

## 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  
MAJOR CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
June 30, 2008

	<b>Major Funds</b>		
	<b>General Improvement Capital Projects</b>	<b>Capital Projects Sales Tax</b>	<b>Total Major Funds</b>
<b>Assets</b>			
Equity in pooled cash and investments	\$ 82,857,356	\$ 43,792,980	\$ 126,650,336
Funds held in escrow	2,555,219	-	2,555,219
Receivables, net:			
Accounts and other	62,759	-	62,759
Interest receivable	185,528	-	185,528
Due from other funds	387,001	-	387,001
Due from component unit	63,981	-	63,981
Due from other governments	-	14,721,808	14,721,808
Total assets	<u>\$ 86,111,844</u>	<u>\$ 58,514,788</u>	<u>\$ 144,626,632</u>
<b>Liabilities and Fund Balance</b>			
Liabilities:			
Accounts payable - trade	\$ 1,054,863	\$ 427,335	\$ 1,482,198
Retainage payable	355,497	-	355,497
Other accrued liabilities	242,797	-	242,797
Total liabilities	<u>1,653,157</u>	<u>427,335</u>	<u>2,080,492</u>
Fund balance :			
Reserved for encumbrances	5,700,179	2,338,408	8,038,587
Reserved for Fire Special Revenue Fund	893,244	-	893,244
Reserved for bonded capital projects	66,905,757	-	66,905,757
Reserved for infrastructure development	-	55,749,045	55,749,045
Unreserved			
Designated	<u>10,959,507</u>	<u>-</u>	<u>10,959,507</u>
Total fund balance	<u>84,458,687</u>	<u>58,087,453</u>	<u>142,546,140</u>
Total liabilities and fund balance	<u>\$ 86,111,844</u>	<u>\$ 58,514,788</u>	<u>\$ 144,626,632</u>

*See accompanying independent auditors' report.*

*Note: Separation is for presentation purposes only.*

HORRY COUNTY, SOUTH CAROLINA  
 MAJOR CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2008

	Major Funds		
	General Improvement Capital Projects	Capital Projects Sales Tax	Total Major Funds
<b>Revenues</b>			
Sales Tax	\$ -	\$ 63,537,101	\$ 63,537,101
Disposal Fee	725,893	-	725,893
Interest	1,203,751	389,409	1,593,160
Other- donations	96,755	-	96,755
Total revenues	<u>2,026,399</u>	<u>63,926,510</u>	<u>65,952,909</u>
<b>Expenditures</b>			
Economic Development:			
Personal services	-	48,261	48,261
Construction contracts	3,706,418	5,539,097	9,245,515
Capital Outlay	26,568,585	-	26,568,585
Other	35,773	-	35,773
Total expenditures	<u>30,310,776</u>	<u>5,587,358</u>	<u>35,898,134</u>
Excess (deficiency) of revenue over expenditures	<u>(28,284,377)</u>	<u>58,339,152</u>	<u>30,054,775</u>
<b>Other Financing Sources (Uses)</b>			
Bond Proceeds	62,000,000	-	62,000,000
Capital lease	4,442,258	-	4,442,258
Transfers in	10,331,755	-	10,331,755
Transfers out	(211,300)	-	(211,300)
Total other financing sources (uses)	<u>76,562,713</u>	<u>-</u>	<u>76,562,713</u>
Net change in fund balance	<u>48,278,336</u>	<u>58,339,152</u>	<u>106,617,488</u>
Fund balance (Deficit) at beginning of year	<u>36,180,351</u>	<u>(251,699)</u>	<u>35,928,652</u>
Fund balance at end of year	<u>\$ 84,458,687</u>	<u>\$ 58,087,453</u>	<u>\$ 142,546,140</u>

*See accompanying independent auditors' report.*

*Note: Separation is for presentation purposes only.*

**HORRY COUNTY, SOUTH CAROLINA**  
**GENERAL IMPROVEMENT CAPITAL PROJECTS FUND**  
**BALANCE SHEETS**  
 June 30, 2008  
 (with comparative total amounts for June 30, 2007)

	<b>2008</b>	2007
<b>Assets</b>		
Equity in pooled cash and investments	\$ <b>82,857,356</b>	\$ 34,156,074
Funds held in escrow	<b>2,555,219</b>	2,227,096
Receivables, net:		
Accounts and other	<b>62,759</b>	2,000
Interest Receivable	<b>185,528</b>	398,546
Due from other funds	<b>387,001</b>	220,455
Due from component unit	<b>63,981</b>	70,993
Total assets	<b>\$ 86,111,844</b>	\$ 37,075,164
 <b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts payable - trade	\$ <b>1,054,863</b>	\$ 339,172
Retainage payable	<b>355,497</b>	312,844
Other accrued liabilities	<b>242,797</b>	242,797
Total liabilities	<b>1,653,157</b>	894,813
 Fund balance :		
Reserved for encumbrances	<b>5,700,179</b>	5,701,190
Reserved for Fire Special Revenue Fund	<b>893,244</b>	3,219,852
Reserved for bonded capital projects	<b>66,905,757</b>	8,178,884
Unreserved		
Designated	<b>10,959,507</b>	19,080,425
Total fund balance	<b>84,458,687</b>	36,180,351
Total liabilities and fund balance	<b>\$ 86,111,844</b>	\$ 37,075,164

*See accompanying independent auditors' report.*

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

FOR THE YEAR ENDED JUNE 30, 2008  
(With comparative actual amounts for the year ended June 30, 2007)

	2008			2007
	Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Disposal fee	\$ 885,000	\$ 725,893	\$ (159,107)	\$ 825,196
Intergovernmental	115,375	-	(115,375)	1,666,820
Interest	295,000	1,203,751	908,751	1,429,726
Other -Donations	3,291,755	96,755	(3,195,000)	189,490
Total revenues	<u>4,587,130</u>	<u>2,026,399</u>	<u>(2,560,731)</u>	<u>4,111,232</u>
<b>Expenditures</b>				
Capital Outlay:				
Construction contracts	55,423,691	3,706,418	51,717,273	3,484,609
Capital Outlay	70,553,857	26,568,585	43,985,272	8,454,728
Other	863,598	35,773	827,825	967,795
Total expenditures	<u>126,841,146</u>	<u>30,310,776</u>	<u>96,530,370</u>	<u>12,907,132</u>
Excess (deficiency) of revenue over expenditures	<u>(122,254,016)</u>	<u>(28,284,377)</u>	<u>93,969,639</u>	<u>(8,795,900)</u>
<b>Other Financing Sources (Uses)</b>				
Bond proceeds	74,000,000	62,000,000	(12,000,000)	11,000,000
Capital lease	4,442,258	4,442,258	-	-
Transfers in	10,423,656	10,331,755	(91,901)	16,530,291
Transfers out	(211,300)	(211,300)	-	(198,793)
Total other financing sources (uses)	<u>88,654,614</u>	<u>76,562,713</u>	<u>(12,091,901)</u>	<u>27,331,498</u>
Net change in fund balance	<u>(33,599,402)</u>	<u>48,278,336</u>	<u>81,877,738</u>	<u>18,535,598</u>
Fund balance at beginning of year	<u>36,180,351</u>	<u>36,180,351</u>	<u>-</u>	<u>17,644,753</u>
Fund balance at end of year	<u>\$ 2,580,949</u>	<u>\$ 84,458,687</u>	<u>\$ 81,877,738</u>	<u>\$ 36,180,351</u>

*See accompanying independent auditors' report.*

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

June 30, 2008

(with comparative total amounts for June 30, 2007)

	2008	2007
<b>Assets</b>		
Equity in pooled cash and investments	\$ 43,792,980	\$ -
Due from other governments	14,721,808	-
Total assets	\$ 58,514,788	\$ -
 <b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts payable - trade	\$ 427,335	\$ 86,232
Due to other funds	-	165,467
Total liabilities	427,335	251,699
Fund balance :		
Reserved for encumbrances	2,338,408	-
Reserved for infrastructure development	55,749,045	-
Unreserved:		
Undesignated (Deficit)	-	(251,699)
Total fund balance	58,087,453	(251,699)
Total liabilities and fund balance	\$ 58,514,788	\$ -

*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  
 For the Year Ended June 30, 2008  
 (With comparative actual amounts for the year ended June 30, 2007)

	2008			2007
	Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Sales Tax	\$ 425,000,000	\$ 63,537,101	\$ (361,462,899)	\$ -
Interest	-	389,409	389,409	-
Total revenues	<u>425,000,000</u>	<u>63,926,510</u>	<u>(361,073,490)</u>	<u>-</u>
<b>Expenditures</b>				
Economic Development:				
Personal services	-	48,261	(48,261)	-
Construction contracts	424,748,301	5,539,097	419,209,204	251,699
Total expenditures	<u>424,748,301</u>	<u>5,587,358</u>	<u>419,160,943</u>	<u>251,699</u>
Excess (deficiency) of revenue over expenditures	<u>251,699</u>	<u>58,339,152</u>	<u>58,087,453</u>	<u>(251,699)</u>
Net change in fund balance	<u>251,699</u>	<u>58,339,152</u>	<u>58,087,453</u>	<u>(251,699)</u>
Fund balance (Deficit) at beginning of year	<u>(251,699)</u>	<u>(251,699)</u>	-	-
Fund balance (Deficit) at end of year	<u>\$ -</u>	<u>\$ 58,087,453</u>	<u>\$ 58,087,453</u>	<u>\$ (251,699)</u>

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 Developer Contributions Capital Projects Fund  
 Balance Sheets  
 June 30, 2008  
 (with comparative total amounts for June 30, 2007)

	2008	2007
<b>Assets</b>		
Equity in pooled cash and investments	\$ 1,711,413	\$ 309,772
Interest receivable	17,391	1,993
<b>Total assets</b>	<b>\$ 1,728,804</b>	<b>\$ 311,765</b>
 <b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts payable - trade	\$ -	\$ 39,690
Retainage payable	20,644	-
<b>Total liabilities</b>	<b>20,644</b>	<b>39,690</b>
Fund balance :		
Reserved for encumbrances	252,292	-
Unreserved		
Designated	1,455,868	272,075
<b>Total fund balance</b>	<b>1,708,160</b>	<b>272,075</b>
<b>Total liabilities and fund balance</b>	<b>\$ 1,728,804</b>	<b>\$ 311,765</b>

*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  
 For the Year Ended June 30, 2008  
 (With comparative actual amounts for the year ended June 30, 2007)

	2008			2007
	Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>				
Interest	\$ 5,028	\$ 99,877	\$ 94,849	\$ 5,565
Other- donations	2,041,937	1,978,200	(63,737)	311,200
Total revenues	<u>2,046,965</u>	<u>2,078,077</u>	<u>31,112</u>	<u>316,765</u>
<b>Expenditures</b>				
Economic Development:				
Construction contracts	-	-	-	5,000
Capital Outlay	2,152,850	475,802	1,677,048	39,690
Total expenditures	<u>2,152,850</u>	<u>475,802</u>	<u>1,677,048</u>	<u>44,690</u>
Excess of revenue over expenditures	<u>(105,885)</u>	<u>1,602,275</u>	<u>1,708,160</u>	<u>272,075</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(166,190)	(166,190)	-	-
Total other financing sources (uses)	<u>(166,190)</u>	<u>(166,190)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(272,075)</u>	<u>1,436,085</u>	<u>1,708,160</u>	<u>272,075</u>
Fund balance at beginning of year	<u>272,075</u>	<u>272,075</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 1,708,160</u>	<u>\$ 1,708,160</u>	<u>\$ 272,075</u>

*See accompanying independent auditors' report.*

## **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, 2008

	<b>Non-Major Funds</b>				<b>Total Non-Major Funds</b>
	<b>General Debt</b>	<b>Higher Education</b>	<b>Horry Georgetown TECH</b>	<b>Special Obligation Debt</b>	
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 16,099,710	\$ 245,445	\$ 273,261	\$ -	\$ 16,618,416
Funds held in trust - restricted	-	-	-	2,676,544	2,676,544
Receivables, net:					
Taxes	57,267	7,555	20,446	-	85,268
Interest receivable	132,632	5,369	10,139	-	148,140
<b>Total Assets</b>	<b>\$ 16,289,609</b>	<b>\$ 258,369</b>	<b>\$ 303,846</b>	<b>\$ 2,676,544</b>	<b>\$ 19,528,368</b>
 <b>LIABILITIES AND FUND BALANCE</b>					
Fund Balance:					
Reserved for Debt Service	\$ 16,289,609	\$ 258,369	\$ 303,846	\$ 2,676,544	\$ 19,528,368
<b>Total Fund Balance</b>	<b>16,289,609</b>	<b>258,369</b>	<b>303,846</b>	<b>2,676,544</b>	<b>19,528,368</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 16,289,609</b>	<b>\$ 258,369</b>	<b>\$ 303,846</b>	<b>\$ 2,676,544</b>	<b>\$ 19,528,368</b>

*See accompanying independent auditors' report.*

HORRY COUNTY, SOUTH CAROLINA  
NON-MAJOR DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2008

	Non- Major Funds				
	General Debt	Higher Education	Horry Georgetown TECH	Special Obligation Debt	Total Non-Major Funds
<b>Revenues</b>					
Real property taxes	\$ 7,698,200	\$ 1,015,810	\$ 2,683,940	\$ -	\$ 11,397,950
Personal property taxes	769,521	101,578	348,892	-	1,219,991
Vehicle taxes	722,546	95,650	259,192	-	1,077,388
Intergovernmental	116,752	10,636	13,880	-	141,268
Interest	586,796	19,419	35,576	205,307	847,098
Other	22,347	-	-	-	22,347
Total revenues	<u>9,916,162</u>	<u>1,243,093</u>	<u>3,341,480</u>	<u>205,307</u>	<u>14,706,042</u>
<b>Expenditures</b>					
Debt service:					
Principal	4,119,722	120,000	115,000	1,320,000	5,674,722
Interest	3,127,929	106,700	130,338	706,550	4,071,517
Agents fees	3,513	426	400	3,110	7,449
Total debt service	<u>7,251,164</u>	<u>227,126</u>	<u>245,738</u>	<u>2,029,660</u>	<u>9,753,688</u>
Current:					
Horry Georgetown TECH	-	-	3,000,000	-	3,000,000
Higher Education Commission	-	910,000	-	-	910,000
Total current	<u>-</u>	<u>910,000</u>	<u>3,000,000</u>	<u>-</u>	<u>3,910,000</u>
Total expenditures	<u>7,251,164</u>	<u>1,137,126</u>	<u>3,245,738</u>	<u>2,029,660</u>	<u>13,663,688</u>
Excess (deficiency) of revenues over expenditures	<u>2,664,998</u>	<u>105,967</u>	<u>95,742</u>	<u>(1,824,353)</u>	<u>1,042,354</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	1,857,555	-	-	1,959,825	3,817,380
Bond Premium	1,496,310	-	-	-	1,496,310
Total other financing sources (uses)	<u>3,353,865</u>	<u>-</u>	<u>-</u>	<u>1,959,825</u>	<u>5,313,690</u>
Net change in fund balance	6,018,863	105,967	95,742	135,472	6,356,044
Fund balance at beginning of year	<u>10,270,746</u>	<u>152,402</u>	<u>208,104</u>	<u>2,541,072</u>	<u>13,172,324</u>
Fund balance at end of year	<u>\$ 16,289,609</u>	<u>\$ 258,369</u>	<u>\$ 303,846</u>	<u>\$ 2,676,544</u>	<u>\$ 19,528,368</u>

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 General Debt Service Fund  
 Balance Sheets  
 June 30, 2008  
 (with comparative total amounts for June 30, 2007)

	2008	2007
<b>Assets</b>		
Equity in pooled cash and investments	\$ 16,099,710	\$ 10,047,551
Receivables, net:		
Property taxes	57,267	55,371
Other	-	897
Interest receivable	132,632	166,927
Total assets	\$ 16,289,609	\$ 10,270,746
 <b>Liabilities and Fund Balance</b>		
Fund balance:		
Reserved for debt service	\$ 16,289,609	\$ 10,270,746
Total fund balance	16,289,609	10,270,746
Total liabilities and fund balance	\$ 16,289,609	\$ 10,270,746

*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  
 for the Year Ended June 30, 2008  
 (with comparative actual amounts for the year ended June 30, 2007)

	2008		Variance Positive (Negative)	2007
	Budget	Actual		Actual
<b>Revenues</b>				
Real property taxes	\$ 7,281,500	\$ 7,698,200	\$ 416,700	\$ 6,887,285
Personal property taxes	677,500	769,521	92,021	697,212
Vehicle taxes	700,000	722,546	22,546	758,481
Intergovernmental	137,216	116,752	(20,464)	113,396
Interest	135,000	586,796	451,796	457,618
Other	22,347	22,347	-	26,688
Total revenues	<u>8,953,563</u>	<u>9,916,162</u>	<u>962,599</u>	<u>8,940,680</u>
<b>Expenditures</b>				
Debt Service:				
Principal	4,119,722	4,119,722	-	3,425,684
Interest	4,730,504	3,127,929	1,602,575	2,901,148
Agents fees	3,747	3,513	234	1,877
Other- Contingency	1,958,805	-	1,958,805	-
Total expenditures	<u>10,812,778</u>	<u>7,251,164</u>	<u>3,561,614</u>	<u>6,328,709</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,859,215)</u>	<u>2,664,998</u>	<u>4,524,213</u>	<u>2,611,971</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,859,215	1,857,555	(1,660)	1,879,044
Bond Premium	-	1,496,310	1,496,310	-
Total other financing sources	<u>1,859,215</u>	<u>3,353,865</u>	<u>1,494,650</u>	<u>1,879,044</u>
Net change in fund balance	-	6,018,863	6,018,863	4,491,015
Fund balance at beginning of year	<u>10,270,746</u>	<u>10,270,746</u>	-	<u>5,779,731</u>
Fund balance at end of year	<u>\$ 10,270,746</u>	<u>\$ 16,289,609</u>	<u>\$ 6,018,863</u>	<u>\$ 10,270,746</u>

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 Higher Education Debt Service Fund  
 Balance Sheets  
 June 30, 2008  
 (with comparative total amounts for June 30, 2007)

	<b>2008</b>	2007
<b>Assets</b>		
Equity in pooled cash and investments	\$ 245,445	\$ 136,987
Receivables, net:		
Property taxes	7,555	7,286
Interest Receivable	5,369	8,129
Total assets	\$ 258,369	\$ 152,402
 <b>Liabilities and Fund Balance</b>		
Fund balance:		
Reserved for debt service	\$ 258,369	\$ 152,402
Total fund balance	258,369	152,402
Total liabilities and fund balance	\$ 258,369	\$ 152,402

*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  
 For the Year Ended June 30, 2008  
 (with comparative actual amounts for the year ended June 30, 2007)

	2008		Variance Positive (Negative)	2007
	Budget	Actual		Actual
<b>Revenues</b>				
Real property taxes	\$ 945,594	\$ 1,015,810	\$ 70,216	\$ 908,536
Personal property taxes	87,500	101,578	14,078	91,987
Vehicle taxes	95,000	95,650	650	100,311
Intergovernmental	10,640	10,636	(4)	10,636
Interest	9,000	19,419	10,419	22,556
Other	-	-	-	571
Total revenues	<u>1,147,734</u>	<u>1,243,093</u>	<u>95,359</u>	<u>1,134,597</u>
<b>Expenditures</b>				
Debt Service:				
Principal	120,000	120,000	-	410,000
Interest	106,700	106,700	-	121,913
Agents fees	400	426	(26)	-
Total debt service	<u>227,100</u>	<u>227,126</u>	<u>(26)</u>	<u>531,913</u>
Current:				
Higher Ed Commission-student grants	920,634	910,000	10,634	575,000
Total expenditures	<u>1,147,734</u>	<u>1,137,126</u>	<u>10,608</u>	<u>1,106,913</u>
Excess of revenues over expenditures	<u>-</u>	<u>105,967</u>	<u>105,967</u>	<u>27,684</u>
Net change in fund balance	-	105,967	105,967	27,684
Fund balance at beginning of year	<u>152,402</u>	<u>152,402</u>	<u>-</u>	<u>124,718</u>
Fund balance at end of year	<u>\$ 152,402</u>	<u>\$ 258,369</u>	<u>\$ 105,967</u>	<u>\$ 152,402</u>

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 Horry Georgetown Tech Debt Service Fund  
 Balance Sheets  
 June 30, 2008  
 (with comparative total amounts for June 30, 2007)

	<b>2008</b>	2007
<b>Assets</b>		
Equity in pooled cash and investments	\$ 273,261	\$ 171,460
Receivables, net:		
Property taxes	20,446	19,765
Interest Receivable	10,139	16,879
Total assets	\$ 303,846	\$ 208,104
 <b>Liabilities and Fund Balance</b>		
Fund balance:		
Reserved for debt service	\$ 303,846	\$ 208,104
Total fund balance	303,846	208,104
Total liabilities and fund balance	\$ 303,846	\$ 208,104

*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  
 For the Year Ended June 30, 2008  
 (with comparative actual amounts for the year ended June 30, 2007)

	2008		Variance Positive (Negative)	2007
	Budget	Actual		Actual
<b>Revenues</b>				
Real property taxes	\$ 2,666,370	\$ 2,683,940	\$ 17,570	\$ 2,466,141
Personal property taxes	236,450	348,892	112,442	249,538
Vehicle taxes	270,000	259,192	(10,808)	271,781
Intergovernmental	13,880	13,880	-	13,880
Interest	25,000	35,576	10,576	46,116
Other	-	-	-	1,556
Total revenues	<u>3,211,700</u>	<u>3,341,480</u>	<u>129,780</u>	<u>3,049,012</u>
<b>Expenditures</b>				
Debt Service:				
Principal	115,000	115,000	-	110,000
Interest	130,338	130,338	-	133,913
Agents fees	840	400	440	-
Total debt service	<u>246,178</u>	<u>245,738</u>	<u>440</u>	<u>243,913</u>
Current:				
Horry Georgetown Tech	<u>2,965,522</u>	<u>3,000,000</u>	<u>(34,478)</u>	<u>2,800,000</u>
Total expenditures	<u>3,211,700</u>	<u>3,245,738</u>	<u>(34,038)</u>	<u>3,043,913</u>
Excess (deficit) of revenues over (under) expenditures	-	95,742	95,742	5,099
Net change in fund balance	-	95,742	95,742	5,099
Fund balance at beginning of year	208,104	208,104	-	203,005
Fund balance at end of year	<u>\$ 208,104</u>	<u>\$ 303,846</u>	<u>\$ 95,742</u>	<u>\$ 208,104</u>

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 Special Obligation Debt Service Fund  
 Balance Sheets  
 June 30, 2008  
 (with comparative total amounts for June 30, 2007)

	2008	2007
<b>Assets</b>		
Funds held in trust (restricted)	\$ 2,676,544	\$ 2,541,072
Total assets	\$ 2,676,544	\$ 2,541,072
 <b>Liabilities and Fund Balance</b>		
Fund balance:		
Reserved for debt service	\$ 2,676,544	\$ 2,541,072
Total fund balance	2,676,544	2,541,072
Total liabilities and fund balance	\$ 2,676,544	\$ 2,541,072

*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  
 For the Year Ended June 30, 2008  
 (with comparative actual amounts for the year ended June 30, 2007)

	2008		Variance Positive (Negative)	2007
	Budget	Actual		Actual
<b>Revenues</b>				
Interest	\$ 192,000	\$ 205,307	\$ 13,307	\$ 195,238
Total revenues	<u>192,000</u>	<u>205,307</u>	<u>13,307</u>	<u>195,238</u>
<b>Expenditures</b>				
Debt Service:				
Principal	1,320,000	1,320,000	-	1,260,000
Interest	706,550	706,550	-	766,400
Agent fees	3,150	3,110	40	3,196
Total debt service	<u>2,029,700</u>	<u>2,029,660</u>	<u>40</u>	<u>2,029,596</u>
Excess (deficiency) of revenues over expenditures	<u>(1,837,700)</u>	<u>(1,824,353)</u>	<u>13,347</u>	<u>(1,834,358)</u>
<b>Other Financing Sources</b>				
Transfers in - Hospitality	1,837,700	1,959,825	122,125	1,867,443
Total other financing sources	<u>1,837,700</u>	<u>1,959,825</u>	<u>122,125</u>	<u>1,867,443</u>
Net change in fund balance	-	135,472	135,472	33,085
Fund balance at beginning of year	<u>2,541,072</u>	<u>2,541,072</u>	-	<u>2,507,987</u>
Fund balance at end of year	<u>\$ 2,541,072</u>	<u>\$ 2,676,544</u>	<u>\$ 135,472</u>	<u>\$ 2,541,072</u>

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 RIDE Program Debt Service Fund - Major Fund  
 Balance Sheets

June 30, 2008

(with comparative amounts for June 30, 2007)

	<b>2008</b>	2007
<b>Assets</b>		
Funds held in trust (restricted):		
Loan Reserve Account	\$ 31,562,765	\$ 26,010,519
Due from other funds	7,020,798	6,818,461
Total assets	<b>\$ 38,583,563</b>	<b>\$ 32,828,980</b>
 <b>Liabilities and Fund Balance</b>		
Fund balance:		
Reserved	\$ 38,583,563	\$ 32,828,980
Total fund balance	<b>38,583,563</b>	32,828,980
Total liabilities and fund balance	<b>\$ 38,583,563</b>	<b>\$ 32,828,980</b>

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 RIDE Program Debt Service Fund - Major Fund  
 Statement of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (GAAP Basis) and Actual  
 For the Year Ended June 30, 2008  
 (with comparative actual amounts for the year ended June 30, 2007)

	2008		Variance Positive (Negative)	2007
	Budget	Actual		Actual
<b>Revenues</b>				
Interest	\$ 1,025,000	\$ 1,632,329	\$ 607,329	\$ 1,393,629
Total revenues	<u>1,025,000</u>	<u>1,632,329</u>	<u>607,329</u>	<u>1,393,629</u>
<b>Expenditures</b>				
Debt Service:				
Principal				
Insured	10,985,131	10,985,130	1	10,635,249
Uninsured	5,040,238	5,043,843	(3,605)	4,024,144
Interest				
Insured	4,014,869	4,014,869	-	4,364,751
Uninsured	6,383,208	6,383,207	1	6,508,730
Contingency	7,487,294	-	7,487,294	-
Total debt service	<u>33,910,740</u>	<u>26,427,049</u>	<u>7,483,691</u>	<u>25,532,874</u>
Excess (deficiency) of revenue over expenditures	<u>(32,885,740)</u>	<u>(24,794,720)</u>	<u>8,091,020</u>	<u>(24,139,245)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in - Hospitality	32,801,375	30,464,111	(2,337,264)	29,501,002
Transfers in-Admissions Tax	84,365	85,192	827	85,802
Total other financing sources (uses)	<u>32,885,740</u>	<u>30,549,303</u>	<u>(2,336,437)</u>	<u>29,586,804</u>
Net change in fund balance	-	5,754,583	5,754,583	5,447,559
Fund balance, beginning of year	<u>32,828,980</u>	<u>32,828,980</u>	-	<u>27,381,421</u>
Fund balance, end of year	<u>\$ 32,828,980</u>	<u>\$ 38,583,563</u>	<u>\$ 5,754,583</u>	<u>\$ 32,828,980</u>

*See accompanying independent auditors' report.*

## **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, 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, 2008  
 (with comparative amounts for June 30, 2007)

	<b>2008</b>	<b>2007</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 25,643,462	\$ 42,635,128
Investments	18,235,874	-
Accounts receivable (net of allowance of \$294,357 in 2008 and 2007)	779,837	733,990
Interest receivable	152,667	366,245
Due from other governments	310,389	276,185
Inventories	387,944	267,951
Prepaid items	81,520	116,129
Total current assets	45,591,693	44,395,628
Non-current assets:		
Restricted assets:		
Cash and cash equivalents	1,662,520	5,851,833
Investments	24,392,721	26,951,756
Receivables - PFC's and CFC's	274,056	921,224
Total restricted assets	26,329,297	33,724,813
Capital assets:		
Land, easements and infrastructure	31,983,581	31,990,915
Depreciable buildings, runways, taxiways, aprons, machinery and equipment, net	58,381,936	61,455,154
Construction-in-progress	1,001,419	517,771
Total capital assets, net	91,366,936	93,963,840
Bond issuance costs, net	295,032	600,897
Total assets	\$ 163,582,958	\$ 172,685,178

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA  
DEPARTMENT OF AIRPORTS ENTERPRISE FUND  
BALANCE SHEETS  
- CONTINUED -

	2008	2007
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 183,940	\$ 248,297
Construction accounts and retainage payable	358,757	567,419
Accrued salaries, wages and compensated absences	393,197	312,535
Other accrued expenses	452,735	526,256
Unearned revenue	189,388	170,419
Due to Federal government	-	7,051,452
Due to Horry County - General Fund	1,142,638	823,105
Capital leases payable - current portion	39,025	37,703
Amounts due to tenants	541,850	675,203
Total current liabilities	3,301,530	10,412,389
Current liabilities payable from restricted assets:		
Revenue bonds payable - current portion	520,000	1,890,000
Accrued interest payable	300,270	733,281
Total current liabilities payable from restricted assets	820,270	2,623,281
Non-current liabilities:		
Revenue bonds payable	10,172,171	21,850,429
Compensated absences - long term	820,497	650,517
Net other post-employment benefits obligation	155,363	-
Due to tenants for capital improvements	200,000	250,000
Capital leases	305,895	344,920
Total non-current liabilities	11,653,926	23,095,866
Total liabilities	15,775,726	36,131,536
Net assets:		
Investment in capital assets, net of related debt	80,374,878	70,056,542
Restricted for:		
Debt service	24,025,631	33,452,969
Capital projects	2,303,666	271,844
Unrestricted	41,103,057	32,772,287
Total net assets	147,807,232	136,553,642
Total liabilities and net assets	\$ 163,582,958	\$ 172,685,178

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 Department of Airports Enterprise Fund  
 Statements of Revenues, Expenses and Changes in Net Assets  
 for the Year Ended June 30, 2008  
 (with comparative amounts for the year ended June 30, 2007)

	2008	2007
<b>Operating Revenues</b>		
Landing fees	\$ 2,271,303	\$ 2,135,513
Airline terminal rents	3,971,709	4,059,647
Concessions and rentals	6,267,135	5,905,315
Security fees	200,826	192,654
Leases	1,164,700	1,089,293
Fuel sales - FBO	4,207,318	3,937,361
Other Airline Services	880,871	903,927
Federal revenue- TSA LEO reimbursement program	156,080	-
Other	529,329	682,748
Total operating revenues	19,649,271	18,906,458
Less, signatory airline contract operating rebate	(754,539)	(378,336)
Net operating revenues	18,894,732	18,528,122
<b>Operating Expenses</b>		
Salaries and benefits	5,955,075	5,435,472
Utilities	780,225	794,181
Outside and professional services	750,062	1,225,178
Maintenance and supplies	622,801	589,395
Fuel cost of sales	3,107,938	2,628,907
Vehicle and equipment (non-capital) expense	306,121	285,633
Insurance	235,848	279,005
Dues, memberships, and travel	196,363	157,243
Office supplies	20,885	24,895
Horry County administrative costs	350,000	195,245
Depreciation and amortization	4,711,815	4,730,767
Total operating expenses	17,037,133	16,345,921
Operating income	1,857,599	2,182,201

- CONTINUED -

Horry County, South Carolina  
 Department of Airports Enterprise Fund  
 Statements of Revenues, Expenses and Changes in Net Assets  
 - Continued -

	2008	2007
<b>Non-Operating Revenues (Expenses)</b>		
Passenger Facility Charges (PFC's)	256,368	3,308,886
Contract Facility Charges (CFC's)	2,929,086	2,743,754
Intergovernmental revenues - City of Myrtle Beach	1,727,659	1,449,069
Sale of assets	68,772	1,126,170
Redevelopment Authority grant revenue	71,250	131,250
Grant expenses	(315,982)	(269,671)
Reimbursement of funds to the FAA	-	(8,154,369)
Interest income	2,832,622	3,607,028
Interest expense	(1,607,144)	(1,514,360)
Net non-operating revenues (expenses)	5,962,631	2,427,757
 Income before extraordinary item and capital contributions	 7,820,230	 4,609,958
 <b>Extraordinary Item</b>	 -	 (16,453,255)
 <b>Capital Contributions</b>		
State grants - capital projects	2,085,833	41,542
State contributed capital	33,526	-
Federal grants - capital projects	1,314,001	811,638
Net change in net assets	11,253,590	(10,990,117)
Net assets, beginning of year	136,553,642	147,543,759
Net assets, end of year	\$ 147,807,232	\$ 136,553,642

*See accompanying independent auditors' report.*

HORRY COUNTY, SOUTH CAROLINA  
DEPARTMENT OF AIRPORTS ENTERPRISE FUND  
STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2008  
(with comparative amounts for the year ended June 30, 2007)

	2008	2007
<b>Cash flows from operating activities</b>		
Cash received for:		
Landing fees, terminal rents, and concessions leases	\$ 12,993,226	\$ 13,185,652
FBO sales and airline services	5,046,273	4,786,704
Other	695,002	749,989
Cash paid for:		
Salaries and benefits	(5,549,070)	(5,220,018)
Maintenance, supplies, fuel, utilities and equipment	(6,273,972)	(6,178,699)
Net cash provided by operating activities	6,911,459	7,323,628
<b>Cash flows from non-capital financing activities</b>		
Repayment to the federal government	(7,051,452)	-
Grant expenditures	(315,982)	(269,671)
Intergovernmental revenues	71,250	131,250
Net cash (used in) non-capital financing activities	(7,296,184)	(138,421)
<b>Cash flows from capital and related financing activities</b>		
Receipt of passenger and contract facility charges	3,832,622	5,919,185
Acquisition and construction of capital assets	(2,298,946)	(8,556,831)
Sale of capital assets	68,772	1,126,170
Principal payments on bonds and notes	(1,890,000)	(1,780,000)
Interest paid on bonds and notes	(1,438,247)	(1,535,518)
Bonds redeemed with airport cash	(11,270,000)	-
Call premium on cash redemption	(225,400)	-
Principal payments on capital lease obligation	(37,703)	(43,699)
Receipt of intergovernmental and private grants	1,668,315	1,449,069
Proceeds from Airport Improvement Program and State grants	3,424,972	1,452,401
Net cash provided by (used in) capital and related financing activities	(8,165,615)	(1,969,223)
<b>Cash flows from investing activities</b>		
Investment purchases	(42,628,595)	(26,951,756)
Investment sales	26,951,756	38,257,670
Interest on investments	3,046,200	3,796,842
Net cash (used in) investing activities	(12,630,639)	15,102,756
Net increase (decrease) in cash and cash equivalents	(21,180,979)	20,318,740
Cash and cash equivalents, beginning of year		
Unrestricted	42,635,128	22,743,814
Restricted	5,851,833	5,424,407
	48,486,961	28,168,221
Cash and cash equivalents, end of year		
Unrestricted	25,643,462	42,635,128
Restricted	1,662,520	5,851,833
	\$ 27,305,982	\$ 48,486,961

- CONTINUED -

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

	2008	2007
<b>Reconciliation of operating income to cash flows from operating activities</b>		
Operating income	\$ 1,857,599	\$ 2,182,201
Adjustments to reconcile operating income to net cash provided by:		
Depreciation and amortization	4,711,815	4,730,767
(Increase) decrease in certain assets:		
Accounts receivable	(45,847)	(13,329)
Prepaid items	34,609	167,775
Inventories	(119,993)	11,233
(Increase) decrease in certain liabilities:		
Accounts payable	(64,357)	(39,870)
Accrued salaries, wages and compensated absences	250,642	215,454
Net other post-employment benefit obligation	155,363	-
Other accrued expenses	(73,521)	147,254
Due to Horry County - General Fund	319,533	(285,409)
Unearned Revenue	18,969	56,455
Amounts due to airlines and car rental companies	(133,353)	151,097
Net cash provided by operating activities	\$ 6,911,459	\$ 7,323,628
<b>Supplemental information-noncash investing, capital and financing activities</b>		
Total investment (current & prior years) on capital project writeoff - termination of new terminal project	\$ -	\$ (16,453,255)
Donated assets	\$ 33,526	\$ -

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 Baseball Stadium Enterprise Fund  
 Balance Sheets  
 June 30, 2008  
 (with comparative amounts for June 30, 2007)

	2008	2007
<b>Assets</b>		
Restricted assets:		
Equity in pooled cash and investments	\$ 49,612	\$ 21,191
Cash and cash equivalents	<u>299,702</u>	<u>299,767</u>
Total restricted assets	<u>349,314</u>	<u>320,958</u>
Non-current assets:		
Capital assets:		
Land and improvements	2,693,320	2,693,320
Buildings and improvements	3,356,135	3,356,135
Equipment	<u>326,891</u>	<u>326,891</u>
	<u>6,376,346</u>	<u>6,376,346</u>
Less, accumulated depreciation	<u>(1,698,505)</u>	<u>(1,532,266)</u>
Net capital assets	<u>4,677,841</u>	<u>4,844,080</u>
 Total assets	 <u>\$ 5,027,155</u>	 <u>\$ 5,165,038</u>
 <b>Liabilities and Net Assets</b>		
Current Liabilities:		
Due to other governments	\$ 83,459	\$ 89,790
Total current liabilities	<u>83,459</u>	<u>89,790</u>
Current liabilities payable from restricted assets:		
Certificates of Participation Payable - current portion	144,000	138,000
Accrued interest payable	<u>48,942</u>	<u>51,943</u>
Total current liabilities payable from restricted assets	<u>192,942</u>	<u>189,943</u>
Certificates of Participation payable	<u>1,879,500</u>	<u>2,023,500</u>
Total liabilities	<u>2,155,901</u>	<u>2,303,233</u>
Net Assets:		
Invested in capital assets, net of related debt	2,605,399	2,630,637
Restricted for debt service, renewals & replacements	349,314	320,958
Unrestricted (Deficit)	<u>(83,459)</u>	<u>(89,790)</u>
Total net assets	<u>2,871,254</u>	<u>2,861,805</u>
Total liabilities and net assets	<u>\$ 5,027,155</u>	<u>\$ 5,165,038</u>

*See accompanying independent auditors' report.*

**HORRY COUNTY, SOUTH CAROLINA**  
**BASEBALL STADIUM ENTERPRISE FUND**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND ASSETS**  
 For the Year Ended June 30, 2008  
 (with comparative amounts for the year ended June 30, 2007)

	<u>2008</u>	<u>2007</u>
<b>Operating Revenues</b>		
Concessions and rentals	\$ 2,247	\$ 7,790
Other	720	932
Total operating revenues	<u>2,967</u>	<u>8,722</u>
<b>Operating Expenses</b>		
Management Fee	(35,211)	43,395
Salaries	14,256	11,988
Maintenance & Supplies	37,802	20,915
Insurance	35,497	28,380
Depreciation	166,239	166,239
Other	78	1,223
Total operating expenses	<u>218,661</u>	<u>272,140</u>
Operating (loss)	(215,694)	(263,418)
<b>Non-operating Revenue (Expenses)</b>		
Interest income	11,576	18,579
Interest expense	(97,883)	(103,885)
Net non-operating revenue (expenses)	<u>(86,307)</u>	<u>(85,306)</u>
Loss before transfers	(302,001)	(348,724)
<b>Transfers</b>		
Operating transfers in - Hospitality Fund	311,450	304,761
Net change in net assets	<u>9,449</u>	(43,963)
Net assets at beginning of year	2,861,805	2,905,768
Net assets at end of year	<u>\$ 2,871,254</u>	<u>\$ 2,861,805</u>

*See accompanying independent auditors' report.*

HORRY COUNTY, SOUTH CAROLINA  
 BASEBALL STADIUM  
 STATEMENT OF CASH FLOW  
 For the Year Ended June 30, 2008  
 (with comparative amounts for the year ended June 30, 2007)

	2008	2007
<b>Cash flows from operating activities</b>		
Cash paid for:		
Baseball Stadium Operations	\$ (55,786)	\$ (56,648)
Net cash used in operating activities	(55,786)	(56,648)
<b>Cash flows from non-capital financing activities</b>		
Transfers in - Hospitality Fund	311,450	304,761
Net cash provided by non-capital financing activities	311,450	304,761
<b>Cash flows from capital and related financing activities</b>		
Principal payments on Certificates of Participation	(138,000)	(133,500)
Interest paid on Certificates of Participation	(100,884)	(106,755)
Net cash used in capital and other related financing activities	(238,884)	(240,255)
<b>Cash flows from investing activities</b>		
Interest earned	11,576	18,579
Net cash provided by investing activities	11,576	18,579
Net increase in cash and cash equivalents	28,356	26,437
Cash and cash equivalents, beginning of year	320,958	294,521
Cash and cash equivalents, end of year	\$ 349,314	\$ 320,958
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (215,694)	\$ (263,418)
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
Increase(decrease) in due to other governments	(6,331)	(32,739)
Net cash provided by (used in) operating activities	\$ (55,786)	\$ (56,648)

*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, 2008  
 (with comparative amounts for June 30, 2007)

	<b>2008</b>	<b>2007</b>
<b>Assets</b>		
Current assets:		
Equity in pooled cash and investments	\$ 7,264,032	\$ 6,492,154
Petty Cash	100	100
Interest receivable	67,624	108,353
Inventory	291,799	266,753
Total current assets	7,623,555	6,867,360
Non-current assets:		
Capital assets:		
Machinery and Equipment	12,097,397	11,511,365
Less, accumulated depreciation	(7,338,667)	(7,176,430)
Net capital assets	4,758,730	4,334,935
Total assets	\$ 12,382,285	\$ 11,202,295
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 47,316	\$ 22,375
Accrued salaries, wages and compensated absences	15,208	12,605
Total current liabilities	62,524	34,980
Net Assets:		
Invested in capital assets	4,758,730	4,334,935
Restricted for fleet replacement	5,119,334	4,483,437
Unrestricted	2,441,697	2,348,943
Total net assets	12,319,761	11,167,315
Total liabilities and net assets	\$ 12,382,285	\$ 11,202,295

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 Fleet Service Internal Service Fund  
 Statement of Revenues, Expenses and Changes in Net Assets  
 For the Year Ended June 30, 2008  
 (with comparative amounts for the year ended June 30, 2007)

	<u>2008</u>	<u>2007</u>
<b>Operating Revenues</b>		
Charges for services	\$ 4,659,815	\$ 4,344,981
Other	15,007	15,205
Total operating revenues	<u>4,674,822</u>	<u>4,360,186</u>
<b>Operating Expenses</b>		
Personal services	879,611	797,253
Contractual services	1,326,971	1,262,249
Supplies and materials	47,723	36,558
Business and travel	58,443	65,706
Indirect Cost Allocation Plan	4,324	4,227
Depreciation	1,595,953	1,368,097
Capital Outlay	9,630	-
Total operating expenses	<u>3,922,655</u>	<u>3,534,090</u>
Operating income	<u>752,167</u>	<u>826,096</u>
<b>Non-operating revenues (expenses)</b>		
Gain (loss) on disposal of assets	121,278	48,025
Interest	279,001	299,941
Net non-operating revenues (expenses)	<u>400,279</u>	<u>347,966</u>
Net change in net assets	1,152,446	1,174,062
Net assets, beginning of year	<u>11,167,315</u>	<u>9,993,253</u>
Net assets, end of year	<u>\$ 12,319,761</u>	<u>\$ 11,167,315</u>

*See accompanying independent auditors' report.*

Horry County, South Carolina  
 Fleet Service Internal Service Fund  
 Statement of Cash Flows  
 For the Year Ended June 30, 2008  
 (with comparative amounts for the year ended June 30, 2007)

	2008	2007
<b>Cash flows from operating activities</b>		
Cash received from:		
Services	\$ 4,659,815	\$ 4,344,981
Miscellaneous charges	15,007	15,205
Cash paid for:		
Fleet maintenance	(2,265,761)	(2,089,194)
Other supplies and miscellaneous costs	(58,443)	(65,706)
Net cash provided by operating activities	2,350,618	2,205,286
<b>Cash flows from capital and related financing activities</b>		
Purchase of capital assets	(2,069,897)	(1,841,231)
Proceeds from disposition of capital assets	171,427	123,081
Net cash provided by (used in) capital and other related financing activities	(1,898,470)	(1,718,150)
<b>Cash flows from investing activities</b>		
Interest income	319,730	191,588
Net cash provided by investing activities	319,730	191,588
Net change in cash and cash equivalents	771,878	678,724
Cash and cash equivalents, beginning of year	6,492,254	5,813,530
Cash and cash equivalents, end of year	\$ 7,264,132	\$ 6,492,254
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 752,167	\$ 826,096
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	1,595,953	1,368,097
(Increase) decrease in assets:		
Inventories	(25,046)	23,517
Increase (decrease) in liabilities		
Accounts payable	24,941	(13,461)
Accrued salaries, wages and compensated absences	2,603	1,037
Net cash provided by operating activities	\$ 2,350,618	\$ 2,205,286

*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  
 FOR THE YEAR ENDED JUNE 30, 2008

	<b>Balance June 30, 2007</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2008</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Totals-Agency Funds</b>				
Assets:				
Cash	\$ 24,978,327	\$ 10,547,451	\$ 16,558,296	\$ 18,967,482
Equity in pooled cash and investments	140,414,309	557,837,425	507,283,915	190,967,819
Total assets	<u>\$ 165,392,636</u>	<u>\$ 568,384,876</u>	<u>\$ 523,842,211</u>	<u>\$ 209,935,301</u>
Liabilities:				
Due to others	\$ 165,392,636	\$ 568,384,876	\$ 523,842,211	\$ 209,935,301
Total liabilities	<u>\$ 165,392,636</u>	<u>\$ 568,384,876</u>	<u>\$ 523,842,211</u>	<u>\$ 209,935,301</u>

*See accompanying independent auditors' report.*

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

	<b>Balance June 30, 2007</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2008</b>
<b><u>City of Conway</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 53,002	\$ 4,422,942	\$ 4,426,744	\$ 49,200
Liabilities:				
Due to others	\$ 53,002	\$ 4,422,942	\$ 4,426,744	\$ 49,200
<b><u>City of Myrtle Beach</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 122,557	\$ 23,250,770	\$ 23,138,590	\$ 234,737
Liabilities:				
Due to others	\$ 122,557	\$ 23,250,770	\$ 23,138,590	\$ 234,737
<b><u>Town of Loris</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 113,613	\$ 772,102	\$ 771,888	\$ 113,827
Liabilities:				
Due to others	\$ 113,613	\$ 772,102	\$ 771,888	\$ 113,827
<b><u>City of North Myrtle Beach</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 87,614	\$ 9,522,322	\$ 9,515,209	\$ 94,727
Liabilities:				
Due to others	\$ 87,614	\$ 9,522,322	\$ 9,515,209	\$ 94,727
<b><u>Town of Surfside</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 46,745	\$ 2,166,647	\$ 2,191,169	\$ 22,223
Liabilities:				
Due to others	\$ 46,745	\$ 2,166,647	\$ 2,191,169	\$ 22,223
<b><u>Town of Atlantic Beach</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 4,570	\$ 196,329	\$ 189,675	\$ 11,224
Liabilities:				
Due to others	\$ 4,570	\$ 196,329	\$ 189,675	\$ 11,224

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

	<u>Balance June 30, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2008</u>
<b><u>Town of Aynor</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 2,106	\$ 142,047	\$ 142,175	\$ 1,978
Liabilities:				
Due to others	\$ 2,106	\$ 142,047	\$ 142,175	\$ 1,978
<b><u>Town of Briarcliff</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 3,330	\$ 259,180	\$ 259,866	\$ 2,644
Liabilities:				
Due to others	\$ 3,330	\$ 259,180	\$ 259,866	\$ 2,644
<b><u>Horry County School District</u></b>				
<b><u>Operations/Debt</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 139,946,456	\$ 511,189,873	\$ 465,415,781	\$ 185,720,548
Liabilities:				
Due to others	\$ 139,946,456	\$ 511,189,873	\$ 465,415,781	\$ 185,720,548
<b><u>Murrells Inlet-Garden City</u></b>				
<b><u>Operation/Debt Fire District</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 40,330	\$ 1,217,047	\$ 1,206,452	\$ 50,925
Liabilities:				
Due to others	\$ 40,330	\$ 1,217,047	\$ 1,206,452	\$ 50,925
<b><u>Grand Strand Water and Sewer</u></b>				
Assets:				
Equity in pooled cash and investments	\$ 1,387	\$ 22,403	\$ 23,790	\$ -
Liabilities:				
Due to others	\$ 1,387	\$ 22,403	\$ 23,790	\$ -
<b><u>Fireman's Fund</u></b>				
Assets:				
Cash	\$ 75,957	\$ 7,044,796	\$ 6,766,926	\$ 353,827
Liabilities:				
Due to others	\$ 75,957	\$ 7,044,796	\$ 6,766,926	\$ 353,827

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

	<u>Balance June 30, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2008</u>
<b><u>Police Asset Forfeiture Fund</u></b>				
Assets:				
Cash	\$ 181,627	\$ 98,097	\$ 167,594	\$ 112,130
Liabilities:				
Due to others	\$ 181,627	\$ 98,097	\$ 167,594	\$ 112,130
<b><u>Police Fund</u></b>				
Assets:				
Cash	\$ 19,062	\$ 105,619	\$ 100,971	\$ 23,710
Liabilities:				
Due to others	\$ 19,062	\$ 105,619	\$ 100,971	\$ 23,710
<b><u>Police Federal Forfeiture Fund</u></b>				
Assets:				
Cash	\$ 61,334	\$ 44,173	\$ 65,210	\$ 40,297
Liabilities:				
Due to others	\$ 61,334	\$ 44,173	\$ 65,210	\$ 40,297
<b><u>Environmental Services</u></b>				
Assets:				
Cash	\$ 42,556	\$ 1,466	\$ -	\$ 44,022
Liabilities:				
Due to others	\$ 42,556	\$ 1,466	\$ -	\$ 44,022
<b><u>Library Endowment</u></b>				
Assets:				
Cash	\$ 23,902	\$ 1,849	\$ -	\$ 25,751
Liabilities:				
Due to others	\$ 23,902	\$ 1,849	\$ -	\$ 25,751

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

	<u>Balance June 30, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2008</u>
<b><u>Inmate Trust</u></b>				
Assets:				
Cash	\$ 47,153	\$ 777,740	\$ 758,448	\$ 66,445
Liabilities:				
Due to others	\$ 47,153	\$ 777,740	\$ 758,448	\$ 66,445
<b><u>Solicitor DEU</u></b>				
Assets:				
Cash	\$ -	\$ 43,248	\$ 35,156	\$ 8,092
Liabilities:				
Due to others	\$ -	\$ 43,248	\$ 35,156	\$ 8,092
<b><u>Solicitor DEU Forfeiture</u></b>				
Assets:				
Cash	\$ -	\$ 185,596	\$ 67,703	\$ 117,893
Liabilities:				
Due to others	\$ -	\$ 185,596	\$ 67,703	\$ 117,893
<b><u>Police Counterfeit Program</u></b>				
Assets:				
Cash	\$ -	\$ 1,236	\$ -	\$ 1,236
Liabilities:				
Due to others	\$ -	\$ 1,236	\$ -	\$ 1,236
<b><u>B&amp;C MCBP- Infrastructure</u></b>				
Assets:				
Equity in pooled cash and investments	\$ (7,401)	\$ -	\$ 2,576	\$ (9,977)
Cash	24,526,736	2,243,631	8,596,288	18,174,079
Total	\$ 24,519,335	\$ 2,243,631	\$ 8,598,864	\$ 18,164,102
Liabilities:				
Due to others	\$ 24,519,335	\$ 2,243,631	\$ 8,598,864	\$ 18,164,102
<b><u>Developer LOC</u></b>				
Assets:				
Equity in pooled cash and investments	\$ -	\$ 4,675,763	\$ -	\$ 4,675,763
Liabilities:				
Due to others	\$ -	\$ 4,675,763	\$ -	\$ 4,675,763

*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) and 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**  
**SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS BY SOURCE**

**June 30, 2008**

(With comparative amounts for June 30, 2007)

<b>Governmental funds- capital assets</b>	<u>2008</u>	<u>2007</u>
Land	\$ 15,835,201	\$ 16,231,374
Buildings	126,745,900	109,328,754
Furniture and equipment	72,205,017	62,703,835
Vehicles	5,250,326	4,082,711
Infrastructure	400,935,322	383,344,360
Construction -in-progress	<u>5,209,238</u>	<u>6,406,918</u>
 Total governmental funds capital assets	 <u><u>\$ 626,181,004</u></u>	 <u><u>\$ 582,097,952</u></u>
 <b>Investment in governmental funds capital assets by source</b>		
General Obligations Bonds	\$ 108,178,285	\$ 103,146,493
General Fund Revenue	82,577,027	66,705,152
Special Revenue Fund Revenue	24,440,067	18,851,644
Certificates of Participation	10,050,303	10,050,303
Capital Projects Fund	<u>400,935,322</u>	<u>383,344,360</u>
 Total investment in governmental funds capital assets	 <u><u>\$ 626,181,004</u></u>	 <u><u>\$ 582,097,952</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 30,2008**

	<b>Land</b>	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Construction in Progress</b>	<b>Infrastructure</b>	<b>Totals</b>
<b>Function and Activity:</b>							
General government	\$ 6,813,635	\$ 61,090,381	\$ 22,683,022	\$ 292,936	\$ -	\$ -	\$ 90,879,974
Public safety	2,329,583	47,444,271	35,469,095	3,614,547	-	-	88,857,496
Infrastructure	2,799,706	3,022,496	12,739,560	1,221,812	-	400,935,322	420,718,896
Health and social services	90,000	2,281,127	-	-	-	-	2,371,127
Cultural and recreation	3,802,277	12,907,625	1,313,340	121,031	-	-	18,144,273
Construction-in-progress	-	-	-	-	5,209,238	-	5,209,238
<b>Total governmental funds capital assets</b>	<b>\$ 15,835,201</b>	<b>\$ 126,745,900</b>	<b>\$ 72,205,017</b>	<b>\$ 5,250,326</b>	<b>\$ 5,209,238</b>	<b>\$ 400,935,322</b>	<b>\$ 626,181,004</b>

*See accompanying independent auditors' report.*

HORRY COUNTY, SOUTH CAROLINA  
SCHEDULES OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION OF  
GOVERNMENTAL FUNDS BY FUNCTION AND ACTIVITY  
FOR THE YEAR ENDED JUNE 30, 2008

	<b>Balances</b>			<b>Balances</b>
	<b>June 30, 2007</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2008</b>
Functions and Activity:				
General government	\$ 86,487,970	\$ 5,321,464	\$ (929,460)	\$ 90,879,974
Public Safety	69,494,695	20,546,513	(1,183,712)	88,857,496
Infrastructure & Regulation	403,278,848	18,708,438	(1,268,390)	420,718,896
Health and Social Services	2,371,127	-	-	2,371,127
Cultural and Recreation	14,058,393	4,104,776	(18,896)	18,144,273
Construction-in-progress	6,406,919	15,839,407	(17,037,088)	5,209,238
Total governmental funds				
capital assets	<u>\$ 582,097,952</u>	<u>\$ 64,520,598</u>	<u>\$ (20,437,546)</u>	<u>\$ 626,181,004</u>
 Class:				
Land	\$ 16,231,374	\$ 400,062	\$ (796,235)	\$ 15,835,201
Buildings	109,328,752	17,417,146	-	126,745,898
Furniture and equipment	62,703,835	10,044,238	(543,055)	72,205,018
Vehicles	4,082,712	2,783,023	(1,615,408)	5,250,327
Infrastructure	383,344,360	18,036,722	(445,760)	400,935,322
Construction-in-progress	6,406,919	15,839,407	(17,037,088)	5,209,238
Total governmental funds				
capital assets	<u>\$ 582,097,952</u>	<u>\$ 64,520,598</u>	<u>\$ (20,437,546)</u>	<u>\$ 626,181,004</u>

*See accompanying independent auditors' report.*

## **VICTIMS' RIGHTS**

**HORRY COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES**  
**FOR THE YEAR ENDED JUNE 30, 2008**  
 (with comparison for the year ended June 30, 2007)

	<u>Clerk of Court</u>	<u>Magistrate</u>	<u>Probate</u>	<u>Total 2008</u>	<u>Total 2007</u>
Fines collected	\$ 1,698,277	\$ 1,803,814	\$ 69,900	\$ 3,571,991	\$ 3,141,564
Assessments collected	95,389	482,101	-	577,490	562,200
Surcharges collect	134,253	1,082,542	-	1,216,795	1,078,583
Total fines and assessments collected	<u>\$ 1,927,919</u>	<u>\$ 3,368,457</u>	<u>\$ 69,900</u>	<u>\$ 5,366,276</u>	<u>\$ 4,782,347</u>
Assessments retained by County	33,467	226,809	-	260,276	240,454
Surcharges retained by County	107,255	123,259	-	230,514	214,591
Total fines and assessments retained by County	<u>\$ 140,722</u>	<u>\$ 350,068</u>	<u>\$ -</u>	<u>\$ 490,790</u>	<u>\$ 455,045</u>
Fines remitted to State Treasurer	1,698,277	1,803,814	69,900	3,571,991	3,141,564
Assessments remitted to State Treasurer	61,922	255,292	-	317,214	321,746
Surcharges remitted to State Treasurer	26,998	959,283	-	986,281	863,992
Total fines and assessments remitted to State Treasurer	<u>\$ 1,787,197</u>	<u>\$ 3,018,389</u>	<u>\$ 69,900</u>	<u>\$ 4,875,486</u>	<u>\$ 4,327,302</u>

*See accompanying independent auditors' report.*