

HORRY COUNTY, SOUTH CAROLINA

CAPITAL PROJECTS FUNDS

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

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

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

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

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

June 30, 2007

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2007

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
 CAPITAL PROJECTS SALES TAX FUND
 BALANCE SHEETS

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

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

See accompanying independent auditors' report.

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

DEVELOPER CONTRIBUTIONS CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2007

(with comparative total amounts June 30, 2006)

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

See accompanying independent auditors' report.

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENT CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2007

(with comparative total amounts June 30, 2006)

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

DEBT SERVICE FUNDS

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

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

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

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

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

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

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET

June 30, 2007

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

LIABILITIES AND FUND BALANCE

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2007

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

GENERAL DEBT SERVICE FUND
BALANCE SHEETS

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

See accompanying independent auditors' report.

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

HORRY GEORGETOWN TECH DEBT SERVICE FUND
BALANCE SHEETS

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

SPECIAL OBLIGATION DEBT SERVICE FUND
BALANCE SHEETS

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

RIDE PROGRAM DEBT SERVICE FUND - MAJOR FUND
BALANCE SHEETS

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY (ENTERPRISE) FUNDS

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

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

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

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
BALANCE SHEETS

JUNE 30, 2007

(with comparative amounts June 30, 2006)

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

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
BALANCE SHEETS

- CONTINUED -

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

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

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

- CONTINUED -

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

- CONTINUED -

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA
 BASEBALL STADIUM ENTERPRISE FUND
 BALANCE SHEETS

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

BASEBALL STADIUM
STATEMENTS OF CASH FLOWS

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

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

See accompanying independent auditors' report.

INTERNAL SERVICE FUND

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

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

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
BALANCE SHEETS

June 30, 2007

(with comparative amounts June 30, 2006)

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

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

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
STATEMENTS OF CASH FLOWS

YEAR ENDED June 30, 2007

(with comparative amounts year ended June 30, 2006)

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

See accompanying independent auditors' report.

FIDUCIARY (AGENCY) FUNDS

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

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

YEAR ENDED JUNE 30, 2007

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

See accompanying independent auditors' report.

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

-CONTINUED-

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

Horry County, South Carolina
 ALL AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

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

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

-CONTINUED-

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

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

-CONTINUED-

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

See accompanying independent auditors' report.

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENT FUNDS

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

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

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

June 30, 2007

(With comparative amounts June 30, 2006)

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

JUNE 30, 2007

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2007

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

See accompanying independent auditors' report.

HORRY COUNTY, SOUTH CAROLINA

VICTIMS' RIGHTS

HORRY COUNTY, SOUTH CAROLINA

HORRY COUNTY, SOUTH CAROLINA

SCHEDULES OF COURT FINES, ASSESSMENTS AND SURCHARGES

YEAR ENDED JUNE 30, 2007

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

See accompanying independent auditors' report.