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

State law requires that all general-purpose local governments publish at the close of each fiscal year a complete set of financial statements, presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to this requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) for Charleston County, South Carolina, for the fiscal year ending June 30, 2024.

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

Charleston County's financial statements have been audited by Scott and Company LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on auditor's judgment, including the assessment of risk of material misstatement to the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was sufficient and appropriate evidence for rendering an unmodified opinion that Charleston County's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

PROFILE OF THE GOVERNMENT

The County of Charleston was established by the state of South Carolina on April 9, 1948, under the provisions of Act 681 of 1942. The County operates under a Council-Administrator form of government under the S.C Home Rule Act of 1975. Policy-making and legislative authority is vested in a governing council consisting of nine Council members. The Council is elected to single member districts on a partisan basis. The current estimated population of the County is 419,279.

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

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

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

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

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

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

Additional information on these eight legally separate entities can be found in Note I.B. in the Notes to Financial Statements starting on page 64.

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

The legal level of budgetary control is determined by County Council at the organizational unit level by fund type per the County's Budget Ordinance. The County Administrator or his designees have the authority to make transfers between organizational units. County Council may effect changes to the general fund through amendment to the budget ordinance and to other funds through Council directives. The County Administrator has the authority to change fund totals, except for the general fund, from unbudgeted sources (revenues, transfer in, and fund balance).

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 48-50 as part of the Basic Financial Statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the nonmajor governmental fund subsection of this report, which begins on page 170.

SIGNIFICANT FINANCIAL POLICIES

The County's mission is to promote and protect the quality of life for everyone in Charleston County by providing services of value to the community while preserving the unique, natural, cultural, and historical identity of the Lowcountry. As part of accomplishing this mission, the County strives to make informed choices about service provisions, while safeguarding the County's resources. The County addresses its responsibility to its citizens through the wise management of finances, which includes adequately funding County services and maintaining public facilities. The County also desires to maintain its strong financial position, while protecting the County's credit rating and preventing default on any debts. To do all this, the following policies had a significant impact on our current financial statements:

- A five-year forecast will be prepared for at least the County's major funds that include estimated operating revenues and costs.
- At the end of each fiscal year, the County will strive to maintain a minimum unrestricted fund balance in the General Fund of two months of the subsequent year's General Fund operating expenditures.
- The County will maintain a rainy-day fund to provide emergency funds for use in the event of a major calamity. The County will strive to maintain this fund at no less than four percent of General Fund disbursements.

- A five-year Capital Improvement Plan shall be developed and updated annually. This plan shall contain all capital improvements from all funds and agencies of County government.
- The County shall only use long-term debt for capital projects or equipment if the following criteria are met:
 - When current revenues or one-time funds are not sufficient to use pay-as-you-go funding.
 - When the useful life of the project or equipment equals or exceeds the term of the financing.
- A five-year Debt Management Plan shall be developed annually. This plan shall contain all outstanding debt from all funds, provide for the issuance of new debt at reasonable intervals, and show the impact on the ad valorem tax rate.
- Bonds issued by the County shall not exceed a repayment period of 25 years, and the terms must follow applicable tax law requirements governing tax-exempt financing.
- The County may undertake refinancing of outstanding debt:
 - When such refinancing allows the County to realize significant debt service savings (net present value savings equal to at least 2.5 percent of the refunded par amount) without lengthening the term of refinanced debt and without increasing debt service in any subsequent year.
 - When the public policy benefits outweigh the costs associated with the issuance of new debt and any increase in annual debt service.
 - When a restrictive covenant is removed to the benefit of the County.

LONG-TERM FINANCIAL PLANNING

The Budget Department prepares long-term financial plans for the General Fund, Debt Management, Transportation Sales Tax, and Environmental Management that contain five years of data. Per the County's Financial Policies, the General Fund and Debt Management Plans are required to be updated annually. The County ordinance that established the Transportation Sales Taxes requires that plan to also be updated annually. Though it is not required, the Environmental Management Plan is updated annually due to its significance as a major Enterprise Fund. In addition to the plans for operating, the Budget Department, in conjunction with the Capital Projects Department and the Facilities Management Department, prepares a five-year Capital Improvement Plan and incorporates any operating impact into the operating funds. Together these plans capture approximately 72 percent of the County's operating funds. Some of the challenges the County faces as it prepares these forecasts are increasing personnel and operating costs, population growth which will require funding to maintain or improve the quality of services, filling vacant positions with qualified employees, the undertaking of new or unplanned projects, and maintaining the desired amount of fund balance.

ECONOMIC CONDITIONS AND OUTLOOK FOR CHARLESTON COUNTY'S GROWTH INDUSTRIES

Advanced Manufacturing – The aerospace and automotive sectors are cornerstones of the region's advanced manufacturing cluster. The Boeing Company and Mercedes-Benz Vans employ a combined 9,800 people in the region. Local operations for the two OEMs (original equipment manufacturers) support multiple tier one and tier two aerospace and automotive suppliers. The region also hosts Volvo Car USA and Robert Bosch, though these companies are located outside of Charleston County.

At 16,231 jobs, Charleston County has a high concentration of jobs spread across the Manufacturing industry. The largest job counts within manufacturing are found in the Aircraft, Automobile and Light Duty Motor Vehicle, and other Engine Equipment Manufacturing. Job losses in the Aerospace sectors have been made up by job additions in the Motor Vehicle sector.

The Boeing Company's South Carolina division is still this local cluster's anchor. Since its landing in 2011, The Boeing Company has opened six facilities and business units in Charleston County. The Boeing South Carolina site builds all three versions of the 787 aircraft. In November 2020, Boeing announced its decision to consolidate the total production of its 787 programs into its North Charleston site. The company implemented this change in March 2021. Boeing currently employs 7,800 people in the region, adding jobs in support of increased aircraft demand driven by an uptick in air travel.

The automotive sector has established itself in the region with the completion of the Mercedes-Benz Vans' 1.1 million square foot Sprinter Van manufacturing facility in Palmetto Commerce Park. Currently, 2,000 people are employed at the expanded facility. In April 2021, Mercedes-Benz Vans announced that it would build its next-generation e-Sprinter van in three locations worldwide. The North Charleston plant is among the chosen locations. As of May 2023, Mercedes-Benz has invested \$150 million in the plant to begin production of the e-Sprinter 2.0 in 2025, pending government support. This reflects a trend of the electric vehicle industry clustering across the broader Southeastern region. Vehicle

and battery manufacturing facilities are taking root across, not only South Carolina but, the eastern sunbelt region at large.

Information Technology (IT) & High Tech – Solid growth and support of the IT and high-tech industry has helped the Charleston region maintain its standing as the nation’s “Silicon Harbor.” Continued leadership of organizations such as Charleston Digital, Harbor Entrepreneur Center, and other entrepreneurial endeavors has helped create an economic ecosystem suitable for developing startups inside a technology cluster. In 2023 Charleston Digital housed 86 companies with 224 employees, hosted 166 meetings, and added 21 new companies. This recently opened 1,200 sq. ft. learning center hosted 34 classes and meetups with 176 attendees. At the end of 2023 over 50 events were booked in the space for 2024. The Harbor Entrepreneur Center in its new Mount Pleasant location, is a 36,000 sq. ft. facility, that hosted 70 companies in residence. They had 100 local mentors volunteering in programs such as their accelerator (currently in its 12th year) which helped 6 companies transition to positive revenue generation in 2024. With the assistance of a SC Dept. of Commerce relentless challenge grant, The Harbor Entrepreneur Center launched its Propel program; designed to reignite the growth curve of local tech companies.

Defense, Intelligence & Cybersecurity – The Charleston region contains the largest military presence in South Carolina (Von Nessen, 2022) when considering the total volume of military-related economic activity (\$12.7B). The defense, intelligence, and cybersecurity industries represent a significant part of this story. Investments from these industries have bolstered the area’s intelligence community as organizations like the Charleston Defense Contractors Association continue to operate and add local synergy to this dynamic industry. The Naval Information Warfare Center (NIWC) Atlantic’s Charleston operations have a total economic impact of \$2.5 billion on South Carolina. NIWC directly supports 127 military staff and 3,600 federal civilian contractors and supports an estimated 80 defense contractors.

Over the past few decades, Defense, Intelligence & Cybersecurity has significantly increased its importance to national security. The sector is most critical in the current environment of winning the information war and the potential cyber-threat-induced supply-chain disruptions. The command at NIWC Atlantic continues to contribute to these security efforts.

Warehouse, Distribution, and Logistics – According to commercial real estate market analytics provided by CBRE, in the third quarter of 2024 there was 3.7 million sq. ft. of new industrial space under construction in the Charleston Region. The Charleston industrial market is facing above average vacancy rates driven by an additional 3.5 million sq. feet of speculative space. With a high proportion of square footage tied up in a limited number of buildings the market should normalize as the leasing environment adapts to meet the market’s landscape.

Medical & Life Sciences Industry – The region's health care and social services industry accounts for 10 percent of the area's total employment. The healthcare industry is anchored by the state's teaching hospital, the Medical University of South Carolina (MUSC). MUSC attracted more than \$300 million in research funding in the fiscal year 2023, leading the state of South Carolina in overall research funding as well as federal and National Institutes of Health funding. Most of the medical industry employment currently exists in Charleston's seven area hospitals - five private regional hospitals, MUSC, and the Ralph H. Johnson VA Medical Center.

Charleston has emerged as an attractive biomedical market. The Medical University of South Carolina's world-class research is key to this region becoming a globally competitive location for biomedical business and talent. Charleston is home to more than 300 medical device and pharmaceutical manufacturers, research laboratories, and service companies. Furthermore, the Foundation for Research Development is paving the way for investors, industry, and entrepreneurs to collaborate. MUSC's Board of Trustees approved a purchase and sale agreement to take over Roper St. Francis Healthcare building and properties in downtown Charleston.

ECONOMIC CONDITIONS AND OUTLOOK FOR CHARLESTON COUNTY’S MATURE INDUSTRIES

The local economy continues its strong performance into FY25. As of September 2024, the Charleston County unemployment rate is 3.7 percent. Charleston County’s unemployment rate is lower than both the state and the nation at 4.5 percent and 4.1 percent respectively (both seasonally adjusted). Charleston’s continued outperformance can be attributed to the diversity of industries within the Charleston economy and the continued high in-migration to the region, of over 34 people per day. The underlying fundamentals of the Charleston County region, including its strategic location along the Eastern Seaboard, logistical port and rail access, a growing population, and a skilled workforce, ensure that it will remain an economic bellwether in the Southeast.

The unadjusted CPI rate for the 12 months ending September 2024 was 2.4% for all urban consumers. The inflationary pressures on the broader economy continue to ease, although uncertainty prevails during a tight presidential election cycle.

Port of Charleston – The region’s economic base includes the Port of Charleston, the eighth largest port in dollar value of goods handled among all seaports in the United States and sixth among East and Gulf coast ports. The Port is considered among the most efficient in the nation for its cargo handling systems. The Port has invested more than \$2 billion into port infrastructure over the recent years. With state and port funding combined the South Carolina Ports Authority plans to spend an additional \$25 billion dollars over the next decade. The list of major capital improvement projects includes modernizing the Wando Welch Terminal, Expanding Inland Port Greer, developing near-dock rail, developing an inner harbor barge network, the harbor deepening project, the opening of the Hugh Leatherman terminal, and the launch of the SMART Pool chassis operating system.

The Port of Charleston handled approximately 2.5 million twenty-foot equivalent units in the fiscal year 2024 (ending June 30, 2024). Consumer demand has slowed since the exceptional 2022 fiscal year, volumes are normalizing to fall in line with expectations based on more representative years, accounting for the boost in demand seen during the pandemic. Retail, advanced manufacturing, automotive, and cold storage sectors continue to drive growth at the Port of Charleston. Strategic investments at the Port allow for increasingly competitive performance going forward. The SCPA economic impact for the Lowcountry region is estimated at \$10.7 billion and supports over 32,000 jobs and \$2.2 billion in labor income in the eight-county area.

Hospitality and Tourism Industry – Charleston County is home to one of the most charming and historical cities in the United States, the City of Charleston. Tourism has long been an economic mainstay in its historic eighteenth-century setting and continues to thrive in the Lowcountry. Charleston is not only an international vacation destination but a cosmopolitan city whose residents cherish the past and excitedly embrace the future. Charleston International Airport currently has 50 non-stop destinations and continues to add airlines and locales to its roster.

Charleston is small but offers big city attractions like the world-renowned Spoleto Festival, Southeastern Wildlife Exposition, Charleston Wine + Food Festival, Cooper River Bridge Run, and Credit One Charleston Open tennis tournament. These events collectively bring over a quarter million attendees to the Charleston Area. The Southeastern Wildlife Exposition welcomed an estimated 500 artists, exhibitors, and wildlife experts, generating approximately \$50 million in economic impact. The Credit One Charleston Open tennis tournament is the preeminent all-women’s professional competition. It is held each year at the Credit One Stadium on Daniel Island. It averages 90,000 attendees and generated an estimated direct economic impact of \$30 million in previous years.

The annual Cooper River Bridge Run 10K has an annual attendance of up to 40,000 participants and an estimated direct economic impact of \$25 million. Recognized as a top tourism event by the State of South Carolina, approximately 60 percent of attendees are from out of town.

Charleston provides natural beauty, a humid subtropical climate, and unmatched quality of life that has been consciously updated as well as carefully preserved. Charleston continues to prove a coveted destination for travel. Readers of leading travel magazines have repeatedly placed Charleston at the top of their lists of favorite domestic and world travel destinations. Charleston was named the “No. 1 City in the U.S. and Canada” by Travel + Leisure World’s Best Awards for 11 consecutive years (2013 through 2023). Charleston has received the similar designation of “Best Small City in the U.S.” from Condé Nast Traveler Reader’s Choice Awards for ten years straight (2011 through 2020). Charleston regained the top spot in 2022 & 2023 after slipping to the number two spot, behind Aspen, Colorado in 2021. Travel + Leisure magazine readers also ranked Charleston as the only destination in the U.S. among the 25 best cities worldwide and the #1 Top City in the U.S. for 2023. Charleston was also named The South’s Best City in 2023 by Southern Living.

After shrinking by about a third due to the pandemic in 2020, Charleston's tourism industry recovered and broke records in 2021, continuing this trend into 2022, and 2023. According to the College of Charleston Office of Tourism Analysis, the industry generated over \$13 billion (↑280 million from 2022) in total economic impact and attracted 7.79 (↑190K from 2022) million regional visitors. 24.7% (↑0.9% from 2022) of regional sales were attributable to tourism with the average total expenditure per adult reaching another all-time high of \$1,048 (↑2.1% from 2022) in 2023.

Charleston International Airport saw over 6.15 million passengers in 2023 – a 16% gain over 2022. Hotel occupancy was over 70% with a record-setting 4.9 million room nights sold in 2023. This number broke the previous record from 2022. Growth in the Charleston market was not large but is a marked divergence from slight declines seen in other regional markets.

Charleston area restaurants continue to multiply and flourish with a constant flow of aspiring chefs and affluent visitors. Several Charleston area restaurants were given the 'Star Diamond Award' by The American Academy of Hospitality Sciences; landed on Forbes' 4 Star Restaurants list; featured in Wine Enthusiast magazine's 'America's 100 Best'; and recognized by the James Beard Foundation Awards. More recently, the heritage and influence of the Gullah food culture has been featured on a nationally syndicated food program and is gaining much-deserved recognition.

Military – The military has continued to be a significant presence in the area even after the 1996 closure of the Charleston Naval Complex. A 2022 statewide study by the University of South Carolina and the South Carolina Military Base Task Force estimated the annual economic impact to be \$34 billion, with more than 254,000 jobs (directly or indirectly) supported. The Charleston Region has the largest military presence in South Carolina, with an annual economic impact of approximately \$12.7 billion supported by 78,414 jobs. Joint Base Charleston remains the largest employer in the region, employing 24,900 uniformed, civilian, and reservist personnel within the Naval Weapons Station, the Navy Nuclear Power Training School, and the Naval Information Warfare Center (NIWC). Joint Base Charleston is home to the 437th Airlift Wing and its squadrons of C-17 transport planes, the 628th Air Base Wing, and the 315th Airlift Wing (the reserve unit). These planes play a vital role in carrying supplies to active-duty troops stationed all over the world, from Afghanistan to Ukraine.

The U.S. Coast Guard operates a growing station in Charleston, as well. Currently, the USCG has 1,300 members with 2,990 dependent family members in the Charleston community. This represents \$130 million of annual income. By 2030, with base expansions, this is expected to grow to 2,300 Coast Guard members with 5,290 dependent family members and \$230 million in annual income. The Coast Guard base expansion is contributing to the redevelopment of the Navy Base site, its marine operations, and borders the intermodal facility.

Higher Education – Nearly 35,000 students pursued higher education degrees in various Charleston regional colleges, universities, and technical schools. The five largest institutions include Trident Technical College, with 11,789 students; the College of Charleston with 10,885 students; The Citadel with 3,721 students; Charleston Southern University with an enrollment of 3,418; and the Medical University of South Carolina with 3,175 students. The region has many other educational institutions that support a thriving research community and a trained workforce:

- Trident Technical College has constructed multiple facilities to meet the needs of a trained workforce in the areas of nursing, science, and advanced manufacturing. In 2014, the college opened a \$30 million, 90,000-square-foot Nursing and Science Building featuring nursing simulation labs. In 2019, the college opened a \$79.3 million, 218,105-square-foot S.C. Aeronautical Training Center featuring two hanger bays, and 31 specialty labs.
- The Lowcountry Graduate Center, a partnership of five universities across the state and serves working professionals, enables students “to grow their career right here in the greater Charleston area.” The Graduate Center is now located in the Trident Technical College building on the Thornley Campus.

The Charleston County School District currently has 7,520 students enrolled in its Career and Technical Education programs as well as 1,045 students participating in dual enrollment programs with local higher education institutions.

Charleston County Economic Development – In FY24 Charleston County Economic Development announced 11 projects totaling 838 new jobs, \$70.7 million in capital investment, and \$58.2 million in new annual payroll. These projects included:

NEW COMPANIES RECRUITED (3)	EXISTING COMPANIES EXPANDED (8)
Leidos	Frampton Construction
Heirloom	QuicksortRX
IronLink Logistics	Carpenters Woodworks & Restoration
	MOONDOG Animation Studio
	Gnosis Freight
	Tradd Advisory Company
	TTS Studios
	Allegiance Flag Supply

MAJOR COUNTY INITIATIVES

Charleston County Greenbelt Program:

During FY24, County Council approved eleven Greenbelt projects totaling over \$10 million to award grant funding to purchase 428 acres for public parks and greenspace, acquire 3.9 miles of right of way for corridor projects, and improve beach access with 480 feet of boardwalk construction. These projects provide the following:

- A future 161.5 acre park along Wadmalaw Sound in Meggett providing both passive and active recreational opportunities as well as deep water access.
- Land to serve as home of the Lincolville Heritage Welcome Center to be included as part of the future Lincolville Historical Recreation Park located within the settlement community.
- Preservation of 156.8 acres of marsh and 16 acres of upland along the Ashley River for flood mitigation, protections of viewshed, and a future public park allowing for waterway access.
- Protection of public greenspace within the Beefield Community on James Island providing crucial community resources and preservation of an area rich in history.
- 87.7 acres of maritime forest, upland forest, hammock islands, and tidal salt marsh creating a protected wildlife corridor and public greenspace along Betsy Kerrison Parkway on Johns Island.
- Improved beach access on Sullivan’s Island with a 480 foot long and 6 foot wide beach access boardwalk at station 26.5.
- Leveraging of nearly \$11 million in matching funds.

Capital Projects:

- Assessor’s Department relocation to Perimeter Center design work was completed August 2024 with construction beginning March 2025.
- Azalea Complex – New fueling station completed November 2024, with the wash bay expected to be completed January 2025. Phase II is currently in construction. Phase III, Fleet expansion, design completed October 2024, with construction expected to be completed December 2025. Phase IV (EMS Administration and Logistics) is currently in design.
- S.C. Probation, Parole, and Pardon office relocation to Remount Road is ongoing with an expected completion of March 2025.
- EMS station 8 (Edisto Island) completion expected April 2025. The St. Andrew’s station has an expected completion of December 2025. The St. John’s Fire District station site master plan will start January 2025 with construction beginning June 2025.
- The Coroner’s Office expansion is ongoing with construction completion expected March 2025.

- The Sheriff's Office Marine Patrol Division dock and boatyard programming is ongoing with an estimated completion of December 2025.
- The new James Island Public Works maintenance facility was completed in November 2024 and the Fleet fuel station has an expected completion of August 2025.
- The new Ravenel Public Works maintenance facility and fuel station programming is ongoing and is expected to start March 2025.
- The Tri-County Biological Science Center is currently in construction.

Charleston County Public Libraries (CCPL):

- McClellanville and Folly Beach branch libraries completed in May 2024.
- The Edisto branch library was completed in October 2024 and the E.A. Poe branch library will be completed in December 2024.
- The Main library design work started in July 2024, with renovations estimated to begin June 2025.

Construction Management:

- Glenn McConnell Parkway Widening – County Council approved \$25,000,000 from the 2016 Transportation Sales tax to fund the design and construction of this project. The goal of this project was to relieve traffic congestion and improve bike and pedestrian facilities. The ribbon cutting took place April 2, 2024.
- The Maybank Highway Improvement – Northern Pitchfork had a ribbon cutting ceremony in March 2024. This project is currently in the design, build, and permitting phase with construction expected to begin in the Spring of 2025.

Other projects on the horizon for the County are:

- Palmetto Commerce Interchange – the goal of this project is to reduce congestion at surrounding intersections, offer additional travel routes, provide access to existing and planned development, and improve mobility. Construction began in August 2023, and is anticipated to be substantially complete in early 2026.

SUPPORTING OUR CITIZENS

The pandemic negatively impacted many of our citizens. Funding from the federal Consolidated Appropriations Act (2021) and the American Rescue Plan Act (2021) provided fast and direct economic assistance to struggling County citizens. Although the pandemic recovery funds are not included in the FY 2024 operating budget, the Community Development and Revitalization/Neighborhood Revitalization Departments are utilizing the funds to assist citizens with critical needs including housing. These programs are preliminary to addressing affordable housing needs in the County.

TAX ABATEMENTS

Charleston County's ability to offer financial incentives (and the minimum requirements to receive them) is rooted in the laws of South Carolina. Additional information regarding the County's tax abatements can be found in the notes to the financial statements, in Other Information Note K. The County's decision to offer those incentives is based on its hopes of achieving a competitive advantage to attract and retain industry and improve the local business climate. The County looks at not just the benefits/loss itself, but the benefit for the community as a whole (i.e. jobs, indirect sales, new home buying, lower unemployment, etc.) The County's return on investment goes far beyond the numbers and cannot necessarily be quantified.

The Charleston County Economic Development Department is charged with regularly monitoring all financial incentive deals with regard to GASB77. When the Economic Development Department submits its annual budget, budgeted revenue is reduced by prior year estimated depreciation of personal property on existing deals.

Governments are typically loss leaders in that they often run deficits in certain areas for others to progress. An example would be taking a tax loss to attract a company who in turn will bring jobs, which in turn brings people, which in turn brings increased retail sales, which in turn brings in more tax revenue and so on. It is the opinion of the County that if not for the financial tax incentives, most of the industry that has located here would not have otherwise

done so. So, the foregone tax revenue is actually a benefit in the long term to the County as a whole.

AWARDS AND ACKNOWLEDGEMENTS

Charleston County Government's offices, departments and employees have been honored with numerous awards and recognitions in FY 2024. These awards reflect Charleston County employees' dedication to providing the best services to our citizens.

- The Government Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to Charleston County for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This was the 36th consecutive year that the government has achieved this prestigious award. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting given to governments that demonstrate a constructive "spirit of full disclosure" to clearly communicate the County's financial story. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that Charleston County's current comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.
- Charleston County also received its 35th consecutive **Distinguished Budget Presentation Award** for its Fiscal Year 2024 budget from GFOA. According to the GFOA, the award reflects the commitment of Charleston County Government and its staff to meeting the highest principles of governmental budgeting. The award was given based not only on how well the County budgets its funds, but also on how well it communicates to the public how the money is spent. The Fiscal Year 2025 budget will be submitted to the GFOA, and we believe it will also receive the award.
- Charleston County received its 5th award for the **Popular Annual Financial Report (PAFR)** for the fiscal year ended June 30, 2023. This is the fifth time the County has submitted a PAFR for the GFOA award.
- Government Finance Officers Association of the United States and Canada (GFOA) has named Charleston County, SC as a 2023 **Triple Crown** winner. GFOA's Triple Crown designation recognizes governments who have received GFOA's Certificate of Achievement for Excellence in Financial Reporting or Canadian Award for Financial Reporting, Popular Annual Financial Reporting Award, and Distinguished Budget Presentation Award for a fiscal year. The Triple Crown designation represents a significant achievement. To qualify, each entity must meet the high standards of all three separate award programs. Each award program recognizes governments that produce reports which communicate their financial stories in a transparent manner and meet applicable standards.
- Charleston County maintained its AAA bond rating with **Standard & Poor's** Ratings Services, **Moody's** Investors Service, and **Fitch** Ratings for the 19th year in a row.
- Charleston County Board of Elections and Voter Registration won the South Carolina Association of Counties 2023, J. Mitchell Graham Memorial award. This award recognizes counties that address community challenges, implement operational improvements, or enhance their citizens' quality of life in a unique way.
- The Charleston County Public Library was recognized nationally by Gale and the Library Journal as a Library Defying the Odds. This Honorable Mention award recognized the Library's various programs, services, and partnerships that were created to target food insecurity in Charleston County.
- The Economic Development Department earned the 2023 Excellence in Economic Development Silver Award from the International Economic Development Council (IEDC) for their participation in Tri-County STEMersion. They also won two gold awards from IEDC honoring their achievements in the 2023 Annual Report highlighting three decades of economic growth and 2024 Economic Development Week by fostering community connections and highlighting local achievements.

- Charleston County EMS celebrated their 50th Anniversary and was awarded the 2023 Large System of the Year award by the South Carolina EMS Association Symposium. To receive this award, an ambulance service in South Carolina must exemplify outstanding professionalism and service to its community.
- Consolidated Emergency Communications Center was asked to participate as a presenter in the 2024 European Emergency Number Association International Conference because of their forward thinking and use of Artificial Intelligence in administrative call processing. Technology Manager, Matthew Hibler presented on behalf of Charleston County in Valencia, Spain.
- Charleston County celebrated 50 years of Community Development grant programs; the Community Development Block Grant and the HOME Investment Partnership Program.
- Cassandra M. Robinson, JD, Charleston County's Human Resources Employee Relations Specialist was selected to participate in the Riley Institute's Diversity Leaders Initiative for the Fall 2023 Lowcountry class. This initiative provides individuals with new tools and perspectives to leverage diversity to improve organizational outcomes and drive social and economic progress in South Carolina.
- The Charleston Metro Chamber announced Diversity, Equity, and Inclusion Officer, Margie Gamble, as the recipient of the Diversity Champion of the Year award. This award honors a business or leader who is committed to creating a more diverse, equitable, and inclusive workplace and/or community. This Champion has had an undeniable impact to ensure everyone in the community has the opportunity to live, learn, and earn.

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Charleston County Finance Department. Special thanks go to the team headed by Carla Ritter, who with the assistance of Laurie Hagberg, Reggie Fuller, Carlitta Taylor, Kristina Clemens, and Khristian Bryant of the Finance Department produced the Annual Comprehensive Financial Report and coordinated the audit with the external auditors. Substantial contributions were also made by several financial staff members throughout the County: Mary Tinkler and Julie Riley from the Treasurer's Office; Mack Gile, the Chief Financial Officer; Mike Franks and Gail Marion from the Budget Department; Mike Turner from Community Development and Revitalization; Amber Hills from the Department of Alcohol and Other Drug Abuse Services; Ashley Richardson and Kip Watson of the Economic Development Department; Amy Taylor from the Public Works Department; and Tami Fralick and Shemequa Pringle-Jackson from the Revenue Collections Department. Thanks are also extended to the staff of Scott and Company LLC, the external auditors, for their efforts in performing the annual external audit.

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

William L. Tuten
County Administrator

Mack Gile
Chief Financial Officer

Carla Ritter
Finance Director