

HORRY COUNTY, SOUTH CAROLINA

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2007

PREPARED BY THE FINANCE DEPARTMENT

HORRY COUNTY, SOUTH CAROLINA

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COMPREHENSIVE ANNUAL
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YEAR ENDED JUNE 30, 2007

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HORRY COUNTY, SOUTH CAROLINA

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INTRODUCTORY SECTION

HORRY COUNTY, SOUTH CAROLINA

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FINANCE DEPARTMENT**

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**HORRY COUNTY, SOUTH CAROLINA
LETTER OF TRANSMITTAL
NOVEMBER 30, 2007**

To the Honorable Chairman, Members of the County Council, County Administrator, and the Citizens of Horry County:

We are pleased to submit the comprehensive Annual Financial Report of the County of Horry for the fiscal year ended June 30, 2007. This report is prepared for the purpose of disclosing the County's financial condition to its residents, elected officials and other interested parties. The financial statements contain all disclosures necessary to enable the reader to gain an understanding of the County's financial activities.

This report consists of management's representations concerning the finances of Horry County. Consequently, management assumes full responsibility for both the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of Horry County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of Horry County's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal control should not outweigh the benefits, Horry County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Horry County financial statements have been audited by Scott McElveen L.L.P., Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for fiscal year ended June 30, 2007, are fairly stated in accordance with GAAP. The independent audit involved examining, on a test basis, evidence to supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles 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 a reasonable basis for rendering an unqualified opinion that Horry County financial statements for the fiscal year ended June 30, 2007 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the Financial Section of the CAFR.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. This letter of transmittal is designed to complement the Management's Discussion and Analysis and should be read in conjunction with it. Horry County's Management Discussion and Analysis can be found immediately following the report of the independent auditors.

Profile of the Government

Horry County is the Northeastern most County in the State of South Carolina. Encompassing 1,134 square miles, it is also the largest. Horry County was incorporated in 1801 with a population of 550. The county was named after Peter Horry who was a descendent of Huguenot settlers and whose family owned several large plantations in the area. He served as a Brigadier General of Militia and a member of the South Carolina General Assembly during the American Revolution under General Francis Marion, who was known as the Swamp Fox.

Surrounded on the three sides by ocean, rivers, and swamps, Horry developed a distinctive culture, which gave rise to its name, "The Independent Republic of Horry County". From the time of incorporation, Horry County stood off the edge of South Carolina, both literally and figuratively.

In 1975, Horry County adopted the Council-Administrator form of government. Under this type of government, each member of council is elected from a district in which he/she lives and a chairman is elected at-large. There are twelve council members in total. Each council member is elected for four-year terms, half of the members being elected every two years. Elections are held every even-numbered year in the month of November.

The Home Rule Act, passed by the General Assembly in 1976, dictates the responsibility of the Council. According to the Act, county Council's function is to make policy through ordinances and resolutions and shape those policies through the budget process. The Council is also responsible for appointing the County Administrator, the Registrar of Deeds and the Clerk to Council.

The Administrator is responsible for carrying out the policies and ordinances passed by council, for overseeing day-to-day operations of the government, and for appointing the County's Division Directors. The Administrator performs all necessary administrative duties, as directed by Council, and ensures efficient operation of all County functions.

Horry County provides a full range of services, including police and fire protection, EMS and E-911 services, the construction and maintenance of highways, streets and other infrastructure, health and social services, recreational and cultural activities, economic development, and other general administrative support services. In addition, air transportation and terminal support, industrial park development, and operation of a baseball stadium jointly owned with the City of Myrtle Beach are provided under an Enterprise fund concept, with charges set to provide adequate coverage of operating expenses and payments on outstanding debt.

The Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for Horry County's financial planning and control. All department heads present a departmental budget to the Department of Budget and Revenue Management, which is reviewed and a balanced financial plan is presented to the Administrator. Once the Administrator is satisfied with the recommended budget, it is forwarded to County Council. Council must, according to state law, have three readings of the financial plan ordinance and a public hearing before it can be passed and become law. The Administrator is authorized to transfer budgeted funds within a department and between departments, within the same fund. Budget transfers between funds require amendments to the original ordinance. Formal budgetary integration is employed as a management control device during the year. No expenditure in any one of the governmental fund types will exceed the budgeted expenditure amount for that fund without prior amendment of the financial plan ordinance by Council.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy

The County's predominantly tourist-based economy continues to thrive, in spite of the state of the national economy. Most of the County's sixty (60) miles of beaches stretching from Little River to Pawley's Island have been developed residentially or commercially while at least 32% of the remainder of the County is yet to be developed. Thirty-eight percent of the state's hotel and motel rooms are located in Horry County. Forty percent of the state's second homes are also located within the County.

Horry County was the fourth-fastest-growing area in the nation between 2005 and 2006, according to the U.S. Census Bureau. Horry County continues to be the No. 1 area for homebuyers to purchase a second home based upon EscapeHomes.com and Forbes magazine. Where to Retire magazine listed South Carolina as the 18th ranked area for retirees over the age of 60 to relocate to; this ranking is only expected to improve as the baby boomers retire.

Myrtle Beach, according to a regional profile of U.S. visitation to South Carolina, estimates that approximately 13.8 million tourists visit the Grand Strand each year. *National Geographic Traveler Magazine*, Travel Channel, and Yahoo! Travel all list Myrtle Beach as one of the nations Top 10 Beaches.

Among the amenities that create such a draw to the region, there are more than 1,700 dining establishments, in excess of 72,000 rooms available for overnight guests, a variety of entertainment theaters and nearly 105 golf courses – not to mention miles of coastline, meandering rivers and abundant natural beauty, all available.

With area courses designed by some of the best-known names in golf, including Jack Nicklaus, Arnold Palmer, Ree Jones, Greg Norman, and Tom Fazio, Horry County boasts one of the largest concentrations of golf facilities in the nation. Golfers will be able to tee off on any of 1,800 golf holes in the county-playing nearly 4.0 million rounds of golf each year. Golf generates more than \$644 million annually for the state's economy and employs more than 14,000 full time workers. The industry has also been instrumental in the expansion of the tourist season, including early spring and late fall to our regular May through October peak. The Horry County area accounts for more than 34 percent of South Carolina's golf courses.

Retail sales, employment and construction are all intimately tied to the tourism industry. The increasing diversity of geographic origin and economic profile of tourist will help to hedge any cyclical downturn in the national economy. Group marketing sales are also an increasing part of the visitor industry for the Grand Strand.

Horry County is more than a bustling center of tourism, it is also a comfortable place in which to live, raise a family, and simply relax and enjoy life. County residents have the unique opportunity to both enjoy the pleasant tranquility of country living as well as the numerous amenities offered along the Grand Strand resort areas.

Commercial and Residential Development

The County's economy remains strong as a result of sustained residential and commercial development over the past ten years. The tax base continues to grow, as well as building permit revenues.

Horry County's biggest development, Carolina Forest, was opened by International Paper in 2000. Carolina Forest is approximately 17 square miles or 10,850 acres. To compare, the City of Myrtle Beach is also approximately 17 square miles or 10,700 acres. In thirty years, 50,000 to 60,000 people could live in Carolina Forest, with it possibly growing into an incorporated town. There will be 37 subdivisions, eight to 10 golf courses, and five million square feet of commercial space. Horry County is striving to make this the County's first fully zoned and planned community. The overall concept is to intersperse houses with sidewalks, arranged by subdivisions with matching signage, all planned around a downtown district with an old-fashioned Main Street called "Town Centre". Plans are being prepared for a precinct police department, fire stations and equipment, school construction and controlled commercial development as well as libraries and recreational facilities. The population is estimated to be approximately 60 percent retirees and 40 percent younger families. The growth is expected to take place over the next 20 to 30 years. Due to this mass development, the County is continuing to analyze funding methods such as impact fees, admissions tax, property taxes, and business license to ensure its ability to provide services into the future.

In 1999 Burroughs and Chapin began development of the Grande Dunes Resort project, a high profile, full service resort stretching from the beach to the Intracoastal Waterway between 82nd Avenue North and the Dunes Golf and Beach Club in Myrtle Beach. The residential resort, touting classic Mediterranean architecture, will provide numerous upscale amenities to include golf and tennis facilities, an ocean club, and private marina. Accommodations, upscale ships and restaurants are all part of the plan for the Marina Village section of the development, which is open to the public. In 2007, sales and rental activities have begun for the residential facilities as well as the boat slips at the marina.

The company also broke ground on Horry County's newest growth endeavor currently in development – The Multi-County Business Park, which is home to the 1.4 million square foot Coastal Grand – Myrtle Beach Mall on US 501 and US 17 Bypass. The metropolitan-size shopping mall opened in March of 2004 and houses anchor stores such as Belks, Sears, Dillard's, Dick's Sporting Goods, and Bed Bath & Beyond. In addition to the mall, space is available for up to 20 out parcels for free standing business. As of 2007, these out parcels are 80% occupied.

Shopping opportunities continue to be bountiful by improvements to the Grand Strand – from the Tanger Outlet Stores on US 501 to the Tanger Outlet Center located in the northernmost section of Myrtle Beach on US 17. Outlet shops such as SAKS, GAP, Osh Kosh, Sketchers, Croscill, and Bombay make either of these retail gems a must see. Colonial Mall, Barefoot Landing and Broadway at the Beach continue to make enhancements to the shopping arena by adding specialty shops, the Nostalgia Park and increasing the number of new restaurants.

Building Permits Issued

<u>Fiscal Year</u>	<u>Number</u>	<u>Revenue</u>
2005	9,647	\$7,095,552
2006	11,981	\$9,141,771
2007	9,909	\$6,905,055

Long-term Financial Planning

Unreserved, undesignated fund balance in the general fund (18% of the FY08 general fund expenditure budget) continues to fall within the policy guidelines set by County Council for budgetary and planning purposes (15% of the general fund operating budget).

The outlook for the County is as exciting as the past has been. The Census 2006 results reflect a permanent population of 238,493 for Horry County with projections showing continued growth to a population of 296,000 by the year 2010.

To address the ongoing capital needs for the growing community, Horry County Council approved the development of a Capital Improvement Program Policy. This policy calls for the adoption of a formal five-year Capital Improvements Program to be updated annually. The County will attempt to budget as pay-as-you-go funding for capital improvements an amount equal to at least 3% of General Fund operating revenues.

Major Initiatives

Expanding transportation, infrastructure, and service needs are a constant strain on the government entity. In spite of the difficulty of predicting such needs, an attempt has been made to anticipate the County’s growth and to create opportunities and expand services to accommodate the demands of the citizens. In the area of Public Safety, the expansion and merger of our Fire and EMS departments facilitate desirable response time; in Libraries, the expansion plans facilitate customer service. Major equipment (fire trucks, ambulances, and books) is included in the Capital Improvement Plan because of the high dollar impact of these items. In addition to the primary government’s Capital Improvements Plan, major road projects are in progress or are planned for the near future. The County has also taken great steps to manage stormwater issues and is using strong initiative in the area of geographical information system development.

A strong commitment to building and diversifying our economy is evident through our emphasis on economic development. The County currently operates three industrial parks. Overall, community commitment exists to bring in new industry – as demonstrated by the example of Horry Electric Cooperative’s contributions, through the Rural Development Act, to assist in the infrastructure development of these parks.

On November 7, 2007, the voters of Horry County passed a one-cent capital projects sales tax that went into effect May 2007, and by state law, will end seven years later. Horry County is slated to receive \$425,539,087 over this seven-year period, which will be used to fund one of the largest local road improvement program in the history of Horry County. The proceeds will be used for the following projects:

1. \$ 19,600,000: Pave 20 miles of County dirt roads;
2. \$ 945,000: Resurface 12 miles of County roads;
3. \$ 49,500,000: Construct grade separated interchange at the intersection of US Hwy. 17 Bypass and SC Hwy. 707 at the backgate of the former Myrtle Beach air base;
4. \$ 132,250,000: Widen SC Hwy. 707 from Enterprise Road to the County line including intersection improvements at SC Hwy. 544;
5. \$ 25,750,000: Pave 25 miles of County dirt roads;
6. \$ 990,000: Resurface 12 miles of County roads;
7. \$ 46,000,000: Construct Aynor overpass;
8. \$ 1,035,000: Resurface 12 miles of County roads;
9. \$ 76,000,000: Widen Glenss Bay Road to 3 lanes and construct grade separated interchange at US Hwy. 17 Bypass;
10. \$ 1,080,000: Resurface 12 miles of County roads;
11. \$ 27,750,000: Pave 25 miles of County dirt roads;
12. \$ 1,125,000: Resurface 12 miles of County roads;
13. \$ 6,500,000: Pave 2 lanes of International Drive from Carolina Forest to SC Hwy. 90;
14. \$ 682,500: Resurface 7 miles of County roads;
15. \$ 36,100,000: Pave 30 miles of County dirt roads.

Capital Projects Under Construction

The J. Reuben Long expansion program is underway with the addition of a new wing to the Minimum Security building as the first phase. An Architectural/Engineering firm has been selected and planning of the expansion of the main building has begun. County Council has allocated a significant initial budget to provide for the planning and programming and \$50 million is to be provided from the issuance of General Obligation bonds in fiscal year 2008.

Design has been completed for the renovation of the Burroughs School and McCown Auditorium buildings which will become the new home of the Horry County Museum. The construction phase will begin in the spring of 2008 with anticipated completion in mid 2009.

The Conway Health Department project is near completion and will consolidate all Horry County SCDHEC functions into a single building at the Horry County Community Service Complex on Industrial Park Boulevard.

Ride Plan

The most aggressive road construction program in the history of Horry County, Road Improvement and Development Effort (RIDE), was approved by Governor Beasley in September 1996. The RIDE Project is the initiation of a comprehensive solution for transportation problems which pairs significant funding from the local level with funding provided by the State of South Carolina. Horry County enacted an ordinance in the fall of 1996 that implemented a 1.5 percent hospitality fee (accommodations, restaurants, amusements, golf and theaters) effective January 1, 1997. The purpose of this fee is to provide the financial ability for Horry County to partner with the State of South Carolina to meet the infrastructure needs of the County.

The participating parties for the RIDE project are Horry County, the South Carolina Transportation Infrastructure Bank and the South Carolina Department of Transportation. The role of the South Carolina Transportation Infrastructure Bank is to provide the necessary financing and funding for the RIDE project. More detailed information about the technical aspects of the intergovernmental agreement is provided in Note 17 of the basic financial statements.

The total funding committed for the RIDE project is \$1.4 billion. Pursuant to the Horry County Road Improvement and Development Effort Program (the "RIDE Program"), Horry County entered into various long-term loan agreements with the South Carolina Transportation Infrastructure Bank (the "SIB") to provide funding for various road construction projects in the County. The State Infrastructure Bank has made available financial assistance, in the form of both loans and grants, to Horry County under several intergovernmental agreements (IGA). The following three loans were made under these agreements: IGA Loan #1 - \$300,000,000, IGA Loan #2 - \$247,577,000 and IGA Loan #3 - \$2,279,950 for a total of \$549,856,950. Horry County is required to make payments from its Hospitality 1.5% Special Revenue Fund to repay loans #1 and #2. Loan #3 is being repaid from Admissions Tax revenue. Horry County is not obligated to make payments from any other source of funds and Horry County's full faith, credit and taxing power are not pledged in connection with the loans from the State Infrastructure Bank. The current and long-term portion of outstanding debt service related to the RIDE project as of June 30, 2007 is \$350 million. Future debt service payments for the RIDE project are expected to be \$433 million.

The RIDE project is being implemented in phases and includes a series of interconnected highway construction and road enhancements that will improve the overall transportation network in Horry County.

Major projects in RIDE are the Conway Bypass (Highway 22), a six-lane controlled access highway between Aynor and Conway to U.S. 17 near Colonial Mall; and Carolina Bays Parkway (Highway 31); a six lane limited access highway between S.C. Highway 9 in the North and S.C. Highway 544 in the South; a four-lane bridge spanning the Intercoastal Waterway at Fantasy Harbour; and the North Myrtle Beach Connector, a four-lane road connecting S.C. Highway 90 and U.S. 17 to the Carolina Bays Parkway. Other projects resulted in improvements to S. C. Highway 544, S.C. Highway 501 and U.S. 17. Other road improvements will be funded with the County's Capital Project Sales Tax.

In June of 2007, the County entered into an intergovernmental agreement with the State Infrastructure Bank in which the County received a funding commitment for the Carolina Bays Parkway of \$150 million from the State Infrastructure Bank of which \$40 million was made available for immediate distribution by the State Infrastructure Bank. A portion of the local sales tax (\$93.6 million) serves as the local match for the funds. Additionally, in November of 2007 the State Infrastructure Bank approved a commitment to provide funding of \$85 million for the continued extension of Carolina Bays Parkway (Highway 31) to the southern portion of Horry County ending at S. C. Highway 707; there is no matching requirement on these funds.

Geographic Information System (GIS) Program

The Information Technology GIS Department received a number of awards for the implementation of the County's GIS and its integration with enterprise applications. The IT/GIS Department has successfully deployed a new Register of Deeds Application this past year, along with mobile units in the field for the Police, Sheriff's Department, and Fire/Rescue. The State of South Carolina has deployed their Case Management System in the Magistrates and Clerk of Courts offices, in the County and all of the municipalities. All of these users are now using not only the case management system but our Document Management System (OnBase). The fiber infrastructure is being completed to provide redundancy to the County's WAN to ensure communications with all of the cities on the CAD system. Upcoming projects include:

- CAMA Deployment Spring 08
- CopLink Investigative Deployment 08
- AVL in Public Works vehicles
- Management of parcel layer editing
- Land Management Software Deployment (Code Enforcement, Public Works, Planning and Zoning, Stormwater)
- Road Centerline Data Management
- Sweetsoft Billing Software Deployment
- Scanning of Historical Documents into OnBase
- Reflight of Aerial imagery planned for 2008

Airport

The Department of Airports is responsible for the management of Horry County's Airport System, which consists of the Myrtle Beach International Airport (MYR), as well as the Conway/Horry County (HYW), Grand Strand (CRE) and Loris/Twin City Airports (5J9).

The County initiated commercial air service operations at Myrtle Beach Air Force Base under a joint use agreement with the U.S. Air Force in 1975 in response to the growing demand for air services to the Myrtle Beach area. In 1993, the Air Force Base closed and the airfield was given to the County and renamed Myrtle Beach International Airport. MYR consists of over 1,900 acres of land, located within the City of Myrtle Beach. MYR is a County facility consisting of a passenger terminal complex, a 9,500-foot runway and related taxiways, a general aviation apron and supporting buildings and hangers. Conway, Grand Strand and Loris Airports are general aviation airports.

The Department of Airports is moving forward with implementing its various general aviation airports' Master Plans expansion projects to insure that sufficient capacity will be available to meet future general aviation demands. Under the direction of County Council, the Department has also initiated a program to revise the Airport Layout Plan for Myrtle Beach International Airport to reflect recent decisions regarding the location of future facilities at that airport. In addition, the Department is developing a new general aviation terminal complex on the westerly side of the Myrtle Beach International Airport, fuel farm improvements at HYW, obstruction removal at CRE and obstruction marking and land purchases at 5J9.

In February 2006, the South Carolina Department of Commerce, Division of Aeronautics released an economic impact study of the County's airports. That study, prepared by Wilbur Smith Assoc., estimates the direct and indirect economic impact of the four county airports is over \$776.3 million annually. The airports' existing tenants comprise of companies specializing in the handling, servicing, modification and repair of aircraft. The County's airports are ideally suited for these industries because of their excellent facilities and the quality and cost of living in the area.

Funding

The funding of the Health Department and Museum was provided through the issuance of an \$11 million dollar General Obligation Bond issued in April of 2007.

A one-cent sales tax increase went into affect May 1, 2007 to pay for several major infrastructure projects over a 7-year period.

A 1.5% Hospitality Fee is being assessed County-wide on all prepared foods, accommodations and amusements to be used for the improvement and construction of roads.

The 1.0% Hospitality Fee assessed on the unincorporated areas of the county has been used to issue revenue bonds to fund portions of the County's local road improvement plan, Public Safety, GIS and Stormwater project start-up in 2001. The fee was also used to fund the construction of the Drug Lab.

The Stormwater Management program is generating utility fees to cover construction costs and operational costs generated from maintenance and staffing needs.

The County imposed a Solid Waste fee in fiscal year 2004, which is used to fund E-911 enhancements.

Projects not provided for by debt, grant funding, or user fees will require transfers from the General Fund or a millage assessment.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Horry County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2006. This was the twentieth consecutive year that Horry County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

In addition, Horry County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 1, 2006 for fiscal year ended June 30, 2007. This was the eighteenth consecutive year that Horry County has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department and the various division directors, department heads and employees who contributed to its preparation. We would like to express our appreciation to all members of the department who assisted and contributed to its preparation and to the staff of Scott McElveen, L.L.P. who diligently strived to provide technical guidance and assistance. We would also like to thank Horry County Council and the County Administrator for their leadership and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



Alfred L. Liner
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Horry County South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director

MEMBERS OF COUNTY COUNCIL

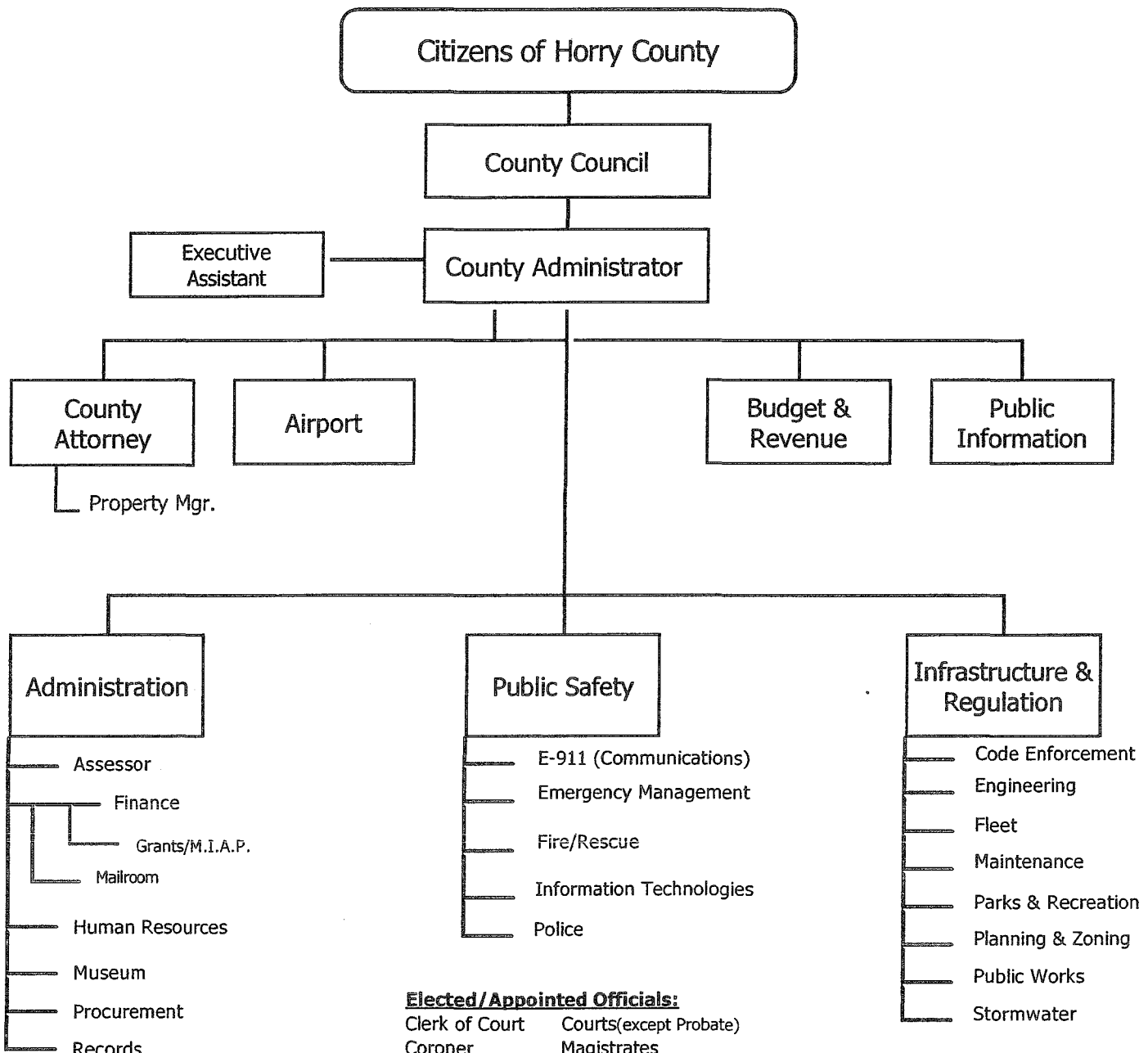
Elizabeth D. Gilland	Chairperson
Marion Foxworth	Vice Chairperson
Harold Worley	Member, District 1
Brent Schulz	Member, District 2
Marion Foxworth	Member, District 3
Michael L. Ryan	Member, District 4
Howard D. Barnard, III	Member, District 5
Bob Grabowski	Member, District 6
James R. Frazier	Member, District 7
Carl Schwartzkopf	Member, District 8
W. Paul Prince	Member, District 9
Kevin J. Hardee	Member, District 10
Al Allen	Member, District 11

ELECTED OFFICIALS

M. Lois Eargle	Auditor
Melanie Huggins	Clerk of Court
Robert Edge, Jr.	Coroner
Deirdre W. Edmonds	Judge of Probate
Phillip E. Thompson	Sheriff
J. Gregory Hembree	Solicitor Fifteenth Circuit
Roddy Dickinson	Treasurer

ADMINISTRATIVE OFFICIALS

Danny Knight	County Administrator
Anne Wright	Division Director, Administration
Paul Whitten	Division Director, Public Safety
Steve Gosnell	Division Director, Infrastructure & Regulation
John Weaver	County Attorney



Elected/Appointed Officials:

Auditor
 Library
 Master-in-Equity
 Registrations & Elections
 Treasurer
Hospitality/Business License
Delinquent Tax

Boards & Commissions:

Airport Advisory Committee
 Assessment Appeals
 Accommodations Tax Advisory
 Fee Appeals
 Memorial Library
 Museum
 Registration & Election

Supplemental Funded Agencies

Coastal Carolina College
 Horry-Georgetown Technical College

Elected/Appointed Officials:

Clerk of Court
 Coroner
 Solicitor
 Sheriff
Detention
Juvenile Detention

Boards & Commissions:

Shoreline Behavioral
 Council on Aging

Supplemental Funded Agencies:

S.C. Dept. of Health
 S.C. Dept. of Probation & Parole
 S.C. Dept. of Social Services
 Public Defender

Elected/Appointed Officials:

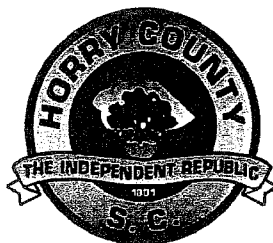
None

Boards & Commissions:

Arcadian Shores Special Tax District
 Board of Architectural Review
 Board of Adjustment & Zoning Appeals
 Construction Adjustment Appeals
 Mt. Gilead Special Tax District
 Open Space
 Planning Commission
 Socastee Recreation District
 Solid Waste Authority
 Stormwater Advisory
 Vereen Memorial Gardens

Supplemental Funded Agencies:

MB Regional Economic Dev. Corp.

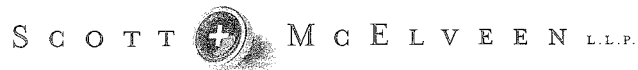


HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT
AND
MANAGEMENT'S DISCUSSION AND ANALYSIS



Independent Auditors' Report

The Honorable Chairman and Members of County Council
Horry County, South Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Horry County, South Carolina (the "County"), as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Shoreline Behavioral Health Services and the Horry County Solid Waste Authority, which represent 100% of the assets and revenue of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Shoreline Behavioral Health Services and Horry County Solid Waste Authority is based solely on the reports of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Horry County, South Carolina, as of June 30, 2007, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

CERTIFIED PUBLIC ACCOUNTANTS

Member: AICPA, SCACPA, SEC Practice Section
An Independent Member of the BDO Seidman Alliance

1441 Main Street, Suite 800	TEL (803) 256-6021
Post Office Box 8388	FAX (803) 256-8346
Columbia, South Carolina 29202	www.scottmcelveen.com

As discussed in Note 22 to the financial statements, the County made certain adjustments related to its prior year financial statements as of July 1, 2006.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2007, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the required supplementary information as listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Horry County, South Carolina. The introductory section, the accompanying statements and schedules as listed in the table of contents as Other Financial Information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying statements and schedules as listed in the table of contents as Other Financial Information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Scott McEwen, L.L.P.

November 30, 2007

Columbia, South Carolina

Management's Discussion and Analysis

As management of Horry County, we offer readers of Horry County's financial statements this narrative overview and analysis of the financial activities of Horry County for fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on the pages prior to this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The overall financial condition of the County improved during the year ended June 30, 2007. The total assets of Horry County reflected in the primary government exceeded its liabilities by \$358,471 (net assets). This was an increase of \$46,221 from fiscal year 2006 as re-stated.
- At June 30, 2007, the County's governmental funds reported combined ending fund balances of \$150,381 in comparison with \$125,780 of the prior fiscal year, as restated.
- At June 30, 2007, unreserved fund balance for the General Fund was \$22,089 or 21% of total General Fund expenditures.
- Property tax revenue for the General Fund for fiscal year 2007 was \$59,538 compared to \$55,617 for fiscal year 2006, an increase of 7.1%.
- The County's outstanding governmental activities debt decreased by \$9,979 during fiscal year 2007 compared to fiscal year 2006.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Horry County's basic financial statements. Horry County's basic financial statements are comprised of three components - 1) *government-wide financial statements*, 2) *fund financial statements*, and 3) *notes to the financial statements*. This report also contains required supplementary information in addition to the basic financial statements themselves.

The governmental funds financial statements tell how government services are financed as well as what remains for future spending. Proprietary fund statements consist of enterprise and internal service funds. Enterprise funds are used to 1) account for operations financed and operated similar to private business enterprises and 2) where the governing body had decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Enterprise funds consist of the following: Department of Airports and Baseball Stadium. Internal service funds are used to account for operations that provide goods and services to other departments or agencies of the primary government, or to other governments, on a cost-reimbursement basis. This consists of Fleet Services.

Fiduciary fund statements are used to account for assets held by Horry County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

The financial statements also include notes that further explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements report information about Horry County as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report Horry County's net assets and how they have changed. Net assets, the difference between Horry County's assets and liabilities, measure Horry County's financial position. Over time, increases or decreases in Horry County's net assets are an indicator of whether its financial position has changed. To assess the overall financial position of Horry County you need to consider additional nonfinancial factors such as changes in Horry County's property tax base, changes in operations, and the condition of Horry County's roads.

The government-wide financial statements of the County are divided into three categories:

- **Governmental activities** - Most of Horry County's basic services are included here, such as the police, fire, infrastructure and regulation, and parks departments, and general administration. Property taxes and state and federal grants finance most of these activities.
- **Business-type activities** - Horry County charges fees to customers to help it cover the costs of certain services it provides. Horry County's Baseball Stadium and Department of Airports are included here.
- **Component units** - Horry County includes two other entities in its financial statements-Shoreline Behavioral Health Services and the Horry County Solid Waste Authority. Although legally separate, these "component units" are important because Horry County is financially accountable for them.

The government-wide financial statements can be found on pages 17 through 20 of this report.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about Horry County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The County Council establishes other funds to control and manage money for particular purposes or to demonstrate that it is properly using certain taxes and grants.

The County has three kinds of funds: governmental, proprietary, and fiduciary.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet

and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains four major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General, Hospitality 1.5% Special Revenue, General Improvement Capital Projects, and RIDE Program Debt Service, which are considered to be major funds. Data from the other 32 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the supplementary information section of this report.

The County adopts an annual appropriated budget for its general, budgeted special revenue, and debt service funds and capital projects funds. Additionally, budgetary controls are maintained for certain proprietary fund types. A budgetary comparison statement has been provided for these funds to demonstrate budgetary compliance with budget.

Proprietary funds - The County maintains two different types of proprietary funds.

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds consist of the following: Department of Airports and Baseball Stadium.

Internal Service Funds are used to account for operations that provide goods and services to other departments or agencies of the primary government, or to other governments on a cost-reimbursement basis. This consists of Fleet Services, which is for the maintenance and service of all county vehicles including heavy equipment and light equipment.

Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. They are custodial in nature and therefore do not measure the results of operations, and consist primarily of property taxes and other revenues collected, temporarily retained and distributed by the County Treasurer to other governments.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34 - 84 of this report.

OTHER INFORMATION

In addition to the basic financial statement notes, this report also contains certain required supplementary information. This information includes a budgetary comparison schedule for the general fund and the Hospitality 1.5% Special Revenue Fund and information relating to the condition rating and actual rating and actual maintenance/preservation of Horry County's road infrastructure and the Department of Airport's infrastructure.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial condition and position. In the case of the County as reflected in the primary government funds, assets exceeded liabilities by \$358,471 at the close of the fiscal year ended June 30, 2007.

At the end of fiscal year 2007, the County reflected the following net assets:

Horry County, South Carolina						
Net Assets						
(in thousands)						
	Governmental Activities		Business-type Activities		Total	Total
	2007	2006	2007	2006	2007	2006
	<i>as restated</i>		<i>as restated</i>		<i>as restated</i>	
Current and Other Assets	\$ 205,738	\$ 174,621	\$ 78,219	\$ 76,921	\$ 283,957	\$ 251,542
Capital Assets, net	512,922	495,563	98,808	106,619	611,730	602,182
Total Assets	718,660	670,184	177,027	183,540	895,687	853,724
Current Liabilities	58,083	55,927	12,492	6,048	70,575	61,975
Long-term Liabilities Outstanding	441,521	452,456	25,120	27,043	466,641	479,499
Total Liabilities	499,604	508,383	37,612	33,091	537,216	541,474
Net Assets:						
Invested in Capital Assets,						
Net of Related Debt	406,013	387,935	72,687	84,760	478,700	472,695
Restricted	64,673	38,317	34,046	29,635	98,719	67,952
Unrestricted (deficit)	(251,630)	(264,451)	32,682	36,054	(218,948)	(228,397)
Total Net Assets	\$ 219,056	\$ 161,801	\$ 139,415	\$ 150,449	\$ 358,471	\$ 312,250

Net assets of the County's governmental activities increased 35.4 percent from \$161,801 (*as restated*), to \$219,056. However, all of those net assets are restricted as to the purpose for which they can be used or are invested in capital assets (buildings, roads, bridges, and so on). Unrestricted net assets showed a \$251,630 deficit at the end of this year. This deficit does not mean that the County does not have resources available to pay its bills next year. Rather, it is the result of having long-term commitments that are greater than currently available resources, which will be funded with future revenues.

The net assets of our business-type activities decreased 7.33 percent from \$150,449 (as restated) in 2006 to \$139,415 in 2007, which was a direct result of terminating the terminal and runway improvements. The County had to write-off all costs associated with the terminal, runway and taxiway improvements that were made to date; which had previously been capitalized. This write-off has been accounted for as an extraordinary item.

The total fund balances for governmental funds was \$150,381 at the end of fiscal year 2007. Capital assets are not reported in these funds because they are not financial resources, and are not available to pay for current period expenditures. These assets amounted to \$512,922. Long-term liabilities of \$441,521 are not due and payable in the current period and therefore are also not reported in these funds. A majority of the long-term liabilities, \$334,160, is attributable to the RIDE Intergovernmental Agreements, by which the County agreed to deposit all receipts of the 1.5% portion of its Hospitality Fee into the Loan Servicing Account at the State Transportation Infrastructure Bank. The State Transportation Infrastructure Bank through intergovernmental agreements has provided funding for various road construction projects in Horry County through certain loans, by which the County has agreed to pay. The constructed roads are State roads and are therefore not reflected in capital assets of Horry County. In accordance with the RIDE intergovernmental agreements, the State Treasurer can withhold funds allotted or appropriated by the State to the County and apply those funds to make or complete the required debt service payments should the 1.5% portion of the Hospitality Fee not meet the debt service requirements. The citizens of Horry County have benefited from the construction of these roads that otherwise would not have been possible without the enactment of the Hospitality Fee in January 1997 and the intergovernmental agreements by which the County agreed to partner with the State in funding over \$650,000 towards their construction and meet the infrastructure needs of the County.

On December 18, 2003, the Commission of the South Carolina Department of Transportation (SCDOT), agreed to replace the County's \$10 million reserve requirement with a SCDOT guarantee of an equal amount upon the following changes to the loan agreement: Horry County extends its Hospitality Fee Ordinance for a period not to exceed five (5) years; and the County agrees to restructure its annual loan payments based upon new financial projections. If Horry County utilizes the \$10 million reserve, it will be repaid to SCDOT at some future time when the County's funds are sufficient to make the necessary repayments.

Governmental activities

Governmental activities increased the County's net assets during the year by \$57,255. This increase was mainly attributable to increased revenues from property taxes, one-cent sales tax increase for road improvements and continued growth in the County's taxable assessable base as well as controlled governmental expenditures. Key elements of this increase are on the following page:

Horry County, South Carolina

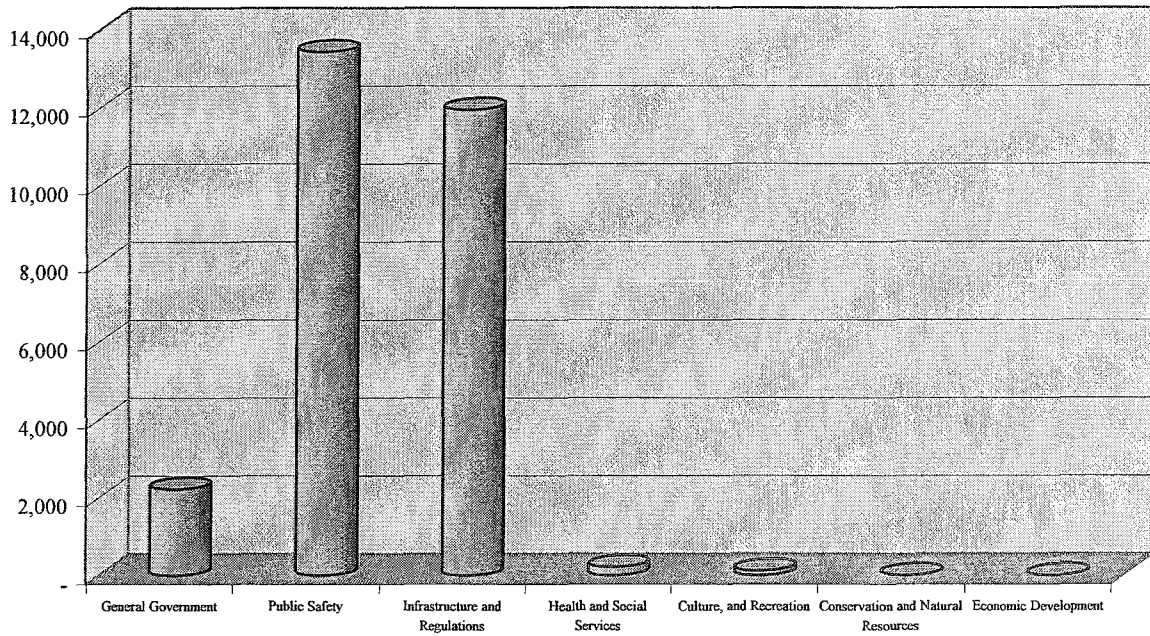
Changes in Net Assets

(in thousands)

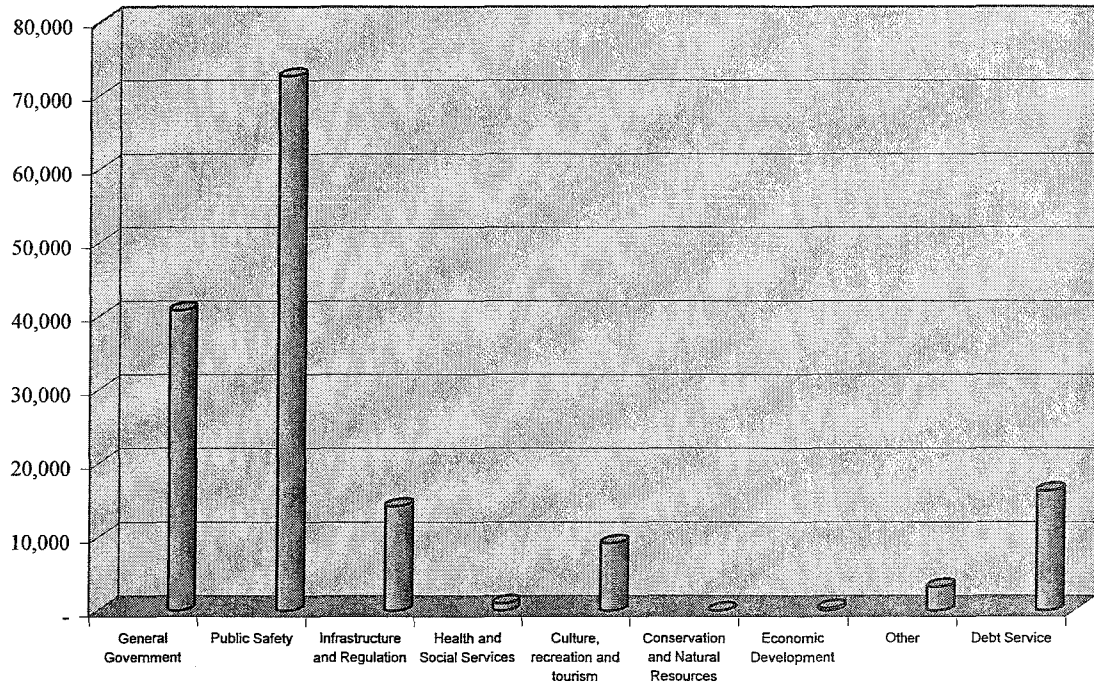
	Governmental Activities		Business-Type Activities		Total	Total
	2007	2006	2007	2006	2007	2006
Revenues:		<i>as restated</i>		<i>as restated</i>		<i>as restated</i>
Program Revenues:						
Fees for services	\$ 26,899	\$ 35,233	\$ 26,548	\$ 23,403	\$ 53,447	\$ 58,636
Operating Grants and Contributions	641	1,991	-	-	641	1,991
Capital Grants and Contributions	358	2,400	-	7,031	358	9,431
General Revenues:						
Property Taxes and Shared Revenue and Unallocated Intergovernmental	123,766	98,143	-	1,280	123,766	99,423
Other	63,112	69,496	5,605	3,294	68,717	72,790
Total Revenues	214,776	207,263	32,153	35,008	246,929	242,271
Expenses:						
General Government	40,691	27,960	-	-	40,691	27,960
Public Safety	72,570	68,799	-	-	72,570	68,799
Infrastructure and Regulation	14,126	30,145	-	-	14,126	30,145
Health and Social Services	980	920	-	-	980	920
Culture, recreation and tourism	9,133	8,534	-	-	9,133	8,534
Conservation and Natural Resources	1	561	-	-	1	561
Economic Development	312	843	-	-	312	843
Other	3,210	7,168	-	-	3,210	7,168
Debt Service	16,193	15,454	-	-	16,193	15,454
Airports	-	-	26,663	18,483	26,663	18,483
Baseball Stadium	-	-	376	334	376	334
Total Expenses	157,216	160,384	27,039	18,817	184,255	179,201
Increase in Net Assets						
Before Extraordinary Item & Transfers	57,560	46,879	5,114	16,191	62,674	63,070
Extraordinary Item & Transfers	(305)	(313)	(16,148)	313	(16,453)	-
Increase (Decrease) in Net Assets	57,255	46,566	(11,034)	16,504	46,221	63,070
Net Assets - 7/1/06 as restated	161,801	115,235	150,449	133,945	312,250	249,180
Net Assets - 6/30/07	\$ 219,056	\$ 161,801	\$ 139,415	\$ 150,449	\$ 358,471	\$ 312,250

Program Revenues and Expenses - Governmental Activities

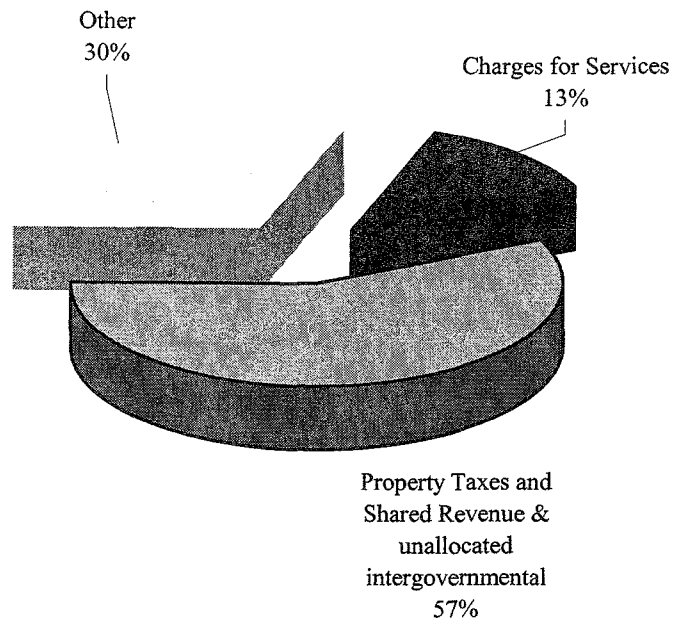
PROGRAM REVENUES



EXPENSES



Revenues by Source-Governmental Activities

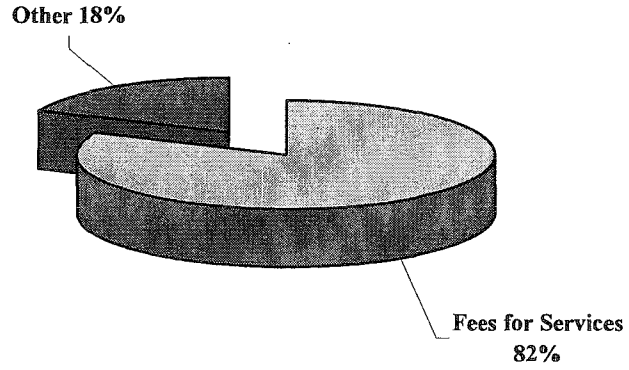


Business-type activities

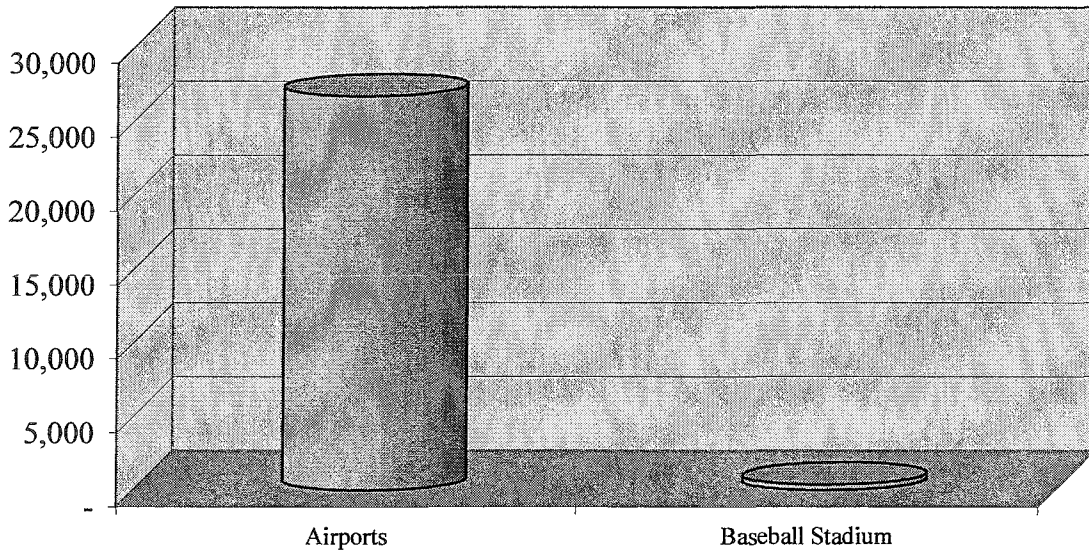
Business-type activities decreased the County's net assets by \$11,034. Key elements of this decrease are as follows:

- The extraordinary item relates the termination of the terminal and runway improvements of \$16,453. These costs consist of amounts previously spent and capitalized on improvements made to the runway, taxiway and terminal as part of the overall project to increase size and capacity prior to project being terminated.
- The recording of the liability and expense related to the repayment of \$7,051 to the FAA. The County is responsible for reimbursement to the FAA for environmental and site work on the improvement project since the project was terminated before completion.

Revenues by Source - Business-Type Activities



Expenses-Business - Type Activities



Financial Analysis of the County's Funds

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

Governmental funds

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

As of the end of fiscal year 2007, the County's Governmental Funds reported combined ending fund balances of \$150,381, an increase of \$30,444 in comparison with the prior year. Unreserved Fund Balance in the Governmental Funds of \$47,298 is available for spending at the County's discretion. The remainder of the fund balance is *reserved or designated* to indicate that it is not available for new spending because it has already been committed: 1) to liquidate contracts and purchase orders of the prior period (\$9,257), 2) for inventories (\$33), 3) for beach renourishment (\$2,573) 4) for prepaid items (\$37), 5) for debt service (\$13,172) 6) for underground storage tanks (\$50), 7) to pay for Fire Special Revenue Fund bonded capital projects (\$3,220), 8) to pay for projects in the Capital Projects Fund (\$8,179), 9) for maintenance and construction of County roads (\$434), 10) for future repairs and maintenance to the Baseball Stadium (\$300), 11) to pay for the RIDE Program Debt Service (\$32,829), 12) for DSS Federal Revenue (\$89), 13) for Cultural (\$120), 14) for Register of Deeds (\$135), 15) for Environmental services (\$552), 16) for Infrastructure development (\$3,021), 17) designated for General Fund (\$3,567), and 18) designated for other Governmental Funds (\$25,515).

The General, Hospitality 1.5%, General Improvements Capital Projects and RIDE Program Debt Service are reported as major funds. The General Fund is the chief operating fund of the County. At the end of fiscal year 2007, unreserved fund balance of the General Fund was \$22,089 while the total General Fund balance reached \$26,929. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 21.1 percent of the total general fund expenditures, while total fund balance represents 25.8 percent of that same amount.

The total fund balance of the County's general fund decreased by \$8,115 during the current fiscal year. The key factors in this decrease were as follows:

- An increase in expenditures of \$16,562 over fiscal year 2006, primarily in the functional areas of General Government, Public Safety and Infrastructure and Regulation.
- While revenues only increased \$ 2,679 over fiscal year 2006.

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. All proprietary funds are reported as major funds.

Unrestricted net assets of proprietary funds at the end of the year amounted to \$39,514.

<u>Fund</u>	2007	2006
	Unrestricted Net Assets (Deficit)	Unrestricted Net Assets (Deficit) (as restated)
Department of Airports	\$ 32,772	\$ 37,147
Baseball Stadium	(90)	(49)
Internal Service Fund	6,832	6,056
Totals	<u>\$ 39,514</u>	<u>\$ 43,154</u>

Other factors concerning the finances of these funds have been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

The final budgeted revenues were increased by \$260 over the original budget. The primary reason was an increase in intergovernmental revenues of \$241 which consisted of \$151 for solicitor appropriations and \$90 from lottery funds for the library. The remaining \$19 was a result of increased donations and contributions for the library. The final budgeted expenditures were increased by \$1,964 over the original budget. The primary reasons for this change is a result of increased costs of \$2,569 in Public Safety, \$319 in increased costs for Culture, Recreation and Tourism, \$20 increased costs in other expenditures and then corresponding decreases of \$500 in General Government and \$444 in Infrastructure and Regulation.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2007 amounts to \$611,730 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, leasehold improvements, equipment, infrastructure, and construction in progress. The total increase in the County's investment in capital assets (net of accumulated depreciation) for the current fiscal year was 1.6 percent (a 3.5 percent increase for governmental activities and a 7.3 percent decrease for business-type activities).

The significant capital event that occurred during the current fiscal year that caused such a considerable decrease was the termination of the terminal and runway improvements for the Myrtle Beach Airport. This resulted in \$16,453 of capital assets being removed from construction in progress. The increase in Governmental activities is related to the ordinary course of business and depreciating property based upon the useful life schedule coupled with new Capital Project Sales Tax revenue as provided by the State of South Carolina.

Horry County, South Carolina
Capital Assets
(in thousands)

	Governmental Activities		Business-type Activities		Total	Total
	2007	2006 (as restated)	2007	2006	2007	2006 (as restated)
Land, Easements, and Improvements	\$ 15,555	\$ 13,225	\$ 28,997	\$ 28,037	\$ 44,552	\$ 41,262
Infrastructure	383,345	369,265	9,182	9,182	392,527	378,447
Construction-in-Progress	6,407	248	517	12,323	6,924	12,571
Buildings and Improvements	80,267	81,827	30,811	32,673	111,078	114,500
Office Furniture	1,131	1,598	-	-	1,131	1,598
Vehicles	1,399	1,639	-	-	1,399	1,639
Machinery and Equipment	24,435	27,469	4,773	5,307	29,208	32,776
Runways and Taxiways	-	-	24,528	26,113	24,528	26,113
Other	383	292	-	-	383	292
Total	\$ 512,922	\$ 495,563	\$ 98,808	\$ 113,635	\$ 611,730	\$ 609,198

Additional information on the County's capital assets can be found in Note 7 of the Notes to the Basic Financial Statements.

Modified Approach for Infrastructure

Horry County has adopted the modified approach for reporting its road infrastructure. Following this approach, the County does not depreciate infrastructure assets but maintains an up-to-date inventory of road infrastructure assets, condition indexes ranging from one for failed pavement to five for a pavement in perfect condition. The County must also document that the road infrastructure assets are being preserved at or above the condition level established.

A five-year Local Road Improvement Plan was implemented July 1, 1997. Horry County extended this program for an additional 5 years in 2001. FY 2007 represents Year 10 of the project, which endeavors to improve the County's roadways with paving, resurfacing or coquina/slag. The five-year extension covers years 2003-2007 in an effort to expedite easement acquisitions procedures and thereby enhance the programs effectiveness by approving a 5-year list (80 miles) of dirt roads to be improved.

Additional information on infrastructure assets can be found in Required Supplementary Information (RSI).

Debt Administration

At the end of fiscal year 2007, the County had total bonded debt outstanding of \$92,845. Of this amount, \$80,120 comprises debt backed by the full faith and credit of the government. The remainder of the County's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue

bonds). Other debt outstanding consists of RIDE – Intergovernmental Loan Agreements with the State of South Carolina Transportation Infrastructure Bank, and agreements with the City of Myrtle Beach calling for a 30% liability of Horry County on the Certificates of Participation issued by the City of Myrtle Beach.

Special obligation bonds and revenue bonds are limited obligations of the County and do not constitute the general obligations, or pledge of the faith, credit or taxing power of the County or any other political subdivision.

General Obligation and Revenue Bonds Outstanding
(in thousands)

	Governmental Activities		Business-type Activities		Total	Total
	2007	2006	2007	2006	2007	2006
General Obligation Bonds	\$ 80,120	\$ 72,920	\$ -	\$ -	\$80,120	\$72,920
Special Obligation Bonds	12,725	13,985	-	-	12,725	13,985
Revenue Bonds	-	-	24,300	26,080	24,300	26,080
Baseball Stadium COPS	-	-	2,162	2,295	2,162	2,295
RIDE IGA Loans	350,132	364,791	-	-	350,132	364,791
Total	\$ 442,977	\$ 451,696	\$26,462	\$28,375	\$469,439	\$480,071

The County's outstanding notes and bonded debt decreased by \$10,632 compared with fiscal year 2006.

Additional information on the County's debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

- Development of the County's predominantly tourist-based economy continues to expand. Thirty-eight percent of the state's hotel and motel rooms are located within Horry County and forty percent of the state's second homes are also located within the county. EscapeHomes.com, a website for second-home buyers, ranks the Myrtle Beach area No. 1 out of about one million searches for a second home location. Where to Retire magazine rated the Myrtle Beach area as one of the top 100 Best Retirement Towns in America. Myrtle Beach has been named one of the nations Top 10 Beaches by the Travel Channel, Yahoo! Travel, and National Geographic Traveler Magazine. The Toronto Sun presented the Myrtle beach area with the 2005 Golfer's Choice Bronze Award for Best Travel Destination.
- Gross retail sales were reported to be \$9.14 billion for 2006, which is the most current information available at this time. This is a 10.4 percent increase over 2005.
- The taxable assessed value of real and personal property increased 8.4 percent in the 2007 fiscal year.

- Fees and fines revenues increased 7 percent, amounting to \$966 in added revenue for the 2007 fiscal year.
- The U.S. Census Bureau estimated a 5 percent population increase from July 1, 2005 to July 1, 2006. The estimated population for Horry County at July 1, 2006 was 238,493.

All of these factors were considered in preparing Horry County's budget for the 2008 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund increased from \$19,101 to \$22,089. Projections at this time indicate that at the end of fiscal year 2008, the unreserved fund balance for the general fund will remain above the 15% of total general fund expenditures requirement set by the Financial Policy Ordinance.

Requests for Information

This financial report is designed to present users with a general overview of Horry County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the Chief Financial Officer, 1301 Second Avenue, Conway, SC 29526.

AUDITED BASIC FINANCIAL STATEMENTS

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF NET ASSETS

JUNE 30, 2007

(amounts expressed in thousands)

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Shoreline Behavior Services	Horry County Solid Waste Authority
Assets					
Current assets:					
Cash and cash equivalents	\$ 11,264	\$ 42,635	\$ 53,899	\$ 230	\$ 11,709
Equity in Pooled Cash and Investments	130,174	-	130,174	-	-
Investments	-	-	-	-	26,009
Funds held in trust	4,768	-	4,768	-	-
Receivables, net:					
Property taxes	4,444	-	4,444	-	-
Accounts and other	2,559	734	3,293	52	2,168
Fees	4,299	-	4,299	-	-
Interest receivable	2,538	366	2,904	-	-
Due from primary government	-	-	-	111	553
Due from component units	71	-	71	-	-
Due from other governments	16,702	276	16,978	48	-
Internal balances	823	(823)	-	-	-
Notes receivable - Horry County	-	-	-	-	23
Prepaid items	37	116	153	-	80
Inventories	300	268	568	-	22
Restricted - funds held in trust	26,011	-	26,011	-	-
Total current assets	<u>203,990</u>	<u>43,572</u>	<u>247,562</u>	<u>441</u>	<u>40,564</u>
Non-current assets:					
Restricted assets:					
Cash and cash equivalents	-	6,173	6,173	-	-
Investments	-	26,952	26,952	-	-
Accounts receivable	-	921	921	-	-
Due from other governments	-	-	-	-	16
Notes receivable - Horry County, less current portion	-	-	-	-	24
Total restricted assets	<u>-</u>	<u>34,046</u>	<u>34,046</u>	<u>-</u>	<u>40</u>
Capital assets:					
Land, easements and infrastructure	397,442	34,684	432,126	-	7,440
Depreciable capital assets, net	109,073	63,606	172,679	1,244	14,510
Construction-in-progress	6,407	518	6,925	-	3,010
Total capital assets, net	<u>512,922</u>	<u>98,808</u>	<u>611,730</u>	<u>1,244</u>	<u>24,960</u>
Deferred charges, net					
Bond issuance cost, net	1,748	601	2,349	19	-
Total non-current assets	<u>514,670</u>	<u>133,455</u>	<u>648,125</u>	<u>1,263</u>	<u>25,000</u>
Total assets	<u>718,660</u>	<u>177,027</u>	<u>895,687</u>	<u>1,704</u>	<u>65,564</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF NET ASSETS

- CONTINUED -

(amounts expressed in thousands)

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Shoreline Behavior Services	Horry County Solid Waste Authority
Liabilities and Net Assets					
Current liabilities:					
Accounts payable - trade	3,819	249	4,068	12	1,763
Accounts payable - other	648	-	648	-	-
Accrued salaries, related taxes and compensated absences	1,683	313	1,996	61	224
Accrued expenses	-	526	526	-	-
Due to other governments	2,649	7,141	9,789	-	-
Due to component units	735	-	735	-	-
Construction and retainage payable	313	567	880	-	175
Other liabilities	22,108	-	22,108	-	-
Deferred revenue	132	170	302	-	-
Accrued interest payable	1,719	-	1,719	-	-
Bonds, notes and contracts payable - current portion	4,200	-	4,200	93	-
Special obligation bonds payable - current portion	1,320	-	1,320	-	-
IGA #1 payable - current portion	10,985	-	10,985	-	-
IGA #2 payable - current portion	4,956	-	4,956	-	-
RIDE IGA #3 contribution payable - current portion	31	-	31	-	-
Capital lease obligations - current portion	2,785	38	2,823	-	-
Landfill closures costs	-	-	-	-	3,517
Amounts due to tenants	-	675	675	-	-
Total current liabilities	58,083	9,679	67,762	166	5,679
Current liabilities payable from restricted assets	-	2,813	2,813	-	-
Non-current (long-term) liabilities:					
Certificates of Participation	-	2,024	2,024	-	-
General and special obligation bonds payable	87,325	-	87,325	-	-
Revenue bonds payable	-	21,850	21,850	533	-
RIDE IGA loans payable	333,140	-	333,140	-	-
RIDE IGA #3 contribution payable	1,020	-	1,020	-	-
Due to tenants for capital improvements	-	250	250	-	-
Capital lease obligations	9,246	345	9,591	-	-
Compensation for future absences	10,790	651	11,441	32	82
Landfill closures costs	-	-	-	-	7,098
Landfill post closure care costs	-	-	-	-	5,879
Total long-term liabilities	441,521	25,120	466,641	565	13,059
Total liabilities	499,604	37,612	537,216	731	18,738

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF NET ASSETS

- CONTINUED -

(amounts expressed in thousands)

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Shoreline Behavior Services	Horry County Solid Waste Authority
Net Assets:					
Invested in capital assets, net of related debt	406,013	72,687	478,700	637	24,960
Restricted for:					
Capital projects	8,179	272	8,451	-	-
Road maintenance	434	-	434	-	-
Register of Deeds	135	-	135	-	-
Fire special revenue	3,220	-	3,220	-	-
Infrastructure development	3,021	-	3,021	-	-
Debt service	13,172	33,774	46,946	-	-
RIDE program	32,829	-	32,829	-	-
DSS federal revenue	89	-	89	-	-
Beach renourishment	2,573	-	2,573	-	-
Substance abuse prevention	-	-	-	352	-
Cultural	120	-	120	-	-
Baseball	300	-	300	-	-
Underground storage tanks	50	-	50	-	-
Environmental services	552	-	552	-	-
Waste tire management	-	-	-	-	16
Unrestricted (deficit)	(251,630)	32,682	(218,948)	(16)	21,850
Total net assets	<u>219,056</u>	<u>139,415</u>	<u>358,471</u>	<u>973</u>	<u>46,826</u>
Total liabilities and net assets	<u>\$ 718,660</u>	<u>\$ 177,027</u>	<u>\$ 895,687</u>	<u>\$ 1,704</u>	<u>\$ 65,564</u>

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2007

(amounts expressed in thousands)

Functions and Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Assets				
	Expenses	Fees for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental		Component Units		
					Governmental Activities	Business-type Activities	Totals	Shoreline Behavior	Solid Waste Authority
Primary government									
<u>Governmental activities:</u>									
General government	\$ (40,691)	\$ 2,206	\$ 7	\$ -	\$ (38,478)	\$ -	\$ (38,478)	\$ -	\$ -
Public safety	(72,570)	12,559	505	355	(59,151)	-	(59,151)	-	-
Health and social services	(980)	101	113	-	(766)	-	(766)	-	-
Infrastructure and regulation	(14,126)	11,936	-	-	(2,190)	-	(2,190)	-	-
Culture, recreation and tourism	(9,133)	97	15	-	(9,021)	-	(9,021)	-	-
Economic development	(312)	-	-	3	(309)	-	(309)	-	-
Conservation/natural resources	(1)	-	1	-	-	-	-	-	-
Debt service	(16,193)	-	-	-	(16,193)	-	(16,193)	-	-
TECH and Higher Education Commission	(3,210)	-	-	-	(3,210)	-	(3,210)	-	-
Total governmental activities	<u>(157,216)</u>	<u>26,899</u>	<u>641</u>	<u>358</u>	<u>(129,318)</u>	<u>-</u>	<u>(129,318)</u>	<u>-</u>	<u>-</u>
<u>Business-type activities:</u>									
Airports	(26,663)	26,539	-	-	-	(124)	(124)	-	-
Baseball stadium	(376)	9	-	-	-	(367)	(367)	-	-
Total business-type activities	<u>(27,039)</u>	<u>26,548</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(491)</u>	<u>(491)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ (184,255)</u>	<u>\$ 53,447</u>	<u>\$ 641</u>	<u>\$ 358</u>	<u>\$ (129,318)</u>	<u>\$ (491)</u>	<u>\$ (129,809)</u>	<u>\$ -</u>	<u>\$ -</u>
Component units									
Health services	\$ (2,065)	\$ 1,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (132)	\$ -
Landfill	(18,467)	17,037	16	-	-	-	-	-	(1,414)
Total component units	<u>\$ (20,532)</u>	<u>\$ 18,970</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (132)</u>	<u>\$ (1,414)</u>
<u>General Revenue and Transfers</u>									
General Revenue									
Property taxes					105,141	-	105,141	-	-
Fees-in-lieu of taxes					346	-	346	-	-
Intergovernmental- unrestricted					18,279	-	18,279	-	-
Accommodations tax					3,237	-	3,237	-	-
Local accommodations tax					1,014	-	1,014	-	-
Admissions tax					55	-	55	-	-
Road maintenance					4,656	-	4,656	-	-
Hospitality fees					36,126	-	36,126	-	-
RMC Documentary Stamps					6,966	-	6,966	-	-
Unrestricted investment earnings					8,030	3,626	11,656	6	1,848
Miscellaneous					2,354	-	2,354	30	123
Contributed Capital					630	853	1,483	-	282
Gain on disposal of asset					44	1,126	1,170	-	122
Extraordinary item					-	(16,453)	(16,453)	-	-
Transfers					(305)	305	-	-	-
Total general revenue and transfers					<u>186,572</u>	<u>(10,543)</u>	<u>176,029</u>	<u>36</u>	<u>2,375</u>
Changes in net assets					57,255	(11,034)	46,221	(96)	961
Net assets - beginning of year - as restated					161,801	150,449	312,250	1,069	45,865
Net assets - end of year					<u>\$ 219,056</u>	<u>\$ 139,415</u>	<u>\$ 358,471</u>	<u>\$ 973</u>	<u>\$ 46,826</u>

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

BALANCE SHEETS

GOVERNMENTAL FUNDS

JUNE 30, 2007

	<u>General Fund</u>	<u>Hospitality 1.5% Fee</u>	<u>General Improvement Capital Projects</u>	<u>RIDE Program Debt Service</u>	<u>Other Non- Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash and cash equivalents	\$ 4,708,891	\$ 2,837,108	\$ -	\$ -	\$ 3,718,164	\$ 11,264,163
Equity in pooled cash and investments	40,133,057	-	34,156,074	-	49,392,119	123,681,250
Funds held in trust	-	-	2,227,096	-	2,541,072	4,768,168
Receivables, net:						
Property taxes	501,823	-	-	-	200,145	701,967
Accounts and other	1,419,989	-	2,000	-	1,136,911	2,558,900
Fees	-	4,197,749	-	-	101,617	4,299,366
Interest receivable	1,009,180	-	398,546	-	1,021,819	2,429,545
Due from other funds	4,680,844	690,430	220,455	6,818,461	635,958	13,046,148
Due from other governments	3,113,415	-	-	-	2,639,886	5,753,301
Due from component unit	-	-	70,993	-	-	70,993
Inventories	33,243	-	-	-	-	33,243
Prepaid items	32,114	-	-	-	5,333	37,447
Restricted assets	-	-	-	26,010,519	-	26,010,519
Total Assets	\$ 55,632,556	\$ 7,725,287	\$ 37,075,164	\$ 32,828,980	\$ 61,393,024	\$ 194,655,011

Liabilities and Fund Balances

Liabilities:

Accounts payable - trade	\$ 2,003,464	\$ -	\$ 339,172	\$ -	\$ 1,453,880	\$ 3,796,516
Accounts payable - other	607,381	-	-	-	40,335	647,716
Construction and retainage payable	-	-	312,844	-	-	312,844
Accrued salaries and wages	1,446,820	-	-	-	202,313	1,649,133
Accrued compensated absences	21,433	-	-	-	-	21,433
Due to other funds	55,152	7,479,460	-	-	4,688,429	12,223,041
Due to component units	111,614	-	-	-	623,778	735,393

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BALANCE SHEETS

GOVERNMENTAL FUNDS

- CONTINUED -

	General Fund	Hospitality 1.5% Fee	General Improvement Capital Projects	RIDE Program Debt Service	Other Non-Major Governmental Funds	Total Governmental Funds
Liabilities and Fund Balances (cont.)						
Liabilities:						
Due to other governments	2,590,836	-	-	-	58,500	2,649,335
Proceeds from sales held by Master in Equity	2,588,044	-	-	-	-	2,588,044
Due to taxpayers for overpayment	3,589,260	-	-	-	-	3,589,260
Funds held in trust- delinquent taxes	5,700,532	-	-	-	-	5,700,532
Funds held in trust- Clerk of Court	6,331,384	-	-	-	-	6,331,384
Other liabilities	3,654,969	-	242,797	-	-	3,897,766
Deferred revenue	2,989	120,310	-	-	8,783	132,082
Total liabilities	28,703,878	7,599,770	894,813	-	7,076,018	44,274,479
Fund Balances:						
Reserved for:						
Encumbrances	382,158	-	5,701,190	-	3,173,257	9,256,605
Inventories	33,243	-	-	-	-	33,243
Debt service	-	-	-	-	13,172,324	13,172,324
Underground storage tanks	50,000	-	-	-	-	50,000
Environmental services	551,706	-	-	-	-	551,706
Register of Deeds	135,008	-	-	-	-	135,008
Fire Special Revenue Fund	-	-	3,219,852	-	-	3,219,852
Prepaid items	32,114	-	-	-	5,333	37,447
Road maintenance	-	-	-	-	433,592	433,592
Cultural	-	-	-	-	119,870	119,870
Baseball Park	-	-	-	-	300,000	300,000
RIDE Program	-	-	-	32,828,980	-	32,828,980
DSS federal revenue	88,744	-	-	-	-	88,744
Reserved for capital projects	-	-	8,178,884	-	-	8,178,884
Beach renourishment	-	-	-	-	2,572,638	2,572,638
Infrastructure Development	-	-	-	-	3,020,846	3,020,846
Unreserved/designated	3,567,044	-	19,080,425	-	6,434,984	29,082,453
Unreserved/undesignated, reported in:						
General fund	22,088,661	-	-	-	-	22,088,661
Capital projects fund	-	125,517	-	-	(251,699)	(126,182)
Special revenue fund	-	-	-	-	25,335,861	25,335,861
Total fund balances	26,928,678	125,517	36,180,351	32,828,980	54,317,006	150,380,532
Total liabilities and fund balances	\$ 55,632,556	\$ 7,725,287	\$ 37,075,164	\$ 32,828,980	\$ 61,393,024	\$ 194,655,011

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BALANCE SHEETS

GOVERNMENTAL FUNDS

- CONTINUED -

Reconciliation to amounts reported for Governmental Activities in the Statement of Net Assets:

	<i>(amounts expressed in thousands)</i>
Total fund balances - governmental funds	\$ 150,381
Capital assets (exclusive of Internal Service Fund Capital Assets) used in governmental activities are not financial resources and therefore are not reported in these funds.	508,586
Some of the County's taxes will be collected after year end, but not available soon enough to pay for current period's expenditures.	14,690
Other long-term assets that are not available to pay for current period expenditures and, therefore, are deferred in these funds.	1,748
Internal service funds are used by management to change the costs of fleet services to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities.	11,167
Long-term liabilities, including bonds payable that are not due and payable in the current period and, therefore, are not reported in these funds.	(467,516)
Net Assets, end of year - governmental activities	<u>\$ 219,056</u>

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2007

	General Fund	Hospitality 1.5 % Fee	General Improvement Capital Projects	RIDE Program Debt Service	Other Non- Major Governmental Funds	Total Governmental Funds
Revenues						
Real property taxes	\$ 49,442,733	\$ -	\$ -	\$ -	\$ 27,340,882	\$ 76,783,615
Personal property taxes	4,848,408	-	-	-	3,026,447	7,874,855
Vehicle taxes	5,247,292	-	-	-	3,651,390	8,898,682
Intergovernmental	13,297,522	-	1,666,820	-	7,605,871	22,570,213
Accommodation tax	-	-	-	-	1,013,666	1,013,666
Fees and fines	14,769,563	29,383,812	825,196	-	16,700,792	61,679,363
Documentary stamps	6,965,863	-	-	-	-	6,965,863
License and permits	12,127,805	-	-	-	-	12,127,805
Interest on investments	2,129,560	84,804	1,429,726	1,393,629	2,992,274	8,029,993
Cost allocation	1,425,554	-	-	-	-	1,425,554
Other	1,208,688	-	189,490	-	2,154,793	3,552,971
Total revenues	111,462,988	29,468,616	4,111,232	1,393,629	64,486,115	210,922,580
Expenditures						
Current:						
General government	27,237,464	-	-	-	16,813	27,254,277
Public safety	59,531,597	-	-	-	14,001,498	73,533,095
Health and social services	126,206	-	-	-	734,697	860,903
Infrastructure and regulation	10,677,462	-	-	-	20,400,597	31,078,059
Culture, recreation and tourism	4,159,347	-	-	-	4,228,148	8,387,495
Economic development	-	-	-	-	311,665	311,665
Conservation and natural resources	-	-	-	-	1,455	1,455
TECH & Higher Education Commission	-	-	-	-	3,210,000	3,210,000
Other	1,966,073	-	4,452,404	-	-	6,418,477
Debt service	-	-	-	25,532,874	9,299,131	34,832,005
Capital outlay	866,669	-	8,454,728	-	1,853,116	11,174,513
Total expenditures	104,564,818	-	12,907,132	25,532,874	54,057,120	197,061,944

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

- CONTINUED -

	<u>General Fund</u>	<u>Hospitality 1.5% Fee</u>	<u>General Improvement Capital Projects</u>	<u>RIDE Program Debt Service</u>	<u>Other Non- Major Governmental</u>	<u>Total Governmental Funds</u>
Excess (deficiency) of revenues over (under) expenditures	6,898,170	29,468,616	(8,795,900)	(24,139,245)	10,428,995	13,860,636
Other Financing Sources (Uses)						
Issuance of debt	-	-	11,000,000	-	-	11,000,000
Sales of assets	43,898	-	-	-	-	43,898
Transfers in	1,107,651	-	16,530,291	29,586,804	7,819,722	55,044,468
Transfers out	(16,165,138)	(29,351,017)	(198,793)	-	(9,634,281)	(55,349,229)
Total other financing sources (uses)	(15,013,589)	(29,351,017)	27,331,498	29,586,804	(1,814,559)	10,739,137
Net change in fund balance	(8,115,419)	117,599	18,535,598	5,447,559	8,614,436	24,599,773
Fund balances at beginning of year- as restated	35,044,097	7,918	17,644,753	27,381,421	45,702,570	125,780,759
Fund balances at end of year	<u>\$ 26,928,678</u>	<u>\$ 125,517</u>	<u>\$ 36,180,351</u>	<u>\$ 32,828,980</u>	<u>\$ 54,317,006</u>	<u>\$ 150,380,532</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
 STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 - CONTINUED -

Reconciliation to amounts reported for Governmental Activities in the Statement of Activities:

	<i>(amounts expressed in thousands)</i>
Net change in fund balances - total governmental funds	\$ 24,600
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay expenditures in the current period.	13,421
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in these funds.	12,427
Because certain receivables will not be collected soon enough after the County's fiscal year end, the related revenues are not considered "available" and are deferred in the governmental funds.	132
Some expenses reported in Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in these funds.	(2,200)
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items.	8,874
Change related to reclassification of business type fund to governmental type fund.	(1,172)
The net revenue (expense) of certain activities of internal service funds reported with governmental activities.	1,174
Change in Net Assets - Governmental Activities	<u>\$ 57,255</u>

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
BALANCE SHEETS

JUNE 30, 2007

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Department of Airports</u>	<u>Baseball Stadium</u>	<u>Totals</u>	
Assets				
Current assets:				
Cash and cash equivalents	\$ 42,635,128	\$ -	\$ 42,635,128	\$ 100
Equity in pooled cash and investments	-	-	-	6,492,154
Accounts receivable, net	733,990	-	733,990	-
Interest receivable	366,245	-	366,245	108,353
Due from other governments	276,185	-	276,185	-
Inventories	267,951	-	267,951	266,753
Prepaid items	116,129	-	116,129	-
Total unrestricted current assets	<u>44,395,628</u>	<u>-</u>	<u>44,395,628</u>	<u>6,867,360</u>
Restricted current assets:				
Cash and cash equivalents	5,851,833	320,958	6,172,791	-
Investments	26,951,756	-	26,951,756	-
Accounts receivable	921,224	-	921,224	-
Total restricted current assets	<u>33,724,813</u>	<u>320,958</u>	<u>34,045,771</u>	<u>-</u>
Total current assets	<u>78,120,441</u>	<u>320,958</u>	<u>78,441,399</u>	<u>6,867,360</u>
Non-current assets:				
Capital assets, net:				
Land, easements and infrastructure	31,990,915	2,693,320	34,684,235	-
Depreciable capital assets, net	61,455,154	2,150,760	63,605,914	4,334,935
Construction-in-progress	517,771	-	517,771	-
Total capital assets, net	<u>93,963,840</u>	<u>4,844,080</u>	<u>98,807,920</u>	<u>4,334,935</u>
Deferred charges				
Bond issuance costs, net	600,897	-	600,897	-
Total non-current assets	<u>94,564,737</u>	<u>4,844,080</u>	<u>99,408,817</u>	<u>4,334,935</u>
Total assets	<u>\$ 172,685,178</u>	<u>\$ 5,165,038</u>	<u>\$ 177,850,216</u>	<u>\$ 11,202,295</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
BALANCE SHEETS

- CONTINUED -

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Fund
	Department of Airports	Baseball Stadium	Totals	
Liabilities and Net Assets				
Current liabilities:				
Accounts payable-trade	\$ 248,297	\$ -	\$ 248,297	\$ 22,375
Construction accounts and retainage payable	567,419	-	567,419	-
Accrued salaries, wages and compensated absences	312,535	-	312,535	12,604
Due to other funds	823,105	-	823,105	-
Other accrued expenses	526,256	-	526,256	-
Unearned revenue	170,419	-	170,419	-
Due to other governments	7,051,452	89,790	7,141,242	-
Capital leases payable - current portion	37,703	-	37,703	-
Amounts due to tenants	675,203	-	675,203	-
	<u>10,412,389</u>	<u>89,790</u>	<u>10,502,179</u>	<u>34,979</u>
Current liabilities payable from restricted assets:				
Certificates of Participation - current portion	-	138,000	138,000	-
Revenue bonds payable - current portion	1,890,000	-	1,890,000	-
Accrued interest payable	733,281	51,943	785,224	-
Total current liabilities payable from restricted assets	<u>2,623,281</u>	<u>189,943</u>	<u>2,813,224</u>	<u>-</u>
Total current liabilities	<u>13,035,670</u>	<u>279,733</u>	<u>13,315,403</u>	<u>34,979</u>
Non-current liabilities:				
Certificates of Participation	-	2,023,500	2,023,500	-
Compensated absences - long term	650,517	-	650,517	-
Revenue bonds payable	21,850,429	-	21,850,429	-
Due to tenants for capital improvements	250,000	-	250,000	-
Capital leases	344,920	-	344,920	-
Total non-current liabilities	<u>23,095,866</u>	<u>2,023,500</u>	<u>25,119,366</u>	<u>-</u>
Total liabilities	<u>36,131,536</u>	<u>2,303,233</u>	<u>38,434,769</u>	<u>34,979</u>
Net assets:				
Invested in capital assets, net of related debt	70,056,542	2,630,637	72,687,179	4,334,935
Restricted for:				
Debt service	33,452,969	320,958	33,773,927	-
Capital projects	271,844	-	271,844	-
Unrestricted	32,772,287	(89,790)	32,682,497	6,832,380
Total net assets	<u>136,553,642</u>	<u>2,861,805</u>	<u>139,415,447</u>	<u>11,167,315</u>
Total liabilities and net assets	<u>\$ 172,685,178</u>	<u>\$ 5,165,038</u>	<u>\$ 177,850,216</u>	<u>\$ 11,202,295</u>

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2007

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Fund</u>
	<u>Department of Airports</u>	<u>Baseball Stadium</u>	<u>Totals</u>	
Operating Revenues				
Landing fees	\$ 2,135,513	\$ -	\$ 2,135,513	\$ -
Rents	4,059,647	-	4,059,647	-
Concessions and rentals	5,905,315	7,790	5,913,105	-
Security fees	192,654	-	192,654	-
Leases	1,089,293	-	1,089,293	-
Fuel sales - FBO	3,937,361	-	3,937,361	-
Other FBO Services	903,927	-	903,927	-
Charges for service	-	-	-	4,344,981
Other	682,748	932	683,680	15,205
Total operating revenues	<u>18,906,458</u>	<u>8,722</u>	<u>18,915,180</u>	<u>4,360,186</u>
Less, signatory airline contract operating rebate	(378,336)	-	(378,336)	-
Net operating revenues	<u>18,528,122</u>	<u>8,722</u>	<u>18,536,844</u>	<u>4,360,186</u>
Operating Expenses				
Salaries and benefits	5,435,472	11,988	5,447,460	797,253
Utilities	794,181	-	794,181	-
Outside and professional services	1,225,178	-	1,225,178	-
Maintenance and supplies	589,395	64,310	653,705	-
Fuel cost of sales	2,628,907	-	2,628,907	-
Vehicle and equipment expense	285,633	-	285,633	-
Insurance	279,005	28,380	307,385	-
Business and travel related	157,243	-	157,243	65,706
Office supplies	24,895	-	24,895	-
Supplies and materials	-	-	-	36,558
Horry County administrative costs	195,245	-	195,245	-
Depreciation and amortization	4,730,767	166,239	4,897,006	1,368,097
Indirect cost allocation	-	-	-	4,227
Contractual services	-	-	-	1,262,249
Other	-	1,223	1,223	-
Total operating expenses	<u>16,345,921</u>	<u>272,140</u>	<u>16,618,061</u>	<u>3,534,090</u>
Operating income (loss)	<u>2,182,201</u>	<u>(263,418)</u>	<u>1,918,783</u>	<u>826,096</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

- CONTINUED -

	<u>Business-type Activities- Enterprise Funds</u>			<u>Governmental</u>
	<u>Department of Airports</u>	<u>Baseball Stadium</u>	<u>Totals</u>	<u>Activities - Internal Service Fund</u>
Non-operating Revenues				
(Expenses)				
Passenger facility charges	3,308,886	-	3,308,886	-
Contract facility charges	2,743,754	-	2,743,754	-
Intergov't revenue City of Myrtle Beach	1,449,069	-	1,449,069	-
Sale of land	1,126,170	-	1,126,170	-
Redevelopment Authority grant revenue	131,250	-	131,250	-
Grant expenditures	(269,671)	-	(269,671)	-
Reimbursement of funds to the FAA	(8,154,369)	-	(8,154,369)	-
Interest income	3,607,028	18,579	3,625,607	299,941
Interest expense	(1,514,360)	(103,885)	(1,618,245)	-
Gain on disposal/sale of property	-	-	-	48,025
Total non-operating revenues (expenses)	<u>2,427,757</u>	<u>(85,306)</u>	<u>2,342,451</u>	<u>347,966</u>
Net income before extraordinary item, capital contributions and transfers	4,609,958	(348,724)	4,261,234	1,174,062
Extraordinary Item	(16,453,255)	-	(16,453,255)	-
Capital Contributions	853,180	-	853,180	-
Transfers	-	304,761	304,761	-
Net change in net assets	(10,990,117)	(43,963)	(11,034,080)	1,174,062
Net Assets				
Beginning of year as restated	147,543,759	2,905,768	150,449,527	9,993,253
End of year	<u>\$ 136,553,642</u>	<u>\$ 2,861,805</u>	<u>\$ 139,415,447</u>	<u>\$ 11,167,315</u>

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2007

	<u>Business-Type Activities -- Enterprise Funds</u>			<u>Governmental Activities - Internal Service Fund</u>
	<u>Department of Airports</u>	<u>Baseball Stadium</u>	<u>Totals</u>	
Cash Flows from Operating Activities				
Cash received from:				
Landing fees, terminal rents, concessions leases and other fees	\$ 13,185,652	\$ -	\$ 13,185,652	\$ -
FBO sales and services	4,786,704	-	4,786,704	-
Service and miscellaneous charges	-	-	-	4,360,186
Other	749,989	-	749,989	-
Cash paid to (for):				
Salaries and benefits	(5,220,018)	-	(5,220,018)	-
Maintenance, supplies, fuel, utilities and equipment	(6,178,699)	-	(6,178,699)	(2,089,194)
Baseball stadium	-	(56,648)	(56,648)	-
Other supplies and miscellaneous costs	-	-	-	(65,706)
Net cash provided by (used in) operating activities	<u>7,323,628</u>	<u>(56,648)</u>	<u>7,266,980</u>	<u>2,205,286</u>
Cash Flows from Non-Capital Financing Activities				
Grant expenditures	(269,671)	-	(269,671)	-
Intergovernmental revenues	131,250	-	131,250	-
Transfers in	-	304,761	304,761	-
Net cash flows provided by non-capital financing activities	<u>(138,421)</u>	<u>304,761</u>	<u>166,340</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Receipt of passenger and contract facility charges	5,919,185	-	5,919,185	-
Acquisition and construction of capital assets	(8,556,831)	-	(8,556,831)	(1,841,231)
Principal payments on bonds and notes	(1,780,000)	-	(1,780,000)	-
Interest paid on bonds and notes	(1,535,518)	-	(1,535,518)	-
Principal payments on Certificates of Participation	-	(133,500)	(133,500)	-
Interest paid on Certificates of Participation	-	(106,755)	(106,755)	-
Principal payments on capital lease obligation	(43,699)	-	(43,699)	-
Receipt of intergovernmental and private grants	1,449,069	-	1,449,069	-
Proceeds from AIP and TSA grants	1,452,401	-	1,452,401	-
Proceeds from disposition of property and equipment	1,126,170	-	1,126,170	123,081
Net cash used in capital and related financing activities	<u>(1,969,223)</u>	<u>(240,255)</u>	<u>(2,209,478)</u>	<u>(1,718,150)</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
STATEMENTS OF CASH FLOWS

- CONTINUED -

	Business-Type Activities - Enterprise Funds			Governmental
	Department of Airports	Baseball Stadium	Totals	Activities - Internal Service Fund
Cash Flow from Investing Activities				
Investment purchases	(26,951,756)	-	(26,951,756)	-
Investment sales	38,257,670	-	38,257,670	-
Interest on investments	3,796,842	18,579	3,815,421	191,588
Net cash provided by investing activities	<u>15,102,756</u>	<u>18,579</u>	<u>15,121,335</u>	<u>191,588</u>
Net increase in cash and cash equivalents	20,318,740	26,437	20,345,177	678,724
Cash and cash equivalents at beginning of year (of which \$5,718,928 is restricted)	<u>28,168,221</u>	<u>294,521</u>	<u>28,462,742</u>	<u>5,813,530</u>
Cash and cash equivalents at end of year (of which \$6,172,791 is restricted)	<u>\$ 48,486,961</u>	<u>\$ 320,958</u>	<u>\$ 48,807,919</u>	<u>\$ 6,492,254</u>
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 2,182,201	\$ (263,418)	\$ 1,918,783	\$ 826,096
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	4,730,767	166,239	4,897,006	1,368,097
Change in certain assets and liabilities:				
(Increase) in accounts receivable, net	(13,329)	-	(13,329)	-
Increase in due from other funds	-	73,270	73,270	-
Decrease in inventories	11,233	-	11,233	23,517
Decrease in prepaid items	167,775	-	167,775	-
(Decrease) in accounts payable	(39,870)	-	(39,870)	(13,461)
Increase in accrued salaries and wages	215,454	-	215,454	1,037
Increase in other accrued expenses	147,254	-	147,254	-
Decrease in due to other funds	(285,409)	-	(285,409)	-
Increase in unearned revenue	56,455	-	56,455	-
(Decrease) in due to other governments	-	(32,739)	(32,739)	-
Increase in amounts due to airlines	151,097	-	151,097	-
Net cash provided by (used in) operating activities	<u>\$ 7,323,628</u>	<u>\$ (56,648)</u>	<u>\$ 7,266,980</u>	<u>\$ 2,205,286</u>
Supplemental information-noncash investing, capital and financing activities:				
Total investment (current & prior years) on capital project write off- termination of new terminal project	<u>\$ (16,453,255)</u>	<u>\$ -</u>	<u>\$ (16,453,255)</u>	<u>\$ -</u>

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2007

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 24,956,241
Equity in pooled cash and investments	140,436,375
Total Assets	<u>\$ 165,392,616</u>
Liabilities	
Due to others	\$ 165,392,616
Total liabilities	<u>\$ 165,392,616</u>

See accompanying notes to the financial statements.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Horry County, (the "County") a political subdivision of the State of South Carolina, was incorporated in the year 1801. Horry County is located in the northeastern coastal area of South Carolina. It is bounded on the north by the North Carolina state line, east by the Atlantic Ocean, west by Dillon and Marion Counties of South Carolina, and south by Georgetown County, South Carolina. The County seat and administrative offices are located in the city of Conway, South Carolina.

The County operates under a Council-Administrator form of government and is governed by a chairman and eleven council members.

The financial statements of the County have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the primary standard-setting body for governmental accounting and financial reporting principles.

These financial statements include the implementation GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as of July 1, 2001. GASB Statement No. 34 (the "Statement") established new financial reporting requirements for governments and caused the County to restructure much of the information that it presented in the past. Specifically, the Statement established specific standards for the basic financial statements, management's discussion and analysis (MD&A), and certain required supplementary information other than the MD&A. In addition, the Statement requires the County to retroactively report its general capital assets, including infrastructure capital assets, in its government-wide statement of net assets, and report depreciation expense on all depreciable capital assets in the statement of activities. The Statement also required the County's general long-term indebtedness to be reported in its government-wide statement of net assets.

The County's more significant accounting policies are described below:

A. Reporting Entity

Using the criteria of GASB Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, the basic financial statements of the County present the reporting entity of the County that consists of the primary government and those organizations for which the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County's financial statements to be misleading or incomplete.

Financial accountability involves either appointments of a voting majority of the separate organization's board and either a) the ability to impose will by the primary government, or b) the possibility that the separate organization will provide a financial benefit to or impose a financial burden on the primary government. "Blended" component units are separate entities that are, substantially, part of the primary government's operations and are combined with financial data of the primary government. "Discretely presented" component units, on the other hand, are reported in separate columns in the government-wide financial statements to indicate that they are not as closely related to the operations of the primary government. A summary of the County's blended and discretely presented component units follows:

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

Blended Component Units

For the year ended June 30, 2007, the County had a blended component unit, Horry County Public Facilities Corporation (the "Corporation"). The Corporation is governed by a board comprised of the County Council. The Corporation entered into a \$1.3 million capital lease agreement for the construction and lease of building cooling equipment to the County. Proceeds of the capital lease were recorded by the County as other financing sources in the Capital Projects Fund with debt service requirements reflected in the County's General Debt Service Fund. The Corporation does not issue separate financial statements.

Discretely Presented Component Units

The County has two discretely presented component units and both have a June 30 fiscal year end.

The Shoreline Behavioral Health Services (formerly known as Horry County Commission on Alcohol and Drug Abuse) (SBHS) is responsible for the coordination of all substance abuse prevention, intervention, treatment, and educational programs within Horry County Council's jurisdiction. County Council is responsible for the appointment of all members of SBHS's governing board and fiscal control.

The Horry County Solid Waste Authority (HCSWA) was created by Horry County Council to develop and implement a solid waste disposal and resource recovery/recycling system for the County. The HCSWA is governed by a board appointed by the County Council. The County Administrator serves as an ex-officio member of that board. Approval of all debt issuances and the legal liability for HCSWA operations remains with the County.

Complete financial statements for SBHS and HCSWA may be obtained at their respective administrative offices:

Shoreline Behavioral Health Services
2404 Wise Road
Conway, South Carolina 29526

Horry County Solid Waste Authority
1886 Highway 90
Conway, South Carolina 29526

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements - The Government-Wide financial statements consist of a statement of net assets and a statement of activities and reports information on all of the non-fiduciary activities of the government as a whole. Separate columns are used to distinguish between the County's governmental and business-type activities and discretely presented component units. Governmental activities are generally those activities financed by taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds. Business-type activities are those activities which are financed in whole or in part by user fees charged to external parties for goods and services. These activities are usually reported in enterprise funds. The primary government is reported separately from certain legally separate component units. At June 30, 2007, the County's component units were Shoreline Behavioral Health Services and the Horry County Solid Waste Authority.

The statement of net assets reports all financial and capital resources of the County and reports the difference between assets and liabilities as "net assets", not fund balance or equity. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues and reflects the "net (expenses) revenue" of the County's individual functions before applying "general" revenues. Eliminations have been made to minimize the double-counting of internal activities.

Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included in the program expense reported for individual functions and activities. Program revenues are derived directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, and thus reducing the net cost of the function to be financed from the government's general revenues. Such revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as general revenues rather than as program revenues. All revenues are general revenues unless they are required to be reported as program revenues.

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of governmental and enterprise fund financial statements is on major funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements, with non-major funds being aggregated and displayed in a single column displayed as "other".

The County reports the following major governmental funds: General Fund, Hospitality 1.5% Fund, General Improvement Capital Projects Fund, and RIDE Program Debt Service Fund. The County reports the following 'major' proprietary funds: Department of Airports and Baseball Stadium.

A schedule of "other" non-major funds is presented separately as part of Other Financial Information. Because of the basis of accounting and reporting differences, summary reconciliations to the government-wide financial statements are presented at the end of each applicable fund financial statement.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

A summary of fund financial statement types follows:

Governmental Fund Types

General Fund - The General Fund is the main operating fund of the County and is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally or donor restricted to expenditures for specified purposes. Special revenue funds consists of the following: Fire, Accommodations Tax, Waste Management Recycling, Watersheds, Mt. Gilead, Socastee Recreation, Road Maintenance and CTC, Beach Nourishment, Grants, Admissions Tax, Hospitality Fee 1.0%, Victim Witness Assistance, Senior Citizens, Railroad, Arcadian Shores, CDBG Revolving Loan, Stormwater Management, GIS/IT, Multi-County Business Park, Local Accommodations Tax, Recreation, E-911, and Industrial Parks. Hospitality 1.5% Fee Fund, a major special revenue fund, accounts for revenue derived from countywide fees on sale of prepared food, car rentals, admissions and accommodations. These funds are earmarked for road construction-RIDE Projects.

Capital Projects Funds - Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities and equipment (other than those financed by the proprietary funds). Capital projects funds consist of the General Improvement Fund, which is a major fund, the Capital Projects Sales Tax Fund and Capital Projects Developer Contributions Fund. The Capital Projects Sales Tax fund accounts for the one cent increase in sales tax legally restricted for infrastructure improvements and the Capital Projects Developer Contributions accounts for the donations made by developers for specific land improvements or other designated capital uses.

Debt Service Funds - Debt service funds account for the accumulation of financial resources for the payment of interest and principal on certain general long-term debt of the County, other than debt service payments financed by proprietary fund types. Debt service funds consist of the following: General Debt, Higher Education, Horry-Georgetown TECH, and Special Obligation Debt. The RIDE Program Fund, a major debt service fund, accounts for the funds accumulated for, and payment of principal, insured and uninsured portions, interest, and fees on intergovernmental loan agreements with the South Carolina Transportation Infrastructure Bank for the Horry County Road Improvement Development Efforts (RIDE) projects.

Proprietary Fund Types

Enterprise Funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds consist of the following: Department of Airports and Baseball Stadium, which are both considered major funds. The Department of Airports Fund accounts for revenue and expenses for the operations of the Conway, Loris and Grand Strand general aviation airports, and the Myrtle Beach International Airport. The Baseball Stadium Fund accounts for revenue and expenses for the operation of a farm league professional baseball stadium jointly owned and operated with the City of Myrtle Beach.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

Internal Service Fund - Internal Service Funds are used to account for operations that provide goods and services to other departments or agencies of the primary government, or to other governments, on a cost-reimbursement basis. The only internal service fund is Fleet Services. The Fleet Service Fund accounts for the maintenance and service of all County vehicles including heavy and light equipment.

Fiduciary Fund Type

Agency Funds - Agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and for other funds. Agency Funds are custodial in nature (assets equal liabilities), do not involve measurement of results of operations, and consist primarily of property taxes and other revenues collected, temporarily retained and distributed by the County Treasurer to other governments in accordance with state of South Carolina Statutes.

Discretely Presented Component Units - For the government-wide financial statements, the accounts of the discretely presented component units SBHS and HCSWA are presented under the basis of accounting as an enterprise fund, as described above.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements.

Under GASB Statement No. 34, the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Agency funds, which are the only fiduciary funds of the County, do not have a measurement focus. As a general rule, revenues and expenses are recorded when transactions occur, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met. Additionally, the effects of interfund activities are eliminated from the government-wide financial statements, except for amounts due between the County's governmental activities and business-type activities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be identified and "available" means collectible within the current period or soon enough thereafter (generally not to exceed 60 days) to be used to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, charges for services, and hospitality fees. Revenues from state and federal grants are recorded when expenditures are incurred. Entitlements and shared revenues are recognized at the time of receipt or earlier if the susceptible to accrual criteria is met. Interest revenue is considered available when earned. Major revenues that are determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include fees and fines (except hospitality fees), licenses and permits.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting (continued)

Deferred revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenue also arises when resources are received by the County before it has a legal claim to them, as when grant money is received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the County has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

All proprietary funds and the discretely presented component units are accounted for on a flow of economic resources measurement focus. Under this method, the accrual basis of accounting is utilized, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenue) and decreases (i.e., expenses) in net assets by distinguishing operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

As permitted under GAAP, the County has elected not to apply Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989 for its enterprise funds and discretely presented component units.

The County's fiduciary fund type consists of only agency funds, which are custodial in nature and do not involve measurement of results of operations. Agency funds use the same basis of accounting as proprietary fund types, accrual basis of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful accounts, signatory airline rebates, and certain claims and judgment liabilities (e.g., rebatable arbitrage), among other accounts. Actual results could differ from those estimates.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses

Cash Equivalents and Equity in Pooled Cash and Investments

In March 2003, the GASB issued its Statement No. 40, *Deposit and Investment Risk Disclosures, an amendment of GASB Statement No. 3* ("Statement No. 40"). Statement No. 40 requires specific disclosures for credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. It also modifies GASB Statement No. 3 by limiting the required disclosure of custodial credit risk to "Category 3" deposits and investments. This Statement was implemented by Horry County for the year ended June 30, 2005.

Cash includes currency on hand, demand deposits with financial institutions and other accounts that have the general characteristics of demand deposits in that additional funds may be deposited any time and withdrawn without prior notice or penalty.

The County pools the cash of substantially all funds into an internal cash and investment pool that is available for use by all funds with the exception of the school district portion of the agency fund which has its own cash and investment pool, and where legal restrictions prohibit the commingling of funds. Allocation of interest earned is made to each fund based on pro rata equity. Each individual fund's portion of the pool is displayed on the combined balance sheet as "equity in pooled cash and investments".

The County's Department of Airports Enterprise Fund and the discretely presented component units, SBHS and HCSWA, maintain separate cash and investment accounts, generally in the form of cash in the bank, certificates of deposit, and repurchase agreements.

For purposes of the statement of cash flows for the proprietary fund, cash equivalents are deposit accounts (including restricted assets other than deposits with other agencies) with an original maturity of three months or less from date of purchase, and other short-term highly liquid investments that are readily convertible to known amounts of cash.

Investments

Investments are stated at fair value, with accrued interest shown under a separate caption on the financial statements. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts. At June 30, 2007, the fair value of the County's investments approximated cost.

Receivables and Allowance for Doubtful Accounts

Accounts receivable are stated net of their allowance for uncollectible amounts. Receivables in governmental funds include revenue accruals that are recognized when they become measurable and available as previously defined.

Property taxes receivable represents delinquent and unpaid real and personal property taxes billings (five years for vehicle personal property taxes and ten years for all other property taxes), less an allowance for amounts estimated to be uncollectible.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses (continued)

Due from Other Governments

Receivables from State, Federal, or other local governmental agencies are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in, first-out method for the primary government and the discretely presented component unit, SBHS, and the average cost method for the discretely presented component unit, HCSWA.

Inventories in the general fund consist of office supplies. The cost of these supplies is recorded as an expenditure at the time the items are consumed. Inventories in the Road Maintenance/CTC Special Revenue fund are construction materials held for construction. Inventories in the Recreation Special Revenue fund are park passes held for resale. Inventories in the Department of Airports Enterprise Fund consist of supplies and aviation fuel held for resale. Inventories in the internal service fund consist of parts for servicing vehicles and equipment.

Inventories of the discretely presented component unit, SBHS, consist of expendable supplies held for consumption. Inventories of the discretely presented component unit, HCSWA, consist of expendable office supplies held for consumption and bags provided to the public for use and separation of recyclable materials.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Reported inventories and prepaid items in the governmental fund types are equally offset by a fund balance reserve, which indicates that they do not constitute "available expendable resources" even though they are a component of net current assets.

Interfund Receivables and Payables

Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditure or expense (transfers out) in the reimbursing fund and as reductions of the expenditure or expense (transfers in) in the fund that is reimbursed.

Restricted Assets

Restricted assets include monies or other resources, the use of which is restricted by legal or contractual requirements. In the enterprise fund, restricted assets arise from certain bond, contract ordinances, or grant agreements and consist of certain bond debt service and reserve accounts, and receivables associated with Passenger Facility Charges (PFC's) and Contract Facility Charges (CFC's). Restricted assets of the discretely presented component unit HCSWA, represent funding for the implementation of a waste tire management program.

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

HORRY COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses (continued)

Capital Assets and Depreciation

Capital assets, which include land, buildings, improvements, machinery and equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets used in the operations of governmental funds and are not specifically related to activities reported in proprietary or fiduciary funds, have been reported as assets in the governmental activities column of the government-wide financial statements. Capital assets are defined by the County as those assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. The County has chosen the modified approach of accounting for infrastructure under GASB Statement No. 34. Under the modified approach, infrastructure is treated as an inexhaustible capital asset, thereby eliminating the need for depreciation accounting. The County must demonstrate that they are maintaining networks or subsystems of infrastructure assets at a selected condition level to qualify to use the modified approach.

All capital assets are valued at historical cost if purchased or constructed, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Public domain (infrastructure) capital assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the government) have been capitalized using actual and estimated historical costs of major general infrastructure assets that were acquired or significantly reconstructed, or that received significant improvements in fiscal years ending after June 30, 1980.

Depreciation of all exhaustible capital assets has been provided using the straight-line method over the estimated useful lives of the respective assets ranging as follows: land improvements and easements, 20-40 years; buildings, 10-30 years; runways and taxiways, 40 years; and equipment, 5-10 years.

The County's discretely presented component units' capital assets are stated at cost less accumulated depreciation. Depreciation of HCSWA's Subtitle D landfill is calculated based on the percent of the landfill's capacity used times the cost basis.

Capitalization of Interest

Interest incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset being constructed, net of interest earned on the invested proceeds over the same period. With regard to assets acquired with tax-exempt debt, the amount of interest to be capitalized is calculated by offsetting interest expense on the tax-exempt debt with interest earned on invested proceeds from the date of the borrowing until completion of the project. With regard to assets not acquired with tax-exempt debt, the amount of interest to be capitalized is the product of the average accumulated expenditures during the year for such assets and the weighted average interest rate on borrowings and is limited to the sum of interest expense on the tax-exempt debt not previously capitalized and all other interest expense. Interest is not capitalized on assets acquired or constructed with gifts and grants (contributed capital) that are restricted by the donor or grantor to acquisition of those assets to the extent that funds are available from such grants and gifts. The County has elected not to capitalize interest on its general capital assets. During the year ended June 30, 2007, no material capitalized interest costs were incurred.

Deferred Charges (Bond Issuance Costs)

Bond issuance costs including bond premiums and discounts are deferred and amortized over the life of the related bond issue using the straight-line method. In the fund financial statements, governmental fund types recognize bond premium and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses (continued)

Compensated Absences

The government-wide and proprietary fund financial statements record an expense and a liability when employees earn compensated absence credits. Governmental fund financial statements record a liability for compensated absences payable at June 30 only if the liability has matured but has not yet been paid at that date (for example, as a result of employee resignations and retirements).

Long-term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Long-term debt represents unmatured principal of general and special obligation and revenue bond indebtedness. Other long-term obligations represent outstanding net present value portions due on capital lease obligations, long-term contracts using actual or imputed interest rates and long-term portions of claims or judgments including rebatable arbitrage. Liabilities arising from interfund activities do not constitute general long-term liabilities.

Part of the County's long-term obligations is its RIDE program. This obligation represents borrowings by the County from the State of South Carolina for the purpose of constructing and improving state roads. Since these roads are property of the State and are capitalized in the State's basic financial statements, these RIDE obligations are recorded as public works expenses as incurred. The County has determined that these roads are not assets of the County. These obligations are funded by a special 1.5% hospitality fee passed into law by the County to fund these improvements. See Notes 8 and 17 for further discussion.

Net Assets and Fund Balances

In the government-wide financial statements, the difference between the County's total assets and total liabilities represents net assets. Net assets for both the governmental and business-type activities displays three components - invested in capital assets, net of related debt; restricted (distinguished between major categories of restrictions); and unrestricted. Unrestricted net assets represent the net assets available for future operations.

In the fund financial statements, governmental funds report reservations or designations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose or has already been committed.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Designated fund balances represent tentative plans by management for future use of available financial resources.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses (continued)

Non-exchange Transactions, Contributed Capital and Transfers

Pursuant to GASB Statement No. 33 *Accounting and Financial Reporting for Non-Exchange Transactions*, deeded properties and Federal, state and local government assistance in the form of non-operating grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment have been recorded after non-operating revenue as required by GASB Statement No. 34.

Grants and fees that are considered program-related are recognized as operating revenue. The Department of Airports Enterprise Fund is a recipient of certain Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grants. These capital cost-reimbursed grants have been recognized as non-operating capital contributions.

Passenger Facility Charges

Passenger Facility Charges ("PFC'S") collected pursuant to FAA regulations from enplaned passengers via airlines' remittances are restricted for future construction, capitalization, and related debt services of the Airport as approved by the FAA.

Contract Facility Charges

Contract Facility Charges ("CFC'S") collected pursuant to certain agreements on automobile rentals, are restricted for debt service and future construction projects related to automobile rental tenants.

Lease Accounting

The revenue from terminal building space rentals and other leased sites is accounted for under the operating lease method. Base monthly rentals are computed on the square footage occupied by the tenant times the rent per square foot, which varies with each tenant. Tenant leases are normally for periods of three to five years with options to renew; however, lease terms provide for early termination by either party with a 30-day notification. Annual rent increases are primarily based on annual increases in the Consumer Price Index, where applicable.

In addition, lease revenues from airlines are based on certain compensatory "signatory" and "non-signatory" airline lease and use agreements which are subject to annual rate negotiations. Lease costs, if material, are deferred and amortized over the life of the lease. There were no material lease costs for the year ended June 30, 2007.

Property Taxes

The County assesses and levies property taxes in accordance with applicable laws of the State of South Carolina. Real property and personal property owned and used in the County, except that which is exempt from taxation under the Constitution and laws of the State, is subject to taxation. An annual ordinance establishing the mileage rate associated with the levy is adopted each year as a part of the budget process.

Real property and all personal property other than vehicles are assessed for property tax purposes as of December 31 of each year. The basis for value of taxable real property within the County is taken from the records of the County Assessor. Taxes are levied by the County Auditor as of January 1, billed in October, and are due by January 15 in the year following their levy. Tax billings are considered delinquent 166 days after the first billing date, at which time the applicable property is subject to lien, and interest and penalties are assessed.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses (continued)

Property Taxes, continued

New vehicle property taxes are assessed and levied by the County Auditor within 120 days of the registration date of the vehicle and payment is due upon receipt of the property tax notice. Other vehicle property taxes are assessed and levied in the month the vehicle is scheduled for license renewal with the South Carolina Department of Transportation and payment is due before the end of the month of the scheduled renewal.

County property tax revenues are recognized at the time of levy for the budget period to which they apply. Delinquent and unpaid property taxes are reported as receivables, less amounts estimated to be uncollectible.

Indirect Cost Allocations

The County records interdepartmental cost allocations designed to redistribute general fund operating expenditures to other governmental and proprietary funds. These allocations are based upon cost allocation plans prepared in accordance with United States Office of Management and Budget requirements and include an estimate of allocable costs based upon the cost allocation plan for the year ended June 30, 2005.

Future Landfill Closure and Postclosure Care Costs

In accordance with GASB Statement No. 18, *Accounting For Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, the discretely presented component unit, HCSWA, recognizes expenses for landfill closure and postclosure care costs over the life of the landfill's operation in proportion to the usage of the landfill's total capacity. Federal and state regulations related to landfill closure procedures are comprehensive and require postclosure care and monitoring for a period extending thirty years after closure.

E. Reclassification

Certain items in the prior year have been reclassified to conform with the current year presentation.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 2. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

Annual appropriated legal-based budgets are adopted by County Council for governmental fund types including the general, and certain special revenue, debt service, and capital projects funds. Budgetary comparisons to actual of the general fund and the one major special revenue fund are presented as Required Supplementary Information. Additionally, budgetary controls are maintained for certain proprietary fund types. For example, annual operating and capital budgets are prepared for the Department of Airports, Baseball Stadium, and Fleet Services for fiscal year ended June 30, 2007, which were approved and adopted by County Council. However, budgetary comparisons to actual for proprietary fund types are not required to be presented in the accompanying basic financial statements.

The policy established by the County with respect to the Budget is substantially the same as GAAP, with one exception. The County's budget basis accounting differs from GAAP in accounting for capital lease financing transactions. For budgetary basis accounting, these transactions are not recorded as other financing sources when funded and expenditures when the equipment is acquired, as required by GAAP. However, there is no difference in fund balance because of this, thus the County considers its budget to be GAAP basis.

Prior to July 1 of each year, the budget is legally enacted by the passage of an ordinance. The ordained budget includes proposed expenditures and the means of financing them. The County's budget serves as an approved plan to facilitate financial control and operational evaluation. Additional budget appropriations must be approved by County Council at the fund level of expenditures.

The County Administrator is authorized to transfer budgeted amounts between departments when deemed necessary and upon request from the department head. Total expenditures in any one of the governmental fund types may exceed the original ordained budgeted amount for that fund without prior amendment by County Council. Accordingly, formal budgetary integration is employed at the fund-level as a management control device during the year.

At fiscal year end June 30, 2007, any funds budgeted for capital projects which have not been completed and said funds have not been budgeted to other capital projects, road maintenance fees and funds budgeted for the local road improvement plan other than personal services, which have not been expended, other County Council road improvement, parks maintenance and recreation funds which have not been expended, grant funds or donations which have not been expended, Stormwater management funds which have not been expended, funds for mosquito abatement which have not been expended, funds for E-911 Enhancements which have not been expended, funds for Maintenance capital equipment and Life Cycle Program which have not been expended, funds for County Council expense accounts which have not been expended, funds for capital items authorized by purchase order but not received, accommodations tax funds approved by the Accommodations Tax Committee and County Council which have not been expended, shall reflect as a designation of fund balance in the Comprehensive Annual Financial Report and shall be brought forward in the fiscal year 2008 as budgeted fund balance and not represented in the approved revenue and expenditure budget amounts. This automatic re-budgeting does not require a supplemental budget ordinance.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 2. Stewardship, Compliance and Accountability (continued)

B. Encumbrances

Under encumbrance accounting, outstanding purchase orders, contracts, and other commitments for unperformed contracts and goods and services are recorded in order to reserve that portion of the applicable appropriation in the governmental fund types. At year-end, encumbrances are carried forward and are reported as reservations of fund balances. Certain of the encumbrances will be satisfied by the subsequent receipt of grants or entitlements.

Note 3. Deposits and Investments

State statute authorizes the County to invest in (1) obligations of the United States and agencies thereof; (2) general obligations of the State of South Carolina or any of its political units provided such obligations are rated as an "A" or better by Moody's Investors Service, Inc. and Standard and Poor's Corporation or their respective successors; (3) interest bearing accounts in savings and loan associations to the extent that the same are insured by an agency of the Federal government; (4) certificates of deposit where the certificates are collaterally secured by securities of the type described above, held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest, provided, however, such collateral shall not be required to the extent the same are insured by an agency of the Federal Government; or (5) deposit accounts with banking institutions insured and secured in the same manner. State statutes provide that all authorized investments shall have maturities consistent with the time or times when the invested monies will be needed in cash.

a. Deposits

Custodial Credit Risk

Custodial credit risk for deposits is risk that in the event of a depository financial institution's failure, the County will not be able to recover insurance or collateral securities that are in the possession of an outside party. Deposits include cash and cash equivalents on deposit in banks and non-negotiable certificates of deposit. All deposits under the control of the County Treasurer are fully insured or collateralized. As of June 30, 2007, reported amount of the primary government's deposits was \$364 million and the bank balance was \$352 million. Of the \$352 million bank balance exposed to custodial credit risk, \$2.2 million was covered by federal depository insurance, and \$349.8 million was collateralized with securities held by the counterparty's trust department or agent in the County's name.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments (continued)

b. Investments

Investment Policy

All of the County's investments are presented at fair value, which approximates cost. Securities are valued at the last reported sales price as provided by an independent pricing service. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and interest income earned.

Investments consisted of the following at June 30, 2007:

	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>% of Total Investments</u>
Repurchase Agreements	<1 year	AAAm	\$ 2,768,068	5.63%
Repurchase Agreements	<1 year	Not Rated	\$5,223,611	10.63%
Mortgage Backed Securities	<1 year	AAA	<u>\$41,138,181</u>	83.74%
			<u>\$49,129,860</u>	

Custodial Credit Risk

Custodial credit risk for investments is the risk that in the event of a failure of the counterparty to a transaction, the County will not be able to recover the value of investments or collateral securities that are in possession of an outside party. The primary government's repurchase agreements are fully collateralized with U.S. Government Securities. The County's policy with respect to custodial credit risk is that all of the County's investments must be insured or collateralized.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the County. The County's credit risk policy to mitigate the potential for loss of principal is to purchase only high investment grade fixed-income securities. The County's repurchase agreements are fully collateralized by U.S. Government Securities and are not subject to credit risk. The County's respective investment credit quality ratings are as noted above.

Interest Rate Risk

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. All of the County's investments have maturity terms less than 1 year which mitigates interest rate fluctuations. The County's respective maturity dates are as noted above. The County does not have a policy with respect to interest rate risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. The County does not have a policy for reducing this risk to any single issuer. As of June 30, 2007, the County had 79.68% of its investments invested with the Bank of America, 15.75% of its investments invested with The Bank of New York and 4.57% of its investments invested with Wachovia.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments (continued)

The County does not invest in foreign securities or have transactions with foreign currency, and as a result does not have a policy for foreign currency risk.

Component Units

HCSWA:

A. Deposits

At June 30, 2007, the carrying amount of the HCSWA's total cash deposits, including certificates of deposit, was \$37,716,201 with corresponding bank balances of \$26,342,250. Of that balance, \$700,000 was covered by federal depository insurance and \$25,642,250 was collateralized with securities held by the pledging financial institutions' trust department in the HCSWA's name. At year end, petty cash on hand totaled \$1,500.

Custodial credit risk is the risk that in the event of a bank failure, the HCSWA's deposits may not be returned to it. The HCSWA's deposit policy for custodial credit risk requires all deposits in excess of federal depository insurance to be collateralized with securities held by the pledging financial institution's trust department in the HCSWA's name.

B. Investments

Investments are stated at fair value. Changes in the fair value of investments are included as a component of investment income. The HCSWA uses quoted market prices to determine the fair value of investments.

In accordance with formal resolutions of the HCSWA's Board of Directors, cash, cash equivalents and investments have been designated for the following purposes at June 30, 2007 and are not considered to be available to pay for operating expenses:

Landfill Closure Costs	\$ 8,456,142
Landfill Postclosure Care Costs	7,361,207
Equipment Replacement	2,018,761
Construction	16,648,951
	<u>\$ 34,485,061</u>

SBHS:

A. Deposits

It is the Commission's policy for deposits to be fully secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation Insurance.

At June 30, 2007, the carrying amount of SBHS's deposits was \$81,095, with corresponding bank balances of \$129,117. The entire amount is insured or collateralized with securities held by SBHS or by its agent in SBHS's name.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments (continued)

B. Investments

SBHS does not have policies with respect to credit rate risk, interest rate risk, concentration of credit risk or foreign currency risk. At June 30, 2007, SBHS's investments, with a carrying and fair value of \$149,050, were in repurchase agreements and were collateralized with securities held by the counterparty, or its trust department or agent but not in the SBHS's name.

A reconciliation of deposits and investments to cash and cash equivalents shown on the government-wide, fiduciary financial statements and discretely presented component units (SBHS and HCSWA) is as follows:

(amounts shown in thousands)

	Primary	Fiduciary Fund	Total	Discretely Presented Component Units	
	Government	Agency		SBHS	HCSWA
Cash on hand	\$ 30	\$ -	\$ 30	\$ -	\$ 2
Carrying amount of deposits	214,583	149,627	364,210	81	37,716
Carrying amount of investments	33,364	15,766	49,130	149	-
Totals	\$ 247,977	\$ 165,393	\$ 413,370	\$ 230	\$ 37,718
Cash and cash equivalents	\$ 53,899	\$ 24,956	\$ 78,855	\$ 230	\$ 11,709
Equity in pooled cash and investments	130,174	140,437	270,611	-	-
Investments	-	-	-	-	26,009
Funds held in escrow	4,768	-	4,768	-	-
Cash and cash equivalents - restricted	6,173	-	6,173	-	-
Investments-restricted	26,952	-	26,952	-	-
Funds held in trust - restricted	26,011	-	26,011	-	-
Totals	\$ 247,977	\$ 165,393	\$ 413,370	\$ 230	\$ 37,718

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 4. Receivables

Receivables for the primary government, including applicable allowances for uncollectible accounts, at June 30, 2007, are as follows:

	<i>(amounts shown in thousands)</i>			Totals
	Government Activities	Business-type Activities		
	Department of Airports	Baseball Stadium		
Property taxes	\$ 11,622	\$ -	\$ -	\$ 11,622
Less, allowance for uncollectibles and amounts not available for current period	(7,178)	-	-	(7,178)
Net property taxes	4,444	-	-	4,444
Accounts and other	26,010	1,028	-	27,038
Hospitality 1.5% fees	4,300	-	-	4,300
Stormwater fees	27	-	-	27
Less, allowance for uncollectibles	(23,479)	(294)	-	(23,773)
	6,858	734	-	7,592
Net receivables	<u>\$ 11,302</u>	<u>\$ 734</u>	<u>\$ -</u>	<u>\$ 12,036</u>

Property taxes receivable include delinquent and unpaid taxes, penalties and interest, if applicable, and is reported in the accompanying financial statements of the primary government net of that portion not available for current year budget appropriations as levied.

Accounts receivable include amounts owed to the County as a result of magistrates court, clerk of court fines and assessments, and billings relating to emergency medical transportation.

Receivables at June 30, 2007 for the discretely presented component unit HCSWA totaled \$2,167,399 and included amounts from trade accounts receivable, amounts due from other governments, interest and allowance for doubtful accounts.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 5. Interfund Receivables and Payables

In the government-wide statement of net assets, interfund receivables and payables (internal balances) between Governmental activities and Business-type activities have been eliminated. In the governmental and proprietary funds financial statements, short-term interfund receivables and payables at June 30, 2007 were as follows:

	(amounts shown in thousands)	
	Interfund Receivable	Interfund Payable
General Fund	\$ 4,681	\$ 55
Major Special Revenue Fund- 1.5% Hospitality Fees	690	7,480
General Improvements Capital Projects	220	-
Major Debt Service Fund- Ride	6,819	-
Nonmajor Funds:		
Fire	5	-
Accommodations Tax	4	128
Socastee Recreation	-	11
Grants	-	298
Road Maintenance	444	-
Beach Renourishment	183	1,018
Admissions Tax	-	31
1% Hospitality Fees	-	1,352
Victim Witness	-	121
Arcadian Shores	-	352
Stormwater	-	90
Emergency 911	-	168
Local Atax	-	733
Recreation	-	220
Capital Improvement Sales Tax	-	166
Total Nonmajor Funds	636	4,688
Enterprise Funds:		
Department of Airports	-	823
Total Enterprise Funds:	-	823
	<u>\$ 13,046</u>	<u>\$ -</u>

Amounts due between primary governments and component units were as follows:

	Interfund Receivable	Interfund Payable
Primary government:		
General Fund	\$ -	\$ 111
Waste Management Recycling Fund	-	624
General Improvement Capital Projects Fund	71	-
Component units:		
SHBS	111	-
HCSWA	553	-
	<u>\$ 735</u>	<u>\$ 735</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods or services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 5. Interfund Receivables and Payables (continued)

The following table summarizes interfund transfers during the year ended June 30, 2007:

Description/Fund(s)	Transfers From/To
Transfers from the General Fund	
Transfers to:	
Capital Projects	\$ 15,725,000
Victim Witness	179,657
Beach Renourishment	170,376
Grants	90,105
	<u>16,165,138</u>
Transfers from the Hospitality 1.5% Special Revenue Fund	
Transfers to:	
Ride Program	29,062,659
General Fund	288,358
	<u>29,351,017</u>
Transfers from the General Improvements Capital Projects Fund	
Transfers to:	
General Fund	198,793
	<u>198,793</u>
Transfers from Other Governmental Funds	
Transfers to:	
Capital Projects	805,291
Debt Service	1,879,044
General Fund	620,500
Road Maintenance	2,923,262
Beach Renourishment	709,835
Baseball	304,761
Special Revenue Debt	1,867,443
Ride Program	524,145
	<u>9,634,281</u>
	<u>\$ 55,349,229</u>

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from the fund with the collection authorization to the appropriate fund recording the expenditures as they become due, 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations.

Note 6. Due From Other Governments

Amounts due from other governments for the primary governments and discretely presented component units at June 30, 2007 are as follows:

(amounts shown in thousands)

	Governmental Activities				Business-type Activities	Component Units	
	General	Special Revenue	Debt Service	Total	Department of Airports	SBHS	HCSWA
	State	\$ 13,969	\$ 2,491	\$ -	\$ 16,460	\$ 51	\$ 48
Federal	93	149	-	242	225	-	-
Total	<u>\$ 14,062</u>	<u>\$ 2,640</u>	<u>\$ -</u>	<u>\$ 16,702</u>	<u>\$ 276</u>	<u>\$ 48</u>	<u>\$ -</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets

A summary of the changes in capital assets during the year ended June 30, 2007 are as follows:

<i>(amounts shown in thousands)</i>				
Governmental Activities	Balance June 30, 2006 (as restated)	Additions	Deletions	Balance June 30, 2007
<u>General Capital Assets</u>				
Not subject to depreciation:				
Land and easements	\$ 12,715	\$ 1,382	\$ -	\$ 14,097
Infrastructure	369,265	14,080	-	383,345
	381,980	15,462	-	397,442
Construction-in-progress	248	8,138	(1,979)	6,407
Total capital assets not depreciated	382,228	23,600	(1,979)	403,849
Subject to depreciation:				
Land improvements	2,134	-	-	2,134
Buildings	96,637	23	-	96,660
Building improvements	10,689	1,982	-	12,671
Office furniture	4,847	241	-	5,088
Vehicles	4,276	616	(809)	4,083
Heavy equipment	28,889	1,816	(1,332)	29,373
Computer equipment	25,284	1,255	(279)	26,260
Other	1,737	270	(27)	1,980
Totals	174,493	6,203	(2,447)	178,249
Less, accumulated depreciation:				
Land improvements	(533)	(143)	-	(676)
Buildings	(24,218)	(3,219)	11	(27,426)
Building improvements	(1,200)	(438)	-	(1,638)
Office furniture	(3,249)	(708)	-	(3,957)
Vehicles	(2,637)	(830)	783	(2,684)
Heavy equipment	(20,397)	(1,985)	1,144	(21,238)
Computer equipment	(10,244)	(4,331)	279	(14,296)
Other	(1,445)	(180)	28	(1,597)
Totals	(63,923)	(11,834)	2,245	(73,512)
Net general capital assets	492,798	17,969	(2,181)	508,586
<u>Internal Service Fund Capital Assets</u>				
Machinery and equipment	11,104	1,841	(1,433)	11,512
Less, accumulated depreciation	(7,167)	(1,368)	1,359	(7,176)
Net internal service fund capital assets	3,937	473	(74)	4,336
Net capital assets - Governmental Activities	\$ 496,735	\$ 18,442	\$ (2,255)	\$ 512,922

HORRY COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets (continued)

Business-type Activities	<i>(amounts shown in thousands)</i>			Balance June 30, 2007
	Balance June 30, 2006 (as restated)	Additions	Retirements	
Not subject to depreciation:				
Land and easements	\$ 23,326	\$ 2,176	\$ -	\$ 25,502
Infrastructure	9,182	-	-	9,182
	32,508	2,176	-	34,684
Construction-in-progress	12,323	7,811	(19,617)	518
Total capital assets not depreciated	44,831	9,987	(19,617)	35,202
Subject to depreciation:				
Buildings and improvements	53,463	94	(36)	53,521
Runways and taxiways	43,214	151	(23)	43,342
Machinery and equipment	10,779	305	(181)	10,903
Land improvements	6,407	257	(5)	6,659
Totals	113,863	807	(245)	114,425
Less accumulated depreciation:				
Buildings and improvements	(20,871)	(1,874)	35	(22,710)
Runways and taxiways	(17,101)	(1,736)	23	(18,814)
Machinery and equipment	(5,472)	(839)	181	(6,130)
Land improvements	(2,787)	(383)	5	(3,165)
Totals	(46,231)	(4,832)	244	(50,819)
Net capital assets - Business-type Activities	\$ 112,463	\$ 5,962	\$ (19,618)	\$ 98,808

Capital assets of the discretely presented component units, HCSWA and SBHS at June 30, 2007, are as follows:

Component Units	<i>(amounts shown in thousands)</i>	
	SBHS	HCSWA
Land	\$ 138	\$ 7,440
Subtitle D landfill	-	19,139
Buildings	1,455	2,832
Vehicles, machinery and equipment	139	9,649
Other improvements	-	1,950
Construction-in-progress	-	3,010
Totals	1,732	44,020
Less, accumulated depreciation:		
Subtitled D landfill	-	(12,664)
Buildings	(374)	(1,064)
Vehicles, machinery and equipment	(114)	(4,889)
Other improvements	-	(443)
Totals	(488)	(19,060)
Net capital assets - Component Units	\$ 1,244	\$ 24,960

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets (continued)

Construction-in-progress amounts included above are as follows:

Governmental Activities	<i>(amounts shown in thousands)</i>	
Jail Renovation	\$	1,034
Health Department		4,653
Bucksport Community Center		253
Horry County Museum		430
Carolina Forest #3 Fire Station		36
South Precinct Building		1
Total	\$	6,407

Estimated total costs to complete these projects approximates \$12 million.

Business-type Activities: (Department of Airports)	<i>(amounts shown in thousands)</i>	
Loris Land Purchase	\$	40
NMB Obstruction Removal (Trees)		270
New Passenger Boarding Bridges		184
Taxiway "J" South Rehab.		9
MYR Capacity Enhancement		15
Total	\$	518

Estimated additional costs to complete these projects are estimated at \$6.7 million.

Component Units	<i>(amounts shown in thousands)</i>	
	HCSWA	SBHS
Construction feasibility	\$ 3,010	\$ -
Total	\$ 3,010	\$ -

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets (continued)

Capital assets of the proprietary funds at June 30, 2007, are as follows:

Proprietary Funds	<i>(amounts shown in thousands)</i>		
	Enterprise		Internal Service
	Department of Airports	Baseball Stadium	Fleet Service
Land and easements	\$ 22,809	\$ 2,693	\$ -
Buildings and improvements	56,825	3,356	-
Runways and taxiways	43,341	-	-
Machinery and equipment	10,576	327	11,512
Construction-in-progress	518	-	-
Infrastructure	9,182	-	-
Totals	143,251	6,376	11,512
Less, accumulated depreciation:			
Building and improvements	(24,557)	(1,532)	-
Runways and taxiways	(18,814)	-	-
Machinery and equipment	(5,916)	-	(7,176)
Totals	(49,287)	(1,532)	(7,176)
Net capital assets -proprietary funds	\$ 93,964	\$ 4,844	\$ 4,336

Department of Airport Facilities

Prior to March 1993, the Airport used certain airfield facilities of the Myrtle Beach Air Force Base through a joint-use agreement, originally executed in the mid 1970's, with the United States Air Force (USAF). Coincident with the execution of the joint-use agreement, the Air Force and Horry County executed the Base Lease agreement which leased to the County the acreage on the air force base on which to operate the airport terminal. In March 1993, the base was officially closed and the joint-use agreement was terminated. At the time of closure, the Air Force extended the Base Lease agreement with the County to include the airfield facilities previously used by the airport in accordance with the joint use agreement.

The term of the Base Lease agreement was extended to December 31, 2028. The agreement called for the transfer of ownership of the property in fee simple to the County from USAF for the land and facilities at the end of the lease, but contemplated an earlier transfer based upon the USAF meeting certain criteria set forth in the agreement. The transfer of ownership was completed on June 17, 2003, and a fee simple deed to the property was recorded in the County's name in the Register of Deeds office of Horry County on that date. The property transferred excluded portions of Myrtle Beach International Airport property which are still undergoing environmental remediation and cleanup efforts by the United States Government.

With respect to the airfield, aprons, taxiways, drainage system, etc., associated with the USAF property conveyance, no historical or estimated values are available. Until such time that a fair market value can be established, a value of \$1.00 has been recorded representing "Land" and "Navigation Easements". Buildings and structures are being specifically identified and recorded at fair value at the date of the gift.

Horry County Department of Airports is obligated by the Federal Aviation Administration to maintain a current Airport Layout Plan (ALP). In order to maintain a current ALP, the Department reviews and updates its Master Plan every five years. The Airport is scheduled to update the ALP in fiscal year 2008. The Master Plan forecasts activities and needs of the Airport and its infrastructure for a twenty year period.

Depreciation allocation

The amount of depreciation charged to each governmental function for the year ended June 30, 2007 is as follows: general government (\$4,408,887); public safety (\$5,902,892); infrastructure and regulation (\$1,046,504); culture and recreation (\$395,887) and health and social services (\$77,578) and capital assets held by the internal service fund (\$1,368,097).

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt

Long-term debt at June 30, 2007, is comprised of general and special obligation bonds, revenue bonds, RIDE-Intergovernmental Loan Agreements (IGA), accumulated compensated absences liability, and long-term capital leases.

General Obligation (G.O.) bonds are issued to provide funds for the acquisition and construction of major capital facilities and equipment. G.O. bonds are direct obligations that pledge the full faith, credit and taxing power of the County. The South Carolina Constitution limits local government units borrowing power to eight percent of its assessed property values. The limitation excludes bonded indebtedness existing prior to December 1, 1997, (date of the Constitutional Amendment), certain special levies assessed on properties located in specific areas receiving special benefits, and other prescribed indebtedness approved by the voters.

Special Obligation bonds are issued to provide funds for the acquisition and construction of major capital facilities and equipment and are secured by the pledge of the 1.5% Hospitality Fees Special Revenue Fund revenues (Special Fund portion) of the County.

Revenue bonds are issued to provide funds for the acquisition and construction of major capital facilities and are secured by the pledge of specific net revenues of the County. Such revenue bonds are recorded in the Enterprise Funds.

The County has also entered into certain RIDE-IGA with the State of South Carolina Transportation Infrastructure Bank.

Special obligation bonds, revenue bonds, and RIDE-IGA Loans are limited obligations of the County and do not constitute the general obligations, or pledge of the faith, credit or taxing power of the County or any other political subdivision.

On September 1, 2005, the County issued \$30,000,000 of General Obligation Refunding Bonds, Series 2005A (the "2005A Bonds") with interest rates ranging from 3.500% to 4.125%. The net proceeds of the 2005A Bonds were placed in an irrevocable trust account and were issued to partially defease the 2000 General Obligation Bonds- Judicial Center, including payment of the prepayment penalty on the Bonds. The 2005A Bonds are payable through March 2022, and the full faith, credit and taxing power of the County are irrevocably pledged for the payment thereof. As a result of the transaction, the County reduced total debt service payments by \$6,878,384 and realized an economic gain (difference between the present values of the old and new debt service payments) of \$1,379,795. The outstanding principal balance of the 2005A Bonds at June 30, 2007 was \$30.00 million.

The 2005A Bonds are not subject to redemption on or prior to March 1, 2016. The 2005A Bonds maturing on or after March 1, 2017, are subject to redemption at the option of the County on or after March 1, 2016, at any time as a whole or in part in such order of maturities as the County may determine, at par, together with the interest accrued thereon to the date fixed for redemption.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

8. Long Term Debt (continued)

On September 1, 2005, the County issued \$5,010,000 of General Obligation Refunding Bonds, Series 2005B (the "2005B Bonds") with interest rates ranging from 3.000% to 3.580%. The net proceeds of the 2005B Bonds were placed in an irrevocable trust account and were issued to partially defease the 2000 General Obligation Bonds- Fire Protection, including payment of the prepayment penalty on the Bonds. The 2005B Bonds are payable through March 2015, and the full faith, credit and taxing power of the County are irrevocably pledged for the payment thereof. As a result of the transaction, the County reduced total debt service payments by \$3,128,855 and realized an economic gain (difference between the present values of the old and new debt service payments) of \$224,618. The remaining unamortized deferred amount on refunding at June 30, 2007 was \$248,885 and has been netted against the carrying amount of the 2005B Bonds and is being amortized as a component of interest expense in a systematic and rational manner over the remaining life of the shorter life of the two issuances. The outstanding principal balance of the 2005B Bonds at June 30, 2007 was \$4.930 million.

On April 11, 2007, the County issued \$11,000,000 of General Obligation Bonds with interest rates ranging from 4.000% to 4.500%. The net proceeds of the 2007 Bonds are to be utilized to build the new Horry County Health Department and new County Museum. The 2007 Bonds are payable through September 2022, and the full faith, credit and taxing power of the County are irrevocably pledged for the payment thereof.

The 2005B Bonds are not subject to redemption prior to their stated maturities.

A. Governmental Activities Debt

Change in the County's long-term debt for its Governmental Activities as follows:

	<i>(amounts shown in thousands)</i>			Balance June 30, 2007
	Balance June 30, 2006	Additions	Deletions	
General and Special Obligation Bonds:				
G.O. Bonds of 2000 dated June 29 for \$38.3 million with interest at 5% to 7% - Judicial Center	2,830	-	(1,300)	1,530
G.O. Bonds of 2000 dated January 1 for \$9.5 million with interest at 5% to 6.75% - Fire Protection	1,865	-	(590)	1,275

HORRY COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

8. Long-Term Debt (continued)

A. Governmental Activities Debt (continued)

	<i>(amounts shown in thousands)</i>			Balance June 30, 2007
	Balance June 30, 2006	Additions	Deletions	
General and Special Obligation Bonds				
(continued):				
Special Hospitality Fee Bonds of 2000 dated October 15 for \$19.905 million with interest at 4% to 5%	13,985	-	(1,260)	12,725
G.O. Bonds of 2001 (Series A) dated September 15 for \$20.2 million with interest at 3.5% to 4.75% - Strand/Library/Equipment	17,165	-	(830)	16,335
G.O. Bonds of 2001 (Series B) dated September 15 for \$2.875 million with interest at 4.25% to 4.5% - Higher Education	2,380	-	(115)	2,265
G.O. Bonds of 2001 (Series C) dated September 15 for \$1.29 million with interest at 3.0% to 3.5% - Series Refunded 1992 Higher Education debt	295	-	(295)	-
G.O. Bonds of 2004 (Series A) dated June 1 for \$11 million with interest at 3.0% to 5.0% - Fire Protection District	10,505	-	(505)	10,000
G.O. Bonds of 2004 (Series B) dated June 1 for \$3 million with interest at 3.25% to 5.50% - TECH Bond	2,895	-	(110)	2,785
G.O. Bonds of 2005 (Series A) dated September 1 for \$5.01 million with interest at 3% to 3.8% - Fire Protection Refunding	4,985	-	(55)	4,930
G.O Bonds of 2005 (Series B) dated September 1 for \$30 million with interest at 3.5% to 4.125% - Judicial Center Refunding	30,000	-	-	30,000
G.O. Bonds of 2007 dated April 11 for \$11 million with interest at 4% to 4.5% -Health Department/Museum	\$ -	\$ 11,000	\$ -	\$ 11,000
Total general and special obligation bonds	86,905	11,000	(5,060)	92,845
Unamortized premiums	317	-	(317)	-
Deferred amount on refunding	(1,748)	-	1,748	-
Less, current portion	(5,060)	(5,520)	5,060	(5,520)
Net general and special obligation bonds	\$ 80,414	\$ 5,480	\$ 1,431	\$ 87,325

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

8. Long-Term Debt (continued)

A. Governmental Activities Debt

Other general long-term obligations of the County's governmental activities at June 30, 2007 are as follows:

	<i>(amounts shown in thousands)</i>			
	Balance June 30, 2006	Additions	Deletions	Balance June 30, 2007
Other general long-term obligations:				
RIDE - IGA Loan #1	\$ 165,000	\$ -	\$ (15,000)	\$ 150,000
Less, amounts imputed for interest	(26,739)	-	4,365	(22,374)
Less, current portion	(10,635)	(10,985)	10,635	(10,985)
Net RIDE - IGA Loan #1	<u>127,626</u>	<u>(10,985)</u>	<u>-</u>	<u>116,641</u>
RIDE - IGA Loan #2	225,395	-	(3,940)	221,455
Less, current portion	(3,940)	(4,956)	3,940	(4,956)
Net RIDE - IGA Loan #2	<u>221,455</u>	<u>(4,956)</u>	<u>-</u>	<u>216,499</u>
RIDE - IGA #3 contribution payable	1,135	-	(84)	1,051
Less, current portion	(29)	(31)	29	(31)
Net RIDE - IGA #3 contribution Payable	<u>1,106</u>	<u>(31)</u>	<u>(55)</u>	<u>1,020</u>
Net RIDE - IGA Loans payable	<u>350,187</u>	<u>(15,972)</u>	<u>(55)</u>	<u>334,160</u>
Capital lease obligation - central energy	730	-	(146)	584
Capital lease obligation - phone systems	319	-	(87)	232
Capital lease obligation - IBM AS400 system	662	-	(177)	485
Capital lease obligation - archive writer	54	-	(34)	20
Capital lease obligation - fiber optic network	3,974	-	(605)	3,369
Capital lease obligation - fire suppression system	33	-	(12)	21
Capital lease obligation - core network	83	-	(19)	64
Capital lease obligation - 911 equipment	4,266	-	(876)	3,390
Capital lease obligation - Motorola CAD	4,455	-	(683)	3,772
Capital lease obligation - Dell	146	-	(52)	94
Less, current portion	(2,691)	(2,785)	2,691	(2,785)
Net capital leases	<u>12,031</u>	<u>(2,785)</u>	<u>-</u>	<u>9,246</u>
Accumulated compensation absences, net	9,824	7,703	(6,737)	10,790
Total other general long-term obligations	<u>372,042</u>	<u>(11,054)</u>	<u>(6,792)</u>	<u>354,196</u>
Total Net Governmental Activities Debt	<u>\$ 452,456</u>	<u>\$ (5,574)</u>	<u>\$ (5,361)</u>	<u>\$ 441,521</u>

The current portion (amount due within one year) of accrual compensated absences at June 30, 2007 is \$21,432.

RIDE Intergovernmental Agreements

As described in Note 17, the RIDE IGA Loan #1 provides for debt service payments to be made without interest over twenty (20) years. Accordingly, an estimated amount of interest has been imputed based on calculated rate of 3.25% which is a rate representative of the IGA Loan #2 Amended Agreement.

Pursuant to IGA Loan #3, Horry County agreed to contribute \$2,279,950 (derived from a certain admissions tax) to the South Carolina Transportation Infrastructure Bank as such tax revenues are collected. Accordingly, this has been reported as a long-term contribution commitment.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (continued)

B. Business-type Activities (Enterprise Funds) Debt

Revenue Bonds - Department of Airports

In October 2000, the County issued \$9,745,000 in Airport Revenue Refunding Bonds with original issue discount of \$24,910 and bond issuance costs of \$321,892. These bonds were issued to refund the \$10,320,000 outstanding principal amount of the \$11,660,000 original principal amount of the Airport Revenue Bonds, Series 1990.

In May 1997, the County issued \$26,000,000 (Series 1997A, B, C, and D) in Airport Revenue Bonds with original issue discounts of \$169,000 and bond issuance costs of \$867,000. These bonds were issued as an amendment to the Horry County Series 1990 Revenue Bond ordinance and are being used to pay the costs of certain interests in land and the construction of terminal building improvements, rental car facilities and curbside improvements at the Myrtle Beach International Airport.

The revenue bonds are secured by the pledge of net revenues derived by the Myrtle Beach International Airport ("MYR"). Net revenues are defined as revenues less maintenance and operations expenses of MYR. The Bonds are limited obligations of the County and do not constitute the general obligation or a pledge of the faith, credit or taxing power of the County or any other political subdivision. The County has agreed to establish rates and charges for use of MYR services and facilities that are reasonably expected to yield net revenues equal to at least 1.25 times the aggregate debt service to become due on the revenue bonds in the forthcoming fiscal year. The revenue bond resolutions also require that certain funds be established and certain financial conditions be maintained.

Refunded Debt - Department of Airports

In October 2000, Series 2000 Airport Revenue Refunding Bonds were issued to advance redeem all of the Series 1990 Bonds. The redemption price for these bonds is equal to the principal amount plus a premium ranging up to 2% of the principal amount.

Net proceeds from the Series 2000 Bonds were placed in an irrevocable trust account and accordingly, resulted in a defeasance of the Series 1990 debt.

Although the advance refunding resulted in the recognition of an accounting loss of \$582,191 for the year ended June 30, 2001, the Airport in effect realized an economic gain (difference between the present values of the old and new debt service payments) of approximately \$1,166,502.

In accordance with GASB Statement 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, the above referenced accounting loss of \$582,191, has been deferred and netted against the carrying amount of the Series 2000 liability and is being amortized to interest expense over the shorter life of the two issuances. Accordingly, for the year ended June 30, 2007, amortization expense was \$29,603.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (continued)

B. Business-type Activities (Enterprise Funds) Debt (continued)

Long-term 'revenue bonded' debt of the Department of Airports Enterprise Fund at June 30, 2007, is as follows:

	<i>(amounts shown in thousands)</i>			
Revenue Bonds:	Balance 6/30/06	Additions	Deletions	Balance 6/30/07
Revenue bond, Series A, of 1997 dated May 15, for \$6.3 million with interest at 4.45% to 5.7% - Airport improvements, due 1998-2027	\$ 5,545	\$ -	\$ (135)	\$ 5,410
Revenue bond, Series B, of 1997 dated May 15, for \$15.2 million with interest at 6.06% to 7.38% - Construction of rental car facilities, due 1998-2012	9,100	-	(1,045)	8,055
Revenue bond, Series C, of 1997 dated May 15, for \$3.4 million with interest at 4.3% to 5.5% - Airport improvements, due 1998-2027	3,035	-	(75)	2,960
Revenue bond, Series D, of 1997 dated May 15, for \$1.1 million with interest at 4.4% to 5.0% - Airport improvements, due 1998-2007	305	-	(150)	155
Revenue bond, Refunding Series 2000 dated October 15, 2000, for \$9.745 million with interest at 4.4% to 5.62%, due 2002- 2020	8,095	-	(375)	7,720
Total revenue bonded debt	26,080	-	(1,780)	24,300
Less, original issue discount	(179)	-	4	(175)
Less, current portion	(1,780)	(1,890)	1,780	(1,890)
Less, deferred charges (Series 1990 refunding loss of \$582 less amortization of \$197)	(414)	-	29	(385)
Net Revenue Bonds	\$ 23,707	\$ (1,890)	\$ 33	\$ 21,850

HORRY COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt (continued)

B. Business-type Activities (Enterprise Funds) Debt (continued)

Certificates of Participation - Baseball Stadium Joint Enterprise

The County entered into various agreements with the City of Myrtle Beach and proportionately shares in the ongoing financial interest and responsibility for a professional minor-league baseball stadium. Those agreements call for the County to be liable for 30% of the Certificates of Participation which were issued by a component unit of the City of Myrtle Beach to defray the construction costs. Long-term debt of the Baseball Stadium Enterprise Fund at June 30, 2007 is as follows:

	<i>(amounts shown in thousands)</i>			
	Balance 6/30/2006	Additions	Deletions	Balance 6/30/2007
Certificates of Participation dated September 1, 1998	\$ 2,295	\$ -	\$ (133)	\$ 2,162
for \$3.088 million with interest at 3% to 5% - Baseball Stadium				
Less, current portion	(133)	(138)	133	(138)
Total non-current portion	\$ 2,162	\$ (138)	\$ -	\$ 2,024

C. Annual Requirements for Long-Term (Bonds and Loans) Debt

Annual principal requirements to amortize General and Special Obligation Bonds, Revenue Bonds, Certificates of Participation (COPS), and RIDE-IGA loans #1 and #2 at their respective present values at June 30, 2007, are summarized as follows:

<u>Years Ending</u> <u>June 30,</u>	<i>(amounts shown in thousands)</i>							
	G.O. Bonds		Special Obligation Bonds		Baseball Stadium COPS		Airport Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 4,200	\$ 3,332	\$ 1,320	\$ 707	\$ 138	\$ 104	\$ 1,890	\$ 1,408
2009	4,605	3,183	1,390	641	144	98	1,845	1,291
2010	4,785	3,000	1,455	571	151	91	1,965	1,170
2011	4,946	2,817	1,530	498	158	85	2,085	1,039
2012	5,150	2,630	1,605	422	165	77	2,225	897
2013-2017	27,245	9,906	5,425	663	954	260	5,955	3,019
2018-2022	27,724	3,893	-	-	452	34	4,910	1,599
2023-2027	1,465	112	-	-	-	-	3,425	609
Total	\$ 80,120	\$ 28,873	\$ 12,725	\$ 3,502	\$ 2,162	\$ 749	\$ 24,300	\$ 11,032

<u>Years Ending</u> <u>June 30,</u>	Total Debt Service Requirements					
	RIDE IGA Loan #1		RIDE IGA Loan #2		Total Debt Service Requirements	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 10,985	\$ 4,015	\$ 4,956	\$ 6,383	\$ 23,489	\$ 15,949
2009	11,347	3,653	6,034	6,227	25,365	15,093
2010	11,720	3,280	7,175	6,040	27,251	14,152
2011	12,105	2,895	8,527	5,836	29,351	13,170
2012	12,504	2,496	9,967	5,553	31,616	12,075
2013-2017	68,965	6,034	75,221	22,211	183,765	42,093
2018-2022	-	-	109,575	8,522	142,661	14,048
2023-2027	-	-	-	-	4,890	721
Total	\$ 127,626	\$ 22,373	\$ 221,455	\$ 60,772	\$ 468,388	\$ 127,301

D. SHBS

On June 18, 2003, the Commission issued \$960,000 in Hospital Revenue Bonds, Series 2003 with an interest rate of 4.46%.

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance 6/30/07</u>
Hospital Revenue Bond	4.46%	6/18/2013	\$ 626,325

Scheduled maturities are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
Year Ending June 30, 2008	\$ 93,124	\$ 26,045	\$ 119,169
Year Ending June 30, 2009	97,363	21,806	119,169
Year Ending June 30, 2010	101,795	17,374	119,169
Year Ending June 30, 2011	106,429	12,740	119,169
Year Ending June 30, 2012	111,274	7,895	119,169
Year Ending June 30, 2013	116,340	2,830	119,170
	\$ 626,325	\$ 88,690	\$ 715,015

The Bond is secured by all revenue and receipts derived by the SHBS.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital and Operating Leases

A. Capital Lease Obligations

A capital lease is an agreement which specifies a transfer of benefits and risk of ownership to the lessee.

Governmental Activities:

The County's capital leases have been recorded at the present value of the future minimum lease payments as follows:

<u>Year Ended June 30,</u>	<i>(amounts shown in thousands)</i>					
	<u>Central Energy</u>	<u>Phone System</u>	<u>IBM AS400 System</u>	<u>Archive Writer</u>	<u>Fiber Optic Network</u>	<u>Fire Suppression System</u>
2008	\$ 188	\$ 98	\$ 203	\$ 21	\$ 804	\$ 13
2009	188	45	203	-	804	10
2010	188	44	120	-	804	-
2011	94	37	-	-	789	-
2012	-	37	-	-	663	-
Total lease payments	658	261	526	21	3,864	23
Less, interest	(74)	(29)	(41)	(1)	(495)	(2)
Present value of future minimum lease payments	584	232	485	20	3,369	21
Less, current portion	(155)	(87)	(186)	(20)	(640)	(12)
Total non-current portion	<u>\$ 429</u>	<u>\$ 145</u>	<u>\$ 299</u>	<u>\$ -</u>	<u>\$ 2,729</u>	<u>\$ 9</u>

<u>Year Ended June 30,</u>	<u>Core Network</u>	<u>911 Equipment</u>	<u>Motorola CAD</u>	<u>Dell</u>	<u>Total</u>
2008	\$ 23	\$ 1,034	\$ 833	\$ 59	\$ 3,276
2009	23	1,034	832	41	3,180
2010	23	896	832	-	2,907
2011	-	728	832	-	2,480
2012	-	-	833	-	1,533
Total lease payments	69	3,692	4,162	100	13,376
Less, interest	(5)	(302)	(390)	(6)	(1,345)
Present value of future minimum lease payments	64	3,390	3,772	94	12,031
Less, current portion	(20)	(905)	(705)	(55)	(2,785)
Total non-current portion	<u>\$ 44</u>	<u>\$ 2,485</u>	<u>\$ 3,067</u>	<u>\$ 39</u>	<u>\$ 9,246</u>

Business-type Activities (Enterprise Funds):

During year ended June 30, 2002, the Airport entered into a five year non-cancelable lease for two shuttle buses. The annual interest rate on the lease is 5.43% per annum. The cost and net book value on the buses as of June 30, 2007 is \$96,769 and \$4,032, respectively.

During the year ended June 30, 2006, the Airport entered into a ten year non-cancelable lease for a generator for the Airport. The annual interest rate on the lease is 2.87% per annum. The cost and net book value on the generator as of June 30, 2007 is \$425, 000 and \$371,875, respectively.

The present value of the minimum lease payments follows:

<u>Year Ended June 30,</u>	<u>Total</u>
2008	50,314
2009	50,314
2010	50,314
2011	50,314
2012	50,314
2013-2016	192,871
Total payments	444,441
Less, interest	(61,818)
Present value of future minimum lease payments	382,623
Less, current portion	(37,703)
Total non-current portion	<u>\$ 344,920</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital and Operating Leases (continued)

The changes in the County's capital leases and compensated absences for its business-type activities for the year ended June 30, 2007 are as follows:

	Balance June 30, 2006	Additions	Deletions	Balance June 30, 2007
Capital Leases	\$ 426,322	\$ -	\$ (43,699)	\$ 382,623
Compensated absences	\$ 656,747	\$ 374,796	\$ (164,187)	\$ 867,356

Long - term liabilities - HCSWA at June 30, 2007

Long - term liabilities of HCSWA are as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts due within one year
Compensated Absences	\$ 225,435	\$ 182,628	\$ 171,306	\$ 236,757	\$ 155,000
Landfill Closure Costs	6,788,133	3,908,882	82,114	10,614,901	3,517,000
Landfill Postclosure Care Costs	5,917,331	(38,077)	-	5,879,254	-
	<u>\$ 12,930,899</u>	<u>\$ 4,053,433</u>	<u>\$ 253,420</u>	<u>\$ 16,730,912</u>	<u>\$ 3,672,000</u>

B. Operating Lease Agreements - Lessor (Department of Airports)

The Airport Enterprise Fund derives a substantial portion of its revenue from charges to air carriers, aeronautical schools, concessionaires, and real estate leases. Substantially all of the assets classified as capital assets in the balance sheet are held by the Airport for the purpose of rental or related use. The Airport, as lessor, leases land, buildings, and terminal space to air carriers, aeronautical schools, concessionaires, and third-parties on a fixed fee as well as a contingent fee basis. Most of the leases provide for an annual review and redetermination of the rental amounts. Accordingly, lease revenues are recognized when earned. Different amounts resulting from stated period contract rates and from a straight-line amortization of total rents over the contract period is deemed not to be material. The following is a schedule of future minimum rentals receivable on non-cancelable rental revenue leases at June 30, 2007:

Year Ended June 30,	<i>(amounts shown in thousands)</i>
2008	5,338
2009	2,803
2010	2,235
2011	2,196
2012	637
2013 to 2017	1,767
2018 to 2021	409
Total	<u>\$ 15,385</u>

The total historical cost and net book value of certain property leased to parties external to Horry County, South Carolina reporting entity is \$41,890,878 and \$24,129,039, respectively at June 30, 2007.

Note 10. Amounts Due to Airlines (Signatory Airlines Agreements)

The Airport maintains lease and operating agreements with certain airlines ("Signatory Airlines") which provide for annual terminal lease, landing fees, and other amounts to be remitted by the Signatory Airlines at interim rates subject to retroactive adjustment on a defined cost reimbursement basis. Terms of the agreements call for amounts owed to the Signatory Airlines be applied to any balances owed by the airlines for current year rates and charges. Airport management has estimated a rebate amount due to the airlines for the year ended June 30, 2007, totaling \$378,336, with a net amount due to the airlines at June 30, 2007, for current and prior year amounts totaling \$408,207. This is included in amounts due to tenants on the accompanying Statement of Net Assets. US Airways, Spirit Airlines, and ASA and Comair (including Delta) were Signatory Airlines as of June 30, 2007.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 11. Landfill Closure and Postclosure Care Costs

Federal and state laws and regulations require the HCSWA to place a final cover on its permitted landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the HCSWA reports a portion of these costs as operating expenses in each period based on landfill capacity used during each fiscal year. The amounts reported as a liability at June 30, 2007 for landfill closure and postclosure care represents the cumulative expense reported to date based on 100%, 72.0%, and 28.0% utilization of the estimated total capacity of the unlined, and Subtitle D (Cell A) landfill sites and construction and demolition, respectively.

	<i>(amounts shown in thousands)</i>			
	Unlined	Subtitle D (Cell A)	Construction & Demolition	Total
Closure Costs	\$ 1,194	\$ 6,711	\$ 2,710	\$ 10,615
Postclosure Care Costs	N/A	3,943	1,936	5,879
Total	<u>\$ 1,194</u>	<u>\$ 10,654</u>	<u>\$ 4,646</u>	<u>\$ 16,494</u>

The HCSWA will recognize the remaining estimated closure and postclosure care costs, as shown below, as the remaining estimated capacity of the permitted landfills are filled.

	Closure Costs	Postclosure Care Costs
Construction and Demolition - East Hill	\$ 7,750	N/A
Unlined / Construction and Demolition	N/A	1,357
Subtitle D	\$ 2,911	1,533
	<u>\$ 10,661</u>	<u>\$ 2,890</u>

The HCSWA has closed out the east and west hills of the unlined landfill, with the saddle area to be closed out during the year ending June 30, 2010. The Subtitle D landfill is expected to be closed during the year ending June 30, 2019. The construction and demolition landfill is anticipated to be closed during the year end June 30, 2025. The estimated closure and postclosure care costs are based on what it would cost today to perform all required closure and postclosure care. Actual costs ultimately incurred for closure and postclosure care may be higher due to inflation, changes in technology, or changes in regulations.

The HCSWA is required by federal and state laws to provide financial assurance that funds will be available when needed for closure and postclosure care costs through compliance with one of several approved alternative methods. The method utilized by the SWA is the local government financial test. At June 30, 2007, the HCSWA is in compliance with federal and state financial assurance requirements.

In accordance with formal resolutions of the HCSWA's Board of Directors, \$8,456,142 and \$7,361,207 of cash, cash equivalents and investments at June 30, 2006 are designated for landfill closure and postclosure care costs, respectively. These amounts are included in unrestricted net assets on the balance sheet. If the designated funds are inadequate or additional closure and postclosure care requirements are mandated or otherwise found to be necessary (due to changes in technology or applicable laws or regulations, for example) these costs need to covered through additional charges to future landfill users.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 12. Net Assets and Fund Balances

Net assets:

Net assets of the government-wide and proprietary fund financial statements represent the difference between assets and liabilities. Reported amounts for invested in capital assets and restricted net assets are as follows at June 30, 2007:

	<i>(amount shown in thousands)</i>			
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Component Units</u>	
			<u>SHBS</u>	<u>HCSWA</u>
<u>Invested in Capital Assets, Net of Related Debt:</u>				
Net capital assets:				
Primary Government	\$ (4,335)	\$ 98,808	\$ -	\$ -
Internal Service Fund	4,335	-	-	-
Component units	-	-	637	24,960
Bond issue costs	-	601	-	-
Less, G.O., special revenue bonds payable and capital leases	406,325	(26,155)	-	-
Less, construction and retainage payable for capital items	(313)	(567)	-	-
Total invested in capital assets, net of related debt	<u>\$ 406,013</u>	<u>\$ 72,687</u>	<u>\$ 637</u>	<u>\$ 24,960</u>
<u>Restricted:</u>				
Restricted cash and cash equivalents plus restricted funds held in trust, less, liabilities payable from restricted assets:				
Capital projects	\$ 8,179	\$ 272	\$ -	\$ -
Road maintenance	434	-	-	-
Register of Deeds	135	-	-	-
Fire special revenue	3,220	-	-	-
Infrastructure development	3,021	-	-	-
Debt service	13,172	33,774	-	-
RIDE program	32,829	-	-	-
Beach renourishment	2,573	-	-	-
Substance abuse prevention	-	-	352	-
DSS federal revenue	89	-	-	-
Cultural	120	-	-	-
Baseball	300	-	-	-
Underground storage tanks	50	-	-	-
Environmental services	552	-	-	-
Waste tire management	-	-	-	16
Total restricted net assets	<u>\$ 64,674</u>	<u>\$ 34,046</u>	<u>\$ 352</u>	<u>\$ 16</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 12. Net Assets and Fund Balances (continued)

Fund Balance:

Fund balance in the General Fund as of June 30, 2007 consists of the following:

Reserved		\$ 1,272,973
Unreserved:		
Designated	<u>3,567,044</u>	
Total Unreserved- designated for subsequent years' expenditures		3,567,044
Undesignated		<u>22,088,661</u>
Total fund balance		<u>\$ 26,928,678</u>

As required by the County's Financial Policies Ordinance, the undesignated fund balance of the General Fund should be maintained at a level of at least 15% of the General Fund operating budget. The adopted General Fund operating budget for fiscal year 2008 includes total expenditures and other uses of \$124,622,134. Reducing this total for the amount being funded by the designated fund balance of \$2,500,000, the currently required undesignated fund balance level is \$18,318,320. The undesignated fund balance as of June 30, 2007 is \$3,770,341 above this required level.

At June 30, 2007, the following funds had deficit fund balances: Socastee Recreation (\$9,685), Victim Assistance (\$97,193), E-911 (\$4,820), Admissions Tax (\$29,928) and Arcadian Shores (\$302,864). Socastee Recreation's deficit will be funded through increased property tax values with reassessment in fiscal year ending June 30, 2007. The Victim Assistance, Arcadian Shores, E-911 and Admissions Tax deficit fund balances will be repaid from future tax revenues. The General Improvements Capital Projects fund had a deficit budgeted fund balance (\$9,079) as a result of a needed bond issuance of \$11,000.

Note 13. Capital Contributions

Pursuant to the implementation of GASB Statement No. 33, contributed capital for the year ended June 30, 2007 has been recognized in the government-wide financial statements and proprietary funds as non-operating revenue. For the governmental activities, contributed capital during the fiscal year ended June 30, 2007, is as follows:

	<i>(amount shown in thousands)</i>
	<u>Governmental</u>
	<u>Activities</u>
Donated land and equipment	<u>\$ 630</u>
Total	<u>\$ 630</u>

For the Proprietary (Enterprise) funds, contributed capital during the fiscal year ended June 30, 2007, are as follows:

	<i>(amount shown in thousands)</i>
	<u>Business -Type</u>
	<u>Activities</u>
Grants and other cash contributions	<u>\$ 853</u>
Total	<u>\$ 853</u>

Contributed capital in the discretely presented component unit HCSWA for the fiscal year ended June 30, 2007, are as follows:

	<i>(amounts shown in thousands)</i>
	<u>HCSWA</u>
Grants and other cash contributions	<u>\$ 282</u>
Totals	<u>\$ 282</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

A. South Carolina Retirement and Police Officers' Retirement Systems *(with amounts expressed thousands)*

All County employees, except for police department personnel, participate in the South Carolina Retirement System (SCRS), a cost-sharing, multiple-employer, public employee retirement system. County police officers participate in the South Carolina Police Officers' Retirement System (SCPORS), a cost-sharing, multiple-employer public employee retirement system. The County's total payroll for the year ended June 30, 2007, was approximately \$67,704, of which \$37,616 and \$29,303 were for employees covered by the SCRS and the SCPORS, respectively. The total payroll for the year ended June 30, 2006, was approximately \$62,395, of which \$34,778 and \$26,883 were for employees covered by the SCRS and SCPORS, respectively. The total payroll for the year ended June 30, 2005 was approximately \$59,464, of which \$31,920 and \$24,560 were for employees covered by the SCRS and the SCPORS, respectively.

Both employees and the County are required to contribute to the Plans at rates established under authority of Title 9 of the South Carolina Code of Laws. The County's contributions are actuarially determined, but are communicated to and paid by the County as a percentage of the employees' annual earnings.

The County's required contributions to the SCRS for employer and employee portions for the year ended June 30, 2007 expressed as a dollar amount and as a percentage of covered payroll in 2007 were \$3,047 and 8.1% and \$2,445 and 6.5%, respectively, and the contributions to the SCPORS for the employer and employee portions were \$3,018 and 10.3% and \$1,905 and 6.5%, respectively. The County's required contributions to the SCRS for employer and employee portions for the years ended June 30, 2006, expressed as a dollar amount and as a percentage of covered payroll in 2006 were \$2,852 and 8.2% and \$2,261 and 6.5%, respectively, and the contributions to the SCPORS for the employer and employee portions were \$2,876 and 10.7% and \$1,747 and 6.5%, respectively. The County's required contributions to the SCRS for employee portions for the years ended June 30, 2005 expressed as a dollar amount and as a percentage of covered payroll in 2005 were \$2,306 and 7.2% and \$1,915 and 6.0% respectively, and the contributions to the SCPORS for the employer and employee portions were \$2,677 and 10.9% and \$1,596 and 6.5%, respectively.

In addition to the above rates, the County's required contributions to the SCRS to provide a group life insurance benefit for their participants for the year ended June 30, 2007 expressed as a dollar amount and as a percentage of covered payroll were approximately \$45 and 0.12% of annual earnings, and the contributions to the SCPORS to provide a group life insurance benefit and an accidental death benefit for their participants expressed as a dollar amount and as a percentage of covered payroll were approximately \$44 and 0.15%.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans (continued)

A. South Carolina Retirement and Police Officers' Retirement (continued)

Employees of SBHS are also members of SCRS. Employer and employee contributions expressed as a percentage of covered payroll are 8.05% and 6.50%, respectively. Total payroll for the year ended June 30, 2007 was \$1,180 of which \$951 was for employees covered by SCRS. SBHC's contributions for the three most recent fiscal years ended June 30, 2007, 2006 and 2005 were \$86, \$83 and \$71, respectively. The contribution requirements of plan members and the HCSWA are established and may be amended by the SCRS and are currently 6.50% and 8.20%. The HCSWA's total payroll for the year ended June 30, 2007 was \$3,450 of which \$3,270 was for employees covered by SCRS. The HCSWA's contributions for the fiscal year ended June 30, 2007, 2006 and 2005 were \$275, \$242 and \$209, respectively.

A comprehensive annual financial report containing financial statements and required supplementary information for the SCRS and SCPORS is issued and publicly available by writing the South Carolina Retirement System, P. O. Box 11960, Columbia, South Carolina 29211-1960.

B. Post-Employment Benefits (*with amounts expressed in thousands*)

In addition to providing pension benefits, the County provides certain post-employment health care benefits for retired employees as per the requirements of a local ordinance. All of the County's employees may become eligible for those benefits if they attain age forty-six while working for the County, retire and draw benefits from SCRS or SCPORS system, and have a minimum of fifteen years service. The County will contribute to SCRS (regular retirees): 50% of single coverage for employees with 15-22 years of service, 75% of single coverage for employees with 23-27 year of service, and 100% for employees with 28 or more years of service; for SCPORS (police retirees): 50% of single coverage for employees with 15-21 years, 75% for 22-24 years and 100% for employees with 25 years or more of service. The cost of these benefits is recognized as an expenditure of the general fund on a pay-as-you-go basis as provided for in the annual budget ordinance. These benefits will cease if funds are not available for appropriation. For fiscal year 2007, these costs totaled \$666 net of \$323 of retiree contributions. As of year-end, there were 128 employees that were receiving benefits.

The Horry County Solid Waste Authority provides post-employment health care benefits to all employees who retire and are receiving benefits from the SCRS with at least ten years of service as an employee of the HCSWA. Such employees may elect to continue single coverage under the HCSWA's plan with fifty percent of the cost of coverage provided by the HCSWA and the remaining fifty percent provided by the employee. Employees retiring with at least twenty years of service as an employee of the HCSWA and receiving benefits from the SCRS may elect to continue single coverage at a cost established by the State Budget and Control Board without cost to the employee. If an eligible retiring employee accepts employment with another organization that provides health care benefits, the HCSWA coverage will no longer be provided. The HCSWA finances and recognizes as an expense health care premiums paid for eligible retired employees in the period of payment. As of June 30, 2007, three retirees were eligible to receive post-employment health benefits. Expenses recognized by the HCSWA for the fiscal year ended June 30, 2007 totaled \$8.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 15. Segment Information

The County has elected to present disaggregated information regarding all enterprise funds in the proprietary fund, statement of net assets, statement of revenue, expenses and changes in net assets, and statement of cash flows.

The Department of Airports Enterprise Fund is responsible for operation, maintenance and development of the County's Airport System - including Conway, Grand Strand, and Loris general aviation airports and the Myrtle Beach International Airport. The Baseball Stadium Enterprise Fund accounts for the county's interest and operations of a professional baseball stadium. The County's discretely presented component units HCSWA and SBHS were created by the County to develop and implement a solid waste disposal and resource recovery/recycling system and to provide services to reduce the negative health, social and economic consequences resulting from the use of alcohol and other drugs, for the County, respectively. Disaggregated information of the component units is presented in the basic financial statements.

Major Customers and Economic Condition - Department of Airports

Significant airline revenues, leases concessions and rental car activity, generate approximately 75% of the Airport's revenues or just over \$13.8 million of \$18.5 million net operating revenue. Signatory Airlines generate \$4.5 million in revenue after surcharges.

Rates and charges of Signatory Airlines, which serve the MYR, represented 24% and 26% in fiscal years 2007 and 2006, respectively, of the total operating revenues reported for the MYR. Of the leading Signatory Airline carriers, U.S. Airways represents 31% of the airline traffic, Spirit Airlines 33%, United Airlines 6%, and ASA (including Delta, Comair & Chautauqua) 17%.

US Airways, Spirit Airlines, United Airlines, ASA and Comair (including Delta) are currently signatory airlines.

Northwest Airlines, Delta Airlines and Comair filed Chapter 11 bankruptcy on September 14, 2005. Delta Airlines and Comair currently has no pre-petition debt due to the Airport. Northwest owes the airport \$95,976 in pre-petition debt as of June 30, 2007, which was paid in full on July 23, 2007.

For the year ended June 30, 2007, three customers make up approximately 41% of the accounts receivable balance. For year ended June 30, 2006, three customers made up approximately 48% of the accounts receivable balance.

Aviation Trust Funds - Due From Other Governments

Pursuant to certain agreements with the Federal Aviation Administration, the City of Myrtle Beach, South Carolina maintains an Airport Trust Fund which holds resources received from leases of certain parcels of property near the Myrtle Beach International Airport. Funds are to be made available for Airport purposes through agreement with the FAA. Subsequent to June 30, 2004, the parties reached a new agreement through which the Airport will be entitled to \$2,000,000 from the trust fund on January 1, 2005. Beginning in 2005, and continuing each and every year thereafter, all lease proceeds received by the City shall be promptly, automatically and unconditionally divided between the bodies whereby Horry County shall receive 75% of the proceeds and the City of Myrtle Beach shall receive 25%. As part of the agreement, the Airport is required to spend \$6 million on a road that runs near the Airport. The Airport recognized \$1,449,069 and \$1,308,841, in non-operating revenues for funds received from this trust fund during the years ended June 30, 2007 and 2006, respectively.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 16. Joint Enterprise - Baseball Stadium

The County entered into various agreements with the City of Myrtle Beach and proportionately shares in the ongoing financial interest and responsibility for a professional minor-league baseball stadium. A summary of those agreements are as follows:

Pursuant to a Ballpark Management Agreement dated September 1, 1998 (the "Management Agreement"), the City of Myrtle Beach, South Carolina and the County collectively agreed to develop, own and operate a baseball stadium facility in Myrtle Beach, South Carolina (the "Project"). The Management Agreement provides that the Project shall be jointly owned with the City having an undivided 70% ownership interest in the Project and the County having a 30% undivided ownership interest, and further provides that the net profits and losses of the joint enterprise shall be divided in proportionate shares to the City's and County's respective ownership interests.

Pursuant to an Installment Purchase Agreement, dated September 1, 1998, between the City of Myrtle Beach, South Carolina and Myrtle Beach Public Facilities Corporation, a South Carolina nonprofit corporation, \$10,295,000 in Certificates of Participation (the "Certificates"), Series 1998, were issued to defray the cost of construction of the project.

Pursuant to a Hospitality Fee Agreement, dated September 1, 1998, between the County and the City of Myrtle Beach, South Carolina, the County agreed to make payments of an amount equal to 30% of the required debt service requirements of the Certificates. The County's proportionate debt service payments shall be made solely from amounts derived by the County's special revenue fund portion of the County 1% Hospitality Fee and shall not be deemed to be general obligations of the County or payable from the road fund portion of the County's 1.5% Hospitality Fee, or from any other source of revenues, fees, or taxes. Accordingly, the County's proportionate interest in the debt service requirements (initial amount of \$3,088,500) has been recorded as a long-term liability in the Baseball Stadium Enterprise Fund.

As security for its obligation to make payments under the Hospitality Fee Agreement, the County has pledged and granted a security interest in the special revenue fund portion of the County Hospitality Fee to the extent of the lesser of \$300,000 or the amount due in any bond year pursuant to the Hospitality Fee Agreement. This amount has been recorded as a reservation of fund balance of the Hospitality 1.0% Fees Special Revenue Fund.

While the enterprise is under joint control by the City and County, no separate entity or organization of the baseball stadium exists as of June 30, 2007. Accordingly, the County has reported activities in the baseball stadium as an enterprise fund under the method of accounting for undivided interests. Separate financial statements of the baseball stadium are presently not available.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 17. Intergovernmental Agreements - RIDE Projects

During fiscal years 1998 and 2000, and pursuant to the Horry County Road Improvement and Development Effort program (the "RIDE Program"), the County adopted and enacted its Ordinances #105-96 and #7-97 and entered into various long-term loan agreements with the South Carolina Transportation Infrastructure Bank (the "SIB") to provide funding for various road construction projects in Horry County. Pursuant to a certain Master Loan Agreement (as amended), SIB agreed to make available financial assistance to Horry County in the amounts totaling up to \$744,415,526 for the RIDE Tables 1 and 3 projects specified in Intergovernmental Agreements (IGA) #1 and #2.

During fiscal year 2002, the County adopted and enacted Ordinance #45-02 to approve RIDE-IGA Loan #3, which calls for Horry County to make certain contributions towards the projects from an existing special revenue fund admissions tax and to amend prior RIDE loan agreements.

These agreements are summarized as follows:

RIDE-IGA Loan #1- dated March 10, 1998 (as amended)

As amended, SIB agreed to make one or more loans available to Horry County totaling up to \$545 million for Table 1 projects of the RIDE application.

Table 1 Projects and Assignment - The allocation and use of the \$545 million in SIB funding between the RIDE Projects is set forth in Table 1 of the RIDE application, namely \$291.3 million for the Conway Bypass, \$209.5 million for the Carolina Bays parkway, and \$44.2 million for Highway 544 widening.

Horry County assigned South Carolina Department of Transportation (SCDOT) to be its sole and exclusive agent for the RIDE Program. In connection with the construction of the Conway Bypass, SCDOT shall be paid a management fee of \$3.0 million, in 36 monthly installments with the first payment due upon execution of the agreement. SCDOT agreed to provide the County and the SIB \$114 million toward the construction of Table 1 projects.

Horry County further agreed to be responsible for up to \$291.3 million under the Assigned Contract with SCDOT, plus \$2.5 million in respect of right-of-way acquisition and utility relocation costs in excess of \$15 million.

Term of the Agreement and Repayment By Horry - Horry County shall make payments over 20 years on RIDE-IGA Loan #1 as set-forth in amended agreements by paying \$15 million per year, for 20 years, (\$300 million total) beginning with the first payment due July 1, 1998, at zero (0%) percent interest. All subsequent payments shall be made in quarterly installments of \$3.75 million each, with the first such quarterly payment due October 1, 1998. Horry County covenants to pay when due all sums owing to the SIB under the terms of this agreement.

Source of Funds for Repayment - Horry County shall make payments from its Hospitality 1.5% Special Revenue Fund created by Ordinances #105-96 and #7-97. Horry County shall not be obliged to make payments from any other source of funds available to Horry County, provided that these Ordinances are not repealed or amended in any way that would reduce or halt the deposit of hospitality fees into the Hospitality 1.5% Special Revenue Fund or abolish that Fund.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 17. Intergovernmental Agreements - RIDE Projects (continued)

Maintenance Contribution - Horry County shall pay SCDOT \$100,000 per year for 20 years (a total of \$2.0 million) over and above the construction costs amounts of Table 1 projects above, for the purpose of defraying the costs of maintenance on the RIDE Projects. The first such payment shall be made one year after the Conway Bypass is opened to traffic (in year 2002), with succeeding payments to be made on the anniversary dates thereafter.

Pursuant to RIDE-IGA #3, Exhibit B (dated May 21, 2002) the maintenance contribution liability of \$2.0 million was deleted in its entirety.

Intergovernmental Agreement #2 - dated April 21, 1998 (as amended)

As amended, SIB agreed to fund Table 3 projects of the RIDE application by way of loans of up to \$199.4 million to Horry County for Table 3 projects, and an additional \$48.1 million loan for Table 1 projects in the RIDE plan, all secured by payments from Horry County.

Term of the Agreement and Repayment by Horry - Horry County shall make payments over 20 years as set forth in an attachment to the agreement. The annual loan repayments, as shown on an attachment to the agreement, are due and payable in equal quarterly installments on March 31, June 30, September 30, and December 31 of each calendar year, beginning March 31, 2000, and ending December 31, 2016, or date final repayments on all loans hereunder have been made. From revenues deposited into the Loan Servicing Account, SIB shall cause the state treasurer to make payments required under RIDE-IGA Loans # 1 and #2.

Establishment of Loan Servicing Account - The SIB established with the state treasurer a separate account known as the "Loan Servicing Account". Horry County will thereafter deposit all future receipts of the 1.5% portion of its Hospitality Fee (net of administrative takedown as described in ordinances #105-96 and #9-97) into this account (subject to the establishment of the Loan Reserve Account). SIB will make transfers from this account to make loan payments under this Agreement and payments under RIDE-IGA Loans #1 and #2.

Establishment of Loan Reserve Account - The SIB established a special interest bearing account with the state treasurer known as the "Loan Reserve Account". For repayment of RIDE-IGA Loans #1 and #2, Horry County agreed to transfer the entire current cash balance and all future hospitality fee collections in its special revenue fund to this account. The state treasurer may invest the funds in its "Local Government Investment Pool" or such other funds or instruments as state treasurer deems appropriate. All interest earned on such funds will accrue to the Loan Reserve Account. The balance will remain with the SIB throughout the term of the IGA Loans and will be used as a reserve and to make up possible shortfalls in revenues available to make annual loan repayments and to provide credit enhancements. The SIB, at its sole discretion, may use such funds for the purchase of insurance or other third-party guaranties to enhance the projected revenues to be received from Horry County.

Hospitality Fees collected by Horry County are forwarded to the SIB monthly. Any annual revenues over and above the amount necessary to make loan repayments from the Loan Servicing Account are deposited to the "Loan Reserve Account". At the end of the term of RIDE-IGA Loans #1 and #2, any balance held in the Loan Reserve Account will be returned to Horry County.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 17. Intergovernmental Agreements - RIDE Projects (continued)

Amendment to Master Loan Agreement

Pursuant to an amendment to the Master Loan Agreement (dated April 27, 1998), SIB agreed to provide for \$95 million additional loans to Horry County for Phase II of the Conway Bypass Project in Table 1. SIB's agreement to loan Horry County the additional \$95 million under RIDE-IGA Loan #1 for the Conway Bypass Project increase requires SCDOT to repay the \$95 million loan for Horry County in its entirety.

Intergovernmental Agreement #3 - dated May 21, 2002

Horry County and the SIB agreed to additional funding and construction of an additional phase of the RIDE Program in Horry County not to exceed \$198 million. Accordingly, Horry County pledged revenues derived from a certain admissions tax totaling \$2,279,950, and the funding of other related highway projects identified in the application in the approximate amount of \$20,550,000. SIB agreed to fund the balance of the construction costs through grants.

Term of Agreement and Contribution by Horry

Beginning May 31, 2002, Horry County promises to pay, from any legally available sources or revenues of Horry County, the sum of \$2,279,950 in amounts equal to the collection of revenues derived from a certain special revenue admissions tax, including all interest or other earnings thereon. Horry County shall make consecutive quarterly payments until such balance is paid in full.

The agreement further requires Horry County, from its own sources of funds, to fund and complete the component projects identified in the application totaling \$20,550,000. The schedule for completion of these projects shall be left to the discretion of Horry County in accordance with Ordinance #174-99 (Multi-County Business Park) and any related ordinances or agreements.

Amendments to Previous Agreements

Exhibit B of RIDE-IGA Loan #3, amended RIDE-IGA Loans #1 and #2 (and their amendments) to (1) clarify and conform certain provisions in those agreements with each other and to the requirements of lenders, credit rating agencies, or bond insurers involved with the SIB, and (2) to confirm quarterly debt repayment requirements pursuant to a prioritization schedule - which includes IGA Loan #1 totaling \$300 million as first priority due in quarterly installments of \$3.75 million (with zero percent interest) through June 2017, amending IGA Loan #2 repayment amounts (originally totaling \$247,577,644 in loan amounts) to a total repayment amount of \$352,440,172 with \$162,100,000 (known as the "insured portion") to be paid in quarterly installments through the year ended June 30, 2022 and \$190,340,172 (known as the "uninsured portion") to be paid in quarterly installments through the year ended June 30, 2022.

Additionally, Exhibit B calls for the state treasurer to withhold funds allotted or appropriated by the State to Horry County and apply those funds to make or complete required debt service payments should Horry County fail to make any payment as required under the RIDE agreements.

On December 18, 2003, the commission of the South Carolina Department of Transportation, agreed to replace the County's \$10 million reserve requirement with an SCDOT guarantee of an equal amount upon the following changes to the loan agreement: Horry County extends its Hospitality Fee Ordinance for a period not to exceed five (5) years; and the County agrees to restructure its annual loan payments based upon new financial projections. If Horry County utilizes the \$10 million reserve; it will be repaid to SCDOT at some future time when the County's funds are sufficient to make the necessary repayments.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 17. Intergovernmental Agreements - RIDE Projects (continued)

In June of 2007, the County entered into an intergovernmental agreement with the State Infrastructure Bank in which the County received a funding commitment for the Carolina Bays Parkway of \$150 million from the State Infrastructure Bank of which \$40 million was made available for immediate distribution by the State Infrastructure Bank. A portion of the local sales tax (\$93.6 million) serves as the local match for the funds.

Note 18. Commitments and Contingencies

Litigation

The County is party to various legal proceedings that normally occur in governmental operations. County officials believe the legal proceedings are not likely to have a material adverse effect on the County's financial position.

The discretely presented component unit HCSWA is also a defendant in various lawsuits. The outcome of the lawsuits is not presently determinable; however HCSWA's management believes that any liability related to the lawsuits would not be material to its financial statements.

Federal and State Assisted Programs

In the normal course of operations, the County participates and receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority to insure compliance with conditions precedent to the granting of funds. Such audits could result in the possible liability for reimbursement or refund of grant monies to the grantor agencies. However, the County's management believes that any liability for reimbursement which may arise as the result of such audits would not be material to the financial position of the County.

Commitments

The County has undertaken significant road construction projects to address transportation need within the County. The construction program known as RIDE is being implemented in phases and includes a series of interconnected highway construction and road enhancements that will improve the transportation network in the County.

The participating parties for the RIDE project are the County, the South Carolina Transportation Infrastructure Bank and the South Carolina Department of Transportation. The role of the South Carolina Transportation Infrastructure Bank is to provide the necessary financing and funding for the RIDE project.

Major projects in RIDE are the Conway Bypass (Highway 22), a six-lane controlled access highway between Aynor and Conway to U.S. 17 near Colonial Mall; and Carolina Bays Parkway (Highway 31); a six-lane limited access highway between S.C. Highway 9 in the North and S.C. Highway 544 in the South; a four-lane bridge spanning the Intercoastal Waterway at Fantasy Harbour; and the North Myrtle Beach Connector, a four-lane road connecting S.C. Highway 90 and U.S. 17 to the Carolina Bays Parkway. Other projects resulted in improvements to S.C. Highway 544, S.C. Highway 501 and U.S. 17. During fiscal year 2007, the County received approval of a \$40,000,000 grant from the South Carolina Transportation Infrastructure Bank Board for engineering and environmental work and right of way acquisitions for extension of the Carolina Bays Parkway and the widening of S.C. 707. This approval is conditioned upon entering into an intergovernmental agreement, which is in the process.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 18. Commitments and Contingencies (continued)

During the year ended June 30, 2007, the Airport received grants from the FAA to fund certain improvements and expansions. In connection with these grants, the Airport is obligated to administer the program and spend the grant monies in accordance with regulatory restrictions and is subject to audit by the grantor agency. In the event of noncompliance, the agency may require the Airport to refund program awards. The Airport's management does not believe funds, if any, would have a material adverse effect on the Airport's financial position or results of operations. See Extraordinary Item and Subsequent Events notes presented at the end of these notes.

The discretely presented component unit HCSWA entered into various contracts in conjunction with the construction of a new materials recycling facility. The costs of the contracts total \$10,063,917 of which \$2,481,052 had been incurred as of June 30, 2007.

Note 19. Risk Management

The County and its component units are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers compensation; and natural disasters for which commercial insurance is carried. The County and its component units carry commercial insurance to cover all losses, excluding vehicle comprehensive and collision coverage and including workers' compensation. During the year ended June 30, 2007, there were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded the County's coverage in any of the past three years.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 20. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance amounts and net asset-governmental activities. The details of the reconciled amount are as follows:

Capital assets (exclusive of Internal Service Fund Capital Assets) in governmental activities are not financial resources and therefore are not reported in the fund financial statements.

Capital assets	\$ 582,097,952
Less, accumulated depreciation	(73,511,783)
Net amount reported	<u>\$ 508,586,169</u>

Some of the County's taxes will be collected after year end, but are not available soon enough to pay for current period expenditures.

Property taxes, net of allowance for collectible	\$ 3,741,847
Capital Project Sales Tax	10,948,279
Net amount reported	<u>\$ 14,690,126</u>

Other long term assets are not available to pay for current period expenditures and, therefore, are deferred in the fund.

Deferred charges, net	\$ 1,748,000
Net amount reported	<u>\$ 1,748,000</u>

Internal service funds are used by management to charge the costs of fleet services to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.

\$ 11,167,316

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the fund financial statements.

Accrued interest payable	\$ (1,719,167)
Long-term bond and other obligations	(488,172,576)
Less: Net present value adjustment of RIDE loans	22,374,326
Net amount reported	<u>\$ (467,517,417)</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 20. Reconciliation of Government-Wide and Fund Financial Statements (continued)

B. Explanation of differences between the governmental statement of revenues, expenses and fund balances and the government-wide statement of activities

The Governmental Fund Statement of Revenue, Expenses and Changes in Fund Balances includes a reconciliation between net changes in fund balance and changes in net assets-governmental activities. The details of the reconciled amounts are as follows:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.

Capital outlay expenditures	\$ 25,254,201
Depreciation expense	<u>(11,833,706)</u>

Net amount reported \$ 13,420,495

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in these funds.

Property taxes and capital project sales tax	\$ 11,797,481
Donated capital assets (revenue)	<u>629,915</u>

Net amount reported \$ 12,427,396

Some receivables will not be collected soon enough after the County's fiscal year end to be considered "available," and accordingly are deferred in the governmental funds.

\$ 132,000

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 the governmental funds.

Amortization expense	\$ (317,000)
Change in accrued interest expense	(917,406)
Accrued compensated absences	<u>(965,943)</u>

Net amount reported \$ (2,200,349)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Proceeds from bonds and capital lease obligations	\$ (11,000,000)
Principal repayments of long-term debt and transfers to escrow agents and other related costs	<u>19,873,751</u>

Net amount reported \$ 8,873,751

As a result of reclassifying a business type activity to a governmental type activity gain on sale of property and depreciation adjustment is necessary.

\$ (1,172,122)

The net revenue of certain activities of internal service funds reported with governmental activities.

\$ 1,174,062

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 21. New Accounting Pronouncements

In June 2005, the GASB issued Statement No. 44, *Economic Condition Reporting: The Statistical Section*. Statement No. 44 enhances and updates the statistical section that accompanies a state or local government's basic financial statements to reflect the significant changes that have taken place in government finance, including the more comprehensive government-wide financial information required by GASB Statement No. 34. This Statement became effective for the County for the year ended June 30, 2006. This Statement did not have an effect on the County financial statements, but had an effect on the County's statistical section in its 2006 and 2007 Comprehensive Annual Financial Reports.

In August of 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which addresses how state and local governments should account for and report their costs and obligations related to postemployment healthcare and other nonpension benefits ("OPEB"). The Statement generally requires that state and local governmental employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due. The provisions of Statement No. 45 may be applied prospectively and do not require governments to fund their OPEB plans. An employer may establish its OPEB liability at zero as of the beginning of the initial year of implementation; however, the unfunded actuarial liability is required to be amortized over future periods. This Statement, which will be effective for the County for the year ended June 30, 2008 will have an effect on the County's financial statements, but management does not currently know the effect it will have.

In December of 2004, the GASB issued Statement No. 46, *Net Assets Restricted by Enabling Legislation*, which clarifies that a legally enforceable enabling legislation restriction is one that a party external to a government—such as citizens, public interest groups, or the judiciary—can compel a government to honor. The Statement states that the legal enforceability of an enabling legislation restriction should be reevaluated if any of the resources raised by the enabling legislation are used for a purpose not specified by the enabling legislation or if a government has other cause for reconsideration. Although the determination that a particular restriction is not legally enforceable may cause a government to review the enforceability of other restrictions, it should not necessarily lead a government to the same conclusion for all enabling legislation restrictions.

In July of 2004, the GASB issued Statement No. 47, *Accounting for Termination Benefits*. In financial statements prepared on the accrual basis of accounting, employers should recognize a liability and expense for voluntary termination benefits (for example, early-retirement incentives) when the offer is accepted and the amount can be estimated. A liability and expense for involuntary termination benefits (for example, severance benefits) should be recognized when a plan of termination has been approved by those with the authority to commit the government to the plan, the plan has been communicated to the employees, and the amount can be estimated.

In September of 2006, the GASB issued Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. Governments sometimes exchange an interest in their expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments – generally, a single lump sum. The financial reporting question addressed by this Statement is whether that transaction should be regarded as a sale or as a collateralized borrowing resulting in a liability. This Statement establishes criteria that governments will use to ascertain whether the proceeds received should be reported as a revenue or as a liability. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2006. This Statement did not have an impact on the County's financial statements.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 21. New Accounting Pronouncements (continued)

In December of 2006, the GASB issued Statement No. 49, *Accounting and Reporting for Pollution Remediation Obligations*. This Statement identifies the circumstances under which a governmental entity would be required to report a liability related to pollution remediation. According to the standard, a government would have to estimate its expected outlays for pollution remediation if it knows a site is polluted and certain recognition triggers occur. This Statement is effective for periods beginning after December 15, 2007. Management of the County does not expect this Statement to have a significant effect on the County's financial statements.

In May of 2007, the GASB issued Statement No. 50, *Pension Disclosures*. This statement will require notes to the financial statements of pension plans and certain employer governments of the current funded status of the plan—in other words, the degree to which the actuarial accrued liabilities for benefits are covered by assets that have been set aside to pay the benefits—as of the most recent actuarial valuation date. Governments that use the aggregate actuarial cost method to disclose the funded status and present a multi-year schedule of funding progress using the entry age actuarial cost method as a surrogate; these governments previously were not required to provide this information. Disclosure by governments participating in multi-employer cost-sharing pension plans of how the contractually required contribution rate is determined. This statement is effective for periods beginning after June 15, 2007.

In July of 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This statement characterizes an intangible asset as an asset that lacks physical substance, is nonfinancial in nature, and has an initial useful life extending beyond a single reporting period. Examples of intangible assets include easements, computer software, water rights, timber rights, patents, and trademarks. This statement is effective for periods after June 15, 2009.

Note 22. Accounting and Reporting Changes

When the County implemented the provisions of GASB Statement No. 34 for the year ended June 30, 2002, the amount of infrastructure recorded was based upon records as maintained by the County's Public Works department. During the year ended June 30, 2006, the Public Works department of the County obtained a new General Information Systems mapping system, which identified additional infrastructure which was not included in the county's original adoption of GASB Statement No. 34. This correction increased net assets by \$37,258 in an FY05 restatement. Subsequently, in continuing to build an accurate database, it has been identified that several infrastructure assets previously recorded are not the property of the County. This correction will not have an impact to the County's fund level financial statements, but will impact the County's Schedule of Net Assets – Governmental Activities.

In FY06, the County identified certain revenues that should have been recognized under the accrual basis of accounting in its government-wide financial statements. This resulted in an increase to net assets by \$7,487 as an FY05 restatement. This recognition of revenue was over estimated. This correction will not have an impact to the County's fund level financial statements, but will impact the County's Schedule of Net Assets – Governmental Activities.

The County changed the classification of the Industrial Parks Fund from an Enterprise Fund to a Special Revenue Fund. This fund was created to record revenues and expenses related to activities for economic development and job creation. Originally, the fund was set up to be self-supporting. However, the primary source of revenue is now a grant issued by The Rural Development Act - Horry Electric and, there is no policy decision to recover costs. The property will revert back to contributor if not sold and developed by the end of the agreement terms. This change will have an impact on both the government-wide and the fund level financial statements.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 22. Accounting and Reporting Change (continued)

The following table indicates the effect of these corrections on the County's financial statements at July 1, 2006:

	<u>(in thousands)</u>
Net assets reported at June 30, 2006	\$183,974
Effect of reduction in infrastructure assets on the County's financial statements	(25,154)
Effect of reduced revenue recognition on the County's financial statements	(4,035)
Effect of fund reclassification on the County's financial statements	<u>7,016</u>
Restated net assets balance at June 30, 2006	<u>\$161,801</u>

The following is the restatement of net assets for business-type activities:

Net assets as reported at June 30, 2006	\$157,465
Effect of fund reclassification on the County's financial statements	<u>(7,016)</u>
Restated net assets balance at June 30, 2006	<u>\$150,449</u>

Fund balance restatement:

	<u>Governmental Funds</u>	<u>Non-Major Governmental Funds</u>
Fund balance as reported at June 30, 2006	\$119,936,973	\$39,858,784
Effect of fund reclassification on the County's financial statements	<u>5,843,786</u>	<u>5,843,786</u>
Restated fund balance at June 30, 2006	<u>\$125,780,759</u>	<u>\$45,702,570</u>

Note 23. Extraordinary Item

On June 15, 2007, Horry County Council passed Resolution R-92-07 declaring the construction of the West Side Terminal Project at Myrtle Beach International Airport to be terminated. The amount spent and capitalized on the project prior to the termination was \$16,453,255. The Airport has classified the write-off of this asset as an extraordinary item in the Statement of Revenues, Expenses, and Changes in Net Assets for the year ended June 30, 2007.

Note 24. Subsequent Events

The County received a letter from the FAA dated October 22, 2007, requesting the County to reimburse \$7,051,452 to the FAA for grant monies received for planning, environmental study, and design associated with the terminated West Side Terminal Project. The County currently plans to reimburse this amount which is included in due to Federal government on the statement of net assets and as a non-operating expense on the accompanying Statement of Revenues, Expenses and Changes in Net Assets for the year ended June 30, 2007.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 24. Subsequent Events (continued)

On October 23, 2007, Horry County Council passed Resolution R166-07 authorizing the redemption of Horry County, South Carolina, Airport Revenue Bonds, Series 1997A (\$3,785,000), Series 1997B-Taxable (\$6,935,000) and Series 1997C (\$355,000). These bonds will be redeemed at 102% plus interest accrued up to the date of inception.

On November 27, 2007 Horry County Council passed Resolution R-177-07 authorizing the donation of 55.88 acres of property in the Atlantic Center Industrial Park to the Horry County Higher Education Commission for the use by and expansion of Coastal Carolina University.

Additionally, on November 27, 2007 the County received notification that the State Infrastructure Bank has approved a commitment to provide funding of \$85 million for the continued extension of Carolina Bays Parkway (Highway 31) to the southern portion of Horry County ending at S. C. Highway 707; there is no matching requirement on these funds.

HORRY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

YEAR ENDED JUNE 30, 2007
(with comparative actual amounts for year ended June 30, 2006)

	2007			Variance Positive (Negative)	2006
	Budget		Actual Amounts		Actual
	Original	Final			
Revenues					
Real property taxes	\$ 53,890,000	\$ 53,890,000	\$ 49,442,733	\$ (4,447,267)	\$ 55,616,668
Personal property taxes	-	-	4,848,408	4,848,408	-
Vehicle taxes	5,250,000	5,250,000	5,247,292	(2,708)	-
Intergovernmental	12,324,036	12,564,579	13,297,522	732,943	11,580,397
Fees and fines	14,987,883	14,987,883	14,769,563	(218,320)	13,803,428
Documentary stamps	8,800,000	8,800,000	6,965,863	(1,834,137)	8,961,874
License and permits	13,031,750	13,031,750	12,127,805	(903,945)	13,840,940
Interest on investments	668,929	668,929	2,129,560	1,460,631	2,341,052
Cost allocation	1,401,497	1,401,497	1,425,554	24,057	1,697,033
Other	1,146,561	1,166,317	1,208,688	42,371	942,646
Total revenues	111,500,656	111,760,955	111,462,988	(297,967)	108,784,038
Expenditures					
General Government:					
County Council	917,279	1,177,791	894,702	283,089	857,981
County Administrator	595,740	597,820	324,628	273,192	254,428
Administration Division	128,105	145,478	138,910	6,568	122,141
Finance	1,297,916	1,267,081	1,242,689	24,392	1,085,298
Department overhead	5,454,655	4,621,689	2,869,458	1,752,231	2,786,676
Human Resources	1,145,210	1,138,253	934,307	203,946	797,718
Procurement	336,295	346,852	337,921	8,931	267,922
Internal Auditor	-	-	-	-	12,738
County Engineer	1,489,877	1,262,650	1,140,479	122,171	-
Information Technology	4,997,532	5,095,183	5,041,385	53,798	3,455,490
Assessor	2,745,355	2,625,931	2,552,946	72,985	2,356,641
Assessor Appeals Board	25,305	25,305	5,673	19,632	2,312
Registrar of Mesne Conveyance	1,252,406	1,729,850	1,518,474	211,376	1,137,933
Maintenance	3,957,648	3,825,915	3,752,366	73,549	3,514,818
Voter Registration and Election	506,410	512,528	429,039	83,489	434,704
Public Information/Employee Relation	277,796	284,547	267,810	16,737	253,082
Budget and Revenue Management	163,788	170,633	167,138	3,495	155,391
Treasurer	1,624,367	1,657,457	1,570,911	86,546	1,513,243
Auditor	1,251,588	1,278,155	1,228,845	49,310	1,086,535
Records Retention	251,691	257,034	251,928	5,106	250,549
Probate Judge	819,665	796,521	754,068	42,453	689,674
Master-in-equity	242,845	249,650	247,334	2,316	240,160
Legal	709,153	686,610	567,645	118,965	511,208
Grant Administration	1,515,633	1,440,109	1,203,818	236,291	1,267,823
Delegation	88,014	90,198	89,017	1,181	85,744
Hospitality	268,616	275,557	256,685	18,872	244,894
Business License	155,304	158,779	144,317	14,462	140,299
Total	32,218,193	31,717,576	27,932,493	3,785,083	23,525,402
Less, capital outlay	(1,062,487)	(1,062,487)	(695,029)	(367,458)	(796,764)
Net general government	31,155,706	30,655,089	27,237,464	3,417,625	22,728,638

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

- CONTINUED -

	2007			2006	
	Budget		Actual Amounts	Variance Positive (Negative)	Actual
	Original	Final			
Public Safety:					
Solicitor	4,338,252	4,560,646	4,319,375	241,271	3,728,294
Clerk of Court - Circuit DSS Family	2,121,222	2,256,209	2,101,840	154,369	2,012,266
Magistrate No. 1 Conway	230,486	236,111	243,897	(7,786)	227,824
Magistrate No. 2 Aynor	198,443	202,699	171,139	31,560	196,648
Magistrate No. 4 Mt. Olive	178,960	181,978	160,727	21,251	142,310
Magistrate No. 5 Loris	196,040	212,235	209,932	2,303	193,903
Magistrate No. 6 Myrtle Beach	289,366	296,548	281,288	15,260	278,291
Magistrate No. 7 Steven Cross Road	190,050	203,068	198,168	4,900	182,102
Magistrate No. 11 Surfside	170,870	174,937	171,099	3,838	165,219
Magistrate at Large No. 1	92,685	98,140	97,053	1,087	96,683
Magistrate at Large No. 2	305,225	311,849	300,652	11,197	303,632
Central Summary Court	338,122	362,564	333,377	29,187	326,734
Central Jury Court	191,589	167,168	140,158	27,010	164,982
Public Safety Division Director	413,980	440,870	279,463	161,407	235,633
Sheriff	2,784,960	2,920,567	2,897,035	23,532	2,762,365
Police	17,564,553	17,537,785	17,335,498	202,287	15,662,370
Central Processing - DSS	55,538	56,752	54,073	2,679	52,693
Emergency Preparedness	323,922	329,755	309,844	19,911	248,415
Emergency 911 Communications	3,008,757	3,040,658	2,766,039	274,619	2,350,062
Coroner	555,745	564,164	604,567	(40,403)	586,885
Detention Center	11,871,704	12,111,869	12,165,657	(53,788)	11,377,650
Emergency Medical Services	11,990,439	13,125,430	12,988,194	137,236	11,640,228
Beach Front Program	51,953	53,321	42,600	10,721	32,372
Environmental Services	919,770	1,494,805	927,041	567,764	1,651,704
Pre-trial Intervention	444,289	455,961	517,528	(61,567)	450,123
Total	58,826,920	61,396,089	59,616,244	1,779,845	55,069,388
Less, capital outlay	(168,858)	(168,858)	(84,647)	(84,211)	(971,316)
Net public safety	58,658,062	61,227,231	59,531,597	1,695,634	54,098,072

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 - CONTINUED -

	2007			2006	
	Budget		Actual Amounts	Variance Positive (Negative)	Actual
	Original	Final			
Expenditures (continued)					
Health and Social Services:					
Veteran Affairs	126,273	129,655	126,206	3,449	128,084
Total	126,273	129,655	126,206	3,449	128,084
Net health and social services	126,273	129,655	126,206	3,449	128,084
Infrastructure and Regulation:					
Public Works	7,273,066	6,841,158	6,148,806	692,352	-
Codes Enforcement	3,092,215	3,034,715	2,915,332	119,383	2,757,043
Planning	1,739,886	1,785,177	1,682,560	102,617	1,514,353
Total	12,105,167	11,661,050	10,746,698	914,352	4,271,396
Less, capital outlay	(97,098)	(97,098)	(69,236)	(27,862)	(102,286)
Net infrastructure and regulation	12,008,069	11,563,952	10,677,462	886,490	4,169,110
Culture, Recreation, and Tourism:					
Library	3,642,410	4,040,302	3,895,841	144,461	3,269,474
Museum	365,555	303,790	281,262	22,528	282,016
Total	4,007,965	4,344,092	4,177,103	166,989	3,551,490
Less, capital outlay	-	(17,756)	(17,756)	-	-
Net culture, recreation and tourism	4,007,965	4,326,336	4,159,347	166,989	3,551,490
Other:					
State Mandated Supplements:					
Health Department	216,973	224,973	235,825	(10,852)	227,646
Department of Social Services	113,297	113,297	92,440	20,857	95,760
Department of Juvenile Detention	-	-	-	-	2,670
Public Defender	-	-	-	-	759,990
Total	330,270	338,270	328,265	10,005	1,086,066
Other Agencies:					
Waccamaw Regional Planning Council	39,308	39,308	39,308	-	94,748
Rescue Squads:					
Aynor	13,000	13,000	13,000	-	10,000
Horry	13,000	13,000	13,000	-	10,000
Myrtle Beach	13,000	13,000	13,000	-	-
North Myrtle Beach	13,000	13,000	13,000	-	10,000
Northern Horry	13,000	13,000	13,000	-	10,000
Mount Olive	13,000	13,000	13,000	-	10,000
Coastal Rapid Transit Authority	300,000	300,000	300,000	-	25,000

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

- CONTINUED -

	2007			Variance Positive (Negative)	2006
	Budget		Actual Amounts		Actual
	Original	Final			
Expenditures (continued)					
Other (cont.):					
Other Agencies (cont.):					
Waccamaw EOC	1,250	1,250	1,250	-	2,500
Waccamaw Center of Mental Health	30,000	30,000	30,000	-	18,000
Horry-Georgetown Youth Advocate	20,000	20,000	20,000	-	-
Disabilities and Special Needs	25,000	25,000	25,000	-	10,000
Pee Dee Speech & Hearing	-	-	-	-	1,250
Chapin Memorial Library	80,000	80,000	80,000	-	40,000
Conway Chamber of Commerce	2,500	2,500	2,500	-	-
Careteam	-	-	-	-	2,500
Cooperative Extension	5,000	5,000	5,000	-	5,000
Capture, Inc.	-	-	-	-	7,500
Salvation Army	10,000	10,000	10,000	-	-
Public Defender	785,000	785,000	785,000	-	-
Shoreline Behavior	47,000	47,000	47,000	-	30,000
Citizens Against Spouse Abuse	25,000	25,000	25,000	-	15,000
Shelter Home	25,000	25,000	25,000	-	20,000
Children Recovery Center	18,000	18,000	18,000	-	15,000
Grand Strand Community Against Rape	10,000	10,000	10,000	-	5,000
Shared Care	50,000	50,000	50,000	-	-
Horry County Historical Society	-	-	-	-	5,000
Step Up	50,000	50,000	50,000	-	-
Friendship Medical Clinic	3,750	3,750	3,750	-	5,000
Juvenile Justice	10,680	10,680	-	10,680	-
Salvation Army- Boys & Girls Club	10,000	10,000	10,000	-	19,000
St Delight Community Outreach	5,000	5,000	5,000	-	-
Grand Strand Miracle League	10,000	10,000	10,000	-	-
Contingencies	21,242	13,242	-	13,242	750
Friendship House Preschool	8,000	8,000	8,000	-	-
Total	<u>1,669,730</u>	<u>1,661,730</u>	<u>1,637,808</u>	<u>23,922</u>	<u>371,248</u>
Net other	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,966,073</u>	<u>33,927</u>	<u>1,457,314</u>
Capital outlay	<u>1,328,443</u>	<u>1,346,199</u>	<u>866,669</u>	<u>479,530</u>	<u>1,870,366</u>
Total expenditures	<u>109,284,518</u>	<u>111,248,462</u>	<u>104,564,818</u>	<u>6,683,644</u>	<u>88,003,074</u>
Excess of revenues over expenditures	<u>2,216,138</u>	<u>512,493</u>	<u>6,898,170</u>	<u>6,385,677</u>	<u>20,780,964</u>
Other Financial Sources (Uses)					
Sale of assets	97,500	97,500	43,898	(53,602)	101,194
Transfers in	1,154,765	1,154,765	1,107,651	(47,114)	1,102,443
Transfers out	(16,068,403)	(16,159,483)	(16,165,138)	(5,655)	(17,294,572)
Total other financing sources (uses)	<u>(14,816,138)</u>	<u>(14,907,218)</u>	<u>(15,013,589)</u>	<u>(106,371)</u>	<u>(16,090,935)</u>
Net change in fund balance	(12,600,000)	(14,394,725)	(8,115,419)	6,279,306	4,690,028
Fund balance at beginning of year	30,354,069	35,044,097	35,044,097	-	30,354,069
Fund balance at end of year	<u>\$ 17,754,069</u>	<u>\$ 20,649,372</u>	<u>\$ 26,928,678</u>	<u>\$ 6,279,306</u>	<u>\$ 35,044,097</u>

See accompanying independent auditors's report.

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE - HOSPITALITY 1.5%

YEAR ENDED JUNE 30, 2007
(with comparative actual amounts for year ended June 30, 2006)

	2007			Variance Positive (Negative)	2006
	Budget		Actual (GAAP Basis)		Actual
	Original	Final			
Revenues					
Fees and fines	\$ 29,155,000	\$ 29,155,000	\$ 29,383,812	\$ 228,812	\$ 28,267,986
Interest on investments	45,000	45,000	84,804	39,804	51,985
Total revenues	<u>29,200,000</u>	<u>29,200,000</u>	<u>29,468,616</u>	<u>268,616</u>	<u>28,319,971</u>
Excess of revenues over expenditures	29,200,000	29,200,000	29,468,616	268,616	28,319,971
Other financing sources (uses)					
Transfers out - RIDE debt service	(28,913,750)	(28,913,750)	(29,062,660)	(148,910)	(28,043,262)
Transfers out - general fund	(286,250)	(286,250)	(288,357)	(2,107)	(277,451)
Total other financing sources (uses)	<u>(29,200,000)</u>	<u>(29,200,000)</u>	<u>(29,351,017)</u>	<u>(151,017)</u>	<u>(28,320,713)</u>
Net change in fund balance	-	-	117,599	117,599	(742)
Fund balance at beginning of year	7,918	7,918	7,918	-	8,660
Fund balance at end of year	<u>\$ 7,918</u>	<u>\$ 7,918</u>	<u>\$ 125,517</u>	<u>\$ 117,599</u>	<u>\$ 7,918</u>

See accompanying independent auditors's report.

HORRY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENTS THAT USE THE
MODIFIED APPROACH FOR INFRASTRUCTURE ASSETS

YEAR ENDED JUNE 30, 2007

A. Condition Rating and Actual Maintenance/Preservation of Horry County's Road Infrastructure

Horry County's road system consists of approximately 40.5% paved roads and 59.5% unpaved roads. The condition of the road pavement is measured using several distress factors found in pavement surfaces. The pavement management system uses a measurement scale that is based on a condition index ranging from 1 for failed pavement to 5 for a pavement in perfect condition. The condition index is used to classify roads in good or better condition (rating 4 or 5), fair condition (rating 3), and substandard condition (rating 1 or 2). It is the County's policy to maintain at least 85 percent of its street system at fair or better condition level. No more than 10 percent should be in a substandard condition. Condition assessments are determined every year.

The county has created a long-term road improvement program that has been paving at least 16 miles of dirt roads per year for the last five years and has committed to the same level of improvements for future years. As these roads are paved, they become part of the County's pavement management system.

The actual maintenance of the unpaved roads involves scraping each road every two weeks depending on the weather. At this time, management believes it is impossible to conduct a meaningful condition assessment for dirt roads because road conditions can change daily depending on traffic, weather, soils, and the County's maintenance schedule.

The costs of maintaining unpaved roads accounts for an estimated 75% of the Public Works Department annual operating budget.

The following tables depict the condition and maintenance costs of the County's road infrastructure:

	Percentage of Miles in Fair or Better Condition		
	Condition		
	2007	2006	2005
Arterial	80%	91%	100%
Collector	69.0%	69.0%	86.9%
Access	76.0%	84.0%	96.0%
Overall system	76.0%	83.0%	95.4%

	Percentage of Miles in Substandard Condition		
	Condition		
	2007	2006	2005
Arterial	20%	9%	0%
Collector	31.0%	31.0%	13.1%
Access	20.0%	16.0%	4.0%
Overall System	20.0%	17.0%	4.6%

HORRY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENTS THAT USE THE
MODIFIED APPROACH FOR INFRASTRUCTURE ASSETS

- CONTINUED -

A. Condition Rating and Actual Maintenance/Preservation of Horry County's Road infrastructure (continued)

	Comparison of Needed-To-Actual Maintenance/Preservation				
	2007	2006	2005	2004	2003
<u>Arterial:</u>					
Needed	\$ 206,555	\$ 92,950	\$ -	\$ -	\$ -
Actual	-	-	-	-	-
<u>Collector:</u>					
Needed	816,000	816,000	295,800	590,000	132,000
Actual	56,821	78,477	90,091	380,000	235,000
<u>Access:</u>					
Needed	4,941,750	4,941,750	917,400	1,800,000	842,000
Actual	184,055	275,778	95,412	1,150,272	190,000
<u>Overall System:</u>					
Needed	5,964,305	5,850,700	1,213,200	2,390,000	974,000
Actual	240,876	354,255	185,503	1,530,272	425,000
Difference	\$ 5,723,429	\$ 5,496,445	\$ 1,027,697	\$ 859,728	\$ 549,000

B. Condition Rating and Actual Maintenance/Preservation of Department of Airport's Infrastructure

The most recent complete condition assessment of the Airport's infrastructure assets is as follows:

<u>Infrastructure Systems:</u>	<u>Area Weighted PCI Value</u>
Airfield runways, taxiways, aprons for:	
Myrtle Beach International (MYR)	76
General Aviation: Conway	65
Grand Strand	76
Loris	27

The basis for the condition measurement of airfield systems using the Payment Condition Index (PCI) are distresses found in the pavement surfaces. A scale used to assess and report conditions could range from zero for a failed pavement to 100 for a pavement in excellent condition. Generally, ratings of 71 and above are candidates for routine prevention; 41-70 for major rehabilitation; and below 40 for major reconstruction. Additionally, the basis for the condition measurement of airfield-related runways, taxiways, aprons, etc. systems is based on the Airports' Master Plan which is updated every five years as part of the Federal Aviation Administration (FAA) required Airport Layout Plan (ALP).

At June 30, 2007, the Airport's airfield infrastructure systems of MYR, Conway, Loris and Grand Strand are considered by management to be good or better condition. The Department completed a project that rehabilitated MYR Taxiway "J" South and a portion of MYR Runway 18-36 at a cost of approximately \$3.8 million. Work was also completed on the rehabilitation of the apron and runway at Conway Airport. A \$300,000 overlay of the Loris Airport runway was completed in fiscal year 04. A pavement rejuvenation program at Grand Strand Airport and Conway Airport was completed in fiscal year 05. The Airport intends to preserve its eligible infrastructure in accordance with its current ALP and as required by the FAA.

The Airport is obligated by the FAA to maintain a current ALP for its airports. In order to maintain a current ALP, the Airport reviews and updates its Master Plan approximately every five years. The Airport is updating the MYR ALP in fiscal year 2008. The Master Plan forecasts activities and needs of the Airport for a 20-year period. The current Master Plan anticipates that MYR Runway 18-36 will require a major overlay in fiscal year 2010. Estimated costs exceed \$5 million.

The Airport is planning to complete a PCI study for MYR in fiscal year 2008. The State of South Carolina has advised the Airport that they expect to complete a PCI study on the state's general aviation airports, including CRE, HYW and 5J9, within the next few years.

See accompanying independent auditors' report.

OTHER FINANCIAL INFORMATION

HORRY COUNTY, SOUTH CAROLINA

COMBINING NON-MAJOR
GOVERNMENTAL FINANCIAL STATEMENTS

HORRY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEETS

NON-MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2007

	<u>Non-Major Special Revenue Funds</u>	<u>Non-Major Capital Improvement Funds</u>	<u>Non-Major Debt Service Funds</u>	<u>Total Non-Major Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 3,718,164	\$ -	\$ -	\$ 3,718,164
Equity in pooled cash and investments	38,726,349	309,772	10,355,998	49,392,119
Funds held in trust	-	-	2,541,072	2,541,072
Receivables, net:				
Property taxes	117,723	-	82,422	200,145
Accounts and other	1,136,014	-	897	1,136,911
Fees	101,617	-	-	101,617
Interest receivable	827,891	1,993	191,935	1,021,819
Due from other funds	635,958	-	-	635,958
Due from other governments	2,639,886	-	-	2,639,886
Prepaid items	5,333	-	-	5,333
Total Assets	<u>\$ 47,908,935</u>	<u>\$ 311,765</u>	<u>\$ 13,172,324</u>	<u>\$ 61,393,024</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable - trade	\$ 1,327,958	\$ 125,922	\$ -	\$ 1,453,880
Accounts payable - other	40,335	-	-	40,335
Accrued salaries and wages	202,313	-	-	202,313
Due to other funds	4,522,962	165,467	-	4,688,429
Due to other governments	58,500	-	-	58,500
Due to component units	623,778	-	-	623,778
Deferred revenue	8,783	-	-	8,783
Total liabilities	<u>6,784,629</u>	<u>291,389</u>	<u>-</u>	<u>7,076,018</u>
Fund Balances:				
Reserved for:				
Encumbrances	3,173,257	-	-	3,173,257
Prepaid items	5,333	-	-	5,333
Debt service	-	-	13,172,324	13,172,324
Road maintenance	433,592	-	-	433,592
Cultural	119,870	-	-	119,870
Baseball Park	300,000	-	-	300,000
Beach renourishment	2,572,638	-	-	2,572,638
Infrastructure development	3,020,846	-	-	3,020,846
Designated for debt service	966,108	-	-	966,108
Unreserved/designated	5,196,801	272,075	-	5,468,876
Unreserved/undesignated	25,335,861	(251,699)	-	25,084,162
Total fund balances	<u>41,124,306</u>	<u>20,376</u>	<u>13,172,324</u>	<u>54,317,006</u>
Total liabilities and fund balances	<u>\$ 47,908,935</u>	<u>\$ 311,765</u>	<u>\$ 13,172,324</u>	<u>\$ 61,393,024</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES

NON-MAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2007

	Non-Major Special Revenue Funds	Non-Major Capital Improvement Funds	Non-Major Debt Service Funds	Total Non-Major Governmental Funds
Revenues				
Real property taxes	\$ 17,078,920	\$ -	\$ 10,261,962	\$ 27,340,882
Personal property taxes	1,987,710	-	1,038,737	3,026,447
Vehicle taxes	2,520,817	-	1,130,573	3,651,390
Intergovernmental	7,467,959	-	137,912	7,605,871
Accommodations tax	1,013,666	-	-	1,013,666
Fees and fines	16,700,792	-	-	16,700,792
Interest on investments	2,265,181	5,565	721,528	2,992,274
Other	1,814,778	311,200	28,815	2,154,793
Total revenues	<u>50,849,823</u>	<u>316,765</u>	<u>13,319,527</u>	<u>64,486,115</u>
Expenditures				
Current:				
General government	16,813	-	-	16,813
Public safety	14,001,498	-	-	14,001,498
Infrastructure and regulation	20,400,597	-	-	20,400,597
Health and social services	734,697	-	-	734,697
Culture, recreation and tourism	4,228,148	-	-	4,228,148
Economic development	54,966	256,699	-	311,665
Conservation and natural resources	1,455	-	-	1,455
TECH and Higher Education Commission	-	-	3,210,000	3,210,000
Capital outlay	1,813,426	39,690	-	1,853,116
Debt service	-	-	9,299,131	9,299,131
Total expenditures	<u>41,251,600</u>	<u>296,389</u>	<u>12,509,131</u>	<u>54,057,120</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,598,223</u>	<u>20,376</u>	<u>810,396</u>	<u>10,428,995</u>
Other Financing Sources (Uses)				
Transfers in	4,073,235	-	3,746,487	7,819,722
Transfers out	(9,634,281)	-	-	(9,634,281)
Total other financing sources (uses)	<u>(5,561,046)</u>	<u>-</u>	<u>3,746,487</u>	<u>(1,814,559)</u>
Net change in fund balance	4,037,177	20,376	4,556,883	8,614,436
Fund balances at beginning of year	37,087,129	-	8,615,441	45,702,570
Fund balances at end of year	<u>\$ 41,124,306</u>	<u>\$ 20,376</u>	<u>\$ 13,172,324</u>	<u>\$ 54,317,006</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

INDIVIDUAL FUND FINANCIAL STATEMENTS

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND

The General Fund is the major operating fund of the County's governmental activities and is used to account for all financial resources except those required to be accounted for in other funds.

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
BALANCE SHEETS

JUNE 30, 2007
(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	\$ 4,708,891	\$ 1,553,826
Equity in pooled cash and investments	40,133,057	50,209,542
Receivables, net:		
Property taxes	501,823	314,802
Accounts and other	1,419,989	9,183,748
Interest receivable	1,009,180	2,400,360
Due from other governments	3,113,415	2,735,678
Due from other funds	4,680,844	5,169,423
Inventories	33,243	105,075
Prepaid items	32,114	1,306,583
Total Assets	<u><u>\$ 55,632,556</u></u>	<u><u>\$ 72,979,037</u></u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 2,003,464	\$ 1,560,408
Accounts payable - other	607,381	1,060,506
Due to other governments	2,590,836	3,470,592
Accrued salaries and wages	1,446,820	1,106,614
Due to component unit	111,614	110,946
Accrued compensated absences	21,433	34,569
Due to other funds	55,152	53,135
Proceeds from sales held by Master in Equity	2,588,044	2,526,756
Due to taxpayers for overpayment	3,589,260	2,821,112
Funds held in trust- delinquent taxes	5,700,532	5,404,630
Funds held in trust- Clerk of Court	6,331,384	8,126,615
Other accrued liabilities	3,654,969	2,853,075
Deferred revenues	2,989	8,805,982
Total Liabilities	<u><u>28,703,878</u></u>	<u><u>37,934,940</u></u>
Fund balance:		
Reserved for underground storage	50,000	50,000
Reserved for encumbrances	382,158	846,199
Reserved for inventories	33,243	105,075
Reserved for prepaid item	32,114	1,306,583
Reserved for environmental services	551,706	332,065
Reserved for DSS federal revenue	88,744	87,614
Reserved for Register of Deeds	135,008	-
Unreserved:		
Designated	3,567,044	13,127,628
Unreserved, undesignated	22,088,661	19,188,933
Total fund balance:	<u><u>26,928,678</u></u>	<u><u>35,044,097</u></u>
Total liabilities and fund balance	<u><u>\$ 55,632,556</u></u>	<u><u>\$ 72,979,037</u></u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007
(with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Revenues				
<u>Property taxes:</u>				
Real property taxes	\$ 53,890,000	\$ 49,442,733	(4,447,267)	\$ 55,616,668
Personal property taxes	-	4,848,408	4,848,408	-
Vehicle taxes	5,250,000	5,247,292	(2,708)	-
Total property taxes	59,140,000	59,538,433	398,433	55,616,668
<u>Intergovernmental:</u>				
Federal grants	651,317	621,327	(29,990)	615,640
Civil defense	35,780	-	(35,780)	-
Tax supplies	5,240	5,240	-	5,240
Inventory tax	306,284	306,286	2	306,286
State salary supplements	7,875	7,875	-	7,875
Board of registration	10,005	13,859	3,854	18,832
Veteran affairs	9,833	8,832	(1,001)	8,575
State shared	9,850,000	10,190,103	340,103	9,263,610
State - Library	393,258	394,675	1,417	393,258
Accommodations tax	188,746	195,377	6,631	187,203
Other - state	453,226	645,745	192,519	230,805
Solicitors	610,515	888,509	277,994	543,073
Other	42,500	19,694	(22,806)	-
Total intergovernmental	12,564,579	13,297,522	732,943	11,580,397
<u>Fees and Fines:</u>				
Planning fees	451,687	358,804	(92,883)	476,052
EMS	4,203,940	4,609,800	405,860	3,951,443
RMC fees	2,967,500	2,745,109	(222,391)	2,977,393
Clerk of Court fees and fine	687,500	607,306	(80,194)	583,742
Library	120,000	95,659	(24,341)	86,541
Sheriff fines	57,500	59,435	1,935	60,037
Family court fees	570,000	585,995	15,995	552,495
Probate court fees	474,000	594,991	120,991	475,941
Magistrates' fees and fines	2,481,225	2,388,600	(92,625)	2,232,261
Prisoner Housing	67,500	71,993	4,493	65,839
Health department fees	70,000	101,109	31,109	69,101
Master in Equity fees	625,000	457,536	(167,464)	371,132
CATV fees	1,135,787	1,033,262	(102,525)	991,916
Beach franchise fees	49,000	50,034	1,034	1,000
Animal and insect fees	-	60	60	55,291
Other	221,273	206,310	(14,963)	154,488
Georgetown Solicitor fees	805,971	803,560	(2,411)	698,756
Total fees and fines	14,987,883	14,769,563	(218,320)	13,803,428

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Revenue (continued)				
<u>RMC Documentary Stamps:</u>	<u>8,800,000</u>	<u>6,965,863</u>	<u>(1,834,137)</u>	<u>8,961,874</u>
<u>Licenses and Permits:</u>				
Business licenses	4,315,000	5,011,307	696,307	4,492,791
Building inspection permits	8,500,000	6,905,055	(1,594,945)	9,141,771
Mobile home permits	26,750	19,363	(7,387)	23,018
Marriage licenses	190,000	192,080	2,080	183,360
Total licenses and permits	<u>13,031,750</u>	<u>12,127,805</u>	<u>(903,945)</u>	<u>13,840,940</u>
<u>Interest on investments:</u>	<u>668,929</u>	<u>2,129,560</u>	<u>1,460,631</u>	<u>2,341,052</u>
<u>Cost allocation:</u>	<u>1,401,497</u>	<u>1,425,554</u>	<u>24,057</u>	<u>1,697,033</u>
<u>Other:</u>				
Rent	25,620	26,302	682	25,618
Other	696,408	581,139	(115,269)	540,748
Pre-Trial Intervention	444,289	601,247	156,958	376,280
Total other	<u>1,166,317</u>	<u>1,208,688</u>	<u>42,371</u>	<u>942,646</u>
Total revenue	<u>111,760,955</u>	<u>111,462,988</u>	<u>(297,967)</u>	<u>108,784,037</u>
Expenditures				
Current:				
<u>General Government:</u>				
County Council:				
Personal services	464,540	454,625	9,915	451,850
Contractual services	205,500	115,704	89,796	85,279
Supplies and materials	156,280	56,570	99,710	139,732
Business and travel	141,549	57,881	83,668	73,520
Other	209,922	209,922	-	107,600
Total	<u>1,177,791</u>	<u>894,702</u>	<u>283,089</u>	<u>857,981</u>
County Administrator:				
Personal services	252,902	248,808	4,094	240,561
Contractual services	23,994	3,977	20,017	3,782
Supplies and materials	9,764	3,001	6,763	3,943
Business and travel	15,160	7,891	7,269	4,142
Contingency	296,000	60,951	235,049	2,000
Total	<u>597,820</u>	<u>324,628</u>	<u>273,192</u>	<u>254,428</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
General Government (cont):				
Administration Division:				
Director:				
Personal services	140,828	135,645	5,183	119,697
Contractual services	600	404	196	-
Supplies and materials	2,050	1,461	589	1,082
Business and travel	2,000	1,400	600	1,362
Total	<u>145,478</u>	<u>138,910</u>	<u>6,568</u>	<u>122,141</u>
Finance:				
Personal services	1,101,693	1,086,604	15,089	987,953
Contractual services	114,665	106,155	8,510	54,399
Supplies and materials	42,885	42,875	10	36,346
Business and travel	7,838	7,055	783	6,600
Total	<u>1,267,081</u>	<u>1,242,689</u>	<u>24,392</u>	<u>1,085,298</u>
Department Overhead:				
Personal services	688,706	417,550	271,156	300,792
Contractual services	1,994,200	1,721,084	273,116	1,775,189
Supplies and materials	724,323	722,862	1,461	701,336
Business and travel	1,205,960	1,953	1,204,007	3,090
Other	8,500	6,009	2,491	6,269
Total	<u>4,621,689</u>	<u>2,869,458</u>	<u>1,752,231</u>	<u>2,786,676</u>
Human Resources/Risk Management:				
Personal services	793,614	790,866	2,748	696,080
Contractual services	98,946	85,461	13,485	80,858
Supplies and materials	210,032	24,942	185,090	18,282
Business and travel	13,098	11,030	2,068	2,389
Capital outlay	19,098	19,098	-	-
Other	3,465	2,910	555	109
Total	<u>1,138,253</u>	<u>934,307</u>	<u>203,946</u>	<u>797,718</u>
Procurement:				
Personal services	322,598	319,454	3,144	253,168
Contractual services	11,054	9,661	1,393	7,793
Supplies and materials	8,000	5,803	2,197	5,085
Business and travel	5,200	3,003	2,197	1,876
Total	<u>346,852</u>	<u>337,921</u>	<u>8,931</u>	<u>267,922</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
General Government (cont):				
County Engineer				
Personal services	841,282	826,242	15,040	-
Contractual services	358,385	254,068	104,317	-
Supplies and materials	19,533	18,324	1,209	-
Business and travel	43,450	41,845	1,605	-
Total	<u>1,262,650</u>	<u>1,140,479</u>	<u>122,171</u>	<u>-</u>
Information Technology:				
Personal services	1,679,463	1,668,268	11,195	1,316,445
Contractual services	1,497,172	1,493,462	3,710	1,002,552
Supplies and materials	826,303	1,161,065	(334,762)	351,876
Business and travel	65,188	58,345	6,843	42,111
Capital outlay	1,027,057	660,245	366,812	742,506
Total	<u>5,095,183</u>	<u>5,041,385</u>	<u>53,798</u>	<u>3,455,490</u>
Assessor:				
Personal services	2,465,250	2,443,261	21,989	2,214,686
Contractual services	67,693	20,717	46,976	26,234
Supplies and materials	25,694	23,812	1,882	54,542
Business and travel	63,935	61,798	2,137	55,560
Other	3,359	3,358	1	5,619
Total	<u>2,625,931</u>	<u>2,552,946</u>	<u>72,985</u>	<u>2,356,641</u>
Assessor Appeals Board:				
Personal services	22,830	5,673	17,157	2,243
Contractual services	475	-	475	-
Supplies and materials	2,000	-	2,000	69
Total	<u>25,305</u>	<u>5,673</u>	<u>19,632</u>	<u>2,312</u>
Registrar of Mense Conveyance:				
Personal services	980,670	957,306	23,364	820,539
Contractual services	82,357	57,941	24,416	46,901
Supplies and materials	652,157	493,368	158,789	260,751
Business and travel	14,666	9,859	4,807	9,742
Total	<u>1,729,850</u>	<u>1,518,474</u>	<u>211,376</u>	<u>1,137,933</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
General Government (cont):				
Internal Auditor				
Personal services	-	-	-	12,598
Supplies and materials	-	-	-	140
Total	-	-	-	12,738
Maintenance:				
Personal services	2,781,245	2,750,243	31,002	2,590,059
Contractual services	300,717	275,269	25,448	212,157
Supplies and materials	422,603	418,905	3,698	469,158
Business and travel	305,664	292,263	13,401	186,663
Capital outlay	15,686	15,686	-	54,258
Other	-	-	-	2,523
Total	3,825,915	3,752,366	73,549	3,514,818
Voter Registration and Election:				
Personal services	395,355	371,723	23,632	368,353
Contractual services	49,197	22,923	26,274	15,718
Supplies and materials	59,879	29,966	29,913	46,331
Business and travel	8,097	4,427	3,670	4,302
Total	512,528	429,039	83,489	434,704
Public Information:				
Personal services	195,813	195,492	321	182,549
Contractual services	25,900	13,341	12,559	16,181
Supplies and materials	61,234	58,654	2,580	53,930
Business and travel	1,600	323	1,277	422
Total	284,547	267,810	16,737	253,082
Budget and Revenue Management:				
Personal services	163,323	163,296	27	151,791
Supplies and materials	6,075	3,576	2,499	3,342
Business and travel	1,235	266	969	258
Total	170,633	167,138	3,495	155,391

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
General Government (cont):				
Treasurer:				
Personal services	1,327,878	1,312,905	14,973	1,255,187
Contractual services	182,585	125,907	56,678	135,439
Supplies and materials	126,190	118,052	8,138	103,056
Business and travel	20,804	14,047	6,757	19,561
Total	<u>1,657,457</u>	<u>1,570,911</u>	<u>86,546</u>	<u>1,513,243</u>
Auditor:				
Personal services	1,144,887	1,121,666	23,221	975,632
Contractual services	37,479	29,286	8,193	27,620
Supplies and materials	78,274	63,332	14,942	70,439
Business and travel	17,515	14,561	2,954	12,844
Total	<u>1,278,155</u>	<u>1,228,845</u>	<u>49,310</u>	<u>1,086,535</u>
Records Retention:				
Personal services	220,500	220,474	26	213,193
Contractual services	18,306	14,202	4,104	21,826
Supplies and materials	13,199	12,535	664	11,126
Business and travel	5,029	4,717	312	4,404
Total	<u>257,034</u>	<u>251,928</u>	<u>5,106</u>	<u>250,549</u>
Probate Judge:				
Personal services	714,629	695,533	19,096	650,311
Contractual services	34,844	15,617	19,227	7,082
Supplies and materials	35,751	31,930	3,821	25,701
Business and travel	11,297	10,988	309	6,580
Total	<u>796,521</u>	<u>754,068</u>	<u>42,453</u>	<u>689,674</u>
Master -in-Equity:				
Personal services	245,735	245,732	3	237,933
Contractual services	1,500	699	801	1,099
Supplies and materials	2,145	693	1,452	938
Business and travel	270	210	60	190
Total	<u>249,650</u>	<u>247,334</u>	<u>2,316</u>	<u>240,160</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
General Government (cont):				
Legal:				
Personal services	302,070	297,514	4,556	213,240
Contractual services	373,205	263,412	109,793	292,360
Supplies and materials	6,585	5,122	1,463	1,177
Business and travel	4,750	1,597	3,153	4,431
Total	<u>686,610</u>	<u>567,645</u>	<u>118,965</u>	<u>511,208</u>
Grants Administration:				
Personal services	168,529	157,637	10,892	157,257
Contractual services	224,059	2,543	221,516	16,043
Supplies and materials	1,043,175	1,042,776	399	1,093,461
Business and travel	3,700	862	2,838	1,062
Capital outlay	646	-	646	-
Total	<u>1,440,109</u>	<u>1,203,818</u>	<u>236,291</u>	<u>1,267,823</u>
Delegation:				
Personal services	88,079	88,017	62	84,589
Contractual services	1,056	236	820	337
Supplies and materials	400	396	4	380
Business and travel	663	368	295	438
Total	<u>90,198</u>	<u>89,017</u>	<u>1,181</u>	<u>85,744</u>
Hospitality:				
Personal services	228,530	228,528	2	219,384
Contractual services	19,360	12,632	6,728	7,569
Supplies and materials	14,245	5,786	8,459	7,805
Business and travel	13,422	9,739	3,683	10,136
Total	<u>275,557</u>	<u>256,685</u>	<u>18,872</u>	<u>244,894</u>
Business License:				
Personal services	101,657	101,639	18	96,865
Contractual services	32,275	28,007	4,268	24,618
Supplies and materials	15,025	7,817	7,208	11,081
Business and travel	9,822	6,834	2,988	7,720
Other	-	20	(20)	15
Total	<u>158,779</u>	<u>144,317</u>	<u>14,462</u>	<u>140,299</u>
Total general government	<u>31,717,576</u>	<u>27,932,493</u>	<u>3,785,083</u>	<u>23,525,402</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
<u>Public Safety:</u>				
Solicitor:				
Personal services	4,044,175	3,847,267	196,908	3,372,409
Contractual services	282,913	249,633	33,280	211,657
Supplies and materials	130,464	125,479	4,985	64,491
Business and travel	103,094	96,996	6,098	79,737
Total	4,560,646	4,319,375	241,271	3,728,294
Clerk of Court - DSS Family Court:				
Personal services	1,830,775	1,829,522	1,253	1,710,185
Contractual services	311,714	182,613	129,101	212,744
Supplies and materials	106,551	88,651	17,900	84,054
Business and travel	3,669	1,054	2,615	2,258
Other	3,500	-	3,500	3,025
Total	2,256,209	2,101,840	154,369	2,012,266
Magistrate No. 1 Conway:				
Personal services	227,161	236,268	(9,107)	219,903
Contractual services	3,300	1,260	2,040	1,753
Supplies and materials	3,100	2,014	1,086	4,296
Business and travel	2,550	4,355	(1,805)	1,872
Total	236,111	243,897	(7,786)	227,824
Magistrate No. 2 Aynor:				
Personal services	173,879	152,354	21,525	180,210
Contractual services	18,370	11,234	7,136	11,895
Supplies and materials	4,800	3,706	1,094	3,618
Business and travel	5,650	3,845	1,805	925
Total	202,699	171,139	31,560	196,648

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
Public Safety (cont):				
Magistrate No. 4 Mt. Olive:				
Personal services	163,195	149,816	13,379	130,652
Contractual services	12,183	7,486	4,697	8,150
Supplies and materials	4,000	1,461	2,539	1,281
Business and travel	2,600	1,964	636	2,227
Total	181,978	160,727	21,251	142,310
Magistrate No. 5 Loris:				
Personal services	201,185	201,173	12	182,432
Contractual services	5,200	3,544	1,656	3,515
Supplies and materials	2,400	2,385	15	5,931
Business and travel	3,450	2,830	620	2,025
Total	212,235	209,932	2,303	193,903
Magistrate No. 6 Myrtle Beach:				
Personal services	283,248	271,737	11,511	269,497
Contractual services	5,750	2,266	3,484	2,436
Supplies and materials	6,127	5,863	264	5,185
Business and travel	1,423	1,422	1	1,173
Total	296,548	281,288	15,260	278,291
Magistrate No. 7 Stevens Cross Road:				
Personal services	184,748	184,748	-	173,395
Contractual services	3,720	2,018	1,702	1,326
Supplies and materials	6,100	4,159	1,941	4,201
Business and travel	8,500	7,243	1,257	3,180
Total	203,068	198,168	4,900	182,102
Magistrate No. 11 Surfside:				
Personal services	166,263	162,876	3,387	161,375
Contractual services	1,280	1,056	224	963
Supplies and materials	6,144	5,960	184	1,551
Business and travel	1,250	1,207	43	1,330
Total	174,937	171,099	3,838	165,219

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued) Current:	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Public Safety (cont):				
Magistrate at Large No. 1:				
Personal services	92,503	92,499	4	87,991
Contractual services	237	-	237	-
Supplies and materials	400	-	400	5,777
Business and travel	5,000	4,554	446	2,915
Total	98,140	97,053	1,087	96,683
Magistrate at Large No. 2 - Detention:				
Personal services	288,409	284,625	3,784	280,045
Contractual services	6,890	7,322	(432)	6,103
Supplies and materials	8,150	2,847	5,303	13,416
Business and travel	8,400	5,858	2,542	4,068
Total	311,849	300,652	11,197	303,632
Central Summary Court:				
Personal services	332,314	314,194	18,120	314,974
Contractual services	3,800	1,431	2,369	1,275
Supplies and materials	19,900	11,265	8,635	10,060
Business and travel	900	837	63	425
Capital outlay	5,650	5,650	-	-
Total	362,564	333,377	29,187	326,734
Central Jury Court:				
Personal services	47,618	47,615	3	42,806
Contractual services	110,600	85,982	24,618	115,758
Supplies and materials	7,250	6,043	1,207	5,446
Business and travel	1,700	518	1,182	972
Total	167,168	140,158	27,010	164,982

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
Public Safety (cont):				
Public Safety Division Director:				
Personal services	242,020	242,015	5	197,953
Contractual services	2,935	3,456	(521)	2,134
Supplies and materials	165,883	5,574	160,309	9,185
Business and travel	30,032	28,418	1,614	26,361
Total	440,870	279,463	161,407	235,633
Sheriff:				
Personal services	2,612,534	2,612,567	(33)	2,463,017
Contractual services	50,325	41,383	8,942	40,744
Supplies and materials	61,742	59,031	2,711	44,441
Business and travel	193,969	182,914	11,055	214,163
Other	1,997	1,140	857	-
Total	2,920,567	2,897,035	23,532	2,762,365
Police:				
Personal services	14,019,950	13,994,687	25,263	12,024,947
Contractual services	397,579	349,315	48,264	262,087
Supplies and materials	781,214	708,304	72,910	1,012,772
Business and travel	2,292,992	2,283,003	9,989	1,854,863
Capital outlay	43,550	-	43,550	507,451
Other	2,500	189	2,311	250
Total	17,537,785	17,335,498	202,287	15,662,370
Central Processing:				
Personal services	51,287	51,078	209	49,695
Contractual services	585	-	585	-
Supplies and materials	700	-	700	-
Business and travel	4,180	2,995	1,185	2,998
Total	56,752	54,073	2,679	52,693
Emergency Preparedness:				
Personal services	263,222	244,473	18,749	190,972
Contractual services	22,982	22,158	824	17,298
Supplies and materials	11,135	12,334	(1,199)	5,846
Business and travel	32,416	30,221	2,195	26,363
Other	-	658	(658)	7,936
Total	329,755	309,844	19,911	248,415

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
Public Safety (cont):				
Emergency 911 Communications:				
Personal services	2,427,734	2,211,607	216,127	2,101,255
Contractual services	596,734	538,525	58,209	240,403
Supplies and materials	12,821	10,858	1,963	5,699
Business and travel	3,369	5,049	(1,680)	2,705
Total	3,040,658	2,766,039	274,619	2,350,062
Coroner:				
Personal services	315,935	284,815	31,120	273,294
Contractual services	193,962	270,152	(76,190)	280,903
Supplies and materials	13,782	8,727	5,055	14,199
Business and travel	21,485	22,051	(566)	18,489
Capital outlay	19,000	18,822	178	-
Total	564,164	604,567	(40,403)	586,885
Detention Center:				
Personal services	9,372,926	9,364,065	8,861	8,785,758
Contractual services	820,782	831,127	(10,345)	714,595
Supplies and materials	1,621,404	1,701,663	(80,259)	1,614,844
Business and travel	208,627	208,626	1	227,273
Capital outlay	88,130	60,176	27,954	35,180
Total	12,111,869	12,165,657	(53,788)	11,377,650
Emergency Medical Services:				
Personal services	11,414,465	11,414,030	435	9,833,155
Contractual services	298,757	273,041	25,716	199,226
Supplies and materials	950,481	876,737	73,744	799,408
Business and travel	449,199	424,386	24,813	379,754
Capital outlay	12,528	-	12,528	428,685
Total	13,125,430	12,988,194	137,236	11,640,228
Beach Front Program:				
Personal services	31,798	31,794	4	30,128
Contractual services	585	-	585	-
Supplies and materials	9,700	3,839	5,861	629
Business and travel	11,238	6,967	4,271	1,615
Total	53,321	42,600	10,721	32,372

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
<u>Public Safety (cont):</u>				
Environmental Services:				
Personal services	212,639	202,169	10,470	1,158,541
Contractual services	768,548	613,847	154,701	159,102
Supplies and materials	497,658	94,152	403,506	146,036
Business and travel	15,960	16,873	(913)	166,949
Other	-	-	-	21,076
Total	1,494,805	927,041	567,764	1,651,704
Pre-Trial Intervention:				
Personal services	455,961	517,528	(61,567)	450,123
Total	455,961	517,528	(61,567)	450,123
Total public safety	61,396,089	59,616,244	1,779,845	55,069,388
<u>Infrastructure and Regulation:</u>				
Personal services	4,016,862	3,963,075	53,787	-
Contractual services	216,091	162,202	53,889	-
Supplies and materials	862,338	635,148	227,190	-
Business and travel	1,745,867	1,388,381	357,486	-
Total	6,841,158	6,148,806	692,352	-
Code Enforcement:				
Personal services	2,633,881	2,623,646	10,235	2,374,343
Contractual services	110,370	29,840	80,530	29,089
Supplies and materials	96,116	70,957	25,159	66,599
Business and travel	194,348	190,889	3,459	184,726
Capital outlay	-	-	-	102,286
Total	3,034,715	2,915,332	119,383	2,757,043
Planning:				
Personal services	1,476,334	1,462,235	14,099	1,324,725
Contractual services	109,550	61,445	48,105	58,110
Supplies and materials	75,065	67,905	7,160	111,700
Business and travel	27,130	21,739	5,391	19,818
Capital outlay	97,098	69,236	27,862	-
Total	1,785,177	1,682,560	102,617	1,514,353
Total infrastructure and regulation	11,661,050	10,746,698	914,352	4,271,396

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
<u>Health and Social Services:</u>				
Veteran Affairs:				
Personal services	123,290	123,288	2	123,786
Contractual services	1,330	1,190	140	1,297
Supplies and materials	2,800	739	2,061	2,382
Business and travel	2,235	989	1,246	619
Total	129,655	126,206	3,449	128,084
Total health and social services	129,655	126,206	3,449	128,084
<u>Culture, Recreation and Tourism:</u>				
Library:				
Personal services	2,375,114	2,363,928	11,186	2,096,356
Contractual services	423,410	384,620	38,790	295,647
Supplies and materials	1,161,719	1,070,401	91,318	818,086
Business and travel	62,303	59,136	3,167	59,385
Capital Outlay	17,756	17,756	-	-
Total	4,040,302	3,895,841	144,461	3,269,474
Museum:				
Personal services	240,651	228,666	11,985	235,472
Contractual services	36,320	32,265	4,055	28,305
Supplies and materials	12,600	12,436	164	14,635
Business and travel	6,219	4,554	1,665	3,604
Other	8,000	3,341	4,659	-
Total	303,790	281,262	22,528	282,016
Total culture, recreation and tourism	4,344,092	4,177,103	166,989	3,551,490
<u>Other:</u>				
State Mandated Supplements:				
Health Department	224,973	235,825	(10,852)	227,646
Department of Social Services	113,297	92,440	20,857	95,760
Department of Juvenile Detention	-	-	-	2,670
Public Defender	-	-	-	759,990
Total	338,270	328,265	10,005	1,086,066

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

Expenditures(continued)	2007		Variance Positive (Negative)	2006
	Final Budget	Actual		Actual
Current:				
Other Agencies:				
Waccamaw Regional Planning Council	39,308	39,308	-	94,748
Rescue Squads:				
Aynor	13,000	13,000	-	10,000
Horry	13,000	13,000	-	10,000
Myrtle Beach	13,000	13,000	-	-
North Myrtle Beach	13,000	13,000	-	10,000
Northern Horry	13,000	13,000	-	10,000
Mount Olive	13,000	13,000	-	10,000
Horry-Georgetown Youth Advocate	20,000	20,000	-	-
Conway Chamber of Commerce	2,500	2,500	-	-
Coastal Rapid Transit Authority	300,000	300,000	-	25,000
Waccamaw Center of Mental Health	30,000	30,000	-	18,000
Waccamaw EOC	1,250	1,250	-	2,500
Public Defender	785,000	785,000	-	-
Shared Care	50,000	50,000	-	-
Disabilities and Special Needs	25,000	25,000	-	10,000
Pee Dee Speech & Hearing	-	-	-	1,250
Step Up	50,000	50,000	-	-
Chapin Memorial Library	80,000	80,000	-	40,000
Friendship Medical Clinic	3,750	3,750	-	5,000
Juvenile Justice	10,680	-	10,680	-
Horry County Historical Society	-	-	-	5,000
Grand Strand Community Against Rape	10,000	10,000	-	5,000
Shelter Home	25,000	25,000	-	20,000
Children Recovery Center	18,000	18,000	-	15,000
Friendship House Preschool	8,000	8,000	-	-
Careteam	-	-	-	2,500
Salvation Army- Boys & Girls Club	10,000	10,000	-	19,000
Salvation Army	10,000	10,000	-	-
Cooperative Extension	5,000	5,000	-	5,000
Capture, Inc.	-	-	-	7,500
St. Delight Community Outreach	5,000	5,000	-	-
Contingencies	13,242	-	13,242	750
Citizens Against Spouse Abuse	25,000	25,000	-	15,000
Grand Strand Miracle League	10,000	10,000	-	-
Shoreline Behavior	47,000	47,000	-	30,000
Total	<u>1,661,730</u>	<u>1,637,808</u>	<u>23,922</u>	<u>371,248</u>
Total other	<u>2,000,000</u>	<u>1,966,073</u>	<u>33,927</u>	<u>1,457,314</u>
Total expenditures	<u>111,248,462</u>	<u>104,564,818</u>	<u>6,683,644</u>	<u>88,003,074</u>
Excess of revenue over expenditures	<u>512,493</u>	<u>6,898,170</u>	<u>6,385,677</u>	<u>20,780,963</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL

- CONTINUED -

	2007		Variance	2006
	Final Budget	Actual	Positive (Negative)	Actual
Other Financing Sources (Uses)				
Sale of assets	97,500	43,898	(53,602)	101,194
Transfers in	1,154,765	1,107,651	(47,114)	1,102,443
Transfers out	<u>(16,159,483)</u>	<u>(16,165,138)</u>	<u>(5,655)</u>	<u>(17,294,572)</u>
Total other financing sources (uses)	<u>(14,907,218)</u>	<u>(15,013,589)</u>	<u>(106,371)</u>	<u>(16,090,935)</u>
Net change in fund balance	(14,394,725)	(8,115,419)	6,279,306	4,690,028
Fund balance at beginning of year	<u>35,044,097</u>	<u>35,044,097</u>	-	<u>30,354,069</u>
Fund balance at end of year	<u>\$ 20,649,372</u>	<u>\$ 26,928,678</u>	<u>\$ 6,279,306</u>	<u>\$ 35,044,097</u>

See accompanying independent auditors' report.

SPECIAL REVENUE FUNDS

Special revenue funds are used accounts for specific revenue received which are restricted to expenditures for particular purposes (other than capital projects). The County currently has established the following special revenue funds:

Fire - accounts for operations of twenty-five (25) stations throughout rural Horry County. Funding is provided by property taxes levied on the unincorporated area of the County.

Accommodations Tax - accounts for the revenue derived from State levied room tax earmarked for the promotion of tourism in South Carolina.

Waste Management Recycling - accounts for recycling programs of Horry County. Funding is provided by property tax revenue.

Watershed - accounts for maintenance of Cartwheel Crab Tree, Todd Swamp, Simpson Creek, Buck Creek, and Gapway watersheds. Funding is provided by property taxes.

Mt. Gilead - accounts for revenue derived from property taxes for road improvements in the Mt. Gilead Community.

Socastee Recreation - accounts for revenue derived from property taxes earmarked for recreation facilities in the Socastee Community.

Road Maintenance & CTC - accounts for revenue derived from a \$20 fee on registered vehicles, intergovernmental revenue, and operating transfers-in earmarked for the maintenance and/or improvements of the County's road system and public works operation.

Beach Nourishment - accounts for revenue earmarked for beach nourishment.

Grants - accounts for revenue and expenditures for all grants.

Admissions Tax - accounts for revenue derived from Admissions Tax District established in the Waccamaw Pottery area. These funds are earmarked by state law for infrastructure improvements.

Hospitality 1.0% Fee - accounts for revenue derived from unincorporated sale of prepared food, car rentals, admissions and accommodations in the unincorporated areas of the County. These funds are earmarked to offset County public safety and infrastructure and regulation services impacted by tourism.

Victim Assistance – accounts for collection of assessments and surcharges imposed by the courts. These funds are earmarked by State law for the provision of victims services.

Senior Citizens - accounts for revenue collected from .4 mills levied on real and personal property earmarked for Senior Citizens funds.

Railroad - accounts for revenue and expenses associated with the County's railroad system.

Arcadian Shores - accounts for revenues and expenses associated with the Arcadian Shores Special Tax District. These funds are designated for infrastructure improvements.

CDBG Revolving Loan Fund - accounts for resources and servicing of CDBG loan funds and program income.

HORRY COUNTY, SOUTH CAROLINA

SPECIAL REVENUE FUNDS

- CONTINUED -

Stormwater Management - accounts for revenue and expenditure associated with the County's stormwater management program.

GIS/IT – accounts for GIS information sales and intergovernmental mapping revenue and expenses associated with maintaining and/or updating the GIS technology and data.

Multi-County Business Park Rollback - accounts for revenue and expenses associated with the MultiCounty Business Park rollback for infrastructure.

Local Accommodations Tax - accounts for special revenue derived from local government accommodations tax.

Recreation - accounts for revenue and expenses associated with the County's recreation.

Hospitality 1.5% Fee - accounts for revenue derived from countywide fees on sale of prepared food, car rentals, admissions and accommodations in the countywide areas of the County. These funds are earmarked for road construction-RIDE Projects.

E911 – accounts for revenue and expenditures of funds for wireless and wireless telephones. These funds are totally restricted for use in the 911 system.

Industrial Parks - accounts for revenue and expenses for the operation, development and property management of the Atlantic Center, Hwy. 701 (Pineridge Business Center) and the Hwy. 319 (Cool Spring) industrial parks.

HORRY COUNTY, SOUTH CAROLINA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2007

Assets	Non-Major Funds											
	Fire	Accommodations Tax	Waste Management Recycling	Watersheds	Mt Gilead	Societee Recreation	Road Maintenance & CTC	Beach Nourishment	Grants	Admissions Tax	Hospitality 1.0%	Victim Witness
Cash and cash equivalents	\$ 6,016,983	\$ (77,962)	\$ 3,268,410	\$ 179,463	\$ 313,016	\$ -	\$ 8,310,698	\$ 4,297,393	\$ 325,516	\$ 651	\$ 2,757,071	\$ -
Equity in pooled cash and investments	-	-	-	-	-	-	-	-	-	-	576,639	-
Receivables, net:												
Property taxes	68,629	-	29,147	576	272	1,069	-	-	-	-	-	-
Accounts and other	-	-	-	-	-	-	-	52,723	-	-	838,844	36,847
Fees	-	-	-	-	-	-	-	-	-	-	-	-
Interest Receivable	106,374	9,834	59,664	10,250	5,963	295	184,821	89,181	2,460	169	28,782	768
Prepaid items	94	-	-	-	-	-	-	-	2,000	-	-	-
Due from other funds	5,043	3,718	-	-	-	-	444,545	182,652	-	-	-	-
Due from other governments	861	1,047,882	-	-	-	-	376,864	-	646,880	-	-	-
Total assets	\$ 6,197,984	\$ 983,472	\$ 3,357,221	\$ 190,289	\$ 319,251	\$ 1,364	\$ 9,316,928	\$ 4,621,949	\$ 976,856	\$ 820	\$ 4,201,336	\$ 37,615
Liabilities and Fund Balance												
Liabilities												
Accounts payable-trade	\$ 84,351	\$ 451,766	\$ -	\$ -	\$ 847	\$ -	\$ 468,150	\$ 10,604	\$ 4,194	\$ -	\$ -	\$ 2,957
Accounts payable-other	-	-	-	-	-	-	40,335	-	-	-	-	-
Accrued salaries and wages	118,710	18,640	-	-	-	-	8,430	-	3,613	-	-	10,768
Due to other funds	-	127,500	-	-	-	11,049	-	1,017,459	298,391	30,748	1,352,179	121,083
Due to other governments	-	-	46,497	-	-	-	-	-	12,003	-	-	-
Due to component unit	-	-	623,746	-	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-	8,783	-	-	-
Total Liabilities	203,061	597,906	670,243	-	847	11,049	516,915	1,028,063	326,984	30,748	1,352,179	134,808
Fund balances:												
Reserved for encumbrances	240,141	-	291,339	-	-	-	2,152,382	75,321	50,876	-	-	-
Reserved for road maintenance	-	-	-	-	-	-	433,592	-	-	-	-	-
Reserved for Baseball Stadium Park	-	-	-	-	-	-	-	-	-	300,000	-	-
Reserved for cultural	-	119,870	-	-	-	-	-	-	-	-	-	-
Reserved for prepaid items	94	-	-	-	-	-	-	-	2,000	-	-	-
Reserved for beach renourishment	-	-	-	-	-	-	-	2,572,638	-	-	-	-
Reserved for infrastructure development	-	-	-	-	-	-	-	-	-	2,027,000	-	-
Designated for debt service	966,108	-	-	-	-	-	-	-	-	-	-	-
Unreserved, designated	1,110	-	-	-	-	-	-	-	-	-	-	-
Unreserved, undesignated	4,787,470	265,696	2,395,639	190,289	318,404	(9,685)	6,214,039	945,927	596,996	(29,928)	522,157	(97,193)
Total fund balances/(deficits)	5,994,923	385,566	2,686,978	190,289	318,404	(9,685)	8,800,013	3,593,866	649,872	(29,928)	2,849,157	(97,193)
Total liabilities and fund balances	\$ 6,197,984	\$ 983,472	\$ 3,357,221	\$ 190,289	\$ 319,251	\$ 1,364	\$ 9,316,928	\$ 4,621,949	\$ 976,856	\$ 820	\$ 4,201,336	\$ 37,615

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2007

Assets	Non-Major Funds										Total Non-Major Funds	
	Senior Citizen	Railroad	Arcadian Shores	CDBG Revolving Loan	Stormwater Management	GIS/IT	B&C/MCBP	E-911	Local Atax	Recreation		Industrial Parks
Cash and cash equivalents	\$ 30,589	\$ 51,471	\$ -	\$ 489	\$ -	\$ -	\$ -	\$ -	\$ 960,504	\$ 100	\$ -	\$ 3,718,164
Equity in pooled cash and investments	-	-	-	-	4,958,028	31,574	1,629,986	-	7,843	2,750,438	6,006,094	38,726,349
Receivables, net:												
Property taxes	4,162	-	327	-	-	-	-	-	-	13,541	-	117,723
Accounts and other	-	-	-	-	-	-	-	-	-	-	35,424	1,136,014
Fees	-	-	-	-	27,143	-	-	74,474	172,176	-	-	101,617
Interest Receivable	957	-	725	-	105,361	2,465	32,804	-	-	58,934	128,083	827,891
Prepaid items	-	-	-	-	1,827	-	-	1,387	-	25	-	5,333
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	635,958
Due from other governments	-	-	-	-	-	-	-	107,169	-	460,230	-	2,639,886
Total assets	\$ 35,708	\$ 51,471	\$ 30,572	\$ 489	\$ 5,092,359	\$ 34,039	\$ 1,662,790	\$ 183,030	\$ 1,140,523	\$ 3,283,268	\$ 6,169,601	\$ 47,908,935
Liabilities and Fund Balance												
Liabilities												
Accounts payable-trade	\$ 20,635	\$ -	\$ 1,082	\$ -	\$ 67,851	\$ 80	\$ -	\$ 16,786	\$ 157,850	\$ 33,430	\$ 7,375	\$ 1,327,958
Accounts payable-other	-	-	-	-	-	-	-	-	-	-	-	40,335
Accrued salaries and wages	-	-	-	-	20,021	-	-	2,842	-	19,289	-	202,313
Due to other funds	-	-	352,354	-	90,449	-	-	168,223	733,073	220,455	-	4,522,962
Due to other governments	-	-	-	-	-	-	-	-	-	-	-	58,500
Due to component unit	-	-	-	-	-	-	-	-	-	32	-	623,778
Deferred revenue	-	-	-	-	-	-	-	-	-	-	-	8,783
Total Liabilities	20,635	-	353,436	-	178,321	80	-	187,851	890,923	273,206	7,375	6,784,629
Fund balances:												
Reserved for encumbrances	-	-	-	-	259,093	-	-	256	525	103,344	-	3,173,257
Reserved for road maintenance	-	-	-	-	-	-	-	-	-	-	-	433,592
Reserved for Baseball Stadium Park	-	-	-	-	-	-	-	-	-	-	-	300,000
Reserved for cultural	-	-	-	-	-	-	-	-	-	-	-	119,870
Reserved for prepaid items	-	-	-	-	1,827	-	-	1,387	-	25	-	5,333
Reserved for beach renourishment	-	-	-	-	-	-	-	-	-	-	-	2,572,638
Reserved for infrastructure development	-	-	-	-	-	-	-	-	-	-	993,846	3,020,846
Designated for debt service	-	-	-	-	-	-	-	-	-	-	-	966,108
Unreserved, designated	-	-	-	-	-	-	-	-	-	-	-	5,196,801
Unreserved, undesignated	15,073	51,471	(302,864)	489	1,821,761	33,959	1,662,790	(6,443)	249,075	542,359	5,168,380	25,335,861
Total fund balances/(deficits)	15,073	51,471	(302,864)	489	4,914,038	33,959	1,662,790	(4,820)	249,600	3,010,062	6,162,226	41,124,306
Total liabilities and fund balances	\$ 35,708	\$ 51,471	\$ 50,572	\$ 489	\$ 5,092,359	\$ 34,039	\$ 1,662,790	\$ 183,030	\$ 1,140,523	\$ 3,283,268	\$ 6,169,601	\$ 47,908,935

See accompanying independent auditors' report.

Horry County, South Carolina
 Non-Major Special Revenue Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2007

	Non-Major Funds											
	Fire	Accommodations Tax	Waste Management Recycling	Watersheds	Mt. Gilead	Socastee Recreation	Maintenance & CTC	Beach Nourishment	Grants	Admissions Tax	Hospitality 1.0%	Victim Witness
Revenues												
Real property taxes	\$ 10,027,480	-	\$ 4,419,615	\$ 78,269	\$ 63,556	\$ 144,484	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personal property taxes	1,247,654	-	514,490	549	87	132	-	-	-	-	-	-
Vehicle taxes	1,589,006	-	685,935	-	1,653	-	-	-	-	-	-	-
Accommodations tax	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	26,596	3,237,159	-	-	-	-	2,009,776	693,000	1,001,418	55,054	-	-
Fees	-	-	-	-	-	-	4,656,266	-	-	-	-	-
Interest	247,873	21,225	151,754	26,457	15,482	975	450,697	246,798	7,113	601	6,638,496	510,681
Other	(159)	1,127	13	-	-	-	-	332,641	17,938	601	183,319	2,955
Total revenues	13,138,450	3,259,511	5,771,807	105,275	80,778	145,591	7,116,739	1,272,439	1,026,469	55,655	6,821,815	513,636
Expenditures												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	9,793,747	1,144,776	-	-	-	-	-	-	6,813	-	10,000	662,751
Infrastructure and regulation	-	-	4,627,918	14,759	20,105	-	10,190,906	1,430,339	6,790	-	-	-
Health and social services	-	-	-	-	-	-	-	-	113,074	-	-	-
Culture, recreation and tourism	-	1,507,320	-	-	-	151,752	-	-	15,436	-	-	-
Economic development	-	-	-	-	-	-	-	-	54,966	-	-	-
Conservation and natural resources	-	-	-	-	-	-	-	-	1,455	-	-	-
Capital Outlay	80,129	7,206	93,737	-	-	-	776,109	-	354,879	-	-	-
Total expenditures	9,873,876	2,659,302	4,721,655	14,759	20,105	151,752	10,967,015	1,430,339	1,059,217	-	10,000	662,751
Excess (deficiency) of revenues over (under) expenditures	3,264,574	600,209	1,050,152	90,516	60,673	(6,161)	(3,850,276)	(157,900)	(32,748)	55,655	6,811,815	(149,115)
Other Financing Sources (Uses)												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	(2,214,044)	(510,000)	-	-	-	-	2,923,262	880,211	90,105	(85,802)	(5,994,216)	179,657
Total other financing sources (uses)	(2,214,044)	(510,000)	-	-	-	-	2,923,262	880,211	90,105	(85,802)	(5,994,216)	179,657
Net change in fund balance	1,050,530	90,209	1,050,152	90,516	60,673	(6,161)	(927,014)	722,311	57,357	(30,147)	817,599	30,542
Fund balances (deficit), at beginning of year as restated	4,944,393	295,357	1,636,826	99,773	257,731	(3,524)	9,727,027	2,871,575	592,515	219	2,031,558	(127,735)
Fund balances (deficit), at end of year	\$ 5,994,923	\$ 385,566	\$ 2,686,978	\$ 190,289	\$ 318,404	\$ (9,685)	\$ 8,800,013	\$ 3,593,886	\$ 649,872	\$ (29,928)	\$ 2,849,157	\$ (97,193)

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2007

	Non-Major Funds											Total Non-Major Funds
	Senior Citizen	Railroad	Arcadian Shores	CDBG Revolving Loan	Stormwater	GIS/IT	B&C MCBP	E-911	Local Atax	Recreation	Industrial Parks	
Revenues												
Real property taxes	\$ 518,949	\$ -	\$ 54,811	\$ -	\$ -	\$ -	\$ 96,476	\$ -	\$ -	\$ 1,675,280	\$ -	\$ 17,078,920
Personal property taxes	52,757	-	454	-	-	-	-	-	-	171,587	-	1,987,710
Vehicle taxes	57,159	-	1,104	-	-	-	-	-	-	185,960	-	2,520,817
Accommodations tax	-	-	-	-	-	-	-	-	1,013,666	-	-	1,013,666
Intergovernmental	-	-	-	-	-	-	-	444,956	-	-	-	7,467,959
Fees	-	-	-	-	3,865,537	23,811	-	894,302	-	11,619	100,080	16,700,792
Interest	1,655	-	1,634	-	263,174	6,594	77,218	-	37,243	151,426	370,988	2,265,181
Other	328	-	2,000	-	-	-	-	-	-	1,031,390	429,500	1,814,778
Total revenues	630,848	-	60,003	-	4,128,711	30,405	173,694	1,339,258	1,050,909	3,227,262	900,568	50,849,823
Expenditures												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	16,813
Public safety	-	-	-	-	-	-	-	-	-	-	-	14,001,498
Infrastructure and regulation	-	5,221	28,573	-	3,493,858	31,425	-	1,408,453	454,542	-	582,128	20,400,597
Health and social services	621,623	-	-	-	-	-	-	-	-	-	-	734,697
Culture, recreation and tourism	-	-	-	-	-	-	45,908	-	299,753	2,207,979	-	4,228,148
Economic development	-	-	-	-	-	-	-	-	-	-	-	54,966
Conservation and natural resources	-	-	-	-	-	-	-	-	-	-	-	1,455
Capital Outlay	-	-	-	-	375,416	75,889	-	-	50,061	-	-	1,813,426
Total expenditures	621,623	5,221	28,573	-	3,869,274	107,314	45,908	1,408,453	804,356	2,207,979	582,128	41,251,600
Excess (deficiency) of revenues over (under) expenditures	9,225	(5,221)	31,430	-	259,437	(76,909)	127,786	(69,195)	246,553	1,019,283	318,440	9,598,223
Other Financing Sources (Uses)												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	4,073,235
Transfers out	-	-	-	-	(150,000)	-	-	-	(209,928)	(470,291)	-	(9,634,281)
Total other financing sources (uses)	-	-	-	-	(150,000)	-	-	-	(209,928)	(470,291)	-	(5,561,046)
Net change in fund balance	9,225	(5,221)	31,430	-	109,437	(76,909)	127,786	(69,195)	36,625	548,992	318,440	4,037,177
Fund balances (deficit) at beginning of year as restated	5,848	56,692	(334,294)	489	4,804,001	110,868	1,535,004	64,375	212,975	2,461,070	5,843,786	37,087,129
Fund balances (deficit) at end of year	\$ 15,073	\$ 51,471	\$ (302,864)	\$ 489	\$ 4,914,038	\$ 33,959	\$ 1,662,790	\$ (4,820)	\$ 249,600	\$ 3,010,062	\$ 6,162,226	\$ 41,124,306

HORRY COUNTY, SOUTH CAROLINA

FIRE SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 6,016,983	\$ 5,082,171
Receivables, net:		
Property taxes	68,629	63,300
Interest Receivable	106,374	-
Due from other funds	5,043	3,072
Due from other governments	861	26,283
Prepaid items	94	10,083
Total assets	<u>\$ 6,197,984</u>	<u>\$ 5,184,909</u>
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 84,351	\$ 121,223
Accrued salaries and wages	118,710	119,293
Total liabilities	<u>203,061</u>	<u>240,516</u>
 Fund balance:		
Reserved for prepaid items	94	10,083
Reserved for encumbrances	240,141	-
Unreserved, designated	1,110	132,947
Unreserved, designated for debt service	966,108	971,543
Unreserved, undesignated	4,787,470	3,829,820
Total fund balance	<u>5,994,923</u>	<u>4,944,393</u>
Total liabilities and fund balance	<u>\$ 6,197,984</u>	<u>\$ 5,184,909</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

FIRE SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 10,969,000	\$ 10,027,480	\$ (941,520)	\$ 10,256,673
Personal property taxes	-	1,247,654	1,247,654	7,945
Vehicle taxes	1,500,000	1,589,006	89,006	1,819,836
Intergovernmental	26,594	26,596	2	26,594
Interest	35,000	247,873	212,873	107,833
Other	-	(159)	(159)	(95)
Total revenues	12,530,594	13,138,450	607,856	12,218,786
Expenditures				
Current:				
Public safety:				
Personal services	6,740,429	6,224,593	515,836	5,906,095
Contractual services	1,282,908	1,179,056	103,852	1,123,668
Supplies & Materials	784,807	747,487	37,320	662,068
Business & Travel	1,140,111	888,191	251,920	451,877
Capital outlay	81,156	80,129	1,027	186,727
Indirect cost allocation	754,420	754,420	-	615,749
Total expenditures	10,783,831	9,873,876	909,955	8,946,184
Excess of revenues over expenditures	1,746,763	3,264,574	1,517,811	3,272,602
Other Financing Sources (Uses)				
Transfers out	(2,214,710)	(2,214,044)	666	(1,899,306)
Total other financing sources (uses)	(2,214,710)	(2,214,044)	666	(1,899,306)
Net change in fund balance	(467,947)	1,050,530	1,518,477	1,373,296
Fund balance at beginning of year	4,944,393	4,944,393	-	3,571,097
Fund balance at end of year	\$ 4,476,446	\$ 5,994,923	\$ 1,518,477	\$ 4,944,393

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
 ACCOMMODATIONS TAX SPECIAL REVENUE FUND
 BALANCE SHEETS

JUNE 30, 2007
 (with comparative amounts June 30, 2006)

Assets	<u>2007</u>	<u>2006</u>
Equity in pooled cash and investments	\$ (77,962)	\$ 134,670
Accounts receivable, net:		
Other	-	1,219
Fees	-	485
Interest Receivable	9,834	-
Due from other funds	3,718	-
Due from other governments	1,047,882	1,023,896
Total assets	<u>\$ 983,472</u>	<u>\$ 1,160,270</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 451,766	\$ 339,683
Accrued salaries and wages	18,640	15,230
Due to other funds	127,500	510,000
Total liabilities	<u>597,906</u>	<u>864,913</u>
Fund balance:		
Reserved for cultural	119,870	119,870
Unreserved, undesignated	265,696	175,487
Total fund balance	<u>385,566</u>	<u>295,357</u>
Total liabilities and fund balance	<u>\$ 983,472</u>	<u>\$ 1,160,270</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

ACCOMODATIONS TAX SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 3,111,175	\$ 3,237,159	\$ 125,984	\$ 3,081,859
Interest	10,000	21,225	11,225	20,191
Other	-	1,127	1,127	375
Total revenues	<u>3,121,175</u>	<u>3,259,511</u>	<u>138,336</u>	<u>3,102,425</u>
Expenditures				
Current:				
Public safety				
Beach Patrol:				
Personal services	592,540	499,260	93,280	510,488
Contractual services	10,315	3,099	7,216	10,839
Supplies & Materials	33,056	27,550	5,506	5,229
Business & Travel	124,430	107,229	17,201	92,647
Capital outlay	-	-	-	73,994
Total beach patrol	<u>760,341</u>	<u>637,138</u>	<u>123,203</u>	<u>693,197</u>
Beach Clean-up:				
Personal services	363,444	329,491	33,953	334,517
Contractual services	81,449	81,448	1	73,730
Supplies & Materials	19,950	14,172	5,778	22,239
Business & Travel	90,369	82,527	7,842	70,073
Capital outlay	7,207	7,206	1	7,206
Total beach clean-up	<u>562,419</u>	<u>514,844</u>	<u>47,575</u>	<u>507,765</u>
Total public safety	<u>1,322,760</u>	<u>1,151,982</u>	<u>170,778</u>	<u>1,200,962</u>
Culture, Recreation and Tourism:				
Contributions to other agencies	1,497,535	1,507,320	(9,785)	1,362,891
Total culture, recreation and tourism	<u>1,497,535</u>	<u>1,507,320</u>	<u>(9,785)</u>	<u>1,362,891</u>
Total expenditures	<u>2,820,295</u>	<u>2,659,302</u>	<u>160,993</u>	<u>2,563,853</u>
Excess of revenues over expenditures	<u>300,880</u>	<u>600,209</u>	<u>299,329</u>	<u>538,572</u>
Other Financing Sources (Uses)				
Transfers out	(510,000)	(510,000)	-	(1,020,000)
Total other financing sources (uses)	<u>(510,000)</u>	<u>(510,000)</u>	<u>-</u>	<u>(1,020,000)</u>
Net change in fund balance	(209,120)	90,209	299,329	(481,428)
Fund balance at beginning of year	295,357	295,357	-	776,785
Fund balance at end of year	<u>\$ 86,237</u>	<u>\$ 385,566</u>	<u>\$ 299,329</u>	<u>\$ 295,357</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

WASTE MANAGEMENT SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

Assets	<u>2007</u>	<u>2006</u>
Equity in pooled cash and investments	\$ 3,268,410	\$ 2,114,874
Receivables, net:		
Property taxes	29,147	26,483
Interest Receivable	59,664	-
Total assets	<u>\$ 3,357,221</u>	<u>\$ 2,141,357</u>
Liabilities and Fund Balance		
Liabilities:		
Due to component unit	\$ 623,746	\$ 437,530
Due to other governments	46,497	67,001
Total liabilities	<u>670,243</u>	<u>504,531</u>
Fund balance:		
Reserved for encumbrances	291,339	-
Unreserved, undesignated	2,395,639	1,636,826
Total fund balance	<u>2,686,978</u>	<u>1,636,826</u>
Total liabilities and fund balance	<u>\$ 3,357,221</u>	<u>\$ 2,141,357</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

WASTE MANAGEMENT RECYCLING SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 4,909,000	\$ 4,419,615	\$ (489,385)	\$ 4,562,446
Personal property taxes	-	514,490	514,490	3,022
Vehicle taxes	650,000	685,935	35,935	727,199
Interest	9,000	151,754	142,754	39,826
Other	-	13	13	22
Total revenues	<u>5,568,000</u>	<u>5,771,807</u>	<u>203,807</u>	<u>5,332,515</u>
Expenditures				
Current:				
Infrastructure and Regulation:				
Contractual services	5,202,441	4,454,221	748,220	4,159,668
Supplies & Materials	250,000	167,044	82,956	59,706
Capital outlay	144,600	93,737	50,863	3,480
Indirect cost allocation	4,856	4,856	-	2,415
Other	-	1,797	(1,797)	-
Total expenditures	<u>5,601,897</u>	<u>4,721,655</u>	<u>880,242</u>	<u>4,225,269</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(33,897)</u>	<u>1,050,152</u>	<u>1,084,049</u>	<u>1,107,246</u>
Net change in fund balance	(33,897)	1,050,152	1,084,049	1,107,246
Fund balance at beginning of year	<u>1,636,826</u>	<u>1,636,826</u>	-	<u>529,580</u>
Fund balance at end of year	<u>\$ 1,602,929</u>	<u>\$ 2,686,978</u>	<u>\$ 1,084,049</u>	<u>\$ 1,636,826</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
WATERSHED SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007
(with comparative amounts June 30, 2006)

	2007	2006
Assets		
Equity in pooled cash and investments	\$ 179,463	\$ 421,850
Receivables, net:		
Property taxes	576	610
Interest receivable	10,250	-
Total assets	\$ 190,289	\$ 422,460
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	\$ -	\$ 322,687
Total liabilities	-	322,687
Fund balance:		
Unreserved, undesignated	190,289	99,773
Total fund balance	190,289	99,773
Total liabilities and fund balance	\$ 190,289	\$ 422,460

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

WATERSHED SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 73,875	\$ 78,269	\$ 4,394	\$ 74,784
Personal property taxes	-	549	549	-
Interest	5,305	26,457	21,152	13,471
Total revenues	<u>79,180</u>	<u>105,275</u>	<u>26,095</u>	<u>88,255</u>
Expenditures				
Current:				
Infrastructure and Regulation:				
Contractual services	79,248	13,130	66,118	9,125
Indirect cost allocation	-	1,629	(1,629)	1,484
Total expenditures	<u>79,248</u>	<u>14,759</u>	<u>64,489</u>	<u>10,609</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(68)</u>	<u>90,516</u>	<u>90,584</u>	<u>77,646</u>
Net change in fund balance	(68)	90,516	90,584	77,646
Fund balance at beginning of year	99,773	99,773	-	22,127
Fund balance at end of year	<u>\$ 99,705</u>	<u>\$ 190,289</u>	<u>\$ 90,584</u>	<u>\$ 99,773</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

MT. GILEAD SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

Assets	<u>2007</u>	<u>2006</u>
Equity in pooled cash and investments	\$ 313,016	\$ 259,979
Receivables, net:		
Property taxes	272	300
Interest receivable	5,963	-
Total assets	<u>\$ 319,251</u>	<u>\$ 260,279</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 847	\$ 2,548
Total Liabilities	<u>847</u>	<u>2,548</u>
Fund balance:		
Unreserved, undesignated	318,404	257,731
Total Fund balance	<u>318,404</u>	<u>257,731</u>
Total liabilities and fund balance	<u>\$ 319,251</u>	<u>\$ 260,279</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

MT. GILEAD SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 65,500	\$ 63,556	\$ (1,944)	\$ 63,386
Personal property taxes	-	87	87	-
Vehicle taxes	-	1,653	1,653	-
Interest	2,000	15,482	13,482	5,913
Total revenues	<u>67,500</u>	<u>80,778</u>	<u>13,278</u>	<u>69,299</u>
Expenditures				
Current:				
Infrastructure and Regulation:				
Contractual services	19,392	17,741	1,651	24,969
Supplies and materials	2,500	-	2,500	200
Other	43,244	-	43,244	-
Indirect cost allocation	2,364	2,364	-	2,821
Total expenditures	<u>67,500</u>	<u>20,105</u>	<u>47,395</u>	<u>27,990</u>
Excess of revenues over expenditures	-	<u>60,673</u>	<u>60,673</u>	<u>41,309</u>
Net change in fund balance	-	60,673	60,673	41,309
Fund balance at beginning of year	<u>257,731</u>	<u>257,731</u>	-	216,422
Fund balance at end of year	<u>\$ 257,731</u>	<u>\$ 318,404</u>	<u>\$ 60,673</u>	<u>\$ 257,731</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

SOCASSTEE RECREATION SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Receivables, net:		
Property taxes	\$ 1,069	\$ 1,073
Interest Receivable	295	-
Total assets	<u>\$ 1,364</u>	<u>\$ 1,073</u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	\$ 11,049	\$ 4,597
Total liabilities	<u>11,049</u>	<u>4,597</u>
Fund balance:		
Unreserved, undesignated	<u>(9,685)</u>	<u>(3,524)</u>
Total fund balance (deficit)	<u>(9,685)</u>	<u>(3,524)</u>
Total liabilities and fund balance	<u>\$ 1,364</u>	<u>\$ 1,073</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

SOCASSTEE RECREATION SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 132,170	\$ 144,484	\$ 12,314	\$ 130,562
Personal property taxes	-	132	132	-
Interest	-	975	975	442
Total revenues	132,170	145,591	13,421	131,004
Expenditures				
Current:				
Culture, Recreation and Tourism:				
Contractual services	130,970	145,231	(14,261)	132,259
Indirect cost allocation	1,200	6,521	(5,321)	260
Total expenditures	132,170	151,752	(19,582)	132,519
Excess (deficiency) of revenues over (under) expenditures	-	(6,161)	(6,161)	(1,515)
Net change in fund balance	-	(6,161)	(6,161)	(1,515)
Fund balance (deficit) at beginning of year	(3,524)	(3,524)	-	(2,009)
Fund balance (deficit) at end of year	\$ (3,524)	\$ (9,685)	\$ (6,161)	\$ (3,524)

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

ROAD MAINTENANCE & CTC SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 8,310,698	\$ 9,313,733
Receivables, net:		
Accounts	-	1,027
Interest Receivable	184,821	-
Due from other funds	444,545	423,307
Due from other governments	376,864	1,078,987
Inventories	-	47,912
Total assets	<u>\$ 9,316,928</u>	<u>\$ 10,864,966</u>
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 468,150	\$ 917,167
Accounts payable - other	40,335	4,070
Construction payable	-	133,743
Accrued salaries and wages	8,430	81,524
Compensation for future absences	-	1,435
Total liabilities	<u>516,915</u>	<u>1,137,939</u>
 Fund balance:		
Reserved for encumbrances	2,152,382	3,532,887
Reserved for road maintenance	433,592	763,323
Reserved for inventories	-	47,912
Unreserved, undesignated	6,214,039	5,382,905
Total fund balance	<u>8,800,013</u>	<u>9,727,027</u>
Total liabilities and fund balance	<u>\$ 9,316,928</u>	<u>\$ 10,864,966</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

ROAD MAINTENANCE & CTC SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 2,427,134	\$ 2,009,776	\$ (417,358)	\$ 2,099,755
Fees	4,422,500	4,656,266	233,766	4,316,495
Interest	130,000	450,697	320,697	239,662
Other- CTC	2,719,545	-	(2,719,545)	136,059
Total revenues	9,699,179	7,116,739	(2,582,440)	6,791,971
Expenditures				
Current:				
Infrastructure and regulation				
Division director:				
Personal services	-	-	-	199,105
Contractual services	48,935	2,619	46,316	5,687
Supplies & Materials	2,875	2,861	14	2,885
Business & Travel	4,146	1,026	3,120	6,056
Capital Outlay	-	-	-	196
Other	125,034	-	125,034	-
Total division director	180,990	6,506	174,484	213,929
Engineer:				
Personal services	-	-	-	744,000
Contractual services	69,925	3,900	66,025	146,230
Supplies & Materials	15,266	15,167	99	25,451
Business & Travel	1,084	-	1,084	41,514
Capital outlay	-	-	-	22,570
Construction contracts	12,312,136	5,232,328	7,079,808	4,417,456
Other	952,027	-	952,027	627
Total engineer	13,350,438	5,251,395	8,099,043	5,397,848
Operations:				
Personal services	617,596	617,596	-	4,556,752
Contractual services	78,144	29,174	48,970	186,520
Supplies & Materials	57,800	27,510	30,290	69,093
Business & Travel	503,802	211,418	292,384	1,251,602
Capital outlay	951,527	776,109	175,418	668,496
Construction contracts	4,960,468	3,077,195	1,883,273	3,636,401
Other	824,300	896,362	(72,062)	827,725
Indirect cost allocation	224,044	73,750	150,294	386,996
Total operations	8,217,681	5,709,114	2,508,567	11,583,585
Total expenditures	21,749,109	10,967,015	10,782,094	17,195,362
Excess (deficiency) of revenues over (under) expenditures	(12,049,930)	(3,850,276)	8,199,654	(10,403,391)
Other Financing Sources (Uses)				
Transfers in	2,819,792	2,923,262	103,470	10,506,990
Total other financing sources (uses)	2,819,792	2,923,262	103,470	10,506,990
Net change in fund balance	(9,230,138)	(927,014)	8,303,124	103,599
Fund balance at beginning of year	9,727,027	9,727,027	-	9,623,428
Fund balance at end of year	\$ 496,889	\$ 8,800,013	\$ 8,303,124	\$ 9,727,027

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

BEACH NOURISHMENT SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 4,297,393	\$ 3,476,490
Receivables, net:		
Other	52,723	49,244
Interest receivable	89,181	-
Due from other funds	182,652	563,135
Total assets	<u>\$ 4,621,949</u>	<u>\$ 4,088,869</u>
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 10,604	\$ -
Due to other funds	1,017,459	1,217,294
Total liabilities	<u>1,028,063</u>	<u>1,217,294</u>
 Fund balance:		
Reserved for Beach Renourishment	2,572,638	2,572,638
Reserved for encumbrances	75,321	-
Unreserved, undesignated	945,927	298,937
Total fund balance	<u>3,593,886</u>	<u>2,871,575</u>
Total liabilities and fund balance	<u>\$ 4,621,949</u>	<u>\$ 4,088,869</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

BEACH NOURISHMENT SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 1,025,640	\$ 693,000	\$ (332,640)	\$ 66,509
Interest	35,000	246,798	211,798	75,544
Other	-	332,641	332,641	-
Total revenues	<u>1,060,640</u>	<u>1,272,439</u>	<u>211,799</u>	<u>142,053</u>
Expenditures				
Current:				
Infrastructure and Regulation:				
Contractual services	1,734,231	1,430,339	303,892	2,453
Indirect cost allocation	-	-	-	13,282
Other	200,571	-	200,571	-
Total expenditures	<u>1,934,802</u>	<u>1,430,339</u>	<u>504,463</u>	<u>15,735</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(874,162)</u>	<u>(157,900)</u>	<u>716,262</u>	<u>126,318</u>
Other Financing Sources (Uses)				
Transfers in	874,162	880,211	6,049	1,373,405
Total other financing sources (uses)	<u>874,162</u>	<u>880,211</u>	<u>6,049</u>	<u>1,373,405</u>
Net change in fund balance	-	722,311	722,311	1,499,723
Fund balance at beginning of year	2,871,575	2,871,575	-	1,371,852
Fund balance at end of year	<u>\$ 2,871,575</u>	<u>\$ 3,593,886</u>	<u>\$ 722,311</u>	<u>\$ 2,871,575</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GRANTS SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	\$ -	\$ 29,495
Equity in pooled cash and investments	325,516	-
Receivables, net:		
Other	-	770
Interest receivable	2,460	-
Due from other governments	646,880	1,101,320
Prepaid items	2,000	-
Total assets	<u>\$ 976,856</u>	<u>\$ 1,131,585</u>
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 4,194	\$ 73,774
Accrued salaries and wages	3,613	8,955
Due to other funds	298,391	444,338
Due to other governments	12,003	12,003
Deferred revenue	8,783	-
Total liabilities	<u>326,984</u>	<u>539,070</u>
 Fund balance:		
Reserved for encumbrances	50,876	4,280
Reserved for prepaid items	2,000	-
Unreserved, undesignated	596,996	588,235
Total fund balance	<u>649,872</u>	<u>592,515</u>
Total liabilities and fund balance	<u>\$ 976,856</u>	<u>\$ 1,131,585</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GRANTS SPECIAL REVENUE FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
(with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 2,529,720	\$ 1,001,418	\$ (1,528,302)	\$ 1,462,791
Interest	-	7,113	7,113	-
Other	17,938	17,938	-	2,576
Total revenues	2,547,658	1,026,469	(1,521,189)	1,465,367
Expenditures				
Current:				
General Government:				
Personal services	1,032	6,813	(5,781)	39,527
Supplies & Materials	-	-	-	4,429
Other	-	-	-	324
Total general government	1,032	6,813	(5,781)	44,280
Public safety:				
Personal services	276,580	192,698	83,882	274,518
Contractual services	37,352	27,326	10,026	111,537
Supplies & Materials	608,638	263,397	345,241	109,042
Business & Travel	17,980	3,092	14,888	44,125
Capital outlay	517,744	354,879	162,865	173,325
Other	27,028	19,291	7,737	48,008
Total public safety	1,485,322	860,683	624,639	760,555
Infrastructure and Regulation:				
Construction contracts	211,435	6,790	204,645	10,425
Total Infrastructure and Regulation	211,435	6,790	204,645	10,425
Health and Social Services:				
Personal services	46,100	29,131	16,969	52,057
Contractual services	5,800	11,327	(5,527)	7,000
Supplies & Materials	127,500	70,782	56,718	125,458
Business & Travel	2,000	1,834	166	3,198
Total health and social services	181,400	113,074	68,326	187,713
Culture, Recreation and Tourism:				
Supplies & Materials	18,183	15,436	2,747	40,478
Grant projects	49,516	-	49,516	-
Total culture, recreation and tourism	67,699	15,436	52,263	40,478
Economic Development:				
Grant projects	5,975	3,475	2,500	-
Construction contracts	639,554	51,491	588,063	95,722
Total economic development	645,529	54,966	590,563	95,722
Conservation and Natural Resources:				
Personal services	30,954	(10)	30,964	44,544
Contractual services	11,004	-	11,004	10,500
Supplies & Materials	7,374	1,465	5,909	112,365
Business & Travel	10,700	-	10,700	12,577
Capital outlay	53,030	-	53,030	373,738
Other	-	-	-	2,097
Total conservation and natural resources	113,062	1,455	111,607	555,821
Total expenditures	2,705,479	1,059,217	1,646,262	1,694,994
Excess (deficiency) of revenues over (under) expenditures	(157,821)	(32,748)	125,073	(229,627)
Other Financing Sources (Uses)				
Transfers in	85,280	90,105	4,825	200,921
Total other financing sources (uses)	85,280	90,105	4,825	200,921
Net change in fund balance	(72,541)	57,357	129,898	(28,706)
Fund balance at beginning of year	592,515	592,515	-	621,221
Fund balance at end of year	\$ 519,974	\$ 649,872	\$ 129,898	\$ 592,515

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

ADMISSIONS TAX SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

Assets	2007	2006
Equity in pooled cash and investments	\$ 651	\$ -
Interest receivable	169	-
Due from other governments	-	40,935
Total assets	\$ 820	\$ 40,935
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	\$ 30,748	\$ 40,716
Total liabilities	30,748	40,716
Fund balance		
Unreserved, undesignated	(29,928)	219
Total fund balance	(29,928)	219
Total liabilities and fund balance	\$ 820	\$ 40,935

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

ADMISSIONS TAX SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007			2006
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues				
Intergovernmental	\$ 82,500	\$ 55,054	\$ (27,446)	\$ 83,530
Interest	-	601	601	219
Total revenues	<u>82,500</u>	<u>55,655</u>	<u>(26,845)</u>	<u>83,749</u>
Excess (deficiency) of revenues over (under) expenditures	<u>82,500</u>	<u>55,655</u>	<u>(26,845)</u>	<u>83,749</u>
Other Financing Sources (Uses)				
Transfers out	(82,500)	(85,802)	(3,302)	(83,530)
Total other financing sources (uses)	<u>(82,500)</u>	<u>(85,802)</u>	<u>(3,302)</u>	<u>(83,530)</u>
Net change in fund balance	-	(30,147)	(30,147)	219
Fund balance at beginning of year	219	219	-	-
Fund balance (deficit) at end of year	<u>\$ 219</u>	<u>\$ (29,928)</u>	<u>\$ (30,147)</u>	<u>\$ 219</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

HOSPITALITY 1.0% FEE SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	\$ 2,757,071	\$ 3,093,831
Equity in pooled cash and investments	576,639	-
Receivables, net:		
Accounts	838,844	804,560
Interest receivable	28,782	-
Total assets	<u>\$ 4,201,336</u>	<u>\$ 3,898,391</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ -	\$ 61,375
Due to other funds	1,352,179	1,805,458
Total liabilities	<u>1,352,179</u>	<u>1,866,833</u>
Fund balance:		
Reserved for Baseball Stadium Park	300,000	300,000
Reserved for Infrastructure	2,027,000	-
Unreserved, undesignated	522,157	1,731,558
Total fund balance	<u>2,849,157</u>	<u>2,031,558</u>
Total liabilities and fund balance	<u>\$ 4,201,336</u>	<u>\$ 3,898,391</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

HOSPITALITY 1.0% FEE SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Fees and fines	\$ 6,319,100	\$ 6,638,496	\$ 319,396	\$ 6,159,221
Interest	12,000	183,319	171,319	71,575
Total revenues	<u>6,331,100</u>	<u>6,821,815</u>	<u>490,715</u>	<u>6,230,796</u>
Expenditures				
Current:				
General Government:				
Contractual services	-	10,000	(10,000)	-
Other	490,756	-	490,756	-
Total expenditures	<u>490,756</u>	<u>10,000</u>	<u>480,756</u>	<u>-</u>
Excess of revenues over expenditures	<u>5,840,344</u>	<u>6,811,815</u>	<u>971,471</u>	<u>6,230,796</u>
Other Financing Sources (Uses)				
Transfers out	(5,840,344)	(5,994,216)	(153,872)	(7,363,672)
Total other financing sources (uses)	<u>(5,840,344)</u>	<u>(5,994,216)</u>	<u>(153,872)</u>	<u>(7,363,672)</u>
Net change in fund balance	-	817,599	817,599	(1,132,876)
Fund balance at beginning of year	2,031,558	2,031,558	-	3,164,434
Fund balance at end of year	<u>\$ 2,031,558</u>	<u>\$ 2,849,157</u>	<u>\$ 817,599</u>	<u>\$ 2,031,558</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

VICTIM WITNESS ASSISTANCE SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Receivables, net:		
Accounts	\$ 36,847	\$ -
Interest receivable	768	-
Prepaid items	-	288
Total assets	<u>\$ 37,615</u>	<u>\$ 288</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 2,957	\$ 1,773
Accrued salaries and wages	10,768	15,675
Due to other funds	121,083	110,575
Total liabilities	<u>134,808</u>	<u>128,023</u>
Fund balance:		
Reserved for prepaid items	-	288
Unreserved, undesignated	(97,193)	(128,023)
Total fund balance (deficit)	<u>(97,193)</u>	<u>(127,735)</u>
Total liabilities and fund balance	<u>\$ 37,615</u>	<u>\$ 288</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

VICTIM WITNESS ASSISTANCE SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007

(with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Fees and fines	\$ 480,634	\$ 510,681	\$ 30,047	\$ 498,123
Interest	300	2,955	2,655	-
Total revenues	480,934	513,636	32,702	498,123
Expenditures				
Current:				
Public safety				
Detention:				
Personal services	227,222	228,653	(1,431)	219,684
Contractual services	4,520	1,313	3,207	1,874
Supplies & Materials	8,958	2,412	6,546	1,916
Business & Travel	7,500	5,165	2,335	775
Total detention	248,200	237,543	10,657	224,249
Police:				
Personal services	82,841	82,447	394	57,423
Supplies & Materials	1,200	50	1,150	131
Business & Travel	1,160	300	860	175
Total police	85,201	82,797	2,404	57,729
Victim Witness:				
Personal services	50,204	50,168	36	48,266
Contractual services	300	228	72	-
Supplies & Materials	4,700	4,504	196	6,410
Business & Travel	430	274	156	-
Total victim witness	55,634	55,174	460	54,676
Solicitor:				
Personal services	247,084	263,537	(16,453)	250,269
Contractual services	15,300	15,156	144	21,817
Business & Travel	8,812	8,437	375	5,847
Other	360	107	253	-
Total solicitor	271,556	287,237	(15,681)	277,933
Total expenditures	660,591	662,751	(2,160)	614,587
Excess (deficiency) of revenues over (under) expenditures	(179,657)	(149,115)	30,542	(116,464)
Other Financing Sources (Uses)				
Transfers in	179,657	179,657	-	-
Total other financing sources (uses)	179,657	179,657	-	-
Net change in fund balance	-	30,542	30,542	(116,464)
Fund balance (deficit) at beginning of year	(127,735)	(127,735)	-	(11,271)
Fund balance (deficit) at end of year	\$ (127,735)	\$ (97,193)	\$ 30,542	\$ (127,735)

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
 SENIOR CITIZENS SPECIAL REVENUE FUND
 BALANCE SHEETS

JUNE 30, 2007
 (with comparative amounts June 30, 2006)

	2007	2006
Assets		
Equity in pooled cash and investments	\$ 30,589	\$ 79,278
Receivables, net:		
Property taxes	4,162	2,453
Interest receivable	957	-
Total assets	\$ 35,708	\$ 81,731
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 20,635	\$ -
Due to other funds	-	75,883
Total liabilities	20,635	75,883
 Fund balance:		
Unreserved, undesignated	15,073	5,848
Total fund balance	15,073	5,848
Total liabilities and fund balance	\$ 35,708	\$ 81,731

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

SENIOR CITIZENS SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 552,850	\$ 518,949	\$ (33,901)	\$ 526,120
Personal property taxes	-	52,757	52,757	12
Vehicle taxes	52,500	57,159	4,659	57,512
Interest	100	1,655	1,555	1,294
Other	-	328	328	-
Total revenues	605,450	630,848	25,398	584,938
Expenditures				
Current:				
Health and Social Services:				
Contractual services	600,450	621,086	(20,636)	577,371
Indirect cost allocation	5,000	537	4,463	338
Total expenditures	605,450	621,623	(16,173)	577,709
Excess of revenues over expenditures	-	9,225	9,225	7,229
Net change in fund balance	-	9,225	9,225	7,229
Fund balance (deficit) at beginning of year	5,848	5,848	-	(1,381)
Fund balance at end of year	\$ 5,848	\$ 15,073	\$ 9,225	\$ 5,848

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
RAILROAD SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007
(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	<u>\$ 51,471</u>	<u>\$ 56,692</u>
Total assets	<u><u>\$ 51,471</u></u>	<u><u>\$ 56,692</u></u>
 Liabilities and Fund Balance		
Fund balance:		
Unreserved, undesignated	<u>\$ 51,471</u>	<u>\$ 56,692</u>
Total fund balance	<u>51,471</u>	<u>56,692</u>
Total liabilities and fund balance	<u><u>\$ 51,471</u></u>	<u><u>\$ 56,692</u></u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

RAILROAD SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Fees and fines	\$ -	\$ -	\$ -	\$ 100
Total revenues	-	-	-	100
Expenditures				
Current:				
Infrastructure and Regulation:				
Indirect cost allocation	-	5,221	(5,221)	5,205
Total expenditures	-	5,221	(5,221)	5,205
Excess (deficiency) of revenues over (under) expenditures	-	(5,221)	(5,221)	(5,105)
Net change in fund balance	-	(5,221)	(5,221)	(5,105)
Fund balance at beginning of year	56,692	56,692	-	61,797
Fund balance at end of year	\$ 56,692	\$ 51,471	\$ (5,221)	\$ 56,692

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

ARCADIAN SHORES SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 49,520	\$ 37,821
Receivables, net:		
Property taxes	327	-
Interest receivable	725	-
Total assets	<u>\$ 50,572</u>	<u>\$ 37,821</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 1,082	\$ 423
Accounts payable - other	-	409
Due to other funds	352,354	371,283
Total liabilities	<u>353,436</u>	<u>372,115</u>
Fund balance (deficit) :		
Unreserved, undesignated	<u>(302,864)</u>	<u>(334,294)</u>
Total fund balance (deficit)	<u>(302,864)</u>	<u>(334,294)</u>
Total liabilities and fund balance	<u>\$ 50,572</u>	<u>\$ 37,821</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

ARCADIAN SHORES SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 56,275	\$ 54,811	\$ (1,464)	\$ 55,395
Personal property taxes	-	454	454	-
Vehicle taxes	-	1,104	1,104	-
Interest	175	1,634	1,459	781
Other	-	2,000	2,000	-
Total revenues	56,450	60,003	3,553	56,176
Expenditures				
Current:				
Infrastructure and Regulation:				
Personal Services	742	742	-	654
Contractual services	20,669	1,640	19,029	1,378
Supplies and materials	7,600	7,083	517	6,671
Indirect cost allocation	960	960	-	2,131
Other	26,479	18,148	8,331	19,051
Total expenditures	56,450	28,573	27,877	29,885
Excess of revenues over expenditures	-	31,430	31,430	26,291
Net change in fund balance	-	31,430	31,430	26,291
Fund balance (deficit) at beginning of year	(334,294)	(334,294)	-	(360,585)
Fund balance (deficit) at end of year	\$ (334,294)	\$ (302,864)	\$ 31,430	\$ (334,294)

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

CDBG REVOLVING LOAN SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Cash held in trust	\$ 489	\$ 489
Due from other funds	-	278,522
Total assets	<u>\$ 489</u>	<u>\$ 279,011</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ -	\$ 7,276
Due to other governments	-	271,246
Total liabilities	<u>-</u>	<u>278,522</u>
Fund balance:		
Unreserved, undesignated	<u>489</u>	<u>489</u>
Total fund balance	<u>489</u>	<u>489</u>
Total liabilities and fund balance	<u>\$ 489</u>	<u>\$ 279,011</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

CDBG REVOLVING LOAN SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Expenditures				
Current:				
Economic Development:				
JEDA	-	-	-	29,100
Other	-	-	-	-
Total expenditures	-	-	-	29,100
Deficiency of revenues under expenditures	-	-	-	(29,100)
Other Financing Sources				
Transfers in	-	-	-	29,100
Total other financing sources	-	-	-	29,100
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	489	489	-	489
Fund balance at end of year	\$ 489	\$ 489	\$ -	\$ 489

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
 STORMWATER SPECIAL REVENUE FUND
 BALANCE SHEETS

JUNE 30, 2007
 (with comparative amounts June 30, 2006)

	2007	2006
Assets		
Equity in pooled cash and investments	\$ 4,958,028	\$ 4,732,290
Receivables, net:		
Fees	27,143	23,335
Interest receivable	105,361	-
Due from other funds	-	322,688
Prepaid items	1,827	1,044
Total assets	\$ 5,092,359	\$ 5,079,357
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 67,851	\$ 168,296
Accrued salaries and wages	20,021	16,011
Due to other funds	90,449	90,449
Total liabilities	178,321	274,756
Fund balance:		
Reserved for encumbrances	259,093	467,346
Reserved for prepaid items	1,827	1,044
Unreserved, designated	2,831,357	2,924,906
Unreserved, undesignated	1,821,761	1,411,305
Total fund balance	4,914,038	4,804,601
Total liabilities and fund balance	\$ 5,092,359	\$ 5,079,357

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

STORMWATER MANAGEMENT SPECIAL REVENUE FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
(with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Fees	\$ 3,750,000	\$ 3,865,537	\$ 115,537	\$ 3,727,775
Interest	60,000	263,174	203,174	117,410
Total revenues	3,810,000	4,128,711	318,711	3,845,185
Expenditures				
Current:				
Infrastructure and Regulation:				
Personal services	1,355,468	1,145,636	209,832	993,560
Contractual services	739,498	341,525	397,973	468,979
Supplies & Materials	772,597	96,592	676,005	212,892
Business & Travel	150,351	144,127	6,224	124,677
Construction contracts	3,142,393	1,626,698	1,515,695	1,227,299
Capital Outlay	852,085	375,416	476,669	87,140
Indirect cost allocation	139,190	139,190	-	125,958
Other	1,500	90	1,410	835
Total expenditures	7,153,082	3,869,274	3,283,808	3,241,340
Excess (deficiency) of revenues over (under) expenditures	(3,343,082)	259,437	3,602,519	603,845
Other Financing Sources (Uses)				
Transfers out	(150,000)	(150,000)	-	(400,000)
Total other financing sources (uses)	(150,000)	(150,000)	-	(400,000)
Net change in fund balance	(3,493,082)	109,437	3,602,519	203,845
Fund balance at beginning of year	4,804,601	4,804,601	-	4,600,756
Fund balance at end of year	\$ 1,311,519	\$ 4,914,038	\$ 3,602,519	\$ 4,804,601

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GIS/IT SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 31,574	\$ 111,171
Receivables, net:		
Accounts	-	538
Interest receivable	2,465	-
Total assets	<u>\$ 34,039</u>	<u>\$ 111,709</u>
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 80	\$ 841
Total liabilities	<u>80</u>	<u>841</u>
 Fund balance:		
Unreserved, undesignated	33,959	110,868
Total fund balance	<u>33,959</u>	<u>110,868</u>
Total liabilities and fund balance	<u>\$ 34,039</u>	<u>\$ 111,709</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GIS/IT SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Fees and fines	\$ 23,500	\$ 23,811	\$ 311	\$ 49,318
Interest	-	6,594	\$ 6,594	1,845
Total revenues	23,500	30,405	6,905	51,163
Expenditures				
Current:				
Public safety:				
Contractual services	35,000	31,425	3,575	-
Capital outlay	80,000	75,889	4,111	-
Total expenditures	115,000	107,314	7,686	-
Excess (deficiency) of revenues over (under) expenditures	(91,500)	(76,909)	14,591	51,163
Net change in fund balance	(91,500)	(76,909)	14,591	51,163
Fund balance at beginning of year	110,868	110,868	-	59,705
Fund balance at end of year	\$ 19,368	\$ 33,959	\$ 14,591	\$ 110,868

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

MULTI-COUNTY BUSINESS PARK ROLLBACK SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 1,629,986	\$ 1,543,662
Interest receivable	32,804	-
Total assets	<u>\$ 1,662,790</u>	<u>\$ 1,543,662</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ -	\$ 8,658
Total liabilities	<u>-</u>	<u>8,658</u>
Fund balance:		
Reserved for C. Ripken Baseball Park	-	49,638
Unreserved, undesignated	1,662,790	1,485,366
Total fund balance	<u>1,662,790</u>	<u>1,535,004</u>
Total liabilities and fund balance	<u>\$ 1,662,790</u>	<u>\$ 1,543,662</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

MULTI-COUNTY BUSINESS PARK ROLLBACK SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Property taxes	\$ -	\$ 96,476	\$ 96,476	\$ 242,878
Interest	-	77,218	77,218	43,502
Total revenues	-	173,694	173,694	286,380
Expenditures				
Current:				
Culture, Recreation and Tourism:				
Cal Ripken Baseball Field	-	45,908	(45,908)	400,362
Total expenditures	-	45,908	(45,908)	400,362
Excess (deficiency) of revenues over (under) expenditures	-	127,786	127,786	(113,982)
Net change in fund balance	-	127,786	127,786	(113,982)
Fund balance at beginning of year	1,535,004	1,535,004	-	1,648,986
Fund balance at end of year	\$ 1,535,004	\$ 1,662,790	\$ 127,786	\$ 1,535,004

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

LOCAL ACCOMMODATIONS TAX SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	\$ 960,504	\$ 736,773
Equity in pooled cash and investments	7,843	-
Receivables, net:		
Other	172,176	159,128
Total assets	<u>\$ 1,140,523</u>	<u>\$ 895,901</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 157,850	\$ 143,583
Due to other funds	733,073	539,343
Total liabilities	<u>890,923</u>	<u>682,926</u>
Fund balance:		
Reserved for public safety	-	212,975
Reserved for encumbrances	525	-
Unreserved, undesignated	249,075	-
Total fund balance	<u>249,600</u>	<u>212,975</u>
Total liabilities and fund balance	<u>\$ 1,140,523</u>	<u>\$ 895,901</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

LOCAL ACCOMODATIONS TAX SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Accommodations tax	\$ 1,012,200	\$ 1,013,666	\$ 1,466	\$ 969,474
Interest	18,500	37,243	18,743	21,613
Other	-	-	-	4,068
Total revenues	<u>1,030,700</u>	<u>1,050,909</u>	<u>20,209</u>	<u>995,155</u>
Expenditures				
Current:				
Public safety:				
Personal services	-	-	-	6,652
Contractual services	73,625	70,600	3,025	86,900
Other	370,314	383,942	(13,628)	-
Total public safety	<u>443,939</u>	<u>454,542</u>	<u>(10,603)</u>	<u>93,552</u>
Culture, Recreation and Tourism:				
Supplies & Materials	6,500	-	6,500	-
Capital outlay	50,600	50,061	539	-
Other	319,123	299,753	19,370	619,547
Total culture, recreation and tourism	<u>376,223</u>	<u>349,814</u>	<u>26,409</u>	<u>619,547</u>
Total expenditures	<u>820,162</u>	<u>804,356</u>	<u>15,806</u>	<u>713,099</u>
Excess of revenues over expenditures	<u>210,538</u>	<u>246,553</u>	<u>36,015</u>	<u>282,056</u>
Other Financing Sources (Uses)				
Transfers out	(210,538)	(209,928)	610	(201,651)
Total other financing sources (uses)	<u>(210,538)</u>	<u>(209,928)</u>	<u>610</u>	<u>(201,651)</u>
Net change in fund balance	-	36,625	36,625	80,405
Fund balance at beginning of year	212,975	212,975	-	132,570
Fund balance at end of year	<u>\$ 212,975</u>	<u>\$ 249,600</u>	<u>\$ 36,625</u>	<u>\$ 212,975</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

RECREATION SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Cash	\$ 100	\$ 100
Equity in pooled cash and investments	2,750,438	2,499,723
Receivables, net:		
Property taxes	13,541	7,946
Other	-	410
Interest receivable	58,934	-
Due from other governments	460,230	341,810
Prepaid items	25	-
Total assets	<u>\$ 3,283,268</u>	<u>\$ 2,849,989</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 33,430	\$ 35,295
Accrued salaries and wages	19,289	11,714
Due to other funds	220,455	341,810
Due to component units	32	100
Total liabilities	<u>273,206</u>	<u>388,919</u>
Fund balance:		
Reserved for encumbrances	103,344	76,904
Reserved for prepaid items	25	-
Unreserved, designated	2,364,334	2,203,870
Unreserved, undesignated	542,359	180,296
Total fund balance	<u>3,010,062</u>	<u>2,461,070</u>
Total liabilities and fund balance	<u>\$ 3,283,268</u>	<u>\$ 2,849,989</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

RECREATION SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 1,795,305	\$ 1,675,280	\$ (120,025)	\$ 1,700,897
Personal property taxes	-	171,587	171,587	23
Vehicle taxes	193,500	185,960	(7,540)	202,440
Fees and fines	11,630	11,619	(11)	11,665
Interest	45,000	151,426	106,426	65,384
Other	666,882	1,031,390	364,508	833,602
Total revenues	2,712,317	3,227,262	514,945	2,814,011
Expenditures				
Current:				
Culture, Recreation and Tourism:				
Personal services	757,995	758,321	(326)	627,029
Contractual services	75,262	37,146	38,116	60,245
Supplies & Materials	163,331	152,673	10,658	107,409
Business & Travel	121,026	105,993	15,033	97,635
Construction contracts	66,916	6,545	60,371	-
Capital Outlay	20,126	-	20,126	252
Indirect cost allocation	233,084	233,084	-	191,818
Other	3,228,026	914,217	2,313,809	841,813
Total expenditures	4,665,766	2,207,979	2,457,787	1,926,201
Excess (deficiency) of revenues over (under) expenditures	(1,953,449)	1,019,283	2,972,732	887,810
Other Financing Sources (Uses)				
Transfers out	(470,291)	(470,291)	-	(1,225,494)
Total other financing sources (uses)	(470,291)	(470,291)	-	(1,225,494)
Net change in fund balance	(2,423,740)	548,992	2,972,732	(337,684)
Fund balance at beginning of year	2,461,070	2,461,070	-	2,798,754
Fund balance at end of year	\$ 37,330	\$ 3,010,062	\$ 2,972,732	\$ 2,461,070

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

E-911 SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Receivables, net:		
Accounts receivable	\$ 74,474	\$ 74,202
Due from other governments	107,169	116,849
Prepaid items	1,387	-
Total assets	<u>\$ 183,030</u>	<u>\$ 191,051</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 16,786	\$ 1,445
Accrued salaries and wages	2,842	2,177
Due to other funds	168,223	123,054
Total liabilities	<u>187,851</u>	<u>126,676</u>
Fund balance:		
Reserved for encumbrances	236	-
Reserved for prepaid items	1,387	-
Unreserved, undesignated	(6,443)	64,375
Total fund balance	<u>(4,820)</u>	<u>64,375</u>
Total liabilities and fund balance	<u>\$ 183,030</u>	<u>\$ 191,051</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

E-911 SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 425,000	\$ 444,956	\$ 19,956	\$ 383,671
Fees and fines	830,000	894,302	64,302	873,754
Total revenues	1,255,000	1,339,258	84,258	1,257,425
Expenditures				
Current:				
Public safety:				
Personal services	180,268	139,533	40,735	129,384
Contractual services	1,054,532	1,252,716	(198,184)	1,059,093
Supplies & Materials	11,335	7,333	4,002	3,090
Business & Travel	8,894	8,871	23	1,483
Other	(29)	-	(29)	-
Total expenditures	1,255,000	1,408,453	(153,453)	1,193,050
Excess (deficiency) of revenues over (under) expenditures	-	(69,195)	(69,195)	64,375
Net change in fund balance	-	(69,195)	(69,195)	64,375
Fund balance at beginning of year	64,375	64,375	-	-
Fund balance (deficit) at end of year	\$ 64,375	\$ (4,820)	\$ (69,195)	\$ 64,375

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

INDUSTRIAL PARKS SPECIAL REVENUE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 6,006,094	\$ 6,237,275
Receivables, net:		
Other	35,424	6,105
Interest receivable	128,083	-
Total assets	<u>\$ 6,169,601</u>	<u>\$ 6,243,380</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 7,375	\$ 121,073
Due to other funds	-	278,521
Total liabilities	<u>7,375</u>	<u>399,594</u>
Fund balance:		
Reserved for infrastructure development	993,846	748,783
Unreserved, undesignated	5,168,380	5,095,003
Total fund balance	<u>6,162,226</u>	<u>5,843,786</u>
Total liabilities and fund balance	<u>\$ 6,169,601</u>	<u>\$ 6,243,380</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

INDUSTRIAL PARKS SPECIAL REVENUE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Fees	\$ 84,750	\$ 100,080	\$ 15,330	\$ 312,212
Interest	6,000	370,988	364,988	95,778
Other- donations	290,000	429,500	139,500	3,236,956
Total revenues	<u>380,750</u>	<u>900,568</u>	<u>519,818</u>	<u>3,644,946</u>
Expenditures				
Current:				
Infrastructure and Regulation:				
Contractual services	633,450	558,173	75,277	635,018
Materials and supplies	22,500	20,405	2,095	-
Capital outlay	-	-	-	10,565
Indirect cost allocation	59,250	3,550	55,700	3,714
Other	80,800	-	80,800	-
Total expenditures	<u>796,000</u>	<u>582,128</u>	<u>213,872</u>	<u>649,297</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(415,250)</u>	<u>318,440</u>	<u>733,690</u>	<u>2,995,649</u>
Other Financing Sources (Uses)				
Transfers out	-	-	-	(29,100)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,100)</u>
Net change in fund balance	(415,250)	318,440	733,690	2,966,549
Fund balance at beginning of year as restated	5,843,786	5,843,786	-	2,877,237
Fund balance at end of year	<u>\$ 5,428,536</u>	<u>\$ 6,162,226</u>	<u>\$ 733,690</u>	<u>\$ 5,843,786</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

HOSPITALITY 1.5% FEE SPECIAL REVENUE FUND- MAJOR FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	\$ 2,837,108	\$ 2,425,072
Receivables, net:		
Fees	4,197,749	3,949,594
Due from other funds	690,430	494,173
Total assets	<u>\$ 7,725,287</u>	<u>\$ 6,868,839</u>
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	7,479,460	6,746,724
Deferred revenue	120,310	114,197
Total liabilities	<u>7,599,770</u>	<u>6,860,921</u>
Fund balance:		
Unreserved, undesignated	125,517	7,918
Total fund balance	<u>125,517</u>	<u>7,918</u>
Total liabilities and fund balance	<u>\$ 7,725,287</u>	<u>\$ 6,868,839</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

HOSPITALITY 1.5% FEE SPECIAL REVENUE FUND- MAJOR FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL - MAJOR FUND

Year ended June 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Fees and fines	\$ 29,155,000	\$ 29,383,812	\$ 228,812	\$ 28,267,986
Interest	45,000	84,804	39,804	51,985
Total revenues	<u>29,200,000</u>	<u>29,468,616</u>	<u>268,616</u>	<u>28,319,971</u>
Excess of revenues over expenditures	<u>29,200,000</u>	<u>29,468,616</u>	<u>268,616</u>	<u>28,319,971</u>
Other Financing Sources (Uses)				
Transfers out - RIDE Debt Service	(28,913,750)	(29,062,660)	(148,910)	(28,043,262)
Transfers out - General Fund	(286,250)	(288,357)	(2,107)	(277,451)
Total other financing sources (uses)	<u>(29,200,000)</u>	<u>(29,351,017)</u>	<u>(151,017)</u>	<u>(28,320,713)</u>
Net change in fund balance	-	117,599	117,599	(742)
Fund balance at beginning of year	7,918	7,918	-	8,660
Fund balance at end of year	<u>\$ 7,918</u>	<u>\$ 125,517</u>	<u>\$ 117,599</u>	<u>\$ 7,918</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for all financial resources to be used for the acquisition and/or construction of major capital facilities (other than those financed by proprietary funds). The primary sources of money in this fund are the proceeds from general obligation bond issues, Federal and state grants and interest earnings.

General Improvement - accounts for financial resources and contribution of major capital facilities and equipment of the County.

Capital Project Sales Tax Fund – accounts for the one cent sales tax increase that is to be used to upgrade specific roads over a seven year period beginning May 1, 2007.

Voluntary Developer Contributions – accounts for the monies donated by the developers to help offset the impact to the community because of increased housing and development in certain areas of the County. These contributions have designated uses as stated in the agreements. These designated uses can range from park developments/improvements, road improvements or support for fire protection in the developed area.

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

June 30, 2007

	Non-Major Funds		
	Capital Projects Sales Tax	Developer Contributions Capital Projects	Total Non-Major Funds
Assets			
Equity in pooled cash and investments	\$ -	\$ 309,772	\$ 309,772
Interest receivable	-	1,993	1,993
Total assets	<u>\$ -</u>	<u>\$ 311,765</u>	<u>\$ 311,765</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts payable - trade	\$ 86,232	\$ 39,690	\$ 125,922
Due to other funds	165,467	-	165,467
Total liabilities	<u>251,699</u>	<u>39,690</u>	<u>291,389</u>
Fund balance :			
Unreserved			
Designated	-	272,075	272,075
Undesignated	(251,699)	-	(251,699)
Total fund balance (deficit)	<u>(251,699)</u>	<u>272,075</u>	<u>20,376</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 311,765</u>	<u>\$ 311,765</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR CAPITAL PROJECTS FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2007

	<u>Non-Major Funds</u>		
	<u>Capital Projects Sales Tax</u>	<u>Developer Contributions Capital Projects</u>	<u>Total Non- Major Funds</u>
Revenues			
Interest	-	\$ 5,565	\$ 5,565
Other- donations	-	311,200	311,200
Total revenues	<u>-</u>	<u>316,765</u>	<u>316,765</u>
Expenditures			
Economic Development:			
Construction contracts	251,699	5,000	256,699
Capital Outlay	-	39,690	39,690
Total expenditures	<u>251,699</u>	<u>44,690</u>	<u>296,389</u>
Excess (deficiency) of revenue over expenditures	<u>(251,699)</u>	<u>272,075</u>	<u>20,376</u>
Net change in fund balance	<u>(251,699)</u>	<u>272,075</u>	<u>20,376</u>
Fund balance at beginning of year	-	-	-
Fund balance (deficit) at end of year	<u>\$ (251,699)</u>	<u>\$ 272,075</u>	<u>\$ 20,376</u>

See accompanying independent auditors' report.

Horry County, South Carolina
 Capital Projects Sales Tax Fund
 Balance Sheets

June 30, 2007
 (with comparative total amounts June 30, 2006)

	2007	2006
Assets		
Equity in pooled cash and investments	\$ -	\$ -
Total assets	\$ -	\$ -
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 86,232	\$ -
Due to other funds	165,467	-
Total liabilities	251,699	-
Fund balance :		
Unreserved		
Undesignated	(251,699)	-
Total fund balance	(251,699)	-
Total liabilities and fund balance	\$ -	\$ -

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
 CAPITAL PROJECTS SALES TAX FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007
 (With comparative actual amounts for ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Sales Tax	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Economic Development:				
Construction contracts	-	251,699	(251,699)	-
Total expenditures	-	251,699	(251,699)	-
Excess (deficiency) of revenue over expenditures	-	(251,699)	(251,699)	-
Net change in fund balance	-	(251,699)	(251,699)	-
Fund balance at beginning of year	-	-	-	-
Fund balance (deficit) at end of year	\$ -	\$ (251,699)	\$ (251,699)	\$ -

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

DEVELOPER CONTRIBUTIONS CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2007

(with comparative total amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 309,772	\$ -
Interest receivable	1,993	-
Total assets	<u>\$ 311,765</u>	<u>\$ -</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 39,690	\$ -
Total liabilities	<u>39,690</u>	<u>-</u>
Fund balance :		
Unreserved		
Designated	<u>272,075</u>	<u>-</u>
Total fund balance	<u>272,075</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 311,765</u>	<u>\$ -</u>

See accompanying independent auditors' report.

Horry County, South Carolina
 Developer Contributions Capital Projects Fund
 Schedules of Revenues, Expenditures and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual

Year Ended June 30, 2007
 (With comparative actual amounts for ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Interest	\$ 5,565	\$ 5,565	\$ -	\$ -
Other- donations	311,200	311,200	-	-
Total revenues	<u>316,765</u>	<u>316,765</u>	<u>-</u>	<u>-</u>
Expenditures				
Economic Development:				
Construction contracts	316,765	5,000	311,765	-
Capital Outlay	-	39,690	(39,690)	-
Total expenditures	<u>316,765</u>	<u>44,690</u>	<u>272,075</u>	<u>-</u>
Excess of revenue over expenditures	<u>-</u>	<u>272,075</u>	<u>272,075</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>272,075</u>	<u>272,075</u>	<u>-</u>
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 272,075</u>	<u>\$ 272,075</u>	<u>\$ -</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENT CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2007

(with comparative total amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 34,156,074	\$ 14,398,555
Funds held in escrow	2,227,096	2,369,015
Receivables, net:		
Accounts and other	2,000	-
Interest Receivable	398,546	99,383
Prepaid leases	-	728,639
Due from other funds	220,455	341,810
Due from component unit	70,993	83,091
Total assets	<u>\$ 37,075,164</u>	<u>\$ 18,020,493</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 339,172	\$ 132,943
Retainage payable	312,844	-
Other accrued liabilities	242,797	242,797
Total liabilities	<u>894,813</u>	<u>375,740</u>
Fund balance :		
Reserved for prepaid items	-	728,639
Reserved for encumbrances	5,701,190	7,270,699
Reserved for Fire Special Revenue Fund	3,219,852	3,276,394
Reserved for bonded capital projects	8,178,884	1,254,029
Reserved for Loris Library	-	47,635
Unreserved		
Designated	<u>19,080,425</u>	<u>5,067,357</u>
Total fund balance	<u>36,180,351</u>	<u>17,644,753</u>
Total liabilities and fund balance	<u>\$ 37,075,164</u>	<u>\$ 18,020,493</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENTS CAPITAL PROJECTS FUND - MAJOR FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007
(With comparative actual amounts for ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Disposal fee	\$ 797,760	\$ 825,196	\$ 27,436	\$ 825,851
Intergovernmental	1,696,820	1,666,820	(30,000)	-
Interest	150,000	1,429,726	1,279,726	925,009
Other -Donations	3,196,365	189,490	(3,006,875)	47,635
Total revenues	<u>5,840,945</u>	<u>4,111,232</u>	<u>(1,729,713)</u>	<u>1,798,495</u>
Expenditures				
Capital Outlay:				
Construction contracts	12,364,060	3,484,609	8,879,451	5,312,829
Capital Outlay	33,694,482	8,454,728	25,239,754	7,703,248
Other	3,223,728	967,795	2,255,933	211,754
Total expenditures	<u>49,282,270</u>	<u>12,907,132</u>	<u>36,375,138</u>	<u>13,227,831</u>
Excess (deficiency) of revenue over expenditures	<u>(43,441,325)</u>	<u>(8,795,900)</u>	<u>34,645,425</u>	<u>(11,429,336)</u>
Other Financing Sources (Uses)				
Capital Lease Obligations	-	-	-	4,284,381
Bond proceeds	-	11,000,000	11,000,000	-
Sale of Fixed Assets	386,000	-	(386,000)	-
Transfer out to Horry Georgetown TECH	-	-	-	(3,111,061)
Transfers in	16,530,291	16,530,291	-	10,654,894
Transfers out	(198,793)	(198,793)	-	(157,190)
Total other financing sources (uses)	<u>16,717,498</u>	<u>27,331,498</u>	<u>10,614,000</u>	<u>11,671,024</u>
Net change in fund balance	<u>(26,723,827)</u>	<u>18,535,598</u>	<u>45,259,425</u>	<u>241,688</u>
Fund balance at beginning of year	<u>17,644,753</u>	<u>17,644,753</u>	<u>-</u>	<u>17,403,065</u>
Fund balance (deficit) at end of year	<u>\$ (9,079,074)</u>	<u>\$ 36,180,351</u>	<u>\$ 45,259,425</u>	<u>\$ 17,644,753</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

DEBT SERVICE FUNDS

Debt service funds are used to account for fund accumulated for, and payment of, all general long-term debt principal, interest and fees, exclusive of those relating to propriety funds. The County currently has established the following debt service funds:

General Debt - accounts for the funds accumulated for, and payment of, all general obligation long-term debt principal, interest and fees other than those accounted for in other funds.

Higher Education - accounts for the funds accumulated for, and payment of principal, interest, and fees on the general obligation serial bonds issued for higher education and the contributions to the Higher Education Commission.

Horry-Georgetown TECH - accounts for the funds accumulated for, and payment of principal, interest, and fees on the general obligation serial bonds issued for the Horry Georgetown Technical Education Center with a current amount remitted to TECH for maintenance related expenditures.

Special Obligation Debt - accounts for the funds accumulated for, and payment of, all special obligation debt principal, interest and fees other than those accounted for in other funds.

RIDE Program - accounts for the funds accumulated for, and payment of principal, insured and uninsured portions, interest, and fees on intergovernmental loan agreements with the South Carolina Transportation Infrastructure Bank for the Horry County Road Improvement Development Efforts (RIDE) projects.

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET

June 30, 2007

	General Debt	Non-Major Funds			Special Obligation Debt	Total Non-Major Funds
		Higher Education	Georgetown TECH	Horry		
ASSETS						
Equity in pooled cash and investments	\$ 10,047,551	\$ 136,987	\$ 171,460	\$ -	\$ -	\$ 10,355,998
Funds held in trust - restricted	-	-	-	2,541,072		2,541,072
Receivables, net:						
Taxes	55,371	7,286	19,765	-		82,422
Other	897	-	-	-		897
Interest receivable	166,927	8,129	16,879	-		191,935
Total Assets	<u>\$ 10,270,746</u>	<u>\$ 152,402</u>	<u>\$ 208,104</u>	<u>\$ 2,541,072</u>		<u>\$ 13,172,324</u>

LIABILITIES AND FUND BALANCE

Fund Balance:						
Reserved for Debt Service	\$ 10,270,746	\$ 152,402	\$ 208,104	\$ 2,541,072	\$ -	\$ 13,172,324
Total Fund Balance	<u>10,270,746</u>	<u>152,402</u>	<u>208,104</u>	<u>2,541,072</u>		<u>13,172,324</u>
Total Liabilities and Fund Balance	<u>\$ 10,270,746</u>	<u>\$ 152,402</u>	<u>\$ 208,104</u>	<u>\$ 2,541,072</u>		<u>\$ 13,172,324</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2007

	Non-Major Funds				Total Non-Major Funds
	General Debt	Higher Education	Georgetown TECH	Special Obligation Debt	
Revenues					
Real property taxes	\$ 6,887,285	\$ 908,536	\$ 2,466,141	\$ -	\$ 10,261,962
Personal property taxes	697,212	91,987	249,538	-	1,038,737
Vehicle taxes	758,481	100,311	271,781	-	1,130,573
Intergovernmental	113,396	10,636	13,880	-	137,912
Interest	457,618	22,556	46,116	195,238	721,528
Other	26,688	571	1,556	-	28,815
Total revenues	8,940,680	1,134,597	3,049,012	195,238	13,319,527
Expenditures					
Debt service:					
Principal	3,425,684	-	110,000	1,260,000	4,795,684
Interest	2,901,148	121,913	133,913	766,400	3,923,374
Agents fees	1,877	-	-	3,196	5,073
Other	-	575,000	-	-	575,000
Total debt service	6,328,709	696,913	243,913	2,029,596	9,299,131
Current:					
Horry Georgetown TECH	-	-	2,800,000	-	2,800,000
Higher Education Commission	-	410,000	-	-	410,000
Total current	-	410,000	2,800,000	-	3,210,000
Total expenditures	6,328,709	1,106,913	3,043,913	2,029,596	12,509,131
Excess (deficiency) of revenues over (under) expenditures	2,611,971	27,684	5,099	(1,834,358)	810,396
Other Financing Sources (Uses)					
Transfers in	1,879,044	-	-	1,867,443	3,746,487
Total other financing sources (uses)	1,879,044	-	-	1,867,443	3,746,487
Net change in fund balance	4,491,015	27,684	5,099	33,085	4,556,883
Fund balance at beginning of year	5,779,731	124,718	203,005	2,507,987	8,615,441
Fund balance at end of year	\$ 10,270,746	\$ 152,402	\$ 208,104	\$ 2,541,072	\$ 13,172,324

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GENERAL DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2007
(with comparative total amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 10,047,551	\$ 5,744,676
Receivables, net:		
Property taxes	55,371	32,540
Other	897	-
Interest receivable	166,927	-
Due from other governments	-	2,515
Total assets	<u>\$ 10,270,746</u>	<u>\$ 5,779,731</u>
 Liabilities and Fund Balance		
Fund balance:		
Reserved for debt service	<u>\$ 10,270,746</u>	<u>\$ 5,779,731</u>
Total fund balance	<u>10,270,746</u>	<u>5,779,731</u>
Total liabilities and fund balance	<u>\$ 10,270,746</u>	<u>\$ 5,779,731</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GENERAL DEBT SERVICE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007
 (with comparative actual amounts for the year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 7,406,000	\$ 6,887,285	\$ (518,715)	\$ 7,000,922
Personal property taxes	-	697,212	697,212	170
Vehicle taxes	750,000	758,481	8,481	833,065
Intergovernmental	98,304	113,396	15,092	103,213
Interest	34,500	457,618	423,118	170,100
Other	22,346	26,688	4,342	22,348
Total revenues	<u>8,311,150</u>	<u>8,940,680</u>	<u>629,530</u>	<u>8,129,817</u>
Expenditures				
Debt Service:				
Principal	3,930,684	3,425,684	505,000	5,032,175
Interest	3,360,999	2,901,148	459,851	3,297,001
Agents fees	3,247	1,877	1,370	5,639
Other- Contingency	2,895,930	-	2,895,930	4,319
Total expenditures	<u>10,190,860</u>	<u>6,328,709</u>	<u>3,862,151</u>	<u>8,339,134</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,879,710)</u>	<u>2,611,971</u>	<u>4,491,681</u>	<u>(209,317)</u>
Other Financing Sources (Uses)				
Transfers in	1,879,710	1,879,044	(666)	1,899,306
Bond Issue Costs	-	-	-	(439,463)
Bond Proceeds	-	-	-	35,326,714
Payment to refunded bond escrow agent	-	-	-	(34,882,932)
Total other financing sources	<u>1,879,710</u>	<u>1,879,044</u>	<u>(666)</u>	<u>1,903,625</u>
Net change in fund balance	-	4,491,015	4,491,015	1,694,308
Fund balance at beginning of year	<u>5,779,731</u>	<u>5,779,731</u>	-	<u>4,085,423</u>
Fund balance at end of year	<u>\$ 5,779,731</u>	<u>\$ 10,270,746</u>	<u>\$ 4,491,015</u>	<u>\$ 5,779,731</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
HIGHER EDUCATION DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2007
(with comparative total amounts June 30, 2006)

	2007	2006
Assets		
Equity in pooled cash and investments	\$ 136,987	\$ 120,411
Receivables, net:		
Property taxes	7,286	4,307
Interest Receivable	8,129	-
Total assets	\$ 152,402	\$ 124,718
 Liabilities and Fund Balance		
Fund balance:		
Reserved for debt service	\$ 152,402	\$ 124,718
Total fund balance	152,402	124,718
Total liabilities and fund balance	\$ 152,402	\$ 124,718

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

HIGHER EDUCATION DEBT SERVICE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007
 (with comparative actual amounts for the year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 980,365	\$ 908,536	\$ (71,829)	\$ 924,416
Personal property taxes	-	91,987	91,987	36
Vehicle taxes	97,500	100,311	2,811	101,005
Intergovernmental	10,640	10,636	(4)	10,639
Interest	3,000	22,556	19,556	9,200
Other	290	571	281	-
Total revenues	<u>1,091,795</u>	<u>1,134,597</u>	<u>42,802</u>	<u>1,045,296</u>
Expenditures				
Debt Service:				
Interest	121,913	121,913	-	136,388
Agents fees	800	-	800	451
Other- Student grants	<u>559,082</u>	<u>575,000</u>	<u>(15,918)</u>	<u>500,000</u>
Total debt service	<u>681,795</u>	<u>696,913</u>	<u>(15,118)</u>	<u>636,839</u>
Current:				
Higher Education Commission	<u>410,000</u>	<u>410,000</u>	<u>-</u>	<u>390,000</u>
Total expenditures	<u>1,091,795</u>	<u>1,106,913</u>	<u>(15,118)</u>	<u>1,026,839</u>
Excess of revenues over expenditures	<u>-</u>	<u>27,684</u>	<u>27,684</u>	<u>18,457</u>
Net change in fund balance	-	27,684	27,684	18,457
Fund balance at beginning of year	<u>124,718</u>	<u>124,718</u>	<u>-</u>	<u>106,261</u>
Fund balance at end of year	<u>\$ 124,718</u>	<u>\$ 152,402</u>	<u>\$ 27,684</u>	<u>\$ 124,718</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

HORRY GEORGETOWN TECH DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2007
(with comparative total amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Equity in pooled cash and investments	\$ 171,460	\$ 191,362
Receivables, net:		
Property taxes	19,765	11,643
Interest Receivable	16,879	-
Total assets	<u>\$ 208,104</u>	<u>\$ 203,005</u>
Liabilities and Fund Balance		
Fund balance:		
Reserved for debt service	\$ 208,104	\$ 203,005
Total fund balance	<u>208,104</u>	<u>203,005</u>
Total liabilities and fund balance	<u>\$ 208,104</u>	<u>\$ 203,005</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

HORRY-GEORGETOWN TECH DEBT SERVICE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007
 (with comparative actual amounts for the year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Real property taxes	\$ 2,651,320	\$ 2,466,141	\$ (185,179)	\$ 2,499,144
Personal property taxes	-	249,538	249,538	54
Vehicle taxes	262,500	271,781	9,281	273,582
Intergovernmental	13,880	13,880	-	13,881
Interest	6,500	46,116	39,616	24,971
Other	-	1,556	1,556	-
Total revenues	2,934,200	3,049,012	114,812	2,811,632
Expenditures				
Debt Service:				
Principal	110,000	110,000	-	105,000
Interest	133,913	133,913	-	137,325
Agents fees	840	-	840	800
Total debt service	244,753	243,913	840	243,125
Current:				
Horry Georgetown Tech	2,689,447	2,800,000	(110,553)	2,590,935
Total expenditures	2,934,200	3,043,913	(109,713)	2,834,060
Excess (deficit) of revenues over (under) expenditures	-	5,099	5,099	(22,428)
Net change in fund balance	-	5,099	5,099	(22,428)
Fund balance at beginning of year	203,005	203,005	-	225,433
Fund balance at end of year	\$ 203,005	\$ 208,104	\$ 5,099	\$ 203,005

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

SPECIAL OBLIGATION DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2007

(with comparative total amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Funds held in trust (restricted)	\$ 2,541,072	\$ 2,507,987
Total assets	<u>\$ 2,541,072</u>	<u>\$ 2,507,987</u>
 Liabilities and Fund Balance		
Fund balance:		
Reserved for debt service	\$ 2,541,072	\$ 2,507,987
Total fund balance	<u>2,541,072</u>	<u>2,507,987</u>
Total liabilities and fund balance	<u>\$ 2,541,072</u>	<u>\$ 2,507,987</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

SPECIAL OBLIGATION DEBT SERVICE FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007
 (with comparative actual amounts for the year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Interest	\$ 193,275	\$ 195,238	\$ 1,963	\$ 269,224
Total revenues	<u>193,275</u>	<u>195,238</u>	<u>1,963</u>	<u>269,224</u>
Expenditures				
Debt Service:				
Principal	1,260,000	1,260,000	-	1,205,000
Interest	766,400	766,400	-	823,035
Agent fees	3,150	3,196	(46)	3,121
Total debt service	<u>2,029,550</u>	<u>2,029,596</u>	<u>(46)</u>	<u>2,031,156</u>
Excess (deficiency) of revenues over expenditures	<u>(1,836,275)</u>	<u>(1,834,358)</u>	<u>1,917</u>	<u>(1,761,932)</u>
Other Financing Sources				
Transfers in - Hospitality	<u>1,836,275</u>	<u>1,867,443</u>	<u>31,168</u>	<u>1,943,888</u>
Total other financing sources	<u>1,836,275</u>	<u>1,867,443</u>	<u>31,168</u>	<u>1,943,888</u>
Net change in fund balance	-	33,085	33,085	181,956
Fund balance at beginning of year	<u>2,507,987</u>	<u>2,507,987</u>	-	<u>2,326,031</u>
Fund balance at end of year	<u>\$ 2,507,987</u>	<u>\$ 2,541,072</u>	<u>\$ 33,085</u>	<u>\$ 2,507,987</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

RIDE PROGRAM DEBT SERVICE FUND - MAJOR FUND
BALANCE SHEETS

June 30, 2007
(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Funds held in trust (restricted):		
Loan Reserve Account	\$ 26,010,519	\$ 20,942,322
Due from other funds	6,818,461	6,439,099
Total assets	<u>\$ 32,828,980</u>	<u>\$ 27,381,421</u>
 Liabilities and Fund Balance		
Fund balance:		
Reserved	\$ 32,828,980	\$ 27,381,421
Total fund balance	<u>32,828,980</u>	<u>27,381,421</u>
Total liabilities and fund balance	<u>\$ 32,828,980</u>	<u>\$ 27,381,421</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

RIDE PROGRAM DEBT SERVICE FUND- MAJOR FUND
 SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2007
 (with comparative actual amounts year ended June 30, 2006)

	2007		Variance Positive (Negative)	2006
	Budget	Actual		Actual
Revenues				
Interest	\$ 750,000	\$ 1,393,629	\$ 643,629	\$ 935,776
Total revenues	750,000	1,393,629	643,629	935,776
Expenditures				
Debt Service:				
Principal				
Insured	10,635,249	10,635,249	-	10,377,095
Uninsured	3,864,144	4,024,144	(160,000)	3,040,515
Interest				
Insured	4,364,751	4,364,751	-	4,703,488
Uninsured	6,666,743	6,508,730	158,013	6,547,298
Total debt service	25,530,887	25,532,874	(1,987)	24,668,396
Excess (deficiency) of revenue over (under) expenditures	(24,780,887)	(24,139,245)	641,642	(23,732,620)
Other Financing Sources (Uses)				
Transfers in - Hospitality	82,500	85,802	3,302	83,530
Transfers in-Admissions Tax	29,274,850	29,501,002	226,152	29,887,451
Total other financing sources (uses)	29,357,350	29,586,804	229,454	29,970,981
Net change in fund balance	4,576,463	5,447,559	871,096	6,238,361
Fund balance, beginning of year	27,381,421	27,381,421	-	21,143,060
Fund balance, end of year	\$ 31,957,884	\$ 32,828,980	\$ 871,096	\$ 27,381,421

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY (ENTERPRISE) FUNDS

Proprietary (enterprise) funds account for operations that are financed and operated in a manner similar to private business enterprises. In a proprietary fund the intent is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed primarily through user charges.

Department of Airports - accounts for revenue and expenses for the operations of the Conway, Loris and Grand Strand general aviation airports, and the Myrtle Beach International Airport.

Baseball Stadium - accounts for revenue and expenses for the operation of a farm league professional baseball stadium jointly owned and operated with the City of Myrtle Beach.

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 42,635,128	\$ 22,743,814
Investments	-	15,877,867
Accounts receivable (net of allowance of \$294,358 in 2007 and 2006)	733,990	720,661
Interest receivable	366,245	556,059
Due from other governments	276,185	1,978,323
Inventories	267,951	279,184
Prepaid items	116,129	283,904
Total current assets	<u>44,395,628</u>	<u>42,439,812</u>
Non-current assets:		
Restricted assets:		
Cash and cash equivalents	5,851,833	5,424,407
Investments	26,951,756	22,379,803
Receivables - PFC's and CFC's	921,224	787,769
Total restricted assets	<u>33,724,813</u>	<u>28,591,979</u>
Capital assets:		
Land, easements and infrastructure	31,990,915	29,833,845
Depreciable buildings, runways, taxiways, aprons, machinery and equipment, net	61,455,154	65,295,698
Construction-in-progress	517,771	12,323,334
Total capital assets, net	<u>93,963,840</u>	<u>107,452,877</u>
Bond issuance costs, net	600,897	665,188
Total assets	<u><u>\$ 172,685,178</u></u>	<u><u>\$ 179,149,856</u></u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
BALANCE SHEETS

- CONTINUED -

	<u>2007</u>	<u>2006</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 248,297	\$ 288,167
Construction accounts and retainage payable	567,419	1,443,555
Accrued salaries, wages and compensated absences	312,535	255,038
Other accrued expenses	526,256	379,002
Unearned revenue	170,419	113,964
Due to Federal government	7,051,452	-
Due to Horry County - General Fund	823,105	1,108,514
Capital leases payable - current portion	37,703	43,699
Amounts due to tenants	675,203	524,106
Total current liabilities	<u>10,412,389</u>	<u>4,156,045</u>
Current liabilities payable from restricted assets:		
Revenue bonds payable - current portion	1,890,000	1,780,000
Accrued interest payable	733,281	787,756
Total current liabilities payable from restricted assets	<u>2,623,281</u>	<u>2,567,756</u>
Non-current liabilities:		
Revenue bonds payable	21,850,429	23,707,113
Compensated absences - long term	650,517	492,560
Due to tenants for capital improvements	250,000	300,000
Capital leases	344,920	382,623
Total non-current liabilities	<u>23,095,866</u>	<u>24,882,296</u>
Total liabilities	<u>36,131,536</u>	<u>31,606,097</u>
Net assets:		
Investment in capital assets, net of related debt	70,056,542	81,804,630
Restricted for:		
Debt service	33,452,969	28,225,390
Capital projects	271,844	366,588
Unrestricted	32,772,287	37,147,151
Total net assets	<u>136,553,642</u>	<u>147,543,759</u>
Total liabilities and net assets	<u>\$ 172,685,178</u>	<u>\$ 179,149,856</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2007
(with comparative amounts year ended June 30, 2006)

	<u>2007</u>	<u>2006</u>
Operating Revenues		
Landing fees	\$ 2,135,513	\$ 1,930,984
Airline terminal rents	4,059,647	3,876,068
Concessions and rentals	5,905,315	5,367,324
Security fees	192,654	249,009
Leases	1,089,293	1,007,694
Fuel sales - FBO	3,937,361	4,496,876
Other Airline Services	903,927	814,204
Other	682,748	701,974
Total operating revenues	<u>18,906,458</u>	<u>18,444,133</u>
Less, signatory airline contract operating rebate	<u>(378,336)</u>	<u>(74,718)</u>
Net operating revenues	<u>18,528,122</u>	<u>18,369,415</u>
Operating Expenses		
Salaries and benefits	5,435,472	5,264,536
Utilities	794,181	813,976
Outside and professional services	1,225,178	1,005,278
Maintenance and supplies	589,395	573,798
Fuel cost of sales	2,628,907	3,114,355
Vehicle and equipment (non-capital) expense	285,633	278,817
Insurance	279,005	273,132
Dues, memberships, and travel	157,243	182,672
Office supplies	24,895	24,745
Horry County administrative costs	195,245	350,000
Depreciation and amortization	4,730,767	4,738,337
Bad debt expense	-	50,073
Total operating expenses	<u>16,345,921</u>	<u>16,669,719</u>
Operating income	<u>2,182,201</u>	<u>1,699,696</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

- CONTINUED -

	<u>2007</u>	<u>2006</u>
Non-Operating Revenues (Expenses)		
Passenger Facility Charges (PFC's)	3,308,886	2,936,287
Contract Facility Charges (CFC's)	2,743,754	2,724,692
Intergovernmental revenues - City of Myrtle Beach	1,449,069	1,308,841
Sale of land	1,126,170	-
Redevelopment Authority grant revenue	131,250	124,219
Grant expenditures	(269,671)	(124,219)
Reimbursement of funds to the FAA	(8,154,369)	-
Interest income	3,607,028	2,243,281
Interest expense	(1,514,360)	(1,613,960)
Net non-operating revenues (expenses)	<u>2,427,757</u>	<u>7,599,141</u>
Income before extraordinary item and capital contributions	<u>4,609,958</u>	<u>9,298,837</u>
Extraordinary Item	(16,453,255)	-
Capital Contributions		
State grants - capital projects	41,542	18,977
Private grant revenue - capital projects	-	100,000
Federal grants - capital projects	811,638	7,087,969
Net change in net assets	<u>(10,990,117)</u>	<u>16,505,783</u>
Net assets, beginning of year	<u>147,543,759</u>	<u>131,037,976</u>
Net assets, end of year	<u>\$ 136,553,642</u>	<u>\$ 147,543,759</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2007
(with comparative amounts year ended June 30, 2006)

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities		
Cash received for:		
Landing fees, terminal rents, and concessions leases	\$ 13,185,652	\$ 12,598,648
FBO sales and airline services	4,786,704	4,928,922
Other	749,989	662,192
Cash paid for:		
Salaries and benefits	(5,220,018)	(5,154,044)
Maintenance, supplies, fuel, utilities and equipment	(6,178,699)	(6,532,243)
Net cash provided by operating activities	<u>7,323,628</u>	<u>6,503,475</u>
Cash flows from non-capital financing activities		
Grant expenditures	(269,671)	(124,219)
Intergovernmental revenues	131,250	124,219
Net cash (used in) non-capital financing activities	<u>(138,421)</u>	<u>-</u>
Cash flows from capital and related financing activities		
Receipt of passenger and contract facility charges	5,919,185	5,655,606
Acquisition and construction of fixed assets	(8,556,831)	(7,183,557)
Sale of land	1,126,170	-
Principal payments on bonds and notes	(1,780,000)	(1,685,000)
Interest paid on bonds and notes	(1,535,518)	(1,631,221)
Principal payments on capital lease obligation	(43,699)	(26,987)
Receipt of intergovernmental and private grants	1,449,069	1,408,841
Proceeds from Airport Improvement Program and State grants	1,452,401	7,179,799
Net cash provided by capital and related financing activities	<u>(1,969,223)</u>	<u>3,717,481</u>
Cash flows from investing activities		
Investment purchases	(26,951,756)	(38,257,670)
Investment sales	38,257,670	35,024,668
Interest on investments	3,796,842	1,839,068
Net cash used in investing activities	<u>15,102,756</u>	<u>(1,393,934)</u>
Net increase (decrease) in cash and cash equivalents	20,318,740	8,827,022
Cash and cash equivalents, beginning of year		
Unrestricted	22,743,814	13,786,108
Restricted	5,424,407	5,555,091
	<u>28,168,221</u>	<u>19,341,199</u>
Cash and cash equivalents, end of year		
Unrestricted	42,635,128	22,743,814
Restricted	5,851,833	5,424,407
	<u>\$ 48,486,961</u>	<u>\$ 28,168,221</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

- CONTINUED -

	2007	2006
Reconciliation of operating income to cash flows from operating activities		
Operating income	\$ 2,182,201	\$ 1,699,696
Adjustments to reconcile operating income to net cash provided by:		
Depreciation and amortization	4,730,767	4,738,337
Bad debt expense	-	50,073
(Increase) decrease in certain assets:		
Accounts receivable	(13,329)	49,248
Prepaid items	167,775	(41,697)
Inventories	11,233	(29,614)
(Increase) decrease in certain liabilities:		
Accounts payable	(39,870)	101,380
Accrued salaries and wages	215,454	110,492
Other accrued expenses	147,254	(5,829)
Due to Horry County - General Fund	(285,409)	60,290
Unearned Revenue	56,455	(110,224)
Amounts due to airlines and car rental companies	151,097	(118,677)
Net cash provided by operating activities	\$ 7,323,628	\$ 6,503,475
Supplemental information-noncash investing, capital and financing activities		
Total investment (current & prior years) on capital project writeoff - termination of new terminal project	\$ (16,453,255)	\$ -
Capital lease obligation incurred to finance equipment purchase	\$ -	\$ 425,000
Capital improvements made by tenant	\$ -	\$ 300,000

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
 BASEBALL STADIUM ENTERPRISE FUND
 BALANCE SHEETS

June 30, 2007
 (with comparative amounts June 30, 2006)

	2007	2006
Assets		
Current Assets		
Due from other funds	\$ -	\$ 73,270
Total current assets	-	73,270
Restricted assets:		
Cash and cash equivalents	320,958	294,521
Total restricted assets	320,958	294,521
Non-current assets:		
Capital assets:		
Land and improvements	2,693,320	2,693,320
Buildings and improvements	3,356,135	3,356,135
Equipment	326,891	326,892
	6,376,346	6,376,347
Less, accumulated depreciation	(1,532,266)	(1,366,028)
Net capital assets	4,844,080	5,010,319
Total assets	\$ 5,165,038	\$ 5,378,110
Liabilities and Net Assets		
Current Liabilities:		
Due to other governments	\$ 89,790	\$ 122,529
Total current liabilities	89,790	122,529
Current liabilities payable from restricted assets:		
Certificates of Participation Payable - current portion	138,000	133,500
Accrued interest payable	51,943	54,813
Total current liabilities payable from restricted assets	189,943	188,313
Certificates of Participation payable	2,023,500	2,161,500
Total liabilities	2,303,233	2,472,342
Net Assets:		
Invested in capital assets, net of related debt	2,630,637	2,660,506
Restricted for debt service, renewals & replacements	320,958	294,521
Unrestricted	(89,790)	(49,259)
Total net assets	2,861,805	2,905,768
Total liabilities and net assets	\$ 5,165,038	\$ 5,378,110

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

BASEBALL STADIUM ENTERPRISE FUND
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Year Ended June 30, 2007
(with comparative amounts year ended June 30, 2006)

	<u>2007</u>	<u>2006</u>
Operating Revenues		
Concessions and rentals	\$ 7,790	\$ 7,201
Other	932	969
Total operating revenues	<u>8,722</u>	<u>8,170</u>
Operating Expenses		
Management Fee	-	3,000
Salaries	11,988	4,201
Maintenance & Supplies	64,310	20,721
Insurance	28,380	28,379
Depreciation	166,239	166,239
Other	1,223	1,572
Total operating expenses	<u>272,140</u>	<u>224,112</u>
Operating (loss)	(263,418)	(215,942)
Non-operating Revenue (Expenses)		
Interest income	18,579	11,227
Interest expense	(103,885)	(109,627)
Net non-operating revenue (expenses)	<u>(85,306)</u>	<u>(98,400)</u>
Loss before transfers	(348,724)	(314,342)
Transfers		
Operating transfers in - Hospitality Fund	304,761	313,301
Net change in net assets	(43,963)	(1,041)
Net assets at beginning of year	2,905,768	2,906,809
Net assets at end of year	<u>\$ 2,861,805</u>	<u>\$ 2,905,768</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

BASEBALL STADIUM
STATEMENTS OF CASH FLOWS

Year Ended June 30, 2007
(with comparative amounts year ended June 30, 2006)

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities		
Cash paid for:		
Baseball Stadium Operations	\$ (56,648)	\$ (73,714)
Net cash used in operating activities	<u>(56,648)</u>	<u>(73,714)</u>
Cash flows from non-capital financing activities		
Transfers in - Hospitality Fund	<u>304,761</u>	<u>313,301</u>
Net cash provided by non-capital financing activities	<u>304,761</u>	<u>313,301</u>
Cash flows from capital and related financing activities		
Principal payments on Certificates of Participation	(133,500)	(127,500)
Interest paid on Certificates of Participation	<u>(106,755)</u>	<u>(112,305)</u>
Net cash used in capital and other related financing activities	<u>(240,255)</u>	<u>(239,805)</u>
Cash flows from investing activities		
Interest earned	<u>18,579</u>	<u>11,227</u>
Net cash provided by investing activities	<u>18,579</u>	<u>11,227</u>
Net increase in cash and cash equivalents	26,437	11,009
Cash and cash equivalents, beginning of year	<u>294,521</u>	<u>283,512</u>
Cash and cash equivalents, end of year	<u>\$ 320,958</u>	<u>\$ 294,521</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (263,418)	\$ (215,942)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	166,239	166,239
(Increase)decrease in due from other funds	73,270	(73,270)
Increase(decrease) in due to other governments	<u>(32,739)</u>	<u>49,259</u>
Net cash provided by (used in) operating activities	<u>\$ (56,648)</u>	<u>\$ (73,714)</u>

See accompanying independent auditors' report.

INTERNAL SERVICE FUND

Internal service funds account for the financing of goods and services provided by one department to other departments of the government and to other units, on a cost reimbursement basis.

Fleet Service - Accounts for the maintenance and service of all County vehicles including heavy and light equipment.

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
BALANCE SHEETS

June 30, 2007

(with comparative amounts June 30, 2006)

	<u>2007</u>	<u>2006</u>
Assets		
Current assets:		
Equity in pooled cash and investments	\$ 6,492,154	\$ 5,813,530
Petty Cash	100	100
Interest receivable	108,353	-
Inventory	266,753	290,270
Total current assets	<u>6,867,360</u>	<u>6,103,900</u>
Non-current assets:		
Capital assets:		
Machinery and Equipment	11,511,365	11,103,307
Less, accumulated depreciation	<u>(7,176,430)</u>	<u>(7,166,551)</u>
Net capital assets	<u>4,334,935</u>	<u>3,936,756</u>
Total assets	<u>\$ 11,202,295</u>	<u>\$ 10,040,656</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 22,375	\$ 35,836
Accrued salaries, wages and compensated absences	<u>12,604</u>	<u>11,567</u>
Total current liabilities	<u>34,979</u>	<u>47,403</u>
Net Assets:		
Invested in capital assets	4,334,935	3,936,756
Unrestricted	<u>6,832,380</u>	<u>6,056,497</u>
Total net assets	<u>11,167,315</u>	<u>9,993,253</u>
Total liabilities and net assets	<u>\$ 11,202,295</u>	<u>\$ 10,040,656</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2007
 (with comparative amounts year ended June 30, 2006)

	<u>2007</u>	<u>2006</u>
Operating Revenues		
Charges for services	\$ 4,344,981	\$ 4,042,117
Other	15,205	-
Total operating revenues	<u>4,360,186</u>	<u>4,042,117</u>
Operating Expenses		
Personal services	797,253	819,555
Contractual services	1,262,249	1,146,663
Supplies and materials	36,558	40,950
Business and travel	65,706	55,660
Indirect Cost Allocation Plan	4,227	7,074
Depreciation	1,368,097	1,220,159
Total operating expenses	<u>3,534,090</u>	<u>3,290,061</u>
Operating income	<u>826,096</u>	<u>752,056</u>
Non-operating revenues (expenses)		
Gain (loss) on disposal of assets	48,025	81,813
Interest	299,941	122,602
Net non-operating revenues (expenses)	<u>347,966</u>	<u>204,415</u>
Net change in net assets	1,174,062	956,471
Net assets, beginning of year	<u>9,993,253</u>	<u>9,036,782</u>
Net assets, end of year	<u>\$ 11,167,315</u>	<u>\$ 9,993,253</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
STATEMENTS OF CASH FLOWS

YEAR ENDED June 30, 2007

(with comparative amounts year ended June 30, 2006)

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities		
Cash received from:		
Services	\$ 4,344,981	\$ 4,042,117
Miscellaneous charges	15,205	-
Cash paid for:		
Fleet maintenance	(2,089,194)	(1,992,482)
Other supplies and miscellaneous costs	(65,706)	(95,137)
Net cash provided by operating activities	<u>2,205,286</u>	<u>1,954,498</u>
Cash flows from capital and related financing activities		
Purchase of fixed assets	(1,841,231)	(1,678,821)
Proceeds from disposition of property and equipment	123,081	109,077
Net cash provided by (used in) capital and other related financing activities	<u>(1,718,150)</u>	<u>(1,569,744)</u>
Cash flows from investing activities		
Interest income	191,588	122,602
Net cash provided by investing activities	<u>191,588</u>	<u>122,602</u>
Net change in cash and cash equivalents	678,724	507,356
Cash and cash equivalents, beginning of year	5,813,530	5,306,174
Cash and cash equivalents, end of year	<u>\$ 6,492,254</u>	<u>\$ 5,813,530</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	826,096	752,056
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	1,368,097	1,220,159
(Increase) decrease in assets:		
Inventories	23,517	(26,070)
Increase (decrease) in liabilities		
Accounts payable	(13,461)	7,776
Accrued salaries, wages and compensated absences	1,037	577
Net cash provided by operating activities	<u>\$ 2,205,286</u>	<u>\$ 1,954,498</u>

See accompanying independent auditors' report.

FIDUCIARY (AGENCY) FUNDS

Fiduciary (agency) funds account for assets held by the County as an agent for other taxing units or other entities. Agency funds are custodial in nature; assets equal liabilities, and do not measure the results of operations. Interest earned on agency fund investments is credited and received by the General Fund unless an agreement provides otherwise.

HORRY COUNTY, SOUTH CAROLINA
 ALL AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2007

	<u>Balance June 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2007</u>
Totals-Agency Funds				
Assets:				
Cash	\$ 1,207,689	\$ 27,637,310	\$ 3,888,758	\$ 24,956,241
Equity in pooled cash and investments	101,152,004	549,498,538	510,214,167	140,436,375
Total assets	<u>\$ 102,359,693</u>	<u>\$ 577,135,848</u>	<u>\$ 514,102,925</u>	<u>\$ 165,392,616</u>
 Liabilities:				
Due to others	\$ 102,359,693	\$ 577,135,848	\$ 514,102,925	\$ 165,392,616
Total liabilities	<u>\$ 102,359,693</u>	<u>\$ 577,135,848</u>	<u>\$ 514,102,925</u>	<u>\$ 165,392,616</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
 ALL AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

	<u>Balance June 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2007</u>
<u>City of Conway</u>				
Assets:				
Equity in pooled cash and investments	\$ 76,447	\$ 3,743,931	\$ 3,767,376	\$ 53,002
Liabilities:				
Due to others	\$ 76,447	\$ 3,743,931	\$ 3,767,376	\$ 53,002
<u>City of Myrtle Beach</u>				
Assets:				
Equity in pooled cash and investments	\$ 163,907	\$ 20,547,035	\$ 20,588,385	\$ 122,557
Liabilities:				
Due to others	\$ 163,907	\$ 20,547,035	\$ 20,588,385	\$ 122,557
<u>Town of Loris</u>				
Assets:				
Equity in pooled cash and investments	\$ 111,075	\$ 727,298	\$ 724,760	\$ 113,613
Liabilities:				
Due to others	\$ 111,075	\$ 727,298	\$ 724,760	\$ 113,613
<u>City of North Myrtle Beach</u>				
Assets:				
Equity in pooled cash and investments	\$ 73,763	\$ 8,472,416	\$ 8,458,565	\$ 87,614
Liabilities:				
Due to others	\$ 73,763	\$ 8,472,416	\$ 8,458,565	\$ 87,614
<u>Town of Surfside</u>				
Assets:				
Equity in pooled cash and investments	\$ 23,261	\$ 2,163,572	\$ 2,140,088	\$ 46,745
Liabilities:				
Due to others	\$ 23,261	\$ 2,163,572	\$ 2,140,088	\$ 46,745

HORRY COUNTY, SOUTH CAROLINA
 ALL AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

	<u>Balance June 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2007</u>
<u>Town of Atlantic Beach</u>				
Assets:				
Equity in pooled cash and investments	\$ 4,217	\$ 193,606	\$ 193,253	\$ 4,570
Liabilities:				
Due to others	\$ 4,217	\$ 193,606	\$ 193,253	\$ 4,570
<u>Town of Aynor</u>				
Assets:				
Equity in pooled cash and investments	\$ 2,108	\$ 128,274	\$ 128,276	\$ 2,106
Liabilities:				
Due to others	\$ 2,108	\$ 128,274	\$ 128,276	\$ 2,106
<u>Town of Briarcliff</u>				
Assets:				
Equity in pooled cash and investments	\$ 2,419	\$ 240,791	\$ 239,880	\$ 3,330
Liabilities:				
Due to others	\$ 2,419	\$ 240,791	\$ 239,880	\$ 3,330
<u>Horry County School District Operations/Debt</u>				
Assets:				
Equity in pooled cash and investments	\$ 100,617,871	\$ 511,950,157	\$ 472,621,572	\$ 139,946,456
Liabilities:				
Due to others	\$ 100,617,871	\$ 511,950,157	\$ 472,621,572	\$ 139,946,456
<u>Murrells Inlet-Garden City Operation/Debt Fire District</u>				
Assets:				
Equity in pooled cash and investments	\$ 57,271	\$ 1,302,703	\$ 1,319,644	\$ 40,330
Liabilities:				
Due to others	\$ 57,271	\$ 1,302,703	\$ 1,319,644	\$ 40,330

HORRY COUNTY, SOUTH CAROLINA
 ALL AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

	<u>Balance June 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2007</u>
<u>Grand Strand Water and Sewer</u>				
Assets:				
Equity in pooled cash and investments	\$ -	\$ 28,755	\$ 27,368	\$ 1,387
Liabilities:				
Due to others	\$ -	\$ 28,755	\$ 27,368	\$ 1,387
<u>Fireman's Fund</u>				
Assets:				
Cash	\$ 81,843	\$ 1,165,368	\$ 1,171,254	\$ 75,957
Liabilities:				
Due to others	\$ 81,843	\$ 1,165,368	\$ 1,171,254	\$ 75,957
<u>Police Asset Forfeiture Fund</u>				
Assets:				
Cash	\$ 140,077	\$ 152,660	\$ 111,110	\$ 181,627
Liabilities:				
Due to others	\$ 140,077	\$ 152,660	\$ 111,110	\$ 181,627
<u>Police Fund</u>				
Assets:				
Cash	\$ 15,256	\$ 114,144	\$ 110,338	\$ 19,062
Liabilities:				
Due to others	\$ 15,256	\$ 114,144	\$ 110,338	\$ 19,062
<u>Police Federal Forfeiture Fund</u>				
Assets:				
Cash	\$ 74,450	\$ 17,657	\$ 30,773	\$ 61,334
Liabilities:				
Due to others	\$ 74,450	\$ 17,657	\$ 30,773	\$ 61,334

HORRY COUNTY, SOUTH CAROLINA
 ALL AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

	<u>Balance June 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2007</u>
<u>Environmental Services</u>				
Assets:				
Cash	\$ 42,168	\$ 1,920	\$ 1,532	\$ 42,556
Liabilities:				
Due to others	\$ 42,168	\$ 1,920	\$ 1,532	\$ 42,556
<u>Library Endowment</u>				
Assets:				
Cash	\$ 3,464	\$ -	\$ -	\$ 3,464
Equity in pooled cash and investments	19,685	5,753	5,000	20,438
	<u>\$ 23,149</u>	<u>\$ 5,753</u>	<u>\$ 5,000</u>	<u>\$ 23,902</u>
Liabilities:				
Due to others	\$ 23,149	\$ 5,753	\$ 5,000	\$ 23,902
<u>Inmate Trust</u>				
Assets:				
Cash	\$ 37,003	\$ 688,856	\$ 678,706	\$ 47,153
Liabilities:				
Due to others	\$ 37,003	\$ 688,856	\$ 678,706	\$ 47,153
<u>B&C MCBP- Infrastructure</u>				
Assets:				
Cash	\$ 813,428	\$ 25,490,952	\$ 1,785,045	\$ 24,519,335
Liabilities:				
Due to others	\$ 813,428	\$ 25,490,952	\$ 1,785,045	\$ 24,519,335

See accompanying independent auditors' report.

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENT FUNDS

These schedules present only the capital asset balances (which include land, buildings, betterments, and equipment owned by the County) related to governmental-type funds. Accordingly, the capital assets reported in proprietary-type funds (enterprise and internal service funds) are excluded from these amounts. Infrastructure capital assets represents actual costs of construction, and/or estimated values of deeded properties by developers.

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

**SCHEDULES OF CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS BY SOURCE**

June 30, 2007

(With comparative amounts June 30, 2006)

Governmental funds- capital assets	<u>2007</u>	<u>2006</u>
Land	\$ 16,231,374	\$ 14,850,249
Buildings	109,328,754	107,325,015
Furniture and equipment	62,703,835	60,760,039
Vehicles	4,082,711	4,275,513
Infrastructure	383,344,360	369,264,672
Construction -in-progress	<u>6,406,918</u>	<u>248,121</u>
 Total governmental funds capital assets	 <u><u>\$ 582,097,952</u></u>	 <u><u>\$ 556,723,609</u></u>
 Investment in governmental funds capital assets by source		
General Obligations Bonds	\$ 103,146,493	\$ 99,971,915
General Fund Revenue	66,705,152	37,478,057
Special Revenue Fund Revenue	18,851,644	14,804,022
Certificates of Participation	10,050,303	10,050,303
Capital Projects Fund	<u>383,344,360</u>	<u>394,419,312</u>
 Total investment in governmental funds capital assets	 <u><u>\$ 582,097,952</u></u>	 <u><u>\$ 556,723,609</u></u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY

JUNE 30, 2007

	Land	Buildings	Furniture and Equipment	Vehicles	Construction in Progress	Infrastructure	Totals
Function and Activity:							
General government	\$ 7,609,869	\$ 61,090,381	\$ 17,494,784	\$ 292,936	\$ -	\$ -	\$ 86,487,970
Public safety	1,929,522	33,990,922	31,146,214	2,428,037	-	-	69,494,695
Infrastructure	2,799,706	2,777,664	13,135,307	1,221,812	-	383,344,360	403,278,849
Health and social services	90,000	2,281,127	-	-	-	-	2,371,127
Cultural and recreation	3,802,277	9,188,660	927,530	139,926	-	-	14,058,393
Construction-in-progress	-	-	-	-	6,406,918	-	6,406,918
Total governmental funds capital assets	\$ 16,231,374	\$ 109,328,754	\$ 62,703,835	\$ 4,082,711	\$ 6,406,918	\$ 383,344,360	\$ 582,097,952

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS BY FUNCTION AND ACTIVITY

YEAR ENDED JUNE 30, 2007

	Balances June 30, 2006 (as restated)	Additions	Deductions	Balances June 30, 2007
Functions and Activity:				
General government	\$ 85,885,719	\$ 944,984	\$ (342,733)	\$ 86,487,970
Public Safety	66,995,419	2,893,380	(394,104)	69,494,695
Infrastructure & Regulation	387,732,801	17,223,618	(1,677,570)	403,278,849
Health and Social Services	2,371,127	-	-	2,371,127
Cultural and Recreation	13,490,422	601,200	(33,229)	14,058,393
Construction-in-progress	248,121	8,137,338	(1,978,541)	6,406,918
Total governmental funds capital assets	<u>\$ 556,723,609</u>	<u>\$ 29,800,520</u>	<u>\$ (4,426,177)</u>	<u>\$ 582,097,952</u>
Class:				
Land	\$ 14,850,249	\$ 1,381,125	\$ -	\$ 16,231,374
Buildings	107,325,015	2,003,739	-	109,328,754
Furniture and equipment	60,760,039	3,582,335	(1,638,539)	62,703,835
Vehicles	4,275,513	616,295	(809,097)	4,082,711
Infrastructure	369,264,672	14,079,688	0	383,344,360
Construction-in-progress	248,121	8,137,338	(1,978,541)	6,406,918
Total governmental funds capital assets	<u>\$ 556,723,609</u>	<u>\$ 29,800,520</u>	<u>\$ (4,426,177)</u>	<u>\$ 582,097,952</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

VICTIMS' RIGHTS

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

SCHEDULES OF COURT FINES, ASSESSMENTS AND SURCHARGES

YEAR ENDED JUNE 30, 2007

	<u>2007</u>	<u>2006</u>
Court Fines and Assessments		
Court fines and assessments collected	\$ 1,741,889	\$ 1,661,010
Court fines and assessments remitted to State Treasurer	<u>(1,597,359)</u>	<u>(1,508,954)</u>
Total court fines and assessments retained	<u>\$ 144,530</u>	<u>\$ 152,056</u>
Surcharges and Assessments Retained by County		
Total surcharges collected	\$ 109,946	\$ 106,066
Total assessments	<u>200,569</u>	<u>184,003</u>
Total surcharges and assessments	<u>\$ 310,515</u>	<u>\$ 290,069</u>
Funds Allocated to Victims Service		
Carryover funds from prior year	\$ (127,736)	\$ (10,643)
Total surcharges and assessments	510,681	498,123
Transfers	179,657	-
Interest earned	2,955	-
Expenditures for victims service	<u>(662,751)</u>	<u>(615,216)</u>
Total unexpended victims rights assistance funds	<u>\$ (97,194)</u>	<u>\$ (127,736)</u>

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

STATISTICAL SECTION

This part of Horry County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
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Financial Trends	204
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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity	210
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These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity	216
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These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information	220
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information	224
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These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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

HORRY COUNTY, SOUTH CAROLINA
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30					
	2002	2003	2004	2005	2006	2007
					as restated	
Governmental activities						
Invested in capital assets, net of related debt	\$305,896	\$339,241	\$360,367	\$364,396	\$387,935	\$406,013
Restricted	51,500	30,647	41,368	27,465	38,317	64,673
Unrestricted	(388,949)	(343,802)	(346,365)	(298,109)	(264,451)	(251,630)
Total governmental activities net assets	<u>(\$31,553)</u>	<u>\$26,086</u>	<u>\$55,370</u>	<u>\$93,752</u>	<u>\$161,801</u>	<u>\$219,056</u>
Business-type activities						
Invested in capital assets, net of related debt	\$68,475	\$68,768	\$73,877	\$81,247	\$84,760	\$72,687
Restricted	16,116	18,149	20,955	24,705	29,635	34,046
Unrestricted	19,918	24,599	27,395	33,920	36,054	32,682
Total business-type activities net assets	<u>\$104,509</u>	<u>\$111,516</u>	<u>\$122,227</u>	<u>\$139,872</u>	<u>\$150,449</u>	<u>\$139,415</u>
Primary government						
Invested in capital assets, net of related debt	\$374,371	\$408,009	\$434,244	\$445,643	\$472,695	\$478,700
Restricted	67,616	48,796	62,323	52,170	67,952	98,719
Unrestricted	(369,031)	(319,203)	(318,970)	(264,189)	(228,397)	(218,948)
Total primary government net assets	<u>\$72,956</u>	<u>\$137,602</u>	<u>\$177,597</u>	<u>\$233,624</u>	<u>\$312,250</u>	<u>\$358,471</u>

(1) Trend data is only available for the last six fiscal years due to the implementation of GASB Statement 34 in fiscal year 2002. Ten years of data, however, will be accumulated over time.

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30					
	2002	2003	2004	2005	2006 as restated	2007
Expenses						
Governmental activities:						
General government	\$ 25,805	\$ 32,590	\$ 27,978	\$ 25,724	\$ 27,960	\$ 40,691
Public safety	44,839	44,667	54,201	63,171	68,799	72,570
Health and social services	3,296	3,457	1,987	2,089	920	980
Infrastructure and regulation	26,209	85,910	23,631	25,797	30,145	14,126
Culture, recreation and tourism	4,959	5,985	6,497	8,211	8,534	9,133
Economic development	1,581	1,626	209	58	843	312
Conservation/natural resources	961	442	342	213	561	1
Other	6,589	1,352	-	-	4,077	-
RIDE IGA #3 contribution	2,280	-	-	-	-	-
Debt service	7,002	18,714	11,480	16,180	15,454	16,193
Horry-Georgetown TECH	-	1,950	1,950	2,154	2,591	2,800
Higher Education Commission	-	270	290	303	500	410
Total governmental activities expenses	123,521	196,963	128,565	143,900	160,384	157,216
Business-type activities:						
Airport	13,519	13,917	14,978	18,190	18,483	26,663
Industrial Parks (2)	568	577	612	1,400	-	-
Baseball Stadium	390	372	365	369	334	376
Total business-type activities expenses	14,477	14,866	15,955	19,959	18,817	27,039
Total primary government expenses	137,998	211,829	144,520	163,859	179,201	184,255
Program Revenues						
Governmental activities:						
Charges for services:						
General government	2,139	11,410	7,702	7,822	20,635	2,206
Public safety	13,396	7,748	4,733	4,807	4,002	12,559
Health and social services	-	100	-	-	-	101
Infrastructure and regulation	5,641	6,627	5,546	12,729	10,596	11,936
Culture, recreation and tourism	55	288	-	-	-	97
Operating grants and contributions	1,210	2,330	688	2,462	1,991	641
Capital grants and contributions	2,593	732	1,384	1,344	2,400	358
Total governmental activities program revenues	25,034	29,235	20,053	29,164	39,624	27,898

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN NET ASSETS (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30					
	2002	2003	2004	2005	2006	2007
					as restated	
Business-type activities:						
Charges for services:						
Airport	12,157	12,469	14,790	21,394	23,403	26,539
Industrial Parks	322	277	174	265	-	-
Baseball Stadium	-	8	7	9	-	9
Operating grants and contributions	-	143	-	-	-	-
Capital grants and contributions	9,074	9,444	9,203	8,731	7,031	-
Total business-type activities program revenues	21,553	22,341	24,174	30,399	30,434	26,548
Total primary government program revenues	46,587	51,576	44,227	59,563	70,058	54,446
Net (Expense)/Revenues						
Governmental activities	(98,487)	(167,728)	(108,512)	(114,736)	(120,760)	(129,318)
Business-type activities	7,076	7,475	8,219	10,440	11,617	(491)
Total primary government program net expense	(91,411)	(160,253)	(100,293)	(104,296)	(109,143)	(129,809)
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Taxes						
Property taxes and Fees-in-lieu of taxes	83,856	73,218	73,217	81,679	86,459	105,141
Investment earnings	2,903	2,168	1,847	2,945	5,676	8,030
Other	35,046	54,835	61,930	68,756	75,504	73,706
Transfers	207	(43)	(237)	(262)	(313)	(305)
Total governmental activities	122,012	130,178	136,757	153,118	167,326	186,572
Business-type activities:						
Other	1,809	(1,127)	1,664	5,940	2,224	(14,474)
Investment earnings	848	694	591	1,003	2,350	3,626
Transfers	(207)	124	237	262	313	305
Total business-type activities	2,450	(309)	2,492	7,205	4,887	(10,543)
Total primary government	124,462	129,869	139,249	160,323	172,213	176,029
Change in Net Assets						
Governmental activities:						
Business-type activities:						
Total primary government	\$ 33,051	\$ (30,383)	\$ 38,956	\$ 56,027	\$ 63,070	\$ 46,221
Governmental activities:	23,525	(37,549)	28,245	38,382	46,566	57,255
Business-type activities:	9,526	7,166	10,711	17,645	16,504	(11,034)
Total primary government	\$ 33,051	\$ (30,383)	\$ 38,956	\$ 56,027	\$ 63,070	\$ 46,221

(1) Trend data is only available for the last six fiscal years due to the implementation of GASB 34 in fiscal year 2002. Ten years of data, however, will be accumulated over time.

(2) The Industrial Park has been reclassified from a Business-type activity to a Governmental activity in the Special Revenue Funds beginning July 1, 2006.

Source: Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)**

	For the Fiscal Year Ended June 30									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General fund										
Reserved	\$ 822	\$ 702	\$ 1,832	\$ 1,720	\$ 794	\$ 828	\$ 620	\$ 482	\$ 2,395	\$ 1,273
Unreserved/designated	-	-	586	757	651	1,592	5,758	10,910	13,547	3,567
Unreserved/undesignated	15,582	14,374	13,650	14,700	15,137	17,597	19,832	18,962	19,102	22,089
Total general fund	<u>16,404</u>	<u>15,076</u>	<u>16,068</u>	<u>17,177</u>	<u>16,582</u>	<u>20,017</u>	<u>26,210</u>	<u>30,354</u>	<u>35,044</u>	<u>26,929</u>
All other governmental funds										
Reserved	18,869	44,829	159,046	56,472	58,204	38,997	50,819	38,048	50,751	57,528
Unreserved for:										
Special revenue funds	21,541	21,065	4,516	9,574	10,705	20,595	22,970	22,985	23,092	33,671
Debt service funds	-	-	-	-	-	-	-	6,743	5,983	13,172
Capital project funds	(2,527)	579	-	-	-	-	-	6,347	7,944	19,080
Total all other governmental funds	<u>37,883</u>	<u>66,473</u>	<u>163,562</u>	<u>66,046</u>	<u>68,909</u>	<u>59,592</u>	<u>73,789</u>	<u>74,123</u>	<u>87,770</u>	<u>123,451</u>
Total governmental fund balances	<u>\$ 54,287</u>	<u>\$ 81,549</u>	<u>\$ 179,630</u>	<u>\$ 83,223</u>	<u>\$ 85,491</u>	<u>\$ 79,609</u>	<u>\$ 99,999</u>	<u>\$ 104,477</u>	<u>\$ 122,814</u>	<u>\$ 150,380</u>

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Property Taxes	\$ 39,256	\$ 41,897	\$ 48,980	\$ 54,757	\$ 67,928	\$ 72,818	\$ 75,519	\$ 78,844	\$ 87,680	\$ 93,557
Licenses and permits	2,133	2,309	2,870	3,927	4,389	4,982	6,434	9,348	13,841	12,128
Intergovernmental	17,342	18,417	19,063	23,320	19,018	16,890	18,010	18,093	18,913	22,570
Fees and fines	34,781	36,092	38,737	43,062	45,073	46,874	51,030	54,003	58,817	61,679
Documentary stamps	1,608	1,945	2,143	1,980	-	-	-	-	-	-
Charges for services (1)	-	-	-	2,139	2,139	2,443	3,889	6,472	8,962	6,966
Interest on investments	2,970	2,956	6,032	6,633	2,903	2,168	1,847	2,945	5,650	8,030
Accommodation tax (2)	-	-	-	-	214	787	834	861	1,014	969
Cost allocation	-	1,301	1,109	1,058	1,122	991	2,115	1,142	1,697	1,426
Other	4,060	1,159	1,669	1,539	1,453	2,734	1,749	1,652	2,368	3,553
Total revenues	102,150	106,076	120,603	136,276	144,239	150,887	161,427	173,360	198,897	210,923
Expenditures										
General government	18,121	19,262	21,518	22,813	25,966	28,250	20,102	20,866	23,570	27,254
Public safety	24,889	28,676	33,238	37,584	43,353	44,177	56,573	60,478	67,878	73,533
Public works	28,799	31,381	17,789	20,590	18,198	17,144	-	-	-	-
Infrastructure and regulation (3)	-	-	-	-	-	-	23,631	28,367	29,028	31,078
Economic development	1,428	3,797	1,810	1,957	1,581	1,895	208	58	774	312
Health and social services	3,457	3,947	3,054	2,852	3,296	3,475	1,987	2,069	894	861
Culture and recreation	5,233	6,297	7,566	4,410	4,959	5,912	6,497	7,825	8,033	8,387
Capital outlay	1,882	5,556	14,608	26,985	24,298	15,161	8,780	20,563	13,544	11,175
Conservation and natural resources	2,072	7,892	477	263	962	955	342	517	561	1
Intergovernmental agreement draws (4)	-	-	-	98,988	-	-	-	-	-	-
Horry-Georgetown Tech	-	-	-	-	1,825	1,950	1,950	2,153	2,591	2,800
Higher Education	-	-	-	-	3,267	270	290	303	500	410
Debt service:										
Principal (5)	4,225	4,571	23,712	24,809	30,043	32,033	30,391	18,798	20,150	19,455
Interest and fees	1,625	1,520	6,695	7,157	4,867	5,038	4,680	16,597	15,659	15,377
Other charges	1,647	1,998	1,526	3,808	2,349	1,352	1,356	1,371	1,457	6,419
Total expenditures	93,378	114,897	131,993	252,216	164,964	157,612	156,787	179,965	184,639	197,062
Excess of revenues over (under) expenditures	8,772	(8,821)	(11,390)	(115,940)	(20,725)	(6,925)	4,640	(6,605)	14,258	13,861

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (Continued)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Other Financing Sources (Uses)										
Transfers in	13,848	16,425	30,347	38,274	37,971	37,092	41,013	47,638	57,682	55,044
Transfers out	(16,142)	(16,425)	(30,620)	(38,337)	(38,806)	(37,216)	(41,470)	(48,087)	(57,995)	(55,349)
Intergovernmental loan agreement draws: (4)	-	-	(218,603)	-	-	-	-	-	-	-
Ride Table 1 Projects (6)	-	-	(10,899)	-	-	-	-	-	-	-
Ride Table 3 Projects (6)	512	-	-	-	-	-	-	-	-	-
Administrative costs - Airport	-	-	554	493	-	-	-	-	-	-
Proceeds from note payable	-	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	-	-	-	1,290	-	-	-	35,326	-
Bond proceeds	-	38,300	9,500	19,905	24,585	-	14,000	-	-	11,000
Premium on bonds issued	-	-	-	-	211	-	47	-	(439)	-
Payments to refunded bond escrow agent	-	-	-	-	(2,866)	-	-	-	(34,883)	-
Capital leases	-	-	1,370	-	507	985	1,032	11,606	7,488	-
Sale of assets	587	347	146	332	101	182	89	176	101	44
Other	563	-	-	-	-	-	-	(230)	(3,111)	-
Total other financing sources (uses)	(632)	38,647	(218,205)	20,667	22,993	1,043	14,711	11,083	4,169	10,739
Net change in fund balances (6) (7)	\$ 8,140	\$ 29,826	\$ (229,595)	\$ (95,273)	\$ 2,268	\$ (5,882)	\$ 19,351	\$ 4,478	\$ 18,427	\$ 24,600
Debt service as a percentage of noncapital expenditures	6.4%	5.6%	25.9%	14.2%	24.8%	26.0%	23.7%	22.2%	20.9%	18.7%

- (1) Prior to fiscal year ended June 30, 2002, revenues for Charges for Services were classified as Documentary Stamps.
(2) Accommodation taxes are considered Special Assessments.
(3) Prior to fiscal year ended June 30, 2004, expenses for Infrastructure and Regulation were classified as Public Works.
(4) Intergovernmental loan agreement draws for fiscal year ended June 30, 2000 are listed by RIDE project under Other Financing Sources (Uses). For fiscal year ended June 30, 2001, the total expense is listed under Expenditures. (Detail: RIDE Table 1 Project \$66,467 and RIDE Table 3 Project \$32,521).
(5) The fluctuation in debt service principal and interest payments for fiscal years ended June 30, 2000 forward are due to issuance of new bonds, subsequent advance refunding of bonds and retirement of bonded debt.
(6) The large decrease in net change in fund balances for fiscal year ended June 30, 2000 is due to a restatement of advanced loan funds to Horry County for the funding of RIDE Projects.
(7) The net change in fund balances for fiscal year ended June 30, 1999 was due to the bond issue of \$38.3M during this fiscal year.

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

FOR THE FISCAL YEAR ENDED JUNE 30	REAL PROPERTY (1) (2) (3)		PERSONAL PROPERTY (2) (4)		TOTAL DIRECT TAX RATE (6) (7) (8)	ESTIMATED ACTUAL TAXABLE VALUE (5) (8)	ASSESSED VALUE (2) (8)	ASSESSED VALUE (2) AS A PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE (5)
	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	FARM	MOTOR VEHICLES				
1998	126,140	391,088	4,954	114,211	79,651	716,044	11,634,143	6.15%
1999	134,954	416,833	4,934	125,126	84,111	765,958	12,429,684	6.16%
2000	189,673	559,166	4,975	137,396	95,389	986,599	16,395,190	6.02%
2001	202,603	592,077	4,914	143,546	107,786	1,050,926	17,442,481	6.03%
2002	214,406	622,014	4,917	145,638	110,911	1,097,886	18,327,452	5.99%
2003	225,111	647,943	4,917	141,518	119,455	1,138,944	19,177,387	5.94%
2004	238,038	663,391	4,953	146,019	115,338	1,167,739	19,882,193	5.87%
2005	249,986	681,439	4,919	144,584	116,445	1,197,373	20,592,643	5.81%
2006	309,446	888,857	5,068	146,222	132,501	1,482,094	25,877,845	5.73%
2007	326,176	980,924	5,031	148,820	145,614	1,606,565	28,190,764	5.70%

Notes:

- (1) Property in the County is reassessed every five years.
- (2) Tax-exempt property has already been deducted.
- (3) The County assesses real property at either 4% or 6% of estimated market value at the time of reassessment.
- (4) The County assessed personal property at 6.0%, 6.75% or 10.5% of estimated taxable market value for FY2007.
- (5) Estimated actual taxable value = appraised value.
- (6) Direct tax rates are per \$1,000 of assessed value.
- (7) Taxes for each tax year are due and payable the following fiscal year.
- (8) Property that is exempt from the County portion of taxes have been subtracted from Assessed Value and Estimated Actual Taxable Value.

Source/s:

Horry County Finance Department
Horry County Assessor
Horry County Auditor

**HORRY COUNTY, SOUTH CAROLINA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
County Direct Rates (4)										
General Fund	39.7	33.5	35.8	39.4	39.4	40.2	40.2	36.7	36.7	36.7
Debt Retirement	3.5	4.9	5.7	7.0	7.0	6.2	6.2	5.3	5.3	5.3
Senior Citizens Fund	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Horry Georgetown Tech	1.9	1.4	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Higher Education (Began in 2000)	-	-	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Recreation (Began in 2001)	-	-	-	1.5	1.5	1.5	1.5	1.3	1.3	1.3
Total Direct Rate	45.6	40.2	44.5	50.9	50.9	50.9	50.9	46.3	46.3	47.3
Unincorp. County Rates (4)										
Rural Fire (Began in 2003)	-	-	-	-	-	18.3	18.3	16.3	16.3	16.3
Waste Management (Began in 2003)	-	-	-	-	-	5.1	7.1	6.4	6.4	6.4
School District Rates (4)										
School District Rates (4)	129.3	113.7	116.4	124.9	124.9	130.4	130.4	129.7	135.3	143.3
Other Fire Districts Rates (4)										
Aynor Fire Contract (Began in 2003)	-	-	-	-	-	18.3	18.3	16.3	16.3	16.3
Atlantic Beach Fire Contract (Began in 2003)	-	-	-	-	-	18.3	18.3	16.3	16.3	16.3
Murrells Inlet /Garden City Contract (Began in 2003)	-	-	-	-	-	10.0	10.0	10.0	10.0	10.0
City Rates (4)										
Town of Atlantic Beach	0.1100	0.1100	0.1100	0.1100	0.1100	0.0900	0.0900	0.0900	0.0900	0.0945
Town of Aynor	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0708	0.0708	0.0722
Town of Briarcliff Acres	0.0680	0.0550	0.0750	0.0750	0.0420	0.0570	0.0560	0.0470	0.0500	0.0528
City of Conway	0.0953	0.0939	0.0939	0.0939	0.0939	0.0939	0.0967	0.0866	0.0866	0.0866
City of Loris	0.1250	0.1150	0.1150	0.1150	0.1150	0.1150	0.1150	0.1050	0.1050	0.1050
City of Myrtle Beach	0.0620	0.0610	0.0609	0.0632	0.0632	0.0632	0.0632	0.0614	0.0614	0.0614
City of N. Myrtle Beach	0.0480	0.0387	0.0357	0.0357	0.0357	0.0357	0.0357	0.0305	0.0305	0.0305
City of Surfside Beach	0.0630	0.0440	0.0440	0.0440	0.0440	0.0550	0.0550	0.0440	0.0440	0.0440

**HORRY COUNTY, SOUTH CAROLINA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS (Continued)
LAST TEN FISCAL YEARS**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Special District Rates (4)										
Conway	0.0150	0.0151	0.0151	0.0209	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227
Crabtree	0.0200	0.0194	0.0194	0.0252	0.0277	0.0277	0.0297	0.0263	0.0263	0.0263
Loris	0.0150	0.0151	0.0151	0.0209	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227
Todd Swamp	0.0200	0.0194	0.0194	0.0252	0.0277	0.0277	0.0297	0.0262	0.0262	0.0262
Buck Creek	0.0200	0.0194	0.0194	0.0252	0.0277	0.0277	0.0297	0.0265	0.0265	0.0265
Simpson Creek	0.0200	0.0194	0.0194	0.0252	0.0277	0.0277	0.0297	0.0261	0.0261	0.0261
Green Sea	0.0150	0.0151	0.0151	0.0209	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227
Aynor	0.0150	0.0151	0.0151	0.0209	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227
Little River	0.0150	0.0151	0.0151	0.0209	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227
Socastee	0.0150	0.0151	0.0151	0.0209	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227
Mt Gilead	0.0450	0.0451	0.0451	0.0229	0.0391	0.0391	0.0411	0.0338	0.0338	0.0338
Socastee Rec	0.0170	0.0171	0.0171	0.0451	0.0254	0.0254	0.0274	0.0247	0.0247	0.0247
Murrells Inlet/G.C.	0.0150	0.0151	0.0151	0.0151	0.0151	0.0151	0.0171	0.0164	0.0164	0.0164
Floyds	0.0150	0.0151	0.0151	0.0209	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227
Cartwheel	0.0200	0.0194	0.0194	0.0252	0.0277	0.0277	0.0297	0.0266	0.0266	0.0266
Gapway	0.0200	0.0194	0.0194	0.0252	0.0277	0.0277	0.0297	0.0265	0.0265	0.0265
Myrtle Beach	0.0150	0.0151	0.0151	0.0209	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227
Arcadian Shores (Began in 2000)	-	-	0.0501	0.0559	0.0584	0.0584	0.0604	0.0577	0.0577	0.0577

Notes:

- (1) Taxes for each tax year are due and payable the following fiscal year.
- (2) A property reappraisal was performed in Tax Year 2005. This reappraisal was delayed by one (1) tax year.
- (3) A reappraisal is performed every five years. The County's next scheduled reappraisal date is Tax Year 2009.
- (4) Rates are per \$1,000 of assessed value.

Source/s: Horry County Assessor and Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2007			1998			
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE (1)	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE (1)	
Myrtle Beach Farms Company Inc.	\$ 22,745,806	1	1.42%	\$ 12,299,811	1	1.72%	
Horry Electric Co-operative	13,294,970	2	0.83%	4,775,670	4	0.67%	
Horry Telephone Co-operative	7,810,720	3	0.49%				
Verizon South Inc.	7,411,370	4	0.46%				
Burroughs & Chapin Company Inc.	4,982,963	5	0.31%	3,828,292	5	0.53%	
Lawyers Title Insurance Corp	4,419,612	6	0.28%				
Broadway at the Beach Inc.	4,389,076	7	0.27%				
AVX Corporation	3,920,944	8	0.24%	8,191,188	3	1.14%	
Bluegreen Vacations Unlimited Inc.	2,525,278	9	0.16%				
Ocean Lakes Family Campground	2,497,521	10	0.16%				
GTE South (General Telephone)				7,206,590	2	1.01%	
Montgomery Construction				3,097,570	6	0.43%	Abated 3/07
Carolina Equipment				3,065,980	7	0.43%	Abated 1/02
Justice, Inc.				2,875,690	8	0.40%	Abated 9/04
Conbraco Industries Inc				2,905,564	9	0.41%	
WCI Investments				2,222,432	10	0.31%	
Totals	<u>\$ 73,998,260</u>		<u>4.62%</u>	<u>\$ 50,468,787</u>		<u>7.05%</u>	

Notes:

(1) Property that is exempt from the County portion of taxes have been subtracted from Assessed Value.

Source: Horry County Treasurer

**HORRY COUNTY, SOUTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

FOR THE FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
1998	41,673	37,311	89.53%	2,498	\$39,809	95.53%
1999	43,793	40,241	91.89%	2,653	\$42,894	97.95%
2000	50,889	45,010	88.45%	4,622	\$49,632	97.53%
2001	53,313	48,751	91.44%	4,662	\$53,413	100.19%
2002	62,665	59,068	94.26%	4,411	\$63,479	101.30%
2003	67,605	63,812	94.39%	4,491	\$68,303	101.03%
2004	75,692	72,650	95.98%	2,870	\$75,520	99.77%
2005	78,211	75,544	96.59%	3,300	\$78,844	100.81%
2006	86,977	85,237	98.00%	2,448	\$87,685	100.81%
2007	93,573	91,215	97.48%	2,334	\$93,549	99.97%

Sources:
Horry County property tax database

HORRY COUNTY, SOUTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT)

FOR THE FISCAL YEAR ENDED JUNE 30	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES						TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME (2)	PER CAPITA (2)
	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENT BONDS	RIDE IGA LOANS	REVENUE BONDS	STADIUM COPS BONDS	CAPITAL LEASES	BASEBALL STADIUM COPS BONDS	CAPITAL LEASES				
2002	79,685	18,490	425,086	31,551	2,775	1,435	69	559,091	11.04%	2,714		
2003	73,945	17,440	396,623	30,855	2,662	1,875	50	523,450	9.83%	2,484		
2004	81,950	16,340	387,234	29,355	2,546	2,402	30	519,857	9.13%	2,389		
2005	76,435	15,190	376,159	27,765	2,423	10,872	9	508,853	8.37%	2,242		
2006	72,920	13,985	364,791	26,080	2,295	14,722	383	495,176	not available	not available		
2007	80,120	12,725	350,132	24,300	2,162	12,027	345	481,811	not available	not available		

Notes:

- (1) Trend data is only available for the last six fiscal years due to the implementation of GASB 34 in fiscal year 2002. Ten years of data, however, will be accumulated over time.
- (2) See the schedule of Demographic and Economic Statistics for personal income and population data.

Source: Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT)**

FOR THE FISCAL YEAR ENDED JUNE 30	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND	TOTAL	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY (2)	NET BONDED DEBT PER CAPITA (3)
1998	\$ 28,190	\$ 5,965	\$ 22,225	6.15%	115
1999	65,018	4,414	60,604	6.16%	311
2000	66,820	3,020	63,800	6.02%	326
2001	61,855	2,578	59,277	6.03%	295
2002	79,685	3,939	75,746	5.99%	368
2003	73,945	4,430	69,515	5.94%	337
2004	81,950	4,249	77,701	5.87%	370
2005	76,435	4,417	72,018	5.81%	330
2006	72,920	6,107	66,813	5.73%	294
2007	80,120	10,631	69,489	5.70%	292

Notes:

- (1) The restricted for debt service principal column has not been included because there are no restricted assets for general obligation bonds.
- (2) See the schedule of Assessed Value and Estimated Actual Value of Taxable Property for Estimated Actual Taxable Value
- (3) See the schedule of Demographic and Economic Statistics for population data.

Source: Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30,2007
(AMOUNTS EXPRESSED IN THOUSANDS)**

<u>ENTITY</u>	<u>DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING DEBT</u>
School District	\$ 400,530	100.00%	\$ 400,530
City of Myrtle Beach	40,795	100.00%	40,795
City of Conway	2,225	100.00%	2,225
City of North Myrtle Beach	2,588	100.00%	2,588
City of Loris	285	100.00%	285
Town of Surfside	2,468	100.00%	<u>2,468</u>
Subtotal, overlapping debt			448,891
Horry County direct debt	63,915	100.00%	<u>63,915</u>
Total direct and overlapping debt		100.00%	<u>\$ 512,806</u>

Notes:

(1) Debt Outstanding is all general obligation long-term debt (excluding compensation for future absences, revenue bonds, other "user fee" bonds, and capital leases.)

Source: Finance Department of each entity.

**HORRY COUNTY, SOUTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

	For the Fiscal Year Ended June 30									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	\$ 60,848	\$ 62,993	\$ 87,167	\$ 91,405	\$ 89,006	\$ 91,850	\$ 94,790	\$ 97,281	\$ 119,413	\$ 129,015
Total net debt applicable to limit	22,530	59,800	55,470	51,335	70,080	65,310	63,315	58,178	55,565	54,609
Legal debt margin	38,318	3,193	31,697	40,070	18,926	26,540	31,475	39,103	63,848	74,406
Total net debt applicable to the limit as a percentage of debt limit	37.03%	94.93%	63.64%	56.16%	78.74%	71.11%	66.80%	59.80%	46.53%	42.33%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed value	\$ 1,606,565
Less: Exempt industrial personal and real property	(4,454)
Plus: Assessed value - Merchant's inventory	10,572
Total assessed value	1,612,683
Debt limit (8% of total assessed value)	129,015
Debt application to limit:	
General obligation bonds	63,915
Less: Amount set aside for repayment of general obligation debt	9,306
Total net debt application to limit	54,609
Legal debt margin	\$ 74,406

Source: Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
PLEGDED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

FOR THE FISCAL YEAR ENDED JUNE 30	AIRPORT REVENUE BONDS				AIRPORT REVENUE BONDS (2)			
	AIRPORT CHARGES AND OTHER	LESS: OPERATING EXPENSES	AVAILABLE REVENUE	NET REVENUE	HOSPITALITY FEE ASSESSMENT COLLECTIONS (1)	DEBT SERVICE PRINCIPAL	DEBT SERVICE INTEREST	COVERAGE
1998	\$ 11,095,450	\$ 6,084,845	\$ 5,010,605	\$ 690,000	\$ -	\$ -	-	-
1999	13,187,103	5,577,515	7,609,588	1,140,000	-	-	-	-
2000	13,664,824	6,029,216	7,635,608	1,210,000	-	-	-	-
2001	15,527,582	6,852,820	8,674,712	1,330,000	4,763	415	484	5.30
2002	13,889,728	7,397,052	6,492,676	1,420,000	5,132	1,000	1,029	2.53
2003	14,478,453	7,750,046	6,728,407	1,500,000	5,063	1,050	979	2.50
2004	17,278,746	8,619,635	8,659,111	1,590,000	5,351	1,100	927	2.64
2005	19,595,565	9,967,999	9,627,566	1,685,000	5,642	1,150	876	2.78
2006	22,238,758	11,525,965	10,712,793	1,780,000	6,159	1,205	823	3.04
2007	23,858,953	11,196,684	12,662,269	1,890,000	6,638	1,260	766	3.28

Notes:

- (1) Does not include interest, fund balance usage or transfers in.
- (2) Hospitality Fee Special Obligation Bonds began in FY2001 and are applicable to the 1.0% Hospitality Fund collections.

Source: Horry County Airport Finance and Horry County Finance Departments

**HORRY COUNTY, SOUTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

YEAR	COUNTY POPULATION (5B)	PERSONAL INCOME (2A) (AMOUNTS EXPRESSED IN THOUSANDS)	PER CAPITA PERSONAL INCOME	SCHOOL ENROLLMENT (1A) (4B)	LABOR FORCE (6B)	EMPLOYMENT (2B) (6B)	COUNTY % UNEMP. (6B)	STATE % UNEMP. (6B)
1997	174,000	3,686,190	21,185 (2B)	25,947	97,736	93,321	4.5%	4.4%
1998	174,762	3,558,926	19,220 (2B)	26,569	100,015	96,425	3.6	3.6
1999	178,550	4,373,047	24,492 (2B)	27,043	103,936	100,234	3.6	4.1
2000	196,629	4,584,405	23,315 (2B)	28,379	105,607	101,874	3.5	3.6
2001	201,088	4,830,335	24,021 (2B)	29,009	102,816	97,773	4.9	5.2
2002	206,039	5,065,263	24,584 (2B)	29,931	106,326 *	100,832 *	5.2 *	5.9 **
2003	210,757	5,324,986	25,266 (2B)	31,018	112,353 *	105,991 *	5.7 *	6.7 **
2004	217,608	5,694,801	26,170 (3B)	32,840	116,679 *	109,788 *	5.9 *	6.8 **
2005	226,992	6,080,889	26,789 (3B)	34,480	122,008 *	115,010 *	5.7 *	6.7 **
2006	238,493	not available	not available	36,068	129,708 *	122,651 *	5.4 *	6.5 **

Notes (A):

- (1) Enrollment is as of Spring of that year.
- (2) Personal Income = County Population (above) x Per Capita Personal Income (above).

Sources (B):

- (1) S. C. Statistical Abstract
 - (2) S. C. Employment Security Commission, Labor Market Research Division
 - (3) Bureau of Economic Analysis
 - (4) Horry County Schools 2007
 - (5) U.S. Census Bureau
 - (6) U.S. Department of Labor
- * Reflects revised inputs, reestimation, and new statewide controls through 2006
 ** Reflects revised population controls and model reestimation for 2002-2006.

**HORRY COUNTY, SOUTH CAROLINA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(AMOUNTS EXPRESSED IN THOUSANDS)**

EMPLOYER	2007			1998 (3)		
	EMPLOYEES (1)	RANK (1)	PERCENTAGE OF TOTAL EMPLOYMENT (2)	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Horry County Dept. of Education	4,853	1	3.44%	3,312	1	3.11%
Burroughs and Chapin	3,000	2	2.13%	-	-	-
Wal-Mart	2,100	3	1.49%	-	-	-
Horry County Government (4)	1,934	4	1.37%	1,508	3	1.42%
AVX Corporation	1,200	5	0.85%	2,223	2	2.09%
Conway Hospital	1,050	6	0.74%	825	5	0.78%
Grand Strand Regional Medical Center	975	7	0.69%	820	6	0.77%
City of Myrtle Beach	927	8	0.66%	700	7	0.66%
Horry Telephone Cooperative	700	9	0.50%	-	-	-
Conbraco	400	10	0.28%	-	-	-
Ocean Dunes Resort	-	-	-	935	4	0.88%
Loris Hospital	-	-	-	608	8	0.57%
Kingston Plantation	-	-	-	600	9	0.56%
Uni-Blend Spinners	-	-	-	424	10	0.40%
Totals	17,139		12.16%	11,955		11.24%

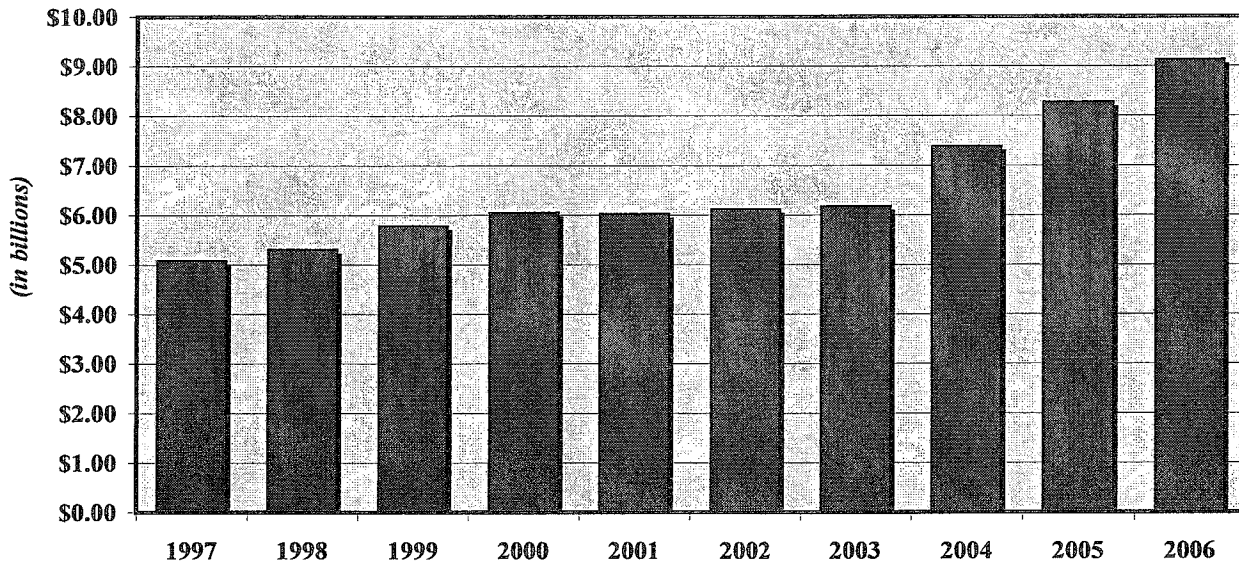
Notes:

The Total Employment is as of June of that year

Source:

- (1) Myrtle Beach Regional Economic Development
- (2) U.S Department of Labor Bureau of Labor Statistics
- (3) 1998 Horry County Comprehensive Annual Financial Report
- (4) Horry County Human Resources Department

**HORRY COUNTY, SOUTH CAROLINA
GROSS RETAIL SALES FIGURES
LAST TEN YEARS**



<u>CALENDAR YEAR</u>	<u>GROSS SALES (in Billions)</u>	<u>PERCENTAGE CHANGE</u>
1997	\$5.09	9.4
1998	\$5.31	4.3
1999	\$5.79	9.0
2000	\$6.06	4.7
2001	\$6.03	(1.0)
2002	\$6.13	1.7
2003	\$6.18	1.0
2004	\$7.39	19.5
2005	\$8.28	12.0
2006	\$9.14	10.4

Sources:

S. C. Statistical Abstract
S. C. Department of Revenue

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

	2001	2002	2003	2004	2005	2006	2007
Functions and Programs							
<u>Governmental Activities:</u>							
General Government	806	801	794	831	865	921	938
Public Safety							
Police	267	289	288	299	320	337	342
Fire	262	259	258	273	272	279	291
Health and Social Services	none	none	none	none	none	none	2
Infrastructure and Regulation							
Public Works	121	122	122	122	121	122	136
Fleet	17	17	17	17	17	17	17
Culture, Recreation and Tourism							
Libraries	41	42	42	47	48	48	57
Parks	6	8	12	15	18	18	18
Economic Development	none	none	none	none	none	none	none
Conservation/Natural Resources	none	none	none	none	none	none	none
Debt Service	none	none	none	none	none	none	none
Horry-Georgetown TECH	none	none	none	none	none	none	none
Higher Education Commission	none	none	none	none	none	none	none
Industrial parks	none	none	none	none	none	none	none
<u>Business-type Activities:</u>							
Airports	104	104	132	132	131	132	133
Baseball stadium	none	none	none	none	none	none	none
Total Primary Government	1624	1642	1665	1736	1792	1874	1934

Notes:

(1) Full-time equivalent employee data is not available by function prior to FY2001; however, ten years of data will be accumulated over time.

Source: Horry County Human Resources Department

**HORRY COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Functions and Programs	For the Fiscal Year Ended June 30					
	2002	2003	2004	2005	2006	2007
Governmental Activities:						
General Government						
Information Technology/GIS:						
# of GIS Parcels Maintained	N/A	177,603	187,924	199,653	210,710	218,282
# of Servers Maintained	7	15	35	52	81	98
Register of Deeds:						
Total Documents Filed	124,906	147,773	176,586	196,108	209,675	184,043
Assessor:						
Assessments of Building Permits	9,723	11,635	9,235	11,314	13,561	16,630
Special Assessments	17,774	23,722	23,434	26,206	22,998	19,391
Real Property Parcels	172,472	177,906	184,466	189,956	203,304	207,221
Human Resources:						
# of Applications Taken	5,000	5,500	6,456	5,637	7,500	8,735
Public Safety						
Police:						
# of Calls for Service	98,612	102,765	100,389	114,269	117,079	132,328
# of Index Crimes (1)	7,911	8,228	8,374	9,312	Not available	8,586
Index Crime Clearance Rate (1)	28.50%	25.04%	22.30%	24.70%	Not available	16.85%
# of Call Responsive Officers Per Shift	15	17	17	17	18	18
Fire:						
# of Calls for Service	31,640	32,313	33,597	35,210	38,424	40,910
# of Structure Fires	641	631	620	617	667	654
# of Ambulance Transports	9,880	15,117	14,989	16,171	18,138	21,478
# of Career Fire Fighters Per Shift	48	57	61	73	73	81
Emergency 911:						
# of 911 Calls	196,385	193,045	222,345	204,195	212,511	228,418
# of Radio Dispatches	162,889	162,943	162,576	173,537	177,758	170,482
# of Telecommunicators per shift	8	8	9	10	10	10
Sheriff's Office/Jail:						
# of Bookings	12,927	12,546	12,782	13,934	13,867	14,804
Average daily population	475	502	525	550	619	650
Health and Social Services	none	none	none	none	none	none
Infrastructure and Regulation						
Code Enforcement:						
# Building Permits	7,873	7,544	8,070	9,647	11,981	9,909
Public Works:						
Miles of Dirt Road Scraped	994	1,025	843	843	900	880
Dirt Roads Paved	11.64	5.43	16.00	1.76	11.13	11.63
Signage Replaced/Installed	Not available	Not available	Not available	802	849	968
Miles of Ditches Cleaned	2,658	2,660	2,660	2,666	2,666	2,666
Engineering:						
Dirt Roads Paved	7.39	2.52	4.05	11.07	4.30	9.19
Fleet:						
# Vehicles Maintained	538	550	573	608	649	659
# Heavy Equipment Vehicles Maintained	217	220	223	223	306	310
# Vehicles Repaired or Work Orders	8,060	8,324	7,284	8,190	7,849	8,236
Culture, Recreation and Tourism						
Library:						
Circulation	678,703	740,816	824,341	903,583	943,501	969,542
Patron Traffic Count	464,646	500,199	561,870	653,643	652,584	662,494
New Patrons Registered	12,679	15,345	21,757	24,371	25,125	28,487
Parks & Recreation:						
# Programs	57	68	84	91	141	153
Economic Development	none	none	none	none	none	none
Conservation/Natural Resources	none	none	none	none	none	none
Debt Service	none	none	none	none	none	none

(continued)

**HORRY COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION (Continued)
LAST TEN FISCAL YEARS**

Functions and Programs	For the Fiscal Year Ended June 30					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2006</u>
<u>Governmental Activities (Continued):</u>						
Horry-Georgetown TECH	none	none	none	none	none	none
Higher Education Commission	none	none	none	none	none	none
Industrial parks - (Four Parks)						
Loris Commerce Center - # of Tenants/Owners	Not available	Not available	Not available	Not available	5	6
Loris Commerce Center - % of Occupancy	Not available	Not available	Not available	Not available	29.41%	35.29%
Atlantic Business Center - # of Tenants/Owners	" "	" "	" "	" "	25	25
Atlantic Business Center - % of Occupancy	" "	" "	" "	" "	100.00%	100.00%
Cool Springs Business Park - # of Tenants/Owners	" "	" "	" "	" "	4	6
Cool Springs Business Park - % of Occupancy	" "	" "	" "	" "	16.67%	25.00%
Pineridge Business Center - # of Tenants/Owners	" "	" "	" "	" "	1	1
Pineridge Business Center - % of Occupancy	" "	" "	" "	" "	3.03%	3.03%
Total # of Tenants/Owners	Not available	Not available	Not available	Not available	35	38
Total % of Occupancy	Not available	Not available	Not available	Not available	35.35%	38.38%
<u>Business-type Activities:</u>						
Airports						
Deplanements	644,834	622,251	748,225	777,936	719,744	783,241
Baseball Stadium						
Paid Tickets (2)	171,192	174,211	176,659	167,293	170,285	163,056

Notes:

- (1) # of Index Crimes & Clearance Rates not available due to software migration issues.
- (2) Fiscal Year is January through December. Revenue months are April through September.
- (3) Operating indicators are not available by function prior to FY2002; however, ten years of data will be accumulated over time.

Source: Various County Departments

**HORRY COUNTY, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Functions and Programs	For the Fiscal Year Ended June 30,		
	2005 (1)	2006	2007
<u>Governmental Activities:</u>			
General Government			
Building Complexes	4	4	4
Public Safety			
Police:			
Patrol units	213	315	351
Fire/Rescue:			
Stations	40	40	40
Trucks(Fire/Pumpers)	59	61	67
Ambulances	21	27	33
Health and Social Services			
Health Departments (bldg)	3	3	3
Social Services (bldg)	1	1	1
Infrastructure and Regulation			
Highways and streets:			
Roads (miles)	1281	1271	1369
Heavy equipment:			
Motorgraders	23	23	25
Dump trucks	20	23	22
Other	87	92	133
Culture, Recreation and Tourism			
Museums	1	1	1
Libraries	9	9	9
Bookmobile	1	1	1
Parks:			
Parks	20	20	20
Tennis Courts	15	15	15
Ball Fields	28	28	28
Soccer Fields	15	15	15
Economic Development			
	none	none	none
Conservation/Natural Resources			
Off Site Facilities:			
Boat Landings	27	27	27
Watersheds	6	6	6
Debt Service			
	none	none	none
Horry-Georgetown TECH			
	none	none	none
Higher Education Commission			
	none	none	none
Industrial Parks			
Locations	4	4	4
<u>Business-type Activities:</u>			
Airports			
Locations	4	4	4
Runways	4	4	4
Baseball Stadium			
Baseball field (1/3 ownership)	1	1	1

(1) Capital Asset data is not available prior to FY2005; however, ten years of data will be accumulated over time.

HORRY COUNTY, SOUTH CAROLINA