General Revenues</b>					<u>51,263</u>	<u>16,854,189</u>	<u>237,010</u>	<u>5,972,137</u>	<u>1,402,431</u>	<u>1,921,702</u>	<u>9,597,994</u>	<u>3,264,558</u>	<u>123,712</u>	<u>39,424,996</u>	
<b>Change in Net Assets</b>					(192,177)	16,355,461	(1,169)	(55,914)	(22,127)	519,280	834,156	(845,372)	68,940	16,661,078	
<b>Net Assets Beginning of Year</b>					4,779,833	71,116,664	159,684	26,540,329	956,515	3,249,507	4,795,305	3,886,208	1,113,543	116,597,588	
<b>Net Assets End of Year</b>					<u>\$ 4,587,656</u>	<u>\$ 87,472,125</u>	<u>\$ 158,515</u>	<u>\$ 26,484,415</u>	<u>\$ 934,388</u>	<u>\$ 3,768,787</u>	<u>\$ 5,629,461</u>	<u>\$ 3,040,836</u>	<u>\$ 1,182,483</u>	<u>\$ 133,258,666</u>	

See notes to financial statements.