

Horry County, South Carolina

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the Fiscal Year Ended June 30, 2015

HORRY COUNTY, SOUTH CAROLINA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PREPARED BY THE FINANCE DEPARTMENT

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

YEAR ENDED JUNE 30, 2015

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HORRY COUNTY, SOUTH CAROLINA

INTRODUCTORY SECTION

HORRY COUNTY, SOUTH CAROLINA



HORRY COUNTY, SOUTH CAROLINA
LETTER OF TRANSMITTAL
JANUARY 27, 2016

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 (CAFR) of the County of Horry (the "County") for the fiscal year ended June 30, 2015. 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 the 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 the 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 the 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.

The County financial statements have been audited by Elliott Davis Decosimo LLC. The independent auditors' report is presented as the first component of the Financial Section of the CAFR. 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, 2015, are fairly stated in accordance with GAAP. The independent audit involved examining, on a test basis, evidence to support 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 unmodified opinion that the County financial statements for the fiscal year ended June 30, 2015 are fairly presented in conformity with GAAP.

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. The 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. The 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 member of the South Carolina General Assembly and as a Brigadier General of Militia 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, the County stood off the edge of South Carolina, both literally and figuratively.

In 1975, the 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 Register of Deeds (ROD) and the Clerk to Council.

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

The 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, industrial park development, and other general administrative support services. In addition, air transportation and terminal support are provided in an enterprise fund, 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 the County's financial planning and control. All department heads present a departmental budget to the Finance Department, 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. The Administrator is authorized to approve transfers among accounts in different funds for situations when the proposed transfer amount has an established budget in one fund, but is more appropriately accounted for in another fund. These transfers do affect the total appropriation of funds to the extent of the transfer in and transfer out. Formal budgetary integration is employed as a management control device during the year. No department shall spend or obligate funds in excess of the amount budgeted in total for each fund under any circumstance.

Factors Affecting Financial Condition

Stability and continued growth in tourism along with improving real estate indicators from increased building permits, business licenses, and ROD values provide a base for the County to continue enhancing our constituent services, focus on economic development, and development of needed infrastructure for the future.

The information following in this letter and presented in the financial statements will give greater details of these accomplishments and is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local 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 percent of the remainder of the County is yet to be developed. This stretch of the beach is known as the "Grand Strand". The County leads the state's tourism industry with 31.3 percent of the total domestic traveler spending. Forty percent of the state's second homes are also located within the County.



The Grand Strand is a major U.S. tourist center. According to an Economic Impact of Travel report produced by the U.S. Travel Association (2014), Horry County led all counties in South Carolina, in travel expenditures in 2014. Domestic travel expenditures in Horry County reach \$3.8 billion, accounting for 31.3 percent of the state total travel expenditures of \$12.2 billion; up 5.3 percent from 2013. These expenditures supported \$682.6 million in payroll income and 39,000 jobs. The County leads all counties, of the State, in visitor spending, lodging rentals, employment and tax revenues resulting from travel and tourism. The natural assets of the Grand Strand are the Atlantic Ocean and the mild climate. Average temperature for both air and sea water range from 80 degrees during the summer to about 50 degrees during the winter.

The Grand Strand area continues to receive numerous accolades from regional and national media and publications. An article by the *Travel Channel* (2015), by Jennifer Plum Auvil, names Myrtle Beach as No. 2 of the "Top 10 Beaches" in the United States. *Family Vacation Critic* listed Myrtle Beach as one of its "10 Best Beaches for Families in 2014".

TripAdvisor.com, the world's largest travel site, released the results of its annual summer travel survey, which showed Myrtle Beach as the most popular travel destination of 2014 – the second year in a row for the destination. *Priceline.com* ranked Myrtle Beach as No. 3 in their "Top 10 Summer Beach Destinations" (2014). Chosen by millions of travelers, Myrtle Beach was again ranked one of the top 25 cities from the Travelers' Choice U.S. list, by *TripAdvisor.Com* (2014).

Stadium Journey Magazine ranked TicketReturn.com Field at Pelicans Ballpark 19th on its annual list of the 101 best stadium experiences in sports in 2013. The list ranked the Myrtle Beach Pelicans home ballpark among, and ahead of, some of the most famous venues in all of sports such as Wrigley Field and the Cowboys Stadium. The list also ranked the Pelicans as the third-best stadium experience in Minor League Baseball, and the best in the state of South Carolina.

An article in *USA Today* magazine (April 2014) named Myrtle Beach as #1 in their “10 Best Golf Destinations”, as decided by their readers. A number of specific golf courses, hotels and attractions have been cited for superlative ratings by magazines and agencies including *Travel and Leisure* magazine, *Travelocity*, *Restaurant Business Magazine* and *EscapeHomes.com*. The area is home to 101 golf courses and more than 50 are rated 4 stars or better by *Golf Digest*. *Golf Digest* also named five Myrtle Beach area golf courses in their “Top 100 Greatest Public Courses” list.



The Myrtle Beach area contributes a large portion of the golf revenue within the state. While the quantity is certainly impressive, the quality is nothing short of awesome. Challenging layouts, stunning vistas and impeccably maintained fairways and greens are the hallmark of the courses that make up the world’s most impressive collection of public courses. The Myrtle Beach golf community also hosts some of the game’s most popular amateur tournaments, including the Myrtle Beach World Amateur Handicap Championship, a 72-hole event that attracts between 3,000 to 5,000 players from across the globe, and the Palmetto High School Golf Championship, the nation’s largest high school golf tournament. In addition, the area serves as the host of the Hootie & the Blowfish Monday After the Masters Celebrity Pro-Am, an event that has raised more than \$3 million for charity since coming to the Grand Strand. In 2013, approximately 3.2 million total rounds of golf were played across the Grand Strand (Rounds data reported via Grand Strand Tee Time Network on Myrtle Beach Golf Holiday member courses).

For its 50th Anniversary year (2004), *Sports Illustrated* decided to recognize cities across the nation for their contribution to sports. The evaluation and selection was performed by Sports Illustrated and the National Recreation and Park Association. Some of the selection criteria of the cities or towns vying for this honor included things such as the emphasis that is placed on tourism to the city’s or town’s most recent sports additions, the variety and quantity of sporting activities that are available, and the size of the staff to support the city’s or town’s programs and activities. The result of this was that Myrtle Beach was named a “Sportstown USA”.

In 2010, Myrtle Beach opened the 1.2 mile Oceanfront Boardwalk, which was recognized as the nation’s number three boardwalk by *National Geographic* magazine and one of the best U.S. boardwalks by *Travel & Leisure* magazine. *Budget Travel* (2013) picked the Myrtle Beach Boardwalk as one of America’s Most Awesome Boardwalks. Nineteen boardwalks across the country were chosen, and Myrtle Beach’s 1.2-mile oceanfront staple is nestled alongside the Atlantic City Boardwalk in New Jersey, Coney Island in Brooklyn, N.Y., and the Venice Beach Boardwalk in California. According to *USA Today*, the Myrtle Beach Boardwalk has the 12th best boardwalk food in the nation (2013). They chose the top 25 boardwalks around the country based on reflection of region, price, and quality of ingredients (2013).

Based upon an estimate of annual visitors to the Myrtle Beach area conducted for the Chamber by D. K. Shifflet & Associates, Ltd., approximately 16.1 million people visited the area in 2013. Based upon the Chamber’s 2013 conversion study, 15 percent of the area’s visitors came from North Carolina and 55 percent from New York, Pennsylvania, Ohio, Virginia and West Virginia. Georgia, Illinois, Tennessee, and Michigan round out the top ten states, outside of South Carolina, whose residents visit the area. In 2013, the Chamber received nearly 1,700 inquiries from foreign countries. About 97

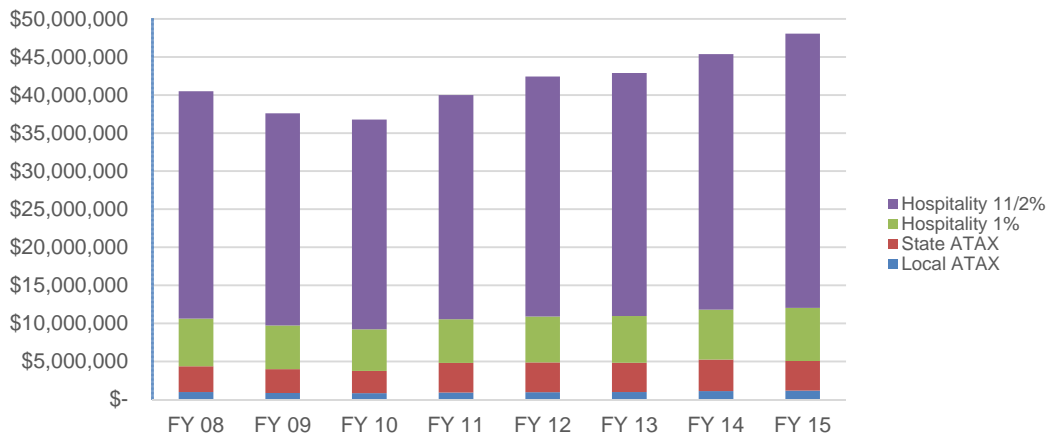
percent of those came from Canada, with most of the remaining 3 percent coming from Germany, France and United Kingdom.

Traffic to the VisitMyrtleBeach.com website originated from all 50 states and 476 different countries. The top ten states for web traffic were: North Carolina, New York, South Carolina, Pennsylvania, Ohio, Georgia, Virginia, New Jersey, Florida, and Tennessee.

According to the Chamber's 2013 In-Market Visitor Profile Study, the destination continues to attract adults traveling with children in an average party size of five members, consisting of three adults and two children. Of all travel party types, 61 percent are families, 28 percent are couples, 4 percent are groups of three or more adults, 4 percent are single adults and 3 percent is single adults with children. The average length of stay in 2013 was six days for leisure travelers and three days for business travelers. Grand Strand leisure travelers spent an average of \$117 per person per day and group business travelers spent an average of \$277 per person per day. Most Grand Strand visitors (88 percent) used their own vehicles or rented a vehicle as their primary means of transportation. A majority (60 percent) of them stayed in hotels, while 21 percent stayed in condominiums or villas.

There are approximately 98,573 bedrooms available for rent along the Grand Strand including 58 percent in hotels/motels, 22 percent in vacation rentals, 11 percent in timeshares, and 9 percent campgrounds. Annual average hotel and motel occupancy rates on the Grand Strand, as reported by the S.C. Department of Parks, Recreation, & Tourism was 52.0 percent in 2013 vs. 50.1 percent in 2012 and the annual average daily rate was \$100.05 in 2013 vs. \$93.89 in the prior year. Gross retail sales in the County were \$10.0 billion in 2015.

The following graph shows that the County's revenues which are heavily reliant upon the tourism industry have stabilized through these tough economic times and are returning to historic highs. The graph reports actual revenues from State and Local Accommodations Tax (ATAX) as well as Hospitality Fees for fiscal year 2008 – fiscal year 2015.



The following table shows the improving trends, since the economic slow-down in 2008, in retail sales for businesses located in the County for the years shown. 2015 represents a historical high for retail sales.

<u>Year</u>	<u>Total Retail Sales</u>
2008	\$9,064,308,659
2009	8,212,831,863
2010	7,858,031,821

<u>Year</u>	<u>Total Retail Sales</u>
2011	8,291,304,481
2012	8,751,960,729
2013	9,011,131,130
2014	9,430,513,440
2015	9,999,531,153

The 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.

Sports Tourism

In the last several years, the Myrtle Beach area has seen a large increase in sports tourism. Many of the tournaments have been held outside the Myrtle Beach area due to a lack of adequate facilities. However, in an effort to meet the needs of this ever growing industry, a number of new facilities have been developed. FlipKey.com, a vacation rental marketplace with more than 240,000 rentals around the world, included the Myrtle Beach Mini Marathon on its list of Top Marathons & Races Worth Traveling For in 2014.

The Grand Park Athletic Complex features seven large multipurpose fields and two youth fields. All have synthetic FieldTurf, lights and are designed to accommodate a variety of sports, including baseball, softball, lacrosse, soccer and football. The complex also has a six-tunnel batting cage, plenty of free parking and three towers with restrooms and concessions. In 2013, the City of Myrtle Beach hosted 2,892 teams on its athletic fields. In all, those teams played 8,172 games during the calendar year.



The Myrtle Beach Sports Center is a 100,000 square-foot state-of-the-art indoor sports facility that just opened in March 2015. It is located in the heart of Myrtle Beach adjacent to the Myrtle Beach Convention Center. The facility includes eight high school basketball courts, four collegiate/NBA courts, 16 volleyball courts, a private mezzanine for elevated viewing, an indoor/outdoor cafe, retail area, an entertainment zone and a 1500-seat telescopic bleacher system.



The North Myrtle Beach Park and Sports Complex opened in March 2014, and is a state-of-the-art sports tourism and recreational facility utilizing a 145 acre tract. The park contains a six-field baseball/softball complex and an eight-field soccer/lacrosse complex. Included in the complexes are amenities such as batting cages, warm-up areas, concessions and restrooms. Over 60 sports tourism events were held at the park in 2014 including the IQA Quidditch World Cup and the Dixie Softball World Series. The park is also designed to meet recreational needs of the community and includes three miles of walking trails, an amphitheater, three playgrounds, seven picnic shelters, a twenty acre recreation lake, dog parks and much more.



Commercial and Residential Development

The County's economy has reflected stabilization in most of its market segments. However, the real estate market will require more time to fully recover. The reassessment process completed in 2014 reflected the impact of the "Great Recession" of the late 2000's and resulted in a total assessed value for the County that was slightly below the tax year 2013 assessed value. Fortunately, a fast-paced development environment in prior years had generated substantial growth in the County's assessable tax base which is continuing to provide a stable source of revenue to fund the general government activities.

The single family residential market is experiencing resurgence with greater sales volume and higher median sales prices. The Coastal Carolina Association of Realtors reported a 17.7 percent year to date sales growth in its Grand Strand Market Report for October 2015. A median sales price increase of 5.6 percent year over year was also noted along with a sales growth of 10.4 percent sales price increase for condos.

Adjacent to the 1.2 mile, \$6.5 million, Oceanfront Boardwalk opened in Myrtle Beach in 2010, developers have completed a 200-foot tall SkyWheel along with a Jimmy Buffet's LandShark Bar & Grill. These new attractions, opened in May 2011, are expected to reinvigorate the downtown Myrtle Beach area and create an additional 150 jobs.



WonderWorks, the upside-down science attraction, opened in April of 2011 at Broadway at the Beach. The attraction, one of only four in the country, has four floors of interactive exhibits as well as activities such as laser tag, indoor ropes course, and café and created more than 100 new jobs for the Grand Strand.

The County's largest 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. The County's goal has been 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". 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. In the last Census Carolina Forest experienced a population growth of 506 percent over the prior ten years and the adjacent community of Forestbrook grew 125 percent.

As of the spring of 2012, two fire/rescue stations, recreation center and library have been completed in the Carolina Forest area. Three elementary schools, a middle school, a high school, and an academy for the arts, sciences and technology have been constructed in the Carolina Forest area by the Horry County School District.

New commercial development in Carolina Forest is located within the International Drive area with a Lowe's Food grocery store and small shop tenants, 264 unit apartment complex, two convenience stores, McDonalds, Bojangles Famous Chicken 'n Biscuits restaurants, and announcement of a CVS Pharmacy.

StarTech operates a new large call center in Carolina Forest. Additional restaurants and retail compliment the larger anchors of Tanger Factory Outlets, Gander Mountain, Kroger Shopping Center, and new Publix Grocery Store (under construction) within the Hwy 501 corridor within Carolina Forest.



The Coastal North Town Center is open in North Myrtle Beach and houses the area's first Publix store along with Hobby Lobby, TJ Maxx, Dick's Sporting Goods, PetSmart, and twenty-one other retail stores. The entire center measures 368,000 square feet.

The Market Common opened April 3, 2008 in Myrtle Beach, on the site of the former Myrtle Beach Air Force Base, combining housing with about 40 national and local retail stores and restaurants. The Market Common is an upscale, master-planned urban village, located just 1 mile from the ocean and minutes from all Myrtle Beach attractions. Residents can walk to the exceptional shopping and dining options in this area.



In 1999 the Grande Dunes Resort project was begun as 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, provides numerous upscale amenities to include golf and tennis facilities, an ocean club, and private marina. Accommodations, upscale shops and restaurants are all part of the Marina Village section of the development, which is open to the public. On September 16, 2008 Grande Dunes Marketplace celebrated its grand opening. This property, located across Highway 17 from the Marina Inn at Grande Dunes and anchored by a 49,000 square-foot Lowes Foods and CVS Drugstore, offers more than 91,000 square-feet of retail space with room for 19 tenants as well as future out parcel spaces. The Grande Dunes Marketplace provides an array of fine retailers and restaurants for Myrtle Beach visitors and residents.

LStar Management and Crosland Southeast have begun construction for a new commercial development in Grande Dunes that will be anchored by a Publix grocery store and include other highly sought after retail tenants. The 80,000-square-foot project, being developed by Crosland Southeast, will be located on 12.2 acres of land at N. Kings Highway and 82nd Parkway

Coastal Grand Mall on US 501 and US 17 Bypass opened in March 2004 and houses anchor stores such as Belk, Sears, Dillard's, JC Penney, Dick's Sporting Goods, and Bed Bath & Beyond. In addition to the mall, space is available for up to 20 outparcels for free-standing businesses. 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. Myrtle Beach Mall (formerly known as Colonial Mall), Barefoot Landing and Broadway on the Beach continue to make enhancements to the shopping arena by adding specialty shops, the Pavilion Nostalgia Park, and increasing the number of new restaurants.

Saybrook Town Center expanded in 2013 with the opening of a new 135,000 square foot Target store along with national retailers Marshalls, Petco, and local commercial space.

The healthcare industry continues as a leading segment of our commercial base with each of the major institutions Grand Strand Regional Medical Center, Conway Medical Center, and McLeod Health (Loris and Seacoast) present in our principal employers top 10 list along with Blue Cross Blue Shield.

McLeod Health held a groundbreaking ceremony in Carolina Forest on Tuesday, an event that marks another expansion of the hospital system into Horry County. McLeod plans to construct a six-building medical campus in the Carolina Forest Town Centre off International Drive near River Oaks Drive. The first two buildings are slated to be complete in about a year. The medical office complex will provide access to physicians and outpatient services. The first building will house a freestanding emergency center on the first floor and medical offices on the second floor. The second building will be home to physical therapy and rehabilitation services on the first floor and medical specialists on the second floor. The property includes 43 acres of land – an investment of \$4.78 million, according to McLeod. The first phase of the development is projected to be approximately \$20 million.

Property Assessed Value and Reassessment

While general economic trends are improving, fiscal year 2015's revenue for property taxes was lower due to value declines through reassessment. The reassessment process resulted in a total assessed value for the County that was slightly below the tax year 2013 assessed value. Because of previously untaxed values excluded in the reassessment formula, County Council elected to maintain existing millage rates. The shortfall of property tax revenue was 3.02 percent for real property. However, increases in Vehicles, and Fee in Lieu of Tax mitigated variance from the prior year to 2.01 percent for total property taxes. In fiscal year 2016, growth in commercial and residential properties are resulting in increased assessed values for personal property and real property and contribution to the overall stability and growth of assessed values and increase in tax revenue.

Horry County's Assessed Values for Real and Personal Property (in thousands)

<u>Tax Year</u>	<u>Real</u>	<u>Personal</u>	<u>Total⁽¹⁾</u>
2007	\$1,466,803	\$302,173	\$1,768,976
2008	1,663,986	306,600	1,970,586
2009	1,703,167	303,012	2,006,179
2010	1,753,786	275,204	2,028,990
2011	1,766,946	277,772	2,044,718
2012	1,764,836	289,034	2,053,870
2013	1,780,231	304,251	2,084,482
2014	1,710,319	386,683	2,097,002

⁽¹⁾ Does not include Merchant's Inventory of \$10,571,700

The South Carolina General Assembly, in its 2011 session, modified the annual operating millage limits and roll-back limitations on increases in assessed value through reassessment on a prospective basis. This amendment modifies the roll-back calculation to use taxes billed vs. taxes collected in the previous year and increases the millage cap to include the current year population and CPI percentage increases plus any allowable but not imposed increases for the preceding three years. The 2011 Amendments further provided for an exemption from the increase in assessed value as of the date of an assessable transfer equal to 25 percent of the assessed value of certain real property

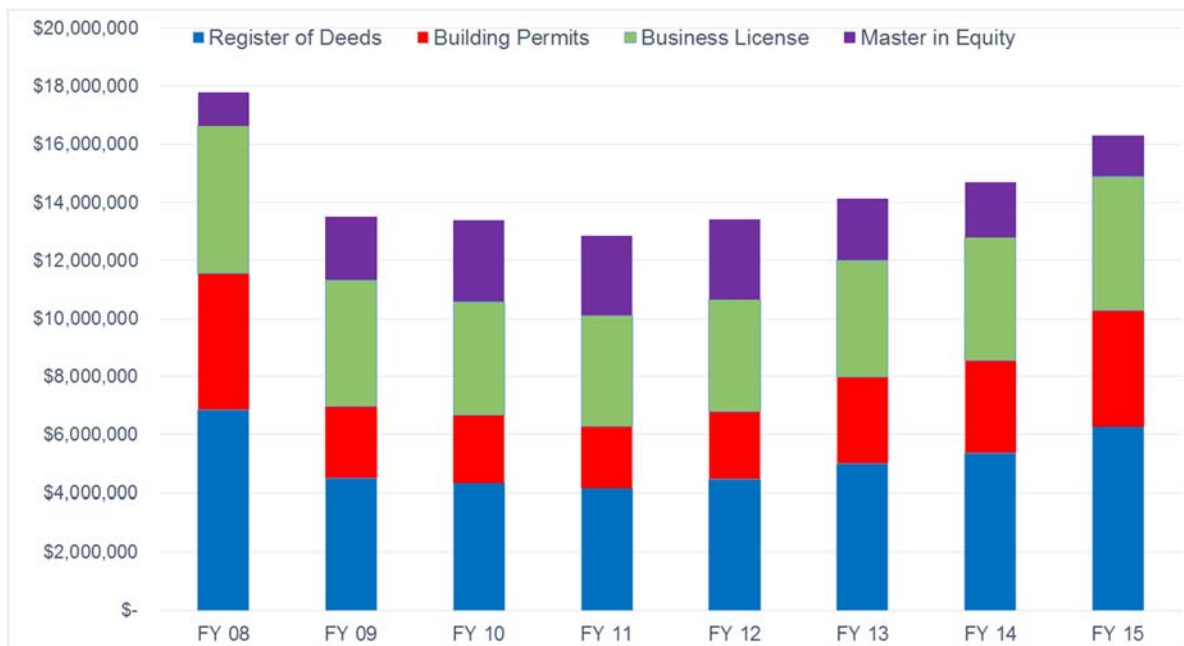
subject to a 6 percent assessment ratio (generally, commercial property). This modification additionally provides that if values reduce from the prior year, the government is allowed to roll-forward the millage to produce the same revenue billed in the prior year

Building Permits Issued

Horry County experienced a decline in construction beginning in fiscal years 2006 and 2007. As the housing and construction markets continued to slow-down during fiscal year 2007, along with the impact of the challenges in the banking industry during fiscal year 2008, building permits issued dropped to a five year low of 6,679 in fiscal year 2009. The volume of permits and related revenue stabilized in fiscal years 2010, 2011, and 2012. The number of permits issued increased 13.6 percent for 2015 over 2014; in 2015 the values increased at a much greater pace than 2014 resulting in a 23.2 percent increase in revenues.

<u>Fiscal Year</u>	<u>Number of Building Permits Issued</u>	<u>Revenue</u>
2008	8,459	\$4,726,984
2009	6,679	2,460,389
2010	7,397	2,338,830
2011	7,258	2,106,250
2012	7,250	2,321,424
2013	8,082	3,046,517
2014	8,997	3,160,253
2015	10,217	3,895,283

Revenue sources that increased as the commercial and residential development flourished include business license fees, building permit fees, and ROD recording fees and documentary stamps. As the economy made a downward turn during fiscal year 2008, revenues from these sources began to decline, but revenues from the Master in Equity's Office, who handles foreclosures, began to increase. Revenues from these economically sensitive areas appear to have stabilized and are now reflecting a moderate growth. Similar to fiscal year 2015 budget, the fiscal year 2016 budget anticipates increased revenue levels from these sources from the prior year actual revenues.



Long-term Financial Planning

Fund balance in the General Fund at June 30, 2015 of \$40.8 million (27.9 percent of the fiscal year 2016 General Fund expenditure budget) remains within the policy guidelines set by County Council for budgetary and planning purposes (at least 15 percent of the next year's General Fund operating budget).

To address the ongoing capital needs for the growing county, 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 policy calls for the County to budget as pay-as-you-go funding for capital improvements an amount equal to at least 3 percent of General Fund operating revenues.

Major Initiatives

Economic Development

Our strong commitment to building and diversifying our economy is evidenced by our support and funding of the Myrtle Beach Regional Economic Development Corporation. Similar to the past few years, there is continued expansions and job openings in 2014 resulting in a decline in the unemployment rate. According to the U. S. Bureau of Labor and Statistics, Horry County's unemployment rate was 6.8 percent at June 30, 2015 which is a slight increase from June 2014 rate of 6.6. The Myrtle Beach MSA has experienced a notable year-over-year employment growth of 3.0 percent, surpassing both the South Carolina and the national growth rate, 2.7 percent and 2.2 percent, respectively. Employment growth has been driven by four super-sectors which saw at least a 6.0 percent year-over-year employment increase: Construction, Professional and Business Services, Goods Producing, and Manufacturing. These super-sectors employed approximately 3,000 additional employees than the previous year.

Wage growth in the Myrtle Beach MSA saw a 2.3 percent year-over-year increase. Although this growth surpassed the national rate of 2.15 percent, the MSA lagged behind the state which experienced a 2.5 percent wage increase. The MSA wage increase is largely driven by Construction, Information, and Services super- sectors. These super-sectors account for roughly 4.3 percent of all individuals employed in the MSA. The construction industry saw notable year-over-year growth in both employment and wages, 8.0 percent and 5.0 percent, respectively. Despite the progressive trends in some super-sectors, the wage growth is stifled by year- over-year wage decrease in Manufacturing, State and Local Government, and Leisure and Hospitality, which encompass an impressive 69 percent of employment in the MSA.

The median wage for the MSA is \$29,361 and is largely driven by the high paying Federal and State Government, Manufacturing, Information, and Education and Health Services super-sectors. Manufacturing has seen substantial employment growth of 6.0 percent, which cushioned the 1.4 percent decrease in wages in this super-sector. This decrease was fueled by the 5.7 percent decrease in manufacturing wages in Horry County.

The median wage continued to be anchored down by the Leisure and Hospitality, Trade Transportation and Utilities, and Service super-sectors. Of these lower-wage super-sectors, the main deterrent to wage growth is Leisure and Hospitality. This super-sector employs 15 percent of the MSA and yields average wages that are 57 percent lower than the overall median wage for the MSA. The Leisure and Hospitality super-sector, comprising a high percentage of those employed and plagued by low wages, is responsible for placing a downward pressure on the MSA median wage. The Myrtle Beach

MSA, which spans South and North Carolina, is the second fastest growing metro in the U.S. The data shows the area grew 3.2 percent to about 418,000 people (U.S. Census Bureau).



Native Sons is one of the largest screen printing and embroidery companies on the east coast with local, regional and national clients including Abercrombie & Fitch. They are headquartered in Myrtle Beach and announced a 79 job expansion with a capital investment of \$2.6 million in 2012. The company currently operates out of a 56,000 square foot facility with approximately 150 employees, all Myrtle Beach locals.

BauschLinneman, a Surteco company, announced a corporate headquarters and manufacturing relocation into Horry County in 2012. They make laminated paper products and edge bandings with wood grain coatings for the furniture industry. The relocation resulted in 55 new jobs and a capital investment of almost \$8 million. This company projects \$31 million in annual economic impact for the Myrtle Beach area. In October 2013, the company held a grand opening for its new 75,000 square foot plant.



Frontier Communications announced a 90 job customer support center that included a \$1.5 million capital investment in 2012. Today, the company has 132 jobs filled.

Canfor Southern Pine, a forest products manufacturer headquartered in Horry County, announced a 56 job expansion with a \$4.0 million capital investment in 2012. Canfor Southern Pine was formerly known as New South until it was acquired by Canfor in 2006. Canfor installed a continuous kiln system to increase its lumber drying capacity at its Conway facility by 50 percent. The expansion was completed in July 2013.



On August 6, 2015 the Myrtle Beach Regional Economic Development Corporation, in partnership with the North Myrtle Beach Chamber of Commerce and the Little River Chamber of Commerce, celebrated a ribbon-cutting event for Laudisi Enterprises. In 2014, Laudisi Enterprises, a local manufacturer and distributor of specialty tobacco and pipes, announced plans to expand their company after operating in Horry County for over a decade. With the expansion to their new 30,000 square foot facility, the company created over 40 new jobs and invested \$255,000.



Accent Stainless Steel, a Canadian-based manufacturer of micro-brewing systems and other processing equipment, broke ground on their new 50,000 square foot facility located in the Loris Commerce Park in Horry County. This facility will be the first American headquarters for Accent Stainless Steel. The company's \$3.1 million investment will create 65 new, high-skilled manufacturing jobs averaging \$22 per hour, which is approximately 65 percent higher than Horry County's current average wage.



B3C Fuel Solutions announced the expansion of its Conway based business. This expansion will create 36 jobs at the company's current facility and include a capital investment of \$305,000 over a three-year period.

Metglas, Inc. announced their second Conway facility expansion in five years. Metglas is one of the largest manufacturing companies in the area with more than 200 employees. They are one of the world's leading producers of Amorphous Metal Ribbon. The latest expansion of \$4 million includes insourcing a cutting operation for their raw materials process. The company also built a raw materials building to be able to handle and sort the materials in a faster more efficient manner.



R. J. Corman Railroad Company took possession of the former Carolina Southern in August 2015, and began moving equipment into place and clearing shrubs on the overgrown line two weeks before the deal was sealed in an effort to return the sound of train whistles in the region as quickly as possible. Assisted by local and state funding, R. J Corman acquired the rail corridor from the Baltimore and Annapolis Railroad Company. Additionally, Corman leased the Horry County owned railroad between Conway and the Intercostal Waterway.



Horry Georgetown Technical College (HGTC) has a blueprint for the future of economic development in the Myrtle Beach area, which will only strengthen our local workforce and homegrown industry opportunities. Two advanced manufacturing facilities are soon due to sprout up on two HGTC campuses: one in Conway on Highway 501 and another on the Georgetown campus. Each facility will boast more than 25,000 square feet, which is enough room for 50 welding booths and about 10 computer numerical control machines.

Worksmen Cycles, a New York-based manufacturer of bicycles and commercial industrial tricycles has announced their decision to expand their operations to Horry County. The \$2.5 million investment will create approximately 50 new jobs, paying an average of \$15 per hour.



The Myrtle Beach Regional Economic Development Corporation, in partnership with the North Myrtle Beach Chamber of Commerce, hosted a ribbon cutting ceremony for Little Spider Creations in 2015. The company held its official grand opening of their new 24,000 square foot facility in North Myrtle Beach.



Star Life Safety, a New York-based company specializing in the integration of all life safety systems across all vertical markets in hospitals and acute medical facilities, have announced their plans to open a new office in Myrtle Beach, South Carolina. Star Life Safety will hire 36 people for jobs ranging from engineers/low voltage technicians, office personnel, sales and installation support. These jobs will pay an average of \$20.00 per hour and offer employee health benefits.

The County is currently developing an International Technology and Aeronautical Park (the "ITAP") on 460 acres located on the County-owned Myrtle Beach International Airport property. Initial spending for development of the Park is \$3.8 million. Phase two of the development includes a ramp and taxiway from the existing Myrtle Beach International Airport runway with a \$5.2 million budget funded by a \$3.75 million FAA grant, Rural Development Fund contributions and proceeds from airport land sales.



The County currently operates four (4) industrial parks (Atlantic Center, Cool Spring Business Park, Pineridge Business Center, and ITAP) and is in the planning stages for an additional park which are industry specific. 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 two of these parks. Through these contributions, the County has funded the construction of a shell building within the County’s “Certified Park” known as Cool Spring Business Park. Another industrial park project being pursued in conjunction with Grand Strand Water and Sewer Authority is a Marine Park in Bucksport.

Airport

The Myrtle Beach International Airport (the “Airport” or “MYR”), located in the City of Myrtle Beach one mile from the Atlantic Ocean, serves as the scheduled commercial service airport for the County and the Grand Strand region. The Airport is owned by the County and operated by its Department of Airports, an Enterprise Fund of the County. The Airport is equipped to handle aircraft of all sizes, including wide-body type aircraft.

Enplanements, or the number of passengers boarding a plane, increased 2.7 percent in fiscal year 2015 when compared to fiscal year 2014, to 886,345 passengers. This increase of 22,952 passengers can be primarily attributable to both increased seat capacity to existing markets served as well as the introduction of new nonstop service to target markets on incumbent carriers. In fiscal year 2015, new nonstop service was added from Akron/Canton, Clarksburg, Cleveland, Indianapolis, Pittsburgh and Orlando to Myrtle Beach International Airport. In fiscal year 2015, the volume of passengers flying Allegiant increased at a faster rate than any other carrier operating at MYR, increasing 53.1 percent when compared to fiscal year 2014. Spirit Airlines continues to serve the largest number of passengers at MYR, in fiscal year 2015 the airline carried 52.2 percent of the airports enplaned passengers. The average airline cost per enplaned passenger at MYR was \$7.66 for the 2015 fiscal year compared to \$7.28 in fiscal year 2014. The current year average cost per enplaned passenger at MYR remains competitive and below Moody’s and Standard & Poor’s most recently reported cost per enplanement medians for similarly rated (A3/A-) airports of \$10.21 and \$8.87, respectively. Rates and charges of Signatory Airlines, which serve MYR, represented 28.7 percent in fiscal year 2015 and 29.0 percent in fiscal year 2015 of the total operating revenues for the Airport. Of the Signatory Airline carriers, Spirit Airlines represents 52.2 percent of airport traffic, American Airlines 21.4 percent, and Delta Air Lines 17.0 percent. Non-signatory airlines comprise 9.3 percent of MYR’s passenger traffic.



As the result of strong passenger demand and an improving aviation industry, Myrtle Beach International Airport experienced year-over-year growth. For the period, available seat capacity as offered by air carriers at MYR increased 0.9 percent over the previous period. During fiscal year 2015, Allegiant (+53.1 percent), Delta Air Lines (+4.2 percent), and Spirit (+2.3 percent), experienced passenger growth at MYR, over fiscal



year 2014. In fiscal year 2015, total MYR passenger traffic increased 2.7 percent over fiscal year 2014, while the average load factor increased to 83.2 percent.

In an effort to assist the airlines expand service at MYR and to further partner with the Grand Strand community's air service marketing efforts, Horry County Council authorized an enhanced airline incentive program for MYR starting 2008, which has been revised from time to time, most recently in 2014. For fiscal year 2015 the incentive program reduced landing fees from \$2.00 to \$1.12. The incentive program offered additional incentives for service to new domestic markets and additional waivers for service to international markets.

The Airport and the local tourism community are aggressively working with the air carriers to bring additional service to the Grand Strand, as well as maintain current levels of service to our community. Fiscal year 2015 asset additions include the MYR runway and taxiway rehabilitation, Grand Strand Airport ramp area pavement rehabilitation Phase II, Concourse B renovation and related equipment, Conway – Horry County T-Hangar, ERP System, Car Wash Racks for the Rental Car Facility, the ITAP ramp and taxiway Phase II as well as other projects and general capital machinery and equipment.

The County also owns and operates general aviation airports in North Myrtle Beach, Conway and Loris. Both the Grand Strand Airport located in North Myrtle Beach and the Conway-Horry County Airport located in Conway serve private and corporate aircraft with parking, refueling and maintenance. Currently, there are no services available on the Loris Airport. In February 2006, the South Carolina Department of Commerce, Division of Aeronautics released an economic impact study of the County's airports. That study estimates the direct and indirect economic impact of the four county airports is over \$776.3 million annually.

Road Improvement and Development Effort (RIDE)

The most aggressive road construction program in the history of the County, Road Improvement and Development Effort (RIDE), was approved by Governor Beasley in September 1996. The RIDE Project was 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. The County enacted an ordinance in fall 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 the County to partner with the State of South Carolina to meet the infrastructure needs of the County.

The participating parties in 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. More detailed information about the technical aspects of the intergovernmental agreement is provided in Note 17 of the basic financial statements.

Pursuant to the Horry County Road Improvement and Development Effort Program (the "RIDE Program"), the 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 the 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. The County is required to

make payments from its Hospitality 1.5% Special Revenue Fund to repay loans #1 and #2. Loan #3 has been repaid from Admissions Tax revenue. The County is not obligated to make payments from any other source of funds and the 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, 2015 is \$175.2 million. Future debt service payments for the RIDE project are expected to be \$192.7 million.

In June 2007, the County entered into an Intergovernmental Agreement with the State Infrastructure Bank in which the County received a funding commitment for the extension of the Carolina Bays Parkway and the widening of Highway 707 of \$150 million from the State Infrastructure Bank. A portion of the revenue from the Capital Local Option Sales Tax initiative passed by the voters in 2006, (\$93.6 million) serves as the local match for the SIB funds. Additionally, in November 2007 the State Infrastructure Bank approved additional funding of \$85 million, without a local match requirement, for the extension of the Carolina Bays Parkway due to increased costs.

Road Projects (RIDE II)

On November 7, 2006, the voters of the County passed a one-cent Capital Projects Sales Tax that went into effect May 2007, and by state law ended April 30, 2014. The County was slated to receive \$425.3 million over this seven-year period to fund the below listed projects. Actual collections exceeded anticipated amount by \$21.6 million.



Estimated Cost As presented in referendum	Prioritized Road Projects and status as of June 30, 2015
1. \$ 19,600,000	Pave 20 miles of County dirt roads – completed at a cost of approximately \$11.4 million.
2. \$ 945,000	Resurface 12 miles of County roads – completed at a cost of \$839,000.
3. \$ 49,500,000	Construct grade separated interchange at the intersection of U.S. Hwy 17 Bypass and SC Hwy. 707 at the back gate of the Myrtle Beach Air Base – 99 percent complete. Revised validated budget is \$123.4 million.
4. \$132,250,000	Widen SC Hwy. 707 from Enterprise Road to the County line including intersection improvements at SC Hwy 544 – Contract awarded to A.O. Hardee. The installation of the drainage system and borrow material continue throughout the project. Efforts are underway on the installation of the Mill Creek bridge foundations and the temporary bridge that will be used during traffic staging. Relocations of utilities are ongoing throughout the entire corridor. Revised validated budget is \$103.4 million.
5. \$ 25,750,000	Pave 25 miles of County dirt roads – completed at a cost of approximately \$10.5 million.
6. \$ 990,000	Resurface 12 miles of County roads – completed at a cost of approximately \$1.1 million.

7. \$ 46,000,000	Construct Aynor overpass – completed at a cost of approximately \$16.1 million.
8. \$ 1,035,000	Resurface 12 miles of County roads – construction began in spring 2011 and is currently 99 percent complete. Estimated total cost is approximately \$1.5 million.
9. \$ 76,000,000	Widen Glenn's Bay Road to 3 lanes and construct a grade separated interchange at US Hwy. 17 Bypass – Contract awarded to Southern Asphalt, Inc. Contract awarded to Southern Asphalt. Installation of drainage structures is underway on US 17 Bypass and the Lakes access roads. The installation of earthquake drains continues for foundation of the interchange. Construction of the roadbeds for both the Lakes access roads are in progress. Utility relocations continue throughout the project corridor – revised validated budget is \$76.0 million.
10. \$ 1,080,000	Resurface 12 miles of County roads – construction began in 2012 and is currently 80 percent complete. Estimated total cost is \$1.4 million.
11. \$27,750,000	Pave 25 miles of County dirt roads; construction began in 2012 and is currently 50 percent complete. Estimated total cost is \$22 million.
12. \$ 1,125,000	Resurface 12 miles of County roads – to be scheduled – estimated total cost is \$1.8 million.
13. \$ 6,500,000	Pave 2 lanes of International Drive from Carolina Forest to SC Hwy. 90 – design complete, permitting and right-of-way underway. Estimated total cost is \$15.5 million.
14. \$ 682,500	Resurface 7 miles of County roads – to be scheduled. Estimated total cost is \$1.0 million.
15. \$36,100,000	Pave 30 miles of County dirt roads – under construction. Estimated total cost is \$36.0 million.

With this funding source approved, the County entered into an Intergovernmental Agreement with the State of South Carolina Department of Transportation (SCDOT) to manage the improvements to the four SCDOT facilities, the Backgate Interchange at Highway 17 and Highway 707; widening Highway 707 to five lanes; construct an Aynor Overpass; and to widen Glenns Bay Road including an interchange at Highway 17 and Glenns Bay Road.

As of June 30, 2015, the capital project sales tax fund had generated \$469.0 million in revenue. Spending totaled \$214.0 million through year end which results in \$255.0 million balance on hand at year end for use in construction on the above projects.

County Council, understanding the need to address road connector/capacity/safety improvements within the County, tasked staff to develop a list of unimproved connector roads. Following staff's presentation and recommendations at the 2006 budget retreat, County Council approved the following priority list of projects and allocated funding to begin the process of making the needed improvements to six of the eleven projects on the priority list. An additional \$1.2 million phase for intersection improvements on Carolina Forest Boulevard completed in fiscal year 2015.

1. Postal Way (1.40 miles) - completed at a cost of \$2.0 million.
2. River Oaks Blvd. (5.10 miles) - 2 phases completed at a cost of \$2.0 million.
3. Carolina Forest Boulevard (5.70 mi) - Phase 1 completed at a cost of \$1.9 million. Phase 2 - intersection improvements completed in 2015 at \$1.2 million.
4. Hwy. 17 Frontage Rd @ Indigo Creek (0.24mi) - completed at a cost of \$115,000
5. Glenns Bay Rd widening & interchange(0.43 mi) - funded by RIDE II
6. International Drive (4.70 miles) - funded by RIDE II
7. Hwy 501-90 connector road through Atlantic Center (0.65) - completed by HC Schools and CCU (E. Cox Ferry Rd to University Blvd Ext.)
8. Scipio Lane (1.80 miles) - .02 miles completed to South Strand Complex
9. Tournament Blvd. (1.50 miles) - Turn lanes installed at several intersections in 2008 by Horry County
10. Hwy. 707 to Hwy. 17 and Hwy. 17 to Farrow Blvd. within the old Air Base (4.50 mi) - completed by the City of Myrtle Beach and developer
11. Fries Bay Road (3.40 miles) - 1.86 miles completed with Road Plan and CTC funds; additional .83 miles to be completed in 2014 or early 2015

A recognized need for the County is direct Interstate Highway access. The National I-73 /I-74/I-75 Association is actively promoting the need of I-73 to enhance the economic success and quality of life to our region. Actual construction has begun on the initial phase of the connection of I-95 to our area. Environmental work is complete on both the northern and southern sections and the Federal Highway Administration has signed the Record of Decision for each. South Carolina Department of Transportation (the "SCDOT") has completed the right-of-way plans for the southern section, and right-of-ways acquisition is underway for the corridor from I-95 to US 501 (approximately 5 miles). TIGER (Transportation Investment Generating Economic Recovery) funds in the amount of \$10 million were received by SCDOT in February 2010 and these funds were used to let a project in August 2011 in Dillon County for a bridge replacement on Catfish Church Road (S-17-63) over I-95 and widening on US 501 and US 301 near Latta. SCDOT continues to coordinate with the US Army Corps of Engineers on permit review and approval of the entire I-73 corridor. There is currently no firm timetable for any additional work on the northern section. The total estimated cost of the entire segment in South Carolina is approximately \$2.4 billion.



Road Projects (RIDE III)

With both the success of the RIDE II program and the large continued infrastructure need, County Council commissioned the RIDE III Committee to investigate needs and propose priorities to the Horry County votes through a ballot referendum for a re-imposition of the one-cent Capital Projects Sales Tax in 2016. The Commission members are now at work to conduct numerous public meetings for community input in order to prepare the recommendation for County Council.

Capital Projects Completed and Projects under Construction

In fiscal year 2015, the County completed the initial scope of its Energy Performance Savings Contract with Pepco Energy Services Inc., a subsidiary of Pepco Holding. This \$8.1 million contract will

impact over 100 of the County's buildings and will make energy saving improvements for high efficiency lighting, water and sewer conservation, laundry ozone injection, chiller replacements and improvements, variable frequency drives on various cooling tower fans, and system controls. Projects were selected on a basis of return on investment and priority in the County's lifecycle maintenance program. The savings in utility bills will be utilized to repay the tax-exempt lease purchase financing used to fund the improvements. Pepco Energy Services is providing a guarantee of the energy savings.

The County's Public Safety Division acquired replacement P-25 compliant subscriber portable and mobile units to replace outdated and end of life radios for Police, Sheriff, and Fire/Rescue. This \$4.3 million purchase is the initial step in conversion to the new digital communications platform mandated for completion by the end of calendar 2016. This equipment was acquired through a lease purchase financing. The County is currently evaluating proposals to select a vendor for replacing the radio infrastructure at an estimated cost of \$16.0 million. The County has identified available resources from excess revenues of the Catital Project Sales Tax available to pay for this infrastructure which supports all public safety organizations within Horry County and supporting mutual aid organizations partnered with the County. This project is schedule to complete in fiscal year 2017.

Additionally, the Fire/Rescue placed orders during fiscal year 2015 for the construction of thirteen (13) replacement fire apparatus including ten (10) pumpers, one (1) tanker, one (1) ladder, and one (1) tower at a cost of \$8.0 million. These will begin delivery in fiscal year 2016 and is the first phase of a program to rotate the County's Fire Apparatus fleet to maintain the standards set by the International Organization for Standards (ISO) that establishes and reviews the fire coverage ratings that have a direct and material impact on property insurance premiums. This equipment was acquired through a lease purchase financing funded through a dedicated millage for the Special Fire District coverage areas.

Information Technology Projects

The County has completed the initial implementation of the Enterprise Resource Planning (ERP) and Property Tax Billing systems. Expenditures in fiscal year 2015 were \$1.9 million. This implementation will span three (3) fiscal years and is current planned to complete by December 2017. Key milestones include core financials, time & attendance, and property tax billings in fiscal year 2015 with human resources and payroll in fiscal year 2016, and fleet management and business license/hospitality revenues in fiscal year 2017.

Funding

The County's Capital Improvement Plan focuses on on-going projects that are to be funded primarily with pay-as-you go funding, or grants. During 2015, the County completed lease purchase financing of \$12.4 million for the items noted above. No additional General Obligation Bonds were issued with the exception of an advance refunding for a portion of the 2007 and 2008 Series bonds that will save the County \$1.6 million in interest cost over the life the new bonds after funding the cost of issuance. The County also entered into a rate lock agreement during fiscal year 2015 with TD Bank, N.A. for a closing that occurred in December 2015. This current refinancing of General Obligation Bonds Series 2005A will save the County \$1.0 million in interest cost over the life the new bonds after funding the cost of issuance. The County repaid early the 2014 General Obligation Bonds for the Hidden Wood Special Tax District in the amount of \$252,000 from available revenues from the district and remaining funds from the construction escrow remaining after completion of the infrastructure.

Awards and Acknowledgements

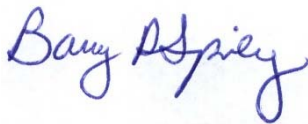
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Horry County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. This was the twenty-eight (28) consecutive 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, Horry County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 1, 2014 for fiscal year ended June 30, 2015. This was the twenty-six (26) 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 staff of the entire Finance Department. A special acknowledgement goes to Ms. Pam Hill and Ms. Marla Bell, Financial Managers for their leadership in this effort. I appreciate the efforts of the staff of Elliott Davis Decosimo, LLC who provide technical guidance and assistance. I also express my gratitude to the many County employees from other departments who support the efforts of the Finance Department in the preparation of this report. Special appreciation goes to the Horry County Council; the County Administrator; the Assistant County Administrators, and the Budget Manager for their leadership and support in planning and conducting the financial operations of the County in a fiscally responsible and progressive manner.

Respectfully submitted,



Barry R. Spivey, CPA CGMA
Finance Director



Government Finance Officers Association

**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, 2014

Executive Director/CEO

Horry County

County Council Districts



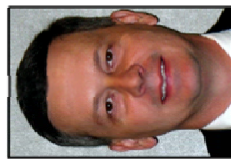
W. Paul Prince
District 9
Vice-Chair



Jody Prince
District 10



Mark Lazarus
Chairman



Al Allen
District 11



James R. Frazier
District 7



Johnny Vaught
District 8



Gary Loftus
District 4



Tyler Servant
District 5



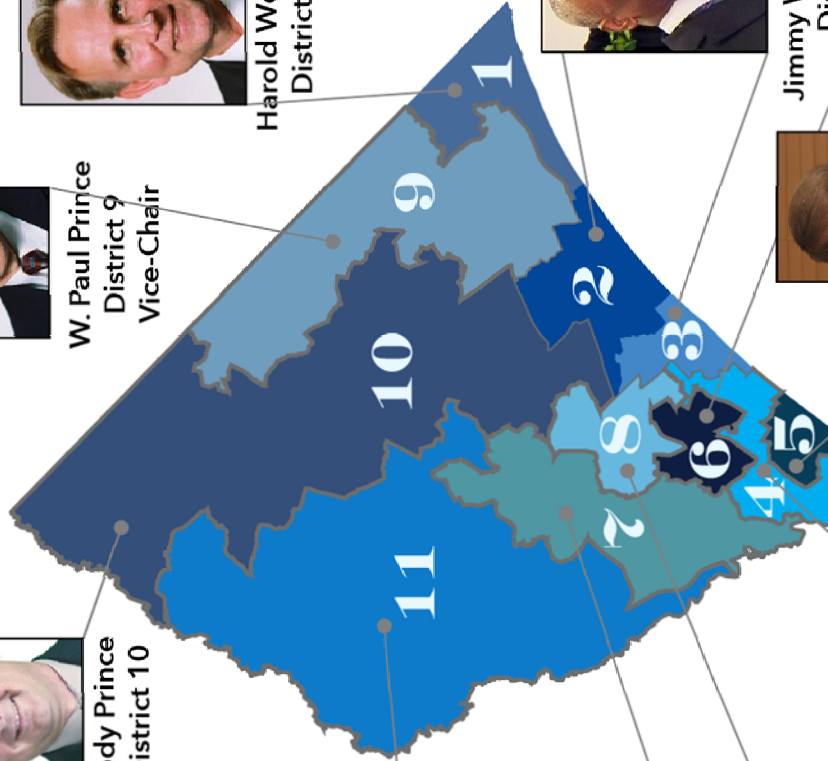
Jimmy Washington
District 3



Bill Howard
District 2



Cam Crawford
District 6



MEMBERS OF COUNTY COUNCIL

Mark Lazarus	Chairman
W. Paul Prince	Member, District 9 and Vice Chairman
Harold G. Worley	Member, District 1
Bill Howard	Member, District 2
Jimmy Washington	Member, District 3
Gary Loftus	Member, District 4
Tyler Servant	Member, District 5
Cam Crawford	Member, District 6
James R. Frazier	Member, District 7
Johnny Vaught	Member, District 8
Jody Prince	Member, District 10
Al Allen	Member, District 11

ELECTED OFFICIALS

M. Lois Eargle	Auditor
Melanie Huggins-Ward	Clerk of Court
Robert Edge, Jr.	Coroner
Kathy G. Ward	Judge of Probate
Phillip E. Thompson	Sheriff
Jimmy Richardson	Solicitor Fifteenth Circuit
Roddy Dickinson	Treasurer

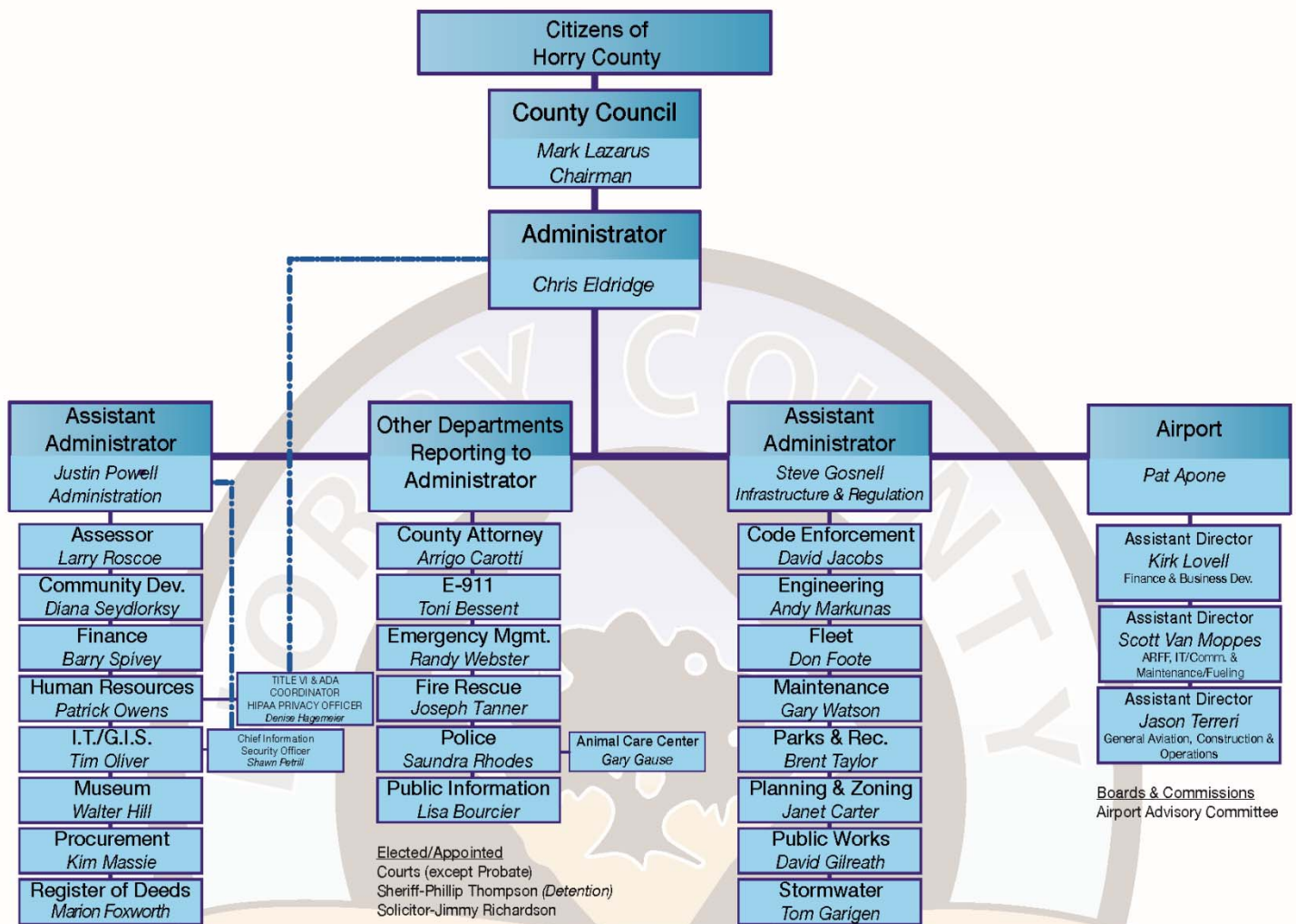
APPOINTED OFFICIALS

Margie Livingston	Chief Magistrate
Pat Hartley	Clerk to Council
Clif Boyer	Library
Cynthia Graham Howe	Master in Equity
Orrie West	Public Defender Fifteenth Circuit
Marion D. Foxworth, III	Register of Deeds
Sandy Martin	Registration & Election
Ronald Elvis, Jr.	Veteran's Affairs

ADMINISTRATIVE OFFICIALS

Chris Eldridge	County Administrator
Justin Powell	Assistant County Administrator - Administration
Steve Gosnell	Assistant County Administrator - Infrastructure and Regulation
Pat Apone	Director, Department of Airports
Arrigo Carotti	County Attorney
Sandra Rhodes	Chief of Police
Joseph Tanner	Chief of Fire and Rescue
Lawrence Roscoe	Assessor

As of 1/07/2016



Elected/Appointed
Auditor-Lois Eargle
Clerk of Court-Melanie Huggins Ward
Coroner-Robert Edge
Delegation-Connie Turner
Library-Clif Boyer
Magistrates-Margie Livingston (Chief Mag.)
Master-in-Equity-Cynthia Graham Howe
Probate-Kathy Ward
Public Defender-Orrie West
Registration & Election-Sandy Martin
Treasurer-Roddy Dickinson (Hosp. & Bus. Lic)
Veteran's Affairs-Ronald Elvis Jr.

Boards & Commissions
Airport Advisory Committee
Assessment Appeals
Accommodations Tax Advisory
Fee Appeals
Memorial Library
Museum
Registration & Elections

Supplemental Funded Agencies
Council on Aging
Higher Education
Horry-Georgetown Technical College
MB Reg. Economic Dev. Corp.

Supplemental Funded Agencies
SC Dept. of Health & Environmental Control
SC. Dept. of Social Services

Component Unit
Shoreline Behavioral

Supplemental Funded Agencies
SC Dept. of Probation & Parole

Boards & Commissions
Arcadian Shores Special Tax
Board of Architectural Review
Board of Adj. & Zoning
Appeals
Construction Adj. Appeals
Hidden Woods Special Tax
Mt. Gilead Special Tax
Open Space
Planning Commission
Socastee Recreation Dist.
Stormwater Advisory
Vereen Memorial Gardens

Supplemental Funded Agen.
Clemson Extension
Coast RTA
Waccamaw Regional Planning

Component Unit
Solid Waste Authority

Updated 12.07.15

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT
AND
MANAGEMENT'S DISCUSSION AND ANALYSIS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Chairman and Members of County Council
Horry County, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Horry County, South Carolina (the "County"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Horry County Department of Airports (enterprise fund), Shoreline Behavioral Health Services, or the Horry County Solid Waste Authority (both discretely presented component units). The Horry County Department of Airports' financial statements represent 100 percent of the assets, net position, and revenues of the business-type activities. The Shoreline Behavioral Health Services' and the Horry County Solid Waste Authority's financial statements represent 100 percent of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion insofar as it relates to the amounts included for the enterprise fund and both discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based 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 the County as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

Change in Accounting Principle

As discussed in Note 22 to the financial statements, the County adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, effective July 1, 2014. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, consisting of the budgetary comparison schedules – general fund, the schedule of the County's proportionate share of the net pension liability, the schedule of the County's contributions to the South Carolina Retirement System, required supplementary information for governments that use the modified approach for infrastructure assets, and the schedule of funding progress for other post employment benefits plan, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual major and nonmajor fund financial statements, budgetary comparison major and nonmajor fund financial schedules, capital asset schedules, fines, assessments, and surcharges schedule, capital project sales tax budgetary schedule, general improvements capital project budgetary schedule, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual major and nonmajor fund financial statements, budgetary comparison major and nonmajor fund financial schedules, capital asset schedules, fines, assessments, and surcharges schedule, capital project sales tax budgetary schedule, and general improvements capital project budgetary schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures described above, and the report of other auditors, the combining and individual major and nonmajor fund financial statements, budgetary comparison major and nonmajor fund financial schedules, capital asset schedules, fines, assessments, and surcharges schedule, capital project sales tax budgetary schedule, and general improvements capital project budgetary schedule 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 do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2016 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Elliott Davis Decosimo, LLC". The signature is written in a cursive, flowing style.

Charleston, South Carolina
January 27, 2016

Management's Discussion and Analysis

Management's Discussion and Analysis provides a narrative overview and analysis of the County's financial activities for fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with the basic financial statements and additional information furnished in our Letter of Transmittal, which can be found on the pages prior to this report.

FINANCIAL HIGHLIGHTS

- The Statement of Net Position reflects total assets of \$1.58 billion. This represents a \$7.0 million increase from fiscal year 2014. Net capital assets increased \$38.5 million due primarily to spending for new construction including a \$24.7 million increase in runways and taxiways for the County's airports, \$10.3 million increase in construction in progress, \$2.3 million increase in road infrastructure, \$8.0 million for fire apparatus, \$5.5 million in energy savings improvements, \$3.9 million for public safety radios and video, and \$2.6 million in light and heavy fleet equipment. These addition amounts are reduced by depreciation during the year of \$28.5 million and asset disposals of \$2.1 million.
- Total liabilities increased \$126.4 million from fiscal year 2014. This is attributable primarily to a new accounting pronouncement (see further detail later in this report) reflecting a net pension liability of \$149.6 million that was not reflected in the prior year liabilities. During fiscal year 2015, payments on existing County bond obligations totaled \$37.9 million including \$28.5 million for RIDE debt with the State Infrastructure Bank.
- Net position of the County totaled \$979.1 million at June 30, 2015 a decrease of \$118.5 million from fiscal year 2014. The impact of the new accounting pronouncement related to pensions on net position at June 30, 2015 is a decrease of \$139.7 million. Excluding this change in reporting would reflect an increase in net position of \$21.2 million. Net investment in capital assets increased \$32.7 million. Restricted net position decreased \$38.7 million. The County's capital project sales tax program excess of expenditures over revenue was \$35.4 million in fiscal year 2015 as construction progress accelerated on several major projects and revenues declined due to reaching the statutory time limitation for the sales tax collections in fiscal year 2014.
- At June 30, 2015, fund balance for the General Fund was \$40.8 million or 32.86 percent of total General Fund expenditures, compared to \$41.4 million or 33.9 percent for the previous year. The fiscal year 2015 budget anticipated using \$11.0 million of fund balance. Actual results reflect a \$0.6 million decrease in fund balance due primarily to an \$8.4 million expenditure savings and \$1.9 million favorable revenue variance.
- Property tax revenue for the General Fund for fiscal year 2015 was \$74.5 million compared to \$76.0 million for fiscal year 2014, a decrease of \$1.5 million due to valuation declines with reassessment effective this fiscal year.
- Tourism-related revenues, primarily used to fund infrastructure related debt service, reflected positive growth in fiscal year 2015 and Hospitality Fees increased 7.1 percent to \$44.1 million.
- Certain items in the prior year have been reclassified to conform to the current year presentation.

OVERVIEW OF THE FINANCIAL STATEMENTS

The County's financial statements focus on the County as a whole, and on major individual funds. "Funds" are self-balancing sets of accounts that account for specific financial activities that may be regulated, restricted or limited in various ways. This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The 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 other required and non-required supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. These statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns, which present a total for the primary government.

The Statement of Net Position includes all of the County's assets and liabilities, with the difference between the two reported as net position. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long term obligations. Net position are the difference between the County's assets and its 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. Therefore, this statement includes some items that will impact cash flows in future fiscal periods, such as collections of delinquent taxes and the use of earned leave time. This statement is focused on both the gross and net cost of various functions (including governmental, business-type, and component units), which are supported by the government's general tax and other revenues. This statement presents information showing how the government's net position changed during the most recent fiscal year.

These two government-wide statements report the County's net position and how they have changed. Net position, the difference between the County's assets and liabilities, measure the County's financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

- Governmental activities are functions that are principally supported by taxes and intergovernmental revenues. Most of the County's basic services are included here, such as police, fire, public works, parks and recreation, and general administration. Property taxes and state and federal grants finance most of these activities.
- Business-type activities are functions that are intended to recover all or a significant portion of the costs through user fees and charges. The County's Department of Airports is reported here.
- Component units are separate legal entities for which the County 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. Shoreline Behavioral Health Services and the Horry County Solid Waste Authority are component units of the County.

The government-wide financial statements can be found on pages 24 through 27 of this report.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required by State law and by bond covenants. The County uses other funds to control and manage money for particular purposes or to demonstrate compliance with the use restrictions associated with certain taxes and grants.

All of the County's funds are grouped in the following three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, which report total financial position, the governmental fund financial statements focus only on near-term inflows and outflows of spendable resources, as well as presenting spendable resources

available at the end of the fiscal year. This information is useful in determining a government's near-term financing requirements.

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 funds with similar 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 Fund, General Improvement Capital Projects Fund, Capital Project Sales Tax Fund, and RIDE Program Debt Service Fund, which are considered to be the major funds. Data for the other thirty (30) 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 implemented Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, in the fiscal year ended June 30, 2015. The implementation of the statement required the County to record beginning net pension liability and the effects on unrestricted net position of contributions made by the County during the measurement period (fiscal year ended June 30, 2014). To the extent practical, in the first period that this Statement is applied, changes made to comply with this Statement should be reported as an adjustment of prior periods, and financial statements presented for the periods affected should be restated. If restatement of all prior periods presented is not practical, the cumulative effect of applying this Statement, if any, should be reported as a restatement of beginning net position for the earliest period restated. In such circumstances, beginning balances for deferred inflows of resources and deferred outflows of resources related to pensions should not be reported. Since the information for the restatement of beginning balances of deferred inflows of resources or deferred outflows of resources is not available for the earliest period presented, the cumulative effect of the Statement implementation will be shown as restatement to ending net position as of June 30, 2014. As a result, ending unrestricted net position for the County for the year ended June 30, 2015 decreased by \$139.7 million and \$9.8 million for the governmental and business-type activities, respectively.

The County adopts an annual appropriated budget for its general fund, special revenue funds, and debt service funds. The general improvement capital projects funds adopt project length budgets. Additionally, budgetary controls are maintained for certain proprietary fund types.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. 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 will 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. The Enterprise Fund reports the activities of the Department of Airports.

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 County's Internal Service Fund reports the activities of Fleet Services, which accounts for the maintenance and replacement of all county vehicles including heavy equipment and light equipment. Because these services predominantly benefit governmental rather than business-type functions, the activities of the Fleet Services Fund 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 or agencies.

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 42 through 104 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, information relating to the condition rating and actual rating and actual maintenance/preservation of the County's road infrastructure and the Department of Airport's infrastructure as well as the funding status of the County's net post-employment benefit obligation.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position 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 and deferred outflows exceeded liabilities and deferred inflows of resources by \$979.1 million at the close of the fiscal year ended June 30, 2015. At the end of fiscal year 2015, the County reported the following Net Position:

Horry County's Net Position <i>(amounts expressed in thousands)</i>						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	\$ 502,493	\$ 532,969	\$ 92,490	\$ 93,532	\$ 594,983	\$ 626,501
Capital Assets, net	728,664	711,441	252,304	231,026	980,968	942,467
Total Assets	1,231,157	1,244,410	344,794	324,558	1,575,951	1,568,968
Deferred Outflows of Resources	17,594	1,452	927	-	18,521	1,452
Current Liabilities	91,878	87,104	9,428	8,281	101,306	95,385
Long-term Liabilities	421,309	309,428	69,955	61,350	491,264	370,778
Total Liabilities	513,187	396,532	79,383	69,631	592,570	466,163
Deferred Inflows of Resources:	19,951	3,375	2,893	3,285	22,844	6,660
Net Position:						
Net investment in capital assets	619,432	609,438	193,870	171,153	813,302	780,591
Restricted	311,619	353,422	36,532	33,430	348,151	386,852
Unrestricted (deficit)	(215,437)	(116,907)	33,043	47,059	(182,394)	(69,848)
Total Net Position	\$ 715,614	\$ 845,953	\$ 263,445	\$ 251,642	\$ 979,059	\$ 1,097,595

Net Position of the County's governmental activities decreased 15.4 percent from \$846.0 million to \$715.6 million. Net investment in Capital Assets and Restricted Net Position of the County's governmental activities decreased 3.3 percent to \$931.1 million at year end. Net investment in Capital Assets and

Restricted Net Position of the County's governmental activities are restricted as to the purpose for which they can be used or are invested in capital assets (buildings, roads, bridges, and so on). The County continues to invest in needed capital improvements and provides for a large portion of annual capital needs without the use of debt thereby increasing Net Position. Restricted Net Position includes the \$255.0 million excess Capital Project Sales Tax revenues over expenditures. These funds are restricted to specific projects and have accumulated due to permitting delays for several major road projects. As projects are completed, the expenditures will exceed revenue as in subsequent years and utilize this accumulated excess over the next several years.

Unrestricted Net Position reflected a \$182.4 million deficit at the end of this year. This deficit is primarily the result of the County's long term debt payable for new roads which are not recorded as County assets because they are State roads, not County roads and, beginning in this fiscal year, the net pension liability noted above. In 1996, the County partnered with the State of South Carolina in the RIDE (Road Improvement and Development Effort) program which pairs funding provided at the local level with funding provided by the State of South Carolina in order to facilitate transportation improvements within the County. The RIDE program debt is repaid from a 1.5% county-wide Hospitality Fee enacted locally in 1997. The decrease in the deficit in governmental activities Unrestricted Net Position from June 30, 2014 to June 30, 2015 of \$98.5 million is primarily attributed the decrease of \$139.7 million from the new accounting pronouncement related to pensions, offset by the reduction in the RIDE loans payable of \$28.5 million and a reclassification of long-term employee benefit liabilities to restricted amounts of \$9.1 million. Net position does not represent the County's position regarding spending, which is presented in the governmental fund statements.

The Net Position of our business-type activities increased 4.7 percent from \$251.6 million in 2014 to \$263.4 million in 2015. This increase resulted from positive non-operating revenues and federal and state restricted capital project grant revenues offset by a decrease from the new pension liability of \$9.8 million.

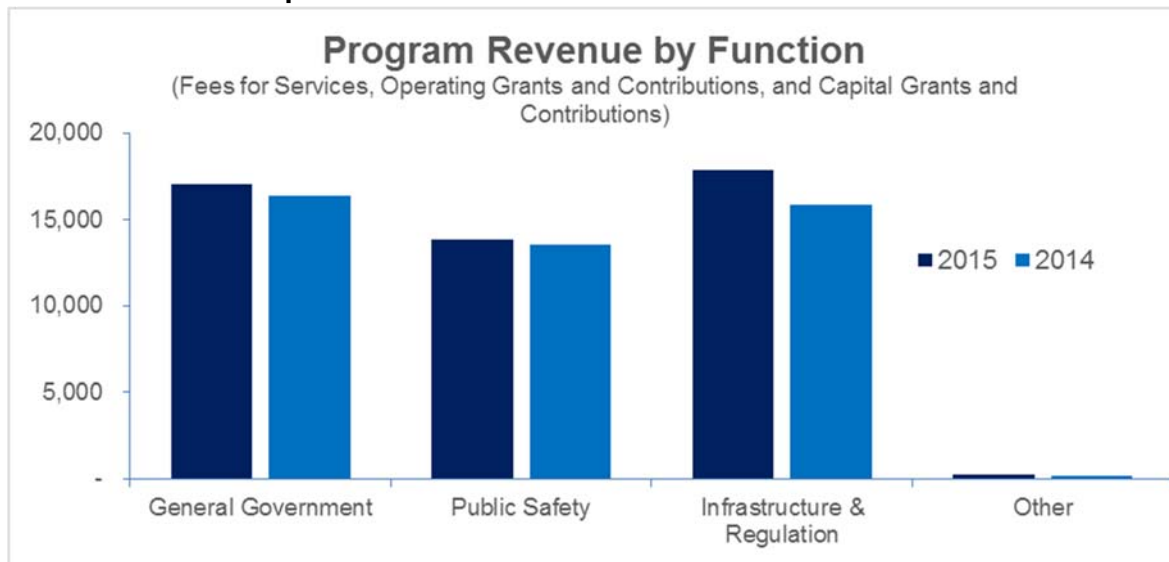
The total fund balances for governmental funds was \$430.4 million at the end of fiscal year 2015. Capital assets are not reported in these funds because they are not financial resources, and are not available to pay for current period expenditures. Capital assets as of June 30, 2015 (excluding internal service funds), which are not included in this fund balance, totaled \$716.9 million. Long-term liabilities of \$470.5 million 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, \$175.2 million, is the amount due on the RIDE Intergovernmental Agreements. Under these agreements, the County partnered with the State in receiving \$550 million in loans for road construction in order to meet the infrastructure needs of the County. The County agreed to deposit all receipts of the 1.5 percent portion of its county-wide Hospitality Fee into a Loan Servicing Account at the State Transportation Infrastructure Bank. The State Transportation Infrastructure Bank has provided the funding for various road construction projects in the County through these loans, which the County is repaying with the 1.5 percent Hospitality Fee. The constructed roads are State roads and are therefore not reflected in capital assets of the 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 percent portion of the Hospitality Fee not meet the debt service requirements. The citizens of the 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. As of June 30, 2015, the County has remitted to the State Transportation Infrastructure Bank approximately \$52.6 million of 1.5 percent Hospitality Fees collected in excess of the amount required to meet the scheduled debt service payments. This amount is held in an interest-bearing reserve account by the State Transportation Infrastructure Bank and equates to over one year's debt service requirement.

Governmental activities

Governmental activities increased the County's Net Position during the year by \$8.3 million. Key elements of this increase are as shown below.

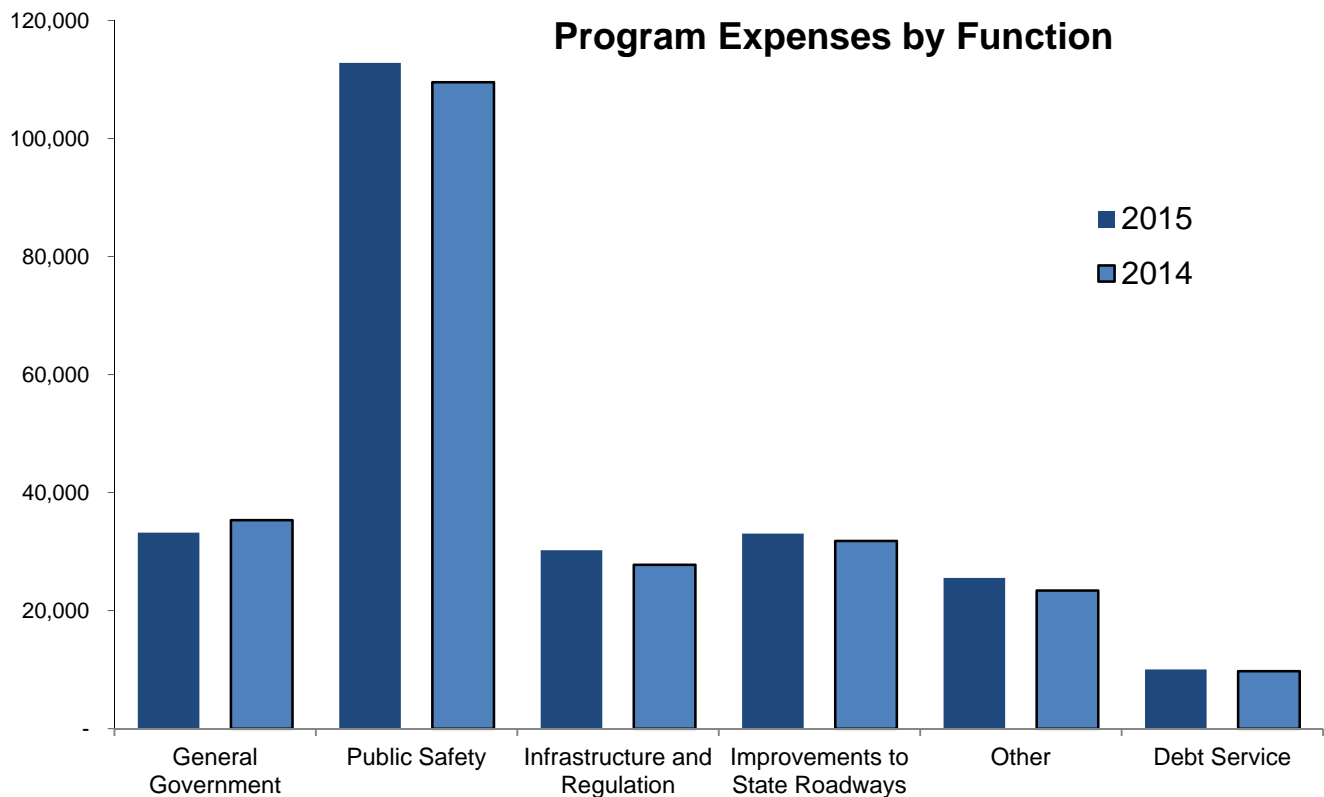
Horry County's Changes in Net Position (amounts expressed in thousands)						
	Governmental Activities		Business-Type Activities		Total	
Revenues:	2015	2014	2015	2014	2015	2014
Program Revenues:						
Fees for services	\$ 49,327	\$ 46,320	\$ 30,215	\$ 28,291	\$ 79,542	\$ 74,611
Operating Grants and Contributions	10,450	11,185	2,163	2,102	12,613	13,287
Capital Grants and Contributions	3,231	3,015	20,655	6,415	23,886	9,430
General Revenues: Property taxes, Shared revenue and Unallocated intergovernmental	135,128	194,778	-	-	135,128	194,778
Other	55,165	53,358	266	484	55,431	53,842
Total Revenues	253,301	308,656	53,299	37,292	306,600	345,948
Expenses:						
General government	33,225	35,355	-	-	33,225	35,355
Public safety	112,846	109,564	-	-	112,846	109,564
Infrastructure and regulation	30,245	27,780	-	-	30,245	27,780
Improvements to state roadways	33,078	31,821	-	-	33,078	31,821
Health and social services	2,738	2,852	-	-	2,738	2,852
Culture, recreation and tourism	13,331	12,046	-	-	13,331	12,046
Economic development	3,465	3,786	-	-	3,465	3,786
HGTC and Higher Education Commission	6,029	4,736	-	-	6,029	4,736
Interest	10,060	9,757	-	-	10,060	9,757
Airports	-	-	31,962	30,284	31,962	30,284
Total Expenses	245,017	237,697	31,962	30,284	276,979	267,981
Increase in net position	8,284	70,959	21,337	7,008	29,621	77,967
Net Position – July 1	707,330	774,994	242,108	244,634	949,438	1,019,628
Net Position – June 30	\$ 715,614	\$ 845,953	\$ 263,445	\$ 251,642	\$ 979,059	\$ 1,097,595

Program Revenues and Expenses – Governmental Activities



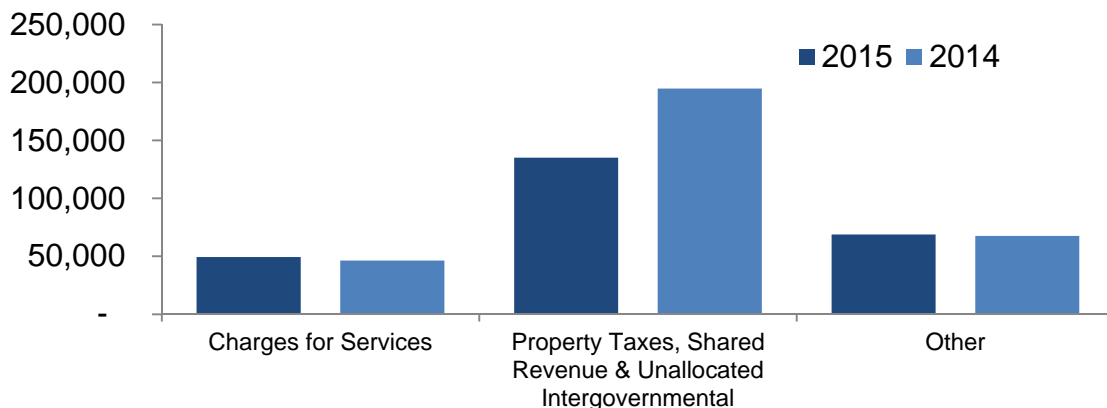
Program revenues in governmental activities increased \$2.5 million for fiscal year 2015. Program revenues are comprised of Fees for Services, Operating Grants and Contributions, and Capital Grants and Contributions. In 2015, Fees for Services increased by \$3.0 million due primarily to increases in road fee of \$0.9 million, building inspection fees of \$0.7 million, documentary stamps of \$0.6 million, business

licenses of \$0.3 million, and RMC recording fees of \$0.3 million. Grants and Contributions of \$13.7 million declined by \$0.5 million due to the FEMA reimbursement in the prior year related to the winter ice storm.



Program expenses in governmental activities increased \$7.3 million or 3.1 percent due primarily to a 2 percent raise to employees and increases in health and retirement expenses along with a \$1.3 million increase for improvements to state roadways funded through the Capital Project Sales Tax and Road Maintenance/CTC funds. Current year spending increased \$3.3 million in public safety expenses increased personnel and lower vacancies. Current year program spending includes an additional \$0.8 million retirement expense as a result of the new accounting pronouncement for pensions.

Revenues by Source - Governmental Activities

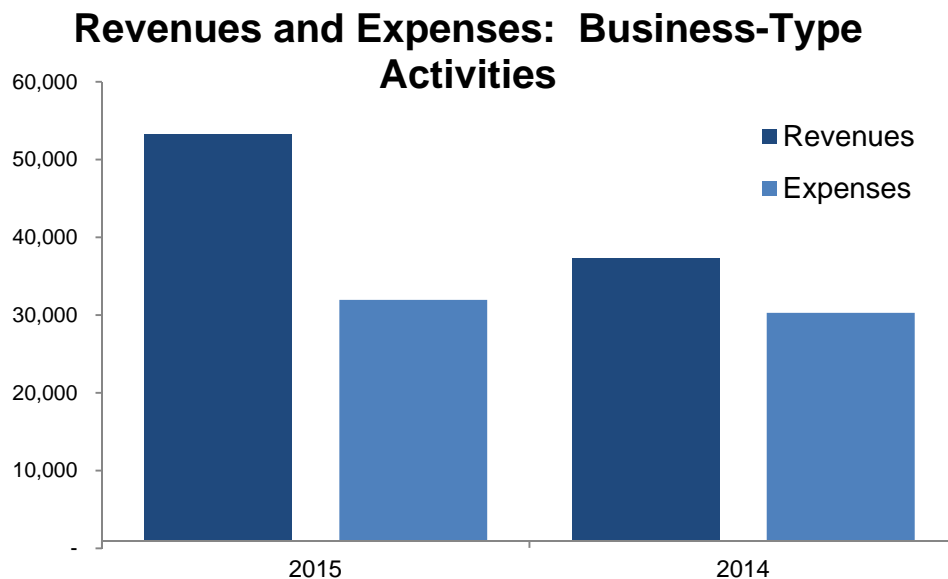


Revenues in the governmental activities decreased \$55.4 million for fiscal year 2015 which include a Capital Projects Sales Tax decrease of \$54.3 million as the statutory term limit for imposition of this tax

was reached in fiscal year 2014, a \$2.3 decrease in property taxes and fees-in-lieu of tax due to value declines in reassessment, and the \$0.8 million FEMA reimbursement in fiscal year 2014 offset by the increases noted above in Program Revenues of \$2.5 million.

Business-type activities

Business-type activities increased the County's net position by \$21.3 million, primarily the result of capital grant revenues and other non-operating revenues. Fees for services increased \$1.9 million for terminal rents, concessions and rentals, and fuel sales due to a full year operation of the expanded terminal facility at the Myrtle Beach International Airport. Capital contributions for construction increased \$14.2 million as the airport completed a runway and taxiway rehabilitation project. Program expenses increased \$1.7 million due primarily to higher operating expenses with a full year of the expanded facility.



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, as well as the restrictions on the use of certain revenues.

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, committed and unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2015, the County's governmental funds reported combined ending fund balances of \$430.4 million, a decrease of \$36.3 million from the prior year. Unassigned Fund Balance which is undesignated in the governmental funds of \$11.7 million is available for spending at the County's discretion. The remainder of the Fund Balance is restricted and non-spendable, to indicate that it is not available for new spending or committed and assigned because it has already been identified for a specific purpose.

Horry County's Governmental Funds Ending Fund Balance

(amounts expressed in thousands)

	2015	2014	Variance
Nonspendable			
Inventory and prepaid	\$ 1,319	\$ 152	\$ 1,167
Restricted			
Debt service	60,720	59,595	1,125
Capital	259,661	299,940	(40,279)
Other	39,877	39,383	494
Committed			
Stabilization	21,921	19,634	2,287
Other purposes	1,077	8,533	(7,456)
Infrastructure and regulation	20,933	20,237	696
Economic development	1,669	1,337	332
Capital	6,883	1,923	4,960
Public safety, culture, recreation and tourism	2,972	5,386	(2,414)
OPEB	1,675	1,307	368
Unassigned	11,725	9,284	2,441
Total	<u>\$ 430,432</u>	<u>\$ 466,711</u>	<u>\$ (36,279)</u>

The General Fund, General Improvements Capital Projects Fund, Capital Projects Sales Tax Fund, and the RIDE Program Debt Service Fund are reported as major funds.

General Fund

The General Fund is the chief operating fund of the County. At the end of fiscal year 2015, Fund Balance totaled \$40.8 million. Council committed \$27.3 million of fund balance including a fiscal stabilization reserve (\$21.9 million), use in the fiscal year 2016 budget (\$3.7 million) and for OPEB (\$1.7 million). Unassigned Fund Balance is \$12.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both Unassigned Fund Balance and total Fund Balance to total fund expenditures. Unrestricted Fund Balance represents 31.0 percent of the total General Fund expenditures and transfers out.

The Fund Balance of the General Fund decreased by \$0.6 million during the current fiscal year. This decrease is a result of revenues over budget of \$1.9 million coupled with positive expenditure savings to budget of \$8.4 million. Due to deliberate measures to control spending, of the expected use of \$11.0 million from Fund Balance as anticipated in the budget, \$0.6 was used to fund FY 2015 operations.

Net change in fund balance

(amounts expressed in thousands)

Planned use of fund balance	\$ (10,962)
Revenues over budget	1,912
Expenditures under budget	8,446
Other Financing Sources (Uses) under budget	30
Net budget savings from the General Fund	<u>10,388</u>
 Net change in Fund Balance from FY 2015	 <u>\$ (574)</u>

The following chart shows the increases and decreases in revenue, expenditures and other financing sources (uses) for fiscal year 2015 when compared to the revenue, expenditure and other

financing sources (uses) reported for fiscal year 2014. The revenue, expenditure and other financing sources (uses) activity for fiscal year 2015 generated a net decrease in Fund Balance of \$0.6 million in the General Fund.

Comparison of FY 2015 General Fund Results to FY 2014

(amounts expressed in thousands)

Decrease in Property Taxes , primarily due to decreased values with reassessment	\$ (1,499)
Increase in Intergovernmental Revenue , due to FEMA reimbursement for winter storm	841
Decrease in Fees and Fines , primarily due to lower foreclosures by Master in Equity	(187)
Increase in Register of Deeds Documentary Stamps , due to increased instruments filed	622
Increase in Licenses and Permits , primarily due to increased residential building permits and business licenses collections	1,008
Increase in Cost Allocations , increased central service allocations to other funds	233
Increase in Other Revenues , primarily from rents and other	86
Increase in net Other Financing Sources (Uses) , primarily due to greater transfers in	1,008
Increase in Expenditures , primarily due to increases in personal services	(2,081)
Net decrease in General Fund results compared to FY 2014 results	<u>31</u>
Net increase in fund balance from FY 2014 General Fund results	<u>(605)</u>
Net decrease in the fund balance of the General Fund from FY 2014 results	<u><u>\$ (574)</u></u>

RIDE Program Debt Service Fund

The County receives a 1.5% Hospitality Fee assessed county-wide on accommodations, prepared foods, beverages and admissions. The proceeds of this fee, after payment of an administrative fee to the General Fund, are pledged to repay the RIDE debt owed to the State Infrastructure Bank. These fees are recorded as revenue in the RIDE Program Debt Service Fund and used to fund the debt service payments. Due to the growth in tourism in recent years, the Hospitality Fees have exceeded the required debt service and the County has remitted approximately \$43.9 million to the State Infrastructure Bank (SIB) above the amount required for the scheduled debt. That amount, plus the amount collected but not yet remitted at year end and Hospitality Fee collections in July 2015 on sales that occurred during the month of June, make up the fund balance in this fund. Hospitality Fees and investment earnings total \$37.5 million in 2015. This is a \$2.4 million increase over the prior fiscal year. Expenditures of \$34.3 million reflect the RIDE debt service for the year. Debt Service is programmed to increase over the next two years and is projected to utilize a portion of the accumulated Fund Balance through fiscal year 2017 when the RIDE loan one (1) is fully amortized. Debt payments are scheduled to continue through fiscal year 2022 for the RIDE loan two (2).

Horry County's RIDE Program Debt Service

(amounts expressed in thousands)

Fund Balance, July 1, 2014	<u>\$ 49,729</u>
Revenues	37,491
Expenditures	(34,328)
Other Financing Sources (Uses)	<u>(360)</u>
Net change in Fund Balance	<u>2,803</u>
Fund Balance, June 30, 2015	<u>\$ 52,532</u>
Deposited with SIB, June 30, 2015	<u><u>\$ 43,946</u></u>

General Improvement Capital Projects Fund and the Capital Project Sales Tax Fund

The General Improvement Capital Projects Fund reflects the funding sources and the expenditures for the County's general government capital improvements, excluding those reported in the Capital Projects Sales Tax and the Grants Fund. Primary funding sources are debt proceeds, transfers in as pay-as-you go funding, and interest earnings. During fiscal year 2015, \$4.7 million in lease financing was initiated to fund various equipment needs along. The fund balance of \$8.9 million at June 30, 2015 reflects the resources previously funded and available to complete the capital projects currently in process.

Horry County's General Improvement Capital Project Fund

(amounts expressed in thousands)

Fund Balance, July 1, 2014	<u>\$ 17,018</u>
Revenues	2,062
Expenditures	(17,812)
Other Financing Sources (Uses)	<u>7,650</u>
Net change in Fund Balance	<u>(8,100)</u>
Fund Balance, June 30, 2015	<u><u>\$ 8,918</u></u>

The Capital Projects Sales Tax Fund reports the revenue from a one cent sales tax which County businesses began collecting in May 2007, as well as the related expenditures for the road projects that were approved by referendum in November 2007. Sales tax and Interest revenue decreased to \$1.4 million or in fiscal year 2015 as the statutory collection period has now ended. Total receipts life to date of the program through June 30, 2015 are \$448.6 million. The program estimated total receipts and provided for notice to retail licensees within Horry County to suspend collection of the tax when total receipts reached \$425.3 million, which represented the estimated expense to fully fund the approved infrastructure, or the completion of the seven-year period allowed. Due to a delay in the remittance of receipts from the State, the seven-year approved period was reached prior to receipt of the \$425.3 million receipt cap. Additional receipts \$23.3 million were received by the State and remitted to the County. The County has chosen a pay-as-you-go basis for expenditures and maintains in fund balance the excess of revenues over expenditures to date for the projects. Expenditures for 2015 total \$36.9 million and includes construction of \$33.1 million on State roadways and \$3.8 million on County roadways. The excess of expenditures over revenues of \$35.4 million in 2015 decreases the accumulated fund balance to \$255.0 million. The funds are restricted to specific projects and have accumulated due to permitting delays for several major road projects. As projects are completed, the expenditures will exceed revenue in subsequent periods and utilize this accumulated excess over the next several years.

Horry County's Capital Project Sales Tax Fund

(amounts expressed in thousands)

Fund Balance, July 1, 2014	<u>\$290,438</u>
Revenues	1,430
Expenditures	<u>(36,855)</u>
Net change in Fund Balance	<u>(35,425)</u>
Fund Balance, June 30, 2015	<u><u>\$255,013</u></u>

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. Net Position of proprietary funds at the end of the year amounted to \$295.2 million. The Department of Airports reflects an \$11.8 million or 4.7 percent increase in 2015. This increase resulted from positive operating revenues from the new terminal including concessions, and airline terminal rents. The Internal Service Fund provides for the repair and replacement of the County's light and heavy equipment fleet with the exception of heavy fire apparatus. Net investment in capital assets includes the undepreciated cost of the covered fleet vehicles in service of \$11.8 million at June 30, 2015. This reflects a \$0.9 million decrease during the year including \$2.7 million of assets purchased, less \$3.8 million for annual depreciation and asset disposals. The remaining Net Position of \$20.0 million is restricted for future replacement of the covered equipment.

Horry County's Proprietary Funds Net Position

(amounts expressed in thousands)

	Department of Airports		Internal Service Fund		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net investment in capital assets	\$ 193,870	\$171,153	\$ 11,779	\$12,973	\$ 205,649	\$184,126
Restricted for:						
Debt Service	20,376	19,729	-	-	20,376	19,729
Capital	16,156	13,701	20,020	19,683	36,176	33,384
Unrestricted	<u>33,043</u>	<u>47,059</u>	<u>-</u>	<u>-</u>	<u>33,043</u>	<u>47,059</u>
Total net position	<u>\$ 263,445</u>	<u>\$251,642</u>	<u>\$ 31,799</u>	<u>\$32,656</u>	<u>\$ 295,244</u>	<u>\$284,298</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 adjusted for budgetary amendments that netted to an increase of \$1.5 million from the original budget. These increases were reflected in program revenues primarily within public safety and added to the budget when received.

The final budgeted expenditures increased \$4.4 million and transfers out increased by \$0.3 million over the original budget. The primary reason for these expenditure budget adjustments was budgetary roll forward of unspent dedicated amounts from fiscal year 2014 of \$2.9 million and an equal increase of \$1.5 million as reflected in revenues for program revenues received during the year.

Considering these budget amendments, General Fund revenues were more than the final budget by \$1.9 million and expenditures were less than the final budget by \$8.4 million.

The major differences between the final budget and the actual amounts for both revenue and expenditures are summarized as follows:

- Property taxes were lower than budget by \$0.5 million. Decreases were experienced in real property of \$1.5 million due to value declines with reassessment offset by increases in personal property of \$0.1 million, vehicle taxes of \$0.7 million, and fee in lieu of tax of \$0.1 million.

- Intergovernmental revenues were higher than the budget by \$0.8 million primarily due to receipt of a FEMA reimbursement of \$0.6 million budgeted in the prior year.
- Fees and fines were over under by \$0.7 million, primarily due to lower Master in Equity fees of \$0.6 million and lowers Magistrate fine and fees of \$0.5 million offset by higher fees for EMS of \$0.2 million and Cable TV of \$0.2 million.
- RMC Documentary Stamps were over budget by \$0.6 million due to increased values of real estate transactions.
- Licenses and permits were over budget by \$1.6 million, due to higher building inspection permits of \$1.1 million and business licenses of \$0.6 million.
- Cost allocation was over budget by \$0.2 million due to induced central service costs and changes in basis allocations.
- Various departmental spending was reduced below budgeted amounts as a result of management controls on hiring and spending. The largest departmental savings are detailed in the table below:

Horry County's General Fund Budget to Actual

(amounts expressed in thousands)

	Final Budget	Actual	(Favorable) Variance
Public Works	\$ 9,744	\$ 7,563	\$ (2,181)
Department Overhead	4,344	3,222	(1,122)
Detention Center	22,904	22,335	(569)
County Council	1,445	964	(481)
Police	19,868	19,473	(395)
County Engineer	1,480	1,114	(366)
Maintenance	4,641	4,277	(364)
Library	4,387	4,030	(357)
Legal	971	692	(279)
Emergency Medical Services	14,397	14,152	(245)
Parking Program	278	54	(224)
Total of above			\$ (6,583)
Various other departments (under) budget			(1,863)
Total expenditures (under) budget			<u>\$ (8,446)</u>

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2015 amounts to \$981.0 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements (other than buildings), leasehold improvements, equipment,

intangible assets, infrastructure, and construction in progress. The total increase of \$38.5 million in the County's investment in capital assets (net of accumulated depreciation) for the current fiscal year was a 4.1 percent change from the prior year (a 2.4 percent increase for governmental activities and a 9.2 percent increase for business-type activities).

Some of the significant capital events that occurred during the current fiscal year which increased capital assets were a \$24.7 increase in runways and taxiways for the County's airports, \$10.3 million increase in construction in progress, \$2.3 million increase in road infrastructure, \$8.0 million for fire apparatus, \$5.5 million in energy savings improvements, \$3.9 million for public safety radios and video software, and \$2.6 million in light and heavy fleet equipment. These addition amounts are reduced by depreciation during the year of \$28.5 million and asset disposals of \$2.1 million.

Horry County's Capital Assets

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land, Easements, and Imp.	\$ 28,504	\$ 28,327	\$ 48,296	\$ 49,131	\$ 76,800	\$ 77,458
Intangible Assets	344	397	-	-	344	397
Infrastructure	473,894	471,566	9,182	9,182	483,076	480,748
Construction-in-Progress	38,568	26,140	474	2,603	39,042	28,743
Buildings and Improvements	159,271	158,638	128,086	125,082	287,357	283,720
Machinery and Equipment	28,083	26,373	7,124	8,023	35,207	34,396
Runways and Taxiways	-	-	59,142	37,005	59,142	37,005
Total	\$ 728,664	\$711,441	\$252,304	\$231,026	\$ 980,968	\$ 942,467

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

The County has adopted the modified approach for reporting its road infrastructure. Using this approach, the County does not depreciate infrastructure assets but maintains an up-to-date inventory of road infrastructure asset conditions. The County must also document that the road infrastructure assets are being preserved at or above the condition level established.

The County's road system consists of approximately 55 percent paved roads and 45 percent unpaved roads. The condition of the road pavement is measured using several distress factors found in pavement surfaces. The County implemented a new pavement management system (MicroPAVER) on July 1, 2010 in an effort to better assess the paved road network within the County. 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 goal to maintain at least 70.0 percent of its street system at fair or better condition level. No more than 30.0 percent should be in a substandard condition. Condition assessments are determined every year. The implementation of this new evaluation system resulted in a more thorough and accurate assessment of condition of the road infrastructure and resulted in an increase in the percentage of fair and better condition roads. The following assessment for fiscal year 2015 shows that the County is in

compliance with the target condition levels that have been established. The prior year is presented to show the change in measurement through this new pavement management system.

Percentage of Miles in Fair or Better Condition

	<u>2015</u>	<u>2014</u>
Arterial	77.9%	70.9%
Collector	85.9%	86.5%
Access	<u>87.0%</u>	<u>85.7%</u>
Overall system	<u>86.7%</u>	<u>85.0%</u>

The County created a long-term road improvement program that had been paving at least 16 miles of dirt roads per year from fiscal year 2004 through 2008. In fiscal year 2009, as a result of an expected revenue shortfall, this was decreased to 14.5 miles and in fiscal year 2010 it was further reduced to 9.7 miles per year. Due to continued revenue shortfalls, it was further reduced to 8.9 miles in fiscal year 2011 and 9.0 miles in fiscal year 2012 (which included 1 mile funded by the County Transportation Committee (CTC). Funding for the dirt road paving program has stabilized during FY 13 to allow approximately 11 miles of paving per year (including the one mile of CTC-funded improvements). Fiscal year 2014 reflected an increase to 18.7 miles (including 9.5 miles from the capital project sales tax program and one mile of CTC-funded improvements). Fiscal Year 2015 reflected an increase of 7.6 miles including 1.1 from the capital project sales tax program and one mile of CTC-funded improvements. As these roads are paved, they become part of the County's pavement management system.

In November 2006, a one-cent Capital Projects Sales Tax was passed by voter referendum and is dedicated to specific road projects, including resurfacing 67 miles of County maintained roads over a seven year period. During fiscal year 2009, County Council increased the road maintenance fee by \$10.00 and dedicated it to the resurfacing program.

Included in the one-cent Capital Project Sales Tax program are various projects to improve existing state roadways. The County is managing the construction and funding the expenditures through the collections of sales tax. The cost of these roadway improvements is included in the statement of activities when the expense is incurred. The table below reflects the cost incurred to date for these projects:

Horry County's Improvements to State Roadways

(amounts expressed in thousands)

	<u>Current Year</u>	<u>Project to Date</u>
Backgate interchange	\$ 8,520	\$ 102,141
Widen 707	10,348	30,574
Widen Glenns Bay	13,982	23,033
International	<u>228</u>	<u>884</u>
Total	<u>\$ 33,078</u>	<u>\$ 156,632</u>

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

Debt Administration

At June 30, 2015, the County had total bonded debt outstanding of \$150.7 million. This represents a decrease from the prior year of \$9.0 million which is the normal amortization of prior balances. Of the total bonded debt outstanding, \$82.3 million comprises debt backed by the full faith and credit of the

government. The remainder of the County's debt represents bonds secured solely by specified revenue sources, such as the 1% Hospitality Fee pledged to repay the Special Obligation Bonds, and the Airport revenues pledged to repay the Revenue Bonds. Under agreements with the City of Myrtle Beach, the County has also pledged a portion of the 1% Hospitality Fee to repay 30 percent of the Certificates of Participation issued by the City of Myrtle Beach for a baseball stadium. The RIDE – Intergovernmental Loan Agreements with the State of South Carolina Transportation Infrastructure Bank are being repaid by the county-wide 1.5% Hospitality Fee.

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

The County's bonds with outstanding balances as of June 30, 2015 are presented in the following table:

Horry County's General Obligation and Revenue Bonds Outstanding

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	\$ 91,310	\$ 99,066	\$ -	\$ -	\$ 91,310	\$ 99,066
Revenue Bonds	-	-	59,375	60,590	59,375	60,590
Baseball Stadium COPS	861	1,051	-	-	861	1,051
RIDE IGA Loans	175,172	203,700	-	-	175,172	203,700
Total	\$267,343	\$303,817	\$ 59,375	\$ 60,590	\$326,718	\$364,407

The above chart summarizes the outstanding principal balances on the debt issues, and does not include unamortized premium or original discount which are included in the government-wide statement of net position.

The County maintains various reserves from which to pay future debt service. At June 30, 2015, amounts reserved for debt service totaled \$81.1 million. This represents an increase of \$1.8 million from the prior year. Favorable increases in the 1.5% Hospitality Fee revenue exceeded annual debt service and increased the accumulated excess dedicated to the repayment of the RIDE IGA loans by \$2.8 million. General debt reflected a \$1.7 million decrease and Revenue Bonds reflected a \$0.6 million increase as planned in the current year budget. The table below reflects the County's reserve amounts by category of obligation. These amounts are reflected as restricted net position and fund balance within the financial statements.

Horry County's Debt Service Reserves

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Debt	\$ 7,780	\$ 9,461	\$ -	\$ -	\$ 7,780	\$ 9,461
Special Obligation	409	404	-	-	409	404
Revenue Bonds	-	-	20,376	19,729	20,376	19,729
RIDE IGA Loans	52,532	49,729	-	-	52,532	49,729
Total	\$ 60,720	\$ 59,594	\$ 20,376	\$ 19,729	\$ 81,097	\$ 79,323

Additional information on the County's debt can be found in Note 8 of the Notes to the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

The following summarizes some economic factors:

- As of June 2015, the unemployment rate for the County per the Bureau of Labor Statistics and Workforce (not seasonally adjusted) was 6.8 percent, up from 6.6 percent at June 2014. This rate ranked the County as the 18th lowest unemployment rate of the forty-six counties in the state. The range of unemployment rates for South Carolina counties in June 2015 was a low of 5.5 percent to a high of 11.5 percent. The unemployment rate for the state of South Carolina as of June 2015 was 6.7 percent, up from 6.6 percent at June 2014.
- The fiscal year 2016 County base tax millage is 52.4 mills, equivalent to a tax rate of .0524 percent of assessed value. This was the lowest county base tax rate in South Carolina.

The fiscal year ended June 30, 2015 indicated growth in the tourism market which provided overall financial stability. Economic factors affecting the area's real estate market are improving and having a positive impact on personal and business incomes, and impacted the preparation of the fiscal year 2016 budget compared to fiscal year 2015 as follows:

- Increasing revenue – in economically sensitive areas for hospitality fees, building inspection permits, and ROD;
- Property tax revenues are increased to reflect a 7.2 mil tax increase approve to provide additional public safety staff, higher capital needs, raises for personnel, and avoid the budgeted use of fund balance for recurring expenditures;
- Increasing expenditures overall for a 3% (5% Class 1 Officers) cost of living adjustment for employees and higher cost for employee healthcare and retirement; and
- No prior year excess fund balance was appropriated in the fiscal year 2016 budget.

All of these factors were considered in preparing the County's budget for the 2016 fiscal year. The County applications in process for grant funding will result in budget amendments upon notification of grant award.

During fiscal year 2015, unassigned fund balance in the General Fund increased from \$9.4 million to \$12.2 million primarily due to tax increase noted above avoiding the budgeted use of fund balance for fiscal year 2016. Total fund balance in the General Fund decreased from \$ 41.4 million to \$40.8 million. Projections at this time indicate that at the end of fiscal year 2015, the unreserved fund balance for the General Fund will remain above the 15 percent 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 the 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 Barry Spivey, Finance Director, 1301 Second Avenue, Conway, SC 29526.

AUDITED BASIC FINANCIAL STATEMENTS

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2015
(amounts expressed in thousands)

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Shoreline Behavior	Solid Waste Authority
Assets					
Current assets:					
Cash and cash equivalents	\$ 2,610	\$ 46,287	\$ 48,897	\$ 1,736	\$ 12,694
Pooled Cash	121,988	-	121,988	-	-
Investments	302,072	-	302,072	-	21,599
Receivables, net:					
Property taxes	3,848	-	3,848	-	-
Accounts and other	8,241	1,998	10,239	679	1,273
Fees	9,750	-	9,750	-	-
Interest receivable	69	37	106	-	-
Due from other governments	5,900	2,148	8,048	148	1,149
Prepaid items	1,269	100	1,369	-	116
Inventories	443	893	1,336	-	20
Restricted funds held in trust	46,303	-	46,303	-	-
Total current assets	502,493	51,463	553,956	2,563	36,851
Non-current assets:					
Restricted assets:					
Cash and cash equivalents	-	21,886	21,886	-	-
Investments	-	16,585	16,585	-	-
Accounts and other receivables	-	-	-	261	-
Receivables - PFC and CFC	-	850	850	-	-
Total restricted assets	-	39,321	39,321	261	-
Capital assets:					
Land, easements, intangible assets and infrastructure	496,965	32,456	529,421	138	7,918
Depreciable capital assets, net	193,131	219,374	412,505	723	28,103
Construction-in-progress	38,568	474	39,042	-	767
Total capital assets, net	728,664	252,304	980,968	861	36,788
Service concession arrangement (SCA)	-	1,706	1,706	-	-
Total non-current assets	728,664	293,331	1,021,995	1,122	36,788
Total assets	1,231,157	344,794	1,575,951	3,685	73,639
Deferred Outflows of Resources					
Deferred charge on refunding	3,714	-	3,714	-	-
Contributions to retirement plan after measurement date	10,025	650	10,675	191	415
Difference between expected and actual retirement plan experience	3,855	277	4,132	67	208
Total deferred outflows of resources	17,594	927	18,521	258	623

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
- CONTINUED -
(amounts expressed in thousands)

	Primary Government		Component Units	
	Governmental Activities	Business-type Activities	Shoreline Behavior	Solid Waste Authority
Liabilities				
Current liabilities payable from non-restricted assets:				
Accounts payable - trade	10,738	845	11,583	136
Accounts payable - other	37	-	37	-
Accrued salaries, related taxes and compensated absences	12,717	631	13,348	40
Accrued expenses	-	418	418	-
Unearned revenue from operating agreements	-	305	-	-
Internal balances	(953)	953	-	-
Due to component units	1,297	-	1,297	-
Due to other governments	41	-	41	-
Construction and retainage payable	-	2,704	2,704	-
Other liabilities	22,797	-	22,797	-
Accrued interest payable	1,680	-	1,680	-
General and special obligation bonds payable - current portion	9,850	-	9,850	-
Ride IGA loans payable - current portion	30,983	-	30,983	-
Capital lease obligations - current portion	2,690	96	2,786	-
Amounts due to tenants	-	992	992	-
Total current liabilities payable from non-restricted assets	91,877	6,944	98,821	176
				2,169
Current liabilities payable from restricted assets:				
Revenue bonds payable - current portion	-	1,270	1,270	-
Accrued interest payable	-	1,519	1,519	-
Total current liabilities payable from restricted assets	-	2,789	2,789	-
Total current liabilities	91,877	9,733	101,610	176
				2,169
Non-current (long-term) liabilities:				
General and special obligation bonds payable	84,110	-	84,110	-
Revenue bonds payable	-	57,926	57,926	-
IGA loans payable	144,189	-	144,189	-
Compensation for future absences	6,089	964	7,053	34
Present value of payments under service concession arrangement	-	1,706	1,706	-
Capital lease obligations	21,444	389	21,833	-
Net post employment benefit obligation	25,792	814	26,606	90
Net pension liability	139,685	9,862	149,547	2,373
Landfill closures costs	-	-	-	18,670
Landfill post closure care costs	-	-	-	6,114
Total long-term liabilities	421,309	71,661	492,970	2,497
Total liabilities	513,186	81,394	594,580	2,673
				33,956
				36,125
Deferred Inflows of Resources				
Unearned revenue-fees and other	6,218	-	6,218	7
Net difference between projected and actual investment earning - pension	13,733	882	14,615	200
Total deferred inflows of resources	19,951	882	20,833	207
				618
				618

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
- CONTINUED -
(amounts expressed in thousands)

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Shoreline Behavior	Solid Waste Authority	
Net Position						
Net investment in capital assets	619,432	193,870	813,302	861	36,788	
Restricted for capital projects	284,195	16,156	300,351	-	-	
Restricted for health and social services	-	-	-	202	-	
Restricted for debt service	6,825	20,376	27,201	-	-	
Restricted for other purposes	23,852		23,852			
Unrestricted (deficit)	(215,437)	33,043	(182,394)	-	731	
Total net position	<u>\$ 715,614</u>	<u>\$ 263,445</u>	<u>\$ 979,059</u>	<u>\$ 1,063</u>	<u>\$ 37,519</u>	

The accompanying notes are an integral part of these financial statements.

Horry County, South Carolina
Statement of Activities
For the Year Ended June 30, 2015
(amounts expressed in thousands)

Functions and Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Fees for Services	Operating Grants and Contributions	Primary Governmental		Component Units	
				Governmental Activities	Business-type Activities	Shoreline Behavior	Solid Waste Authority
Primary government							
<u>Governmental activities:</u>							
General government	\$ 33,225	\$ 17,360	\$ -	\$ (15,865)	\$ -	\$ -	\$ -
Public safety	112,844	13,849	5,639	(93,329)	-	-	-
Health and social services	2,738	-	-	(2,738)	-	-	-
Infrastructure and regulation	30,247	17,860	973	(8,560)	-	-	-
Improvements to state roadways	33,078	-	-	(33,078)	-	-	-
Culture, recreation and tourism	13,331	117	802	(12,412)	-	-	-
Economic development	3,465	141	2,961	(13)	-	-	-
Interest	10,060	-	44	(10,016)	-	-	-
HGTC and Higher Education Commission	6,029	-	31	(5,998)	-	-	-
Total governmental activities	245,017	49,327	10,450	(182,009)	-	-	-
<u>Business-type activities:</u>							
Airports	31,962	30,215	2,163	-	21,071	-	-
Total primary government	\$ 276,979	\$ 79,542	\$ 12,613	\$ (182,009)	\$ 21,071	\$ -	\$ -
Component units							
Health services	\$ 3,264	\$ 1,617	\$ 2,562	\$ -	\$ -	915	-
Landfill	19,737	17,425	187	-	-	-	(1,778)
Total component units	\$ 23,001	\$ 19,042	\$ 2,749	\$ -	\$ -	\$ 915	\$ (1,778)
General Revenue							
General Revenue							
Property taxes				120,019	-	-	-
Capital Project Sales Tax				1,231	-	-	-
Fees-in-lieu of taxes				2,588	-	-	-
Intergovernmental - unrestricted				11,290	-	-	-
Accommodations tax				3,706	-	-	-
Local accommodations tax				1,177	-	-	-
Hospitality tax				44,102	-	-	-
Unrestricted investment earnings				1,334	200	-	105
Miscellaneous				4,695	297	-	75
Gain/(loss) on disposal of asset				151	(231)	-	73
Total general revenue				190,293	266	-	253
Change in net position				8,284	21,337	915	(1,525)
Net position - beginning of year, restated				707,330	242,108	148	39,044
Net position - end of year				\$ 715,614	\$ 263,445	\$ 1,063	\$ 37,519

The accompanying notes are an integral part of these financial statements.

HORRY COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	General Improvement Capital Projects	Capital Project Sales Tax	RIDE Program Debt Service	Other Non-Major	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 2,595,053	\$ -	\$ -	\$ -	\$ 14,638	\$ 2,609,691
Pooled cash and investments	61,221,184	7,640,203	255,223,846	3,293,789	75,674,711	403,053,733
Receivables, net:						
Property taxes	2,170,131	-	-	-	1,677,682	3,847,813
Accounts and other	7,865,051	-	-	-	283,269	8,148,320
Fees	1,545,879	-	-	5,343,186	2,254,361	9,143,426
Interest receivable	19,614	14,691	4,645	1,509	21,432	61,891
Due from other funds	1,787,101	-	-	-	57,686	1,844,787
Due from other governments	3,107,290	-	195,867	-	2,597,081	5,900,238
Inventories	49,997	-	-	-	-	49,997
Prepaid items	1,269,012	-	-	-	-	1,269,012
Restricted cash and investments	-	2,034,898	-	43,945,564	323,002	46,303,464
Total Assets	<u>\$ 81,630,312</u>	<u>\$ 9,689,792</u>	<u>\$ 255,424,358</u>	<u>\$ 52,584,048</u>	<u>\$ 82,903,862</u>	<u>\$ 482,232,372</u>
Liabilities						
Accounts payable - trade	\$ 6,811,049	\$ 734,560	\$ 410,927	\$ -	\$ 2,710,043	\$ 10,666,579
Accounts payable - other	-	37,110	-	-	-	37,110
Accrued salaries and wages	3,656,049	-	-	-	1,137,249	4,793,298
Due to other funds	57,685	-	-	52,455	781,298	891,438
Due to component units	147,916	-	-	-	1,149,000	1,296,916

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
- CONTINUED -

	General						Total
	Improvement		Capital		RIDE		
	General Fund	Capital Projects	Project Sales Tax	Program Debt Service	Other Non-Major	Governmental Funds	
Liabilities (continued)							
Due to other governments	506	-	-	-	40,717	41,223	
Due to taxpayers for overpayment	462,878	-	-	-	-	462,878	
Funds held in trust-delinquent taxes	17,465,629	-	-	-	-	17,465,629	
Other liabilities	4,864,299	-	-	-	3,938	4,868,237	
Total liabilities	33,466,011	771,670	410,927	52,455	5,822,245	40,523,308	
Deferred Inflows of Resources							
Unavailable revenue-fees and other	4,906,027	-	-	-	2,487,752	7,393,779	
Unavailable revenue-property taxes	2,471,854	-	-	-	1,410,731	3,882,585	
Total deferred inflows of resources	7,377,881	-	-	-	3,898,483	11,276,364	
Fund Balances							
Nonspendable	1,319,009	-	-	-	-	1,319,009	
Restricted for capital projects	-	2,034,898	255,013,431	-	5,866,208	262,914,537	
Restricted for public safety	-	-	-	-	12,542,370	12,542,370	
Restricted for culture, recreation and tourism	-	-	-	-	7,942,790	7,942,790	
Restricted for infrastructure and regulation	-	-	-	-	14,588,124	14,588,124	
Restricted for economic development	-	-	-	-	1,469,692	1,469,692	
Restricted for health and social services	-	-	-	-	81,194	81,194	
Restricted for debt service	-	-	-	52,531,593	8,188,379	60,719,972	
Committed to public safety	936,225	-	-	-	-	936,225	
Committed to culture, recreation and tourism	34,338	-	-	-	2,001,602	2,035,940	
Committed to infrastructure and regulation	2,125,125	-	-	-	18,808,009	20,933,134	
Committed to other capital projects	-	6,883,224	-	-	-	6,883,224	
Committed to stabilization	21,920,846	-	-	-	-	21,920,846	
Committed to economic development	-	-	-	-	1,668,753	1,668,753	
Committed to other purposes	581,608	-	-	-	495,207	1,076,815	
Committed to OPEB	1,675,323	-	-	-	-	1,675,323	
Unassigned (deficit)	12,193,946	-	-	-	(469,194)	11,724,752	
Total fund balances	40,786,420	8,918,122	255,013,431	52,531,593	73,183,134	430,432,700	
Total liabilities, deferred inflows of resources, and fund balances	\$81,630,312	\$ 9,689,792	\$255,424,358	\$ 52,584,048	\$ 82,903,862	\$ 482,232,372	
- CONTINUED -							

HORRY COUNTY, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
- CONTINUED -

	<i>(amounts expressed in thousands)</i>
Reconciliation to amounts reported for Governmental Activities in the Statement of Net Position:	
Total fund balances - governmental funds	\$ 430,433
Capital assets (exclusive of Internal Service Fund Capital Assets) used in governmental activities are not financial resources and, therefore, are not reported in the funds.	716,885
Property and other taxes will be collected after year end, but are not available soon enough to pay for current period's expenditures, and therefore, are reported as unavailable revenue in the funds.	3,883
Grants and fees will be collected after year end, but are not available soon enough to pay for current period's expenditures, and therefore, are reported as unavailable revenue in the funds.	1,875
Deferred charge on refunding is not an available resource and, therefore, is not reported in the funds.	3,714
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 Position. <i>(Net pension liability, other post employment benefit obligation costs, and compensated absences liability for the internal service funds are reported below)</i>	33,078
Net pension liability, other post employment benefit obligation costs, and compensated absences liability reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as a liability in the funds.	(179,306)
Long-term liabilities, including bonds payable and accrued interest that are not due and payable in the current period and, therefore, are not reported in the funds.	(294,948)
Net position end of year - governmental activities	<u>\$ 715,614</u>

The accompanying notes are an integral part of these financial statements.

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

Revenues	General					RIDE	Other Non-	Total
	General Fund	Improvement Capital Projects	Capital Project Sales Tax	Program Service	Major			
Real property taxes	\$ 61,481,257	\$ -	\$ -	\$ -	\$ 40,516,204	-	\$	\$ 101,997,461
Personal property taxes	4,495,808	-	-	-	3,094,890	-		7,590,698
Vehicle taxes	6,136,874	-	-	-	4,868,435	-		11,005,309
Fee in lieu of tax	2,418,492	-	-	-	169,997	-		2,588,489
Intergovernmental	12,403,069	1,147,728	-	-	8,665,175	-		22,215,972
Sales tax	-	-	1,138,788	-	-	-		1,138,788
Accommodations tax	218,227	-	-	-	3,671,318	-		3,889,545
Fees and fines	18,537,767	709,972	-	-	16,744,367	-		35,992,106
Local Accommodations tax	944,204	-	-	-	233,108	-		1,177,312
Hospitality fees	3,484,891	-	-	36,917,724	3,699,859	-		44,102,474
Documentary stamps	3,822,777	-	-	-	-	-		3,822,777
License and permits	8,805,121	-	-	-	-	-		8,805,121
Interest on investments	197,719	45,274	291,602	572,861	202,558	-		1,310,014
Cost allocation	3,301,796	-	-	-	-	-		3,301,796
Other	3,502,372	159,120	-	-	867,991	-		4,529,483
Total revenues	129,750,374	2,062,094	1,430,390	37,490,585	82,733,902	-		253,467,345
Expenditures								
Current:								
General government	28,065,473	156,597	-	-	-	-		28,222,070
Public safety	74,214,196	493,367	-	-	30,090,105	-		104,797,668
Health and social services	1,723,135	-	-	-	786,878	-		2,510,013
Infrastructure and regulation	13,522,808	1,026,599	184,676	-	15,259,940	-		29,994,023
Improvements to state roadways	-	-	33,078,120	-	-	-		33,078,120
Culture, recreation and tourism	4,684,355	68,715	-	-	6,995,009	-		11,748,079
Economic development	1,119,308	-	-	-	2,383,016	-		3,502,324
HGTC & Higher Education Commission	-	-	-	-	4,627,443	-		4,627,443
Debt service	-	2,291,876	-	34,327,960	15,087,681	-		51,707,517
Capital outlay	804,500	13,775,279	3,592,588	-	13,811,071	-		31,983,438
Total expenditures	124,133,775	17,812,433	36,855,384	34,327,960	89,041,143	-		302,170,695

- CONTINUED -

Horry County, South Carolina
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
- CONTINUED -

	General Fund	General Improvement Capital Projects	Capital Project Sales Tax	RIDE Program Debt Service	Other Non-Major	Total Governmental Funds
Excess (deficiency) of revenues over (under) expenditures	5,616,599	(15,750,339)	(35,424,994)	3,162,625	(6,307,241)	(48,703,350)
Other Financing Sources (Uses)						
Issuance of bonded debt	-	-	-	-	29,500,000	29,500,000
Sales of assets	95,498	-	-	-	-	95,498
Issuance of lease financing	-	4,675,962	-	-	7,750,000	12,425,962
Bond issuance cost	-	-	-	-	(114,808)	(114,808)
Payment to refunding bond escrow agent	-	-	-	-	(29,383,898)	(29,383,898)
Transfers in	1,334,702	3,234,636	-	-	7,777,484	12,346,822
Transfers out	(7,620,653)	(260,083)	-	(360,225)	(4,203,585)	(12,444,546)
Total other financing sources (uses)	(6,190,453)	7,650,515	-	(360,225)	11,325,193	12,425,030
Net change in fund balance	(573,854)	(8,099,824)	(35,424,994)	2,802,400	5,017,952	(36,278,320)
Fund balances at beginning of year, as restated	41,360,274	17,017,946	290,438,425	49,729,193	68,165,182	466,711,020
Fund balances at end of year	\$ 40,786,420	\$ 8,918,122	\$ 255,013,431	\$ 52,531,593	\$ 73,183,134	\$ 430,432,700

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
STATEMENT 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	\$ (36,278)
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 capital outlay expenditures exceeded depreciation expense and asset disposals in the current period.	15,536
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in these funds.	(235)
Revenues in these funds that were recognized in the Statement of Activities in the prior year.	(127)
Contributed property is not reported as revenue in governmental funds. However, in the Statement of Activities, the cost of property contributed is reported in the current period. In the current period, these amounts are:	2,881
Some expenses for pension, other post employment benefit obligation costs, and compensated absences reported in Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in these funds.	(3,136)
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.	29,220
The net revenue (expense) and transfer of fund balance of certain activities of internal service funds reported with governmental activities. <i>(Expenses for pension liability, other post employment benefit obligation costs, and compensated absences for the internal service funds are reported above)</i>	423
Change in net position - Governmental Activities	<u><u>\$ 8,284</u></u>

The accompanying notes are an integral part of these financial statements.

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	Business-type Activities Enterprise Fund Department of Airports	Governmental Activities- Internal Service Fund
Assets		
Current assets:		
Cash and cash equivalents	\$ 46,286,871	\$ -
Pooled cash and investments	-	21,006,872
Accounts receivable, net	1,997,959	-
Interest receivable	36,698	7,214
Due from other governments	2,147,941	-
Prepaid items	99,633	-
Inventories	892,596	393,155
Total current assets	<u>51,461,698</u>	<u>21,407,241</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	21,885,970	-
Investments	16,584,952	-
Receivables - PFC and CFC	849,973	-
Total restricted assets	<u>39,320,895</u>	<u>-</u>
Capital assets, net:		
Land, easements and infrastructure	32,455,493	-
Depreciable capital assets, net	219,374,485	11,778,931
Construction-in-progress	474,174	-
Total capital assets, net	<u>252,304,152</u>	<u>11,778,931</u>
Service concession arrangement (SCA)	<u>1,706,192</u>	<u>-</u>
Total noncurrent assets	<u>293,331,239</u>	<u>11,778,931</u>
Total assets	<u>344,792,937</u>	<u>33,186,172</u>
Deferred outflows of resources:		
Contributions to retirement plan after measurement date	649,655	69,763
Difference between expected and actual retirement plan experience	276,773	26,827
Total deferred outflows of resources	<u>926,428</u>	<u>96,590</u>
Total assets and deferred outflows of resources	<u>\$ 345,719,365</u>	<u>\$ 33,282,762</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015
- CONTINUED -

	Business-type Activities Enterprise Fund Department of Airports	Governmental Activities- Internal Service Fund
Liabilities		
Current liabilities:		
Accounts payable-trade	\$ 844,069	\$ 73,281
Construction accounts and retainage payable	2,704,463	-
Accrued salaries, wages and compensated absences	631,276	34,614
Due to other funds	953,348	-
Other accrued expenses	417,994	-
Unearned revenue from operating agreements	304,816	-
Capital leases payable -current portion	95,639	-
Amounts due to tenants, airlines, car rentals	991,723	-
	<u>6,943,328</u>	<u>107,895</u>
Current liabilities payable from restricted assets:		
Revenue bonds payable - current portion	1,270,000	-
Accrued interest payable	1,518,797	-
Total current liabilities payable from restricted assets	<u>2,788,797</u>	<u>-</u>
Total current liabilities	<u>9,732,125</u>	<u>107,895</u>
Non-current liabilities:		
Compensated absences - long term	964,109	118,281
Revenue bonds payable	57,925,549	-
Net other post-employment benefits obligation	813,573	189,667
Net pension liability	9,861,602	972,016
Present value of payments under Service Concession Arrangement	1,706,192	-
Capital leases	388,605	-
Total non-current liabilities	<u>71,659,630</u>	<u>1,279,964</u>
Total liabilities	<u>81,391,755</u>	<u>1,387,859</u>
Deferred inflows of resources:		
Net difference between projected and actual investment earning - pension	882,078	95,560
Net position		
Net investment in capital assets	193,870,492	11,778,931
Restricted for:		
Debt service	20,376,001	-
Capital	16,156,037	20,020,412
Unrestricted	33,043,002	-
Total net position	<u>263,445,532</u>	<u>31,799,343</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 345,719,365</u>	<u>\$ 33,282,762</u>

The accompanying notes are an integral part of these financial statements.

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Business-type Activities Enterprise Fund Department of Airports	Governmental Activities - Internal Service Fund
Operating Revenues		
Concessions and rentals	\$ 8,089,849	\$ -
Fuel sales - FBO	5,720,015	-
Airline terminal rents	6,171,723	-
Baggage handling system	848,875	-
Landing fees	1,198,226	-
Leases	929,251	-
Other airline services	489,649	-
Other	696,671	-
Federal revenue - TSA LEO reimbursement program	120,524	-
Charges for service	-	6,218,968
Security fees	207,781	-
Total operating revenues	<u>24,472,564</u>	<u>6,218,968</u>
Less, signatory airline rebate and incentive fee waivers	(785,259)	-
Net operating revenues	<u>23,687,305</u>	<u>6,218,968</u>
Operating Expenses		
Salaries and benefits	8,066,624	931,769
Depreciation and amortization	10,331,761	3,789,317
Baggage handling system	848,875	-
Fuel cost of sales	4,039,083	-
Outside and professional services	1,108,915	32,403
Utilities	1,509,433	-
Maintenance and supplies	1,256,022	31,345
Indirect cost allocation	413,747	9,794
Vehicle and equipment (non-capital) expense	471,148	1,383,988
Insurance	393,658	-
Dues, memberships and travel	232,894	-
Office supplies	38,354	-
Other	199,011	11,073
Total operating expenses	<u>28,909,525</u>	<u>6,189,689</u>
Operating loss	<u>(5,222,220)</u>	<u>29,279</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
- CONTINUED -

	Business-type Activities Enterprise Fund Department of Airports	Governmental Activities - Internal Service Fund
Nonoperating Revenues		
(Expenses)		
Passenger Facility Charges (PFC's)	3,631,910	-
Contract Facility Charges (CFC's)	2,919,324	-
Interest income	200,273	24,191
Intergovernmental revenues	2,012,985	-
Redevelopment Authority grant revenue	150,000	-
Gain (loss) on disposal/sale of capital assets	(231,158)	84,663
Other	(23,454)	165,980
Interest subsidy on Recovery Zone Economic Bonds	297,128	-
Interest expense	(3,052,034)	-
Total non-operating revenues (expenses)	<u>5,904,974</u>	<u>274,834</u>
 Income before capital contributions and transfers	 682,754	 304,113
 Capital contributions, net	 20,654,620	 -
Transfers in	-	99,418
Transfers out	-	(1,694)
 Change in net position	 <u>21,337,374</u>	 <u>401,837</u>
 Net Position		
Beginning of year, as restated	<u>242,108,158</u>	<u>31,397,506</u>
End of year	<u>\$ 263,445,532</u>	<u>\$ 31,799,343</u>

The accompanying notes are an integral part of these financial statements.

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Business Type Activities - Enterprise Fund- Department of Airports	Governmental Activities - Internal Service Fund
Cash Flows From Operating Activities		
Cash received for:		
Landing fees, terminal rents, and concessions leases	\$ 16,213,954	\$ -
FBO fuel sales and airline services	6,313,280	-
Service and miscellaneous charges	-	6,218,968
Other	663,089	-
Cash paid for:		
Salaries and benefits	(7,844,027)	(908,977)
Maintenance, supplies, fuel, utilities and equipment	(9,835,216)	(1,647,044)
Other supplies and miscellaneous costs	-	(11,073)
Net cash provided by operating activities	<u>5,511,080</u>	<u>3,651,874</u>
Cash Flows From Non-Capital		
Financing Activities		
Other	(23,454)	-
Transfers in	-	99,418
Transfers out	-	(1,694)
Net cash provided by (used in) non-capital financing activities	<u>(23,454)</u>	<u>97,724</u>
Cash Flows From Capital and Related		
Financing Activities		
Receipt of passenger and contract facility charges	6,543,702	-
Acquisition and construction of capital assets	(31,656,401)	(2,654,627)
Proceeds from disposition of capital assets	-	144,247
Interest paid on bonds and notes	(3,069,432)	-
Principal payments on bonds and notes	(1,215,000)	-
Receipt of federal subsidy for "RZEDB" (Series 2010B)	297,128	-
Principal payments on capital lease obligation	(101,735)	-
Receipt of intergovernmental and private grants	2,162,985	-
Proceeds from insurance	-	165,980
Proceeds from Airport Improvement Program, TSA and State grants	20,446,205	-
Net cash used in capital and related financing activities	<u>(6,592,548)</u>	<u>(2,344,400)</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
- CONTINUED -

	Business-Type Activities - Enterprise Fund- Department of Airports	Governmental Activities - Internal Service Fund
Cash Flow From Investing Activities		
Investment purchases	(16,584,952)	-
Investment sales	26,857,431	-
Interest on investments	215,816	26,473
Net cash provided by investing activities	<u>10,488,295</u>	<u>26,473</u>
Net increase in cash and cash equivalents	9,383,373	1,431,671
Cash and cash equivalents at beginning of year (of which \$8,488,047 is restricted for Airports)	<u>58,789,468</u>	<u>19,575,201</u>
Cash and cash equivalents at end of year (of which \$21,885,970 is restricted for Airports)	<u><u>\$ 68,172,841</u></u>	<u><u>\$ 21,006,872</u></u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating income (loss)	\$ (5,222,220)	\$ 29,279
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	10,331,761	3,789,317
Bad debt expense	199,011	-
(Increase) decrease in certain assets:		
Accounts receivable, net	(602,257)	-
Prepaid items	(5,523)	-
Inventories	140,586	(27,455)
(Decrease) increase in certain liabilities:		
Accounts payable	325,348	(162,059)
Accrued salaries, wages and compensated absences	91,292	22,792
Net other post-employment benefit obligation	62,904	-
Net pension liability	68,401	-
Other accrued expenses	(179,042)	-
Due to other funds	195,544	-
Unearned revenue	11,069	-
Amounts due to tenants	94,206	-
Net cash provided by operating activities	<u><u>\$ 5,511,080</u></u>	<u><u>\$ 3,651,874</u></u>

The accompanying notes are an integral part of these financial statements.

HORRY COUNTY, SOUTH CAROLINA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	<u>Agency Funds</u>
Assets	
Cash and investments	\$ 16,194,213
Pooled cash and investments	222,835,364
Taxes receivable	156,409,282
Fees receivable	468,556
Total assets	<u>\$ 395,907,415</u>
 Liabilities	
Due to others	<u>\$ 395,907,415</u>
Total liabilities	<u>\$ 395,907,415</u>

The accompanying notes are an integral part of these 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 accepted standard-setting body for establishing governmental accounting and financial reporting principles. The government-wide financial statements (statement of net position and statement of activities) report information on all nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements.

The County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68* for the current fiscal year ended June 30, 2015. The County reports its share of the State of South Carolina's net pension liability. The restatement of beginning balances of deferred inflows or deferred outflows of resources is not available. This results in a cumulative effect shown as a restatement to the ending net position as of June 30, 2014. The implementation is discussed further in Note 14. The more significant governmental accounting policies are described below.

A. Reporting Entity

Using the criteria of GASB Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, 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. 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) was created by Horry County to coordinate and provide the state-mandated substance abuse prevention, intervention, treatment, and educational programs within Horry County. The Horry County Council is responsible for the appointment of all members of SBHS's governing board and fiscal control. In the event of dissolution of the Commission, all assets and liabilities would transfer to the County and the County would assume responsibility to provide these services to the citizens. The County has determined that discrete presentation is appropriate to provide a more complete cost of services provided by the County through this entity.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Horry County Solid Waste Authority (HCSWA) was created by Horry County Council to develop and implement the state-mandated solid waste disposal and resource recovery/recycling system for the County. The HCSWA is governed by a board appointed by the Horry County Council. The County Administrator serves as an ex-officio member of that board. Approval of the budget, all debt issuances and the legal liability for HCSWA operations remains with the County. The County has determined that discrete presentation is appropriate to provide a more complete cost of services provided by the County through this entity.

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
Finance Department
Post Office Box 1664
Conway, South Carolina 29528

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 position and a statement of activities and reports information on all of the nonfiduciary activities of the government as a whole. Separate columns are used to distinguish between the County's governmental, 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. 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.

The statement of net position reports all financial and capital resources of the County using the following format: assets plus deferred outflows of resources, less liabilities and deferred inflows of resources equals net position. 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. 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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

B. Basis of Presentation

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, General Improvement Capital Projects, Capital Projects Sales Tax, and RIDE Program Debt Service Fund. The County reports the Department of Airports as a major proprietary fund.

A combining 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.

A summary of fund financial statement types follows:

Governmental Fund Types

General Fund - The General Fund is a major fund and the primary 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 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, Tourism and Promotion, Waste Management Recycling, Higher Education, Horry-Georgetown Technical College (HGTC), Watershed, Mt. Gilead, Socastee Recreation, Road Maintenance & CTC, Beach Renourishment, Grants, Admissions Tax, Victim Witness Assistance, Senior Citizen, Baseball Stadium, Arcadian Shores, Economic Development, Stormwater Management, Hidden Woods, Solicitor, Public Defender, Fire Insurance, Multi-County Business Park Rollback, E-911, CDBG Grant Program, and Recreation.

Capital Projects Funds - Capital projects funds account for the financial resources restricted, committed or assigned 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 and the Capital Projects Sales Tax Fund, which are major funds and the Fire Apparatus Replacement Fund and Voluntary Developer Contributions Fund which are non-major funds. The Capital Projects Sales Tax fund accounts for the one cent increase in sales tax legally restricted for infrastructure improvements. The Fire Apparatus Replacement Fund accounts for providing fire apparatus equipment from taxes levied in the unincorporated areas of Horry County and the Voluntary Developer Contributions Fund 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 financial resources restricted, committed or assigned 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. The non-major debt service funds consist of the following: General Debt and Special Obligation Debt. The RIDE Program Debt Service 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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

B. Basis of Presentation

Proprietary Fund Types

Enterprise Funds - Enterprise funds 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. The Department of Airports Fund, a major Enterprise Fund, accounts for revenue and expenses for the operations of the Conway, Loris, North Myrtle Beach Airport, and Myrtle Beach Aviation general aviation airports, as well as the Myrtle Beach International Airport.

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

Fiduciary Fund Type

Agency Funds - Agency funds 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 same 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, expenses, and transfers – and assets, deferred outflows of resources, liabilities, and deferred inflows of resources - 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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

C. Measurement Focus and Basis of Accounting

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.

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 Statement of Net Position. Proprietary fund type operating statements present increases (i.e., revenue) and decreases (i.e., expenses) in net position 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.

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, the 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 and amortization expense, the allowance for doubtful accounts, signatory airline rebates or surcharges, other postemployment benefit cost, pension liability, compensated absences, and certain claims and judgment liabilities (e.g., rebatable arbitrage), among other accounts. Actual results could differ from those estimates.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

Cash Equivalents and Pooled Cash and Investments

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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

Cash Equivalents and Pooled Cash and Investments (continued)

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 the one cent capital project sales tax, and where legal restrictions prohibit the commingling of funds. Allocation of interest earned is made to each fund based on pro rata equity with the exception of school district and capital project sales tax, which earn interest on its actual investments. Each individual fund's portion of the pool is displayed on the combined balance sheet as "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

Quoted market prices are used to determine the fair value of 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, 2015, the fair value of the County's investments approximated cost.

The fair value of the County and HCSWA's position in the South Carolina Local Government Investment Pool (SCLGIP) is the same as the value of the pool shares. The SCLGIP is not registered with the Securities Exchange Commission as an investment company. The State Treasurer is responsible for oversight of the SCLGIP.

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 tax 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.

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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

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 tile used for subsurface drains and gift shop items at the Horry County Museum and at the L. W. Paul Living History Farm. The cost of the inventory item 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 Department of Airports Enterprise Fund consist primarily of aviation gas, jet fuels, supplies, and parts held for consumption, and are stated at the lower of cost, determined using the first-in, first-out, (FIFO) method, or market. Accordingly, the cost is recorded as an asset at the time individual inventory items are purchased and then expended as the supplies and parts are consumed (consumption method).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and are recorded as an expenditure at the time they are consumed.

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 in the reimbursing fund and as reductions of the expenditure or expense 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 are derived from certain grants, bonds, and contract ordinances.

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. When the Airport incurs an expense that may be paid from unrestricted or restricted funds, the Airport first uses restricted funds as allowed by legal or contractual requirements.

Capital Assets and Depreciation

Capital assets, which include land, buildings, improvements, machinery and equipment, construction in progress and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the County as 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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note. 1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

Capital Assets and Depreciation, continued

All acquired capital assets are valued at actual or estimated historical cost. Donated capital assets are valued at their estimated fair value or appraised 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 (including parking lots), 20-40 years; buildings, 10-40 years; runways, taxiways and rehabilitations, 30-40 years; vehicles, machinery and equipment, 3-15 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 its cost.

Intangible Assets & Amortization

Intangible assets lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. Expenditures associated with an intangible asset are capitalized when placed into operation and the existing guidance for depreciating capital assets applies to amortizing intangible assets with finite lives. The amortization period and method is reviewed at least annually.

Capitalization of Interest

Interest incurred during the construction phase of proprietary fund capital 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.

Deferred Inflows/Outflows of Resources

GASB Statement No. 63 requires that in addition to Assets, Liabilities, and Net Position, the Statement of Net Position provides separate sections for deferred inflows and deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources until then. The County has three items which are classified as deferred outflows reported on the government-wide statement of net position. The three classifications are deferred charge on refunding, contributions to retirement plan after measurement date and difference between expected and actual retirement plan experience.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

Deferred Inflows/Outflows of Resources, continued

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. Unearned Revenue is reported under the full accrual method on the government-wide statement of net position from two sources: fees and other and net difference between projected and actual investment earning - pension. Unavailable revenue is reported as deferred inflows under the modified accrual method on the governmental funds balance sheet from three revenue sources: property taxes, fees, and other.

Debt Premiums and Discounts

On the government-wide statement of net position and the proprietary fund type statement of net position, debt premiums and discounts are netted against debt payable. On the government-wide and proprietary fund type statement of activities, unamortized debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method which approximates the interest method. At the government fund reporting level, debt premiums and discounts are reported as other financing sources and uses, separately from the face amount of the debt issued.

Service Concession Arrangement

Horry County follows the accounting and financial reporting guidance from GASB Statement No. 60 for service concession arrangements (SCA). Horry County evaluates concession contracts against the criteria set forth in the standard and recognizes any service concession arrangements, associated liabilities, and unearned revenues on the Statement of Net Position.

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 (including post-employment benefit obligations, compensated absences, and net pension obligation) are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Long-term debt represents unmatured principal of general, 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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

Long-term Obligations, continued

Part of the County's long-term obligations is its Road Improvement and Development Effort (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 infrastructure and regulation 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 Position & Fund Balance - Flow Assumptions & Policies

In the government-wide statement of net position and the proprietary fund type statement of net position, "net position" is comprised of the various net earnings from operations, non-operating revenues, expenses, and contributions of capital. Net position is classified into three components. The first component is net investment in capital assets, consisting of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction, and improvement of those assets. Debt related to unspent proceeds or other restricted cash and investments is excluded from the determinations. The second component is restricted net position, which consists of line items for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations, and enabling legislation, including the entity's self-imposed legal mandates. The final component is unrestricted net position, which consists of all other net assets not included in the above categories.

The County's financial policy (Section 2-7.05) requires the following actions for fund balance classifications as "restricted", "committed" or "assigned" in the fund financial statements:

(a) Restricted - amounts that can be spent only for the specific purposes stipulated by external resource providers (i.e.: grants, creditors), constitutionally, or through enabling legislation (i.e.: legislation that creates a new revenue source and restricts its use). These restrictions may be changed or lifted only with the consent of resource providers.

(b) Committed - amounts that can be used only for the specific purpose determined by a formal action of County Council. Such commitments may be changed or lifted only by the County Council taking the same formal action that imposed the constraint originally (i.e.: use of fund balance to fund subsequent year's budgeted expenditures). Amounts classified as "committed" will be so designated by Council Resolution, and can only be changed by the same action that initially authorized them, unless that authorizing document states otherwise.

(c) Assigned - amounts intended to be used by the County for specific purposes. County Council delegates the authority to classify fund balance as "assigned" to the County Administrator and his/her designee, within the Finance Department, per County's financial policy. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

With the implementation of GASB 54, other fund balance classifications could be non-spendable, which represents an amount that is legally or contractually required and cannot be spent, or unassigned, which represents amounts not included in the other fund balance categories.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

Net Position & Fund Balance - Flow Assumptions & Policies, continued

The policy for the order of expenditure of funds by fund balance classification as they become available for spending is as follows: Future qualifying expenditures will first reduce the amount of fund balance classified as restricted, followed by the reduction of unrestricted fund balance starting first with "committed", then "assigned", then "unassigned" as applicable when expenditures are incurred for purposes for which amounts in any of those fund balance classifications could be used.

The County's stabilization policy is as follows: A fiscal stabilization reserve is to be maintained in the General Fund, the Fire Fund, the Recreation Fund, and the Stormwater Fund. The stabilization funds are shown as a part of the restricted fund balance in the Fire Fund, Recreation Fund and Stormwater Fund. Since this policy is approved by County Council Ordinance, the Council authorizes the fiscal stabilization reserve to be classified as "committed" fund balance in the General Fund. The fiscal stabilization reserve can be spent under extreme exigent circumstances which exist only if revenue shortfalls cannot be met through reducing expenditures without impacting the health, safety and/or welfare of the County; or unexpected expenditures are required in excess of the budgeted expenditures in order to provide for the health, safety and/or welfare of the County.

Use of the fiscal stabilization reserve is most likely to occur in the event of a natural disaster or an unexpected significant reduction in revenue sources in excess of 5% of the approved budgeted revenue for that fund. Use of the fiscal stabilization reserve requires approval by Council Resolution.

In the event that the fiscal stabilization reserve is spent, the following must be followed to replenish the reserve balance:

1. Withdrawals up to 25% of the reserve shall be restored within five fiscal years;
2. Withdrawals of 25% of the reserve up to 50% of the reserve shall be restored within eight fiscal years;
3. Withdrawals of 50% of the reserve up to 75% of the reserve shall be restored within ten fiscal years;
4. Withdrawals of 75% of the reserve up to 100% of the reserve shall be restored within twelve fiscal years.

This fiscal stabilization reserve should be maintained at a level of at least 15% of the fund's next year budgeted expenditures and transfers out, excluding those amounts that are funded by one-time funding sources.

The County's minimum fund balance policy states that all governmental funds responsible for the payment of debt service must maintain within fund balance an amount equal to at least 50% of the next year's debt service amount and this policy, approved by County Council Ordinance, authorizes this amount which is not categorized as "restricted" to be classified as "committed" fund balance. This requirement applies to the General Debt Service Fund and Fire Fund. The Airport Enterprise Fund will maintain reserves at levels that comply with the applicable regulatory requirements such as bond covenants and requirements of various funding sources.

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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

Non-exchange Transactions, Contributed Capital and Transfers

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. The Airport receives TSA Security Operations grants which are recognized as operating revenues. The County & Airport have received grant funds from the South Carolina Department of Transportation ("SCDOT") for road improvements.

Passenger Facility Charges

Passenger Facility Charges ("PFC") collected pursuant to Federal 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") collected pursuant to certain agreements on automobile rentals, are restricted for 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 air carriers 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 to expenses over the life of the lease.

Leased Property Under Capital Lease

Leased property under capital leases is depreciated using the straight-line method over the term of the lease. Leases are deemed to be capital leases if they meet the criteria as defined in the FASB Codification.

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 millage 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 after the due 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

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/ Fund Balance, Revenue, Expenditures and Expenses

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.

Cost Allocation - Indirect

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.

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 (30) years after closure.

Net Pension Liability

In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68* the County reports its share of the State of South Carolina's net pension liability. The restatement of beginning balances of deferred inflows or deferred outflows of resources is not available. This results in a cumulative effect shown as a restatement to the ending net position as of June 30, 2014

E. Reclassification

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

F. Subsequent events

In preparing these financial statements, the County has evaluated events and transactions for potential recognition or disclosure through January 27, 2016, the date the financial statements were available to be issued.

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, special revenue and debt service funds. General Improvement Capital Projects Fund and Capital Projects Sales Tax Fund adopted project-length budgets. Budgetary comparisons to actual of the general fund are presented as Required Supplementary Information.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 2. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

Capital Projects project-length budget comparisons are presented following individual fund-level schedules. Additionally, budgetary controls are maintained for certain proprietary fund types. For example, annual operating and capital budgets are prepared for the Department of Airports and Fleet Services for fiscal year ended June 30, 2015, 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.

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, Assistant County Administrators, or his/her designee are 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 not 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, 2015, any funds budgeted for the following purposes which have not been expended shall reflect as a commitment of fund balance in the Comprehensive Annual Financial Report and shall be brought forward in the fiscal year 2016 as budgeted fund balance and not represented in the approved revenue and expenditure budget amounts. This automatic rebudgeting shall not require a supplemental budget ordinance and shall be limited to the amount available above the required fund balance for the previous fiscal year: funds budgeted for: Capital Improvement Projects Road Maintenance local road improvements Capital Project Sales Tax projects; County Council expense accounts and recreation funds; Grants or donations; Stormwater capital projects, chemicals, and contract spraying; Maintenance Life Cycle Program; Recreation capital improvements and programs; capital items authorized by purchase order but not received accommodations tax funds approved by the Accommodations Tax Committee and County Council; ongoing capital projects at the baseball stadium County paid parking program; Myrtle Beach Regional Economic Development Corporation (MBREDC); offsite morgue; infrastructure improvements in admission tax districts spoil basin maintenance and legal traffic lights; Public Works asphalt supplies; infrastructure improvements in the Multi-County Business Park Rollback Fund; Solicitor and Public Defender Circuit Offices; Fire Apparatus Replacement; Prisoner Canteen proceeds; home detention; and Library park pass fees.

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 within the category of restricted fund balance if the encumbrance will be relieved by grant funds or other external restricted funds or as committed fund balance. Resources to liquidate encumbrances are existing for all governmental funds with the exception of the Community Development Block Grant Program Special Revenue Fund (CDBG). Resources to liquidate encumbrances for CDBG are measureable but not available at June 30, 2015. Details of significant encumbrances are included in Note 18 Commitments and Contingencies.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

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 financial institutions 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; (5) or deposit accounts with banking institutions insured and secured in the same manner. The 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

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, 2015, reported amount of the County's deposits was \$209.7 million and the bank balance was \$212.0 million. The \$212.0 million bank balance was covered by federal depository insurance or collateralized with securities held by the counterparty's trust department, line of credit, or agent in the County's name.

B. Investments

Investment Policy

All of the County's investments are presented at fair value. 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.

At June 30, 2015, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (amounts shown in thousands)		
		Three months or less	Three to twelve months	More than one year
Certificates of Deposit	\$ 45,217	\$ 13,500	\$ 31,717	\$ -
Money Market funds	10,600	10,600	-	-
U.S. Government Agencies Securities	376,749	113,033	145,134	118,582
State of S.C. Treasurer's Investment Pool	154,457	154,457	-	-
Total investments held in the County's name	<u>\$ 587,023</u>	<u>\$ 291,590</u>	<u>\$ 176,851</u>	<u>\$ 118,582</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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments

B. Investments

Credit Risk

As of June 30, 2015, the County's investments in U.S. Government Agencies Securities are rated Aaa by Moody's Investors. Statutes also allow the State Treasurer to assist local governments in investing funds. The State Treasurer also provides oversight for the State Treasurer's Investment Pool which is unrated, of which; the fair value of the County's investments is the same as the value of the pooled shares. The County's investment in the money market fund, repurchase agreement, and certificate of deposit are also unrated.

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.

Interest Rate Risk

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. 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, 2015, the County had 58.0% of its investments invested with First Citizens, 19.8% with the State of S.C. Treasurer's investment pool and 8.5% with Wells Fargo Securities.

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, 2015, the carrying amount of the HCSWA's total cash deposits, including certificates of deposit, was \$14,841,542 with corresponding bank balances of \$14,855,580. Of that balance, \$1,000,000 was covered by federal depository insurance and \$13,855,580 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 \$1,850.

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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments

B. Investments

Investments consisted of the following at June 30, 2015:

<u>Investment Type</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>% of Total Investments</u>
US Treasury Notes	1.88	N/A	\$1,509,180	7.76
Federal Home Loan Bank	2.70	AA+	4,502,074	23.15
Federal National Mortgage Assoc.	1.42	AA+	1,004,190	5.16
Federal Home Loan Mortgage Corp.	3.02	AA+	6,906,451	35.51
State of S.C. Treasurer's Investment Pool	N/A	Not Rated	<u>5,528,286</u>	<u>28.42</u>
			<u>\$19,450,181</u>	<u>100.00%</u>

The HCSWA does not have a formal investment policy that (a) limits its investment choices based on investment credit ratings, (b) limits the amount it may invest in any one investment issuer or (c) limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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, 2015 and are not considered to be available to pay for operating expenses:

Landfill Closure Costs	\$	7,066,419
Landfill Postclosure Care Costs		8,040,506
Equipment Replacement		3,528,875
Construction		10,381,217
MRF Contingency		74,392
OPEB Obligation		1,563,090
Waste Diversion		712,202
	\$	<u>31,366,701</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 (FDIC).

Shoreline is exposed to certain custodial credit risks from the use of local financial institutions for its depository accounts. At June 30, 2015 a total of \$1,845,079 was on deposit with local institutions in the name of Shoreline. These deposits are covered by the FDIC up to \$250,000 per institution. Any deposits in excess of FDIC limits are collateralized by securities held by the pledging financial institution in Shoreline's name. Shoreline did not recognize any losses due to default by counterparties relating to depository relationships.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments (continued)

B. Investments (amounts shown in thousands)

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, 2015, SBHS had no investments.

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:

	Primary Government	Fiduciary Fund Agency	Total	Discretely Presented Component Units	
				SBHS	HCSWA
Cash on hand	\$ 28	\$ -	\$ 28	\$ -	\$ 1
Carrying amount of deposits	193,516	16,194	209,710	1,736	14,842
Carrying amount of investments	364,187	222,836	587,023	-	19,450
Totals	\$ 557,731	\$ 239,030	\$ 796,761	\$ 1,736	\$ 34,293
Cash and cash equivalents	\$ 48,897	\$ 16,194	\$ 65,091	\$ 1,736	\$ 12,694
Pooled cash and investments	121,988	222,836	344,824	-	-
Investments	302,072	-	302,072	-	21,599
Cash and cash equivalents - restricted	21,886	-	21,886	-	-
Investments - restricted	16,585	-	16,585	-	-
Restricted funds held in trust	46,303	-	46,303	-	-
Totals	\$ 557,731	\$ 239,030	\$ 796,761	\$ 1,736	\$ 34,293

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, 2015, are as follows:

	(amounts shown in thousands)		
	Government Activities	Business-type Activity	Totals
Property taxes	\$ 17,303	\$ -	\$ 17,303
Less, allowance for uncollectibles and amounts not available for current period	(13,455)	-	(13,455)
Net property taxes	3,848	-	3,848
Accounts and other			
Other	4,725	2,467	7,192
EMS billings	23,620	-	23,620
Less, allowance for uncollectibles	(20,104)	(469)	(20,573)
Net accounts and other	8,241	1,998	10,239
Fees			
Road fees	1,421	-	1,421
Hospitality fees	6,539	-	6,539
Stormwater Management fees	291	-	291
Fee in lieu of tax	594	-	594
Other fees	905	-	905
Net fees	9,750	-	9,750
Total receivables, net	\$ 21,839	\$ 1,998	\$ 23,837

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.

Government Activities 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. Fees receivable include Accommodations tax, Hospitality fees, Road Maintenance, Stormwater Management and E911 fees.

Business-type Activity includes the Department of Airports current accounts receivable for airfield landing fees, leased sites, terminal building, FBO sales and airport services.

Receivables at June 30, 2015 for the discretely presented component unit HCSWA totaled \$1,273,093 and included amounts from trade accounts receivable net of \$15,000 in allowance for doubtful accounts.

Receivables (current and non-current) at June 30, 2015 for the discretely presented component unit SBHS totaled \$1,088,029 and included amounts from client accounts receivable, returned checks and employee receivables, and were reported net of \$3,690,000 allowance for uncollectible accounts.

Amounts due from private party represents amount charged individuals for services. SBHS has established an allowance based upon management's best estimate of the amount collectible and considers this to be a significant estimate. SBHS uses collection programs through the South Carolina Department of Revenue (SCDOR) to collect past due amounts from Private Parties. These programs are called 'Debt Setoff' and 'GEAR'.

1) Debt Setoff - Debt Setoff is a program whereby individual income tax refunds are intercepted and sent to creditors. The SCDOR charges an administrative fee to the debtor of \$25.

2) GEAR - Gear is a program whereby the SCDOR impounds a portion of individuals recurring wages. Amounts impounded are remitted monthly to Shoreline less an administrative fee of 28.5%. For the fiscal year ended June 30, 2015, SBHS's revenue for Debt Setoff and GEAR was \$54,569.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 5. Interfund Receivables and Payables (amounts shown in thousands)

In the government-wide statement of net position, 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, 2015 were as follows:

Due To	Due From						
	<u>General Fund</u>	<u>Arcadian Shores</u>	<u>RIDE Debt Service</u>	<u>CDBG</u>	<u>Tourism & Promotion</u>	<u>Victim Witness</u>	<u>Airport</u>
General Fund	\$ -	\$ 163	\$ 52	\$ 402	\$ 202	\$ 15	\$ 953
Beach Renourishment	58	-	-				-
Total	\$ 58	\$ 163	\$ 52	\$ 402	\$ 202	\$ 15	\$ 953

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

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Primary government:		
General Fund	\$ -	\$ 148
Waste Management Recycling Fund	-	1,149
Component units:		
SHBS	148	-
HCSWA	1,149	-
	<u>\$ 1,297</u>	<u>\$ 1,297</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 (amounts shown in thousands)

The following table summarizes interfund transfers during the year ended June 30, 2015:

	Transfers from				Total
	General Fund	Capital Projects Fund	RIDE Program Debt	Non-major Governmental Funds	
Transfers to					
General Fund	\$ -	\$ 223	\$ 360	\$ 751	\$ 1,334
Road Maintenance	-	-	-	297	297
Beach Renourishment	193	-	-	-	193
Grants	16	-	-	47	63
Victim Witness	102	-	-	-	102
Solicitor	3,586	-	-	-	3,586
Public Defender	1,002	-	-	-	1,002
Recreation	27	-	-	21	48
Capital Projects	2,694	-	-	541	3,235
General Debt Service	-	37	-	2,450	2,487
Fleet Internal Service	-	-	-	99	99
Total	<u>\$ 7,620</u>	<u>\$ 260</u>	<u>\$ 360</u>	<u>\$ 4,206</u>	<u>\$ 12,446</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 shown in thousands)

Amounts due from other governments for the primary governments and component units on the Statement of Net Position at June 30, 2015 are as follows:

	Governmental Activities				Business-type Activities	Discretely Presented Component Units	
	General	Special Revenue	Capital Projects	Total	Department of Airports	SBHS	SWA
State	\$ 2,498	\$ 1,621	\$ 196	\$ 4,315	\$ -	\$ 239	\$ 106
Federal	56	976	-	1,032	2,148	-	-
Total	<u>\$ 2,554</u>	<u>\$ 2,597</u>	<u>\$ 196</u>	<u>\$ 5,347</u>	<u>\$ 2,148</u>	<u>\$ 239</u>	<u>\$ 106</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets (amounts shown in thousands)

A summary of the changes in capital assets during the year ended June 30, 2015 are as follows:

Governmental Activities	Balance June 30, 2014	Additions	Deletions	Transfers	Balance June 30, 2015
<u>General Capital Assets</u>					
Not subject to depreciation:					
Land and easements	\$ 23,048	\$ -	\$ (18)	\$ 21	\$ 23,051
Intangible Assets	20	-	-	-	20
Infrastructure	471,566	3,835	(1,681)	174	473,894
	494,634	3,835	(1,699)	195	496,965
Construction-in-progress	26,140	29,694	(173)	(17,093)	38,568
Total capital assets not depreciated	520,774	33,529	(1,872)	(16,898)	535,533
Subject to depreciation/amortization:					
Land improvements	8,071	228	-	232	8,531
Buildings and improvements	228,910	71	-	7,949	236,930
Machinery, equipment and vehicles	84,965	1,037	(1,161)	8,717	93,558
Intangible Assets	532	-	-	-	532
Totals	322,478	1,336	(1,161)	16,898	339,551
Total General Capital Assets	843,252	34,865	(3,033)	-	875,084
Less, accumulated depreciation/amortization:					
Land improvements	(2,792)	(286)	-	-	(3,078)
Buildings and improvements	(70,272)	(7,387)	-	-	(77,659)
Machinery, equipment and vehicles	(71,565)	(6,825)	1,136	-	(77,254)
Intangible assets	(155)	(53)	-	-	(208)
Total accumulated depreciation/amortization:	(144,784)	(14,551)	1,136	-	(158,199)
Net general capital assets	698,468	20,314	(1,897)	-	716,885
<u>Internal Service Fund Capital Assets</u>					
Subject to depreciation:					
Machinery, equipment and vehicles	16,494	2,203	(1,330)	92	17,459
Heavy equipment	13,116	452	(287)	25	13,306
Totals	29,610	2,655	(1,617)	117	30,765
Less, accumulated depreciation					
Machinery, equipment and vehicles	(10,204)	(2,132)	1,270	(92)	(11,158)
Heavy Equipment	(6,433)	(1,657)	287	(25)	(7,828)
Totals	(16,637)	(3,789)	1,557	(117)	(18,986)
Net internal service fund capital assets	12,973	(1,134)	(60)	-	11,779
Net capital assets - Governmental Activities	\$ 711,441	\$ 19,180	\$ (1,957)	\$ -	\$ 728,664

Roadway improvements by the County using Capital Project Sales Tax for infrastructure owned and maintained by the state are not capitalized but are expensed as incurred. Total roadway improvements expensed for the year ended June 30, 2015 was \$33,239.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets

	<i>(amounts shown in thousands)</i>			
Business-type Activities	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Not subject to depreciation:				
Land and easements	\$ 23,274	\$ -	\$ -	\$ 23,274
Infrastructure	9,182	-	-	9,182
	32,456	-	-	32,456
Construction in progress	2,603	31,183	(33,312)	474
Total capital assets not depreciated	35,059	31,183	(33,312)	32,930
Subject to depreciation:				
Buildings and improvements	161,860	6,932	(146)	168,646
Runways and taxiways	69,843	24,663	-	94,506
Machinery and equipment	19,472	1,737	(524)	20,685
Land improvements	34,151	299	-	34,450
Totals	285,326	33,631	(670)	318,287
Total Business-Type Assets	320,385	64,814	(33,982)	351,217
Less accumulated depreciation:				
Buildings and improvements	(36,778)	(3,782)	-	(40,560)
Runways and taxiways	(32,838)	(2,663)	137	(35,364)
Machinery and equipment	(11,449)	(2,112)		(13,561)
Land improvements	(8,294)	(1,560)	426	(9,428)
Totals	(89,359)	(10,117)	563	(98,913)
Net capital assets -				
Business-type Activities	\$ 231,026	\$ 54,697	\$ (33,419)	\$ 252,304

Capital assets of the discretely presented component units, HCSWA and SBHS at June 30, 2015, are as follows:

	<i>(amounts shown in thousands)</i>	
Component Units	SBHS	HCSWA
Land	\$ 138	\$ 7,918
Subtitle D (Class 3) landfill	-	26,462
Buildings	1,454	12,039
Vehicles, machinery and equipment	171	19,115
Other improvements	-	8,692
Construction-in-progress	-	767
Totals	1,763	74,993
Less, accumulated depreciation:		
Subtitled D (Class 3) landfill	-	(22,142)
Buildings	(762)	(3,434)
Vehicles, machinery and equipment	(140)	(10,356)
Other improvements	-	(2,273)
Totals	(902)	(38,205)
Net capital assets - Component Units	\$ 861	\$ 36,788

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets

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

Governmental Activities (amounts shown in thousands)

Road Improvements	\$ 29,544
Fire Apparatus	7,996
Financial System	412
Machinery & Equipment	334
Fiber Optic Cable Installation	210
Recreation	72
Total	<u>\$38,568</u>

Estimated total costs to complete these projects approximates \$127.0 million.

Business-type Activities: (Department of Airports) (amounts shown in thousands)

The Airport's construction-in-progress at June 30, 2015, is composed of the following:

Business-type Activities: (Department of Airports)

East Side Commerce Park	\$ 50
Terminal Capacity Enhanced Program (Façade, Parking Lot, Concourse B Renovations)	269
CRE Hangar Structural Improvements	25
MYR AWOS Relocation	100
MYR Fuel Farm Upgrade	30
Total	<u>\$ 474</u>

Estimated costs to complete these projects are estimated at \$3M.

The Terminal Capacity Enhancement Program total construction project budget was established at \$118.7M. Project expenditures of \$7M (includes Concourse B Renovation, Credit Card Lot Phase II) and \$1.6M were placed in service during fiscal years 2015 and 2014 respectively.

At June 30, 2015, the Airport had outstanding purchase orders relating to the projects above of \$3.6M.

The preliminary layout for the East Side Commerce Park has been completed. The East Side Commerce Park and the land will be developed as business opportunities arise.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets

Department of Airport Facilities

Prior to March 1993, the Airport used certain airfield facilities of the United States Air Force Base - Myrtle Beach 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 USAF 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 USAF 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 the 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 at Deed Book 2623, page number 1491. The property transferred excludes portions of MYR property, which are still undergoing environmental remediation and cleanup efforts by the United States Government.

With respect to the runway, 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 "Aviation Easements". Buildings and structures are being specifically identified and recorded at fair market value at the date of the gift.

Depreciation allocation

The amount of depreciation charged to each governmental function for the year ended June 30, 2015 is as follows: general government (\$4,803,750); public safety (\$7,393,762); Infrastructure and regulation (\$420,502); culture and recreation (\$2,380,773) and health and social services (\$232,896). Capital assets held by the Internal Service Fund (\$3,647,452).

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt

Long-term debt at June 30, 2015, is comprised of general and special obligation bonds, revenue bonds, RIDE - Intergovernmental Loan Agreements (IGA), accumulated compensated absences liability, other post-employment benefits, 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.

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.

Certificates of Participation (COPS) were issued in 1998 to provide funds for the County's portion of the construction of a Baseball Stadium. The debt is secured by a pledge of the Hospitality Fees Special Revenue Fund revenues (Special Fund portion) of the County. As security for its obligation to make payments under the Hospitality Fee Agreement, the County has pledged and granted a security interest in the County Hospitality Fees 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 is shown as part of the restricted fund balance in the Special Obligation Debt Service Fund.

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

Revenue bonds, COPS and 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 April 30, 2015, the County issued \$4,774,000 of General Obligation Refunding Bonds, Series 2015B (the "2015B Bonds") with an interest rate of 1.56%. The net proceeds of the 2015B Bonds were placed in an irrevocable trust account and were issued to partially defease the 2007 General Obligation Bonds-Health Department/Museum, including payment of the prepayment penalty on the Bonds. The 2015B 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 \$207,200 and realized an economic gain (difference between the present values of the old and new debt service payments) of \$204,860. The outstanding principal balance of the 2015B Bonds at June 30, 2015 was \$4,774,000.

On April 30, 2015, the County issued \$24,726,000 of General Obligation Refunding Bonds, Series 2015C (the "2015C Bonds") with an interest rate of 1.77%. The net proceeds of the 2015C Bonds were placed in an irrevocable trust account and were issued to partially defease the 2008 General Obligation Bonds-Detention, including payment of the prepayment penalty on the Bonds. The 2015C Bonds are payable through March 2028, 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 \$1,409,757 and realized an economic gain of \$1,383,848. The outstanding principal balance of the 2015C Bonds at June 30, 2015 was \$24,726,000.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

8. Long-Term Debt

A. Governmental Activities Debt

On December 30, 2009, the County issued \$6,960,000 of General Obligation Bonds, Series 2009B under the guidelines provided in the American Recovery and Reinvestment Act ("ARRA") as Build America Bonds. The Series 2009B Bonds were issued with taxable interest rates that range from 2% to 3%, and under the guidelines set forth in the ARRA are eligible to apply for an interest subsidy payment from the United States Treasury of 35% of the interest payable on the bonds. The subsidy payments have not been pledged to the payment of any Bonds and would be part of the County's general revenues. The County received an interest subsidy of \$119,338 for the year ended June 30, 2015.

In March 2015, the County entered into an Interest Rate Lock agreement with TD Bank, N.A. ("Bank"). Under the terms of the agreement the County may borrow up to \$15,500,000, at any time on or before December 3, 2015, at a fixed interest rate of 1.92% to refund the General Obligation Refunding Bonds, Series 2005A and pay costs of issuance. The borrowing would be structured as a General Obligation Bond with annual principal payments commencing March 1, 2017 and semi-annual interest payments on March 1 and September 1, commencing March 1, 2016 through 2022. At June 30, 2015 the County had not executed the borrowing.

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

Bonded Debt:	<i>(amounts shown in thousands)</i>				
	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Current Portion
General Obligation Bonds					
G.O Bonds of 2005 (Series A) dated September 1 for \$30 million with interest at 3.5% to 4.125% - Judicial Center Refunding	\$ 19,265	\$ -	\$ (2,075)	\$ 17,190	\$2,155
G.O. Bonds of 2005 (Series B) dated September 1 for \$5.01 million with interest at 3% to 3.8% - Fire Protection Refunding	865	-	(865)	-	-
G.O. Bonds of 2007 dated April 11 for \$11 million with interest at 4% to 4.5% - Health Department/Museum	6,680	-	(5,155)	1,525	745
G.O. Bonds of 2008 dated May 20 for \$12 million with interest at 4% to 5% - Libraries	9,175	-	(505)	8,670	520
G.O. Bonds of 2008 dated May 20 for \$50 million with interest at 4% to 5% - Detention Center	32,695	-	(25,515)	7,180	3,235
G.O. Bonds of 2009 (Series A) dated December 30 for \$5.04 million with interest at 2% to 3% - Recreation and Library	3,170	-	(490)	2,680	505
G.O. Bonds of 2009 (Series B), Build America Bonds, dated December 30 for \$6.96 million with interest at 2% to 3% - Recreation and Library	6,960	-	-	6,960	-

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

8. Long-Term Debt

A. Governmental Activities Debt

	<i>(amounts shown in thousands)</i>				
	Balance			Balance	Current
Bonded Debt:	June 30, 2014	Additions	Deletions	June 30, 2015	Portion
General Obligation Bonds					
G.O. Bonds of 2010 (Series A) dated June 3 for \$12.2 million with interest at 2.5% to 4.0% - Series 2001 A&B Refunding - S.S. Complex, Libraries & Court House	9,835	-	(1,265)	8,570	1,305
G.O. Bonds of 2010 (Series B) dated June 3 for \$1.67 million with interest at 2.5% to 4.0% - Series 2001 A&B Refunding-Higher Ed	1,355	-	(175)	1,180	180
G.O. Bonds of 2010 (Series A) dated June 15 for \$350,000 with interest at 2.79% - Boat Landing	74	-	(74)	-	-
G.O. Bonds of 2011 (Series A) dated December 6 for \$6.64M with interest at 2% to 4% - Series 2004A Refunding - Fire Protection District	6,640	-	(720)	5,920	815
G.O. Bonds of 2011 (Series B) dated December 6 for \$2.1M with interest at 2% to 3% - Series 2004B Refunding - HGTC	2,100	-	(165)	1,935	190
G.O. Bonds of 2014 dated March 11 for \$252K with interest at 1.87% - Hidden Woods	252	-	(252)	-	-
G.O. Bonds of 2015 (Series B) dated April 30 for \$4.774 M with interest at 1.56% - Series 2007 Refunding	-	4,774	-	4,774	
G.O. Bonds of 2015 (Series C) dated April 30 for \$24.7 M with interest at 1.77% - Series 2008 Refunding	-	24,726	-	24,726	
Certificates of Participation					
Dated September 1, 1998 for \$3.088M with interest at 3% to 5% - Baseball Stadium	1,051	-	(190)	861	200
Total governmental bonded debt	100,117	29,500	(37,446)	92,171	9,850
Unamortized premiums	1,988	-	(199)	1,789	-
Net governmental bonded debt	<u>\$ 102,105</u>	<u>\$ 29,500</u>	<u>\$(37,645)</u>	<u>\$ 93,960</u>	<u>\$9,850</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

8. Long-Term Debt

A. Governmental Activities Debt

Other general long-term obligations of the County's governmental activities at June 30, 2015 are as follows:

	<i>(amounts shown in thousands)</i>				
	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Current Portion
Other general long-term obligations:					
RIDE - IGA Loan #1	\$ 45,000	\$ -	\$ (15,000)	\$ 30,000	\$ 14,232
Less, amounts imputed for interest	(2,290)	-	1,222	(1,068)	
Net RIDE - IGA Loan #1	42,710	-	(13,778)	28,932	14,232
 RIDE - IGA Loan #2	 160,990	 -	 (14,750)	 146,240	 16,751
Net RIDE - IGA Loans payable	203,700	-	(28,528)	175,172	30,983
 <u>Capital Lease Obligations</u>					
Public safety CAD software	1,385	-	(449)	936	462
Public safety fiber ring	442	-	(442)	-	-
Public safety Panasonic laptops	181	-	(90)	91	91
Public safety Panasonic laptops	280	-	(92)	188	93
Beach cleanup tractors	66	-	(22)	44	22
Financial system software	3,710	-	(430)	3,280	439
Energy performance contract	8,160	-	-	8,160	221
Fire apparatus	-	7,750	(388)	7,362	775
Public safety Panasonic laptops	-	400	(49)	351	99
Public safety Motorola radios	-	4,275	(553)	3,722	488
Total capital leases	14,224	12,425	(2,515)	24,134	2,690
Post employment benefit obligation, net	24,070	1,722	-	25,792	-
Accumulated compensation absences, net	13,373	8,494	(7,889)	13,978	7,889
Net Pension Obligation	-	149,710	(10,025)	139,685	-
Total other general long-term obligations	255,367	172,351	(48,957)	378,761	41,562
 Total Net Governmental Activities Debt	 \$ 357,472	 \$ 201,851	 \$ (86,602)	 \$ 472,721	 \$ 51,412

The current portion of compensated absences has typically been liquidated from the general fund, other governmental funds and the Internal Service fund.

The County is funding the post employment benefit obligation on a pay - go basis from the General Fund.

RIDE Intergovernmental Agreements

As described in Note 17, the RIDE Intergovernmental Agreement (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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt

B. Business-type Activities (Enterprise Funds) Debt

Revenue Bonds - Department of Airports

In November 17, 2010, the \$50,870,000 Airport Revenue Bonds, Series 2010A and \$9,720,000 Taxable Airport Revenue Bonds, Series 2010B were issued by Horry County, South Carolina, a political subdivision of the State of South Carolina.

The Series 2010A Bonds were issued to pay a portion of the cost of construction of the TCEP at the Myrtle Beach International Airport (MYR). The Series 2010B Bonds were issued to pay the cost of the Harrelson Boulevard Improvements and were issued as taxable "Recovery Zone Economic Development Bonds" for the purposes of the Internal Revenue Code of 1986. Subject to the County's compliance with certain requirements of the Code, the County expects to receive cash subsidy payments from the United States Treasury equal to 45% of the interest payable on the Series 2010B Bonds. Due to the federal government's sequestration measures, this amount was reduced by 7.3% in fiscal year 2015. The total interest subsidy received by the County for the Bonds in fiscal year 2015 was \$297,128.

The revenue bonds are secured by pledge of the revenues derived from the operation of the Airport as defined in the Ordinances as remain after payment of Operation and Maintenance Expenses and statutory lien on the Airport owned and operated by the County and other funds held or set aside under the Ordinance. Revenues means all income or earnings received by the County or accrued to the County from the ownership, use or operation of the Airport and all parts thereof including but not limited to (i) all rentals charges landing fees use charges and concession revenue derived by the County from the operation of the Airport and (ii) interest received on any moneys or securities held pursuant to this Ordinance and paid or required to be paid into the Revenue Fund investment (iii) earnings on amounts on deposit in the Bond Fund, the PFC Revenue Bond Fund, the Debt Service Reserve Fund, the Operation and Maintenance Fund, and the Depreciation and Contingent Fund, and (iv) any Available PFC Revenues to the extent and for so long as such Available PFC Revenues are pledged by Supplemental Ordinance to the payment of PFC Bonds all as calculated in accordance with generally accepted accounting principles. 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.

Long-term "revenue bonded" debt of the Department of Airports Enterprise Fund at June 30, 2015:

	(amounts shown in thousands)			
Revenue Bonds:	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Revenue Bond, 2010A Series dated November 17, with interest at 4.375% to 5% due 2011-2040	\$ 50,870	\$ -	\$ 1,215	\$ 49,655
Revenue Bond, 2010B Series dated November 17, with interest at 7.328% due 2011-2040	9,720	-	-	9,720
Total Revenue Bonds	60,590	-	1,215	59,375
Less, original discount	(186)	7	-	(179)
Net Revenue Bonds	<u>\$ 60,404</u>	<u>\$ 7</u>	<u>\$ 1,215</u>	<u>\$ 59,196</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Debt

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 Intergovernmental Agreements (IGA) loans #1 and #2 at their respective present values at June 30, 2015, are summarized as follows:

<i>(amounts shown in thousands)</i>						
Years Ending June 30,	G.O. Bonds		Baseball Stadium COPS		Airport Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	9,650	2,875	200	43	1,270	3,038
2017	9,998	2,605	210	33	1,320	2,987
2018	10,615	2,226	220	23	1,370	2,934
2019	11,366	1,813	231	11	1,415	2,893
2020	11,335	1,414	-	-	1,480	2,822
2021-2025	31,997	3,078	-	-	8,415	13,107
2026-2030	6,349	743	-	-	10,475	11,049
2031-2035	-	-	-	-	13,190	8,155
2036-2040	-	-	-	-	16,630	4,023
2041-2044	-	-	-	-	3,810	217
Total	\$ 91,310	\$ 14,754	\$ 861	\$ 110	\$ 59,375	\$ 51,225

Years Ending June 30,	RIDE IGA Loan #1		RIDE IGA Loan #2		Total Debt Service Requirements	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 14,232	\$ 768	\$ 16,751	\$ 4,122	\$ 42,103	\$ 10,846
2017	14,700	300	18,881	3,606	45,109	9,531
2018	-	-	20,843	3,028	33,048	8,211
2019	-	-	21,464	2,408	34,476	7,125
2020	-	-	22,103	1,768	34,918	6,004
2021-2025	-	-	46,198	1,543	86,610	17,728
2026-2030	-	-	-	-	16,824	11,792
2031-2035	-	-	-	-	13,190	8,155
2036-2040	-	-	-	-	16,630	4,023
2041-2044	-	-	-	-	3,810	217
Total	\$ 28,932	\$ 1,068	\$ 146,240	\$ 16,475	\$ 326,718	\$ 83,632

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital and Operating Leases and Other Long-Term Liabilities

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:

Year Ended June 30,	(amounts shown in thousands)				
	Fire Apparatus	Motorola Radios	Panasonic Laptops	Financial System	Panasonic Laptops
2016	\$ 924	\$ 595	\$ 103	\$ 507	\$ 92
2017	909	595	103	507	
2018	893	595	103	506	-
2019	877	595	51	506	-
2020	861	595	-	506	-
Thereafter	3,680	1,188	-	1,014	-
Total lease payments	8,144	4,163	360	3,546	92
Less, interest	(782)	(441)	(9)	(266)	(1)
Present value of future minimum lease payments	7,362	3,722	351	3,280	91
Less, current portion	(775)	(488)	(99)	(439)	(91)
Total non-current portion	<u>\$ 6,587</u>	<u>\$ 3,234</u>	<u>\$ 252</u>	<u>\$ 2,841</u>	<u>\$ -</u>

Year Ended June 30,	Panasonic Laptops	CAD	Tractors	Energy Performance	Total
2016	\$ 96	\$ 488	\$ 23	\$ 763	\$ 3,591
2017	95	487	22	566	\$ 3,284
2018	-	-	-	579	\$ 2,676
2019	-	-	-	590	\$ 2,619
2020	-	-	-	603	\$ 2,565
Thereafter	-	-	-	7,638	\$ 13,520
Total lease payments	191	975	45	10,739	28,255
Less, interest	(3)	(39)	(1)	(2,579)	(4,121)
Present value of future minimum lease payments	188	936	44	8,160	24,134
Less, current portion	(93)	(462)	(22)	(221)	(2,690)
Total non-current portion	<u>\$ 95</u>	<u>\$ 474</u>	<u>\$ 22</u>	<u>\$ 7,939</u>	<u>\$ 21,444</u>

Business-type Activities (Enterprise Funds):

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 value of the generator at acquisition was \$425,000 and the net book value of the generator as of June 30, 2015 and June 30, 2014 was \$0 and \$41,274, respectively.

The present value of the minimum lease payments follows:

Year Ended June 30,	Total
2016	41,928
Less amount representing interest	(654)
Present value of future minimum lease payments	41,274
Less, current portion	(41,274)
Total non-current portion	<u>\$ -</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital and Operating Leases and Other Long-Term Liabilities

A. Capital Lease Obligations

Business-type Activities (Enterprise Funds):

During the year ended June 30, 2013, the Airport entered into a second ten year non-cancelable lease for an additional generator for the Airport's new terminal building. This additional lease was effective April 1, 2013. The annual interest rate on the lease is 1.15% per annum. The fair market value of the generator at acquisition was \$558,650, and the net book value of the generator as of June 30, 2015 and June 30, 2014 was \$388,605 and \$442,970, respectively.

The present value of the minimum lease payments follows:

<u>Year Ended June 30,</u>	<u>Total</u>
2016	59,148
2017	59,148
2018	59,148
2019	59,148
2020	59,148
2021-2023	167,586
Total payments	463,326
Less, interest	(20,356)
Present value of future minimum lease payments	442,970
Less, current portion	(54,365)
Total non-current portion	<u><u>\$ 388,605</u></u>

The changes in the County's capital leases and other long-term obligations for its business-type activities for the June 30, 2015 are as follows:

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>	<u>Amounts due within one year</u>
Capital leases	\$ 585,979	\$ -	\$ (101,735)	\$ 484,244	\$ 95,639
Compensated absences	1,235,672	1,285,479	(1,235,672)	1,285,479	321,370
Net OPEB obligation	750,669	62,904	-	813,573	-
Net Pension Liability	-	10,452,801	(591,199)	9,861,602	-
Total Long Term Liability	<u><u>\$ 2,572,320</u></u>	<u><u>\$ 11,801,184</u></u>	<u><u>\$ (1,928,606)</u></u>	<u><u>\$ 12,444,898</u></u>	<u><u>\$ 417,009</u></u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital and Operating Leases and Other Long-Term Liabilities

B. Operating Lease Agreements

Lessor (Department of Airports)

The Airport derives a substantial portion of its revenues from charges to air carriers, aeronautical businesses and schools, and concessionaires. Substantially all of the assets classified as fixed 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, and concessionaires on a fixed fee as well as a contingent fee basis. All leases of the Airport are treated as operating leases for accounting purposes. Most of the leases provide for an annual review and redetermination of the rental amounts. The following is a schedule of future minimum rentals receivable on non-cancelable operating leases as of June 30, 2015:

<u>Year Ended June 30,</u>	<u>(amounts shown in thousands)</u>
2016	7,218
2017	5,309
2018	1,373
2019	1,300
2020	1,210
2021-2025	3,096
Total	<u><u>\$ 19,506</u></u>

At June 30, 2015, the total historical cost and net book value of certain property leased to parties external to the County reporting entity is \$93,450,291 and \$72,461,055, respectively.

Lessor (SBHS)

At June 30, 2015 future minimum payments under noncancelable operating leases with remaining terms in excess of one year were as follows:

<u>Year Ended June 30,</u>	
2016	\$ 11,483
2017	9,957
2018	9,652
2019	3,241
2020	92
Total	<u><u>\$ 34,425</u></u>

Total lease expense for the fiscal year ended June 30, 2015 was approximately \$11,483.

C. Other Long-Term Liabilities

SBHS at June 30, 2015

The changes in the SBHS's other long-term obligations for the year ended June 30, 2015:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts due within one year
Compensated absences	\$ 72,196	\$ 62,908	\$ (60,810)	\$ 74,294	\$ 40,119
Net OPEB obligation	67,118	22,716	-	89,834	-
Net Pension Liability	-	2,564,257	(191,281)	2,372,976	
Total Long-term liabilities	<u><u>\$ 139,314</u></u>	<u><u>\$ 2,649,881</u></u>	<u><u>\$ (252,091)</u></u>	<u><u>\$ 2,537,104</u></u>	<u><u>\$ 40,119</u></u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital and Operating Leases and Other Long-Term Liabilities

C. Other Long-Term Liabilities

HCSWA at June 30, 2015

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts due within one year
Compensated absences	\$ 316,915	\$ 250,223	\$ (247,462)	\$ 319,676	\$ 250,000
Net OPEB obligation	1,517,878	290,366	(37,570)	1,770,674	-
Net pension liabilities	-	7,741,542	(409,817)	7,331,725	-
Landfill closure costs	20,748,450	4,109,551	(6,188,204)	18,669,797	-
Landfill postclosure care costs	7,170,412		(1,056,608)	6,113,804	-
Total Long-term liabilities	<u>\$ 29,753,655</u>	<u>\$12,391,682</u>	<u>\$(7,939,661)</u>	<u>\$ 34,205,676</u>	<u>\$ 250,000</u>

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

The Department of Airports, primarily the Myrtle Beach International Airport (the "MBIA"), has entered into separate, but substantially similar, Signatory Airline Contract and Use Agreements (the Signatory Airline Agreements) with 3 passenger airlines. The previous Signatory Airline Agreements had an original term through June 30, 2007, but remained in effect on a month-to-month holdover basis until the commencement of the new agreement. The Signatory Airline Agreements were signed as of July 1, 2014, with Spirit Airlines, US Airways, and Delta Air Lines. Collectively, these carriers are called "Signatory Airlines". The terms of the Signatory Airline Agreement are generally comparable to those of the previous agreement.

The Signatory Airline Agreements cover the use of and rate-setting mechanisms for the airfield and terminal facilities at the Airport. Interim rates charged during the fiscal year are subject to a retroactive adjustment based upon actual year-end costs and activity levels (the Settlement). Any Settlement owed to the Signatory Airlines is applied to any balance owed by the airlines for rates and charges. For the fiscal year ended June 30, 2015, Horry County estimates the Settlement due to the Signatory Airlines is \$480,494. This amount is included in amounts due to tenants on the accompanying Statements of Net Position.

Horry County has also entered into agreements with airlines that serve the Airport and are not parties to Signatory Airline Agreements (the Non-signatory Airlines). The County assesses fees, rentals, and charges to the Non-Signatory Airlines at 125% of the fees, rentals, and charges charged to the Signatory Airlines. The Non-Signatory Airlines do not participate in the year-end Settlement. As of June 30, 2015, the Non-Signatory Airlines operating at the Airport were Allegiant Air, Porter Airlines, United Airlines, and WestJet.

Horry County's Air Service Development Program for fiscal year 2015 provided, at the County's sole discretion, for reduced landing fees from \$2.00 to \$1.12 per 1,000 lbs., which reduced landing and apron fee revenue by approximately \$844,015. The airport also waived airline fees of \$304,765 as incentives for new service.

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 they stop 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 closure and postclosure care costs as operating expenses in each period based on landfill capacity used as of each balance sheet date. For purposes of closure and postclosure care, the Class 2 and Class 3 landfills are considered a single site. At June 30, 2015, the percentage utilization of the estimated total capacity of the landfills was 63.6%.

The closure and postclosure care liabilities at June 30, 2015 represent the cumulative amounts reported to date based on utilization of the estimated total capacity of the permitted landfill sites and totaled \$18,669,797 and \$6,113,804, respectively. The HCSWA will recognize the remaining estimated closure and postclosure care costs totaling \$10,685,230 and \$3,499,096, respectively, as the remaining estimated capacity of the permitted landfills are filled.

The landfills are expected to be closed during the year ending June 30, 2040. 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, 2015, the HCSWA is in compliance with federal and state financial assurance requirements.

In accordance with formal resolutions of the HCSWA's Board of Directors, \$7,066,419 and \$8,040,506 of cash, cash equivalents and investments at June 30, 2015 are designated for landfill closure and postclosure care costs, respectively. 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 be covered through additional charges to future landfill users.

Note 12. Net Position and Fund Balances

Net position:

Net position of the government-wide and proprietary fund financial statements represents the difference of total assets and deferred outflows, less liabilities and deferred inflows. Reported amounts for net investment in capital assets are as follows at June 30, 2015:

	<i>(amounts shown in thousands)</i>			
	Governmental Activities	Business-type Activities	Component Units	
			SHBS	HCSWA
<u>Net investment in Capital Assets:</u>				
Primary Government	\$ 728,664	\$ 252,304	\$ -	\$ -
Component units	-	-	861	36,788
Less, G.O., special revenue bonds payable and capital leases, net of unspent proceeds	(109,232)	(55,730)	-	-
Less, construction and retainage payable for capital items	-	(2,704)	-	-
Total net investment in capital assets	<u>\$ 619,432</u>	<u>\$ 193,870</u>	<u>\$ 861</u>	<u>\$ 36,788</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 12. Net Position and Fund Balances

As required by the County's Financial Policies Ordinance, a fiscal stabilization reserve is to be maintained in the General Fund, the Fire Fund, the Recreation Fund, and the Stormwater Management Fund. The fiscal stabilization reserve is to be maintained at an amount equal to 15% of the fund's next year's budgeted expenditures and transfers out, excluding those amounts that are funded by one-time funding sources. This policy was approved by County Council Ordinance 68-10 on October 10, 2010, therefore the fiscal stabilization reserve is classified as "committed" or "restricted" fund balance. Ordinance 69-10 also requires all governmental funds responsible for the payment of debt service to maintain an amount in fund balance equal to at least 50% of the next year's debt service amount.

The adopted budget for fiscal year 2016 includes total expenditures and other uses. By reducing this total for any amount being funded by a use of fund balance and/or debt service requirement, the current required stabilization reserve for each of the above identified funds is reported below:

	FY 2016 Operating budget	15% Stabilization reserve at June 30, 2015	FY 2016 Debt Service	Related restricted fund balance at June 30, 2015
General Fund	\$ 146,138,975	\$ 21,920,846	n/a	n/a
Fire Fund	\$ 20,147,620	\$ 3,022,143	\$ 963,388	\$ 481,694
Stormwater Management Fund	\$ 4,738,889	\$ 710,833	n/a	n/a
Recreation Fund	\$ 4,334,448	\$ 650,167	n/a	n/a
General Debt Service Fund	n/a	n/a	\$ 10,707,195	\$ 7,779,682

At June 30, 2015 the Arcadian Shores, Victim's Witness, and Community Development Block Grant Funds had a deficit fund balance of \$78,064, \$10,195, and \$380,935, respectively. This deficit fund balance will be repaid from future revenues and fee increases.

The County's governmental funds maintain various types of restricted and committed fund balances which are reported in compliance with GASB 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. Restricted net position and fund balance consist of restricted financial assets reduced by liabilities and deferred inflows of resources related to those assets. The County's restricted net position, restricted fund balance, and committed fund balance for governmental activities/funds at June 30, 2015 is as follows:

	Net Position Restricted	Fund Balance Restricted	Committed
Restricted or Committed for Capital			
RIDE Road Infrastructure	255,013,431	255,013,431	-
Vehicle Fleet Replacement	20,031,340	-	-
County Road Paving Plan	3,253,329	3,253,329	-
Fire Apparatus	2,643,423	2,612,879	-
General Capital Projects	-	2,034,898	6,883,224
Total Restricted or Committed for Capital	280,941,523	262,914,537	6,883,224
Restricted or Committed for Bond Debt Service			
RIDE Debt Service	-	52,531,593	-
General Obligation	6,416,747	7,779,682	-
Special Obligation	408,698	408,697	-
Total Restricted or Committed for Debt Service	6,825,445	60,719,972	-

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 12. Net Position and Fund Balances

	Net Position	Fund Balance	
	Restricted	Restricted	Committed
Restricted for Other Purposes			
Special Tax Districts			
County Road Paving Plan	-	-	18,808,009
Fire District	-	5,895,999	-
Waste Management Collection System	9,389,797	9,168,207	-
E911 Emergency Telephone System	4,303,977	4,583,628	-
Stormwater System Maintenance	1,054,834	3,206,130	-
Recreation Programs	-	2,523,155	-
Watersheds Maintenance	1,022,334	1,022,334	-
Mt Gilead Road Maintenance	406,041	406,041	-
Socastee Recreation Maintenance	463,924	463,924	-
Fantasy Harbor Admissions	379,811	379,811	-
Senior Citizens Programs	106,191	81,194	-
Fire Insurance 1% Funding	71,104	71,104	-
Hidden Woods Road Maintenance	17,006	16,697	-
Special Purpose Districts			
Higher Education Commission	186,068	142,324	-
Horry Georgetown Technical College	219,184	105,302	-
Funding for Non-capital Infrastructure Improvements			
Beach Renourishment	4,174,013	4,174,013	2,001,602
Intergovernmental Funding			
Tourism & Promotion	-	335,336	-
Solicitor	-	1,482,787	-
Public Defender	-	508,852	-
Grants	-	-	495,207
Contractual Restrictions			
B&C MCBP	529,563	529,563	-
Voluntary Developer Contributions	273,020	273,020	-
Baseball Stadium Maintenance	164,868	164,868	-
Myrtle Beach Area Regional Economic Development Corporation Closing Fund	1,089,881	1,089,881	1,668,753
Stabilization	-	-	21,920,846
Other Post Employment Benefits	-	-	1,675,323
Fiscal Year 2016 Expenditure Budget Carryforwards	-	-	3,677,296
Total Restricted or Committed for Other Purposes	<u>23,851,616</u>	<u>36,624,170</u>	<u>31,439,027</u>
Totals	<u>311,618,584</u>	<u>360,258,679</u>	<u>38,322,251</u>

Restrictions for special tax districts, special purpose districts, and contractual agreements are governed by the enabling legislation or agreement between the County and a third-party. These restrictions are placed at a programmatic level and cannot be identified to a specific project or item.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 13. Capital Contributions (amounts shown in thousands)

For the governmental activities, capital contributions during the fiscal year ended June 30, 2015, are as follows:

	Governmental Activities
Donated capital assets	<u>\$ 2,881,079</u>
Total	<u><u>\$ 2,881,079</u></u>

For the proprietary (enterprise) funds, capital contributions during the fiscal year ended June 30, 2015, are as follows:

	Business -Type Activities
Grants and other cash contributions	<u>\$ 160</u>
Total	<u><u>\$ 160</u></u>

Capital contributions in the discretely presented component unit HCSWA for the fiscal year ended June 30, 2015, are as follows:

	HCSWA
Grants and other cash contributions	<u>\$ 347</u>
Totals	<u><u>\$ 347</u></u>

Note 14. Employee Benefit Plans

A. South Carolina Retirement and Police Officers' Retirement Systems

The South Carolina Public Employee Benefit Authority ("PEBA"), which was created July 1, 2012, administers the various retirement systems and retirement programs managed by its Retirement Division. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as co-trustee and co-fiduciary of the systems and the trust funds. By law, the Budget and Control Board (restructured into the Department of Administration on July 1, 2015), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the funding of the South Carolina Retirement Systems ("Systems") and serves as a co-trustee of the Systems in conducting that review.

PEBA issues a Comprehensive Annual Financial Report ("CAFR") containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Descriptions

- The South Carolina Retirement System ("SCRS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions.
- The South Carolina Police Officers Retirement System ("PORS"), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

- SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

A. South Carolina Retirement and Police Officers' Retirement Systems

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of the benefit terms for each system is presented below.

- **SCRS** - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

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

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. The PEBA Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS and 5 percent for PORS. An increase in the contribution rates adopted by the board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one-half of one percent per year.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

A. South Carolina Retirement and Police Officers' Retirement Systems

Contributions

Required <u>employee</u> contribution rates for fiscal year 2014-2015 are as follows:		
SCRS		
Employee Class Two		8.00% of earnable compensation
Employee Class Three		8.00% of earnable compensation
PORS		
Employee Class Two		8.41% of earnable compensation
Employee Class Three		8.41% of earnable compensation
 Required <u>employer</u> contribution rates for fiscal year 2014-2015 are as follows:		
SCRS		
Employer Class Two		10.75% of earnable compensation
Employer Class Three		10.75% of earnable compensation
Employer Incidental Death Benefit		0.15% of earnable compensation
PORS		
Employer Class Two		13.01% of earnable compensation
Employer Class Three		13.01% of earnable compensation
Employer Incidental Death Benefit		0.20% of earnable compensation
Employer Accidental Death Program		0.20% of earnable compensation

Actuarial Assumptions and Methods

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2010, and the next experience study is scheduled to be conducted after the June 30, 2015 annual valuation is complete.

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

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

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

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

A. South Carolina Retirement and Police Officers' Retirement Systems

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000.

Former Job Class	Males	Females
Educators and Judges	RP-2000 Males (with White Collar adjustment) multiplied by 110%	RP-2000 Females (with White Collar adjustment) multiplied by 95%
General Employees and Members of the General Assembly	RP-2000 Males multiplied by 100%	RP-2000 Females multiplied by 90%
Public Safety, Firefighters and members of the South Carolina National Guard	RP-2000 Males (with Blue Collar adjustment) multiplied by 115%	RP-2000 Females (with Blue Collar adjustment) multiplied by 115%

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67 less that System's fiduciary net position. As of June 30, 2014, the County's proportional share of the NPL amounts for SCRS and PORS are presented below:

System	Proportional Share of Net Pension Liability
SCRS	\$ 85,636,823
PORS	\$ 63,909,580

The total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The County's proportionate share of the net pension liability was calculated on the basis of historical employer contributions. Although GASB 68 encourages the use of the employer's projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is considered acceptable. For the year ending June 30, 2014, the County's percentage of the SCRS and PORS net pension liability were 0.497406% and 3.33831%, respectively.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

A. South Carolina Retirement and Police Officers' Retirement Systems

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30 year capital market outlook at the end of the third quarter 2012. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment Commission ("RSIC") using a building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The RSIC has exclusive authority to invest and manage the retirement trust funds' assets. As co-fiduciary of the Systems, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation which is summarized in the table below. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Short Term	5.0%		
Cash	2.0%	0.3	0.01
Short Duration	3.0%	0.6	0.02
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	1.1	0.08
High Yield	2.0%	3.5	0.07
Bank Loans	4.0%	2.8	0.11
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	0.8	0.02
Emerging Markets Debt	6.0%	4.1	0.25
Global Public Equity	31.0%	7.8	2.42
Global Tactical Asset Allocation	10.0%	5.1	0.51
Alternatives	32.0%		
Hedge Funds (Low Beta)	8.0%	4	0.32
Private Debt	7.0%	10.2	0.71
Private Equity	9.0%	10.2	0.92
Real Estate (Broad Market)	5.0%	5.9	0.29
Commodities	3.0%	5.1	0.15
Total Expected Real Return	100.0%		5.88%
Inflation for Actuarial Purposes			2.75
Total Expected Nominal Return			8.63%

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

A. South Carolina Retirement and Police Officers' Retirement Systems

Sensitivity Analysis

The following table presents the collective net pension liability of the participating employers calculated using the discount rate of 7.50 percent, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.50 percent) or 1.00 percent higher (8.50 percent) than the current rate.

Sensitivity of the Proportional Share of Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
SCRS	\$110,819,348	\$85,636,823	\$64,627,374
PORS	89,311,979	63,909,580	42,891,206

Deferred Outflows (Inflows) of Resources

For the year ended June 30, 2015, the County recognized pension expense of \$11,593,466. At June 30, 2015, the County reported deferred outflows (inflows) of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in actual and expected experience	\$4,132,050	
Pension contributions subsequent to measurement date	10,675,050	
Net differences between projected and actual earnings on plan investments		\$14,614,616

The County reported \$10,675,050 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Amounts reported as deferred outflows (inflows) of resources will be recognized in pension expense in future years. The following schedule reflects the amortization of the County's proportional share of the net balance of remaining deferred outflows (inflows) of resources at June 30, 2015. Average remaining service lives of all employees provided with pensions through the pension plans at June 30, 2014 was 4.233 years for SCRS and 4.856 years for PORS.

Measurement Period Ending June 30	Fiscal Year Ending June 30	SCRS	PORS
2015	2016	\$(1,054,384)	\$(1,406,414)
2016	2017	(1,054,384)	(1,406,414)
2017	2018	(1,054,384)	(1,406,414)
2018	2019	(1,630,070)	(1,470,102)
Net Balance of Deferred Outflows / (Inflows) of Resources		\$(4,793,222)	\$(5,689,344)

Note 14. Employee Benefit Plans

B. Post-Employment Healthcare Benefits

Plan Description

In addition to providing pension benefits, the County provides certain post-employment health care benefits for retired employees with a hire date prior to July 1, 2011, as per the requirements of a local ordinance. On June 19, 2012 Horry County approved further modifications to the Retiree Health Insurance plan through Resolution R-19-42, wherein post-employment healthcare benefit changes were made for two defined groups known as “Grandfathered” and “Non-Grandfathered”.

For grandfathered employees, the following plan modifications apply effective January 1, 2013:

Grandfathered retirees are those who are retirement eligible employees, and current employees who are either 62 years old or have 23 or more years of County service as of December 31, 2012. Grandfathered retirees continue to be eligible for health insurance benefits from the age of retirement until they reach the age of 65, or otherwise become Medicare eligible, at the following coverage levels if they attain age forty-six (46) while working for the County, retire and draw benefits from SCRS or SCPORS system, and have a minimum of fifteen (15) years of 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.

For non-grandfathered employees, the following plan modifications apply effective January 1, 2013:

Non-Grandfathered retirees are defined as those with a hire date prior to July 1, 2011 who did not meet the qualifications to be included in the “Grandfathered” group. These retirees will receive County subsidy of health insurance only from the ages of 62 – 65. Employees can still retire before that age if they are eligible, but the County will not pay the health insurance premiums until age 62. The retiree can stay on the County plan and pay the total premiums personally, or opt-out of the plan and obtain coverage elsewhere, then opt-back in to the plan at age 62 to receive the County funded benefit. The 75% tier is eliminated. Employees are eligible for the County payment of 50% of the premiums, at 15 years of County service, and 100% coverage at 28 years (SCRS) or 25 years (SCPORS) of service. The amount of the County subsidy will not increase by more than 3% over the amount paid by the County in the prior calendar year. Any increase in cost above 3% will be absorbed by the retiree. Those employees who separate from County employment for any reason other than retirement and are then are rehired after June 30, 2011 will be eligible to participate in the retiree health insurance plan upon their retirement; however, the County will not pay any portion of their retiree health insurance premiums and they will not be eligible to receive any County subsidy for the purposes of retiree health insurance.

Medicare – Eligible Provisions apply effective January 1, 2013:

County paid health insurance coverage ceases when the retiree becomes Medicare eligible. This change becomes effective December 31, 2012 at which time the County will begin to contribute \$150 per retiree on the first banking day of each month in to a Health Reimbursement Arrangement account for the retiree to purchase a Medicare supplemental insurance plan or to use for payment of out-of-pocket qualifying medical expenses. This monthly contribution is pro-rated according to the retiree's years of service with the County (50%, 75% if grandfathered, or 100%) and will increase annually by the lower of CPI-U (the Consumer Price Index All Urban Consumers on a September over September basis) or 3% per year. This is the only change that impacts current retirees and current retiree eligible employees or past employees with a hire date prior to July 1, 2011.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

B. Post-Employment Healthcare Benefits

Plan Description

Retiree Opt-Out

Retirees (employees who meet the retirement criteria eligibility at the time of terminating employment) who decide to opt-out of health care plan will be eligible to opt back in. Non-grandfathered employees will receive the County subsidy at age 62 if they choose to opt back in. There is no additional stipend provided for those who opt-out of retiree health care.

Effective July 1, 2011, new hires of Horry County are no longer eligible to receive other post-employment benefits. The ordinance reads that should this benefit be reinstated, the effective date would be July 1, 2011.

Deferred Retirement Benefits

Retirement plan vested employees who terminate employment with Horry County before they meet the eligibility requirements as stated above are generally not eligible for Horry County retiree health care benefits. The exception to this is that they are eligible for Horry County retiree health care benefits if they return to Horry County Government and retire from the SCRS or PORS as a Horry County employee. Employee must have been covered under the State Health Plan for the last five years of employment.

Duty and Non-Duty Death in Service and Disability Retirement Benefits

Survivors of employees who die while actively employed are not eligible for retiree health benefits. However, they are eligible for survivor insurance for one year at no cost to the surviving spouse, after that, qualifying survivor has the option of selecting other insurance or continuing coverage at surviving spouse's expense. Employees who retire under a disability retirement are eligible for retiree health care benefits based on years of service.

Funding Policy

Horry County currently pays for post-employment benefits on a pay-as-you-go basis. The cost of these benefits is recognized as an expenditure of the general fund as provided for in the annual budget ordinance. These benefits will cease if funds are not available for appropriation. For fiscal year 2015, the County contributed \$648,534 for existing retirees, net of the implicit rate subsidy. As of year-end, there were 258 retirees that were receiving benefits. These financial statements assume that a pay-as-you-go funding policy will continue.

The Airport currently has 123 active employees and 9 retired members are eligible for OPEB as of June 30, 2015. Only one of the retired employees has opted for OPEB from the Airport, and that employee worked for both the Airport and Horry County. The Airport reimburses Horry County for its share of the OPEB expense.

Note 14. Employee Benefit Plans

B. Post-Employment Healthcare Benefits

HCSWA:

Plan Description

The HCSWA retiree health care plan is a single-employer defined benefit health care plan administered by the HCSWA. The plan provides medical and dental insurance benefits to eligible retirees. Benefit provisions and contribution requirements of plan members and HCSWA are established and may be amended by the HCSWA's Board of Directors.

Employees retiring with at least twenty years of service as an employee of the HCSWA and receiving benefits from the South Carolina Retirement System (SCRS) may elect to continue single coverage with seventy five percent of the cost of the coverage provided by HCSWA. Employees retiring with at least ten years of service as an employee of the HCSWA and receiving benefits from the SCRS may elect to continue single coverage with fifty percent of the cost of coverage provided by HCSWA. Employees retiring at age sixty five or older with at least five years of service as an employee of the HCSWA and receiving benefits from the SCRS may elect to continue single coverage with one hundred percent of the cost of coverage provided by the retiree. If an eligible retiree accepts employment with another organization that provides health care benefits, the HCSWA coverage will no longer be provided. During the year ended June 30, 2015, plan members receiving benefits contributed \$53,968 (approximately 59% of total premiums) for the cost of retiree health insurance coverage.

Funding Policy

HCSWA pays for post-employment health care benefits on a pay-as-you-go basis. During the year ended June 30, 2015, the HCSWA contributed \$37,570 (approximately 41% of total premiums) for the cost of retiree health insurance coverage.

SBHS:

Plan Description

Prior to July 1, 2012 Shoreline Behavioral Health Services had agreed to provide qualified retirees all or part of the health care benefits afforded to regular employees. Effective July 1, 2012 the plan was closed to new participants and Shoreline Behavioral Health Services discontinued all payments toward the cost of retiree health insurance premiums for employees. At the time of the policy change, there were two employees with more than twenty years of consecutive service with the agency who were grandfathered into the plan. As a result, the following exceptions were made for those two grandfathered staff upon retirement:

- The agency will pay 100% of the total premium for single employee/retiree coverage (health/dental). Additional dependent coverage is available but will be paid for by the retiree.
- Upon reaching Medicare eligibility, the retiree will have the option to choose Medicare supplement coverage under the State Health Plan or through other private carriers. Shoreline BHS will pay premiums through a Health Retirement Account arrangement as listed below:
 - State Health Plan \$150 per retiree (will increase by the lower of CPI-U or 3% years).
 - Private Medicare Supplement 100% of premium for Medicare Supplement plan, applicable Part D Prescription plan, state of SC basic Dental plan and administrative fee

Retired non-grandfathered staff will have the opportunity to continue on the agency plan and pay the premiums personally or opt out and obtain coverage elsewhere.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

B. Post-Employment Healthcare Benefits

SBHS:

Funding Policy

SBHS pays for post-employment health care benefits on a pay-as-you-go basis. During the year ended June 30, 2015, SBHS contributed approximately \$7,993 towards the cost of retiree health insurance coverage. SBHS has recorded a post-employment benefit obligation in the amount of \$89,834 at June 30, 2015 as SBHS did not meet its contractually required contribution for the fiscal year.

Annual OPEB costs and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

	Governmental		Business-type	Total	Component Units	
	General	Police	Airport		HCSWA	SBHS
Employer Normal Costs	\$ 694,414	\$ 727,067	\$ 58,795	\$ 1,480,276	\$ 139,523	\$ -
Amortization of UAL*	661,000	514,631	41,913	1,217,544	89,407	19,696
Annual Required Contribution (ARC)	1,355,414	1,241,698	100,708	2,697,820	228,930	19,696
Interest on Net OPEB Obligation	523,705	559,422	33,769	1,116,896	68,304	3,020
Adjustment to ARC	(485,208)	(518,299)	(31,286)	(1,034,793)	(6,868)	-
Annual OPEB Costs	1,393,911	1,282,821	103,191	2,779,923	290,366	22,716
Contributions Made	617,777	336,801	40,287	994,865	37,570	-
Increase in net OPEB Obligation	776,134	946,020	62,904	1,785,058	252,796	22,716
Net OPEB Obligation - beginning of year	11,637,905	12,431,598	750,669	24,820,172	1,517,878	67,118
Net OPEB Obligation - end of year	\$ 12,414,039	\$ 13,377,618	\$ 813,573	\$ 26,605,230	\$ 1,770,674	\$ 89,834

* Unfunded Actuarial Accrued Liabilities (UAL) were amortized over 30 years; amortizations periods are open.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

B. Post-Employment Healthcare Benefits

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and the preceding year are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$2,488,947	33.72%	\$22,956,092
2014	\$2,695,684	30.85%	\$24,820,172
2015	\$2,779,923	35.79%	\$26,605,230

HCSWA and SBHS's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$252,133	9.16%	\$1,318,830
2014	\$301,105	11.60%	\$1,584,996
2015	\$313,082	12.00%	\$1,860,508

Funded Status and Funding Progress

The funded status of the plans as of June 30, 2015, was as follows:

	Governmental		Business-type	Component Units	
	General	Police	Airport	HCSWA	SBHS
Actuarial accrued liability	\$ 15,854,358	\$ 12,343,639	\$ 976,031	\$ 2,144,481	\$ 335,270
Actuarial value of plan assets					
Unfunded actuarial accrued liability (UAAL)	\$ 15,854,358	\$ 12,343,639	\$ 976,031	\$ 2,144,481	\$ 335,270
Funded Ratio	-	-	-	-	-
Covered payroll	42,241,544	40,487,242	5,653,992	3,522,391	117,915
Unfunded actuarial accrued liability as a % of covered payroll	37.53%	30.49%	17.26%	60.88%	284.33%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 14. Employee Benefit Plans

B. Post-Employment Healthcare Benefits

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events well into the future. Examples would include assumptions about future employment, rates of retirement, mortality, and health care cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

In the June 30, 2013, actuarial valuation, the Projected Unit Credit, Level Percent of Payroll actuarial cost method was used. The UAAL amortization payment is the level percent of payroll (assumed to increase 3%) required to fully amortize the UAAL over a 30 year period or closed basis. The actuarial assumptions included 4.5% rate of investment return. General inflation is assumed to be 3.0% per year. The valuation assumes a health care trend inflation rate as follows:

Year	Health Care Trend Inflation Rates		
	Medical	Drug	Dental
2015	6.00	6.00	3.00
2016	6.00	6.00	3.00
2017	6.00	6.00	3.00
2018	6.00	6.00	3.00
2019	5.75	6.00	3.00
2020	5.50	5.75	3.00
2021	5.25	5.50	3.00
2022	5.00	5.25	3.00
2023	4.75	5.00	3.00
2024	4.75	4.75	3.00
2025 and later	4.50	4.50	3.00

Horry County has not established a trust fund for GASB 45 funding therefore, there is no separate audit report available.

SBHS:

In the July 1, 2013, actuarial valuation, a discount rate of 4.5% was used for the estimated long-term investment yield on the investments, and turnover rates are in accordance with the Alternative Measurement Method. The per capita claims cost and insurance trend inflation assumptions were obtained from the June 30, 2008 Actuarial GASB 45 Valuation Report for the State of South Carolina Retiree Health Care Plan and adjusted to 2010.

HCSWA:

In the June 30, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included 4.5% rate of investment return and an annual health care cost trend rate of 6.0% initially, reduced to an ultimate rate of 4.5% after ten years. Both rates included a 3.0% inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value over a five-year period. The UAAL is being amortized as a level percent of active member payroll over a thirty-year period on a closed basis.

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 position, statement of revenue, expenses and changes in net position, 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, North Myrtle Beach, Myrtle Beach, and Loris general aviation airports and the Myrtle Beach International Airport (MYR). 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

Airline revenues, leases, concessions, and rental car activities, generate approximately 76% of the Airport's revenues or just over \$17.9 million of the \$23.7 million net operating revenue. Signatory Airlines generate \$6.9 million in revenue after surcharges.

Rates and charges of Signatory Airlines, which serves MYR, represented 28.7% in fiscal year 2015 and 29.0% in 2014, of the total operating revenues reported for MYR. Of the leading Signatory Airline carriers, Spirit Airlines represents 52.2% of the airline traffic, American Airlines 21.4% and Delta Air Lines 17%.

For the year ended June 30, 2015 there are two customers whose balances represent approximately 50% of the accounts receivable balance. For the year ended June 30, 2014, three customers made up approximately 58% of the accounts receivable balance.

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, Series 1998, were issued to defray the cost of construction of the baseball stadium.

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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 16. Joint Enterprise - Baseball Stadium

As security for its obligation to make payments under the Hospitality Fee Agreement, the County has pledged and granted a security interest in the County Hospitality Fees 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 is shown as part of the restricted fund balance in the Special Obligation Debt Service Fund.

While the stadium is under joint control by the City and County, no separate entity or organization of the baseball stadium exists as of June 30, 2015. Accordingly, the County has reported activities in the baseball stadium as a special revenue fund. Separate financial statements of the baseball stadium are presently not available.

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 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 Intergovernmental Loan Agreement #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:

Intergovernmental Agreement #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 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

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, 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 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, and an additional \$48.2 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 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 the 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 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 IGA #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 IGA #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 IGA Loan #1 and #2, any balance held in the Loan Reserve Account will be returned to Horry County.

Amendment to Master Loan Agreement

Pursuant to an amendment to the Master Loan Agreement (dated April 27, 1999), 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 IGA #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.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 17. Intergovernmental Agreements

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 IGA #3, amended IGA #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 (SCDOT), 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.

This agreement was paid in full on May 29, 2009.

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 Widening of 707 of \$150 million from the State Infrastructure Bank. In November of 2007, the County entered into an additional intergovernmental agreement with the State Infrastructure Bank in which the County received additional funding in the amount of \$85 million for the Widening of 707. \$235 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 contributed by the County for the Widening of 707.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

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 does not believe the settlement of these matters will have a material effect on its financial condition.

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 needs within the County. The construction program known as Road Improvement and Development Effort (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 at Highway 501 to U.S. 17 near the Myrtle Beach Mall (formerly known as the 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. In fiscal year 2007, the County received approval of a \$40 million 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. During fiscal year 2008, the County received notification that 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.

The County had a total of \$124.4 million in encumbrances at June 30, 2015. Encumbrances for the major funds are as follows: \$449,814 is encumbered in the General Fund primarily related to public works maintenance and countywide annual service contracts; \$2.1 million is encumbered in the General Capital Improvements Project Fund primarily related to various capital projects; \$114.7 million is encumbered in the Capital Project Sales Tax Fund primarily for the repaving, resurfacing and road expansion projects funded by the one cent capital road sales tax. Other significant encumbrances from non-major funds at June 30, 2015 are: the Road Maintenance & CTC Fund had \$1.9 million in encumbrances primarily related to multiple road paving projects; the Economic Development Fund had \$1.1 million in encumbrances primarily for economic development agreements; and the CDBG Grant Program Special Revenue Fund had \$927,560 of encumbrances.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 18. Commitments and Contingencies

In December 2015, the County closed a current refunding of general obligation bonds in the amount \$15.41 million (series 2015A) at a fixed interest rate of 1.92% to refund \$15.035 million of outstanding general obligation bonds (series 2005A). This transaction fulfilled the terms of the Interest Rate Lock agreement with TD Bank, N.A. disclosed in Note 8 of the Notes to Financial Statements.

In July 2015, the County entered into an Economic Development Fund Assistance Performance Agreement with R.J. Corman Railroad Company, LLC ("Company") in the amount of \$1.8 million with proceeds to be used for the purchase and acquisition of the rail corridor in Horry County previously owned by The Baltimore and Annapolis Railroad Company. The term of the agreement is twenty (20) years and requires the Company to maintain and operate the rail corridor. Additionally in September 2015, the County entered into a lease agreement with the Company to maintain and operate the approximately 11.5 miles of railroad owned by Horry County. The term of this agreement includes a base term of fifteen (15) years with two (2) renewal options totaling an additional fifteen (15) years.

In December 2015, the County approved by Ordinance a transfer of \$16.0 million from the RIDE II Capital Project Sales Tax revenues in excess of the amount authorized in the referendum for the purpose of designing and constructing a P-25 radio system. This transfer will replace planned financing for this project.

HCSWA

Subsequent to June 30, 2015, the HCSWA entered into a contract for the landfill piggyback construction project. The cost of the contract totals \$9,367,571.

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, 2015, there were no significant reductions in insurance coverage from the prior year. Insured claims have not exceeded the County's coverage in any of the past five (5) years.

In management's opinion, claim losses in excess of insurance coverage, if any, is unlikely and if it occurred, would not be significant. Therefore, no loss accrual has been made in these financial statements. Furthermore, there is no evidence of asset impairment or other information to indicate that a loss expense and liability should be accrued at year-end.

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 Position

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

Total fund balances - governmental funds	\$ 430,432,700
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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	875,083,129
Less, accumulated depreciation	<u>(158,198,398)</u>

Net amount reported	<u>716,884,731</u>
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Some of the property taxes and other fees will be collected after year end, but are not available soon enough to pay for current period expenditures and are, therefore, reported as unavailable revenue in the fund financial statements:

Property taxes, net of allowance for uncollectible	3,882,584
Grant reimbursements	744,262
Accommodations tax	606,215
Fees and fines	431,687
Capital project sales tax	<u>92,657</u>

Net amount reported	<u>5,757,405</u>
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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 Position. (Net pension liability, other post employment benefit obligation costs, and compensated absences liability for the internal service funds are reported below)

<u>33,078,276</u>

Long-term liabilities, including bonds payable that are not due and payable in the current period and, therefore, are not reported in these funds.

General & special obligation bonds	(92,171,000)
Capital leases payable	(24,135,426)
Deferred charges on refunding	3,714,228
Bond premium	(1,789,169)
SC Transportation Infrastructure Bank Loan (SIB)	(175,172,421)
Compensated absences	(13,978,072)
Net post employment benefit obligation	(25,791,656)
Net pension obligation	(139,536,666)
Accrued interest	<u>(1,679,594)</u>

Net amount reported	<u>(470,539,776)</u>
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Total net position, end of year - governmental activities	<u><u>\$ 715,613,336</u></u>
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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, Expenditures and in Fund Balances and the government-wide Statement of Activities

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

Net change in fund balance - governmental funds	\$(36,278,320)
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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 capital outlay exceeds depreciation and asset disposals in the current period.

Capital outlay expenditures	31,983,438
Assets disposals	(1,897,210)
Depreciation expense	(14,550,558)
Net amount reported	<u>15,535,670</u>

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

Property taxes, grants reimbursements, & accommodations tax	(886,580)
Fees and fines	431,687
Capital project sales tax	92,657
Net amount reported	<u>(362,236)</u>

Contributed property is not reported as revenue in governmental funds. However, in the Statement of Activities, the cost of property contributed is reported in the current period. In the current period, these amounts are:

Donation of capital assets	<u>2,881,079</u>
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Some expenditures 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.

Net post employment benefit obligation	(1,722,154)
Accrued compensated absences	(604,790)
Net Pension Obligation	(808,500)
Net amount reported	<u>(3,135,444)</u>

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.

Repayments of G.O., S.O. bond & Certificates of Participation principal	37,445,842
Repayments of SC Transportation Infrastructure Bank Loan (SIB) principal	28,528,290
Proceeds from bonds	(26,830,000)
Proceeds from capital leases	(12,425,963)
Repayments of capital leases	2,514,559
Change in accrued interest expense & amortization of bond premiums	(12,149)
Net amount reported	<u>29,220,579</u>

The net revenue (expense) and transfer of fund balance of certain activities of internal service funds reported with governmental activities. (Expenses for pension liability, other post employment benefit obligation costs, and compensated absences for the internal service funds are reported above)

	<u>422,932</u>
Change in net position-governmental activities	<u>\$ 8,284,260</u>

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 21. Service Concession Arrangement

In August 2011, Horry County and its agent, Horry County Department of Airports, entered into a contract with Republic Parking System, Inc. to provide a paid parking concession for passengers of the Myrtle Beach International Airport for a term of 59 months. Per agreement, Republic Parking System, Inc. is to provide parking services to airport customers, using airport-owned parking lots and airport-owned parking revenue-management equipment.

Due to the nature of this agreement, whereas Republic Parking System, Inc. is the operator and Horry County Department of Airports is the transferor, it has been classified as a Service Concession Arrangement defined in GASB Statement Number 60. The parking lots and the parking revenue-management equipment have been classified as a capital asset of the Horry County Department of Airports. The present value of the guaranteed minimum lease payments for the term of the agreement are classified as an asset of the Horry County Department of Airports, with an offsetting deferred inflow, which will be systematically amortized each year as the minimum annual guaranteed revenue and any auxiliary commissions revenue are recorded.

During fiscal year 2015 parking concessions revenues recorded were \$2,643,561. \$1,579,153 of parking revenue recognized in fiscal year 2015 represents amortization of the service concession agreement during the fiscal year. \$943,557 represents commissions received on operating results in excess of the minimum annual guarantee. During fiscal year 2014 parking concessions revenues recorded were \$2,414,973. \$1,506,693 of revenue recognized in fiscal year 2014 represents amortization of the service concession agreement during the fiscal year. \$908,280 represents commissions received on operating results in excess of the minimum annual guarantee.

Agreement terms do not specify guarantees or commitments required of Horry County Department of Airports. Accordingly, no liabilities have been recorded in conjunction with this contractual arrangement for either year presented.

For each year presented in this report, the Statement of Net Position reflects the net present value of the service concession arrangement below assets and also as a deferred inflow of resources.

	<u>2015</u>	<u>2014</u>
Opening Service Concession Arrangement and Deferred inflow of resources	\$ 3,285,345	\$ 4,792,038
Amortization of discounted minimum annual payments	<u>(1,579,153)</u>	<u>(1,506,693)</u>
Service Concession Arrangement and Deferred inflow of resources at June 30,	<u>\$ 1,706,192</u>	<u>\$ 3,285,345</u>

Note 22. Restatements

Governmental Activities net position as of July 1, 2014 has been restated in accordance with the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* implemented in the year ended June 30, 2015. Information required to restate the comparative 2014 financial statements was not available, and they are therefore, not restated. Net effect of this adjustment is \$138,728,166 which decreases beginning Net Position.

The Business-Type Activity net position as of July 1, 2014 has been restated in accordance with the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* implemented in the year ended June 30, 2015. Information required to restate the comparative 2014 financial statements was not available, and they are therefore, not restated. Net effect of this adjustment is \$9,748,851 which decreases beginning Net Position.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 23. New Accounting Pronouncements

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The provisions of Statement 68 are effective for fiscal years beginning after June 15, 2014. This statement will impact financial reporting for the County for fiscal year 2015.

In January 2013, the GASB issued Statement No. 69, *Summary of Statement No. 69 Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combinations* includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. The provisions of Statement 69 are effective for fiscal years beginning after December 15, 2013. Earlier application is encouraged. This statement is not expected to have an impact on the County's financial statements.

In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The provisions of Statement 70 are effective for fiscal years beginning after June 15, 2013. Earlier application is encouraged.

In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

In February 2015, the GASB issued Statement No 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 23. New Accounting Pronouncements

In June 2015, the GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The requirements of this Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. The requirements of this Statement for pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2015. Earlier application is encouraged.

In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. Earlier application is encouraged.

In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged.

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Earlier application is permitted.

HORRY COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Note 23. New Accounting Pronouncements

In June 2015, GASB issued Statement No. 77, Tax Abatement Disclosures. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged.

In December 2015, GASB issued Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged.

In December 2015, GASB issued Statement No. 79, Certain External Investment Pools and Pool Participants. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for the provisions in paragraphs 18, 19, 23–26, and 40, which are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged.

REQUIRED SUPPLEMENTARY INFORMATION

HORRY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENT'S THAT USE A BASIS OF ACCOUNTING THAT DIFFERS FROM GAAP

Basis of Budgeting

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.

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULES

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2015

(with comparative actual amounts for for the year ended June 30, 2014)

	2015				2014
	Budget		Actual	Variance	Actual (as restated)
	Original	Final			
Revenues					
Real property taxes	\$ 62,941,900	\$ 62,941,900	\$ 61,481,257	\$ (1,460,643)	\$ 63,335,241
Personal property taxes	4,364,300	4,364,300	4,495,808	131,508	4,782,203
Vehicle taxes	5,400,000	5,400,000	6,136,874	736,874	5,561,888
Fee in lieu of taxes	2,296,922	2,296,922	2,418,492	121,570	2,351,867
Intergovernmental	11,690,690	11,773,632	12,621,296	847,664	11,780,359
Fees and fines	23,526,131	23,626,131	22,966,862	(659,269)	23,153,421
Documentary stamps	3,261,300	3,261,300	3,822,777	561,477	3,200,134
License and permits	7,173,655	7,173,655	8,805,121	1,631,466	7,797,170
Interest on investments	59,086	59,086	197,719	138,633	100,410
Cost allocation	3,113,379	3,113,379	3,301,796	188,417	3,068,977
Other	2,475,059	3,828,320	3,502,372	(325,948)	3,514,283
Total revenues	126,302,422	127,838,625	129,750,374	1,911,749	128,645,953
Expenditures					
General Government:					
County Council	1,157,984	1,445,386	964,275	481,111	1,042,994
County Administrator	637,202	890,010	837,813	52,197	296,593
Administration Division	-	-	-	-	169,280
Finance	1,668,481	1,668,481	1,650,767	17,714	1,504,341
Department Overhead	4,887,476	4,344,387	3,222,184	1,122,203	3,337,455
Human Resources	1,308,880	1,318,106	1,210,391	107,715	1,183,852
Procurement	473,085	473,085	444,498	28,587	359,820
IT/GIS	4,116,548	4,199,373	4,093,309	106,064	6,032,139
Assessor	3,626,371	3,626,271	3,452,554	173,717	3,197,865
Assessor Appeals Board	16,800	16,800	2,505	14,295	5,203
Registrar of Deeds	1,093,557	1,114,461	1,090,593	23,868	967,343
Maintenance	4,570,348	4,641,379	4,276,908	364,471	4,265,989
Registration and Election	648,129	654,561	579,434	75,127	497,300
Public Information	285,735	285,735	269,417	16,318	264,913
Budget and Revenue	-	-	-	-	66,516
Treasurer	1,960,249	1,958,055	1,934,833	23,222	1,891,880
Auditor	1,532,096	1,532,096	1,531,111	985	1,458,071
Probate Judge	1,026,938	1,024,068	895,546	128,522	990,282
Master in Equity	452,857	452,857	378,850	74,007	425,332
Legal	840,256	970,766	691,608	279,158	739,687
Grant Administration	101,996	160,501	98,977	61,524	42,808
Delegation	105,988	106,762	106,760	2	103,973
Hospitality	345,173	345,173	332,272	12,901	321,587
Business License	232,469	232,469	227,569	4,900	220,399
Total	31,088,618	31,460,782	28,292,174	3,168,608	29,385,622
Less, capital outlay	(184,584)	(237,022)	(226,701)	(10,321)	(737,017)
Net general government	30,904,034	31,223,760	28,065,473	3,158,287	28,648,605

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULES

GENERAL FUND

- CONTINUED -

	2015				2014
	Budget		Actual	Variance	Actual (as restated)
	Original	Final			
Public Safety:					
Clerk of Court	1,820,566	1,822,500	1,847,416	(24,916)	1,721,339
Clerk of Court - DSS	636,948	636,948	630,984	5,964	617,860
Clerk of Court - Family Court:	291,265	291,265	328,410	(37,145)	288,968
Magistrates	2,827,011	2,838,166	2,768,720	69,446	2,733,573
Communications	1,413,098	1,413,098	1,257,585	155,513	2,402,393
Assistant County Administrator	1,253,359	1,149,738	1,142,555	7,183	348,368
Sheriff	5,340,399	5,470,903	5,366,736	104,167	5,100,758
Police	19,274,631	19,868,162	19,473,525	394,637	18,120,014
Central Processing	69,216	67,768	67,749	19	62,293
Emergency Management	494,967	494,864	482,591	12,273	425,940
Emergency 911	2,975,860	2,992,943	2,982,545	10,398	2,852,255
Coroner	781,618	869,776	832,035	37,741	731,282
Detention Center	21,653,802	22,904,385	22,334,964	569,421	21,646,709
Emergency Medical Services	14,358,026	14,396,649	14,151,801	244,848	14,348,763
Animal Care Center	1,210,725	1,118,421	1,042,120	76,301	1,019,533
Parking Program	131,700	278,408	54,192	224,216	61,342
Total	74,533,191	76,613,994	74,763,928	1,850,066	72,481,390
Less, capital outlay	(768,303)	(607,692)	(549,732)	(57,960)	(769,825)
Net public safety	73,764,888	76,006,302	74,214,196	1,792,106	71,711,565
Infrastructure and Regulation:					
Assistant County Administrator	423,207	423,207	414,675	8,532	233,917
County Engineer	1,379,221	1,480,304	1,113,856	366,448	935,783
Public Works	8,139,208	9,743,641	7,562,884	2,180,757	7,418,086
Code Enforcement	2,728,935	2,728,935	2,561,380	167,555	2,324,611
Planning	1,751,646	1,751,646	1,723,635	28,011	1,547,673
Environmental Services	-	140,000	139,849	151	-
Railroad	50,000	27,271	27,213	58	90,054
Total	14,472,217	16,295,004	13,543,492	2,751,512	12,550,124
Less, capital outlay	(30,000)	(21,498)	(20,684)	(814)	(24,667)
Net infrastructure and regulation	14,442,217	16,273,506	13,522,808	2,750,698	12,525,457

- CONTINUED -

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

	2015				2014
	Budget		Actual	Variance	Actual (as restated)
	Original	Final			
Expenditures (continued)					
Health and Social Services:					
Medically Indigent Assistance Program	1,369,980	1,370,664	1,180,314	190,350	1,280,959
Health Department	140,000	140,000	110,154	29,846	126,474
Department of Social Services	91,046	108,316	88,270	20,046	84,326
Veteran Affairs	364,786	364,786	344,397	20,389	327,783
Total	1,965,812	1,983,766	1,723,135	260,631	1,819,542
Net health and social services	1,965,812	1,983,766	1,723,135	260,631	1,819,542
Culture, Recreation, and Tourism:					
Library	4,302,740	4,387,355	4,030,398	356,957	4,094,817
Museum	687,126	719,583	661,340	58,243	602,080
Total	4,989,866	5,106,938	4,691,738	415,200	4,696,897
Less, capital outlay	(12,000)	(7,383)	(7,383)	-	(26,250)
Net culture, recreation and tourism	4,977,866	5,099,555	4,684,355	415,200	4,670,647
Economic Development:					
Other Agencies:	1,119,308	1,119,308	1,119,308	-	1,119,308
Capital outlay	994,887	873,595	804,500	69,095	1,557,759
Total expenditures	128,169,012	132,579,792	124,133,775	8,446,017	122,052,883
Excess of revenues over expenditures	(1,866,590)	(4,741,167)	5,616,599	10,357,766	6,593,070
Other Financial Sources (Uses)					
Sale of assets	100,000	100,000	95,498	(4,502)	94,474
Transfers in	1,310,567	1,311,977	1,334,702	22,725	710,446
Transfers out	(7,310,391)	(7,632,690)	(7,620,653)	12,037	(8,003,438)
Total other financing sources (uses)	(5,899,824)	(6,220,713)	(6,190,453)	30,260	(7,198,518)
Net change in fund balance	(7,766,414)	(10,961,880)	(573,854)	10,388,026	(605,448)
Fund balance at beginning of year	41,360,274	41,360,274	41,360,274	-	41,965,722
Fund balance at end of year	<u>\$ 33,593,860</u>	<u>\$ 30,398,394</u>	<u>\$ 40,786,420</u>	<u>\$ 10,388,026</u>	<u>\$ 41,360,274</u>

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR END JUNE 30, 2015

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

Horry County's road system consists of approximately 55% paved roads and 45% unpaved roads. The condition of the road pavement is measured using several distress factors found in pavement surfaces. Horry County implemented a Pavement Management System (MicroPAVER) on July 1, 2010 in an effort to better assess the paved road network in the County. The pavement management system uses a measurement scale called a Pavement Condition Index (PCI) to rate road condition and the PCI is correlated to the 1-5 condition ranking. Each road is ranked 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 goal to maintain at least 70 percent of its paved road system at fair or better condition level. No more than 30 percent should be in a substandard condition. Condition assessments are completed every year.

The County created a long-term road improvement program that had been paving at least 16 miles of dirt roads per year from FY04 through FY08. In FY09, as a result of an expected revenue shortfall, this was decreased to 14.5 miles and in FY10 it was further reduced to 9.7 miles per year. Due to continued revenue shortfalls, it was further reduced to 8.9 miles in FY 11 and 9 miles in FY 12 (which included 1 mile funded by the County Transportation Committee (CTC)). Funding for the dirt road paving program has stabilized during FY 13 to allow approximately 11 miles of paving per year (including the one mile of CTC-funded improvements). As the County dirt roads are paved, they become part of the County's paved road network and are added to the MicroPaver pavement management system.

The actual maintenance of the unpaved roads involves scraping each road every three 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.

Several factors that have occurred over the past several years that has affected the County's paved road network are as

- 1) Since the end of FY 2004, the County's paved roadway network has more than doubled. Approximately 393 paved miles at the end of FY 2004 compared to 803 paved miles at the end of FY 2015.
- 2) The current economic conditions, as well as County Council's shifting \$1,750,000 in revenue out of Road Fund (34) has resulted in a reduction in the Road Improvement Fund. This loss of revenue has reduced the paving and resurfacing programs.
- 3) In May 2007, a one-cent sales tax was passed and is dedicated to specific road projects, included is the paving of 100 miles of dirt roads and the resurfacing of 67 miles of County maintained roads over a 7 year period.
- 4) As stated above, Horry County implemented a MicroPAVER Pavement Management System on July 1, 2010. Each paved road has been inspected and ranked based on it's condition using the PCI (Pavement Condition Index). This program is much more accurate when determining the networks condition because each paved road is visited annually and rated. Since the new Pavement Management Program utilizes a PCI the figures & condition ratings for FY 11 do not correlate to previous numbers. Maintenance costs needed at June 30, 2015 to improve all roads with a rating of 1 or 2 to a rating of 3 or better are \$15,423,583.
- 5) In FY09 County Council increased the road maintenance fee by \$10.00 and dedicated it to the resurfacing program.

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

Percentage of Miles in Fair or Better Condition

	Condition		
	2015	2014	2013
Arterial	77.9%	70.9%	75.9%
Collector	85.9%	86.5%	81.3%
Access	87.0%	85.7%	91.8%
Overall system	86.7%	85.0%	91.0%

Percentage of Miles in Substandard

	Condition		
	2015	2014	2013
Arterial	22.1%	29.1%	24.1%
Collector	14.1%	13.5%	18.7%
Access	13.0%	14.3%	8.2%
Overall System	13.3%	15.00%	9.0%

HORRY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENT'S THAT USE THE
MODIFIED APPROACH FOR INFRASTRUCTURE ASSETS

FOR THE YEAR END JUNE 30, 2015

- CONTINUED -

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

		Comparison of Needed-To-Actual Maintenance/Preservation				
		2015	2014	2013	2012	2011
Arterial:						
Needed	\$	888,000	\$ 570,000	\$ 357,000	\$ 387,000	\$ 165,965
Actual		88,291	68,068	29,540	-	-
Collector:						
Needed		1,398,400	931,000	1,181,000	1,522,000	779,027
Actual		139,038	111,177	335,773	224,373	158,357
Access:						
Needed		14,840,000	10,045,000	5,663,000	6,669,000	3,253,398
Actual		1,475,488	1,199,545	990,579	2,312,218	1,728,335
Overall System:						
Needed		17,126,400	11,546,000	7,201,000	8,578,000	4,198,390
Actual		<u>1,702,817</u>	<u>1,378,790</u>	<u>1,355,892</u>	<u>2,536,591</u>	<u>1,886,692</u>
Difference	\$	<u>\$ 15,423,583</u>	<u>\$10,167,210</u>	<u>\$ 5,845,108</u>	<u>\$ 6,041,409</u>	<u>\$ 2,311,698</u>

* See Note 4 on previous page.

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

Infrastructure Assets

Certain elements of the Myrtle Beach International Airport's runway, aprons, taxiways, drainage systems, etc. which comprise the "Infrastructure Assets" were obtained in conjunction with the USAF property conveyance described in detail in Note. 1 Summary of Significant Accounting Policies of the Department of Airport Fiscal Year 2015 CAFR.

Condition assessments for environmental systems are made regularly and in accordance with the Airport's annual storm water maintenance plan, which is subject to annual audit by the Department of Health and Environmental Control ("DHEC"). There were no unfavorable DHEC audits during the fiscal periods covered in this annual report.

The Airport developed a Pavement Management and Maintenance Study (PMMS) in 2000 and again in 2010. The basis for the condition measurement of airfield systems using the Pavement Condition Index (PCI) are distresses found in the pavement surfaces. The Airport has a PMMS completed periodically (5-10 years) or as required by the Federal Aviation Administration (FAA). The Airport has had 2 annual FAA Part 139 inspections since the last formal PMMS, and they were passed successfully.

The PCI scale used to assess and report conditions ranges from zero for a failed pavement to 100 for a pavement in new or excellent condition. Generally, ratings 71 and above require only routine preventative maintenance. Pavement ratings of 41-70 typically require major rehabilitation. Pavements with PCI values of below 40 require major reconstruction.

In 2010, the Weighted PCI Value for MYR was found to be 65, illustrating the fact that the majority of pavement at MYR was in need of rehabilitation. The Airport's goal is a Weighted PCI greater than 71. In 2000, the Weighted PCI for the airport was a 76 exceeding the airport's goal of greater than 71.

The Airport's policy has been to comply with all FAA requirements and has placed condition assessment reliance on additional FAA requirements in evaluating the condition of the Infrastructure assets and in ensuring the safety of the passengers of the airport.

HORRY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENT'S THAT USE THE MODIFIED APPROACH FOR INFRASTRUCTURE ASSETS

FOR THE YEAR END JUNE 30, 2015

- CONTINUED -

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

Because of safety requirements all Airport infrastructure is constantly maintained. FAA 14 CFR Part 139 requires the following activities: (3) daily assessments of the airfield, which include but are not limited to inspection of the runway and taxiways pavement for wear or repair needs, painting/stripping, signage, etc.

An Inspection log is maintained, resulting in a traceable history of maintenance items addressed. The Airport undergoes a rigorous Part 139 audit annually. Management of the Airport believes it is not cost effective to obtain a complete condition assessment every three years and believes that the FAA requirements, together with the additional Airport and state regulatory inspection policies, are sufficient to assess the condition of the Airport infrastructure.

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

Infrastructure Asset:	Area Weighted PCI Value
Airfield & runway subsystem and roads for: Myrtle Beach International (MYR) (2010)	65
Airfield & runway subsystem and roads for: Myrtle Beach International (MYR) (2000)	76

The following table represents the estimated and actual maintenance costs of the MYR pavement infrastructure. During the past five years, maintenance and preservation of the infrastructure have been undertaken to prevent further deterioration of pavement condition while the Airport develops a comprehensive program to raise the average PCI to a level of 71 or greater. The Airport is procuring a comprehensive Pavement Maintenance & Management study for airports operated by the Airport. The study is forecasted to be completed in fiscal year 2016.

Fiscal year ended June 30,	Estimated Cost of Maintenance	Actual Cost of Maintenance
2015	\$54,000	\$62,888
2014	\$75,000	\$107,525
2013	\$44,680	\$60,937
2012	\$60,400	\$96,900
2011	\$44,000	\$54,600

Since 2009, the following pavement improvements to increase the capacity of the taxiways and ramps have taken place. While these projects have increased the capacity of the airfield system, they will also have a positive impact by increasing the weighted PCI for MYR:

- **MYR South Ramp Expansion (\$3.6M)** - This project expanded the MYR commercial ramp size by nearly 50% in order to accommodate additional aircraft and the new terminal.
- **MYR "B-2" (\$2.8M)** – This project included the construction of a new taxiway in order to allow general aviation and charter aircraft faster access to and from the runway.
- **MYR Ramp Rehabilitation (\$2.8M)** - This project removed all remaining asphalt pavement on the Commercial Ramp at MYR and replaced it with 12 inches of P-501 Concrete over 5 inches of Cement Treated Base.
- **MYR Expansion of Taxiway "A" (\$5M)** – In order to expand the existing Ramp for the proposed New Terminal, Taxiway "A" was expanded.
- **MYR Runway Rehabilitation (Budget \$20.5M)** – During fiscal year 2015 the construction work for complete rehabilitation of the MYR runway was completed. Additionally, 1,700 linear feet of taxiway "A" was replaced as part of this project. The full length was milled and replaced with variable dept asphalt. The runway rehabilitation meets the most current FAA design criteria.

HORRY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENT
SCHEDULE OF FUNDING PROGRESS OTHER
POST EMPLOYMENT BENEFITS PLAN

FOR THE YEAR END JUNE 30, 2015

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2008	\$5,510,608	6.71%	\$ 5,140,807
2009	5,692,932	7.52%	10,405,564
2010	5,425,242	14.62%	15,037,859
2011	5,602,291	17.27%	19,672,757
2012	2,413,102	32.30%	21,306,441
2013	2,488,947	33.72%	22,956,092
2014	2,695,428	30.85%	24,820,172
2015	2,779,923	35.79%	26,605,230

Funded status and Funding Progress

The funded status of the plan as of June 30, 2015 was as follows:

	Actuarial valuation date	Fiscal Year Ended	Actuarial value of plan assets (a)	Actuarial accrued liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded ratio (a/b)	Covered payroll (c)	UAAL as a percentage of covered payroll
General	6/30/2007	6/30/2008	\$ -	\$ 30,307,044	\$ 30,307,044	0%	\$ 38,989,986	77.73%
Police	6/30/2007	6/30/2008	-	17,983,147	17,983,147	0%	30,483,561	58.99%
Airport	6/30/2007	6/30/2008	-	1,151,637	1,151,637	0%	4,349,632	26.48%
General	6/30/2007	6/30/2009	-	33,737,013	33,737,013	0%	36,659,940	92.03%
Police	6/30/2007	6/30/2009	-	21,214,682	21,214,682	0%	33,011,365	64.26%
Airport	6/30/2007	6/30/2009	-	1,366,632	1,366,632	0%	4,352,388	31.40%
General	6/30/2009	6/30/2010	-	28,891,592	28,891,592	0%	39,413,411	73.30%
Police	6/30/2009	6/30/2010	-	19,629,760	19,629,760	0%	35,285,743	55.63%
Airport	6/30/2009	6/30/2010	-	1,135,710	1,135,710	0%	4,202,436	27.03%
General	6/30/2009	6/30/2011	-	31,626,672	31,626,672	0%	39,864,688	79.34%
Police	6/30/2009	6/30/2011	-	21,695,771	21,695,771	0%	36,307,295	59.76%
Airport	6/30/2009	6/30/2011	-	1,257,921	1,257,921	0%	4,465,721	28.17%
General	6/30/2011	6/30/2012 *	-	9,301,650	9,301,650	0%	39,144,623	23.76%
Police	6/30/2011	6/30/2012 *	-	14,942,445	14,942,445	0%	36,035,496	41.47%
Airport	6/30/2011	6/30/2012 *	-	571,426	571,426	0%	4,595,620	12.43%
General	6/30/2011	6/30/2013	-	9,301,650	9,301,650	0%	39,433,327	23.59%
Police	6/30/2011	6/30/2013	-	14,942,445	14,942,445	0%	36,155,619	41.33%
Airport	6/30/2011	6/30/2013	-	571,426	571,426	0%	4,643,862	12.30%
General	6/30/2013	6/30/2014	-	15,854,358	15,854,358	0%	41,766,782	37.96%
Police	6/30/2013	6/30/2014	-	12,343,639	12,343,639	0%	39,330,172	31.38%
Airport	6/30/2013	6/30/2014	-	976,288	976,288	0%	5,363,094	18.20%
General	6/30/2013	6/30/2015	-	15,854,358	15,854,358	0%	42,241,544	37.53%
Police	6/30/2013	6/30/2015	-	12,343,639	12,343,639	0%	40,487,242	30.49%
Airport	6/30/2013	6/30/2015	-	976,031	976,031	0%	5,653,992	17.26%

* Reduction in AAL is a result of other post employment benefit changes as stated in Note 14 B.

Schedule of Employer Contributions

HORRY COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR GOVERNMENT
SCHEDULE OF FUNDING PROGRESS OTHER
POST EMPLOYMENT BENEFITS PLAN

FOR THE YEAR END JUNE 30, 2015

- CONTINUED -

	Fiscal Year Ended June 30,	Annual Required Contribution (ARC)	Actual Contribution	Percent of ARC Contributed
General	2008	\$ 2,991,110	\$ 266,149	8.90%
Police	2008	2,364,135	103,652	4.38%
Airport	2008	155,363	-	0.00%
General	2009	3,080,843	321,156	10.42%
Police	2009	2,435,059	107,019	4.39%
Airport	2009	155,363	-	0.00%
General	2010	2,753,742	555,709	20.18%
Police	2010	2,497,144	227,143	9.10%
Airport	2010	139,935	10,095	7.21%
General	2011	2,836,355	645,482	22.76%
Police	2011	2,572,058	304,768	11.85%
Airport	2011	144,133	17,143	11.89%
General	2012 *	1,014,307	591,395	58.31%
Police	2012 *	1,269,653	177,852	14.01%
Airport	2012 *	64,065	10,171	15.88%
General	2013	1,044,736	622,946	59.63%
Police	2013	1,307,743	198,380	15.17%
Airport	2013	65,987	17,970	27.23%
General	2014	1,315,936	552,010	41.95%
Police	2014	1,205,532	248,577	20.62%
Airport	2014	98,278	31,017	31.56%
General	2015	1,355,414	617,777	45.58%
Police	2015	1,241,698	336,801	27.12%
Airport	2015	100,708	40,287	40.00%

* Reduction in ARC is a result of other post employment benefit changes as stated in Note 14 B.

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE
SOUTH CAROLINA RETIREMENT SYSTEM

For fiscal year ended June 30

(amounts expressed in thousands)

	2014		2013	
	SCRS	PORS	SCRS	PORS
Primary Government				
County's proportion of the net pension liability	0.4974%	3.3383%	0.4974%	3.3383%
County's proportionate share of the net pension liability	85,636	63,910	89,217	69,202
County's covered-employee payroll	46,170	40,290	43,201	36,939
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	185.48%	158.62%	206.52%	187.34%
Plan fiduciary net position as a percentage of the total pension liability	59.90%	67.50%	NA	NA
Component Units				
Horry County Solid Waste Authority				
HCSWA's proportion of the net pension liability	0.0426%		0.0426%	
HCSWA's proportionate share of the net pension liability	7,332		7,638	
HCSWA's covered-employee payroll	3,866		3,854	
HCSWA's proportionate share of the net pension liability as a percentage of its covered-employee payroll	189.65%		198.18%	
Plan fiduciary net position as a percentage of the total pension liability	59.90%		NA	NA
Shoreline Behavioral Health Services				
SBHS's proportion of the net pension liability	0.1378%		NA	
SBHS's proportionate share of the net pension liability	2,373		NA	
SBHS's covered-employee payroll	1,251		NA	
SBHS's proportionate share of the net pension liability as a percentage of its covered-employee payroll	189.69%		NA	
Plan fiduciary net position as a percentage of the total pension liability	59.90%		NA	

Note: Information is obtained from South Carolina Retirement System Annual Report.

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM
For fiscal year ended June 30
(amounts expressed in thousands)

	2015		2014		2013		2012		2011	
Primary Government	SCRS	PORS	SCRS	PORS	SCRS	PORS	SCRS	PORS	SCRS	PORS
Contractually required contribution	\$ 5,112	\$ 5,563	\$ 4,819	\$ 5,019	\$ 4,527	\$ 4,418	\$ 3,977	\$ 4,210	\$ 3,982	\$ 4,154
Contributions in relation to the contractually required contribution	5,112	5,563	4,819	5,019	4,527	4,418	3,977	4,210	3,982	4,154
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
County's covered-employee payroll	46,896	41,487	46,170	40,290	43,201	36,939	39,929	35,440	40,830	36,153
Contributions as a percentage of covered-employee payroll	10.90%	13.41%	10.45%	12.44%	10.45%	11.90%	9.97%	11.86%	9.76%	11.47%
Component Units										
Horry County Solid Waste Authority										
Contractually required contribution	415		410		409		363		360	
Contributions in relation to the contractually required contribution	415		410		409		363		360	
Contribution deficiency (excess)	-		-		-		-		-	
County's covered-employee payroll	3,804		3,866		3,858		3,807		3,807	
Contributions as a percentage of covered-employee payroll	10.90%		10.60%		10.60%		9.54%		9.45%	
Shoreline Behavior Services										
Contractually required contribution	191		131		117		124		122	
Contributions in relation to the contractually required contribution	191		131		117		124		122	
Contribution deficiency (excess)	-		-		-		-		-	
County's covered-employee payroll	1,752		1,235		1,120		1,321		1,299	
Contributions as a percentage of covered-employee payroll	10.90%		10.60%		10.45%		9.385%		9.39%	

COMBINING NON-MAJOR
GOVERNMENTAL FINANCIAL STATEMENTS

HORRY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET

NON-MAJOR GOVERNMENTAL FUNDS

June 30, 2015

	Non-Major Special Revenue Funds	Non-Major Capital Improvement Funds	Non-Major Debt Service Funds	Total Non- Major Governmental Funds
Assets				
Cash and cash equivalents	\$ 14,638	\$ -	\$ -	\$ 14,638
Pooled cash and investments	64,886,526	2,876,949	7,911,236	75,674,711
Receivables, net:				
Property taxes	1,287,190	53,117	337,375	1,677,682
Accounts and other	283,269	-	-	283,269
Fees	2,254,361	-	-	2,254,361
Interest receivable	18,358	725	2,349	21,432
Due from other funds	57,686	-	-	57,686
Due from other governments	2,597,081	-	-	2,597,081
Restricted assets	101,977	-	221,025	323,002
Total Assets	<u>\$ 71,501,086</u>	<u>\$ 2,930,791</u>	<u>\$ 8,471,985</u>	<u>\$ 82,903,862</u>
Liabilities				
Accounts payable - trade	\$ 2,706,443	\$ -	\$ 3,600	\$ 2,710,043
Accrued salaries and wages	1,137,249	-	-	1,137,249
Due to other funds	781,298	-	-	781,298
Due to other governments	40,717	-	-	40,717
Due to component units	1,149,000	-	-	1,149,000
Other liabilities	3,938	-	-	3,938
Total liabilities	<u>5,818,645</u>	<u>-</u>	<u>3,600</u>	<u>5,822,245</u>
Deferred Inflows of Resources				
Unavailable revenue-fees and other	2,487,752	-	-	2,487,752
Unavailable revenue-property taxes	1,085,833	44,892	280,006	1,410,731
Total deferred inflows of resources	<u>3,573,585</u>	<u>44,892</u>	<u>280,006</u>	<u>3,898,483</u>
Fund Balances				
Restricted for capital projects	3,253,329	2,612,879	-	5,866,208
Restricted for public safety	12,542,370	-	-	12,542,370
Restricted for culture, recreation and tourism	7,908,922	33,868	-	7,942,790
Restricted for infrastructure and regulation	14,348,972	239,152	-	14,588,124
Restricted for economic development	1,469,692	-	-	1,469,692
Restricted for health and social services	81,194	-	-	81,194
Restricted for debt service	-	-	8,188,379	8,188,379
Committed to culture, recreation and tourism	2,001,602	-	-	2,001,602
Committed to infrastructure and regulation	18,808,009	-	-	18,808,009
Committed to economic development	1,668,753	-	-	1,668,753
Committed to other purposes	495,207	-	-	495,207
Unassigned (deficit)	(469,194)	-	-	(469,194)
Total fund balances	<u>62,108,856</u>	<u>2,885,899</u>	<u>8,188,379</u>	<u>73,183,134</u>
Total liabilities, deferred inflows of resources and fund balances / (deficits)	<u>\$ 71,501,086</u>	<u>\$ 2,930,791</u>	<u>\$ 8,471,985</u>	<u>\$ 82,903,862</u>

HORRY COUNTY, SOUTH CAROLINA

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

NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2015

	Non-Major Special Revenue Funds	Non-Major Capital Improvement Funds	Non-Major Debt Service Funds	Total Non- Major Governmental Funds
Revenues				
Real property taxes	\$ 30,591,838	\$ 1,401,250	\$ 8,523,116	\$ 40,516,204
Personal property taxes	2,370,726	114,165	609,999	3,094,890
Vehicle taxes	3,809,971	196,477	861,987	4,868,435
Fees in lieu of tax	115,920	4,215	49,862	169,997
Intergovernmental	8,621,391	-	43,784	8,665,175
Accommodations tax	3,671,318	-	-	3,671,318
Fees and fines	16,744,367	-	-	16,744,367
Hospitality fees	3,457,308	-	242,551	3,699,859
Local accommodations tax	233,108	-	-	233,108
Interest on investments	69,648	2,716	130,194	202,558
Other	837,491	30,500	-	867,991
Total revenues	<u>70,523,086</u>	<u>1,749,323</u>	<u>10,461,493</u>	<u>82,733,902</u>
Expenditures				
Current:				
Public safety	30,090,105	-	-	30,090,105
Infrastructure and regulation	15,259,940	-	-	15,259,940
Health and social services	786,878	-	-	786,878
Culture, recreation and tourism	6,994,009	1,000	-	6,995,009
HGTC and Higher Education Commission	4,627,443	-	-	4,627,443
Economic development	2,383,016	-	-	2,383,016
Debt service	-	460,739	14,626,942	15,087,681
Capital outlay	5,814,987	7,996,084	-	13,811,071
Total expenditures	<u>65,956,378</u>	<u>8,457,823</u>	<u>14,626,942</u>	<u>89,041,143</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,566,708</u>	<u>(6,708,500)</u>	<u>(4,165,449)</u>	<u>(6,307,241)</u>
Other Financing Sources (Uses)				
Transfers in	5,290,814	-	2,486,670	7,777,484
Issuance of refunding bonds	-	-	29,500,000	29,500,000
Capital lease proceeds	-	7,750,000	-	7,750,000
Bond issuance cost	-	-	(114,808)	(114,808)
Payment to refunded bond escrow agent	-	-	(29,383,898)	(29,383,898)
Transfers out	(4,203,585)	-	-	(4,203,585)
Total other financing sources (uses)	<u>1,087,229</u>	<u>7,750,000</u>	<u>2,487,964</u>	<u>11,325,193</u>
Net change in fund balance	5,653,937	1,041,500	(1,677,485)	5,017,952
Fund balances at beginning of year, as restated	<u>56,454,919</u>	<u>1,844,399</u>	<u>9,865,864</u>	<u>68,165,182</u>
Fund balances at end of year	<u>\$ 62,108,856</u>	<u>\$ 2,885,899</u>	<u>\$ 8,188,379</u>	<u>\$ 73,183,134</u>

INDIVIDUAL FUND FINANCIAL STATEMENTS

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

As of June 30, 2015

(with comparative amounts as of June 30, 2014)

	2015	2014 (as restated)
Assets		
Cash and cash equivalents	\$ 2,595,053	\$ 3,251,133
Pooled cash and investments	61,221,184	58,371,682
Receivables, net:		
Property taxes and other taxes	2,170,131	2,669,834
Accounts and other	7,865,051	4,144,755
Fees	1,545,879	1,494,848
Interest receivable	19,614	36,279
Due from other funds	1,787,101	1,238,061
Due from other governments	3,107,290	3,169,234
Inventories	49,997	39,624
Prepaid items	1,269,012	37,813
Total Assets	<u>\$ 81,630,312</u>	<u>\$ 74,453,263</u>
Liabilities		
Accounts payable	6,811,049	4,306,700
Due to other governments	506	15,233
Accrued salaries and wages	3,656,049	3,355,467
Due to component unit	147,916	106,794
Due to other funds	57,685	25,350
Due to taxpayers for overpayment	462,878	1,263,781
Funds held in trust - proceeds from sale of properties due to delinquent taxes	17,465,629	13,475,066
Other accrued liabilities	4,864,299	5,560,527
Total Liabilities	<u>33,466,011</u>	<u>28,108,918</u>
Deferred inflows of resources		
Unavailable revenues - fees and other	4,906,027	2,176,052
Unavailable revenues - property taxes	2,471,854	2,808,019
Total deferred inflows of resources	<u>7,377,881</u>	<u>4,984,071</u>
Fund balances		
Nonspendable	1,319,009	77,437
Restricted for other purposes	-	116,853
Committed to public safety	936,225	895,421
Committed to culture, recreation & tourism	34,338	436,099
Committed to infrastructure & regulation	2,125,125	1,583,706
Committed to stabilization	21,920,846	19,633,681
Committed to other purposes	581,608	7,919,047
Committed to OPEB	1,675,323	1,307,057
Unassigned	12,193,946	9,390,973
Total fund balances	<u>40,786,420</u>	<u>41,360,274</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 81,630,312</u>	<u>\$ 74,453,263</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS

FOR THE PERIOD ENDED JUNE 30, 2015
(with comparative actual amounts for the period ended June 30, 2014)

	FY 2015			FY 2014
	Final	Actual		Actual
	Budget	Actual	Variance	(as restated)
Revenues				
<u>Property taxes:</u>				
Real property taxes	\$ 62,941,900	\$ 61,481,257	\$ (1,460,643)	\$ 63,335,241
Personal property taxes	4,364,300	4,495,808	131,508	4,782,203
Vehicle taxes	5,400,000	6,136,874	736,874	5,561,888
Fee in lieu of tax	2,296,922	2,418,492	121,570	2,351,867
Total property taxes	75,003,122	74,532,431	(470,691)	76,031,199
<u>Intergovernmental:</u>				
Federal grants	477,580	1,135,450	657,870	480,806
Prisoner Housing	242,000	274,089	32,089	251,849
Inventory tax	306,286	382,857	76,571	306,286
State salary supplements	7,875	7,875	-	7,875
Board of registration	10,500	10,625	125	10,000
Veteran affairs	6,370	6,497	127	6,370
State shared	9,900,000	10,009,878	109,878	9,947,526
State - Library	336,614	336,614	-	336,614
Accommodations tax	230,265	218,227	(12,038)	230,475
Other - state	256,142	239,184	(16,958)	202,558
Total intergovernmental	11,773,632	12,621,296	847,664	11,780,359
<u>Fees and Fines:</u>				
Planning fees	105,620	122,368	16,748	142,152
EMS	6,658,510	6,732,293	73,783	6,711,708
RMC fees	2,263,640	2,440,328	176,688	2,172,925
Clerk of Court fees and fines	673,552	544,660	(128,892)	662,701
Library	120,562	117,043	(3,519)	127,217
Sheriff fines	54,500	89,513	35,013	55,188
Family court fees	443,309	438,409	(4,900)	442,385
Probate court fees	666,200	559,514	(106,686)	662,456
Magistrates' fees and fines	2,474,550	1,996,315	(478,235)	2,094,691
Master in Equity fees	1,962,000	1,387,924	(574,076)	1,894,735
CATV fees	3,560,000	3,759,698	199,698	3,648,161
Beach franchise fees	52,000	52,000	-	52,000
Hospitality Fees	3,542,537	3,484,891	(57,646)	3,357,177
Local Accommodations Tax	833,600	944,204	110,604	872,430
Other	215,551	297,702	82,151	257,495
Total fees and fines	23,626,131	22,966,862	(659,269)	23,153,421

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Revenue (continued)				
<u>RMC Documentary Stamps:</u>	3,261,300	3,822,777	561,477	3,200,134
<u>Licenses and Permits:</u>				
Business licenses	4,035,000	4,603,616	568,616	4,272,833
Building inspection permits	2,913,655	4,020,628	1,106,973	3,299,563
Other permits	14,000	20,100	6,100	15,600
Marriage licenses	211,000	160,777	(50,223)	209,174
Total licenses and permits	7,173,655	8,805,121	1,631,466	7,797,170
<u>Interest on investments:</u>	59,086	197,719	138,633	100,410
<u>Cost allocation:</u>	3,113,379	3,301,796	188,417	3,068,977
<u>Other:</u>				
Casino Boat	1,090,000	852,801	(237,199)	1,017,459
Rent	348,249	300,674	(47,575)	252,003
Other	2,390,071	2,348,897	(41,174)	1,583,994
Total other	3,828,320	3,502,372	(325,948)	2,853,456
Total revenue	127,838,625	129,750,374	1,911,749	127,985,126
Expenditures				
Current:				
<u>General Government:</u>				
County Council:				
Personal services	539,548	520,032	19,516	531,159
Contractual services	226,436	180,343	46,093	102,819
Supplies and material	494,725	174,504	320,221	241,004
Business and transportation	184,677	89,396	95,281	55,283
Other	-	-	-	112,729
Total	1,445,386	964,275	481,111	1,042,994
County Administrator:				
Personal services	456,053	452,120	3,933	242,862
Contractual services	370,799	370,798	1	41,968
Supplies and material	1,872	1,872	-	2,623
Business and transportation	13,023	13,023	-	9,140
Contingency	48,263	-	48,263	-
Total	890,010	837,813	52,197	296,593

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures - General Government (continued)				
Assistant County Administrator - Administration:				
Personal services	-	-	-	164,732
Contractual services	-	-	-	1,086
Supplies and material	-	-	-	1,757
Business and transportation	-	-	-	1,705
Total	-	-	-	169,280
Finance:				
Personal services	1,595,000	1,589,022	5,978	1,458,352
Contractual services	32,346	31,762	584	16,166
Supplies and material	30,780	28,096	2,684	22,376
Business and transportation	10,355	1,887	8,468	7,447
Total	1,668,481	1,650,767	17,714	1,504,341
Department Overhead:				
Personal services	1,407,796	809,446	598,350	642,547
Contractual services	1,823,272	1,496,623	326,649	1,851,227
Supplies and material	872,099	872,098	1	813,412
Business and transportation	197,217	15	197,202	75
Other	44,002	44,002	-	30,194
Total	4,344,386	3,222,184	1,122,202	3,337,455
Human Resources/Risk Management:				
Personal services	1,188,355	1,119,703	68,652	1,097,890
Contractual services	39,014	32,318	6,696	26,213
Supplies and material	32,814	26,511	6,303	33,380
Business and transportation	24,046	11,613	12,433	10,315
Employee programs	14,350	14,138	212	9,979
Other	5,301	5,301	-	5,301
Programs	14,226	807	13,419	774
Total	1,318,106	1,210,391	107,715	1,183,852
Procurement:				
Personal services	444,519	425,850	18,669	348,395
Contractual services	2,738	2,487	251	5,088
Supplies and material	13,168	12,740	428	4,853
Business and transportation	2,660	742	1,918	1,484
Other	10,000	2,679	7,321	-
Total	473,085	444,498	28,587	359,820

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures - General Government (continued)				
IT/GIS:				
Personal services	2,622,189	2,516,125	106,064	2,284,686
Contractual services	1,185,134	1,185,134	-	2,777,810
Supplies and material	267,736	267,736	-	265,430
Business and transportation	33,100	33,100	-	23,468
Capital outlay	81,614	81,614	-	567,820
Other	9,600	9,600	-	112,925
Total	4,199,373	4,093,309	106,064	6,032,139
Assessor:				
Personal services	3,313,584	3,149,145	164,439	3,096,857
Contractual services	216,515	215,200	1,315	23,544
Supplies and material	28,503	24,142	4,361	14,905
Business and transportation	21,350	17,766	3,584	13,236
Other	46,319	46,301	18	49,323
Total	3,626,271	3,452,554	173,717	3,197,865
Assessor Appeals Board:				
Personal services	15,800	2,474	13,326	4,616
Supplies and material	1,000	31	969	587
Total	16,800	2,505	14,295	5,203
Registrar of Deeds:				
Personal services	874,734	874,734	-	877,197
Contractual services	165,430	156,691	8,739	42,787
Supplies and material	41,158	31,603	9,555	37,828
Business and transportation	10,771	5,413	5,358	9,484
Capital outlay	22,368	22,158	210	-
Other	-	(6)	6	47
Total	1,114,461	1,090,593	23,868	967,343
Maintenance:				
Personal services	3,318,565	2,968,286	350,279	2,896,039
Contractual services	436,485	434,836	1,649	449,563
Supplies and material	607,654	606,036	1,618	533,540
Business and transportation	98,947	98,383	564	127,376
Capital outlay	133,040	122,929	10,111	169,197
Storm expenditures	-	-	-	(6,515)
Other	46,688	46,438	250	96,789
Total	4,641,379	4,276,908	364,471	4,265,989

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures - General Government (continued)				
Registration and Election:				
Personal services	418,904	375,028	43,876	374,156
Contractual services	96,082	87,941	8,141	26,698
Supplies and material	128,259	111,528	16,731	92,920
Business and transportation	11,316	4,937	6,379	3,526
Total	654,561	579,434	75,127	497,300
Public Information:				
Personal services	249,481	249,265	216	243,589
Contractual services	19,840	14,434	5,406	15,837
Supplies and material	15,214	4,833	10,381	4,869
Business and transportation	1,200	885	315	618
Total	285,735	269,417	16,318	264,913
Budget and Revenue Management:				
Personal services	-	-	-	62,992
Contractual services	-	-	-	75
Supplies and material	-	-	-	2,604
Business and transportation	-	-	-	845
Total	-	-	-	66,516
Treasurer:				
Personal services	1,677,808	1,673,024	4,784	1,622,931
Contractual services	60,268	59,168	1,100	59,935
Supplies and material	196,895	182,418	14,477	192,117
Business and transportation	10,884	8,365	2,519	9,666
Other	12,200	11,858	342	7,231
Total	1,958,055	1,934,833	23,222	1,891,880
Auditor:				
Personal services	1,395,217	1,395,217	-	1,336,349
Contractual services	48,744	47,891	853	43,607
Supplies and material	64,215	64,156	59	58,359
Business and transportation	13,832	13,759	73	12,311
Other	10,088	10,088	-	7,445
Total	1,532,096	1,531,111	985	1,458,071
Probate Judge:				
Personal services	985,631	857,157	128,474	954,503
Contractual services	8,045	8,039	6	9,309
Supplies and material	27,100	27,057	43	23,275
Business and transportation	3,238	3,238	-	3,179
Other	55	55	-	16
Total	1,024,069	895,546	128,523	990,282

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures - General Government (continued)				
Master -in-Equity:				
Personal services	402,041	330,557	71,484	378,659
Contractual services	44,236	42,770	1,466	42,168
Supplies and material	4,280	3,589	691	3,256
Business and transportation	2,300	1,934	366	1,249
Total	452,857	378,850	74,007	425,332
Legal:				
Personal services	447,483	398,773	48,710	393,557
Contractual services	507,383	285,467	221,916	336,118
Supplies and material	5,900	2,702	3,198	4,597
Business and transportation	10,000	4,666	5,334	5,415
Total	970,766	691,608	279,158	739,687
Grants Administration:				
Personal services	148,676	92,591	56,085	39,093
Contractual services	3,493	2,004	1,489	1,200
Supplies and material	5,782	4,182	1,600	1,256
Business and transportation	2,550	200	2,350	1,259
Total	160,501	98,977	61,524	42,808
Delegation:				
Personal services	105,858	105,857	1	103,590
Contractual services	570	570	-	383
Supplies and material	334	333	1	-
Total	106,762	106,760	2	103,973
Hospitality:				
Personal services	311,005	307,617	3,388	296,703
Contractual services	7,613	7,272	341	7,067
Supplies and material	11,400	6,529	4,871	6,076
Business and transportation	7,755	3,454	4,301	4,341
Other	7,400	7,400	-	7,400
Total	345,173	332,272	12,901	321,587
Business License:				
Personal services	213,419	213,419	-	206,084
Contractual services	5,820	4,185	1,635	3,443
Supplies and material	9,795	7,798	1,997	6,746
Business and transportation	3,000	1,732	1,268	4,025
Other	435	435	-	101
Total	232,469	227,569	4,900	220,399
Total general government	31,460,782	28,292,174	3,168,608	29,385,622

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures				
Public Safety:				
Clerk of Court:				
Personal services	1,524,564	1,534,675	(10,111)	1,453,986
Contractual services	227,659	242,453	(14,794)	192,758
Supplies and material	68,891	68,903	(12)	73,497
Business and transportation	1,386	1,385	1	1,098
Total	1,822,500	1,847,416	(24,916)	1,721,339
Clerk of Court - DSS Family Court:				
Personal services	613,437	613,436	1	595,229
Contractual services	11,922	10,719	1,203	9,688
Supplies and material	10,320	6,829	3,491	10,061
Business and transportation	1,269	-	1,269	2,882
Total	636,948	630,984	5,964	617,860
Clerk of Court - Family Court:				
Personal services	290,618	317,939	(27,321)	286,814
Contractual services	647	646	1	1,067
Supplies and material	-	-	-	1,107
Other	-	9,825	(9,825)	(20)
Total	291,265	328,410	(37,145)	288,968
Magistrates				
Personal services	2,530,887	2,501,599	29,288	2,461,914
Contractual services	185,123	172,911	12,212	184,089
Supplies and material	79,559	62,926	16,633	66,877
Business and transportation	42,596	31,284	11,312	20,693
Total	2,838,165	2,768,720	69,445	2,733,573
Communications:				
Personal services	297,358	223,599	73,759	278,265
Contractual services	1,064,926	989,222	75,704	1,127,461
Supplies and material	40,856	38,008	2,848	664,937
Business and transportation	5,958	2,756	3,202	1,161
Other	4,000	4,000	-	330,569
Total	1,413,098	1,257,585	155,513	2,402,393
Assistant County Administrator - Public Safety:				
Personal services	182,391	175,222	7,169	337,435
Contractual services	928,574	928,574	-	2,791
Supplies and material	23,228	23,215	13	2,589
Business and transportation	7,962	7,961	1	3,577
Other	7,583	7,583	-	1,976
Total	1,149,738	1,142,555	7,183	348,368

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures - Public Safety (continued)				
Sheriff:				
Personal services	4,642,235	4,626,066	16,169	4,419,240
Contractual services	73,649	73,047	602	67,277
Supplies and material	107,525	107,321	204	79,057
Business and transportation	275,863	275,305	558	299,815
Capital outlay	37,303	36,719	584	17,815
Other	233,508	228,308	5,200	174,074
Programs	100,821	19,970	80,851	43,480
Total	5,470,904	5,366,736	104,168	5,100,758
Police:				
Personal services	15,770,021	15,770,021	-	14,640,631
Contractual services	754,039	674,737	79,302	430,321
Supplies and material	487,666	442,477	45,189	393,807
Business and transportation	1,394,667	1,365,775	28,892	1,393,053
Capital outlay	171,631	163,225	8,406	351,177
Other	987,297	956,727	30,570	815,582
Programs	302,842	100,563	202,279	95,443
Total	19,868,163	19,473,525	394,638	18,120,014
Central Processing:				
Personal services	67,139	67,139	-	62,293
Supplies and material	648	648	-	-
Business and transportation	(19)	(38)	19	-
Total	67,768	67,749	19	62,293
Emergency Management:				
Personal services	387,335	376,049	11,286	343,821
Contractual services	45,333	44,800	533	18,590
Supplies and material	28,599	28,358	241	31,766
Business and transportation	16,597	16,384	213	19,064
Capital outlay	-	-	-	-
Other	17,000	17,000	-	12,699
Total	494,864	482,591	12,273	425,940
Emergency 911 Communications:				
Personal services	2,946,248	2,946,247	1	2,811,259
Contractual services	28,120	27,184	936	24,977
Supplies and material	15,482	6,977	8,505	11,672
Business and transportation	3,093	2,137	956	4,347
Capital outlay	-	-	-	-
Other	-	-	-	-
Total	2,992,943	2,982,545	10,398	2,852,255

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures - Public Safety (continued)				
Coroner:				
Personal services	427,574	420,068	7,506	395,691
Contractual services	373,261	373,027	234	297,613
Supplies and material	12,575	12,575	-	8,239
Business and transportation	16,966	16,965	1	15,919
Capital outlay	30,000	-	30,000	-
Other	9,400	9,400	-	13,820
Total	869,776	832,035	37,741	731,282
Detention Center:				
Personal services	16,286,434	16,286,434	-	15,298,029
Contractual services	2,998,047	3,028,023	(29,976)	3,113,009
Supplies and material	1,756,412	1,704,904	51,508	1,954,711
Business and transportation	258,400	246,274	12,126	265,720
Capital outlay	228,458	226,516	1,942	228,135
Other	174,383	174,383	-	160,661
Programs	1,202,251	668,430	533,821	626,444
Total	22,904,385	22,334,964	569,421	21,646,709
Emergency Medical Services:				
Personal services	11,730,951	11,689,133	41,818	11,804,536
Contractual services	525,016	503,285	21,731	456,252
Supplies and material	718,973	685,097	33,876	659,727
Business and transportation	687,331	565,229	122,102	716,216
Capital outlay	125,000	123,271	1,729	124,810
Other	530,228	523,029	7,199	550,787
Contingency	79,150	62,757	16,393	36,435
Total	14,396,649	14,151,801	244,848	14,348,763
Animal Care Center				
Personal services	833,445	833,444	1	732,016
Contractual services	70,927	52,345	18,582	84,467
Supplies and material	143,473	119,167	24,306	112,373
Business and transportation	26,586	25,408	1,178	23,457
Capital outlay	-	-	-	47,887
Other	43,990	11,756	32,234	19,333
Total	1,118,421	1,042,120	76,301	1,019,533
Parking Program				
Contractual services	67,504	27,707	39,797	46,412
Supplies and material	31,874	26,485	5,389	14,930
Capital outlay	15,300	-	15,300	-
Contingency	163,730	-	163,730	-
Total	278,408	54,192	224,216	61,342
Total public safety	76,613,995	74,763,928	1,850,067	72,481,390

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures				
<u>Infrastructure & Regulation</u>				
Assistant County Administrator - Infrastructure & Regulation:				
Personal services	232,053	230,322	1,731	222,153
Contractual services	185,545	179,982	5,563	7,563
Supplies and material	2,000	1,883	117	2,747
Business and transportation	3,609	2,488	1,121	1,454
Total	423,207	414,675	8,532	233,917
County Engineer:				
Personal services	1,021,273	787,878	233,395	658,258
Contractual services	390,356	261,404	128,952	218,326
Supplies and material	18,845	17,048	1,797	15,216
Business and transportation	35,430	33,126	2,304	25,763
Other	14,400	14,400	-	18,220
Total	1,480,304	1,113,856	366,448	935,783
Public Works:				
Personal services	4,004,171	3,757,857	246,314	3,689,811
Contractual services	1,422,633	412,782	1,009,851	338,167
Supplies and material	2,148,126	1,311,850	836,276	1,020,676
Business and transportation	1,275,160	1,187,658	87,502	1,385,208
Capital outlay	814	-	814	24,667
Storm expenditures	-	-	-	59,220
Other	892,737	892,737	-	900,337
Total	9,743,641	7,562,884	2,180,757	7,418,086
Code Enforcement:				
Personal services	2,477,381	2,330,952	146,429	2,115,091
Contractual services	49,245	46,468	2,777	34,931
Supplies and material	33,728	29,928	3,800	28,867
Business and transportation	113,458	98,909	14,549	92,999
Other	55,123	55,123	-	52,723
Total	2,728,935	2,561,380	167,555	2,324,611
Planning:				
Personal services	1,656,570	1,636,886	19,684	1,480,571
Contractual services	41,437	36,279	5,158	37,572
Supplies and material	9,548	8,540	1,008	14,152
Business and transportation	23,407	21,246	2,161	15,378
Capital outlay	20,684	20,684	-	-
Other	-	-	-	-
Total	1,751,646	1,723,635	28,011	1,547,673

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures - Infrastructure & Regulation (continued)				
Environmental Services:				
Personal services	116,808	116,807	1	-
Contractual services	745	604	141	-
Supplies and material	22,447	22,438	9	-
Total	140,000	139,849	151	-
Railroad:				
Personal services	-	-	-	-
Contractual services	26,631	26,573	58	89,859
Supplies and material	640	640	-	195
Total	27,271	27,213	58	90,054
Total infrastructure & regulation	16,295,004	13,543,492	2,751,512	12,550,124
Expenditures				
Health and Social Services:				
Veteran Affairs:				
Personal services	336,393	326,256	10,137	309,382
Contractual services	5,788	3,957	1,831	2,484
Supplies and material	5,485	4,822	663	3,917
Business and transportation	17,120	9,362	7,758	12,000
Total	364,786	344,397	20,389	327,783
Medically Indigent Assistance Program				
Personal services	66,389	58,976	7,413	39,635
Contractual services	759	684	75	306
Supplies and material	1,700	362	1,338	-
Other	1,301,816	1,120,292	181,524	1,241,018
Total	1,370,664	1,180,314	190,350	1,280,959
Health Department				
Contractual services	140,000	110,154	29,846	126,474
Total	140,000	110,154	29,846	126,474
Department of Social Services				
Contractual services	82,762	67,632	15,130	76,042
Supplies and material	17,270	12,354	4,916	-
Other	8,284	8,284	-	8,284
Total	108,316	88,270	20,046	84,326
Total health and social services	1,983,766	1,723,135	260,631	1,819,542

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GAAP BASIS
UNAUDITED

	2015			2014
	Final Budget	Actual	Variance	Actual (as restated)
Expenditures				
<u>Culture, Recreation and Tourism:</u>				
Library:				
Personal services	2,870,798	2,788,300	82,498	2,802,860
Contractual services	621,113	493,484	127,629	473,328
Supplies and material	796,271	680,839	115,432	750,167
Business and transportation	30,759	21,475	9,284	26,745
Capital outlay	7,383	7,383	-	26,250
Other	37,897	37,897	-	15,467
Programs	23,134	1,020	22,114	-
Total	4,387,355	4,030,398	356,957	4,094,817
Museum:				
Personal services	428,285	416,504	11,781	380,374
Contractual services	203,673	193,782	9,891	166,463
Supplies and material	25,640	22,758	2,882	35,941
Business and transportation	13,528	11,287	2,241	7,709
Other	48,457	17,009	31,448	11,593
Total	719,583	661,340	58,243	602,080
Total culture, recreation and tourism	5,106,938	4,691,738	415,200	4,696,897
Expenditures (continued)				
<u>Other Agencies:</u>				
Other agencies	1,119,308	1,119,308	-	1,119,308
Total other agencies	1,119,308	1,119,308	-	1,119,308
Total expenditures	132,579,793	124,133,775	8,446,018	122,052,883
Excess of revenue over expenditures	(4,741,168)	5,616,599	10,357,767	5,932,243
Other Financing Sources (Uses)				
Sale of assets	100,000	95,498	(4,502)	94,474
Transfers in	1,311,977	1,334,702	22,725	710,446
Transfer out	(7,632,690)	(7,620,653)	12,037	(8,003,438)
Total other financing sources (uses)	(6,220,713)	(6,190,453)	30,260	(7,198,518)
Net change in fund balance	(10,961,881)	(573,854)	10,388,027	(1,266,275)
Fund balance at beginning of year	41,360,274	41,360,274	-	42,626,549
Fund balance at end of year	\$ 30,398,393	\$ 40,786,420	\$ 10,388,027	\$ 41,360,274

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 thirty-three (33) stations throughout unincorporated areas of Horry County. Revenue is collected from 19.5 mills levied on property tax on the unincorporated area of the County.

Tourism and Promotion – accounts for the revenue derived from a state-wide 2% levied room tax earmarked for the promotion of tourism in South Carolina.

Waste Management Recycling – accounts for solid waste collection and recycling programs of Horry County. Revenue is collected from 6.0 mills levied on property tax on the unincorporated areas of the County.

Higher Education – accounts for revenue collected from 0.7 mills levied on real and personal property for debt payment requirements of the Higher Education Commission and for the purpose of providing tuition assistance for students. Presented as a Debt Service Fund in fiscal year ended 2012.

Horry-Georgetown Tech – accounts for revenue collected from 1.8 mills levied on real and personal property for debt payment requirements of Horry-Georgetown Technical Education Center and for the purpose of providing maintenance on the grounds & buildings owned by the County. Presented as a Debt Service Fund in fiscal year ended 2012.

Watershed – accounts for revenue collected from property taxes for maintenance of the following watersheds: Cartwheel – 3.4 mills, Crab Tree – 3.2 mills, Todd Swamp – 3.1 mills, Simpson Creek – 2.9 mills, Buck Creek – 3.2 mills, and Gapway – 3.1 mills.

Mt. Gilead – accounts for revenue collected from 7.0 mills levied on property taxes for road improvements in the Mt. Gilead Community.

Socastee Recreation – accounts for revenue collected from 1.8 mills levied on property taxes earmarked for recreation facilities in the Socastee Community.

Road Maintenance & CTC – accounts for revenue derived from a \$30 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 Renourishment – accounts for beach nourishment and re-nourishment projects on the unincorporated beaches of the County and is funded from Accommodations Tax and the General Fund.

Grants – accounts for revenue earmarked 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.

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

SPECIAL REVENUE FUNDS

- CONTINUED -

Senior Citizen – accounts for revenue collected from 0.4 mills levied on property taxes earmarked for senior citizen programs.

Arcadian Shores – accounts for revenue collected from 35.0 (2015) and 32.3 (2014) mills levied on property taxes associated with the Arcadian Shores Special Tax District. These funds are designated for infrastructure improvements.

Baseball Stadium – accounts for revenue and expenditures associated with the County's undivided 30% ownership in the baseball stadium project.

Economic Development – accounts for revenue and expenditures for the operation, economic development and property management of the Atlantic Center, Hwy. 701 (Pineridge Business Center) and the Hwy. 319 (Cool Spring) industrial parks.

Stormwater Management – accounts for revenue derived from a utility fee paid on the unincorporated areas of the County and expenditures associated with the County's stormwater management and mosquito control programs.

Hidden Woods - accounts for revenue collected from 84.6 mills levied on property taxes for road improvements in the Hidden Woods Community.

Solicitor – accounts for revenue derived from the State, Horry County, Georgetown County, client fines and fees from intervention programs and seized monies from the Drug Enforcement Unit. This fund was included in the General Fund in fiscal year 2013.

Public Defender – accounts for revenue derived from the State, Horry County, and Georgetown County. This fund was included in the General Fund in fiscal year 2013.

Fire Insurance – accounts for intergovernmental revenue and expenditures associated with 1% fire insurance revenue share from state dedicated to Fire operations.

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

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

CDBG Grant Program – accounts for revenue and expenditures of Housing Urban Development entitlement program. These funds are totally restricted for use only on HUD approved programs.

Recreation – accounts for revenue collected from 1.7 mills levied on property taxes and expenditures associated with the County's recreation programs.

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS

June 30, 2015

Non-Major Funds										
	Fire	Tourism & Promotion	Waste Management Recycling	Higher Education	Georgetown Tech	Watershed	Mt Gilead	Socastee Recreation	Road Maintenance & CTC	Beach Renourishment
Assets										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -
Pooled cash and investments	6,434,232	-	10,333,143	116,081	84,413	1,021,434	407,029	470,962	22,619,223	6,089,891
Receivables, net:										
Property taxes	716,023	-	246,618	47,021	121,407	3,888	628	4,535	-	-
Accounts and other	-	-	-	18,164	-	-	-	-	-	-
Fees	-	-	-	-	-	-	-	-	1,859,072	43,071
Interest receivable	1,312	15	2,411	65	241	327	139	-	7,231	1,990
Due from other funds	-	-	-	-	-	-	-	-	-	57,686
Due from other governments	-	1,096,025	-	-	-	-	-	-	333,001	-
Restricted assets	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 7,151,567	\$ 1,096,040	\$ 10,582,172	\$ 181,331	\$ 206,061	\$ 1,025,649	\$ 407,796	\$ 475,497	\$ 24,818,627	\$ 6,192,638
Liabilities										
Liabilities										
Accounts payable-trade	\$ 105,649	\$ 507,843	\$ 56,140	\$ -	\$ -	\$ -	\$ 1,186	8,215	\$ 975,960	\$ 17,023
Retainage payable	-	-	-	-	-	-	-	-	-	-
Accrued salaries and wages	542,429	51,303	-	-	-	-	-	-	24,250	-
Due to other funds	-	201,558	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-	-	-
Due to component units	-	-	1,149,000	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	648,078	760,704	1,205,140	-	-	-	1,186	8,215	1,000,210	17,023
Deferred Inflows of Resources										
Unavailable revenue-fees and other	399	-	-	-	-	-	-	-	1,757,079	-
Unavailable revenue-property taxes	607,091	-	208,825	39,007	100,759	3,315	569	3,358	-	-
Total deferred inflows of resources	607,490	-	208,825	39,007	100,759	3,315	569	3,358	1,757,079	-
Fund Balances										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted for capital projects	-	-	-	-	-	-	-	-	3,253,329	-
Restricted for public safety	5,895,999	-	-	-	-	-	-	-	-	-
Restricted for culture, recreation and tourism	-	335,336	-	142,324	105,302	-	-	463,924	-	4,174,013
Restricted for infrastructure and regulation	-	-	-	-	-	1,022,334	406,041	-	-	-
Restricted for economic development	-	-	9,168,207	-	-	-	-	-	-	-
Restricted for health and social services	-	-	-	-	-	-	-	-	-	-
Committed to culture, recreation and tourism	-	-	-	-	-	-	-	-	-	2,001,602
Committed to infrastructure and regulation	-	-	-	-	-	-	-	-	18,808,009	-
Committed to economic development	-	-	-	-	-	-	-	-	-	-
Committed to other purposes	-	-	-	-	-	-	-	-	-	-
Unassigned (deficits)	-	-	-	-	-	-	-	-	-	-
Total fund balances / (deficits)	5,895,999	335,336	9,168,207	142,324	105,302	1,022,334	406,041	463,924	22,061,338	6,175,615
Total liabilities, deferred inflows of resources and fund balances / (deficits)	\$ 7,151,567	\$ 1,096,040	\$ 10,582,172	\$ 181,331	\$ 206,061	\$ 1,025,649	\$ 407,796	\$ 475,497	\$ 24,818,627	\$ 6,192,638

HORRY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS

June 30, 2015

Non-Major Funds

	Grants	Admissions Tax	Victim Witness Assistance	Senior Citizen	Arcadian Shores	Baseball Stadium	Economic Development	Stormwater Management	Hidden Woods	Solicitor
Assets										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,438
Pooled cash and investments	188,745	642,129	-	76,595	85,518	331,521	2,724,006	3,300,603	19,898	1,505,765
Receivables, net:										
Property taxes	-	-	-	26,868	1,839	-	-	-	1,442	-
Accounts and other	-	-	-	-	-	-	67,658	-	-	197,447
Fees	-	-	28,595	-	-	-	-	291,407	-	-
Interest receivable	54	213	26	21	-	-	739	795	59	257
Due from other funds	-	-	-	-	-	-	-	-	-	-
Due from other governments	330,824	-	-	-	-	-	-	27,579	-	108,783
Restricted assets	-	-	-	-	-	101,977	-	-	-	-
Total assets	\$ 519,623	\$ 642,342	\$ 28,621	\$ 103,484	\$ 87,357	\$ 433,498	\$ 2,792,403	\$ 3,620,384	\$ 21,399	\$ 1,826,690
Liabilities										
Liabilities										
Accounts payable-trade	\$ 16,526	\$ 262,531	\$ 370	\$ -	\$ 1,100	\$ 227,913	\$ 194	\$ 65,516	\$ 3,001	\$ 106,771
Retainage payable	-	-	-	-	-	-	-	-	-	-
Accrued salaries and wages	7,890	-	23,165	-	-	-	-	63,204	-	237,132
Due to other funds	-	-	15,281	-	162,460	-	-	-	-	-
Due to other governments	-	-	-	-	-	40,717	-	-	-	-
Due to component units	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	95	-	-
Total liabilities	24,416	262,531	38,816	-	163,560	268,630	194	128,815	3,001	343,903
Deferred Inflows of Resources										
Unavailable revenue-fees and other	-	-	-	-	-	-	33,575	285,439	-	-
Unavailable revenue-property taxes	-	-	-	22,290	1,861	-	-	-	1,701	-
Total deferred inflows of resources	-	-	-	22,290	1,861	-	33,575	285,439	1,701	-
Fund Balances										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted for capital projects	-	-	-	-	-	-	-	-	-	-
Restricted for public safety	-	-	-	-	-	-	-	-	-	1,482,787
Restricted for culture, recreation and tourism	-	-	-	-	-	164,868	-	-	-	-
Restricted for infrastructure and regulation	-	-	-	-	-	-	-	3,206,130	16,697	-
Restricted for economic development	-	379,811	-	-	-	-	1,089,881	-	-	-
Restricted for health and social services	-	-	-	81,194	-	-	-	-	-	-
Committed to culture, recreation and tourism	-	-	-	-	-	-	-	-	-	-
Committed to infrastructure and regulation	-	-	-	-	-	-	-	-	-	-
Committed to economic development	-	-	-	-	-	-	1,668,753	-	-	-
Committed to other purposes	495,207	-	-	-	-	-	-	-	-	-
Unassigned (deficits)	-	-	(10,195)	-	(78,064)	-	-	-	-	-
Total fund balances / (deficits)	495,207	379,811	(10,195)	81,194	(78,064)	164,868	2,758,634	3,206,130	16,697	1,482,787
Total liabilities, deferred inflows of resources and fund balances / (deficits)	\$ 519,623	\$ 642,342	\$ 28,621	\$ 103,484	\$ 87,357	\$ 433,498	\$ 2,792,403	\$ 3,620,384	\$ 21,399	\$ 1,826,690

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

June 30, 2015

	Non-Major Funds						Total
	Public Defender	Fire Insurance	Multi-County Business Park Rollback	E-911	CDBG Grant Program	Recreation	Non-Major Funds
Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ 14,638
Pooled cash and investments	450,523	71,104	529,426	4,626,171	-	2,758,114	64,886,526
Receivables, net:							
Property taxes	-	-	-	-	-	116,899	1,287,168
Accounts and other	-	-	-	-	-	-	283,269
Fees	-	-	-	32,216	-	-	2,254,361
Interest receivable	76	-	137	1,400	-	872	18,380
Due from other funds	-	-	-	-	-	-	57,686
Due from other governments	134,072	-	-	-	566,797	-	2,597,081
Restricted assets	-	-	-	-	-	-	101,977
Total assets	\$ 584,671	\$ 71,104	\$ 529,563	\$ 4,659,787	\$ 566,797	\$ 2,875,985	\$ 71,501,086
Liabilities							
Liabilities							
Accounts payable-trade	\$ 7,873	\$ -	\$ -	\$ 68,612	\$ 126,450	\$ 147,570	\$ 2,706,443
Retainage payable	-	-	-	-	-	-	-
Accrued salaries and wages	67,946	-	-	7,547	8,023	104,360	1,137,249
Due to other funds	-	-	-	-	401,999	-	781,298
Due to other governments	-	-	-	-	-	-	40,717
Due to component units	-	-	-	-	-	-	1,149,000
Other liabilities	-	-	-	-	-	3,843	3,938
Total liabilities	75,819	-	-	76,159	536,472	255,773	5,818,645
Deferred Inflows of Resources							
Unavailable revenue-fees and other	-	-	-	-	411,260	-	2,487,752
Unavailable revenue-property taxes	-	-	-	-	-	97,057	1,085,833
Total deferred inflows of resources	-	-	-	-	411,260	97,057	3,573,585
Fund Balances							
Nonspendable	-	-	-	-	-	-	-
Restricted for capital projects	-	-	-	-	-	-	3,253,329
Restricted for public safety	508,852	71,104	-	4,583,628	-	-	12,542,370
Restricted for culture, recreation and tourism	-	-	-	-	-	2,523,155	7,908,922
Restricted for infrastructure and regulation	-	-	529,563	-	-	-	14,348,972
Restricted for economic development	-	-	-	-	-	-	1,469,692
Restricted for health and social services	-	-	-	-	-	-	81,194
Committed to culture, recreation and tourism	-	-	-	-	-	-	2,001,602
Committed to infrastructure and regulation	-	-	-	-	-	-	18,808,009
Committed to economic development	-	-	-	-	-	-	1,668,753
Committed to other purposes	-	-	-	-	-	-	495,207
Unassigned (deficits)	-	-	-	-	(380,935)	-	(469,194)
Total fund balances / (deficits)	508,852	71,104	529,563	4,583,628	(380,935)	2,523,155	62,108,856
Total liabilities, deferred inflows of resources and fund balances / (deficits)	\$ 584,671	\$ 71,104	\$ 529,563	\$ 4,659,787	\$ 566,797	\$ 2,875,985	\$ 71,501,086

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year ended June 30, 2015

Non-Major Funds

	Non-Major Funds									
	Waste					Horry				
	Fire	Tourism & Promotion	Management Recycling	Higher Education	Georgetown Tech	Watershed	Mt Gilead	Socastee Recreation	Maintenance & CTC	Beach Renourishment
Revenues										
Real property taxes	\$ 16,106,095	-	\$ 5,598,942	\$ 1,193,267	\$ 3,068,331	\$ 93,398	\$ 28,261	\$ 190,661	\$ -	\$ -
Personal property taxes	1,354,566	-	446,320	85,330	219,589	3,471	64	3,867	-	-
Vehicle taxes	2,259,233	-	757,900	121,065	310,310	-	-	-	-	-
Fee in lieu of tax	53,089	-	16,592	6,974	17,938	-	-	-	-	-
Intergovernmental	36,183	-	226,630	13,297	17,351	-	-	-	330,909	-
Accommodations tax	-	3,161,318	-	-	-	-	-	-	-	510,000
Fees and fines	-	-	-	-	-	-	-	-	8,858,715	-
Hospitality fees	-	-	-	-	-	-	-	-	3,197,975	-
Local accommodations tax	-	-	-	-	-	-	-	-	-	233,108
Interest	6,188	514	10,770	437	1,168	1,142	474	604	24,250	6,604
Other	618	599	-	-	-	-	-	-	-	-
Total revenues	19,815,972	3,162,431	7,057,154	1,420,370	3,634,687	98,011	28,799	195,132	12,411,849	749,712
Expenditures										
Current:										
Public safety	16,989,613	938,486	-	-	-	-	-	-	-	-
Infrastructure and regulation	-	-	6,392,134	-	-	12,343	20,094	-	3,289,019	-
Health and social services	-	-	-	-	-	-	-	-	-	-
Culture, recreation and tourism	-	2,155,201	-	-	-	-	-	135,299	-	83,663
HGTC and Higher Education Commission	-	-	-	1,204,443	3,423,000	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-
Capital outlay	51,519	143,163	-	-	-	-	-	-	5,166,729	-
Total expenditures	17,041,132	3,236,850	6,392,134	1,204,443	3,423,000	12,343	20,094	135,299	8,455,748	83,663
Excess (deficiency) of revenues over (under) expenditures	2,774,840	(74,419)	665,020	215,927	211,687	85,668	8,705	59,833	3,956,101	666,049
Other Financing Sources (Uses)										
Transfers in	-	-	-	-	-	-	-	-	296,817	193,227
Transfers out	(2,012,540)	(75,918)	-	(223,750)	(216,350)	-	-	(20,717)	(750,000)	-
Total other financing sources (uses)	(2,012,540)	(75,918)	-	(223,750)	(216,350)	-	-	(20,717)	(453,183)	193,227
Net change in fund balance	762,300	(150,337)	665,020	(7,823)	(4,663)	85,668	8,705	39,116	3,502,918	859,276
Fund balances (deficits), at beginning of year, as restated	5,133,699	485,673	8,503,187	150,147	109,965	936,666	397,336	424,808	18,558,420	5,316,339
Fund balances (deficits), at end of year	\$ 5,895,999	\$ 335,336	\$ 9,168,207	\$ 142,324	\$ 105,302	\$ 1,022,334	\$ 406,041	\$ 463,924	\$ 22,061,338	\$ 6,175,615

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year ended June 30, 2015

	Non-Major Funds									
	Grants	Admissions Tax	Victim Witness Assistance	Senior Citizen	Arcadian Shores	Baseball Stadium	Economic Development	Stormwater Management	Hidden Woods	Solicitor
Revenues										
Real property taxes	\$ -	\$ -	\$ -	\$ 681,824	\$ 61,177	\$ -	\$ 587,570	\$ -	\$ 86,159	\$ -
Personal property taxes	-	-	-	48,717	26	-	-	-	-	-
Vehicle taxes	-	-	-	68,948	-	-	-	-	-	-
Fee in lieu of tax	-	-	-	4,008	-	-	-	-	-	-
Intergovernmental	737,954	-	-	-	-	-	400,000	82,285	-	1,686,708
Accommodations tax	-	-	-	-	-	-	-	-	-	-
Fees and fines	-	-	373,414	-	-	-	141,057	4,858,763	-	1,736,767
Hospitality fees	-	-	-	-	-	259,333	-	-	-	-
Local accommodations tax	-	-	-	-	-	-	-	-	-	-
Interest	303	760	69	122	87	237	2,517	3,186	192	924
Other	40,714	-	-	-	-	26,942	-	607	-	-
Total revenues	778,971	760	373,483	803,619	61,290	286,512	1,131,144	4,944,841	86,351	3,424,399
Expenditures										
Current:										
Public safety	727,319	-	610,084	-	-	-	-	-	-	7,047,581
Infrastructure and regulation	187,458	262,531	-	-	32,736	-	799,147	4,249,133	15,345	-
Health and social services	-	-	-	786,878	-	-	-	-	-	-
Culture, recreation and tourism	58,264	-	-	-	-	62,327	-	-	-	-
HGTC and Higher Education Commission	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-
Capital outlay	202,119	-	-	-	-	227,912	-	-	-	-
Total expenditures	1,175,160	262,531	610,084	786,878	32,736	290,239	799,147	4,249,133	15,345	7,047,581
Excess (deficiency) of revenues over (under) expenditures	(396,189)	(261,771)	(236,601)	16,741	28,554	(3,727)	331,997	695,708	71,006	(3,623,182)
Other Financing Sources (Uses)										
Transfers in	62,755	-	102,102	-	-	-	-	-	-	3,585,713
Transfers out	-	-	-	-	-	-	-	(342,539)	(219,566)	-
Total other financing sources (uses)	62,755	-	102,102	-	-	-	-	(342,539)	(219,566)	3,585,713
Net change in fund balance	(333,434)	(261,771)	(134,499)	16,741	28,554	(3,727)	331,997	353,169	(148,560)	(37,469)
Fund balances (deficits), at beginning of year, as restated	828,641	641,582	124,304	64,453	(106,618)	168,595	2,426,637	2,852,961	165,257	1,520,256
Fund balances (deficits), at end of year	\$ 495,207	\$ 379,811	\$ (10,195)	\$ 81,194	\$ (78,064)	\$ 164,868	\$ 2,758,634	\$ 3,206,130	\$ 16,697	\$ 1,482,787

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS

For the Year ended June 30, 2015

	Non-Major Funds						Total
	Public Defender	Fire Insurance	Multi-County Business Park Rollback	E-911	CDBG Grant Program	Recreation	Non-Major Funds
Revenues							
Real property taxes	\$ -	\$ -	\$ -	\$ -	-	\$ 2,896,153	\$ 30,591,838
Personal property taxes	-	-	-	-	-	208,776	2,370,726
Vehicle taxes	-	-	-	-	-	292,515	3,809,971
Fee in lieu of tax	-	-	348	-	-	16,971	115,920
Intergovernmental	877,123	898,379	-	1,160,417	2,149,582	4,573	8,621,391
Accommodations tax	-	-	-	-	-	-	3,671,318
Fees and fines	96,100	-	-	679,551	-	-	16,744,367
Hospitality fees	-	-	-	-	-	-	3,457,308
Local accommodations tax	-	-	-	-	-	-	233,108
Interest	277	16	626	4,658	-	3,523	69,648
Other	-	-	-	-	-	768,011	837,491
Total revenues	973,500	898,395	974	1,844,626	2,149,582	4,190,522	70,523,086
Expenditures							
Current:							
Public safety	1,808,206	932,288	-	1,036,528	-	-	30,090,105
Infrastructure and regulation	-	-	-	-	-	-	15,259,940
Health and social services	-	-	-	-	-	-	786,878
Culture, recreation and tourism	-	-	-	-	-	4,499,255	6,994,009
HGTC and Higher Education Commission	-	-	-	-	-	-	4,627,443
Economic development	-	-	-	-	2,383,016	-	2,383,016
Capital outlay	-	-	-	-	-	23,545	5,814,987
Total expenditures	1,808,206	932,288	-	1,036,528	2,383,016	4,522,800	65,956,378
Excess (deficiency) of revenues over (under) expenditures	(834,706)	(33,893)	974	808,098	(233,434)	(332,278)	4,566,708
Other Financing Sources (Uses)							
Transfers in	1,002,483	-	-	-	-	47,717	5,290,814
Transfers out	-	-	-	(110,000)	(147,501)	(84,704)	(4,203,585)
Total other financing sources (uses)	1,002,483	-	-	(110,000)	(147,501)	(36,987)	1,087,229
Net change in fund balance	167,777	(33,893)	974	698,098	(380,935)	(369,265)	5,653,937
Fund balances (deficits), at beginning of year, as restated	341,075	104,997	528,589	3,885,530	-	2,892,420	56,454,919
Fund balances (deficits), at end of year	\$ 508,852	\$ 71,104	\$ 529,563	\$ 4,583,628	\$ (380,935)	\$ 2,523,155	\$ 62,108,856

HORRY COUNTY, SOUTH CAROLINA

FIRE SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 6,434,232	\$ 5,609,475
Receivables, net:		
Property taxes	716,023	829,110
Other	-	3,438
Interest receivable	1,312	2,755
Due from other governments	-	3,339
Prepaid items	-	33,961
Total assets	<u>\$ 7,151,567</u>	<u>\$ 6,482,078</u>
Liabilities		
Accounts payable - trade	\$ 105,649	\$ 145,575
Accrued salaries and wages	542,429	506,048
Total liabilities	<u>648,078</u>	<u>651,623</u>
Deferred Inflows of Resources		
Unavailable revenue-fees and other	399	3,339
Unavailable revenue-property taxes	607,091	693,417
Total deferred inflows of resources	<u>607,490</u>	<u>696,756</u>
Fund Balances		
Nonspendable	-	33,961
Restricted for public safety	5,895,999	5,099,738
Total fund balances	<u>5,895,999</u>	<u>5,133,699</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,151,567</u>	<u>\$ 6,482,078</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 16,285,461	\$ 16,106,095	\$ (179,366)	\$ 16,435,937
Personal property taxes	1,359,499	1,354,566	(4,933)	1,431,956
Vehicle taxes	1,990,400	2,259,233	268,833	1,791,790
Fee in lieu of tax	39,800	53,089	13,289	54,638
Intergovernmental - federal	-	2,940	2,940	2,506
Intergovernmental - state	26,594	33,243	6,649	28,076
Interest	3,000	6,188	3,188	7,312
Other	-	618	618	3,483
Total revenues	19,704,754	19,815,972	111,218	19,755,698
Expenditures				
Current:				
Public safety:				
Personal services	12,749,519	12,725,442	24,077	11,998,857
Contractual services	1,353,496	1,322,726	30,770	1,246,826
Supplies and materials	890,743	778,214	112,529	912,451
Business and transportation	1,075,062	934,432	140,630	912,922
Capital outlay	189,325	51,519	137,806	77,056
Contingency	240,095	-	240,095	-
Other	-	-	-	1,844
Indirect cost allocation	1,228,799	1,228,799	-	1,113,881
Total expenditures	17,727,039	17,041,132	685,907	16,263,837
Excess of revenues over expenditures	1,977,715	2,774,840	797,125	3,491,861
Other Financing Sources (Uses)				
Transfers out	(2,012,540)	(2,012,540)	-	(1,845,349)
Total other financing sources (uses)	(2,012,540)	(2,012,540)	-	(1,845,349)
Net change in fund balance	(34,825)	762,300	797,125	1,646,512
Fund balance at beginning of year	5,133,699	5,133,699	-	3,487,187
Fund balance at end of year	\$ 5,098,874	\$ 5,895,999	\$ 797,125	\$ 5,133,699

HORRY COUNTY, SOUTH CAROLINA

TOURISM & PROMOTION SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Accounts receivable, net:		
Fees	\$ -	\$ 2,495
Interest receivable	15	246
Due from other governments	1,096,025	1,299,526
Total assets	<u>\$ 1,096,040</u>	<u>\$ 1,302,267</u>
 Liabilities		
Accounts payable - trade	\$ 507,843	\$ 496,231
Accrued salaries and wages	51,303	53,722
Due to other funds	201,558	266,273
Other	-	368
Total liabilities	<u>760,704</u>	<u>816,594</u>
 Deferred Inflows of Resources		
Unavailable revenue-fees and other	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>
 Fund Balance		
Restricted for culture, recreation and tourism	335,336	485,673
Total fund balance	335,336	485,673
Total liabilities and fund balance	<u>\$ 1,096,040</u>	<u>\$ 1,302,267</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Accommodations tax	\$ 3,390,035	\$ 3,161,318	\$ (228,717)	\$ 3,645,104
Hospitality fees	-	-	-	251,075
Interest	1,300	514	(786)	208
Other	-	599	599	371
Total revenues	3,391,335	3,162,431	(228,904)	3,896,758
Expenditures				
Current:				
Public safety				
Beach Patrol:				
Personal services	802,380	779,675	22,705	776,858
Contractual services	18,394	17,288	1,106	13,493
Supplies and materials	13,854	10,211	3,643	14,740
Business and transportation	96,836	64,312	32,524	88,743
Capital outlay	101,036	99,582	1,454	3,927
Other	67,500	67,000	500	120,674
Total beach patrol	1,100,000	1,038,068	61,932	1,018,435
Culture, recreation and tourism:				
Personal services	474,588	474,087	501	351,885
Contractual services	98,706	95,104	3,602	97,340
Supplies and materials	45,590	44,880	710	21,390
Business and transportation	117,115	116,529	586	82,778
Capital outlay	47,361	43,581	3,780	18,939
Contingency	71	-	71	-
Capital lease principal	21,789	21,789	-	-
Capital lease interest	840	840	-	-
Other	1	-	1	22,577
Contributions to other agencies	1,495,010	1,401,972	93,038	1,601,628
Total culture, recreation and tourism	2,301,071	2,198,782	102,289	2,196,537
Total expenditures	3,401,071	3,236,850	164,221	3,214,972
Excess of revenues over expenditures	(9,736)	(74,419)	(64,683)	681,786
Other Financing Sources (Uses)				
Transfers out	(75,918)	(75,918)	-	(391,150)
Total other financing sources (uses)	(75,918)	(75,918)	-	(391,150)
Net change in fund balance	(85,654)	(150,337)	(64,683)	290,636
Fund balance at beginning of year	485,673	485,673	-	195,037
Fund balance at end of year	\$ 400,019	\$ 335,336	\$ (64,683)	\$ 485,673

HORRY COUNTY, SOUTH CAROLINA

WASTE MANAGEMENT RECYCLING SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 10,333,143	\$ 9,602,456
Receivables, net:		
Property taxes	246,618	296,765
Interest receivable	2,411	4,599
Due from other governments	-	164,999
Total assets	<u>\$ 10,582,172</u>	<u>\$ 10,068,819</u>
Liabilities		
Accounts payable - trade	\$ 56,140	\$ 62,342
Due to component unit	1,149,000	1,088,999
Total liabilities	<u>1,205,140</u>	<u>1,151,341</u>
Deferred Inflows of Resources		
Unavailable revenue-fees and other	-	164,999
Unavailable revenue-property taxes	208,825	249,292
Total deferred inflows of resources	<u>208,825</u>	<u>414,291</u>
Fund Balance		
Restricted for infrastructure and regulation	9,168,207	8,503,187
Total fund balance	<u>9,168,207</u>	<u>8,503,187</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 10,582,172</u>	<u>\$ 10,068,819</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 5,831,446	\$ 5,598,942	\$ (232,504)	\$ 5,733,656
Personal property taxes	442,279	446,320	4,041	478,473
Vehicle taxes	672,800	757,900	85,100	681,276
Fee in lieu of tax	14,400	16,592	2,192	19,430
Intergovernmental	-	226,630	226,630	-
Interest	11,000	10,770	(230)	12,969
Total revenues	6,971,925	7,057,154	85,229	6,925,804
Expenditures				
Current:				
Infrastructure and regulation:				
Contractual services	7,182,779	6,388,065	794,714	6,057,513
Capital outlay	410,000	-	410,000	178,018
Indirect cost allocation	4,069	4,069	-	3,767
Other	-	-	-	121,624
Total expenditures	7,596,848	6,392,134	1,204,714	6,360,922
Excess (deficiency) of revenues over (under) expenditures	(624,923)	665,020	1,289,943	564,882
Other Financing Sources (Uses)				
Transfers out	(590,000)	-	590,000	-
Total other financing sources (uses)	(590,000)	-	590,000	-
Net change in fund balance	(1,214,923)	665,020	1,879,943	564,882
Fund balance at beginning of year	8,503,187	8,503,187	-	7,938,305
Fund balance at end of year	\$ 7,288,264	\$ 9,168,207	\$ 1,289,943	\$ 8,503,187

HORRY COUNTY, SOUTH CAROLINA

HIGHER EDUCATION SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 116,081	\$ 139,009
Receivables, net:		
Property taxes	47,021	56,625
Accounts and other	18,164	-
Fees	-	1,417
Interest receivable	65	315
Total assets	<u>\$ 181,331</u>	<u>\$ 197,366</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	\$ 39,007	\$ 47,219
Total deferred inflows of resources	<u>39,007</u>	<u>47,219</u>
 Fund Balance		
Restricted for culture, recreation and tourism	<u>142,324</u>	<u>150,147</u>
Total fund balance	<u>142,324</u>	<u>150,147</u>
Total deferred inflows of resources and fund balance	<u>\$ 181,331</u>	<u>\$ 197,366</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 1,219,930	\$ 1,193,267	\$ (26,663)	\$ 1,226,476
Personal property taxes	83,700	85,330	1,630	90,638
Vehicle taxes	106,600	121,065	14,465	109,709
Fee in lieu of tax	6,325	6,974	649	7,145
Intergovernmental	10,638	13,297	2,659	10,638
Interest	1,000	437	(563)	625
Total revenues	<u>1,428,193</u>	<u>1,420,370</u>	<u>(7,823)</u>	<u>1,445,231</u>
Expenditures				
Current:				
Higher Education Commission	1,204,443	1,204,443	-	1,235,590
Total expenditures	<u>1,204,443</u>	<u>1,204,443</u>	<u>-</u>	<u>1,235,590</u>
Excess (deficiency) of revenues over (under) expenditures	<u>223,750</u>	<u>215,927</u>	<u>(7,823)</u>	<u>209,641</u>
Other Financing Sources (Uses)				
Transfers out	(223,750)	(223,750)	-	(223,000)
Total other financing sources	<u>(223,750)</u>	<u>(223,750)</u>	<u>-</u>	<u>(223,000)</u>
Net change in fund balance	-	(7,823)	(7,823)	(13,359)
Fund balance at beginning of year	<u>150,147</u>	<u>150,147</u>	<u>-</u>	<u>163,506</u>
Fund balance at end of year	<u>\$ 150,147</u>	<u>\$ 142,324</u>	<u>\$ (7,823)</u>	<u>\$ 150,147</u>

HORRY COUNTY, SOUTH CAROLINA

HORRY-GEORGETOWN TECH SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 84,413	\$ 81,554
Receivables, net:		
Property taxes	121,407	146,755
Fees	-	3,646
Interest receivable	241	554
Total assets	<u>\$ 206,061</u>	<u>\$ 232,509</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	<u>\$ 100,759</u>	<u>\$ 122,543</u>
Total deferred inflows of resources	<u>100,759</u>	<u>122,543</u>
 Fund Balance		
Restricted for culture, recreation and tourism	<u>105,302</u>	<u>109,966</u>
Total fund balance	<u>105,302</u>	<u>109,966</u>
Total deferred inflows of resources and fund balance	<u>\$ 206,061</u>	<u>\$ 232,509</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 3,136,030	\$ 3,068,331	\$ (67,699)	\$ 3,153,889
Personal property taxes	215,500	219,589	4,089	233,275
Vehicle taxes	273,400	310,310	36,910	281,279
Fee in lieu of tax	16,500	17,938	1,438	18,536
Intergovernmental	13,880	17,351	3,471	13,881
Interest	1,000	1,168	168	1,639
Total revenues	<u>3,656,310</u>	<u>3,634,687</u>	<u>(21,623)</u>	<u>3,702,499</u>
Expenditures				
Current:				
Horry-Georgetown Tech	3,439,960	3,423,000	16,960	3,500,000
Total expenditures	<u>3,439,960</u>	<u>3,423,000</u>	<u>16,960</u>	<u>3,500,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>216,350</u>	<u>211,687</u>	<u>(4,663)</u>	<u>202,499</u>
Other Financing Sources (Uses)				
Transfers out	(216,350)	(216,350)	-	(197,650)
Total other financing sources (uses)	<u>(216,350)</u>	<u>(216,350)</u>	<u>-</u>	<u>(197,650)</u>
Net change in fund balance	-	(4,663)	(4,663)	4,849
Fund balance at beginning of year	109,965	109,965	-	105,116
Fund balance at end of year	<u>\$ 109,965</u>	<u>\$ 105,302</u>	<u>\$ (4,663)</u>	<u>\$ 109,965</u>

HORRY COUNTY, SOUTH CAROLINA

WATERSHED SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 1,021,434	\$ 935,460
Receivables, net:		
Property taxes	3,888	3,966
Interest receivable	327	437
Total assets	<u>\$ 1,025,649</u>	<u>\$ 939,863</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	\$ 3,315	\$ 3,197
Total deferred inflows of resources	<u>3,315</u>	<u>3,197</u>
 Fund Balance		
Restricted for infrastructure and regulation	1,022,334	936,666
Total fund balance	<u>1,022,334</u>	<u>936,666</u>
Total deferred inflows of resources and fund balance	<u>\$ 1,025,649</u>	<u>\$ 939,863</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 94,678	\$ 93,398	\$ (1,280)	\$ 95,740
Personal property taxes	-	3,471	3,471	13
Interest	770	1,142	372	1,276
Total revenues	95,448	98,011	2,563	97,029
Expenditures				
Current:				
Infrastructure and regulation:				
Contractual services	88,328	5,223	83,105	5,869
Indirect cost allocation	7,120	7,120	-	6,198
Total expenditures	95,448	12,343	83,105	12,067
Excess (deficiency) of revenues over (under) expenditures	-	85,668	85,668	84,962
Net change in fund balance	-	85,668	85,668	84,962
Fund balance at beginning of year	936,666	936,666	-	851,704
Fund balance at end of year	\$ 936,666	\$ 1,022,334	\$ 85,668	\$ 936,666

HORRY COUNTY, SOUTH CAROLINA

MT. GILEAD SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	2015	2014
Assets		
Pooled cash and investments	\$ 407,029	\$ 399,403
Receivables, net:		
Property taxes	628	798
Interest receivable	139	200
Total assets	<u>\$ 407,796</u>	<u>\$ 400,401</u>
Liabilities		
Accounts payable - trade	\$ 1,186	\$ 2,750
Total liabilities	<u>1,186</u>	<u>2,750</u>
Deferred Inflows of Resources		
Unavailable revenue-property taxes	569	315
Total deferred inflows of resources	<u>569</u>	<u>315</u>
Fund Balance		
Restricted for infrastructure and regulation	406,041	397,336
Total fund balance	<u>406,041</u>	<u>397,336</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 407,796</u>	<u>\$ 400,401</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 30,640	\$ 28,261	\$ (2,379)	\$ 30,626
Personal property taxes	-	64	64	-
Interest	500	474	(26)	569
Total revenues	31,140	28,799	(2,341)	31,195
Expenditures				
Current:				
Infrastructure and regulation:				
Personal services	602	602	-	602
Contractual services	16,900	13,020	3,880	15,619
Supplies and materials	14,500	3,265	11,235	10,050
Capital outlay	12,000	-	12,000	-
Other	13,543	-	13,543	-
Indirect cost allocation	3,207	3,207	-	2,452
Total expenditures	60,752	20,094	40,658	28,723
Excess (deficiency) of revenues over (under) expenditures	(29,612)	8,705	38,317	2,472
Net change in fund balance	(29,612)	8,705	38,317	2,472
Fund balance at beginning of year	397,336	397,336	-	394,864
Fund balance at end of year	\$ 367,724	\$ 406,041	\$ 38,317	\$ 397,336

HORRY COUNTY, SOUTH CAROLINA

SOCASTEE RECREATION SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	2015	2014
Assets		
Pooled cash and investments	\$ 470,962	\$ 423,945
Receivables, net:		
Property taxes	4,535	5,375
Interest receivable	-	187
Prepaid items	-	-
Total assets	<u>\$ 475,497</u>	<u>\$ 429,507</u>
Liabilities		
Accounts payable - trade	\$ 8,215	\$ 1,090
Total liabilities	<u>8,215</u>	<u>1,090</u>
Deferred Inflows of Resources		
Unavailable revenue-property taxes	<u>3,358</u>	<u>3,609</u>
Total deferred inflows of resources	<u>3,358</u>	<u>3,609</u>
Fund Balance		
Restricted for culture, recreation and tourism	<u>463,924</u>	<u>424,808</u>
Total fund balance	<u>463,924</u>	<u>424,808</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 475,497</u>	<u>\$ 429,507</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 192,250	\$ 190,661	\$ (1,589)	\$ 193,093
Personal property taxes	-	3,867	3,867	34
Interest	400	604	204	533
Other	-	-	-	894
Total revenues	192,650	195,132	2,482	194,554
Expenditures				
Current:				
Culture, recreation and tourism:				
Personal services	1,932	1,931	1	1,932
Contractual services	44,822	23,025	21,797	21,429
Supplies and materials	38,418	34,816	3,602	8,267
Capital outlay	8,664	-	8,664	-
Other	69,125	66,194	2,931	64,163
Indirect cost allocation	12,000	9,333	2,667	12,008
Total expenditures	174,961	135,299	39,662	107,799
Excess (deficiency) of revenues over (under) expenditures	17,689	59,833	42,144	86,755
Other Financing Sources (Uses)				
Transfers out	(20,717)	(20,717)	-	(20,003)
Total other financing sources (uses)	(20,717)	(20,717)	-	(20,003)
Net change in fund balance	(3,028)	39,116	42,144	66,752
Fund balance at beginning of year	424,808	424,808	-	358,056
Fund balance at end of year	\$ 421,780	\$ 463,924	\$ 42,144	\$ 424,808

HORRY COUNTY, SOUTH CAROLINA

ROAD MAINTENANCE & CTC SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Cash	\$ 100	\$ 100
Pooled cash and investments	22,619,223	18,824,820
Receivables, net:		
Fees	1,859,072	1,801,228
Interest receivable	7,231	7,695
Due from other governments	333,001	192,504
Total assets	<u>\$ 24,818,627</u>	<u>\$ 20,826,347</u>
 Liabilities		
Accounts payable - trade	\$ 975,960	\$ 853,249
Accrued salaries and wages	24,250	20,733
Total liabilities	<u>1,000,210</u>	<u>873,982</u>
 Deferred Inflows of Resources		
Unavailable revenue-fees and other	1,757,079	1,393,945
Total deferred inflows of resources	<u>1,757,079</u>	<u>1,393,945</u>
 Fund Balances		
Restricted for capital projects	3,253,329	2,972,636
Committed for infrastructure and regulation	18,808,009	15,585,784
Total fund balances	<u>22,061,338</u>	<u>18,558,420</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 24,818,627</u>	<u>\$ 20,826,347</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental	\$ 2,598,722	\$ 330,909	\$ (2,267,813)	\$ 1,472,822
Fees	7,995,180	8,858,715	863,535	7,944,587
Hospitality fees	3,099,443	3,197,975	98,532	2,895,908
Interest	16,000	24,250	8,250	23,961
Total revenues	13,709,345	12,411,849	(1,297,496)	12,337,278
Expenditures				
Current:				
Engineer:				
Contractual services	50,000	50,000	-	-
Capital outlay-infrastructure	-	-	-	1,483,509
Construction contracts	2,598,722	106,234	2,492,488	1,385,380
Capital outlay-infrastructure	15,301,710	3,435,201	11,866,509	176,186
Indirect cost allocation	345,353	345,353	-	311,249
Total engineer	18,295,785	3,936,788	14,358,997	3,356,324
Operations:				
Personal services	612,366	590,824	21,542	616,401
Contractual services	31,702	31,586	116	37,802
Supplies and materials	11,326	11,325	1	9,084
Business and transportation	71,294	71,952	(658)	85,851
Construction contracts	-	-	-	13,165
Capital outlay-infrastructure	8,725,817	1,731,528	6,994,289	1,616,225
Distributions to municipalities	1,608,410	1,680,800	(72,390)	1,587,613
Other	286,371	286,371	-	287,122
Indirect cost allocation	114,575	114,574	1	95,442
Total operations	11,461,861	4,518,960	6,942,901	4,348,705
Total expenditures	29,757,646	8,455,748	21,301,898	7,705,029
Excess (deficiency) of revenues over (under) expenditures	(16,048,301)	3,956,101	20,004,402	4,632,249
Other Financing Sources (Uses)				
Transfers in	296,817	296,817	-	150,000
Transfers out	(750,000)	(750,000)	-	-
Total other financing sources (uses)	(453,183)	(453,183)	-	150,000
Net change in fund balance	(16,501,484)	3,502,918	20,004,402	4,782,249
Fund balance at beginning of year	18,558,420	18,558,420	-	13,776,171
Fund balance at end of year	\$ 2,056,936	\$ 22,061,338	\$ 20,004,402	\$ 18,558,420

HORRY COUNTY, SOUTH CAROLINA

BEACH RENOURISHMENT SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 6,089,891	\$ 5,247,111
Receivables, net:		
Fees	43,071	39,911
Interest receivable	1,990	2,222
Due from other funds	57,686	68,396
Total assets	<u>\$ 6,192,638</u>	<u>\$ 5,357,640</u>
Liabilities		
Accounts payable-trade	\$ 17,023	\$ 41,301
Due to other funds	-	-
Total liabilities	<u>17,023</u>	<u>41,301</u>
Fund Balances		
Restricted for culture, recreation and tourism	4,174,013	3,747,676
Committed to culture, recreation and tourism	2,001,602	1,568,663
Total fund balances	<u>6,175,615</u>	<u>5,316,339</u>
Total liabilities and fund balances	<u>\$ 6,192,638</u>	<u>\$ 5,357,640</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
State accommodations tax	\$ 510,000	\$ 510,000	\$ -	\$ 258,925
Local accommodations tax	208,400	233,108	24,708	245,407
Interest	-	6,604	6,604	6,875
Total revenues	718,400	749,712	31,312	511,207
Expenditures				
Current:				
Culture, recreation and tourism:				
Contractual services	1,104,455	83,663	1,020,792	96,058
Capital Outlay	1,100,000	-	1,100,000	-
Contingency	709,721	-	709,721	-
Total expenditures	2,914,176	83,663	2,830,513	96,058
Excess (deficiency) of revenues over (under) expenditures	(2,195,776)	666,049	2,861,825	415,149
Other Financing Sources (Uses)				
Transfers in	205,265	193,227	(12,038)	405,475
Total other financing sources (uses)	205,265	193,227	(12,038)	405,475
Net change in fund balance	(1,990,511)	859,276	2,849,787	820,624
Fund balance at beginning of year	5,316,339	5,316,339	-	4,495,715
Fund balance at end of year	\$ 3,325,828	\$ 6,175,615	\$ 2,849,787	\$ 5,316,339

HORRY COUNTY, SOUTH CAROLINA

GRANTS SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	2015	2014
Assets		
Pooled cash and investments	\$ 188,745	\$ 422,480
Receivables, net:		
Other	-	34,002
Interest receivable	54	133
Due from other governments	330,824	401,614
Total assets	<u>\$ 519,623</u>	<u>\$ 858,229</u>
Liabilities		
Accounts payable - trade	\$ 16,526	\$ 21,959
Accrued salaries and wages	7,890	7,629
Total liabilities	<u>24,416</u>	<u>29,588</u>
Fund Balances		
Restricted for public safety	-	71,063
Restricted for culture, recreation and tourism	-	8,325
Restricted for economic development	-	135,055
Committed to other purposes	495,207	614,198
Total fund balances	<u>495,207</u>	<u>828,641</u>
Total liabilities and fund balances	<u>\$ 519,623</u>	<u>\$ 858,229</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental - federal	\$ 1,425,254	\$ 703,060	\$ (722,194)	\$ 985,584
Intergovernmental - state	42,012	34,894	(7,118)	285,949
Interest	-	303	303	169
Other	90,250	40,714	(49,536)	53,936
Total revenues	1,557,516	778,971	(778,545)	1,325,638
Expenditures				
Current:				
General government:				
Contractual services	-	-	-	46,935
Supplies and materials	-	-	-	4,678
Capital outlay	-	-	-	54,432
Other	38,554	-	38,554	-
Total general government	38,554	-	38,554	106,045
Public safety:				
Personal services	296,036	206,142	89,894	716,819
Contractual services	134,430	90,769	43,661	202,993
Supplies and materials	532,418	354,743	177,675	196,041
Business and transportation	13,430	11,454	1,976	26,913
Capital outlay	351,212	202,119	149,093	177,587
Other	116,604	64,211	52,393	38,374
Total public safety	1,444,130	929,438	514,692	1,358,727
Infrastructure and regulation:				
Supplies and materials	-	-	-	599
Grant projects	-	-	-	4,643
Capital outlay	81,150	54,257	26,893	-
Construction contracts	-	-	-	323,908
Other	290,238	133,201	157,037	-
Total infrastructure and regulation	371,388	187,458	183,930	329,150
Culture, recreation and tourism				
Grant projects	-	-	-	34,227
Other	97,363	58,264	39,099	-
Total culture, recreation and tourism	97,363	58,264	39,099	34,227
Economic development:				
Construction contracts	-	-	-	225,000
Total economic development	-	-	-	225,000
Total expenditures	1,951,435	1,175,160	776,275	2,053,149

Continued

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(393,919)</u>	<u>(396,189)</u>	<u>(2,270)</u>	<u>(727,511)</u>
Other Financing Sources (Uses)				
Transfers in	62,755	62,755	-	189,061
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>62,755</u>	<u>62,755</u>	<u>-</u>	<u>189,061</u>
Net change in fund balance	(331,164)	(333,434)	(2,270)	(538,450)
Fund balance at beginning of year	828,641	828,641	-	1,367,091
Fund balance at end of year	<u>\$ 497,477</u>	<u>\$ 495,207</u>	<u>\$ (2,270)</u>	<u>\$ 828,641</u>

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

ADMISSIONS TAX SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

Assets	2015	2014
Pooled cash and investments	\$ 642,129	\$ 641,258
Interest receivable	213	324
Total assets	<u>\$ 642,342</u>	<u>\$ 641,582</u>
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 262,531	\$ -
Total liabilities	<u>262,531</u>	<u>-</u>
 Fund Balance		
Restricted for economic development	379,811	641,582
Total fund balance	<u>\$ 642,342</u>	<u>\$ 641,582</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Interest	-	760	760	920
Total revenues	-	760	760	920
Expenditures				
Current:				
Culture, recreation and tourism				
Supplies and materials	262,531	262,531	-	-
Contingency	378,764	-	378,764	-
Total expenditures	641,295	262,531	378,764	-
Excess (deficiency) of revenues over (under) expenditures	(641,295)	(261,771)	379,524	920
Net change in fund balance	(641,295)	(261,771)	379,524	920
Fund balance at beginning of year	641,582	641,582	-	640,662
Fund balance at end of year	\$ 287	\$ 379,811	\$ 379,524	\$ 641,582

HORRY COUNTY, SOUTH CAROLINA

VICTIM WITNESS ASSISTANCE SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	2015	2014 (as restated)
Assets		
Pooled cash and investments	\$ -	\$ 125,847
Receivables, net:		
Fees	28,595	21,273
Interest receivable	26	60
Total assets	<u>\$ 28,621</u>	<u>\$ 147,180</u>
Liabilities		
Accounts payable	\$ 370	\$ 196
Accrued salaries and wages	23,165	22,650
Due to other funds	15,281	-
Other	-	30
Total liabilities	<u>38,816</u>	<u>22,876</u>
Fund Balance		
Restricted for Public safety	(10,195)	124,304
Total fund balance	<u>(10,195)</u>	<u>124,304</u>
Total liabilities and fund balance	<u>\$ 28,621</u>	<u>\$ 147,180</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual (as restated)
Revenues				
Fees	\$ 174,298	\$ 161,638	\$ (12,660)	\$ 171,358
Fines	228,360	211,776	(16,584)	213,605
Interest	-	69	69	213
Total revenues	402,658	373,483	(29,175)	385,176
Expenditures				
Current:				
Public safety				
Detention:				
Personal services	223,909	223,908	1	215,905
Contractual services	5,600	2,822	2,778	3,254
Supplies and materials	4,250	3,441	809	2,793
Business and transportation	2,457	-	2,457	1,055
Total detention	236,216	230,171	6,045	223,007
Solicitor - Georgetown:				
Personal services	48,489	48,488	1	47,378
Contractual services	730	585	145	585
Supplies and materials	1,000	956	44	-
Business and transportation	3,259	488	2,771	2,587
Total victim witness	53,478	50,517	2,961	50,550
Solicitor:				
Personal services	305,061	326,716	(21,655)	303,322
Contractual services	2,176	1,611	565	1,782
Supplies and materials	-	-	-	1,444
Business and transportation	1,958	1,069	889	1,928
Total solicitor	309,195	329,396	(20,201)	308,476
Total expenditures	598,889	610,084	(11,195)	582,033
Excess (deficiency) of revenues over (under) expenditures	(196,231)	(236,601)	(40,370)	(196,857)
Other Financing Sources (Uses)				
Transfers in	102,102	102,102	-	136,104
Total other financing sources (uses)	102,102	102,102	-	136,104
Net change in fund balance	(94,129)	(134,499)	(40,370)	(60,753)
Fund balance (deficit) at beginning of year, as restated	124,304	124,304	-	185,057
Fund balance at end of year, as restated	\$ 30,175	\$ (10,195)	\$ (40,370)	\$ 124,304

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

June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 76,595	\$ 58,222
Receivables, net:		
Property taxes	26,868	32,318
Accounts and other	-	810
Interest receivable	21	48
Total assets	<u>\$ 103,484</u>	<u>\$ 91,398</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	<u>22,290</u>	<u>26,945</u>
Total deferred inflows of resources	<u>22,290</u>	<u>26,945</u>
 Fund balance		
Restricted for health and social services	<u>81,194</u>	<u>64,453</u>
Total fund balance	<u>81,194</u>	<u>64,453</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 103,484</u>	<u>\$ 91,398</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 696,750	\$ 681,824	\$ (14,926)	\$ 700,830
Personal property taxes	47,820	48,717	897	51,747
Vehicle taxes	59,900	68,948	9,048	62,503
Fee in lieu of tax	3,614	4,008	394	4,083
Interest	15	122	107	146
Total revenues	808,099	803,619	(4,480)	819,309
Expenditures				
Current:				
Health and social services:				
Contributions to agencies	804,849	784,436	20,413	801,583
Indirect cost allocation	3,250	2,442	808	3,250
Total expenditures	808,099	786,878	21,221	804,833
Excess of revenues over expenditures	-	16,741	16,741	14,476
Net change in fund balance	-	16,741	16,741	14,476
Fund balance at beginning of year	64,453	64,453	-	49,977
Fund balance at end of year	\$ 64,453	\$ 81,194	\$ 16,741	\$ 64,453

HORRY COUNTY, SOUTH CAROLINA

ARCADIAN SHORES SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 85,518	\$ 83,963
Receivables, net:		
Property taxes	1,839	1,869
Interest receivable	-	34
Total assets	<u>\$ 87,357</u>	<u>\$ 85,866</u>
 Liabilities		
Accounts payable - trade	\$ 1,100	\$ 1,090
Due to other funds	162,460	190,452
Total liabilities	<u>163,560</u>	<u>191,542</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	1,861	942
Total deferred inflows of resources	<u>1,861</u>	<u>942</u>
 Fund Balance (deficit)		
Unassigned	<u>(78,064)</u>	<u>(106,618)</u>
Total fund balance (deficit)	<u>(78,064)</u>	<u>(106,618)</u>
Total liabilities, deferred inflows of resources and fund balance (deficit)	<u>\$ 87,357</u>	<u>\$ 85,866</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 65,165	\$ 61,177	\$ (3,988)	\$ 64,002
Personal property taxes	-	26	26	-
Interest	70	87	17	92
Total revenues	65,235	61,290	(3,945)	64,094
Expenditures				
Current:				
Infrastructure and regulation:				
Personal Services	602	602	-	602
Contractual services	13,840	12,345	1,495	34
Supplies and materials	9,162	7,250	1,912	7,778
Contingency	14,850	-	14,850	-
Indirect cost allocation	3,453	3,453	-	2,550
Other	37,078	9,086	27,992	10,422
Total expenditures	78,985	32,736	46,249	21,386
Excess of revenues over expenditures	(13,750)	28,554	42,304	42,708
Net change in fund balance	(13,750)	28,554	42,304	42,708
Fund balance (deficit) at beginning of year	(106,618)	(106,618)	-	(149,326)
Fund balance (deficit) at end of year	\$ (120,368)	\$ (78,064)	\$ 42,304	\$ (106,618)

HORRY COUNTY, SOUTH CAROLINA
 BASEBALL STADIUM SPECIAL REVENUE FUND
 BALANCE SHEETS

June 30, 2015
 (with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 331,521	\$ 247,632
Restricted assets	101,977	101,977
Total assets	<u>\$ 433,498</u>	<u>\$ 349,609</u>
 Liabilities		
Accounts payable - trade	\$ 227,913	\$ 124,460
Due to other governments	40,717	56,554
Total liabilities	<u>268,630</u>	<u>181,014</u>
 Fund Balance		
Restricted for culture, recreation and tourism	164,868	168,595
Total fund balance	164,868	168,595
Total liabilities and fund balance	<u>\$ 433,498</u>	<u>\$ 349,609</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Hospitality fees	\$ 142,880	\$ 259,333	\$ 116,453	\$ -
Interest	-	237	237	166
Other	11,120	26,942	15,822	14,789
Total revenues	154,000	286,512	132,512	14,955
Expenditures				
Current:				
Culture, recreation and tourism:				
Contractual services	25,383	25,383	-	16,457
Supplies and materials	35,251	35,251	-	31,829
Capital Outlay	227,912	227,912	-	124,460
Other	1,693	1,693	-	7
Total expenditures	290,239	290,239	-	172,753
Excess (deficiency) of revenues over (under) expenditures	(136,239)	(3,727)	132,512	(157,798)
Net change in fund balance	(136,239)	(3,727)	132,512	(157,798)
Fund balance at beginning of year	168,595	168,595	-	326,393
Fund balance at end of year	\$ 32,356	\$ 164,868	\$ 132,512	\$ 168,595

HORRY COUNTY, SOUTH CAROLINA

ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	2015	2014 (as restated)
Assets		
Pooled cash and investments	\$ 2,724,006	\$ 2,366,467
Receivables, net:		
Other	67,658	19,167
Interest receivable	739	1,542
Restricted assets	-	39,657
Total assets	<u>\$ 2,792,403</u>	<u>\$ 2,426,833</u>
Liabilities		
Accounts payable - trade	\$ 194	\$ 196
Total liabilities	<u>194</u>	<u>196</u>
Deferred Inflows of Resources		
Unavailable revenue-fees and other	33,575	-
Total deferred inflows of resources	<u>33,575</u>	<u>-</u>
Fund Balances		
Restricted for economic development	1,089,881	1,089,881
Committed to economic development	1,668,753	1,336,756
Total fund balances	<u>2,758,634</u>	<u>2,426,637</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,792,403</u>	<u>\$ 2,426,833</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Fee in lieu of tax	\$ 579,859	\$ 587,570	\$ 7,711	\$ 588,297
Intergovernmental	400,000	400,000	-	-
Fees - Rents	184,182	141,057	(43,125)	126,826
Interest	2,400	2,517	117	4,548
Total revenues	<u>1,166,441</u>	<u>1,131,144</u>	<u>(35,297)</u>	<u>719,671</u>
Expenditures				
Current:				
Economic development:				
Contractual services	2,805,787	710,073	2,095,714	1,249,471
Supplies and materials	3,000	25,734	(22,734)	-
Indirect cost allocation	55,000	63,340	(8,340)	27,834
Other	-	-	-	31
Total expenditures	<u>2,863,787</u>	<u>799,147</u>	<u>2,064,640</u>	<u>1,277,336</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,697,346)</u>	<u>331,997</u>	<u>2,029,343</u>	<u>(557,665)</u>
Other Financing Sources (Uses)				
Transfers out	-	-	-	(1,089,119)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,089,119)</u>
Net change in fund balance	<u>(1,697,346)</u>	<u>331,997</u>	<u>2,029,343</u>	<u>(1,646,784)</u>
Fund balance at beginning of year	2,426,637	2,426,637	-	4,073,421
Fund balance at end of year	<u>\$ 729,291</u>	<u>\$ 2,758,634</u>	<u>\$ 2,029,343</u>	<u>\$ 2,426,637</u>

HORRY COUNTY, SOUTH CAROLINA

STORMWATER MANAGEMENT SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 3,300,603	\$ 2,970,220
Receivables, net:		
Fees	291,407	453,660
Accounts receivable	-	4,208
Interest receivable	795	1,471
Due from other governments	27,579	82,285
Total assets	<u>\$ 3,620,384</u>	<u>\$ 3,511,844</u>
 Liabilities		
Accounts payable - trade	\$ 65,516	\$ 103,680
Accrued salaries and wages	63,204	51,692
Other liabilities	95	97
Total liabilities	<u>128,815</u>	<u>155,469</u>
 Deferred Inflows of Resources		
Unavailable revenue-fees and other	<u>285,439</u>	<u>503,414</u>
Total deferred inflows of resources	<u>285,439</u>	<u>503,414</u>
 Fund Balance		
Restricted for infrastructure and regulation	<u>3,206,130</u>	<u>2,852,961</u>
Total fund balance	<u>3,206,130</u>	<u>2,852,961</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 3,620,384</u>	<u>\$ 3,511,844</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Fees	\$ 4,592,100	\$ 4,858,763	\$ 266,663	\$ 4,642,939
Intergovernmental	-	82,285	82,285	-
Interest	2,000	3,186	1,186	3,651
Other	-	607	607	67,316
Total revenues	4,594,100	4,944,841	350,741	4,713,906
Expenditures				
Current:				
Infrastructure and regulation:				
Personal services	1,844,564	1,695,040	149,524	1,616,293
Contractual services	1,351,161	1,211,396	139,765	1,048,395
Supplies and materials	627,111	569,623	57,488	346,549
Business and transportation	284,788	267,853	16,935	310,635
Construction contracts	-	-	-	173,249
Capital outlay - infrastructure	21,468	-	21,468	88,693
Indirect cost allocation	327,570	278,092	49,478	327,571
Storm expenditures	-	-	-	7,855
Other	228,129	227,129	1,000	226,286
Total expenditures	4,684,791	4,249,133	435,658	4,145,526
Excess (deficiency) of revenues over (under) expenditures	(90,691)	695,708	786,399	568,380
Other Financing Sources (Uses)				
Transfers in	-	-	-	250
Transfers out	(342,539)	(342,539)	-	(250,000)
Total other financing sources (uses)	(342,539)	(342,539)	-	(249,750)
Net change in fund balance	(433,230)	353,169	786,399	318,630
Fund balance at beginning of year	2,852,961	2,852,961	-	2,534,331
Fund balance at end of year	\$ 2,419,731	\$ 3,206,130	\$ 786,399	\$ 2,852,961

HORRY COUNTY, SOUTH CAROLINA

HIDDEN WOODS SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 19,898	\$ 164,607
Receivables, net:		
Property taxes	1,442	1,475
Interest receivable	59	41
Total assets	<u>\$ 21,399</u>	<u>\$ 166,123</u>
 Liabilities		
Accounts payable - trade	\$ 3,001	\$ -
Total liabilities	<u>3,001</u>	<u>-</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	1,701	866
Total deferred inflows of resources	<u>1,701</u>	<u>866</u>
 Fund Balance		
Restricted for infrastructure and regulation	16,697	165,257
Total fund balance	<u>16,697</u>	<u>165,257</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 21,399</u>	<u>\$ 166,123</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 94,355	\$ 86,159	\$ (8,196)	\$ 98,461
Interest	-	192	192	149
Total revenues	<u>94,355</u>	<u>86,351</u>	<u>(8,004)</u>	<u>98,610</u>
Expenditures				
Current:				
Infrastructure and regulation:				
Personal services	602	602	-	602
Contractual services	22,259	10,435	11,824	27
Supplies and materials	500	-	500	-
Contingency	29,489	-	29,489	-
Indirect cost allocation	4,718	4,308	410	9,501
Total expenditures	<u>57,568</u>	<u>15,345</u>	<u>42,223</u>	<u>10,130</u>
Excess (deficiency) of revenues over (under) expenditures	<u>36,787</u>	<u>71,006</u>	<u>34,219</u>	<u>88,480</u>
Other Financing Sources (Uses)				
Transfers out	(219,566)	(219,566)	-	-
Total other financing sources (uses)	<u>(219,566)</u>	<u>(219,566)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(182,779)	(148,560)	34,219	88,480
Fund balance at beginning of year	<u>165,257</u>	<u>165,257</u>	<u>-</u>	<u>76,777</u>
Fund balance at end of year	<u>\$ (17,522)</u>	<u>\$ 16,697</u>	<u>\$ 34,219</u>	<u>\$ 165,257</u>

HORRY COUNTY, SOUTH CAROLINA

SOLICITOR SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Cash	\$ 14,438	\$ 14,519
Pooled cash and investments	1,505,765	1,452,348
Receivables, net:		
Accounts and other	197,447	186,804
Interest receivable	257	-
Due from other governments	108,783	135,204
Total assets	<u>\$ 1,826,690</u>	<u>\$ 1,788,875</u>
Liabilities		
Accounts payable - trade	\$ 92,573	\$ 34,202
Accounts payable - other	14,198	26,741
Accrued salaries and wages	237,132	207,676
Total liabilities	<u>343,903</u>	<u>268,619</u>
Fund Balance		
Restricted for public safety	<u>1,482,787</u>	<u>1,520,256</u>
Total fund balance	<u>1,482,787</u>	<u>1,520,256</u>
Total liabilities and fund balance	<u>\$ 1,826,690</u>	<u>\$ 1,788,875</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental - federal	\$ -	\$ 32,652	\$ 32,652	\$ -
Intgovernmental - state	1,143,951	1,654,056	510,105	2,135,788
Interest	-	924	924	-
Fees and fines	1,890,051	1,736,767	(153,284)	1,713,666
Total revenues	3,034,002	3,424,399	390,397	3,849,454
Expenditures				
Current:				
Public Safety:				
Victim Witness:				
Personal services	88,416	164,147	(75,731)	86,851
Contractual services	104	104	-	-
Supplies & Materials	1,896	648	1,248	-
Business & Transportation	2,000	368	1,632	-
Total Victim Witness	92,416	165,267	(72,851)	86,851
State Appropriation:				
Personal services	724,231	689,628	34,603	578,314
Contractual services	22,399	842	21,557	-
Supplies and materials	40,000	2,988	37,012	-
Business and transportation	78,000	-	78,000	-
Other	941,422	429,211	512,211	815,772
Total State Appropriation	1,806,052	1,122,669	683,383	1,394,086
Solicitor Georgetown:				
Personal services	875,468	829,067	46,401	830,166
Contractual services	26,656	22,941	3,715	29,276
Supplies and materials	31,537	30,171	1,366	29,166
Business and transportation	18,259	15,925	2,334	12,598
Other	36,788	3,800	32,988	8,048
Total Solicitor Georgetown	988,708	901,904	86,804	909,254
Solicitor Horry County:				
Personal services	2,833,997	2,862,929	(28,932)	2,845,369
Contractual services	220,977	219,222	1,755	140,835
Supplies and materials	54,927	54,464	463	59,210
Business and transportation	61,270	61,105	165	54,551
Other	(15,970)	15,900	(31,870)	15,900
Total Solicitor Horry County	3,155,201	3,213,620	(58,419)	3,115,865
Pre-Trial Intervention:				
Personal services	764,451	697,922	66,529	655,286
Contractual services	1,157	3,557	(2,400)	585
Business and transportation	573	67	506	852
Other	5,670	5,670	-	5,670
Total Pre-Trial Intervention	771,851	707,216	64,635	662,393

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)
- CONTINUED -

	2015			2014
	Budget	Actual	Variance	Actual
Expenditures (continued)				
Current:				
Public Safety:				
Drug Enforcement Unit:				
Personal services	218,799	221,295	(2,496)	213,404
Contractual services	57,506	55,521	1,985	46,988
Supplies and materials	50,775	50,775	-	53,229
Business and transportation	5,000	7,329	(2,329)	3,789
Other	18,368	20,774	(2,406)	28,774
Total Drug Enforcement Unit	350,448	355,694	(5,246)	346,184
Drug Court:				
Personal services	279,386	261,959	17,427	207,199
Contractual services	69,060	66,447	2,613	21,240
Supplies and materials	52,952	52,770	182	50,258
Business and transportation	10,394	6,583	3,811	2,910
Other	171,740	5,000	166,740	-
Total Drug Court	583,532	392,759	190,773	281,607
Worthless Check:				
Personal services	147,728	177,174	(29,446)	125,392
Contractual services	8,850	6,787	2,063	4,311
Supplies and materials	3,781	3,170	611	574
Business and transportation	2,121	1,321	800	-
Other	229,265	-	229,265	-
Total Worthless Check	391,745	188,452	203,293	130,277
Total expenditures	8,139,953	7,047,581	1,092,372	6,926,517
Excess (deficiency) of revenues over (under) expenditures	(5,105,951)	(3,623,182)	1,482,769	(3,077,063)
Other Financing Sources (Uses)				
Transfers in	3,585,713	3,585,713	-	4,617,736
Transfers out	-	-	-	(20,417)
Total other financing sources (uses)	3,585,713	3,585,713	-	4,597,319
Net change in fund balance	(1,520,238)	(37,469)	1,482,769	1,520,256
Fund balance at beginning of year	1,520,256	1,520,256	-	-
Fund balance at end of year	\$ 18	\$ 1,482,787	\$ 1,482,769	\$ 1,520,256

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA
PUBLIC DEFENDER SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 450,523	\$ 354,495
Accrued interest	76	-
Due from other governments	134,072	53,362
Total assets	<u>\$ 584,671</u>	<u>\$ 407,857</u>
 Liabilities		
Accounts payable - trade	\$ 7,873	\$ 6,145
Accrued salaries and wages	67,946	60,637
Total liabilities	<u>75,819</u>	<u>66,782</u>
 Fund Balance		
Restricted for public safety	508,852	341,075
Total fund balance	508,852	341,075
Total liabilities and fund balance	<u>\$ 584,671</u>	<u>\$ 407,857</u>

HORRY COUNTY, SOUTH CAROLINA

PUBLIC DEFENDER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental	\$ 708,865	\$ 877,123	\$ 168,258	\$ 753,922
Interest	-	277	277	-
Fees and fines	96,100	96,100	-	96,100
Total revenues	804,965	973,500	168,535	850,022
Expenditures				
Current:				
Public Safety:				
Horry County:				
Personal services	1,420,505	1,407,500	13,005	1,376,012
Contractual services	111,427	85,255	26,172	41,546
Supplies & Materials	35,000	34,168	832	37,265
Business & Transportation	37,757	33,990	3,767	28,345
Other	250,839	22,582	228,257	-
Total assistant county admin.	1,855,528	1,583,495	272,033	1,483,168
Georgetown:				
Personal services	196,098	201,755	(5,657)	191,647
Contractual services	6,000	2,148	3,852	987
Supplies and materials	6,810	5,982	828	5,154
Business and transportation	3,890	3,189	701	3,316
Other-Restricted	2,225	2,000	225	-
Other	77,972	9,637	68,335	-
Total operations	292,995	224,711	68,284	201,104
Total expenditures	2,148,523	1,808,206	340,317	1,684,272
Excess (deficiency) of revenues over (under) expenditures	(1,343,558)	(834,706)	508,852	(834,250)
Other Financing Sources (Uses)				
Transfers in	1,002,483	1,002,483	-	1,199,779
Transfers out	-	-	-	(24,454)
Total other financing sources (uses)	1,002,483	1,002,483	-	1,175,325
Net change in fund balance	(341,075)	167,777	508,852	341,075
Fund balance at beginning of year	341,075	341,075	-	-
Fund balance at end of year	\$ -	\$ 508,852	\$ 508,852	\$ 341,075

HORRY COUNTY, SOUTH CAROLINA

FIRE INSURANCE SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	<u>\$ 71,104</u>	<u>\$ 104,997</u>
Total assets	<u><u>\$ 71,104</u></u>	<u><u>\$ 104,997</u></u>
Fund Balance		
Restricted for public safety	<u>71,104</u>	<u>104,997</u>
Total fund balance	<u><u>\$ 71,104</u></u>	<u><u>\$ 104,997</u></u>

HORRY COUNTY, SOUTH CAROLINA

FIREMAN'S INSURANCE SPECIAL REVENUE FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental	\$ 932,288	\$ 898,379	\$ (33,909)	\$ 908,286
Interest	-	16	16	804
Total revenues	<u>932,288</u>	<u>898,395</u>	<u>(33,893)</u>	<u>909,090</u>
Expenditures				
Current:				
Public safety:				
Other	932,288	932,288	-	900,613
Total expenditures	<u>932,288</u>	<u>932,288</u>	<u>-</u>	<u>900,613</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(33,893)</u>	<u>(33,893)</u>	<u>8,477</u>
Net change in fund balance	-	(33,893)	(33,893)	8,477
Fund balance at beginning of year	104,997	104,997	-	96,520
Fund balance at end of year	<u>\$ 104,997</u>	<u>\$ 71,104</u>	<u>\$ (33,893)</u>	<u>\$ 104,997</u>

HORRY COUNTY, SOUTH CAROLINA

MULTI-COUNTY BUSINESS PARK ROLLBACK SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 529,426	\$ 528,326
Receivables, net:		
Fees	-	302
Interest receivable	137	263
Total assets	<u>\$ 529,563</u>	<u>\$ 528,891</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	\$ -	\$ 302
Total deferred inflows of resources	<u>-</u>	<u>302</u>
 Fund Balance		
Restricted for infrastructure and regulation	<u>529,563</u>	<u>528,589</u>
Total fund balance	<u>529,563</u>	<u>528,589</u>
Total deferred inflows of resources and fund balance	<u>\$ 529,563</u>	<u>\$ 528,891</u>

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Fee in lieu of tax	\$ -	\$ 348	\$ 348	\$ 302
Interest	-	626	626	758
Total revenues	-	974	974	1,060
Expenditures				
Current:				
Infrastructure and regulation:				
Construction contracts	250,000	-	250,000	-
Total expenditures	250,000	-	250,000	-
Excess (deficiency) of revenues over (under) expenditures	(250,000)	974	250,974	1,060
Net change in fund balance	(250,000)	974	250,974	1,060
Fund balance at beginning of year	528,589	528,589	-	527,529
Fund balance at end of year	<u>\$ 278,589</u>	<u>\$ 529,563</u>	<u>\$ 250,974</u>	<u>\$ 528,589</u>

HORRY COUNTY, SOUTH CAROLINA

E-911 SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 4,626,171	\$ 3,629,200
Receivables, net:		
Accounts and other	32,216	-
Fees	-	59,423
Due from other governments	-	279,118
Interest receivable	1,400	1,366
Total assets	<u>\$ 4,659,787</u>	<u>\$ 3,969,107</u>
 Liabilities		
Accounts payable - trade	\$ 68,612	\$ 74,632
Accrued salaries and wages	7,547	8,945
Total liabilities	<u>76,159</u>	<u>83,577</u>
 Fund Balance		
Restricted for public safety	<u>4,583,628</u>	<u>3,885,530</u>
Total fund balance	<u>4,583,628</u>	<u>3,885,530</u>
Total liabilities and fund balance	<u>\$ 4,659,787</u>	<u>\$ 3,969,107</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental	\$ 975,000	\$ 1,160,417	\$ 185,417	\$ 1,338,929
Fees and fines	700,000	679,551	(20,449)	689,315
Interest	-	4,658	4,658	5,098
Total revenues	<u>1,675,000</u>	<u>1,844,626</u>	<u>169,626</u>	<u>2,033,342</u>
Expenditures				
Current:				
Public safety:				
Personal services	243,278	186,568	56,710	219,496
Contractual services	913,850	837,432	76,418	837,256
Supplies and materials	4,650	2,222	2,428	25,045
Business and transportation	34,981	10,306	24,675	20,752
Contingency	368,241	-	368,241	-
Total expenditures	<u>1,565,000</u>	<u>1,036,528</u>	<u>528,472</u>	<u>1,102,549</u>
Excess (deficiency) of revenues over (under) expenditures	<u>110,000</u>	<u>808,098</u>	<u>698,098</u>	<u>930,793</u>
Other Financing Sources (Uses)				
Transfers out	<u>(110,000)</u>	<u>(110,000)</u>	<u>-</u>	<u>(390,000)</u>
Net change in fund balance	-	698,098	698,098	540,793
Fund balance at beginning of year	3,885,530	3,885,530	-	3,344,737
Fund balance at end of year	<u>\$ 3,885,530</u>	<u>\$ 4,583,628</u>	<u>\$ 698,098</u>	<u>\$ 3,885,530</u>

HORRY COUNTY, SOUTH CAROLINA

CDBG GRANT PROGRAM SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015

(with comparative actual amounts For the Year ended June 30, 2014)

	2015	2014
Assets		
Due from other governments	\$ 566,797	\$ 388,002
Total assets	<u>\$ 566,797</u>	<u>\$ 388,002</u>
Liabilities		
Accounts payable - trade	\$ 126,450	\$ 91,249
Due to other funds	401,999	289,805
Accrued salaries and wages	8,023	6,948
Total liabilities	<u>536,472</u>	<u>388,002</u>
Deferred Inflows of Resources		
Unavailable revenue-fees and other	411,260	-
Total deferred inflows of resources	<u>411,260</u>	<u>-</u>
Fund Balances		
Restricted for economic development	(380,935)	-
Total fund balances	<u>(380,935)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 566,797</u>	<u>\$ 388,002</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Intergovernmental	\$ 3,902,553	\$ 2,149,579	\$ (1,752,974)	\$ 2,182,532
Interest	-	3	3	-
Total revenues	<u>3,902,553</u>	<u>2,149,582</u>	<u>(1,752,971)</u>	<u>2,182,532</u>
Expenditures				
Current:				
Economic development:				
Personal services	220,237	206,693	13,544	227,801
Contractual services	262,950	37,149	225,801	1,884,751
Supplies and materials	46,885	21,653	25,232	15,146
Business and transportation	24,906	9,456	15,450	11,273
Indirect cost allocation	50,000	45,506	4,494	43,561
Contingency	149,787	-	149,787	-
Contributions to agencies	3,000,287	2,062,559	937,728	-
Other	-	-	-	-
Total expenditures	<u>3,755,052</u>	<u>2,383,016</u>	<u>1,372,036</u>	<u>2,182,532</u>
Excess (deficiency) of revenues over (under) expenditures	<u>147,501</u>	<u>(233,434)</u>	<u>(380,935)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers out	<u>(147,501)</u>	<u>(147,501)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(147,501)</u>	<u>(147,501)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	(380,935)	(380,935)	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ (380,935)</u>	<u>\$ (380,935)</u>	<u>\$ -</u>

HORRY COUNTY, SOUTH CAROLINA
RECREATION SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015	2014 (as restated)
Assets		
Cash and cash equivalents	\$ 100	\$ 100
Pooled cash and investments	2,758,114	3,072,218
Receivables, net:		
Property taxes	116,899	163,144
Accounts and other	-	14,989
Fees	-	7,464
Interest receivable	872	1,613
Due from other governments	-	4,573
Total assets	<u>\$ 2,875,985</u>	<u>\$ 3,264,101</u>
Liabilities		
Accounts payable - trade	\$ 147,570	\$ 142,394
Accrued salaries and wages	104,360	104,388
Other Liabilities	3,843	-
Total liabilities	<u>255,773</u>	<u>246,782</u>
Deferred Inflows of Resources		
Unavailable revenue-fees and other	-	4,573
Unavailable revenue-property taxes	97,057	120,326
Total deferred inflows of resources	<u>97,057</u>	<u>124,899</u>
Fund Balance		
Restricted for culture, recreation and tourism	2,523,155	2,892,420
Total fund balance	<u>2,523,155</u>	<u>2,892,420</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 2,875,985</u>	<u>\$ 3,264,101</u>

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2015
(with comparative actual amounts For the Year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual (as restated)
Revenues				
Real property taxes	\$ 2,962,195	\$ 2,896,153	\$ (66,042)	\$ 2,979,408
Personal property taxes	204,300	208,776	4,476	222,113
Vehicle taxes	255,200	292,515	37,315	266,116
Fee in lieu of tax	15,548	16,971	1,423	17,684
Intergovernmental - federal	-	4,573	4,573	-
Interest	2,000	3,523	1,523	4,436
Other	852,510	768,011	(84,499)	857,304
Total revenues	4,291,753	4,190,522	(101,231)	4,347,061
Expenditures				
Current:				
Culture, recreation and tourism:				
Personal services	2,110,939	2,076,347	34,592	1,992,359
Contractual services	415,391	411,443	3,948	405,217
Supplies and materials	164,161	162,932	1,229	243,088
Business and transportation	119,348	119,348	-	107,638
Construction contracts	-	-	-	4,269
Capital outlay	23,545	23,545	-	61,279
Contingency	86,299	-	86,299	-
Indirect cost allocation	791,966	791,966	-	708,621
Distributions to municipalities	200,000	200,000	-	200,000
Distributions to agencies	9,000	-	9,000	-
Programs	890,680	597,836	292,844	561,709
Athletics	99,090	90	99,000	-
Other	413,115	139,293	273,822	47,910
Total expenditures	5,323,534	4,522,800	800,734	4,332,090
Excess (deficiency) of revenues over (under) expenditures	(1,031,781)	(332,278)	699,503	14,971
Other Financing Sources (Uses)				
Transfers in	47,717	47,717	-	30,503
Transfers out	(84,704)	(84,704)	-	-
Total other financing sources (uses)	(36,987)	(36,987)	-	30,503
Net change in fund balance	(1,068,768)	(369,265)	699,503	45,474
Fund balance at beginning of year, as restated	2,892,420	2,892,420	-	2,846,946
Fund balance at end of year, as restated	<u>\$ 1,823,652</u>	<u>\$ 2,523,155</u>	<u>\$ 699,503</u>	<u>\$ 2,892,420</u>

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 – 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.

Fire Apparatus Replacement – accounts for property tax revenue collected from 1.7 mills levied only against areas of the County that are provided with fire protection in the unincorporated areas of the County. The purpose is for providing fire apparatus replacement (pumpers, air trucks, aerials, brush trucks, tankers and heavy rescue).

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

MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

June 30, 2015

	Major Funds		
	General Improvement Capital Projects	Capital Projects Sales Tax	Total Major Funds
Assets			
Pooled cash and investments	\$ 7,640,203	\$ 255,223,846	\$ 262,864,049
Interest receivable	14,691	4,645	19,336
Due from other governments	-	195,867	195,867
Restricted assets	2,034,898	-	2,034,898
Total assets	<u>\$ 9,689,792</u>	<u>\$ 255,424,358</u>	<u>\$ 265,114,150</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts payable - trade	\$ 734,560	\$ 410,927	\$ 1,145,487
Retainage payable	37,110	-	37,110
Total liabilities	<u>771,670</u>	<u>410,927</u>	<u>1,182,597</u>
Fund balances:			
Restricted for capital projects	2,034,898	255,013,431	257,048,329
Committed to other capital projects	6,883,224	-	6,883,224
Total fund balances	<u>8,918,122</u>	<u>255,013,431</u>	<u>263,931,553</u>
Total liabilities and fund balances	<u>\$ 9,689,792</u>	<u>\$ 255,424,358</u>	<u>\$ 265,114,150</u>

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2015

	Major Funds		
	General	Capital Projects	Total Major Funds
	Improvement Capital Projects	Sales Tax	
Revenues			
Intergovernmental	\$ 1,147,728	\$ -	\$ 1,147,728
Sales tax	-	1,138,788	1,138,788
Fees and fines	709,972	-	709,972
Interest	45,274	291,602	336,876
Other	159,120	-	159,120
Total revenues	<u>2,062,094</u>	<u>1,430,390</u>	<u>3,492,484</u>
Expenditures			
General government	156,597	-	156,597
Public safety	493,367	-	493,367
Infrastructure and regulation	1,026,599	184,676	1,211,275
Improvements to state roadways	-	33,078,120	33,078,120
Culture, recreation and tourism	68,715	-	68,715
Capital lease payments	2,291,876	-	2,291,876
Capital outlay	13,775,279	3,592,588	17,367,867
Total expenditures	<u>17,812,433</u>	<u>36,855,384</u>	<u>54,667,817</u>
Excess (deficiency) of revenue over expenditures	<u>(15,750,339)</u>	<u>(35,424,994)</u>	<u>(51,175,333)</u>
Other Financing Sources (Uses)			
Issuance of lease financing	4,675,962	-	4,675,962
Transfers in	3,234,636	-	3,234,636
Transfers out	(260,083)	-	(260,083)
Total other financing sources (uses)	<u>7,650,515</u>	<u>-</u>	<u>7,650,515</u>
Net change in fund balance	<u>(8,099,824)</u>	<u>(35,424,994)</u>	<u>(43,524,818)</u>
Fund balance at beginning of year	<u>17,017,946</u>	<u>290,438,425</u>	<u>307,456,371</u>
Fund balance at end of year	<u>\$ 8,918,122</u>	<u>\$ 255,013,431</u>	<u>\$ 263,931,553</u>

HORRY COUNTY, SOUTH CAROLINA
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

June 30, 2015

	Non-Major Funds		
		Voluntary	
	Fire Apparatus Replacement	Developer Contributions	Total Non-Major Funds
Assets			
Pooled cash and investments	\$ 2,604,018	\$ 272,931	\$ 2,876,949
Receivables, net:			
Property taxes	53,117	-	53,117
Interest receivable	636	89	725
Total assets	<u>\$ 2,657,771</u>	<u>\$ 273,020</u>	<u>\$ 2,930,791</u>
 Deferred Inflows of Resources			
Unavailable revenue-property taxes	\$ 44,892	\$ -	\$ 44,892
Total deferred inflows of resources	<u>44,892</u>	<u>-</u>	<u>44,892</u>
 Fund balances:			
Restricted for capital projects	2,612,879	-	2,612,879
Restricted for culture, recreation and tourism	-	33,868	33,868
Restricted for infrastructure and regulation	-	239,152	239,152
Total fund balances	<u>2,612,879</u>	<u>273,020</u>	<u>2,885,899</u>
Total deferred inflows of resources and fund balances	<u>\$ 2,657,771</u>	<u>\$ 273,020</u>	<u>\$ 2,930,791</u>

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2015

	Non-Major Funds		
		Voluntary	
	Fire Apparatus Replacement	Developer Contributions	Total Non-Major Funds
Revenues			
Real property taxes	\$ 1,401,250	\$ -	\$ 1,401,250
Personal property taxes	114,165	-	114,165
Vehicle taxes	196,477	-	196,477
Fee in lieu of tax	4,215	-	4,215
Interest	2,419	297	2,716
Other	-	30,500	30,500
Total revenues	<u>1,718,526</u>	<u>30,797</u>	<u>1,749,323</u>
Expenditures			
Culture, recreation and tourism	-	1,000	1,000
Capital lease payments	460,739	-	460,739
Capital outlay	7,996,084	-	7,996,084
Total expenditures	<u>8,456,823</u>	<u>1,000</u>	<u>8,457,823</u>
Excess (deficiency) of revenue over expenditures	<u>(6,738,297)</u>	<u>29,797</u>	<u>(6,708,500)</u>
Other Financing Sources (Uses)			
Issuance of lease financing	<u>7,750,000</u>	-	<u>7,750,000</u>
Total other financing sources (uses)	<u>7,750,000</u>	-	<u>7,750,000</u>
Net change in fund balance	<u>1,011,703</u>	<u>29,797</u>	<u>1,041,500</u>
Fund balance at beginning of year	<u>1,601,176</u>	<u>243,223</u>	<u>1,844,399</u>
Fund balance at end of year	<u>\$ 2,612,879</u>	<u>\$ 273,020</u>	<u>\$ 2,885,899</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENT CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 7,640,203	\$ 8,211,215
Receivables, net:		
Accounts and other	-	126,313
Interest receivable	14,691	27,217
Due from other governments	-	396,300
Prepaid contracts	-	40,793
Restricted assets	2,034,898	9,501,169
Total assets	<u>\$ 9,689,792</u>	<u>\$ 18,303,007</u>
 Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 734,560	\$ 1,285,061
Retainage payable	37,110	-
Total liabilities	<u>771,670</u>	<u>1,285,061</u>
 Fund balances:		
Nonspendable	-	40,793
Restricted for capital projects	2,034,898	9,501,169
Committed to capital projects	6,883,224	7,475,984
Total fund balances	<u>8,918,122</u>	<u>17,017,946</u>
Total liabilities and fund balances	<u>\$ 9,689,792</u>	<u>\$ 18,303,007</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENT CAPITAL PROJECTS FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2015

(With comparative actual amounts for the year ended June 30, 2014)

	2015	2014
Revenues		
Disposal fee	\$ 709,972	\$ 771,935
Intergovernmental - state	920,590	2,024,713
Intergovernmental - other	227,138	-
Rural development act funding	-	400,000
Interest	45,274	60,190
Other	159,120	95,166
Total revenues	<u>2,062,094</u>	<u>3,352,004</u>
Expenditures		
General government:		
Supplies and materials	187,127	-
Capital outlay	8,422,487	3,264,508
Construction contracts	-	550,443
Capital lease - principal	430,323	-
Capital lease - interest	76,202	-
Contingency	(30,530)	-
Total general government	<u>9,085,609</u>	<u>3,814,951</u>
Public safety:		
Supplies and materials	480,051	-
Capital outlay	4,793,042	28,011
Construction contracts	-	951,145
Capital lease - principal	1,674,948	716,197
Capital lease - interest	110,403	-
Other	13,316	-
Total public safety	<u>7,071,760</u>	<u>1,695,353</u>
Infrastructure and regulation:		
Supplies and materials	1,026,599	-
Capital outlay	204,423	1,870,680
Construction contracts	-	69,240
Capital lease - principal	-	42,500
Total infrastructure and regulation	<u>1,231,022</u>	<u>1,982,420</u>
Culture, recreation and tourism:		
Supplies and materials	64,228	-
Capital outlay	355,327	926,226
Contingency	4,487	-
Total culture, recreation and tourism	<u>424,042</u>	<u>926,226</u>
Economic development:		
Capital outlay	-	1,888,494
Total economic development	<u>-</u>	<u>1,888,494</u>

CONTINUED

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENT CAPITAL PROJECTS FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2015
(With comparative actual amounts for the year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Total expenditures	<u>17,812,433</u>	<u>10,307,444</u>
Excess (deficiency) of revenue over expenditures	<u>(15,750,339)</u>	<u>(6,955,440)</u>
Other Financing Sources (Uses)		
Issuance of bonded debt	-	252,000
Issuance of lease financing	4,675,962	12,081,747
Transfers in	3,234,636	3,103,040
Transfers out	(260,083)	(216,456)
Total other financing sources (uses)	<u>7,650,515</u>	<u>15,220,331</u>
Net change in fund balance	<u>(8,099,824)</u>	<u>8,264,891</u>
Fund balance at beginning of year	<u>17,017,946</u>	<u>8,753,055</u>
Fund balance at end of year	<u><u>\$ 8,918,122</u></u>	<u><u>\$ 17,017,946</u></u>

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

CAPITAL PROJECT SALES TAX FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 255,223,846	\$ 277,394,712
Interest receivable	4,645	4,645
Due from other governments	195,867	15,915,323
Total assets	<u>\$ 255,424,358</u>	<u>\$ 293,314,680</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	\$ 410,927	\$ 2,876,255
Total liabilities	<u>410,927</u>	<u>2,876,255</u>
Fund balance :		
Restricted for capital projects	255,013,431	290,438,425
Total fund balance	<u>255,013,431</u>	<u>290,438,425</u>
Total liabilities and fund balance	<u>\$ 255,424,358</u>	<u>\$ 293,314,680</u>

HORRY COUNTY, SOUTH CAROLINA

CAPITAL PROJECT SALES TAX FUND
 CHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANC

FOR THE YEAR ENDED JUNE 30, 2015
 (With comparative actual amounts for the year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Revenues		
Sales tax	\$ 1,138,788	\$ 69,732,808
Investment earnings	291,602	894,510
Total revenues	<u>1,430,390</u>	<u>70,627,318</u>
Expenditures		
Infrastructure and regulation:		
Personal services	60,898	-
Construction contracts - State	33,078,120	31,821,366
Capital outlay - infrastructure	3,592,588	4,816,086
Indirect cost allocation	123,778	-
Total expenditures	<u>36,855,384</u>	<u>36,637,452</u>
Excess (deficiency) of revenue over expenditures	<u>(35,424,994)</u>	<u>33,989,866</u>
Net change in fund balance	(35,424,994)	33,989,866
Fund balance at beginning of year	<u>290,438,425</u>	<u>256,448,559</u>
Fund balance at end of year	<u>\$ 255,013,431</u>	<u>\$ 290,438,425</u>

HORRY COUNTY, SOUTH CAROLINA

FIRE APPARATUS REPLACEMENT CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2015

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 2,604,018	\$ 1,589,973
Receivables, net:		
Property taxes	53,117	51,165
Interest receivable	636	327
Total assets	<u>\$ 2,657,771</u>	<u>\$ 1,641,465</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	\$ 44,892	\$ 40,289
Total deferred inflows of resources	<u>44,892</u>	<u>40,289</u>
 Fund balance:		
Restricted for capital projects	<u>2,612,879</u>	<u>1,601,176</u>
Total fund balance	<u>2,612,879</u>	<u>1,601,176</u>
Total deferred inflows of resources and fund balance	<u>\$ 2,657,771</u>	<u>\$ 1,641,465</u>

HORRY COUNTY, SOUTH CAROLINA

FIRE APPARATUS REPLACEMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2015
(With comparative actual amounts for the year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 1,382,590	\$ 1,401,250	\$ 18,660	\$ 1,398,931
Personal property taxes	118,760	114,165	(4,595)	115,874
Vehicle taxes	167,427	196,477	29,050	82,022
Fee in lieu of tax	920	4,215	3,295	3,357
Interest	-	2,419	2,419	992
Total revenues	1,669,697	1,718,526	48,829	1,601,176
Expenditures				
Current:				
Public Safety:				
Contractual services	24,993	-	24,993	-
Capital outlay	8,000,000	7,996,084	3,916	-
Contingency	1,522,867	-	1,522,867	-
Indirect cost allocation	60,000	-	60,000	-
Capital lease - principal	387,500	387,500	-	-
Capital lease - interest	73,239	73,239	-	-
Other	908,298	-	908,298	-
Total expenditures	10,976,897	8,456,823	2,520,074	-
Excess (deficiency) of revenues over (under) expenditures	(9,307,200)	(6,738,297)	2,568,903	1,601,176
Other Financing Sources (Uses)				
Capital lease proceeds	7,750,000	7,750,000	-	-
Total other financing sources (uses)	7,750,000	7,750,000	-	-
Net change in fund balance	(1,557,200)	1,011,703	2,568,903	1,601,176
Fund balance at beginning of year	1,601,176	1,601,176	-	-
Fund balance at end of year	\$ 43,976	\$ 2,612,879	\$ 2,568,903	\$ 1,601,176

HORRY COUNTY, SOUTH CAROLINA

VOLUNTARY DEVELOPER CONTRIBUTIONS CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 272,931	\$ 243,103
Interest receivable	89	120
Total assets	<u>\$ 273,020</u>	<u>\$ 243,223</u>
 Fund balance :		
Restricted for culture, recreation and tourism	\$ 33,868	\$ 34,868
Restricted for infrastructure and regulation	239,152	208,355
Total fund balance	<u>\$ 273,020</u>	<u>\$ 243,223</u>

HORRY COUNTY, SOUTH CAROLINA

VOLUNTARY DEVELOPER CONTRIBUTIONS CAPITAL PROJECTS FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 2015
(With comparative actual amounts for the year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Revenues		
Interest	\$ 297	\$ 339
Other	<u>30,500</u>	<u>12,875</u>
Total revenues	<u>30,797</u>	<u>13,214</u>
Expenditures		
Culture, recreation and tourism:		
Construction contracts	-	2,000
Other	<u>1,000</u>	<u>6,000</u>
Total expenditures	<u>1,000</u>	<u>8,000</u>
Excess of revenue over expenditures	<u>29,797</u>	<u>5,214</u>
Other Financing Sources (Uses)		
Transfers out	-	(500)
Total other financing sources (uses)	<u>-</u>	<u>(500)</u>
Net change in fund balance	29,797	4,714
Fund balance at beginning of year	<u>243,223</u>	<u>238,509</u>
Fund balance at end of year	<u>\$ 273,020</u>	<u>\$ 243,223</u>

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:

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.

General Debt – accounts for revenue collected from 5.0 mills levied on real and personal property and 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.

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.

HORRY COUNTY, SOUTH CAROLINA

RIDE PROGRAM DEBT SERVICE FUND - MAJOR FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 3,293,789	\$ 3,140,970
Receivables (net):		
Fees receivable	5,343,186	4,929,859
Interest receivable	1,509	1,166
Funds held in trust (restricted):		
Loan reserve account	43,945,564	41,705,554
Total assets	<u>\$ 52,584,048</u>	<u>\$ 49,777,549</u>
 Liabilities		
Due to other funds	\$ 52,455	\$ 48,356
Total liabilities	<u>52,455</u>	<u>48,356</u>
 Fund Balance		
Restricted for debt service	52,531,593	49,729,193
Total fund balance	<u>52,531,593</u>	<u>49,729,193</u>
Total liabilities and fund balance	<u>\$ 52,584,048</u>	<u>\$ 49,777,549</u>

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

FOR THE YEAR ENDED JUNE 30, 2015
(with comparative actual amounts for the year ended June 30, 2014)

	2015			2014
	Budget	Actual	Variance	Actual
Revenues				
Hospitality Fees	\$ 34,563,000	\$ 36,917,724	\$ 2,354,724	\$ 34,426,155
Interest	682,500	572,861	(109,639)	651,895
Total revenues	<u>35,245,500</u>	<u>37,490,585</u>	<u>2,245,085</u>	<u>35,078,050</u>
Expenditures				
Debt Service:				
Principal	28,528,292	28,528,290	2	26,366,656
Interest	5,799,670	5,799,670	-	6,640,998
Contingency	580,038	-	580,038	-
Total debt service	<u>34,908,000</u>	<u>34,327,960</u>	<u>580,040</u>	<u>33,007,654</u>
Excess of revenue over expenditures	<u>337,500</u>	<u>3,162,625</u>	<u>2,825,125</u>	<u>2,070,396</u>
Other Financing Sources (Uses)				
Transfers out	(337,500)	(360,225)	(22,725)	(335,650)
Total other financing sources (uses)	<u>(337,500)</u>	<u>(360,225)</u>	<u>(22,725)</u>	<u>(335,650)</u>
Net change in fund balance	-	2,802,400	2,802,400	1,734,746
Fund balance, beginning of year	<u>49,729,193</u>	<u>49,729,193</u>	-	<u>47,994,447</u>
Fund balance, end of year	<u>\$ 49,729,193</u>	<u>\$ 52,531,593</u>	<u>\$ 2,802,400</u>	<u>\$ 49,729,193</u>

HORRY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS

June 30, 2015

	Non-Major Funds		
	General Debt	Special Obligation Debt	Total Non-Major Funds
Assets			
Pooled cash and investments	\$ 7,723,564	\$ 187,672	\$ 7,911,236
Receivables, net:			
Taxes	337,375	-	337,375
Interest receivable	2,349	-	2,349
Restricted assets	-	221,025	221,025
Total Assets	<u>\$ 8,063,288</u>	<u>\$ 408,697</u>	<u>\$ 8,471,985</u>
Liabilities			
Liabilities:			
Accounts Payable - trade	\$ 3,600	-	3,600
Total Liabilities	<u>3,600</u>	<u>-</u>	<u>3,600</u>
Deferred Inflows of Resources			
Unavailable revenue-property taxes	280,006	-	280,006
Total deferred inflows of resources	<u>280,006</u>	<u>-</u>	<u>280,006</u>
Fund Balance			
Restricted for debt service	7,779,682	408,697	8,188,379
Total Fund Balance	<u>7,779,682</u>	<u>408,697</u>	<u>8,188,379</u>
Total deferred inflows of resources and fund balance	<u>\$ 8,063,288</u>	<u>\$ 408,697</u>	<u>\$ 8,471,985</u>

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2015

	Non- Major Funds		
	General Debt	Special Obligation Debt	Total Non-Major Funds
Revenues			
Real property taxes	\$ 8,523,116	\$ -	\$ 8,523,116
Personal property taxes	609,999	-	609,999
Vehicle taxes	861,987	-	861,987
Fee in lieu of tax	49,862	-	49,862
Intergovernmental	43,784	-	43,784
Hospitality fees	-	242,551	242,551
Interest	130,194	-	130,194
Total revenues	<u>10,218,942</u>	<u>242,551</u>	<u>10,461,493</u>
Expenditures			
Debt service:			
Principal	10,425,342	190,500	10,615,842
Interest	3,959,273	47,814	4,007,087
Agents fees	4,013	-	4,013
Total debt service	<u>14,388,628</u>	<u>238,314</u>	<u>14,626,942</u>
Total expenditures	<u>14,388,628</u>	<u>238,314</u>	<u>14,626,942</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,169,686)</u>	<u>4,237</u>	<u>(4,165,449)</u>
Other Financing Sources (Uses)			
Transfers in	2,486,670	-	2,486,670
Bond Issue Costs	(114,808)	-	(114,808)
Issuance of bonded debt	29,500,000	-	29,500,000
Ride Table II projects	-	-	-
Payment to refunding bond escrow agent	(29,383,898)	-	(29,383,898)
Total other financing sources (uses)	<u>2,487,964</u>	<u>-</u>	<u>2,487,964</u>
Net change in fund balance	(1,681,722)	4,237	(1,677,485)
Fund balance at beginning of year	<u>9,461,404</u>	<u>404,460</u>	<u>9,865,864</u>
Fund balance at end of year	<u>\$ 7,779,682</u>	<u>\$ 408,697</u>	<u>\$ 8,188,379</u>

HORRY COUNTY, SOUTH CAROLINA

GENERAL DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 7,723,564	\$ 9,378,335
Receivables, net:		
Property taxes	337,375	408,950
Other	-	10,127
Interest receivable	2,349	5,679
Total assets	<u>\$ 8,063,288</u>	<u>\$ 9,803,091</u>
 Liabilities		
Liabilities:		
Accounts Payable - trade	\$ 3,600	\$ -
Total Liabilities	<u>3,600</u>	<u>-</u>
 Deferred Inflows of Resources		
Unavailable revenue-property taxes	280,006	341,687
Total deferred inflows of resources	<u>280,006</u>	<u>341,687</u>
 Fund Balance		
Restricted for debt service	7,779,682	9,461,404
Total fund balance	<u>7,779,682</u>	<u>9,461,404</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 8,063,288</u>	<u>\$ 9,803,091</u>

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2015
(with comparative actual amounts for the year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Revenues				
Real property taxes	\$ 8,711,081	\$ 8,523,116	\$ (187,965)	\$ 8,760,835
Personal property taxes	598,900	609,999	11,099	648,069
Vehicle taxes	759,000	861,987	102,987	781,349
Fee in lieu of tax	48,802	49,862	1,060	51,525
Intergovernmental	35,026	43,784	8,758	35,026
Interest	144,000	130,194	(13,806)	134,767
Total revenues	<u>10,296,809</u>	<u>10,218,942</u>	<u>(77,867)</u>	<u>10,411,571</u>
Expenditures				
Debt Service:				
Principal	10,425,342	10,425,342	-	9,786,351
Interest	3,959,278	3,959,273	5	4,347,358
Agents fees	4,013	4,013	-	4,200
Total expenditures	<u>14,388,633</u>	<u>14,388,628</u>	<u>5</u>	<u>14,137,909</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,091,824)</u>	<u>(4,169,686)</u>	<u>(77,862)</u>	<u>(3,726,338)</u>
Other Financing Sources (Uses)				
Transfers in	2,486,670	2,486,670	-	2,166,488
Bond issuance costs	(114,889)	(114,808)	81	-
Issuance of bonded debt	29,500,000	29,500,000	-	-
Payment to refunding bond escrow agent	(29,383,898)	(29,383,898)	-	-
Total other financing sources	<u>2,487,883</u>	<u>2,487,964</u>	<u>81</u>	<u>2,166,488</u>
Net change in fund balance	<u>(1,603,941)</u>	<u>(1,681,722)</u>	<u>(77,781)</u>	<u>(1,559,850)</u>
Fund balance at beginning of year	<u>9,461,404</u>	<u>9,461,404</u>	<u>-</u>	<u>11,021,254</u>
Fund balance at end of year	<u>\$ 7,857,463</u>	<u>\$ 7,779,682</u>	<u>\$ (77,781)</u>	<u>\$ 9,461,404</u>

HORRY COUNTY, SOUTH CAROLINA

SPECIAL OBLIGATION DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2015
(with comparative amounts for June 30, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Pooled cash and investments	\$ 187,672	\$ 162,323
Receivables, net:		
Fees	-	25,350
Restricted assets	<u>221,025</u>	<u>216,787</u>
Total assets	<u>\$ 408,697</u>	<u>\$ 404,460</u>
 Fund Balance		
Restricted for debt service	<u>\$ 408,697</u>	<u>\$ 404,460</u>
Total fund balance	<u>\$ 408,697</u>	<u>\$ 404,460</u>

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2015
(with comparative actual amounts for the year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Revenues				
Hospitality fees	\$ 242,550	\$ 242,551	\$ 1	\$ 243,075
Interest	-	-	-	3,742
Total revenues	<u>242,550</u>	<u>242,551</u>	<u>1</u>	<u>246,817</u>
Expenditures				
Debt Service:				
Principal	194,738	190,500	4,238	2,041,500
Interest	47,813	47,814	(1)	110,520
Agents fees	525	-	525	525
Total debt service	<u>243,076</u>	<u>238,314</u>	<u>4,762</u>	<u>2,152,545</u>
Net change in fund balance	(526)	4,237	4,763	(1,905,728)
Fund balance at beginning of year	<u>404,460</u>	<u>404,460</u>	-	<u>2,310,188</u>
Fund balance at end of year	<u>\$ 403,934</u>	<u>\$ 408,697</u>	<u>\$ 4,763</u>	<u>\$ 404,460</u>

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY (ENTERPRISE) FUND

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, Grand Strand general aviation airports, and the Myrtle Beach International Airport.

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF NET POSITION

JUNE 30, 2015

(with comparative amounts for June 30, 2014)

	2015	2014 (as restated)
Assets		
Current assets:		
Cash and cash equivalents	\$ 46,286,871	\$ 50,301,421
Accounts receivable (net of allowance of \$469,031 in 2015 and \$270,020 in 2014)	1,997,959	1,395,702
Interest receivable	36,698	52,241
Due from other governments	2,147,941	1,939,526
Inventories	892,596	1,033,182
Prepaid items	99,633	94,110
Total current assets	<u>51,461,698</u>	<u>54,816,182</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	21,885,970	8,488,047
Investments	16,584,952	26,857,431
Receivables - PFC and CFC	849,973	842,441
Total restricted assets	<u>39,320,895</u>	<u>36,187,919</u>
Capital assets:		
Land, easements and infrastructure	32,455,493	32,455,493
Depreciable buildings, runways, taxiways, aprons, machinery and equipment, net	219,374,485	196,182,195
Construction-in-progress	474,174	2,603,459
Total capital assets, net	<u>252,304,152</u>	<u>231,241,147</u>
Service concession arrangement (SCA)	<u>1,706,192</u>	<u>3,285,345</u>
Total assets	<u>344,792,937</u>	<u>325,530,593</u>
Deferred outflows of resources:		
Contributions to retirement plan after measurement date	649,655	-
Difference between expected and actual retirement plan experience	276,773	-
Total deferred outflows of resources	<u>926,428</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 345,719,365</u>	<u>\$ 325,530,593</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF NET POSITION

- CONTINUED -

	2015	2014 (as restated)
Liabilities		
Current liabilities:		
Accounts payable	\$ 844,069	\$ 518,721
Construction accounts and retainage payable	2,704,463	2,535,928
Accrued salaries, wages and compensated absences	631,276	577,339
Other accrued expenses	953,348	597,036
Due to other funds	417,994	757,804
Unearned revenue	304,816	293,747
Capital lease payable - current portion	95,639	101,735
Amounts due to tenants, airlines, car rentals	991,723	897,517
Total current liabilities	<u>6,943,328</u>	<u>6,279,827</u>
Current liabilities payable from restricted assets:		
Revenue bonds payable - current portion	1,270,000	1,215,000
Accrued interest payable	1,518,797	1,543,097
Total current liabilities payable from restricted assets	<u>2,788,797</u>	<u>2,758,097</u>
Noncurrent liabilities:		
Revenue bonds payable	57,925,549	59,188,647
Compensated absences - long term	964,109	926,754
Net other post-employment benefits obligation (NOO)	813,573	750,669
Net pension liability	9,861,602	-
Present value of payments under Service Concession Arrangement	1,706,192	3,285,345
Capital lease payable	388,605	484,244
Total non-current liabilities	<u>71,659,630</u>	<u>64,635,659</u>
Total liabilities	<u>81,391,755</u>	<u>73,673,583</u>
Deferred Inflows of Resources		
Net difference between projected and actual investment earning - pension	882,078	-
Total deferred inflows of resources	<u>882,078</u>	<u>-</u>
Net position		
Net investment in capital assets	193,870,492	171,368,323
Restricted for:		
Debt service	20,376,001	19,728,674
Capital projects	16,156,037	13,701,149
Unrestricted	33,043,002	47,058,864
Total net position	<u>263,445,532</u>	<u>251,857,010</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 345,719,365</u>	<u>\$ 325,530,593</u>

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2015
(with comparative amounts for the year ended June 30, 2014)

	2015	2014 (as restated)
Operating Revenues		
Landing fees	\$ 1,198,226	\$ 1,114,193
Airline terminal rents	6,171,723	6,090,291
Concessions and rentals	8,089,849	7,620,089
Baggage Handling System	848,875	665,812
Security fees	207,781	178,088
Leases	929,251	806,146
Fuel sales - FBO	5,720,015	5,277,148
Other airline services	489,649	504,374
Federal revenue- TSA LEO reimbursement program	120,524	120,523
Other	696,671	691,556
Total operating revenues	24,472,564	23,068,220
Less, signatory airline rebate and incentive fee waivers	(785,259)	(1,093,770)
Net operating revenues	23,687,305	21,974,450
Operating Expenses		
Salaries and benefits	8,066,624	7,513,364
Utilities	1,509,433	1,625,101
Baggage Handling System	848,875	665,812
Outside and professional services	1,108,915	1,048,645
Maintenance and supplies	1,256,022	942,983
Fuel cost of sales	4,039,083	3,963,111
Vehicle and equipment (non-capital) expense	471,148	410,899
Insurance	393,658	408,423
Dues, memberships and travel	232,894	255,784
Office supplies	38,354	41,286
Indirect cost allocation	413,747	291,763
Depreciation and amortization	10,331,761	9,991,636
Bad debt expense	199,011	-
Total operating expenses	28,909,525	27,158,807
Operating loss	(5,222,220)	(5,184,357)

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2015	2014 (as restated)
Non-Operating Revenues (Expenses)		
Passenger Facility Charges (PFC)	3,631,910	3,587,383
Contract Facility Charges (CFC)	2,919,324	2,728,556
Intergovernmental revenues - City of Myrtle Beach	2,012,985	1,902,245
Gain / (loss) on disposal/sale of capital assets	(231,158)	10,267
Redevelopment Authority Revenue	150,000	200,001
Other expense	(23,454)	(21,975)
Interest income	200,273	176,607
Interest expense	(3,052,034)	(3,102,876)
Interest subsidy on Recovery Zone Economic Bonds	297,128	297,449
Net non-operating revenues (expenses)	5,904,974	5,777,657
Income before capital contributions	682,754	593,300
Capital Contributions		
Federal grant revenue - capital projects	20,494,317	6,289,037
State grant revenue - capital projects	160,303	125,583
Net capital contributions	20,654,620	6,414,620
Increase in net position	21,337,374	7,007,920
Net Position		
Beginning of year (2015 and 2014, as restated)	242,108,158	244,849,090
End of year (2014, as restated)	\$ 263,445,532	\$ 251,857,010

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2015
(with comparative amounts for the year ended June 30, 2014)

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Cash received for:		
Landing fees, terminal rents, and concessions leases	\$ 16,213,954	\$ 15,705,043
FBO fuel sales and airline services	6,313,280	5,624,845
Other	663,089	703,714
Cash paid for:		
Salaries and benefits	(7,844,027)	(7,410,509)
Maintenance, supplies, fuel, utilities and equipment	(9,835,216)	(9,640,039)
Net cash provided by operating activities	<u>5,511,080</u>	<u>4,983,054</u>
Cash flows from non-capital financing activities		
Other	(23,454)	(21,975)
Net cash used in non-capital financing activities	<u>(23,454)</u>	<u>(21,975)</u>
Cash flows from capital and related financing activities		
Receipt of passenger and contract facility charges	6,543,702	6,498,549
Acquisition and construction of capital assets	(31,656,401)	(20,165,890)
Sale of capital assets	-	10,267
Interest paid on bonds and notes	(3,069,432)	(3,095,974)
Principal payments on bonds and notes	(1,215,000)	-
Receipt of federal subsidy for "RZEDB" (Series 2010B)	297,128	297,449
Principal payments on capital lease obligation	(101,735)	(99,499)
Receipt of intergovernmental and private grants	2,162,985	2,102,246
Proceeds from Airport Improvement Program, TSA and State grants	20,446,205	10,264,240
Net cash used in capital and related financing activities	<u>(6,592,548)</u>	<u>(4,188,612)</u>
Cash flows from investing activities		
Investment purchases	(16,584,952)	(26,857,431)
Investment sales	26,857,431	46,781,152
Interest on investments	215,816	198,511
Net cash provided by investing activities	<u>10,488,295</u>	<u>20,122,232</u>
Net increase in cash and cash equivalents	<u>9,383,373</u>	<u>20,894,699</u>
Cash and cash equivalents, beginning of year		
Unrestricted	50,301,421	31,596,962
Restricted	8,488,047	6,297,807
	<u>58,789,468</u>	<u>37,894,769</u>
Cash and cash equivalents, end of year		
Unrestricted	46,286,871	50,301,421
Restricted	21,885,970	8,488,047
	<u>\$ 68,172,841</u>	<u>\$ 58,789,468</u>

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

- CONTINUED -

	<u>2015</u>	<u>2014</u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating loss	\$ (5,222,220)	\$ (5,184,357)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	10,331,761	9,991,636
Bad debt expense	199,011	-
(Increase) decrease in certain assets:		
Accounts receivable	(602,257)	(546,791)
Prepaid items	(5,523)	(24,879)
Inventories	140,586	(75,684)
(Decrease) increase in certain liabilities:		
Accounts payable	325,348	192,330
Accrued salaries, wages and compensated absences	91,292	33,341
Net other post-employment benefit obligation	62,904	69,514
Net pension obligation	68,401	-
Other accrued expenses	(179,042)	(51,409)
Due to Horry County - General Fund	195,544	(26,590)
Unearned revenue	11,069	186,594
Amounts due to tenants	94,206	419,349
Net cash provided by operating activities	<u>\$ 5,511,080</u>	<u>\$ 4,983,054</u>

HORRY COUNTY, SOUTH CAROLINA

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 replacement of County vehicles including heavy and light equipment.

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
STATEMENTS OF NET POSITION

June 30, 2015
(with comparative amounts for June 30, 2014)

	2015	2014 (as restated)
Assets		
Current assets:		
Cash and cash equivalents	\$ -	\$ 100
Pooled cash and investments	21,006,872	19,575,101
Interest receivable	7,214	9,496
Inventory	393,155	365,700
Total current assets	21,407,241	19,950,397
Non-current assets:		
Capital assets:		
Machinery and equipment	30,764,794	29,610,116
Less, accumulated depreciation	(18,985,863)	(16,636,910)
Net capital assets	11,778,931	12,973,206
Total assets	33,186,172	32,923,603
Deferred outflows of resources:		
Contributions to retirement plan after measurement date	69,763	-
Difference between expected and actual retirement plan experience	26,827	-
Total deferred outflows of resources	96,590	-
Total assets and deferred outflows of resources	\$ 33,282,762	\$ 32,923,603
Liabilities		
Current liabilities:		
Accounts payable-trade	\$ 73,281	\$ 235,340
Accrued salaries, wages and compensated absences	34,614	31,889
Total current liabilities	107,895	267,229
Non-current liabilities:		
Compensated absences - long term	118,281	-
Net other post-employment benefits obligation	189,667	-
Net pension liability	972,016	-
Total non-current liabilities	1,279,964	-
Total Liabilities	1,387,859	267,229
Deferred Inflows of Resources		
Net difference between projected and actual investment earning - pension	95,560	-
Net position		
Net investment in capital assets	11,778,931	12,973,206
Restricted for capital	20,020,412	19,683,168
Total net position	31,799,343	32,656,374
Total liabilities, deferred inflows of resources and net position	\$ 33,282,762	\$ 32,923,603

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2015
(with comparative actual amounts for the year ended June 30, 2014)

	2015	2014 (as restated)
Operating Revenues		
Charges for services	<u>\$ 6,218,968</u>	<u>\$ 5,886,271</u>
Total operating revenues	<u>6,218,968</u>	<u>5,886,271</u>
Operating Expenses		
Personal services	931,769	901,515
Contractual services	32,403	36,426
Supplies and materials	31,345	34,292
Business and transportation	1,383,988	1,387,892
Indirect cost allocation plan	9,794	9,366
Depreciation	3,789,317	3,637,057
Other	11,073	11,072
Total operating expenses	<u>6,189,689</u>	<u>6,017,620</u>
Operating income (loss)	<u>29,279</u>	<u>(131,349)</u>
Nonoperating revenues		
Gain (loss) on disposal of assets	84,663	1,038,926
Other	165,980	2,223
Interest	24,191	27,065
Net non-operating revenues	<u>274,834</u>	<u>1,068,214</u>
Income before transfers	<u>304,113</u>	<u>936,865</u>
Transfers in	99,418	456,645
Transfers out	<u>(1,694)</u>	<u>-</u>
Change in net position	401,837	1,393,510
Net position, beginning of year, as restated	<u>31,397,506</u>	<u>31,262,864</u>
Net position, end of year	<u>\$ 31,799,343</u>	<u>\$ 32,656,374</u>

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2015
(with comparative actual amounts for the year ended June 30, 2014)

	2015	2014 (as restated)
Cash flows from operating activities		
Cash received from:		
Services	\$ 6,218,968	\$ 5,886,271
Cash paid for:		
Salaries and benefits	(908,977)	(1,575,603)
Maintenance, supplies, fuel, utilities and equipment	(1,647,044)	(1,467,976)
Other supplies and miscellaneous costs	(11,073)	(34,292)
Net cash provided by operating activities	<u>3,651,874</u>	<u>2,808,400</u>
Cash flows from non-capital and related financing activities		
Transfers in	99,418	456,645
Transfers out	(1,694)	-
Net cash provided by non-capital and related financing activities	<u>97,724</u>	<u>456,645</u>
Cash flows from capital and related financing activities		
Purchase of capital assets	(2,654,627)	(3,414,414)
Proceeds from disposition of capital assets	144,247	1,291,143
Miscellaneous proceeds	165,980	2,223
Net cash used in capital and other related financing activities	<u>(2,344,400)</u>	<u>(2,121,048)</u>
Cash flows from investing activities		
Interest income	26,473	25,100
Net cash provided by investing activities	<u>26,473</u>	<u>25,100</u>
Net change in cash and cash equivalents	1,431,671	1,169,097
Cash and cash equivalents, beginning of year	19,575,201	18,406,104
Cash and cash equivalents, end of year	<u>\$ 21,006,872</u>	<u>\$ 19,575,201</u>
Reconciliation of operating income to net cash provided (used) by operating activities		
Operating income (loss)	\$ 29,279	\$ (131,349)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	3,789,317	3,637,057
(Increase) decrease in assets:		
Inventories	(27,455)	1,725
Increase (decrease) in liabilities:		
Accounts payable	(162,059)	(702,891)
Accrued salaries, wages and compensated absences	22,792	3,858
Net cash provided by operating activities	<u>\$ 3,651,874</u>	<u>\$ 2,808,400</u>

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

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2015

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Totals-Agency Funds				
Assets:				
Cash and investments	\$ 14,922,596	\$ 21,327,560	\$ 20,055,943	\$ 16,194,213
Pooled cash and investments	210,525,257	562,710,147	550,400,040	222,835,364
Interest receivable	232	-	232	-
Taxes receivable	163,761,808	539,650,429	547,002,955	156,409,282
Fees receivable	786,435	9,239,083	9,556,962	468,556
Total assets	<u>\$ 389,996,328</u>	<u>\$ 1,132,927,219</u>	<u>\$ 1,127,016,132</u>	<u>\$ 395,907,415</u>
Liabilities:				
Due to others	\$ 389,996,328	\$ 1,132,927,219	\$ 1,127,016,132	\$ 395,907,415
Total liabilities	<u>\$ 389,996,328</u>	<u>\$ 1,132,927,219</u>	<u>\$ 1,127,016,132</u>	<u>\$ 395,907,415</u>

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

-CONTINUED-

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
<u>City of Conway</u>				
Assets:				
Pooled cash and investments	\$ 54,541	\$ 5,233,997	\$ 5,207,645	\$ 80,893
Taxes receivable	1,227,073	5,487,903	5,233,997	1,480,979
Total	<u>\$ 1,281,614</u>	<u>\$ 10,721,900</u>	<u>\$ 10,441,642</u>	<u>\$ 1,561,872</u>
Liabilities:				
Due to others	<u>\$ 1,281,614</u>	<u>\$ 10,721,900</u>	<u>\$ 10,441,642</u>	<u>\$ 1,561,872</u>
<u>City of Myrtle Beach</u>				
Assets:				
Pooled cash and investments	\$ 221,824	\$ 29,755,689	\$ 29,589,583	\$ 387,930
Taxes receivable	5,155,582	29,989,973	29,214,181	5,931,374
Fees receivable	27,087	541,508	541,508	27,087
Total	<u>\$ 5,404,493</u>	<u>\$ 60,287,170</u>	<u>\$ 59,345,272</u>	<u>\$ 6,346,391</u>
Liabilities:				
Due to others	<u>\$ 5,404,493</u>	<u>\$ 60,287,170</u>	<u>\$ 59,345,272</u>	<u>\$ 6,346,391</u>
<u>City of Loris</u>				
Assets:				
Pooled cash and investments	\$ 11,185	\$ 970,262	\$ 967,290	\$ 14,157
Taxes receivable	305,592	1,012,346	970,262	347,676
Total	<u>\$ 316,777</u>	<u>\$ 1,982,608</u>	<u>\$ 1,937,552</u>	<u>\$ 361,833</u>
Liabilities:				
Due to others	<u>\$ 316,777</u>	<u>\$ 1,982,608</u>	<u>\$ 1,937,552</u>	<u>\$ 361,833</u>
<u>City of North Myrtle Beach</u>				
Assets:				
Pooled cash and investments	\$ 108,199	\$ 14,444,521	\$ 14,397,075	\$ 155,645
Taxes receivable	1,371,461	14,173,644	14,444,521	1,100,584
Total	<u>\$ 1,479,660</u>	<u>\$ 28,618,165</u>	<u>\$ 28,841,596</u>	<u>\$ 1,256,229</u>
Liabilities:				
Due to others	<u>\$ 1,479,660</u>	<u>\$ 28,618,165</u>	<u>\$ 28,841,596</u>	<u>\$ 1,256,229</u>
<u>Town of Surfside Beach</u>				
Assets:				
Pooled cash and investments	\$ 15,815	\$ 2,957,678	\$ 2,954,880	\$ 18,613
Taxes receivable	263,962	2,914,798	2,957,678	221,082
Total	<u>\$ 279,777</u>	<u>\$ 5,872,476</u>	<u>\$ 5,912,558</u>	<u>\$ 239,695</u>
Liabilities:				
Due to others	<u>\$ 279,777</u>	<u>\$ 5,872,476</u>	<u>\$ 5,912,558</u>	<u>\$ 239,695</u>

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

-CONTINUED-

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
<u>Town of Atlantic Beach</u>				
Assets:				
Pooled cash and investments	\$ 12,010	\$ 229,540	\$ 238,069	\$ 3,481
Taxes receivable	31,322	226,471	229,540	28,253
Total	<u>\$ 43,332</u>	<u>\$ 456,011</u>	<u>\$ 467,609</u>	<u>\$ 31,734</u>
Liabilities:				
Due to others	<u>\$ 43,332</u>	<u>\$ 456,011</u>	<u>\$ 467,609</u>	<u>\$ 31,734</u>
<u>Town of Aynor</u>				
Assets:				
Pooled cash and investments	\$ 1,704	\$ 176,237	\$ 176,273	\$ 1,668
Taxes receivable	43,924	164,756	176,237	32,443
Total	<u>\$ 45,628</u>	<u>\$ 340,993</u>	<u>\$ 352,510</u>	<u>\$ 34,111</u>
Liabilities:				
Due to others	<u>\$ 45,628</u>	<u>\$ 340,993</u>	<u>\$ 352,510</u>	<u>\$ 34,111</u>
<u>Town of Briarcliff Acres</u>				
Assets:				
Pooled cash and investments	\$ 3,512	\$ 283,530	\$ 283,492	\$ 3,550
Taxes receivable	24,542	270,908	283,530	11,920
Total	<u>\$ 28,054</u>	<u>\$ 554,438</u>	<u>\$ 567,022</u>	<u>\$ 15,470</u>
Liabilities:				
Due to others	<u>\$ 28,054</u>	<u>\$ 554,438</u>	<u>\$ 567,022</u>	<u>\$ 15,470</u>
<u>Horry County School District Operations/Debt</u>				
Assets:				
Pooled cash and investments	\$ 208,707,232	\$ 498,345,295	\$ 489,011,102	\$ 218,041,425
Taxes receivable	155,217,990	483,851,388	491,938,137	147,131,241
Fees receivable	600,857	6,106,466	6,407,158	300,165
Total	<u>\$ 364,526,079</u>	<u>\$ 988,303,149</u>	<u>\$ 987,356,397</u>	<u>\$ 365,472,831</u>
Liabilities:				
Due to others	<u>\$ 364,526,079</u>	<u>\$ 988,303,149</u>	<u>\$ 987,356,397</u>	<u>\$ 365,472,831</u>
<u>Murrells Inlet-Garden City Fire District</u>				
Assets:				
Pooled cash and investments	\$ 34,985	\$ 1,547,998	\$ 1,558,762	\$ 24,221
Taxes receivable	120,360	1,551,368	1,547,998	123,730
Total	<u>\$ 155,345</u>	<u>\$ 3,099,366</u>	<u>\$ 3,106,760</u>	<u>\$ 147,951</u>
Liabilities:				
Due to others	<u>\$ 155,345</u>	<u>\$ 3,099,366</u>	<u>\$ 3,106,760</u>	<u>\$ 147,951</u>

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

-CONTINUED-

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
<u>Grand Strand Water and Sewer Authority</u>				
Assets:				
Pooled cash and investments	\$ 182	\$ 6,874	\$ 7,056	\$ -
Front footage assessment	-	6,874	6,874	-
Total	<u>\$ 182</u>	<u>\$ 13,748</u>	<u>\$ 13,930</u>	<u>\$ -</u>
Liabilities:				
Due to others	<u>\$ 182</u>	<u>\$ 13,748</u>	<u>\$ 13,930</u>	<u>\$ -</u>
<u>Police Asset Forfeiture Fund</u>				
Assets:				
Cash	<u>\$ 59,670</u>	<u>\$ 166,661</u>	<u>\$ 157,980</u>	<u>\$ 68,351</u>
Liabilities:				
Due to others	<u>\$ 59,670</u>	<u>\$ 166,661</u>	<u>\$ 157,980</u>	<u>\$ 68,351</u>
<u>Police Fund</u>				
Assets:				
Cash	<u>\$ 108</u>	<u>\$ 31,598</u>	<u>\$ 30,507</u>	<u>\$ 1,199</u>
Liabilities:				
Due to others	<u>\$ 108</u>	<u>\$ 31,598</u>	<u>\$ 30,507</u>	<u>\$ 1,199</u>
<u>Police Federal Forfeiture Fund</u>				
Assets:				
Cash	<u>\$ 72,890</u>	<u>\$ 7,252</u>	<u>\$ -</u>	<u>\$ 80,142</u>
Liabilities:				
Due to others	<u>\$ 72,890</u>	<u>\$ 7,252</u>	<u>\$ -</u>	<u>\$ 80,142</u>
<u>Environmental Services</u>				
Assets:				
Cash	<u>\$ 45,962</u>	<u>\$ 138</u>	<u>\$ -</u>	<u>\$ 46,100</u>
Liabilities:				
Due to others	<u>\$ 45,962</u>	<u>\$ 138</u>	<u>\$ -</u>	<u>\$ 46,100</u>
<u>Library Endowment</u>				
Assets:				
Cash	<u>\$ 45,537</u>	<u>\$ 26,533</u>	<u>\$ 473</u>	<u>\$ 71,597</u>
Liabilities:				
Due to others	<u>\$ 45,537</u>	<u>\$ 26,533</u>	<u>\$ 473</u>	<u>\$ 71,597</u>

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

-CONTINUED-

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
<u>Inmate Trust</u>				
Assets:				
Cash	\$ 216,139	\$ 153,579	\$ 102,641	\$ 267,077
Liabilities:				
Due to others	\$ 216,139	\$ 153,579	\$ 102,641	\$ 267,077
<u>Solicitor DEU</u>				
Assets:				
Cash	\$ 56,250	\$ 54,762	\$ 48,515	\$ 62,497
Liabilities:				
Due to others	\$ 56,250	\$ 54,762	\$ 48,515	\$ 62,497
<u>Solicitor DEU Forfeiture</u>				
Assets:				
Cash	\$ 120,265	\$ 183,245	\$ 134,756	\$ 168,754
Liabilities:				
Due to others	\$ 120,265	\$ 183,245	\$ 134,756	\$ 168,754
<u>Police Flower Fund</u>				
Assets:				
Cash	\$ 5,064	\$ 1,691	\$ 1,901	\$ 4,854
Liabilities:				
Due to others	\$ 5,064	\$ 1,691	\$ 1,901	\$ 4,854
<u>B&C MCBP- Infrastructure</u>				
Assets:				
Pooled cash and investments	\$ 30,840	\$ -	\$ 19,590	\$ 11,250
Cash	7,249,459	2,608,296	2,474,717	7,383,038
Fees receivable	158,491	2,591,109	2,608,296	141,304
Total	\$ 7,438,790	\$ 5,199,405	\$ 5,102,603	\$ 7,535,592
Liabilities:				
Due to others	\$ 7,438,790	\$ 5,199,405	\$ 5,102,603	\$ 7,535,592
<u>Developer LOC</u>				
Assets:				
Pooled cash and investments	\$ 1,323,228	\$ 8,758,526	\$ 5,989,223	\$ 4,092,531
Liabilities:				
Due to others	\$ 1,323,228	\$ 8,758,526	\$ 5,989,223	\$ 4,092,531

HORRY COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

-CONTINUED-

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
<u>Magistrates & Clerk of Court</u>				
Assets:				
Cash and investments	\$ 7,051,252	\$ 18,093,805	\$ 17,104,453	\$ 8,040,604
Interest Receivable	232	-	232	-
Total	<u>\$ 7,051,484</u>	<u>\$ 18,093,805</u>	<u>\$ 17,104,685</u>	<u>\$ 8,040,604</u>
Liabilities:				
Due to others	<u>\$ 7,051,484</u>	<u>\$ 18,093,805</u>	<u>\$ 17,104,685</u>	<u>\$ 8,040,604</u>

HORRY COUNTY, SOUTH CAROLINA

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) and excluded from these amounts. Infrastructure capital assets represent actual costs of construction, and/or estimated values of deeded properties by developers

HORRY COUNTY, SOUTH CAROLINA

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

June 30, 2015

(With comparative amounts for June 30, 2014)

Governmental funds- capital assets	2015	2014
Land and easements	\$ 23,051,248	\$ 23,048,930
Land improvements	8,530,656	8,071,596
Buildings and improvements	236,930,009	228,909,971
Machinery, equipment and	93,556,601	84,964,097
Intangible Assets	552,070	552,070
Infrastructure	473,894,049	471,566,313
Construction-in-progress	<u>38,568,537</u>	<u>26,139,933</u>
Total governmental funds capital assets	<u><u>\$ 875,083,170</u></u>	<u><u>\$ 843,252,910</u></u>
Investment in governmental funds capital assets by source		
General Obligations Bonds	\$ 185,713,571	\$ 185,713,571
General Fund Revenue	132,940,640	111,782,025
Special Revenue Fund Revenue	43,992,185	42,915,871
Certificates of Participation	10,050,303	10,050,303
Capital Projects Fund	<u>502,386,471</u>	<u>492,791,140</u>
Total investment in governmental funds capital assets	<u><u>\$ 875,083,170</u></u>	<u><u>\$ 843,252,910</u></u>

HORRY COUNTY, SOUTH CAROLINA

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

June 30, 2015

	Land	Land improvements	Buildings and improvements	Machinery Equipment & Vehicles	Intangible Assets	Infrastructure	Construction in Progress	Totals
Function and Activity:								
General government	\$ 13,325,343	\$ 1,716,632	\$ 78,750,932	\$ 26,136,748	\$ 552,070	\$ -	-	\$ 120,481,725
Public safety	2,453,968	83,641	100,119,836	59,832,970	-	-	-	162,490,415
Infrastructure	612,425	905,517	3,628,448	4,225,564	-	473,894,049	-	483,266,003
Health and social services	90,000	-	8,516,304	20,910	-	-	-	8,627,214
Cultural and recreation	6,569,512	5,824,866	45,914,489	3,340,409	-	-	-	61,649,276
Construction-in-progress	-	-	-	-	-	-	38,568,537	38,568,537
Total governmental funds	\$ 23,051,248	\$ 8,530,656	\$ 236,930,009	\$ 93,556,601	\$ 552,070	\$ 473,894,049	\$ 38,568,537	\$ 875,083,170
capital assets								

HORRY COUNTY, SOUTH CAROLINA

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

	Balances June 30, 2014	Additions	Deletions/ Transfers	Balances June 30, 2015
Functions and Activity:				
General government	\$ 112,056,534	\$ 8,498,803	\$ (73,612)	\$ 120,481,725
Public Safety	156,120,224	7,508,932	(1,138,741)	162,490,415
Infrastructure & Regulation	480,851,299	3,905,123	(1,490,419)	483,266,003
Health and Social Services	8,351,288	275,926	-	8,627,214
Cultural and Recreation	59,732,632	1,916,644	-	61,649,276
Construction-in-progress	26,139,933	29,694,202	(17,265,598)	38,568,537
Total governmental funds capital assets	<u>\$ 843,251,910</u>	<u>\$ 51,799,630</u>	<u>\$ (19,968,370)</u>	<u>\$ 875,083,170</u>
Class:				
Land and easements	\$ 23,048,930	\$ 19,818	\$ (17,500)	\$ 23,051,248
Land improvements	8,071,596	459,060	-	8,530,656
Buildings and improvements	228,909,971	8,020,038	-	236,930,009
Machinery, equipment and vehicles	84,964,097	9,770,741	(1,178,237)	93,556,601
Intangible Assets	552,070	-	-	552,070
Infrastructure	471,566,313	3,834,771	(1,507,035)	473,894,049
Construction-in-progress	26,139,933	29,694,202	(17,265,598)	38,568,537
Total governmental funds capital assets	<u>\$ 843,252,910</u>	<u>\$ 51,798,630</u>	<u>\$ (19,968,370)</u>	<u>\$ 875,083,170</u>

VICTIM'S RIGHTS

HORRY COUNTY, SOUTH CAROLINA

SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES

FOR THE YEAR ENDED JUNE 30, 2015
(with comparison for the year ended June 30, 2014)

<u>Collected</u>	<u>Clerk of Court</u>	<u>Magistrate</u>	<u>Probate</u>	<u>Total 2015</u>	<u>Total 2014</u>
Fines collected	\$ 1,826,527	\$ 3,234,865	\$ 60,660	\$ 5,122,052	\$ 5,235,979
Assessments collected	78,354	585,722	-	664,076	664,794
Surcharges collect	92,887	769,198	-	862,085	921,965
Total collected	<u>\$ 1,997,768</u>	<u>\$ 4,589,785</u>	<u>\$ 60,660</u>	<u>\$ 6,648,213</u>	<u>\$ 6,822,738</u>
<u>Retained by County</u>					
Fines	427,998	2,073,950	-	2,501,948	2,586,390
Assessments	29,102	161,795	-	190,897	187,897
Surcharges	70,251	65,644	-	135,895	161,448
Total retained by County	<u>\$ 527,351</u>	<u>\$ 2,301,389</u>	<u>\$ -</u>	<u>\$ 2,828,740</u>	<u>\$ 2,935,735</u>
<u>Remitted to State</u>					
Fines	1,398,529	1,160,915	60,660	2,620,104	2,649,589
Assessments	49,252	423,927	-	473,179	476,897
Surcharges	22,636	703,554	-	726,190	760,517
Total remitted to State	<u>\$ 1,470,417</u>	<u>\$ 2,288,396</u>	<u>\$ 60,660</u>	<u>\$ 3,819,473</u>	<u>\$ 3,887,003</u>

See accompanying independent auditors' report.

CAPITAL PROJECTS SALES TAX

HORRY COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULES
CAPITAL PROJECTS SALES TAX
FOR THE YEAR ENDED JUNE 30, 2015

<u>Projects</u>	<u>Project Title</u>	<u>Original Project Budget</u>	<u>Current Project Budget</u>	<u>Project Actual</u>	<u>Variance</u>
Project #1	Pave 20 miles - DR	\$ 19,600,000	\$ 11,365,340	\$ 11,378,823	\$ (13,483)
Project #2	Resurface 12 miles	945,000	839,422	839,422	-
Project #3	Backgate Interchange	49,500,000	123,370,000 ¹	102,141,288	21,228,712
Project #4	Widen 707	132,250,000	103,410,000	30,573,859	72,836,141
Project #5	Pave 25 miles - DR	25,750,000	23,991,999	10,522,517	13,469,482
Project #6	Resurface 12 miles	990,000	1,095,578	1,095,578	-
Project #7	Aynor Overpass	46,000,000	16,172,458	16,115,520	56,938
Project #8	Resurface 12 miles	1,035,000	1,500,299	1,473,826	26,473
Project #9	Widen Glenns Bay	76,000,000	76,034,044	23,032,464	53,001,580
Project #10	Resurface 12 miles	1,080,000	1,370,858	821,122	549,736
Project #11	Pave 25 miles - DR	27,750,000	27,750,000	12,962,629	14,787,371
Project #12	Resurface 12 miles	1,125,000	1,817,313	36,562	1,780,751
Project #13	International Dr	6,500,000	15,500,000	884,136	14,615,864
Project #14	Resurface 7 miles	682,500	942,759	-	942,759
Project #15	Pave 30 miles - DR	36,100,000	35,789,793	773,225	35,016,568
Total		<u>\$ 425,307,500</u>	<u>\$ 440,949,863</u>	<u>\$ 212,650,971</u>	<u>\$ 228,298,892</u>

Includes SCDOT Funding of \$15,000,000 for Project #3.

DR = Dirt Road

Note: From inception through June 30, 2015.

GENERAL IMPROVEMENTS CAPITAL PROJECTS FUND

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENT CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULES

FOR THE YEAR ENDED JUNE 30, 2015

(With comparative actual amounts for the year ended June 30, 2014)

	2015				2014
	Budget		Actual	Variance	Actual
	Original	Final			
Revenues					
Disposal fee	\$ 666,000	\$ 666,000	\$ 709,972	\$ 43,972	\$ 771,935
Intergovernmental - state	565,000	920,590	920,590	-	2,024,713
Intergovernmental - other	-	594,700	227,138	(367,562)	-
Rural development act funding	-	-	-	-	400,000
Interest	-	-	45,274	45,274	60,191
Other-donations	-	2,140,120	159,120	(1,981,000)	95,166
Total revenues	<u>1,231,000</u>	<u>4,321,410</u>	<u>2,062,094</u>	<u>(2,259,316)</u>	<u>3,352,005</u>
Expenditures					
Capital outlay:					
Contractual Services	-	15,746	-	15,746	-
Supplies and materials	-	1,758,007	1,758,005	2	-
Construction contracts	-	-	-	-	1,501,589
Construction contracts - infrastructure	-	1,260,135	-	1,260,135	69,240
Capital outlay	23,890,260	35,242,375	13,775,279	21,467,096	7,977,919
Contingency	157,215	3,130,496	(26,043)	3,156,539	-
Capital lease principal	-	2,867,404	2,105,271	762,133	758,697
Capital lease interest	-	186,604	186,605	(1)	-
Other	1,345,072	22,258	13,316	8,942	-
Total expenditures	<u>25,392,547</u>	<u>44,483,025</u>	<u>17,812,433</u>	<u>26,670,592</u>	<u>10,307,445</u>
Excess (deficiency) of revenue over expenditures	<u>(24,161,547)</u>	<u>(40,161,615)</u>	<u>(15,750,339)</u>	<u>24,411,276</u>	<u>(6,955,440)</u>
Other Financing Sources (Uses)					
Bond proceeds	-	-	-	-	252,000
Capital lease	19,855,000	19,675,963	4,675,962	(15,000,001)	12,081,747
Transfers in	3,451,427	3,824,636	3,234,636	(590,000)	3,103,040
Transfers out	(223,067)	(260,083)	(260,083)	-	(216,456)
Total other financing sources (uses)	<u>23,083,360</u>	<u>23,240,516</u>	<u>7,650,515</u>	<u>(15,590,001)</u>	<u>15,220,331</u>
Net change in fund balance	<u>(1,078,187)</u>	<u>(16,921,099)</u>	<u>(8,099,824)</u>	<u>8,821,275</u>	<u>8,264,891</u>
Fund balance at beginning of year	<u>17,017,946</u>	<u>17,017,946</u>	<u>17,017,946</u>	<u>-</u>	<u>8,753,055</u>
Fund balance at end of year	<u>\$ 15,939,759</u>	<u>\$ 96,847</u>	<u>\$ 8,918,122</u>	<u>\$ 8,821,275</u>	<u>\$ 17,017,946</u>

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

Financial Trends

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

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

Debt Capacity

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

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

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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

For the Fiscal Year Ended June 30										
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
	as restated		as restated	as restated				as restated	as restated	
Governmental activities										
Net investment in capital assets	\$ 387,935	\$ 406,013	\$ 386,522	\$ 488,550	\$ 532,927	\$ 551,832	\$ 576,387	\$ 592,217	\$ 609,438	\$ 619,432
Restricted	38,317	64,674	186,578	206,516	231,335	309,063	348,119	345,339	353,422	311,619
Unrestricted	(264,451)	(251,630)	(241,001)	(255,722)	(218,404)	(256,844)	(240,372)	(162,562)	(116,907)	(215,437)
Total governmental activities net position	<u>\$ 161,801</u>	<u>\$ 219,057</u>	<u>\$ 332,099</u>	<u>\$ 439,344</u>	<u>\$ 545,858</u>	<u>\$ 604,051</u>	<u>\$ 684,134</u>	<u>\$ 774,994</u>	<u>\$ 845,953</u>	<u>\$ 715,614</u>
Business-type activities										
Net investment in capital assets	\$ 84,760	\$ 72,687	\$ 80,109	\$ 87,137	\$ 104,452	\$ 116,287	\$ 138,123	\$ 168,610	\$ 171,153	\$ 193,870
Restricted	29,635	34,046	26,679	26,894	30,469	42,403	45,038	32,929	33,430	36,532
Unrestricted	36,054	32,682	41,020	45,253	41,989	43,140	42,948	43,095	47,059	33,043
Total business-type activities net position	<u>\$ 150,449</u>	<u>\$ 139,415</u>	<u>\$ 147,808</u>	<u>\$ 159,284</u>	<u>\$ 176,910</u>	<u>\$ 201,830</u>	<u>\$ 226,109</u>	<u>\$ 244,634</u>	<u>\$ 251,642</u>	<u>\$ 263,445</u>
Primary government										
Net investment in capital assets	\$ 472,695	\$ 478,700	\$ 466,631	\$ 575,687	\$ 637,378	\$ 668,119	\$ 714,510	\$ 760,827	\$ 780,591	\$ 813,302
Restricted	67,952	98,719	213,257	233,410	261,804	351,466	393,157	378,268	386,852	348,151
Unrestricted (deficit)	(228,397)	(218,948)	(199,981)	(210,469)	(176,415)	(213,704)	(197,424)	(119,467)	(69,848)	(182,394)
Total primary government net position	<u>\$ 312,250</u>	<u>\$ 358,471</u>	<u>\$ 479,907</u>	<u>\$ 598,628</u>	<u>\$ 722,767</u>	<u>\$ 805,881</u>	<u>\$ 910,243</u>	<u>\$ 1,019,628</u>	<u>\$ 1,097,595</u>	<u>\$ 979,059</u>

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCURAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	as restated		as restated	as restated				as restated	as restated	
Expenses										
Governmental activities:										
General government	\$ 27,960	\$ 40,691	\$ 38,239	\$ 37,914	\$ 34,971	\$ 34,962	\$ 33,091	\$ 33,488	\$ 35,355	\$ 33,225
Public safety	68,799	72,570	98,133	101,642	91,214	101,668	106,451	99,823	108,655	112,844
Health and social services	920	980	2,542	2,432	2,354	2,504	2,659	2,753	2,852	2,738
Infrastructure and regulation	30,145	14,126	18,910	23,492	31,037	34,998	28,236	27,786	27,780	30,247
Improvements to state roadways	-	-	-	-	-	35,731	15,722	25,118	31,821	33,078
Culture, recreation and tourism	8,534	9,133	10,836	9,426	4,629	9,307	10,523	11,376	12,046	13,331
Economic development	843	312	383	2,292	2,019	1,366	3,555	2,882	3,786	3,465
Conservation/natural resources	561	1	47	-	-	-	-	-	-	-
Other	4,077	-	-	-	-	-	-	-	-	-
Debt service	15,454	16,193	16,767	7,530	8,964	11,970	9,652	10,485	9,757	10,060
Horry-Georgetown Tech	2,591	2,800	3,000	3,000	3,973	3,415	3,347	3,485	3,500	3,423
Higher Education Commission	500	410	910	1,170	1,140	1,325	1,200	1,150	1,236	2,606
Total governmental activities expenses	160,384	157,216	189,767	188,898	180,301	237,246	214,436	218,346	236,788	245,017
Business-type activities:										
Airport	18,483	26,663	19,714	17,440	17,264	19,818	19,834	22,482	30,284	31,962
Baseball Stadium	334	376	-	-	-	-	-	-	-	-
Total business-type activities expenses	18,817	27,039	19,714	17,440	17,264	19,818	19,834	22,482	30,284	31,962
Total primary government expenses	179,201	184,255	209,481	206,338	197,565	257,064	234,270	240,828	267,072	276,979
Program Revenues										
Governmental activities:										
Charges for services:										
General government	20,635	2,206	12,295	10,203	11,899	12,346	12,595	20,979	19,180	17,360
Public safety	4,002	12,559	15,687	16,918	17,875	17,988	16,787	12,811	12,506	13,849
Health and social services	-	101	49	71	70	69	70	79	-	-
Infrastructure and regulation	10,596	11,936	4,177	4,387	11,666	12,165	12,634	12,261	12,579	17,860
Culture, recreation and tourism	-	97	593	99	108	91	93	88	95	117
Economic Development	-	-	-	-	-	-	-	69	127	141
Operating grants and contributions	1,991	641	597	5,196	4,800	2,769	2,368	4,864	5,355	10,450
Capital grants and contributions	2,400	358	666	317	1,908	10,702	6,726	4,899	3,015	3,231
Total governmental activities program revenues	39,624	27,898	34,064	37,191	48,326	56,130	51,273	56,050	52,857	63,008

HORRY COUNTY, SOUTH CAROLINA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

For the Fiscal Year Ended June 30										
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
	as restated		as restated	as restated				as restated	as restated	
Governmental activities										
Net investment in capital assets	\$ 387,935	\$ 406,013	\$ 386,522	\$ 488,550	\$ 532,927	\$ 551,832	\$ 576,387	\$ 592,217	\$ 609,438	\$ 619,432
Restricted	38,317	64,674	186,578	206,516	231,335	309,063	348,119	345,339	353,422	311,619
Unrestricted	(264,451)	(251,630)	(241,001)	(255,722)	(218,404)	(256,844)	(240,372)	(162,562)	(116,907)	(215,437)
Total governmental activities net position	<u>\$ 161,801</u>	<u>\$ 219,057</u>	<u>\$ 332,099</u>	<u>\$ 439,344</u>	<u>\$ 545,858</u>	<u>\$ 604,051</u>	<u>\$ 684,134</u>	<u>\$ 774,994</u>	<u>\$ 845,953</u>	<u>\$ 715,614</u>
Business-type activities										
Net investment in capital assets	\$ 84,760	\$ 72,687	\$ 80,109	\$ 87,137	\$ 104,452	\$ 116,287	\$ 138,123	\$ 168,610	\$ 171,153	\$ 193,870
Restricted	29,635	34,046	26,679	26,894	30,469	42,403	45,038	32,929	33,430	36,532
Unrestricted	36,054	32,682	41,020	45,253	41,989	43,140	42,948	43,095	47,059	33,043
Total business-type activities net position	<u>\$ 150,449</u>	<u>\$ 139,415</u>	<u>\$ 147,808</u>	<u>\$ 159,284</u>	<u>\$ 176,910</u>	<u>\$ 201,830</u>	<u>\$ 226,109</u>	<u>\$ 244,634</u>	<u>\$ 251,642</u>	<u>\$ 263,445</u>
Primary government										
Net investment in capital assets	\$ 472,695	\$ 478,700	\$ 466,631	\$ 575,687	\$ 637,378	\$ 668,119	\$ 714,510	\$ 760,827	\$ 780,591	\$ 813,302
Restricted	67,952	98,719	213,257	233,410	261,804	351,466	393,157	378,268	386,852	348,151
Unrestricted (deficit)	(228,397)	(218,948)	(199,981)	(210,469)	(176,415)	(213,704)	(197,424)	(119,467)	(69,848)	(182,394)
Total primary government net position	<u>\$ 312,250</u>	<u>\$ 358,471</u>	<u>\$ 479,907</u>	<u>\$ 598,628</u>	<u>\$ 722,767</u>	<u>\$ 805,881</u>	<u>\$ 910,243</u>	<u>\$ 1,019,628</u>	<u>\$ 1,097,595</u>	<u>\$ 979,059</u>

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									
	2006	2007	2008 as restated	2009 as restated	2010	2011*	2012	2013 as restated	2014	2015
General fund										
Reserved	\$ 2,395	\$ 1,273	\$ 1,250	\$ 1,174	\$ 3,649	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved/designated	13,547	3,567	3,254	5,309	8,375	-	-	-	-	-
Unreserved/undesignated	19,102	22,089	24,579	24,341	24,739	-	-	-	-	-
Nonspendable	-	-	-	-	-	1,532	169	1,975	77	1,319
Restricted	-	-	-	-	-	-	-	1,000	117	-
Committed	-	-	-	-	-	25,392	29,082	28,282	31,775	27,273
Assigned	-	-	-	-	-	343	343	473	-	-
Unassigned	-	-	-	-	-	9,797	7,108	10,431	9,391	12,194
Total general fund	35,044	26,929	29,083	30,824	36,763	37,064	36,702	42,161	41,360	40,786
All other governmental funds										
Reserved	56,734	70,700	196,056	272,586	256,012	-	-	-	-	-
Unreserved for:										
Special revenue funds	23,092	33,671	33,327	3,721	38,972	-	-	-	-	-
Capital project funds (deficit)	7,944	19,080	12,415	(7,235)	2,016	-	-	-	-	-
Nonspendable	-	-	-	-	-	857	20	19	75	-
Restricted	-	-	-	-	-	291,148	321,734	353,322	398,696	360,259
Committed	-	-	-	-	-	16,719	13,420	24,270	26,581	29,857
Unassigned	-	-	-	-	-	(1,199)	(1,134)	(3,292)	(107)	(469)
Total all other governmental funds	87,770	123,451	241,798	269,072	297,000	307,525	334,040	374,319	425,245	389,647
Total governmental fund balances	\$ 122,814	\$ 150,380	\$ 270,881	\$ 299,896	\$ 333,763	\$ 344,589	\$ 370,742	\$ 416,480	\$ 466,605	\$ 430,433

*As of June 30, 2011, fund balance classifications changed with the implementation of GASB 54.

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
				as restated			as restated	as restated		
Revenues										
Property Taxes	\$ 87,680	\$ 93,557	\$ 104,607	\$ 114,821	\$ 118,249	\$ 115,241	\$ 114,481	\$ 117,238	\$ 124,996	\$ 123,181
Licenses and permits	13,841	12,128	9,999	7,551	6,572	6,272	6,537	7,344	7,797	8,805
Intergovernmental	18,913	22,570	21,210	22,296	24,025	19,701	34,545	22,391	25,030	22,216
Sales Tax Major Capital Projects (3)	-	-	63,537	63,549	58,070	61,477	64,802	65,732	69,733	1,139
Fees and fines	58,817	61,679	64,570	65,709	66,446	34,081	33,301	36,178	33,491	35,992
Hospitality & Local Accommodations fees (4)	-	-	-	-	-	36,867	39,452	39,917	42,291	45,280
Charges for services	8,962	6,966	4,356	2,406	2,469	2,305	2,340	2,764	3,200	3,823
Interest on investments	5,650	8,030	7,880	7,834	4,658	2,383	2,015	1,770	1,923	1,310
Accommodation tax (1)	969	1,014	996	865	845	3,835	3,677	4,082	4,135	3,890
Cost allocation	1,697	1,426	1,685	2,100	3,077	3,055	3,167	2,787	3,069	3,302
Other	2,368	3,553	5,585	4,617	4,018	3,864	4,448	4,900	4,614	4,529
Total revenues	198,897	210,923	284,425	291,748	288,429	289,081	308,765	305,103	320,279	253,467
Expenditures										
General government	23,570	27,254	30,143	30,810	28,070	28,687	28,210	29,673	30,150	28,222
Public safety	67,878	73,533	79,117	84,810	87,461	93,942	99,887	92,996	101,040	104,798
Infrastructure and regulation (2)	29,028	31,078	32,898	29,208	31,611	54,990	59,689	52,922	60,474	29,994
Economic development	774	312	383	2,292	2,019	1,423	1,800	1,753	2,737	3,502
Health and social services	894	861	822	867	2,232	2,382	2,436	2,532	2,624	2,510
Culture and recreation	8,033	8,387	8,699	8,821	9,807	8,863	9,786	10,577	10,833	11,748
Capital outlay	13,544	11,175	28,822	50,118	56,796	37,060	29,302	16,749	19,113	31,983
Conservation and natural resources	561	1	47	-	-	-	-	-	-	-
Horry-Georgetown Tech	2,591	2,800	3,000	3,000	3,973	3,415	3,347	3,485	3,500	3,423
Higher Education	500	410	910	1,170	1,140	1,325	1,200	1,150	1,236	1,204
Improvements to state roadways										33,078
Debt service:										
Principal	20,150	19,455	21,704	28,130	27,675	31,198	33,299	26,305	28,408	28,528
Interest and fees	15,659	15,377	14,477	16,075	17,359	14,605	13,687	21,509	20,890	23,180
Other charges	1,457	6,419	10,925	5,008	1,025	44	1,906	1,194	1,119	-
Total expenditures	184,639	197,062	231,947	260,309	269,168	277,934	284,549	260,845	282,124	302,170
Excess of revenues over (under) expenditures	14,258	13,861	52,478	31,439	19,261	11,147	24,216	44,258	38,155	(48,703)

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
				as restated			as restated	as restated		
Transfers in	57,682	55,044	50,686	48,717	45,103	16,176	11,733	9,693	12,709	12,347
Transfers out	(57,995)	(55,349)	(50,997)	(49,221)	(45,103)	(19,967)	(12,759)	(10,981)	(13,166)	(12,445)
Refunding bonds issued	35,326	-	-	-	-	-	-	-	-	-
Issuance of debt	-	11,000	62,000	8,155	26,040	-	8,740	-	252	29,500
Premium on bonds issued	(439)	-	1,496	-	1,151	-	285	-	-	-
Payments to refunded bond escrow agent	(34,883)	-	-	(10,671)	(13,260)	-	(8,881)	-	-	(29,384)
Capital leases	7,488	-	4,442	-	-	-	-	-	-	-
Sale of assets	101	44	330	400	94	259	216	148	95	95
Other	(3,111)	-	-	-	580	2,091	2,603	460	12,082	12,312
Total other financing sources (uses)	4,169	10,739	67,957	(2,620)	14,605	(1,441)	1,937	(680)	11,972	12,425
Extraordinary item	-	-	-	-	-	1,120	-	-	-	-
Net change in fund balances (3)	\$ 18,427	\$ 24,600	\$ 120,435	\$ 28,819	\$ 33,866	\$ 10,826	\$ 26,153	\$ 43,578	\$ 50,127	\$ (36,278)
Debt service as a percentage of noncapital expenditures	20.9%	18.7%	17.6%	21.0%	21.2%	16.9%	20.0%	19.9%	18.7%	19.1%

- (1) Accommodation taxes are considered Special Assessments.
(2) Prior to fiscal year ended June 30, 2004, expenses for Infrastructure and Regulation were classified as Public Works.
(3) Major Capital Projects Sales Tax added 2008.
(4) Prior to fiscal year ended June 30, 2011, Hospitality and Local Accommodations fees were classified as Intergovernmental.

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)

TAX YEAR	FOR THE FISCAL YEAR ENDED JUNE 30	REAL PROPERTY (1) (2) (3)		PERSONAL PROPERTY (2) (4)		TOTAL TAXABLE ASSESSED VALUE (2) (7)	TOTAL DIRECT TAX RATE (6) (7)	ESTIMATED ACTUAL TAXABLE VALUE (5) (7)	ASSESSED VALUE (2) AS A PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE (5)
		RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	FARM	MOTOR VEHICLES	OTHER			
2005	2006	309,446	888,857	5,068	146,222	132,501	46.3	25,877,845	5.73%
2006	2007	326,176	980,924	5,031	148,820	145,614	46.3	28,190,764	5.70%
2007	2008	354,361	1,107,275	5,167	142,105	160,068	47.3	31,163,189	5.68%
2008	2009	394,601	1,264,297	5,088	133,789	172,811	47.3	34,797,636	5.66%
2009	2010	419,503	1,278,502	5,162	128,942	174,070	47.3	35,591,828	5.64%
2010	2011	465,852	1,282,410	5,524	109,872	165,332	44.9	36,448,278	5.57%
2011	2012	478,287	1,283,108	5,552	120,615	157,156	45.2	36,851,012	5.55%
2012	2013	489,498	1,269,741	5,597	134,214	154,820	45.2	37,099,739	5.54%
2013	2014	499,771	1,274,902	5,558	152,537	151,714	45.2	37,690,344	5.53%
2014	2015	489,077	1,215,768	5,474	173,197	213,486	45.2	37,546,392	5.59%

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) Property that is exempt from the County portion of taxes have been subtracted from Assessed Value and Estimated Actual Taxable Value.
- (8) General Note: Taxes for each tax year are due and payable the following fiscal year.

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

	Tax Year (1)									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
County Direct Rates (2)										
General Fund	36.7	36.7	36.7	36.7	36.7	34.8	35.6	35.6	35.6	35.6
Debt Retirement	5.3	5.3	5.3	5.3	5.3	5.0	5.0	5.0	5.0	5.0
Senior Citizens Fund	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Horry Georgetown Tech	1.9	1.9	1.9	1.9	1.9	1.8	1.8	1.8	1.8	1.8
Higher Education	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Recreation (Began in 2001)	1.3	1.3	2.3	2.3	2.3	2.2	1.7	1.7	1.7	1.7
Total Direct Rate	46.3	46.3	47.3	47.3	47.3	44.9	45.2	45.2	45.2	45.2
Unincorp. County Rates (2)										
Rural Fire	16.3	16.3	16.3	16.3	16.3	15.2	15.2	15.2	19.5	19.5
Rural Fire App. Repl. (Began 2013)									1.7	1.7
Waste Management	6.4	6.4	6.4	6.4	6.4	6.0	6.0	6.0	6.0	6.0
School District Rates (2)										
Operating	101.7	107.3	115.3	115.3	119.3	118.2	120.2	120.2	120.2	123.1
Debt Service	28.0	28.0	28.0	28.0	20.0	14.0	10.0	10.0	10.0	10.0
Total School Rate	129.7	135.3	143.3	143.3	139.3	132.2	130.2	130.2	130.2	130.2
Other Fire Districts Rates (2)										
Aynor Fire Contract	16.3	16.3	16.3	16.3	16.3	15.2	15.2	15.2	21.2	21.2
Atlantic Beach Fire Contract	16.3	16.3	16.3	16.3	16.3	15.2	15.2	15.2	21.2	21.2
Murrells Inlet /Garden City Contract	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
City Rates (2)										
Town of Atlantic Beach	90.0	90.0	94.5	94.5	94.5	94.5	84.5	84.5	84.5	84.5
Town of Aynor	70.8	70.8	72.2	72.2	72.2	60.8	60.8	60.8	60.8	60.8
Town of Briarcliff Acres	47.0	50.0	52.8	55.6	55.6	50.8	50.8	50.8	50.8	50.8
City of Conway	86.6	86.6	86.6	86.6	86.6	79.3	79.3	79.3	79.3	82.4
City of Loris	105.0	105.0	105.0	105.0	105.0	103.7	103.7	111.7	111.7	111.7
City of Myrtle Beach	61.4	61.4	61.4	64.4	62.9	66.1	66.1	66.1	66.1	74.5
City of Myrtle Beach Tax Credit (Began in 2010)					1.5	58.5	58.5	58.5	58.5	61.5
City of N. Myrtle Beach	30.5	30.5	30.5	32.2	32.2	32.0	38.0	38.0	38.0	39.3
City of Surfide Beach	44.0	44.0	44.0	44.0	44.0	40.0	40.0	40.0	40.0	46.2

**HORRY COUNTY, SOUTH CAROLINA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

	Tax Year (1)									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Special District Rates (2)										
Crabtree	3.6	3.6	3.6	3.6	3.6	3.2	3.2	3.2	3.2	3.2
Todd Swamp	3.5	3.5	3.5	3.5	3.5	3.1	3.1	3.1	3.1	3.1
Buck Creek	3.8	3.8	3.8	3.8	3.8	3.2	3.2	3.2	3.2	3.2
Simpson Creek	3.4	3.4	3.4	3.4	3.4	2.9	2.9	2.9	2.9	2.9
Mt Gilead	17.4	17.4	17.4	7.4	7.4	7.0	7.0	7.0	7.0	7.0
Socastee Rec	2.0	2.0	2.0	2.0	2.0	1.8	1.8	1.8	1.8	1.8
Cartwheel	3.9	3.9	3.9	3.9	3.9	3.4	3.4	3.4	3.4	3.4
Gapway	3.8	3.8	3.8	3.8	3.8	3.1	3.1	3.1	3.1	3.1
Arcadian Shores	35.0	35.0	35.0	35.0	35.0	32.3	32.3	32.3	32.3	35.0
Hidden Woods (Began in TY 2012)								84.6	84.6	84.6
River Grande (Began in TY 2012)								0.0	0.0	0.0

Notes:

- (1) Taxes for each tax year are due and payable the following fiscal year.
- (2) Rates are per \$1,000 of assessed value.
- (3) A property reappraisal was performed for the Tax Year 2010. This reappraisal was delayed by one (1) tax year.
- (4) A property reappraisal was performed for the Tax Year 2014.
- (5) A reappraisal is scheduled to be performed every five years. The County's next scheduled reappraisal date is December 31, 2018 for the Tax Year 2019.

Source: Horry County Assessor and Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	Fiscal Year 2015 (Tax Year 2014)			Fiscal Year 2006 (Tax Year 2005)		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL ASSESSED VALUE (1)	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL ASSESSED VALUE (1)
Burroughs & Chapin Inc. & Subsidiaries (2)(3)	\$ 18,944,910	1	0.90%	\$ 12,195,144	2	0.82%
Horry Electric Cooperative, Inc.	18,166,470	2	0.87%	36,575,303	1	2.47%
HRP Myrtle Beach Operations LLC (4)	5,342,430	3	0.25%			
AVX Corporation	4,281,402	4	0.20%	3,877,484	6	0.26%
Bluegreen Vacations Unlimited Inc.	4,078,810	5	0.19%			
Marriott Ownership Resorts Inc.	4,068,990	6	0.19%			
Frontier Communications of the Carolinas	3,920,270	7	0.19%			
South Carolina Electric & Gas	3,533,920	8	0.17%			
Ocean Lakes Family Campground	3,414,610	9	0.16%	2,547,356	7	0.17%
Wal-Mart Real Estate Business Trust/Wal-Mart Stores East LP	3,150,250	10	0.15%	2,864,569	9	0.19%
Horry Telephone Coop./HTC Communications Inc.				6,810,086	3	0.46%
Verizon South Inc.				7,438,060	4	0.50%
Lawyers Title Insurance Corp.				4,419,612	5	0.30%
Leroy Springs & Company				2,345,766	8	0.16%
Colonial Realty Ltd Partnership				2,250,000	10	0.15%
Totals	\$ 68,902,062		3.27%	\$ 81,323,380		5.48%

Notes:

- (1) Property that is exempt from the County portion of taxes have been subtracted from Total Assessed Value.
(2) TY 2014 data for Burroughs & Chapin Inc. & Subsidiaries includes Myrtle Beach Farms, Broadway at the Beach, and Grande Dunes Development Co.
(3) TY 2005 data for Burroughs & Chapin Inc. & Subsidiaries includes Myrtle Beach Farms, Broadway at the Beach, and Grande Dunes Development Co.
(4) HRP Myrtle Beach Operations LLC - The Hard Rock Park property is currently under bankruptcy protection.

Source: Horry County Treasurer

**HORRY COUNTY, SOUTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

TAX YEAR	FOR THE FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR (2)	COLLECTED WITHIN THE		COLLECTIONS IN SUBSEQUENT YEARS (2)	TOTAL COLLECTIONS TO DATE	
			FISCAL YEAR OF THE LEVY	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
			AMOUNT				
2005	2006	87,830	84,027	95.67%	1,451	85,478	97.32%
2006	2007	93,987	89,919	95.67%	1,766	91,685	97.55%
2007	2008	104,959	99,918	95.20%	2,207	102,125	97.30%
2008	2009	116,478	108,765	93.38%	4,703	113,468	97.42%
2009	2010	117,841	110,020	93.36%	4,875	114,895	97.50%
2010	2011	114,534	108,254	94.52%	3,019	111,273	97.15%
2011	2012	115,734	108,294	93.57%	3,645	111,939	96.72%
2012	2013	116,221	109,743	94.43%	3,206	112,949	97.18%
2013	2014	123,735	117,524	94.98%	2,374	119,898	96.90%
2014	2015	123,477	117,081	94.82%			

Notes:

- (1) Taxes for each tax year are due and payable the following fiscal year.
(2) Amounts for property tax collections of vehicle taxes, interest and penalty have been reclassified in prior years

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		PRIMARY GOVERNMENT		DEBT PER CAPITA (1) (2)			
	GENERAL		SPECIAL		RIDE		BASEBALL		TOTAL					
	OBLIGATION	BONDS	ASSESSMENT	BONDS	IGA	LOANS	CAPITAL LEASES	STADIUM COPS BONDS	REVENUE BONDS	CAPITAL LEASES		OUTSTANDING DEBT	PERCENTAGE OF PERSONAL INCOME (1) (2)	
2006	72,920		13,985		364,791		14,722		2,295	26,080	426	495,219	6.93%	2,045
2007	80,120		12,725		350,132		12,027		2,162	24,300	383	481,849	6.37%	1,909
2008	137,920		11,405		334,103		13,115		2,024	11,140	345	510,052	6.52%	1,957
2009	129,840		10,035		315,760		9,828		1,880	10,620	306	478,269	6.15%	1,800
2010	134,670		7,105		297,308		6,726		1,570	10,075	266	457,720	5.75%	1,692
2011	125,967		5,410		276,765		4,908		1,405	60,590 (3)	224	475,269	5.72%	1,725
2012	117,794		3,665		254,386		5,264		1,233	60,590	180	443,112	5.13%	1,571
2013	110,788		1,860		230,067		3,869		1,233 (4)	60,590	685	409,092	4.56%	1,413
2014	101,054		-		203,700		14,224		1,051	60,404	586	381,019	3.99%	1,275
2015	91,310		-		175,172		24,134		861	59,196	484	351,157	not available	not available

Notes:

- (1) See the schedule of Demographic and Economic Statistics for personal income and population data.
- (2) Percentage of Personal Income and Per Capita data have been revised to incorporate updated information from the U.S. Census Bureau and the Bureau of Economic Analysis
- (3) Series 1997 and Series 2000 Bonds were fully redeemed in FY2011 and Series 2010 Bonds were issued.
- (4) Baseball Stadium COP bonds were restated to correct a prior period error.

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 (4)	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND	TOTAL	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY (2)	NET BONDED DEBT PER CAPITA (3)
2006	72,920	6,107	66,813	0.26%	291
2007	63,915	9,306	54,609	0.19%	225
2008	122,890	15,441	107,449	0.34%	426
2009	116,050	14,129	101,921	0.29%	391
2010	122,175	13,226	108,949	0.31%	410
2011	114,797	12,310	102,487	0.28%	379
2012	104,999	10,647	94,352	0.26%	342
2013	97,711	8,978	88,733	0.24%	315
2014	89,552	7,586	81,966	0.22%	283
2015	84,064	6,080	77,984	0.21%	261

Notes:

- (1) The restricted for debt service principal column has not been included because there are no restricted assets for general obligation bonds.
- (2) Percentage Estimated Actual Taxable Value of Property = Total Column (above) / the Estimated Actual Taxable Value (see the schedule of Assessed Value and Estimated Actual Value of Taxable Property for Est. Actual Taxable Value).
- (3) Net Bonded Debt per capita = Total column (above) / the prior year's (rounded) County Population; which has been revised to incorporate updated information from the U.S. Census Bureau and the Bureau of Economic Analysis (see the schedule of Demographic and Economic Statistics for population data).
- (4) General obligation bonds includes all general obligation bonds other than:
 - (a) Fire Protection G.O. Bonds of \$5,920 as they have their own designated millage (fire millage is assessed only to unincorporated areas of the County and municipalities with a contract for fire protection)
 - (b) Higher Education G.O. Bonds of \$3,115 as they have their own designated millage (Special Purpose Districts)

Source: Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2015
(AMOUNTS EXPRESSED IN THOUSANDS)**

ENTITY	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	ESTIMATED SHARE OF OVERLAPPING DEBT
School District	\$ 330,620	100.00%	\$ 330,620
City of Myrtle Beach	46,148	100.00%	46,148
City of Conway	10,021	100.00%	10,021
City of North Myrtle Beach	10,823	100.00%	10,823
City of Loris	2,030	100.00%	2,030
Town of Surfside Beach	439	100.00%	439
Subtotal, overlapping debt			400,081
Horry County direct debt (1)(2)	292,200	100.00%	292,200
Total direct and overlapping debt		100.00%	\$ 692,281

Notes:

- (1) Horry County direct debt outstanding includes all general obligation long-term bonds including:
- (a) Fire District G.O. Bonds of \$5,920 have their own designated millage (fire millage is assessed only to unincorporated areas of the County and municipalities with a contract for fire protection, added beginning in FY 2013)
 - (b) Special Purpose/Tax District G.O. Bonds of \$3,115 have their own designated millage (Special Purpose Districts, added beginning in FY 2013)
- (2) Horry County direct debt outstanding also includes:
- | | Amounts |
|---|-----------|
| (a) All general obligation long-term bonds (excluding item # 1 above) | \$ 82,275 |
| (b) Certificates of Participation (added beginning in FY 2013) | 861 |
| (c) Ride IGA #1 & #2 (added beginning in FY 2013) | 175,172 |
| (d) Capitalized Leases (added beginning in FY 2012) | 24,134 |
| (e) Debt Outstanding includes the unamortized premiums (beginning in FY 2012) | 1,789 |

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, 2015									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$ 119,413	\$ 129,371 (1)	\$ 142,364	\$ 158,493	\$ 161,340	\$ 163,165	\$ 164,423	\$ 165,155	\$ 167,604	\$ 173,555
Total net debt applicable to limit	<u>55,565</u>	<u>63,915 (1)</u>	<u>122,890 (1)</u>	<u>116,050 (1)</u>	<u>122,175</u>	<u>114,797</u>	<u>104,999</u>	<u>95,845</u>	<u>87,853</u>	<u>82,275</u>
Legal debt margin	<u>\$ 63,848</u>	<u>\$ 65,456 (1)</u>	<u>\$ 19,474 (1)</u>	<u>\$ 42,443 (1)</u>	<u>\$ 39,165</u>	<u>\$ 48,368</u>	<u>\$ 59,424</u>	<u>\$ 69,310</u>	<u>\$ 79,751</u>	<u>\$ 91,280</u>
Total net debt applicable to the limit as a percentage of debt limit	46.53%	49.40%	86.32%	73.22%	75.73%	70.36%	63.86%	58.03%	52.42%	47.41%

Legal Debt Margin Calculation for Fiscal Year 2015:

Assessed value	\$ 2,158,870
Plus: Assessed value - Merchant's inventory	10,571
Total assessed value	<u>2,169,441</u>
Debt limit (8% of total assessed value)	173,555
Debt application to limit:	
General obligation bonds (2a) (2b)	<u>82,275</u>
Legal debt margin	<u>\$ 91,280</u>

Notes:

- (1) Total net debt applicable to limit and Legal Debt Margin are restated for fiscal years 2007, 2008 and 2009 and the Debt Limit is restated for fiscal year 2007.
- (2) General obligation bonds includes all general obligation bonds other than:
 - (a) Fire District G.O. Bonds as they have their own designated millage (fire millage is assessed only to unincorporated areas of the County and municipalities with a contract for fire protection)
 - (b) Higher Education G.O. Bonds (beginning in FY 2012) as they have their own designated millage (Special Purpose Districts)

Source: Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

FOR THE FISCAL YEAR ENDED JUNE 30	AIRPORT REVENUE BONDS						SPECIAL OBLIGATION DEBT SERVICE BONDS					
	(AMOUNTS EXPRESSED IN THOUSANDS)						(AMOUNTS EXPRESSED IN THOUSANDS)					
	AIRPORT CHARGES AND OTHER	LESS:		AVAILABLE REVENUE	DEBT SERVICE		HOSPITALITY FEE ASSESSMENT COLLECTIONS (1)	DEBT SERVICE		PRINCIPAL	INTEREST	COVERAGE
		OPERATING EXPENSES	NET		PRINCIPAL	INTEREST		PRINCIPAL	INTEREST			
2006	22,239	11,526	10,713	1,780	1,576		6,159	1,205	823			3.04
2007 (3)	22,219	9,748	12,471	1,890	380		6,638	1,260	766			3.28
2008 (2) (3)	21,363	10,186	11,177	520	816		6,632	1,320	707			3.27
2009 (3)	18,002	9,541	8,461	545	577		6,179	1,390	641			3.04
2010 (3)	16,678	9,316	7,362	575	551		5,847	1,050	230			4.57
2011 (3)	18,557	10,680	7,878	-	41		6,101	1,695	223			3.18
2012	17,937	11,163	6,774	-	228		6,401	1,745	170			3.34
2013	18,531	13,788	4,743	-	1,013		6,495	1,805	115			3.38
2014	21,974	17,167	4,807	-	2,805		6,743	1,860	58			3.52
2015	23,687	18,578	5,109	-	2,755		-	-	-			-

Notes:

- (1) Does not include interest, fund balance usage or transfers in.
- (2) On January 9, 2008, Horry County Redeemed \$11,270,000 of Airport Revenue Bonds
- (3) Calculations based on 2010 Airport Bond Ordinance (all Airport Revenue Bond numbers are restated for FY 2007 through FY 2010), Series 1997 and 2000 Bonds were redeemed in FY 2011.
- (4) Hospitality Fee Special Obligations Refunding Bonds, Series 2009 were redeemed in FY2014.

Source: Horry County Department of Airports and Horry County Finance Department

**HORRY COUNTY, SOUTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

YEAR	COUNTY POPULATION (5B) (3B)	PERSONAL INCOME (AMOUNTS EXPRESSED IN THOUSANDS) (2A) (3B)	PER CAPITA PERSONAL INCOME (3B)	SCHOOL ENROLLMENT (1A) (4B) (7B)	LABOR FORCE (4A) (6B)	EMPLOYMENT (2B) (4A) (6B)	COUNTY % UNEMP. (4A) (6B)	STATE % UNEMP. (5A) (6B)
2005	229,899	6,441,889	28,021	34,480	121,360	114,386	5.7	6.7
2006	242,194	7,147,939	29,513	36,068	128,200	121,128	5.5	6.4
2007	252,464	7,561,354	29,950	36,068	130,268	123,740	5.0	5.7
2008	260,609	7,822,450	30,016	37,735	130,715	121,473	7.1	6.8
2009	265,640	7,777,711	29,279	37,421	130,286	115,067	11.7	11.2
2010	270,561	7,966,131	29,443	38,206	130,949	114,862	12.3	11.2
2011	275,490	8,313,124	30,176	38,665	132,082	116,354	11.9	10.5
2012	281,990	8,639,947	30,639	39,419	132,160	118,507	10.3	9.2
2013	289,527	8,977,510	31,008	40,341	132,168	120,772	8.6	7.6
2014	298,832	9,554,503	31,973	41,490	132,999	123,337	7.3	6.4

Notes (A):

- (1) Enrollment is as of Spring of that year.
- (2) Personal Income = County Population (above) x Per Capita Personal Income (above).
- (3) County Population, Personal Income and Per Capita Personal Income have been revised to incorporate updated information. (revised)
- (4) Labor Force, Employment and County Unemployment are averaged on a calendar year basis and have been revised to incorporate updated information.
- (5) State Unemployment Rates are an annual average and have been revised to incorporate updated population controls and re-estimation.

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 website
- (5) U.S. Census Bureau
- (6) U.S. Department of Labor
- (7) Horry County Schools

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

EMPLOYER	2015 (A2)			2006		
	EMPLOYEES (B6)	RANK (B6)	PERCENTAGE OF TOTAL EMPLOYMENT (B3)	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Horry County School District	5,473	1	4.12%	4,853	1	4.00%
Wal-Mart	2,623	2	1.97%	2,100	3	1.73%
Horry County Government (B5)	2,178	3	1.64%	1,874	4	1.54%
Coastal Carolina University	1,582	4	1.19%			0.00%
Conway Medical Center	1,400	5	1.05%	1,050	6	0.87%
Grand Strand Regional Medical Center	1,200	6	0.90%	975	7	0.80%
Food Lion	1,040	7	0.78%			
McLeod Health (Loris & Seacoast)	940	8	0.71%			
Blue Cross Blue Sheild	837	9	0.63%			
City of Myrtle Beach	830	10	0.62%			
Burroughs & Chapin				927	8	0.76%
AVX Corporation				3,000	2	2.47%
Horry Telephone Cooperative				1,200	5	0.99%
Conbraco				700	9	0.58%
				400	10	0.33%
Totals	18,103		13.61%	17,079		14.07%

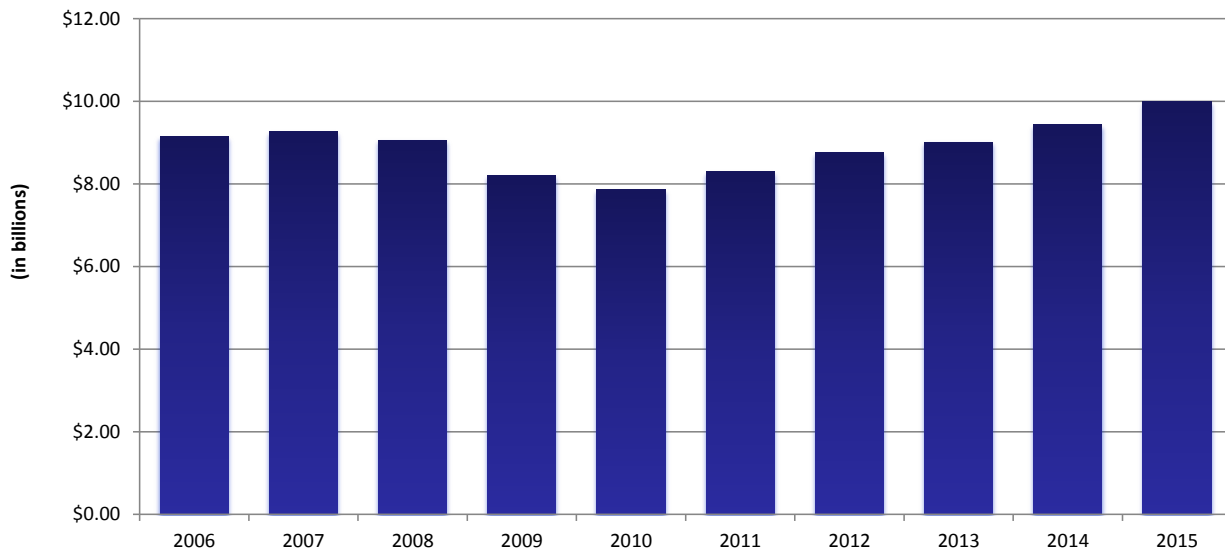
Notes (A):

- (1) The Total Employment is as of June of that year
- (2) Percentage of Total Employment = Total Employees (above) / prior year's Total Labor Force on an annual basis
(see Demographic and Economic Statistics)

Sources (B):

- (1) Mytle Beach Regional Economic Development
- (2) SC Employment Security Commission
- (3) U.S Department of Labor Bureau of Labor Statistics
- (4) 2006 Horry County Comprehensive Annual Financial Report
- (5) Horry County Human Resources Department
- (6) Myrtle Beach Chamber of Commerce - February, 2015

**HORRY COUNTY, SOUTH CAROLINA
GROSS RETAIL SALES FIGURES
LAST TEN YEARS**



<u>YEAR</u>	<u>GROSS SALES (in Billions)</u>	<u>PERCENTAGE CHANGE</u>
2006	\$9.14	10.4
2007	\$9.26	1.3
2008	\$9.06	(2.2)
2009	\$8.21	(9.4)
2010	\$7.86	(4.3)
2011	\$8.29	5.5
2012	\$8.75	5.5
2013	\$9.01	3.0
2014	\$9.43	4.7
2015	\$10.00	6.0

Notes:

- (1) Gross Sales information is reported on a Fiscal Year basis from 2008 forward due to accounting method, software and tracking changes at The Department of Revenue.

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

Functions and Programs	Full-time Equivalent Employees as of June 30,									
	2006	2007	2008	2009 (2)	2010	2011	2012	2013	2014 (5)	2015 (5)
<u>Governmental Activities:</u>										
General government	921	940	964	354	341	340	307	309	362	367
Public safety										
Police	337	342	347	263	261	262	226	236	248	238
Fire (1)	279	291	288	136	151	151	150	147	177	184
EMS (1)	-	-	-	171	185	182	179	179	179	167
Sheriff & Detention Center	-	-	-	274	320	347	346	348	346	343
Courts	-	-	-	196	203	201	205	211	215	211
Other	-	-	-	98	100	110	143	155	113	113
Health and social services	-	-	-	3	3	5	6	6	7	7
Infrastructure and regulation										
Public Works	122	136	127	79	79	81	79	84	83	85
Code Enforcement	-	-	-	47	44	42	41	39	39	38
Fleet	17	17	15	16	15	14	16	17	17	16
Other	-	-	-	79	68	62	61	59	64	67
Culture, recreation and tourism										
Libraries	48	57	50	54	62	60	65	79	69	67
Parks (3)	18	18	18	40	55	57	62	62	152	154
Other	-	-	-	5	4	4	5	5	8	10
Economic development										
CDBG	-	-	-	2	3	3	3	3	3	3
<u>Business-type Activities:</u>										
Airports	132	133	118	112	105	104	109	130	140	137
Total Primary Government	<u>1,874</u>	<u>1,934</u>	<u>1,927</u>	<u>1,929</u>	<u>1,999</u>	<u>2,025</u>	<u>2,003</u>	<u>2,069</u>	<u>2,222</u>	<u>2,207</u>

Source: Horry County Human Resources Department

(1) Fire/EMS was combined prior to FY2009 for reporting only.

(2) Increased detail level of functional staffing; prior actual comparisons not available.

(3) FY 2014 - 26 of the 68 Full-time equivalent employees are Regular Part-time employees, total Regular Part-time employees equal 84.

(4) Regular Part-time employees are defined as working 20 hours or less than 6 months and are calculated at 0.5 of Full-time employee.

(5) Horry County Human Resources provided additional clarification as to their methodology in calculating "Full-time Equivalent Employees". This additional clarification resulted in a recalculation of 2014. 2014 has been restated to reflect this recalculation.

**HORRY COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

		For the Fiscal Year Ended June 30,									
		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Functions and Programs											
<u>Governmental Activities:</u>											
General government											
Information Technology/GIS:											
# of GIS Parcels Maintained		210,710	218,282	227,572	231,344	232,551	233,563	234,576	236,046	238,132	240,510
# of Servers Maintained (7)	81		98	98	123	103	100	75	55	78	72
Register of Deeds:											
Total Documents Filed		209,675	184,043	177,261	150,260	130,657	128,533	142,085	153,410	153,019	163,657
Assessor:											
Assessments of Building Permits		13,561	16,630	15,294	12,854	10,228	9,835	8,506	7,269	4,997	4,073
Special Assessments		22,998	19,391	21,054	17,507	10,346	10,566	10,255	8,143	9,169	10,008
Real Property Parcels		203,304	207,221	226,799	237,276	241,974	244,624	248,050	246,240	246,960	247,948
Human Resources:											
# of Applications Taken		7,500	8,735	7,392	8,322	4,777	12,209	14,701	15,170	21,164	18,080
Public safety											
Police:											
# of Calls for Service		117,079	132,328	139,302	134,514	129,909	130,532	129,109	120,796	120,771	123,458
# of Index Crimes (1) (6)		N/A	8,586	9,752	9,164	10,045	9,539	9,174	9,559	9,086	9,207
Index Crime Clearance Rate (1) (6)		N/A	16.85%	20.45%	19.00%	19.50%	19.75%	18.15%	23.98%	24.51%	17.81%
# of Call Responsive Officers Per Shift	18		18	18	20	20	16	18	23	25	21
Fire:											
# of Calls for Service		38,424	40,910	43,188	42,594	42,612	40,631	46,468	48,454	52,278	52,501
# of Structure Fires		667	654	721	674	651	581	586	436	540	287
# of Ambulance Transports		18,138	21,478	20,510	20,961	20,982	23,600	23,831	23,967	24,805	26,922
# of Career Fire Fighters Per Shift	73		81	85	93	97	93	93	96	107	107
Emergency 911:											
# of 911 Calls (8)		212,511	228,418	225,530	221,693	214,880	234,944	249,786	233,032	210,310	250,681
# of Radio Dispatches		177,758	170,482	189,244	190,962	187,323	189,471	224,520	223,386	223,241	234,841
# of Telecommunicators per shift	10		10	10	10	10	10	11	11	11	11
Sheriff's Office/Jail:											
# of Bookings		13,867	14,804	16,172	15,880	13,400	13,380	13,013	13,290	13,308	13,069
Average daily population	619		650	632	632	641	579	635	629	659	608
Infrastructure and regulation											
Code Enforcement:											
# Building Permits		11,981	9,909	8,459	6,673	7,397	7,258	7,250	8,082	8,997	10,217
Public Works:											
Miles of Dirt Road Scraped		900	880	793	779	748	701	682	667	647	639
Dirt Roads Paved	11.13		11.63	2.69	1.77	13.99	13.71	5.74	4.03	7.23	4.70
Signage Replaced/Installed (6)	849		968	1,364	1,421	1,500	1,887	1,324	1,186	898	1,018
Miles of Ditches Cleaned	2,666		2,666	2,700	1,123	268	252	240	219	694	679

**HORRY COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

		For the Fiscal Year Ended June 30,									
		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Functions and Programs											
<u>Governmental Activities (Continued):</u>											
Engineering:											
Dirt Roads Paved	4.30		9.19	9.07	9.72	19.01	28.47	6.01	9.23	11.50	3.92
Fleet:											
# Vehicles Maintained	649		659	695	700	824	831	822	830	828	832
# Heavy Equipment Vehicles Maintained	306		310	259	270	229	266	272	310	311	320
# Vehicles Repaired or Work Orders	7,849		8,236	8,501	8,277	8,111	7,872	7,835	7,592	8,386	8,042
Culture, recreation and tourism											
Library:											
Circulation	943,501		969,542	1,041,436	1,141,871	1,095,571	1,182,823	939,393	973,605	1,013,753	1,040,622
Patron Traffic Count	652,584		662,494	758,719	772,354	749,652	716,092	656,379	785,768	733,530	726,015
New Patrons Registered	25,125		28,487	28,780	26,572	23,555	15,764	12,290	15,318	12,238	11,404
Parks & Recreation:											
# Programs	141		153	161	180	187	193	216	223	227	245
Baseball Stadium:											
Paid Tickets (2)	170,285		163,056	187,009	183,094	167,334	155,076	160,062	154,633	178,979	188,769
<u>Business-type Activities:</u>											
Airports											
Deplanements	719,744	(3)(4)(5)(6)	(3)(4)(5)(6)	(3)(4)(5)(6)	(3)(4)(5)(6)	(9)	(9)	(9)	777,998	863,393	886,345
Industrial parks - (Three Parks)	(3)(4)(5)(6)	(3)(4)(5)(6)	(3)(4)(5)(6)	(3)(4)(5)(6)	(3)(4)(5)(6)	(9)	(9)	(9)	(9)	(9)	(9)

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 for the Industrial Parks prior to FY2006.
- (4) Operating indicators were changed and restated in FY2009 for FY2006 - FY2009 to accommodate and illustrate Owners changing needs.
- (5) The beginning balance of total acreage owned by the County (used in the calculation of % of County owned acres) is as of July 1, 2005 and does not include unusable property such as roads.
- (6) Operating Indicators that are not available are indicated with N/A
- (7) The reduction of the "# of Servers maintained" is a direct result of the use of virtual technology; which is the configuration of one physical server into multiple "virtual" servers. This reduction in the number of physical servers has resulted in improved efficiencies in heating and cooling, electricity, and a greater utilization of the actual physical servers themselves.
- (8) The 45% increase in 911 calls, for the fiscal year (2012-2013), is due primarily to the implementation of a new system that replaced an old system with less accuracy.
- (9) This new system utilizes a different reporting mechanism thereby increasing the accuracy of tracking 911 calls. The County implemented this new system in March 2012. Operating indicators were removed from this schedule due to all of the property being sold and therefore there has been no activity for FY2015 nor for the prior years of FY2010 - FY2014

Source: Various County Departments

**HORRY COUNTY, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	For the Fiscal Year Ended June 30,									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Functions and Programs										
<u>Governmental Activities:</u>										
General Government										
Building Complexes	4	4	4	4	4	4	4	4	4	4
Public Safety										
Police(3):										
Patrol units	315	351	368	352	320	299	279	285	229	194
Sheriff/Detention Center(2):										
Transport Vehicles						102	97	106	107	110
Fire/Rescue:										
Stations	40	40	41	41	39	39	39	35	39	39
Trucks(Fire/Pumpers)	61	67	66	66	67	68	68	66	66	66
Ambulances	27	33	32	36	36	28	29	29	28	28
Health and Social Services										
Health Departments (bldg)	3	3	4	4	3	3	3	3	3	3
Social Services (bldg)	1	1	1	1	1	1	1	1	1	1
Infrastructure and Regulation										
Highways and streets:										
Roads (miles)	1271	1369	1334	1413	1426	1431	1429	1436	1440	1442
Heavy equipment:										
Motorgraders	23	25	25	25	24	21	15	17	16	14
Dump trucks	23	22	21	24	17	26	23	19	20	20
Other	92	133	139	206	173	155	109	148	152	157
Culture, Recreation and Tourism										
Museums	1	1	1	1	2	2	2	2	2	2
Libraries	9	9	9	9	9	9	9	10	10	10
Bookmobile	1	1	1	1	1	1	1	1	1	1
Parks:										
Parks	20	20	20	35	35	35	35	35	35	35
Tennis Courts	15	15	15	7	7	13	13	13	13	13
Ball Fields	28	28	28	34	34	35	38	38	38	38
Soccer Fields	15	15	15	19	20	22	21	21	21	21
Recreation Centers/Headquarters			2	2	4	4	6	6	6	6
Conservation/Natural Resources										
Off Site Facilities:										
Boat Landings	27	27	27	27	27	27	27	28	28	28
Watersheds	6	6	6	6	6	6	6	6	6	6
<u>Business-type Activities:</u>										
Airports										
Locations	4	4	4	4	4	4	4	4	4	4
Runways	4	4	4	4	4	4	4	4	4	4
Industrial Parks										
Locations	4	4	4	4	4	4	4	4	4	4
Baseball Stadium										
Baseball field (30% ownership)	1	1	1	1	1	1	1	1	1	1

Notes:

(1) Capital Asset data is not available prior to FY2005; however, ten years of data will be accumulated over time.

(2) Added the Sheriff department vehicle count in FY11.

(3) As of FY14 number is police patrol units only.

Source: Horry County Finance Department