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Horry County, South Carolina

Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

HORRY COUNTY, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

PREPARED BY THE FINANCE DEPARTMENT

HORRY COUNTY, SOUTH CAROLINA

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

YEAR ENDED JUNE 30, 2012

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INTRODUCTORY SECTION

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HORRY COUNTY, SOUTH CAROLINA
LETTER OF TRANSMITTAL
NOVEMBER 19, 2012

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

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the County of Horry (the "County") for the fiscal year ended June 30, 2012. This report is prepared for the purpose of disclosing the County's financial condition to its residents, elected officials and other interested parties. The financial statements contain all disclosures necessary to enable the reader to gain an understanding of the County's financial activities.

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

The County financial statements have been audited by Elliott Davis LLC. The independent auditors' report is presented as the first component of the Financial Section of the CAFR. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for fiscal year ended June 30, 2012, are fairly stated in accordance with GAAP. The independent audit involved examining, on a test basis, evidence to support the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County financial statements for the fiscal year ended June 30, 2012 are fairly presented in conformity with GAAP.

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

Profile of the Government

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

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

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

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

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

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

The Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the County's financial planning and control. All department heads present a departmental budget to the Department of Budget and Revenue Management, which is reviewed and a balanced financial plan is presented to the Administrator. Once the Administrator is satisfied with the recommended budget, it is forwarded to County Council. Council must, according to state law, have three readings of the financial plan ordinance and a public hearing before it can be passed and become law. The Administrator is authorized to transfer budgeted funds within a department and between departments, within the same fund. Budget transfers between funds require amendments to the original ordinance. Formal budgetary integration is employed as a management control device during the year. No department funded by the County shall spend or obligate funds in excess of the amount budgeted in total for each fund under any circumstance.

Factors Affecting Financial Condition

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

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

Local Economy

Most of the County's sixty (60) miles of beaches stretching from Little River to Pawley's Island have been developed residentially or commercially while at least 32 percent of the remainder of the County is yet to be developed. This stretch of the beach is known as the "Grand Strand". The County leads the state's tourism industry with 31.4 percent of the total domestic traveler spending in 2011. Forty percent of the state's second homes are also located within the County.

The Grand Strand is a major U.S. tourist center. According to a Tourism Economic Impact report produced by the Travel Industry Association of America, 2008 domestic visitor expenditures in the County exceeded $3.1 billion, accounting for approximately 31.0 percent of the $9.9 billion of domestic visitor expenditures in the State of South Carolina. The County leads all counties of the State in visitor spending, lodging rentals, employment and tax revenues resulting from travel and tourism. The natural assets of the Grand Strand are the Atlantic Ocean and the mild climate. Average temperature for both air and sea water range from 80 degrees during the summer to about 50 degrees during the winter.

Over the past five years, the Grand Strand area has received numerous accolades from regional and national publications. *US News & World Report* honored Myrtle Beach in multiple categories, including #6 Best Family Beach Vacations, #6 Best Family Vacations in the U.S.A., #7 Best Affordable U.S. Vacations, and #9 Best Beaches U.S.A. Myrtle Beach was described as "one of the best East Coast family vacation destinations" and notes that "Southern hospitality is alive and well at Myrtle Beach". *TripAdvisor* named Myrtle Beach as the #1 Best Beach in the United States, and also one of the Top 10 Best in the World. Myrtle Beach ranked as one of the "Top 100 Small Places for Business and Careers" in a *Forbes* magazine Survey (2009). *TopRetirements.com* ranked Myrtle Beach 25 out of 100 on its "2011: Best Places to Retire" listing.

Most recently, Myrtle Beach was listed on *away.com* "Cheat Sheet of Best Beaches for 2012"; *Trip Advisor* "2011 Traveler' Choice Awards"; *Better Homes & Gardens Real Estate* "America's Most Fun, Affordable Cities'; *Travel Channel* "Top 10 Vacation Spots" and *Travel Ticker* "Top 5 Summer Travel Destinations of 2011."

Golf Digest magazine named four Myrtle Beach area golf courses to its 2009-2010 lists of "America's Top 100 Great Public Golf Courses." *Golf Digest* also named Myrtle Beach as a "Best Value for the Money Destination" in its 2008 Travel and Destination Survey. A number of specific golf courses, hotels and attractions have been cited for superlative ratings by

magazines and agencies including *Travel and Leisure* magazine, *Travelocity*, *Restaurant Business Magazine* and *EscapeHomes.com*.

According to the Myrtle Beach Area Chamber of Commerce (the "Chamber"), the Grand Strand currently has 102 eighteen-hole championship golf courses hosting more than 3.4 million paid rounds in 2010 vs. 3.1 million in 2009.

In its 50th Anniversary year (2004), *Sports Illustrated* named Myrtle Beach a "Sportstown USA" noting that "its leaders recognize that sports are a tremendous force for good in the community."

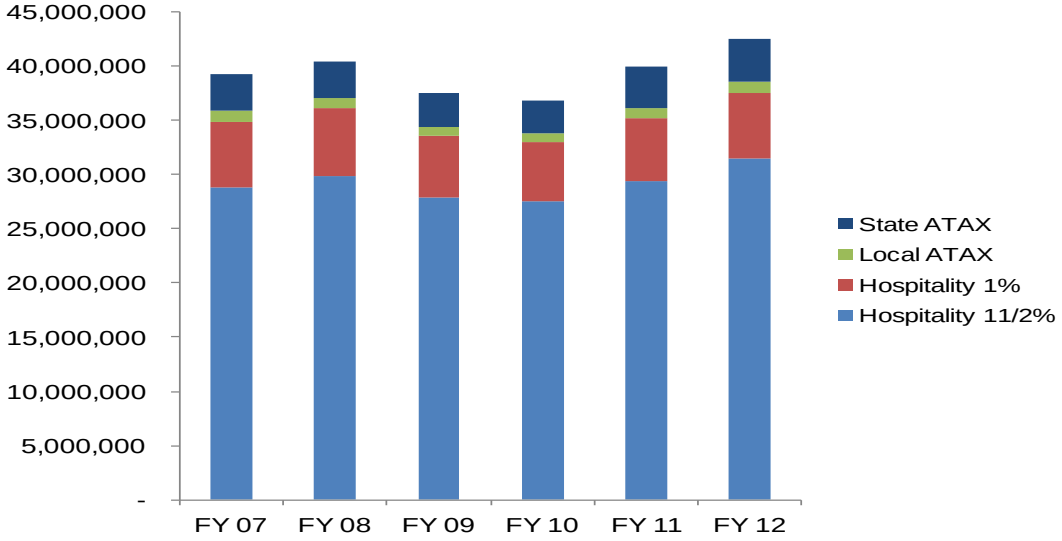
In 2010, Myrtle Beach opened the 1.2 mile Oceanfront Boardwalk, which was recognized as the nation's number three boardwalk by *National Geographic* magazine and one of the best U.S. boardwalks by *Travel & Leisure* magazine.

Based upon an estimate of annual visitors to the Myrtle Beach area conducted for the Chamber by D. K. Shifflet & Associates, Ltd., approximately 14.0 million people visited the area in 2010. Based upon the Chamber's 2010 conversion study, 16 percent of the area's visitors came from North Carolina and 35 percent from New York, Pennsylvania, Ohio and Virginia. Georgia, Tennessee, Kentucky, Maryland and Michigan round out the top ten states, outside of South Carolina, whose residents visit the area. In 2010, the Chamber received nearly 15,000 inquiries from foreign countries. About 98 percent of those came from Canada, with most of the remaining 2 percent coming from England, Germany, France and United Kingdom. Traffic to the VisitMyrtleBeach.com website originated from all 50 states and 203 different countries. The top ten states for web traffic were: North Carolina, South Carolina, New York, Pennsylvania, Georgia, Ohio, Virginia, Illinois, New Jersey, Tennessee and Maryland.

According to the Chamber's 2010 In-Market Visitor Profile Study, the destination continues to attract adults traveling with children in an average party size of five members. Of all travel party types, 64 percent are families, 29 percent are couples, 3 percent are groups of three or more adults, 3 percent are single adults and 1 percent are single adults with children. The average length of stay in 2010 was five days for leisure travelers and three days for business travelers. Grand Strand leisure travelers spent an average of $121 per person per day and group business travelers an average of $190 per person per day. Most Grand Strand visitors (88 percent) used their own cars as their primary means of transportation. A majority (49 percent) of them stayed in hotels, while 29 percent stayed in condominiums or villas.

There are approximately 98,573 bedrooms available for rent along the Grand Strand including 58 percent in hotels/motels, 22 percent in vacation rentals, 11 percent in timeshares, and 9 percent campgrounds. Average hotel and motel occupancy rates on the Grand Strand was 50.1 percent in 2010 vs. 47.0 percent in 2009 and the average daily rate was $85.55 in 2010 vs. $82.61 in the prior year. Gross retail sales in the County were $8.75 billion in 2012.

The following graph shows that the County's revenues which are heavily reliant upon the tourism industry have stabilized through these tough economic times and are returning to historic highs. The graph reports actual revenues from State and Local Accommodations Tax (ATAX) as well as Hospitality Fees for FY 2007 – FY 2012.



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

Year	Total Retail Sales
2008	$9,064,308,659
2009	8,212,831,863
2010	7,858,031,821
2011	8,291,304,481
2012	8,751,960,729

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

Commercial and Residential Development

The County's economy has reflected stabilization in most of its market segments. However, the real estate market will require more time to fully recover. Fortunately, a fast paced development environment in prior years has generated substantial growth in the County's assessable tax base which is providing a reliable source of revenue to fund the general government activities.

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

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

The County's largest development, Carolina Forest, was opened by International Paper in 2000. Carolina Forest is approximately 17 square miles, or 10,850 acres. To compare, the City of Myrtle Beach is also approximately 17 square miles or 10,700 acres. In thirty years, 50,000 to 60,000 people could live in Carolina Forest, with it possibly growing into an incorporated town. There will be 37 subdivisions, eight to 10 golf courses, and five million square feet of commercial space. The County's goal has been to make this the County's first fully zoned and planned community. The overall concept is to intersperse houses with sidewalks, arranged by subdivisions with matching signage, all planned around a downtown district with an old-fashioned Main Street called "Town Centre". The population is estimated to be approximately 60 percent retirees and 40 percent younger families. The growth is expected to take place over the next 20 to 30 years. In the last Census Carolina Forest experienced a population growth of 506 percent over the prior ten years and the adjacent community of Forestbrook grew 125 percent.

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

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

In 1999 the Grande Dunes Resort project was begun as a high profile, full service resort stretching from the beach to the Intracoastal Waterway between 82nd Avenue North and the Dunes Golf and Beach Club in Myrtle Beach. The residential resort, touting classic Mediterranean architecture, provides numerous upscale amenities to include golf and tennis facilities, an ocean club, and private marina. Accommodations, upscale shops and restaurants are all part of the Marina Village section of the development, which is open to the public. On September 16, 2008 Grande Dunes Marketplace celebrated its grand opening. This property, located across Highway 17 from the Marina Inn at Grande Dunes and anchored by a 49,000 square-foot Lowes Foods and CVS Drugstore, offers more than 91,000 square-feet of retail space with room for 19 tenants as well as future out parcel spaces. The Grande Dunes Marketplace provides an array of fine retailers and restaurants for Myrtle Beach visitors and residents.

Coastal Grand Mall on US 501 and US 17 Bypass opened in March of 2004 and houses anchor stores such as Belk, Sears, Dillards, JC Penney, Dick's Sporting Goods, and Bed Bath & Beyond. In addition to the mall, space is available for up to 20 out parcels for free standing businesses. Shopping opportunities continue to be bountiful by improvements to the Grand Strand – from the Tanger Outlet Stores on US 501 to the Tanger Outlet Center located in the northernmost section of Myrtle Beach on US 17. Myrtle Beach Mall (formerly known as Colonial Mall), Barefoot Landing and Broadway on the Beach continue to make enhancements to the

shopping arena by adding specialty shops, the Pavilion Nostalgia Park and increasing the number of new restaurants.

Rapid expansions are underway and completing during 2012 in our Healthcare industry in response to the needs of our growing population. Grand Strand Regional Medical Center completed a $54 million construction program including a new emergency room, a new two-story wing, and 50 additional hospital beds.

Foreclosures

As with many areas of the country, the Grand Strand is experiencing a high volume of foreclosures. Tom Maeser, a real estate analyst for the Coastal Carolinas Association of Realtors, indicates that areas with more investor properties, such as Myrtle Beach, tend to have a higher number of foreclosures because as values drop below the mortgage amounts and the owners aren't making enough rental income, the owners will let the property go into foreclosure. Revenue in the Master in Equity office has stabilized at $2.7 million for the last two fiscal years.

Property Assessed Value and Reassessment

While general economic trends softened, fiscal year 2011 was a reassessment year for the County. The reassessment process resulted in a total assessed value for the County that was slightly above the tax year 2009 assessed value, resulting in a minimal amount of millage roll-back. State law has a specific calculation requirement regarding rolling-back millage in a reassessment year so that the government does not generate more revenue as a result of reassessment. This methodology is so conservative that in actuality, the County generates less revenue in a reassessment year than in the prior year. The County is required to roll-back millage to generate the amount of revenue that was actually collected in the prior year, not what was billed. By rolling the millage back to the actual prior year collected amount, the reassessment year revenue drops from the prior year as a result of taxes that are billed that are not collected in that year. In fiscal year 2012, lower assessed value for personal property resulted in lower revenue; however increased real property values resulted in an overall stable assessed values and tax revenue.

Horry County's Assessed Values for Real and Personal Property

Tax Year	Real[1]	Personal[1]	Total[1][2]
2007	$1,466,803,000	$302,173,000	$1,768,976,000
2008	1,663,986,000	306,600,000	1,970,586,000
2009	1,703,167,000	303,012,000	2,006,179,000
2010	1,753,786,000	275,204,000	2,028,990,000
2011	1,766,946,000	277,772,000	2,044,718,000

[1] Numbers Rounded
[2] Does not include Merchant's Inventory of $10,571,700

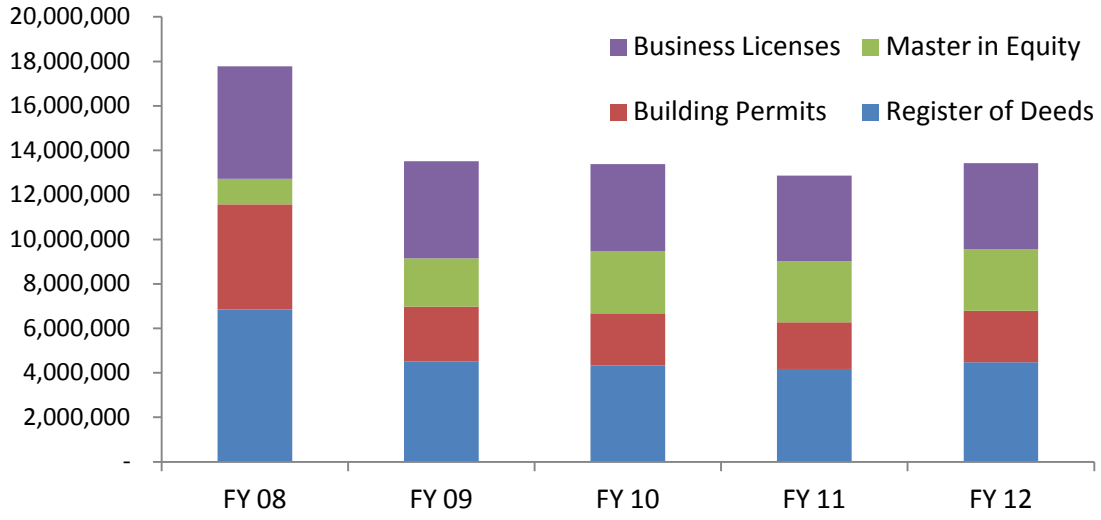
The South Carolina General Assembly, in its 2011 session, modified the annual operating millage limits and roll-back limitations on increases in assessed value through reassessment on a prospective basis. This amendment modifies the roll-back calculation to use taxes billed vs. taxes collected in the previous year and increases the millage cap to include the current year population and CPI percentage increases plus any allowable but not imposed increases for the preceding three years. The 2011 Amendments further provided for an exemption from the increase in assessed value as of the date of an assessable transfer equal to 25 percent of the assessed value of certain real property subject to a 6 percent assessment ratio (generally, commercial property).

Building Permits Issued

The following table shows that the unincorporated area of the County declined from its peak in construction during fiscal years 2006 and 2007. As the housing and construction markets began to slow-down during fiscal year 2007, along with the impact of the challenges in the banking industry during fiscal year 2008, building permits issued dropped to a five year low of 6,679 in fiscal year 2009. Although an increase in the volume of permits occurred in fiscal years 2010 and 2011, the value of the improvements/construction is lower, therefore generating less revenue. During 2012, the number or permits issued were stable; however the values increased resulting in higher revenues.

Fiscal Year	Number of Building Permits Issued	Revenue
2008	8,459	$4,726,984
2009	6,679	2,460,389
2010	7,397	2,338,830
2011	7,258	2,106,250
2012	7,250	2,321,424

Revenue sources that increased as the commercial and residential development flourished include business license fees, building permit fees, and RMC recording fees and documentary stamps. As the economy made a downward turn during fiscal year 2008, revenues from these sources began to decline, but revenues from the Master in Equity's Office, who handles foreclosures, began to increase. Revenues from these economically sensitive areas appear to have stabilized and are now reflecting a moderate growth. The FY 2013 budget anticipates revenue levels from these sources to be comparable to FY 2012 actual revenues.



Long-term Financial Planning

Fund balance in the General Fund at June 30, 2012 of $37.1 million (30.1 percent of the fiscal year 2012 General Fund expenditure budget) continues to fall within the policy guidelines set by County Council for budgetary and planning purposes (15 percent of the next year's General Fund operating budget).

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

Major Initiatives

Economic Development

A strong commitment to building and diversifying our economy is evident through our emphasis on economic development. The County is currently developing an International Technology and Aeronautical Park (the "ITAP") on 460 acres located on the County-owned Myrtle Beach International Airport property. Infrastructure improvements for the ITAP were recently added as a project to the Myrtle Beach Air Base Redevelopment and Financing Plan which is providing $2.5 million of funding towards the public infrastructure of ITAP. The County has increased its funding commitment to the Myrtle Beach Regional Economic Development Corporation to $1.8 million annually including operating, product development, and deal closing funds. Additionally, the County allocated Fee in Lieu of Tax revenue on two new agreements, Metglas and Coca Cola, to be committed to economic development needs.

The County currently operates three (3) industrial parks, and is in the planning stages of two additional parks, which are industry specific. Overall, community commitment exists to bring in new industry – as demonstrated by the example of Horry Electric Cooperative's contributions, through the Rural Development Act, to assist in the infrastructure development of two of these parks. Through these contributions, the County has funded the construction of a shell building within the County's "Certified Park" known as Cool Spring Business Park. Another industrial park project being pursued in conjunction with Grand Strand Water & Sewer is a Marine Park in Bucksport.

Airport

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

Passenger enplanements declined for calendar year 2012 over 2011. In 2012, the Airport reported 818,002 passenger enplanements versus 900,286 passenger enplanements for 2011, which represents a decrease of 9 percent. This 9 percent decline is partially attributable to the 7.5 percent decrease in seat capacity offered by airlines servicing the Airport during the fiscal year. The Airport is served by Allegiant, Delta, Spirit, Porter, US Airways and United Express, offering daily, nonstop flights to and from 25 destinations and connections through hubs in Atlanta, Charlotte, Chicago, New York and Newark, among others.

The Airport, as directed by County Council, is currently in the midst of a $113 million, 210,000 square-foot expansion project that will expand the current commercial terminal from seven gates to thirteen and will include new parking facilities, a new, separate car rental building, and updates to the current passenger terminal. Concurrently, the Airport has expanded

Taxiway “A” and is constructing the extension of Harrelson Boulevard, the major traffic artery to and from the Airport, to span the distance between US Highway 17 on the west side of the City and Highway 17 Business running parallel to the coast on the City’s east side.

In addition to the commercial airline facilities, complete services are available at the Airport for all size general aviation, corporate and charter aircraft, including helicopters. Several air cargo companies also have flight operations from the Airport. The Airport's General Aviation Terminal (“GAT”) annually accommodates over 45,000 passengers arriving in private aircraft. The Airport recently completed and opened for business a new $4 million GAT facility with 11,000 square feet of space on a single level. The new facility incorporates many state-of-the-art systems to ensure a sustainable “green” design. The old facility is slated for demolition.

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

Road Improvement and Development Effort (RIDE)

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

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

Pursuant to the Horry County Road Improvement and Development Effort Program (the “RIDE Program”), the County entered into various long-term loan agreements with the South Carolina Transportation Infrastructure Bank (the “SIB”) to provide funding for various road construction projects in the County. The State Infrastructure Bank has made available financial assistance, in the form of both loans and grants, to the County under several intergovernmental agreements (IGA). The following three loans were made under these agreements: IGA Loan #1 - $300,000,000, IGA Loan #2 - $247,577,000 and IGA Loan #3 - $2,279,950 for a total of $549,856,950. The County is required to make payments from its Hospitality 1.5% Special Revenue Fund to repay loans #1 and #2. Loan #3 has been repaid from Admissions Tax revenue. The County is not obligated to make payments from any other source of funds and the County’s full faith, credit and taxing power are not pledged in connection with the loans from the State Infrastructure Bank. The current and long-term portion of outstanding debt service related to the RIDE project as of June 30, 2012 is $254.4 million. Future debt service payments for the RIDE project are expected to be $291.8 million.

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

Road Projects

On November 7, 2006, the voters of the County passed a one-cent Capital Projects Sales Tax that went into effect May 2007, and by state law, will end seven years later. The County is slated to receive $425.3 million over this seven-year period to fund the below listed projects.

Estimated Cost as presented in referendum	Prioritized Road Projects and status as of July 1, 2012
1. $ 19,600,000	Pave 20 miles of County dirt roads – completed at a cost of approximately $11.7 million
2. $ 915,000	Resurface 12 miles of County roads – completed at a cost of $923,401
3. $ 49,500,000	Construct grade separated interchange at the intersection of U.S. Hwy 17 Bypass and SC Hwy. 707 at the back gate of the Myrtle Beach Air Base – design and right-of-way acquisition complete; construction approximately 40 percent complete; current estimate of project cost is $115-$120 million; construction began in spring 2011. A Federal TIGER Grant of $15 million was awarded to this project in fiscal year 2011.
4.$132,250,000	Widen SC Hwy. 707 from Enterprise Road to the County line including intersection improvements at SC Hwy 544 – design complete; right-of-way acquisition in progress; current estimate of project cost is $85-$95 million; construction began in spring 2011
5. $ 25,750,000	Pave 25 miles of County dirt roads – completed at a cost of $10.6 million.
6. $ 990,000	Resurface 12 miles of County roads – completed at a cost of $923,401
7. $ 46,000,000	Construct Aynor overpass – opened to traffic in August 2012; current estimate of project cost is $15-$16 million
8. $ 1,035,000	Resurface 12 miles of County roads; construction began in spring 2011; current estimate of total project cost is $1.1 million.
9. $ 76,000,000	Widen Glenns Bay Road to 3 lanes and construct a grade separated interchange at US Hwy. 17 Bypass – design complete; right-of-way acquisition in progress; current estimate of project cost is $75-$80 million.
10.$ 1,080,000	Resurface 12 miles of County roads; construction began in 2012; current estimate of total project cost is $1.1 million.
11.$27,750,000	Pave 25 miles of County dirt roads; construction began in 2012; current estimate of total project cost is $20.9 million.
12.$ 1,125,000	Resurface 12 miles of County roads

13.$ 6,500,000	Pave 2 lanes of International Drive from Carolina Forest to SC Hwy. 90 – design and right-of-way acquisition underway; construction estimate of project cost at $15.5 million.
14.$ 682,500	Resurface 7 miles of County roads
15.$36,100,000	Pave 30 miles of County dirt roads

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

As of June 30, 2012, the capital project sales tax had generated $327.5 million in revenue. Spending totaled $104.7 million through year end which results in $222.8 million balance on hand at year end for use in construction on the above projects.

County Council, understanding the need to address road connector/capacity/safety improvements within the County, tasked staff to develop a list of unimproved connector roads. Following staff's presentation and recommendations at the 2006 budget retreat, County Council approved the following priority list of projects and allocated funding to begin the process of making the needed improvements to six of the eleven projects on the priority list. An additional $1.3 million phase for interchange improvements on Carolina Forest Boulevard is scheduled to begin in 2013.

1.Postal Way(1.40 miles) - completed at a cost of $1,729,327	7.Hwy 501-90 connector road through Atlantic Center (0.65)
2.River Oaks Blvd. (5.10 miles) - 1st phase completed at a cost of $2,066,755.	8.Scipio Lane (1.80 miles)
3.Carolina Forest Boulevard (5.70 mi)- 1st phase completed at a cost of $1,897,500	9.Tournament Blvd. (1.50 miles)
4.Hwy. 17 Frontage Rd @ Indigo Creek (0.24mi) - completed at a cost of $115,124 5.Glenns Bay Rd widening & interchge(0.43 mi) - funded by RIDE II	10.Hwy. 707 to Hwy. 17 and Hwy. 17 to Farrow Blvd. within the old Air Base (4.50 mi)
6. International Drive (4.70 miles) - funded by RIDE II	11.Fries Bay Road (3.40 miles)

A recognized need for the County is direct Interstate Highway access. The National I-73 /I-74/I-75 Association is active promoting the need of I-73 to enhance the economic success and quality of life to our region. Actual construction has begun on the initial phase of the connection of I-95 to our area. Environmental work is complete on both the northern and southern sections and the Federal Highway Administration has signed the Record of Decision for each. South Carolina Department of Transportation (the "SCDOT") has completed the right-of-way plans for the southern section, and right-of-ways acquisition is underway for the corridor from I-95 to US 501 (approximately 5 miles). TIGER (Transportation Investment Generating Economic Recovery) funds in the amount of $10 million were received by SCDOT in February 2010 and these funds were used to let a project in August 2011 in Dillon County for a bridge replacement on Catfish Church Road (S-17-63) over I-95 and widening on US 501 and US 301 near Latta. This work is a portion of the overall I-73 project and is expected to be completed in August, 2013. In April 2011, the SCDOT Commission approved a bond package for projects statewide, including $105 million for

construction of an approximate 5.7 mile length of I-73 from I-95 to US 501 in Dillon County, including partial interchanges at I-95 and US 501. The construction plans for this section are complete. Approval of the bond package by the Joint Bond Review Committee and the State Budget and Control Board is needed. SCDOT continues to coordinate with the US Army Corps of Engineers on permit review and approval of the entire I-73 corridor. There is currently no firm timetable for any additional work on the northern section. The total estimated cost of the entire segment in South Carolina is approximately $2.4 billion.

Capital Projects Completed and Projects under Construction

In the FY 2008 budget, County Council approved a plan to build three recreation centers throughout the County at North Strand Park, Carolina Forest, and the South Strand complex. Each of these three community centers is approximately 20,000 square feet. The sites themselves range in size from 20 to 38 acres. The buildings have been constructed of masonry and steel with a useful life of 30-50 years. The North Strand Park Recreation Center completed construction and opened in fiscal year 2010. The South Strand and Carolina Forest Recreation Centers were completed in fiscal year 2012. The interiors of the centers were designed for athletic and fitness programs, special events, and educational programs. Each center includes a gymnasium featuring full size courts for seating of up to 500 spectators. Additional features include aerobics/exercise rooms, climbing walls, indoor walking track, locker rooms and reception areas.

In the FY 2008 budget, County Council approved funding of $12 million for library facilities, and prioritized its use for libraries in Carolina Forest, North Myrtle Beach, Surfside Beach, Aynor, and Bucksport. The North Myrtle Beach and Surfside Beach facilities opened in May and October 2011, respectively. Carolina Forest was completed in fiscal year 2012 and opening in July 2012. Renovation construction was complete and celebrated its grand re-opening in June 2012 at Aynor. Interior improvements are being planned for the Bucksport library.

The Horry County Museum project to renovate the Burroughs School completed during fiscal year 2012 with renovations to external and internal foundations and structural systems. The final renovation phase is underway to complete the internal finishes, mechanical and environmental systems, and exhibits. The project is scheduled to be completed in 2013.

Information Technology Projects

An additional strategic initiative for our Public Safety Division is an upgrade in its communication and data systems to a digital platform. Fiscal year 2012 included an upgrade in Motorola computer aided dispatch (CAD) software and E911 upgrade. Implementation continues with our Assessor's valuation software Manatron. A needs analysis study was completed during the year that resulted in decisions to request proposals for both an Enterprise Resource Planning (ERP) and Property Tax Billing systems with selection and implementation planned to begin in fiscal year 2013.

Funding

The County's Capital Improvement Plan focuses on on-going projects that are to be funded primarily with pay-as-you go funding, or grants. During 2012, the County issued no additional debt to fund current year capital needs. Additionally, the County initiated $2.6 million of new capital leases for the acquisition or construction of various technology improvements.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Horry County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2011. This was the twenty-fifth consecutive year that Horry County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, Horry County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 1, 2011 for fiscal year ended June 30, 2012. This was the twenty-third consecutive year that Horry County has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report could not be accomplished without the efficient and dedicated services of the staff of the entire Finance Department. A special acknowledgement goes to Ms. Laura Showe, Assistant Director of Finance, and Julie Bilderback, Financial and Reporting Analyst, for their leadership in this effort. I appreciate the efforts of the staff of Elliott Davis, LLC who provide technical guidance and assistance. I also express my gratitude to the many County employees from other departments who support the efforts of the Finance Department in the preparation of this report. Special appreciation goes to the Horry County Council; the County Administrator; the Assistant County Administrators, and the Budget Director for their leadership and support in planning and conducting the financial operations of the County in a fiscally responsible and progressive manner.

Respectfully submitted,

Barry R Spivey, CPA CGMA
Finance Director

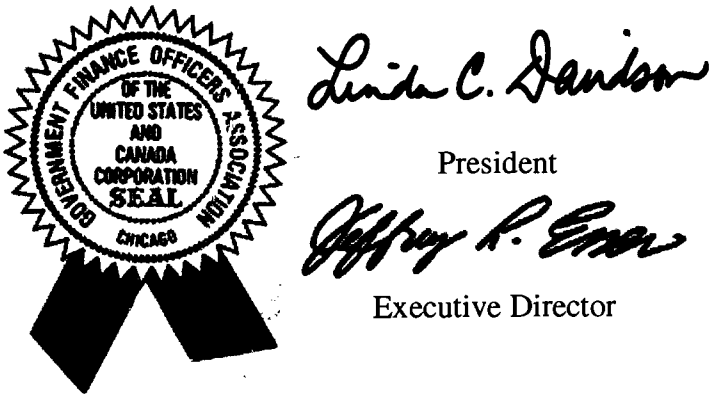
Certificate of Achievement for Excellence in Financial Reporting

Presented to

Horry County South Carolina

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2011

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



Horry County

County Council Districts

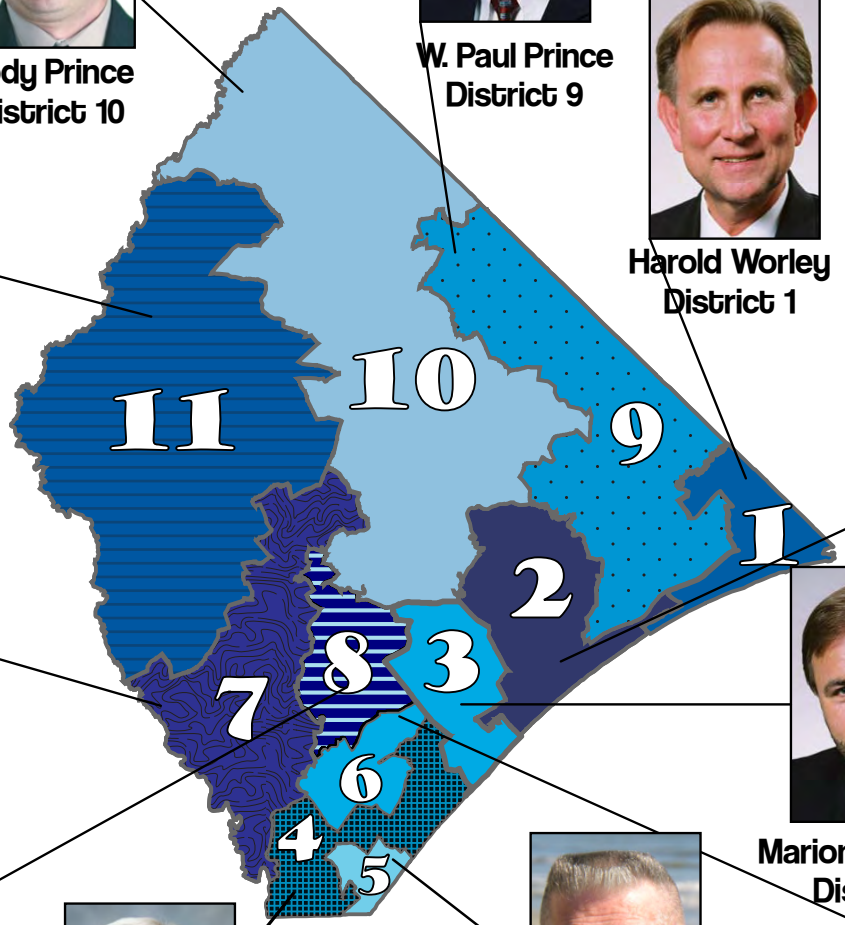
H. Tom Rice
Chairman

Jody Prince
District 10

W. Paul Prince
District 9

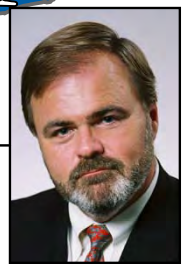
Harold Worley
District 1

Al Allen
District 11-Vice-Chair



Brent Schulz
District 2

James R. Frazier
District 7



Marion Foxworth
District 3

Carl Schwartzkopf
District 8

Gary Loftus
District 4

Paul D. Price Jr.
District 5

Bob Grabowski
District 6

MEMBERS OF COUNTY COUNCIL

Tom Rice	Chairman
Al Allen	Member, District 11 and Vice Chairman
Harold G. Worley	Member, District 1
Brent J. Schulz	Member, District 2
Marion D. Foxworth, III	Member, District 3
Gary Loftus	Member, District 4
Paul D. Price, Jr.	Member, District 5
Robert P. Grabowski	Member, District 6
James R. Frazier	Member, District 7
Carl H. Schwartzkopf	Member, District 8
W. Paul Prince	Member, District 9
Jody Prince	Member, District 10

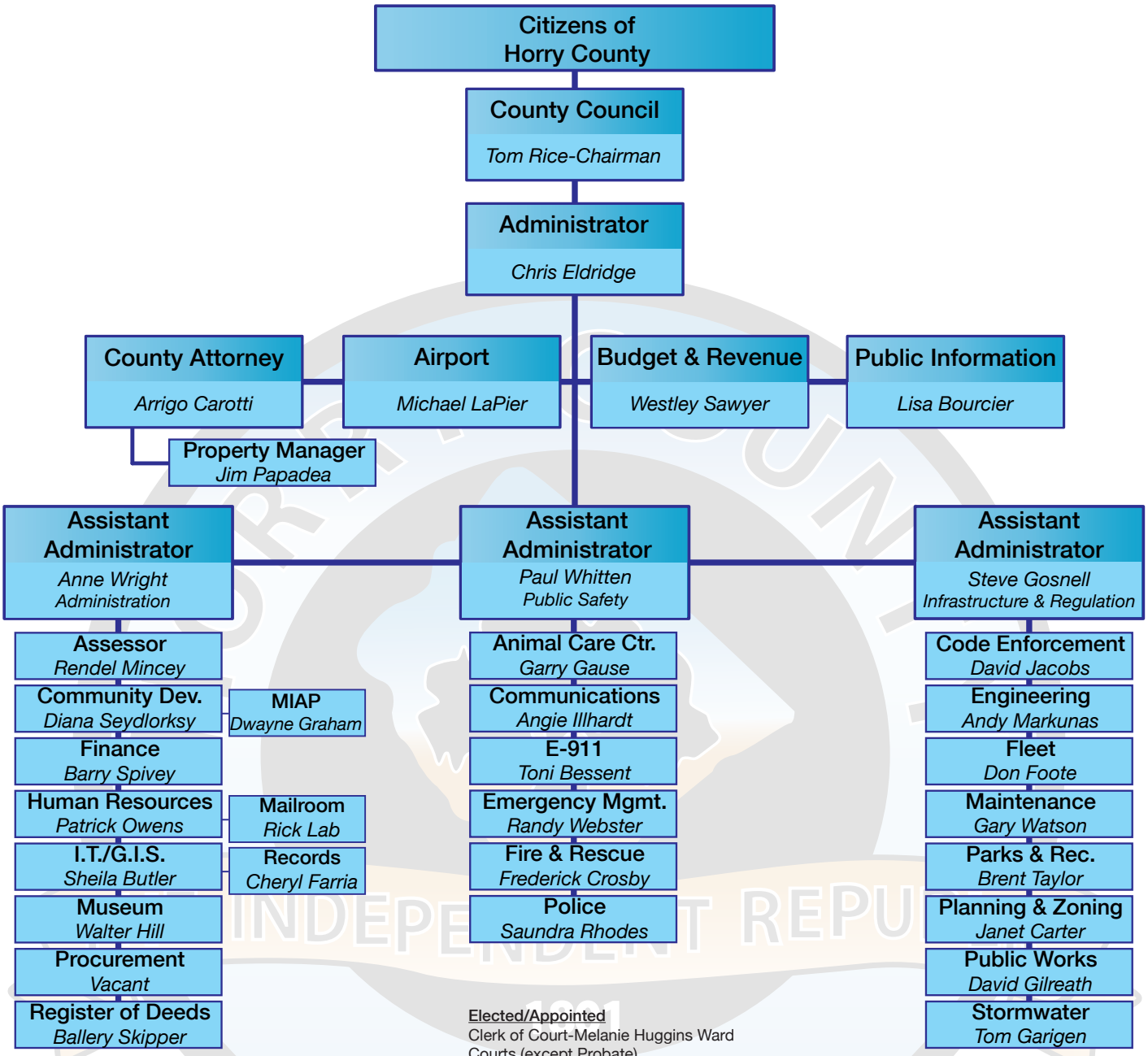
ELECTED OFFICIALS

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

ADMINISTRATIVE OFFICIALS

Chris Eldridge	County Administrator
Anne Wright	Assistant County Administrator Administration
Paul Whitten	Assistant County Administrator Public Safety
Steve Gosnell	Assistant County Administrator Infrastructure and Regulation
Arrigo Carotti	County Attorney

As of 11/16/12



Elected/Appointed
Auditor-Lois Eargle
Delegation-Connie Turner
Library-Clif Boyer
Master-in-Equity-Cynthia Graham Howe
Probate-Deidre Edmonds
Registration & Election-Sandy Martin
Treasurer-Roddy Dickinson *(Hosp. & Bus. Lic)*

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

Supplemental Funded Agencies
Higher Education
Horry-Georgetown Technical College

Updated 11.16.12

Elected/Appointed
Clerk of Court-Melanie Huggins Ward
Courts (except Probate)
Coroner-Robert Edge
Magistrates-Margie Livingston (interim Chief Mag.)
Public Defender-Orrie West
Sheriff-Phillip Thompson *(Detention)*
Solicitor-Greg Hembree
Veteran's Affairs-Wendell Allen

Boards & Commissions
Council on Aging

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

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

Supplemental Funded Agen.
MB Reg. Economic Dev. Corp.
Coast RTA

Component Unit
Shoreline Behavorial Health Services
Solid Waste Authority

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

AND

MANAGEMENT'S DISCUSSION AND ANALYSIS

elliott davis

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Horry County (the County) as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Horry County Department of Airports (enterprise fund), Shoreline Behavioral Health Services, or the Horry County Solid Waste Authority (both discretely presented component units). The Horry County Department of Airports' financial statements represent 100 percent of the assets, net assets, and revenues of the business-type activities. The Shoreline Behavioral Health Services' and the Horry County Solid Waste Authority's financial statements represent 100 percent of the assets, net assets, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion insofar as it relates to the amounts included for the enterprise fund and both discretely presented component units, is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Horry County, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2012 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors, have applied certain limited procedures to the required supplementary information in accordance with audit standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The combining and individual major and nonmajor fund financial statements, budgetary comparison major and nonmajor fund financial schedules, capital asset schedules, fines, assessments, and surcharges schedule, capital project sales tax budgetary schedule, and general improvements capital project budgetary schedule are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual major and nonmajor fund financial statements, budgetary comparison major and nonmajor fund financial schedules, capital asset schedules, fines, assessments, and surcharges schedule, capital project sales tax budgetary schedule, and general improvements capital project budgetary schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and nonmajor fund financial statements, budgetary comparison major and nonmajor fund financial schedules, capital asset schedules, fines, assessments, and surcharges schedule, capital project sales tax budgetary schedule, and general improvements capital project budgetary schedule are fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied by us and other auditors in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Charleston, South Carolina
November 19, 2012

Elliott Davis, LLC

Management's Discussion and Analysis provides a narrative overview and analysis of the County's financial activities for fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with the basic financial statements and additional information furnished in our Letter of Transmittal, which can be found on the pages prior to this report.

FINANCIAL HIGHLIGHTS

- The Statement of Net Assets reflects total assets of $1.45 billion. This represents an $82.9 million increase from fiscal year 2011. Capital assets increased $73.1 million due primarily to spending for new construction including $57.2 million for the expansion of the airport, $17.0 million in construction of road improvements, $3.2 million in construction including the museum, $3.2 million in construction of recreation centers, $2.8 million in construction for libraries, and $5.3 million in light and heavy Fleet equipment. The spending for new construction is reduced by depreciation during the year of $23.7 million and asset disposals of $3.3 million.
- Total liabilities decreased $21.5 million from fiscal year 2011. During fiscal year 2012, payments on existing County bond obligations totaled $43.8 million including $22.4 million for RIDE debt with the State Infrastructure Bank. Current liabilities increased $10.2 million as governmental activities reflected higher escrows for amounts held for delinquent tax sales and increased deferred revenues.
- Total Net Assets of the County totaled $910.2 million at June 30, 2012 and increased by $104.4 million from fiscal year 2011. Restricted Net Assets increased $41.7 million due primarily to growth in Capital Projects Sales Tax revenue accumulated for future construction expenditures. Governmental activities represent $684.1 million of net assets and the business-type activities represent $226.1 million.
- At June 30, 2012, fund balance for the General Fund was $36.7 million or 30.1 percent of total General Fund expenditures, compared to $37.1 million or 30.7 percent for the previous year. The fiscal year 2012 budget anticipated using $6.9 million of fund balance. Actual results reflect only a $362,223 decrease in fund balance due primarily to a $6.9 million expenditure savings.
- Property tax revenue for the General Fund for fiscal year 2012 was $73.5 million compared to $72.8 million for fiscal year 2011, an increase of .9 percent.
- Tourism related revenues, primarily used to fund infrastructure and related debt service, reflected positive growth in fiscal year 2012 as Capital Project Sales Tax increased 5.4 percent to $65.3 million and Hospitality Fees increased 7.0 percent to $38.5 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The County's financial statements focus on the County as a whole, and on major individual funds. "Funds" are self-balancing sets of accounts that account for specific financial activities that may be regulated, restricted or limited in various ways. This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components - 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required and non-required supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The statement of net assets includes all of the County's assets and liabilities, with the difference between the two reported as net assets. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long term obligations. Net Assets are the difference between the County's assets and its liabilities.

All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. Therefore, this statement includes some items that will impact cash flows in future fiscal periods, such as collections of delinquent taxes and the use of earned leave time. This statement is focused on both the gross and net cost of various functions (including governmental, business-type, and component units), which are supported by the government's general tax and other revenues. This statement presents information showing how the government's net assets changed during the most recent fiscal year.

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

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

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

The government-wide financial statements can be found on pages 18 through 21 of this report.

FUND FINANCIAL STATEMENTS

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

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, which report total financial position, the governmental fund financial statements focus only on near-term inflows and outflows of spendable resources, as well as presenting spendable resources available at the end of the fiscal year. This information is useful in determining a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The County maintains four major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, General Improvement Capital Projects Fund, Capital Project Sales Tax Fund, and RIDE Program Debt Service Fund, which are considered to be the major funds. Data for the other twenty-six (26) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report.

During fiscal year 2011, the County implemented Government Accounting Standards Board (GASB) Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions. A new classification hierarchy is established by this Statement based primarily on the extent to which a government is bound to observe constraints imposed upon the use of its resources reported in government funds. Prior classification of fund balance as Reserved and Unreserved are replaced with classifications of Nonspendable, Restricted, Committed, Assigned, and Unassigned. Note 1 to the Financial Statements provides the County's accounting policy for determining fund balance classification assignment. Additionally, this Statement provides guidance for governmental fund type definitions. Implemented within these financial statements is a consolidation of several special revenue funds (Hospitality 1.5%, Hospitality 1%, and Local Accommodations) with the fund primarily utilizing those revenues for enhanced clarity in the source and uses of those financial resources.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County maintains two different types of proprietary funds.

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

Internal Service Funds are used to account for operations that provide goods and services to other departments or agencies of the primary government, or to other governments on a cost-reimbursement basis. The County's Internal Service Fund reports the activities of Fleet Services, which accounts for the maintenance and replacement of all county vehicles including heavy equipment and light equipment. Because these services predominantly benefit governmental rather than business-type functions, the activities of the Fleet Services Fund have been included within governmental activities in the government-wide financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 through 92 of this report.

OTHER INFORMATION

In addition to the basic financial statement notes, this report also contains certain required supplementary information. This information includes a budgetary comparison schedule for the General Fund, information relating to the condition rating and actual rating and actual maintenance/preservation of the County's road infrastructure and the Department of Airport's infrastructure as well as the funding status of the County's post employment benefit obligation.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial condition and position. In the case of the County, as reflected in the primary government funds, assets exceeded liabilities by $910.2 million at the close of the fiscal year ended June 30, 2012.

At the end of fiscal year 2012, the County reported the following Net Assets:

Horry County's Net Assets

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**
Current and Other Assets	$ 453,092	$ 419,829	$ 116,406	$ 139,874	$ 569,498	$ 559,703
Capital Assets, net	696,020	674,213	186,357	135,071	882,377	809,284
Total Assets	1,149,112	1,094,042	302,763	274,945	1,451,875	1,368,987
Current Liabilities	83,528	76,841	14,597	11,072	98,125	87,913
Long-term Liabilities Outstanding	381,450	413,150	62,057	62,043	443,507	475,193
Total Liabilities	464,978	489,991	76,654	73,115	541,632	563,106
Net Assets:						
Invested in Capital Assets, Net of Related Debt	576,387	551,832	138,123	116,287	714,510	668,119
Restricted	348,119	309,063	45,038	42,403	393,157	351,466
Unrestricted (deficit)	(240,372)	(256,844)	42,948	43,140	(197,424)	(213,704)
Total Net Assets	$ 684,134	$ 604,051	$ 226,109	$ 201,830	$ 910,243	$ 805,881

Net Assets of the County's governmental activities increased 13.3 percent from $604.1 million to $684.1 million. Invested in Capital Assets and Restricted Net Assets of the County's governmental activities increased 7.5 percent to $924.5 million at year end. Invested in Capital Assets and Restricted Net Assets of the County's governmental activities are restricted as to the purpose for which they can be used or are invested in capital assets (buildings, roads, bridges, and so on). The County continues to invest in needed capital improvements and provides for a large portion of annual capital needs without the use of debt thereby increasing Net Assets. Restricted Net Assets include $235.5 million excess Capital Project Sales Tax revenues over expenditures. The funds are restricted to specific projects and have accumulated due to permitting delays for several major road projects. As projects are completed, the expenditures will exceed revenue in subsequent years and utilize this accumulated excess over the next several years.

Unrestricted Net Assets reflected a $240.4 million deficit at the end of this year. This deficit is primarily the result of the County's long term debt payable for new roads which are not recorded as County assets because they are State roads, not County roads. In 1996, the County partnered with the State of South Carolina in the RIDE (Road Improvement and Development Effort) program which pairs funding provided at the local level with funding provided by the State of South Carolina in order to facilitate transportation improvements within the County. The RIDE program debt is repaid from a 1.5% county-wide Hospitality Fee enacted locally in 1997. The decrease in the deficit in governmental activities Unrestricted Net Assets from June 30, 2011 to June 30, 2012 of $16.5 million is primarily attributed to the reduction in the RIDE loans payable of $22.4 million reduced with the use of funds set aside for capital projects of $4.6 million and increase in long term liability for employee benefits of $1.9 million. Net assets do not represent the County's position regarding spending, which is presented in the governmental fund statements.

The Net Assets of our business-type activities increased 12.0 percent from $201.8 million in 2011 to $226.1 million in 2012. This increase resulted from positive non-operating revenues and federal and state restricted capital project grant revenues.

The total fund balances for governmental funds was $370.7 million at the end of fiscal year 2012. Capital assets are not reported in these funds because they are not financial resources, and are not available to pay for current period expenditures. Capital assets as of June 30, 2012, which are not included in this fund balance totaled $696.0 million. Long-term liabilities of $381.5 million are not due and payable in the current period and therefore are also not reported in these funds. A majority of the long-term liabilities, $230.1 million, is the long-term portion due on the RIDE Intergovernmental Agreements. Under these agreements, the County partnered with the State in receiving $550 million in loans for road construction in order to meet the infrastructure needs of the County. The County agreed to deposit all receipts of the 1.5 percent portion of its county-wide Hospitality Fee into a Loan Servicing Account at the State Transportation Infrastructure Bank. The State Transportation Infrastructure Bank has provided the funding for various road construction projects in the County through these loans, which the County is repaying with the 1.5% Hospitality Fee. The constructed roads are State roads and are therefore not reflected in capital assets of

the County. In accordance with the RIDE Intergovernmental Agreements, the State Treasurer can withhold funds allotted or appropriated by the State to the County and apply those funds to make or complete the required debt service payments should the 1.5 percent portion of the Hospitality Fee not meet the debt service requirements. The citizens of the County have benefited from the construction of these roads that otherwise would not have been possible without the enactment of the Hospitality Fee in January 1997. As of June 30, 2012, the County has remitted to the State Transportation Infrastructure Bank approximately $39.1 million of 1.5% Hospitality Fees collected in excess of the amount required to meet the scheduled debt service payments. This amount is held in an interest-bearing reserve account by the State Transportation Infrastructure Bank and equates to over one year's debt service requirement.

Governmental activities

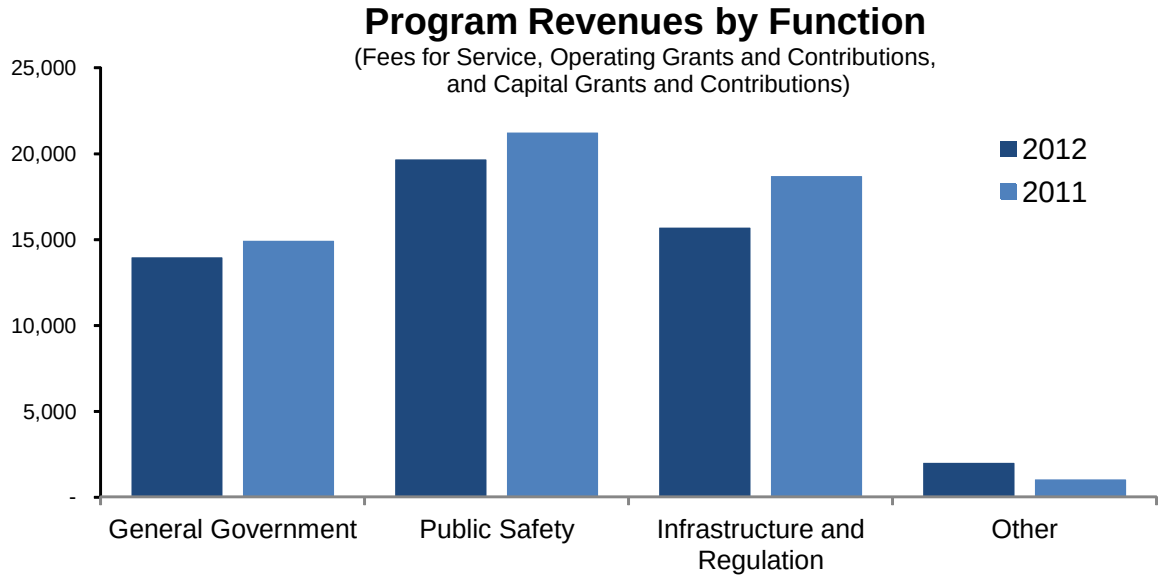
Governmental activities increased the County's Net Assets during the year by $80.1 million. This increase was primarily attributable to revenues from Capital Projects Sales Tax and 1.5% Hospitality Fee used in capital projects and debt reduction, along with stable revenues. Key elements of this increase are as shown below.

Horry County's Changes in Net Assets

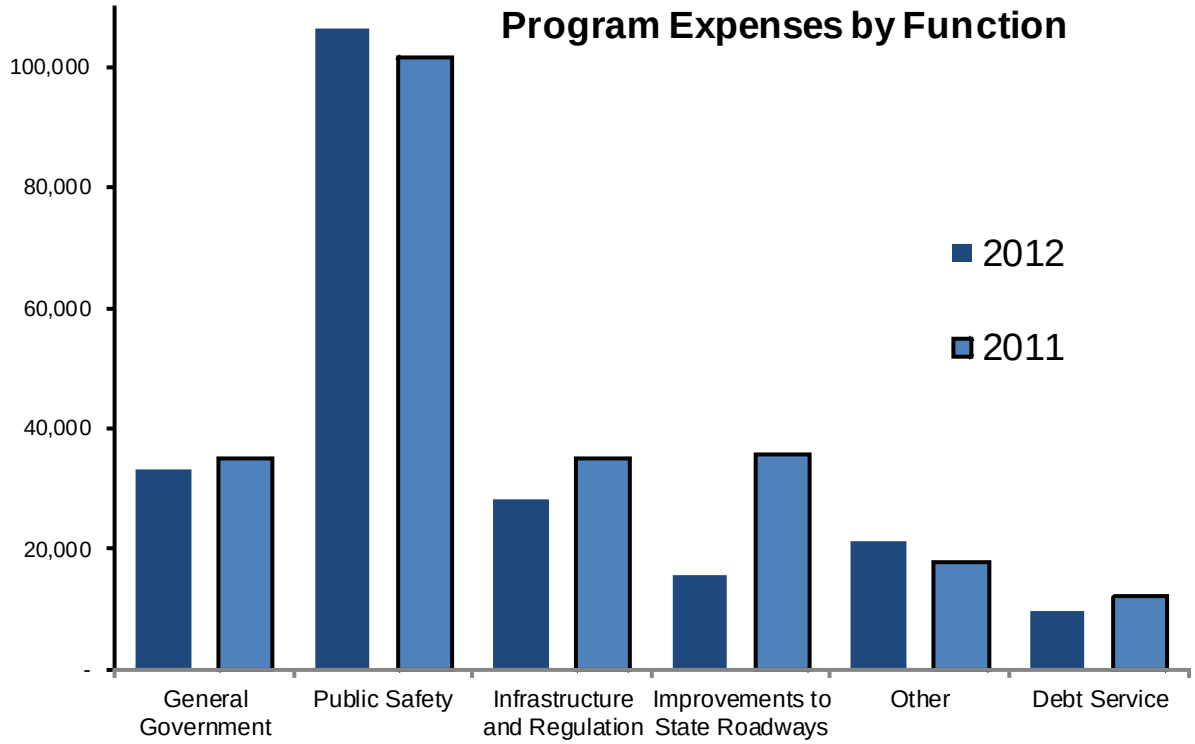
(amounts expressed in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**
Revenues:						
Program Revenues:						
Fees for services	$ 42,179	$ 42,659	$ 25,841	$ 24,661	$ 68,020	$ 67,320
Operating Grants and Contributions	2,368	2,769	4,720	7,191	7,088	9,960
Capital Grants and Contributions	6,726	10,702	12,949	12,115	19,675	22,817
General Revenues: Property Taxes, Shared Rev and Unallocated Intergovt	192,851	190,776	-	-	192,851	190,776
Other	50,395	47,532	603	652	50,998	48,184
Total Revenues	294,519	294,438	44,113	44,619	338,632	339,057
Expenses:						
General Government	33,091	34,962	-	-	33,091	34,962
Public Safety	106,451	101,668	-	-	106,451	101,668
Infrastructure and Regulation	28,236	34,998	-	-	28,236	34,998
Improvements to state roadways	15,722	35,731	-	-	15,722	35,731
Health and Social Services	2,659	2,504	-	-	2,659	2,504
Culture, recreation and tourism	10,523	9,307	-	-	10,523	9,307
Economic Development	3,555	1,366	-	-	3,555	1,366
TECH and Higher Education Com.	4,547	4,740	-	-	4,547	4,740
Debt Service	9,652	11,970	-	-	9,652	11,970
Airports	-	-	19,834	19,818	19,834	19,818
Total Expenses	214,436	237,246	19,834	19,818	234,270	257,064
Increase in Net Assets Before Extraordinary Item & Transfers	80,083	57,192	24,279	24,801	104,362	81,993
Extraordinary Item	-	1,120	-	-	-	1,120
Transfers	-	(119)	-	119	-	-
Increase in Net Assets	80,083	58,193	24,279	24,920	104,362	83,113
Net Assets – July 1	604,051	545,858	201,830	176,910	805,881	722,768
Net Assets – June 30	$684,134	$604,051	$226,109	$201,830	$910,243	$805,881

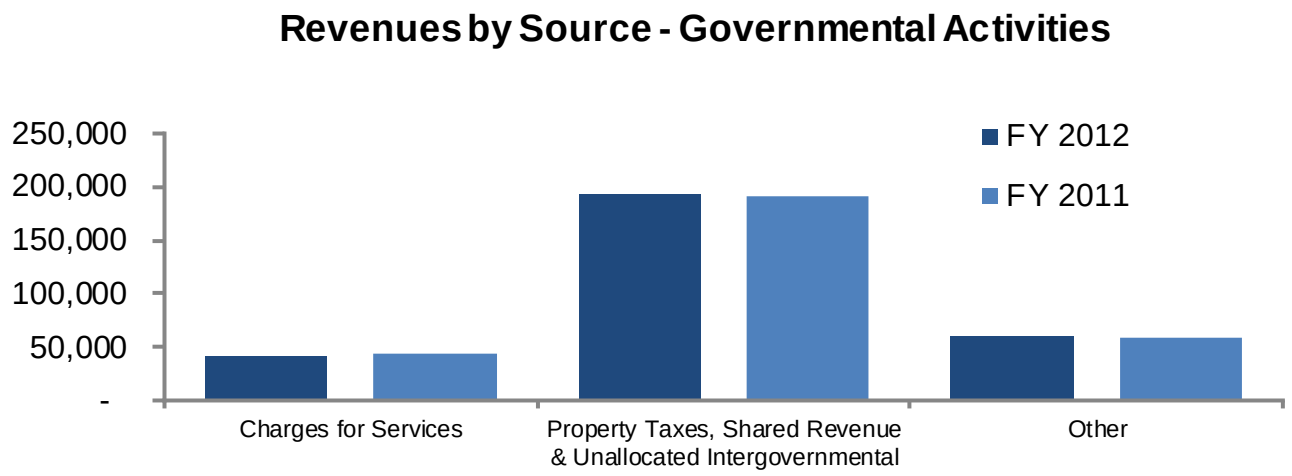
Program Revenues and Expenses – Governmental Activities



Program revenues in governmental activities were stable in total for fiscal year 2012. Program revenues are comprised of Fees for Services, Operating Grants and Contributions, and Capital Grants and Contributions. In 2012, Fees for Services declined by $.5 million as lower revenues were generated through the Probate and Magistrate Courts along with lower E-911 fees. Increases were reflected in Cable TV, Building Inspection Permits, and RMC Fees. Grants and Contributions decreased due in large part to decreased contributions of infrastructure.



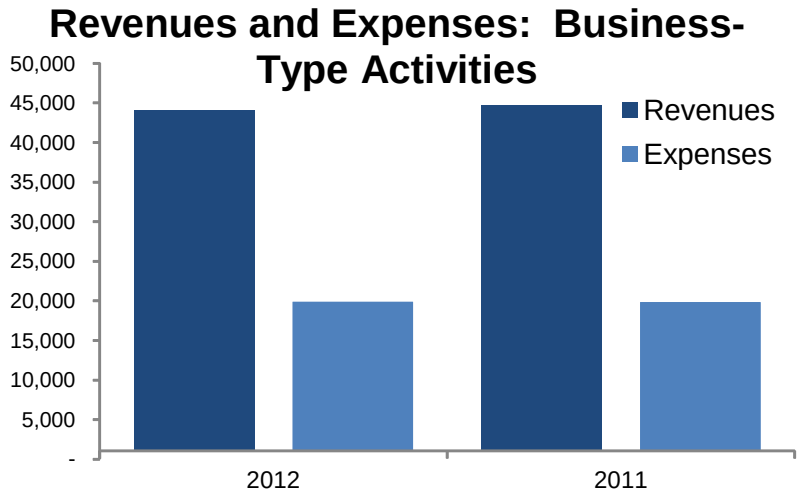
Program expenses in governmental activities decreased $22.8 million due primarily to a $20.0 million reduction for improvements to state roadways funding through the Capital Project Sales Tax. Additionally, the current year expense for Other Post Retirement Benefits decreased $2.9 million due to retiree healthcare benefit changes enacted by County Council. Current year spending on public works projects decreased and were offset by increases in public safety with the opening of the expanded Detention Center and communications upgrades, additional operating costs for recreation facilities, increased economic development and transportation support.



Revenues in the governmental activities remained stable in 2012 from 2011. The decreases noted above in Program Revenues of $4.9 million were offset by increases in General Revenues of $2.1 million (Capital Sales Tax) and Other Revenues of $3.0 million (Hospitality Fees).

Business-type activities

Business-type activities increased the County's net assets by $24.3 million, primarily the result of capital grant revenues and other non-operating revenues.



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, as well as the restrictions on the use of certain revenues.

Governmental funds

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

As of the end of fiscal year 2012, the County's governmental funds reported combined ending fund balances of $370.7 million, an increase of $26.2 million from the prior year. Unassigned Fund Balance which is undesignated in the governmental funds of $6.0 million is available for spending at the County's discretion. The remainder of the Fund Balance is restricted, nonspendable, committed or assigned to indicate that it is not available for new spending because it has already been dedicated or identified for a specific purpose.

Horry County's Governmental Funds Ending Fund Balance

(amounts expressed in thousands)

	2012	2011	Variance
Nonspendable			
Inventory and prepaid	$ 189	$ 2,388	$ (2,199)
Restricted			
Debt service	61,755	61,227	528
Capital	224,873	194,627	30,246
Other	35,956	35,294	662
Committed			
Stabilization	18,479	18,745	(266)
Future general fund budget	8,371	6,648	1,723
Economic development	4,159	2,428	1,731
Capital	10,643	12,957	(2,314)
Other	-	1,334	(1,334)
Assigned			
OPEB	343	343	-
Unassigned	5,974	8,598	(2,624)
Total	$ 370,742	$ 344,589	$ 26,153

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

General Fund

The General Fund is the chief operating fund of the County. At the end of fiscal year 2012, total Fund Balance reached $36.7 million. Council committed $29.1 million of fund balance for a fiscal stabilization reserve ($18.5 million) and use in the fiscal year 2012 budget ($10.6 million). An additional $343,000 is assigned resulting in an Unassigned Fund Balance of $7.1 million. As a measure of the General Fund's liquidity, it may be useful to compare both Unrestricted Fund Balance and total Fund Balance to total fund expenditures. Unrestricted Fund Balance represents 30.0 percent of the total General Fund expenditures, while total fund balance represents 30.1 percent of that same amount.

The Fund Balance of the General Fund decreased by $362,000 during the current fiscal year. This decrease is a result of a minimal revenue shortfall to budget of $566,000 coupled with positive expenditure savings to budget of $6.9 million. Due to deliberate measures to control spending, the expected use of $6.9 million from Fund Balance, as anticipated in the budget, was not needed to fund FY 2012 operations.

Net change in fund balance

(amounts expressed in thousands)

Planned use of fund balance	$ (6,864)
Revenues under budget	$ (566)
Expenditures under budget	6,947
Other Financing Sources (Uses) over budget	121
Net budget savings from the General Fund	$ 6,502
Net change in Fund Balance from FY 2011	**$ (362)**

The following chart shows the increases and decreases in revenue, expenditures and other financing sources (uses) for fiscal year 2012 when compared to the revenue, expenditure and other financing sources (uses) reported for fiscal year 2011. The revenue, expenditure and other financing sources (uses) activity for fiscal year 2012 generated a net decrease in Fund Balance of $362,000 in the General Fund.

Comparison of FY 2012 General Fund Results to FY 2011

(amounts expressed in thousands)

Increase in Property Taxes, *primarily from adecrease in assessed values*	$	683
Decrease in Intergovernmental Revenue, *primarily from a decrease in State-shared revenue*		(318)
Increase in Fees and Fines, *primarily from an increase in Hospitality fees and Local Accommodations taxes moved from special revenue funds with implementation of GASB 54*		186
Increase in Register of Deeds Documentary Stamps		35
Increase in Licenses and Permits, *primarily due to decreases in building inspection permits and business licenses*		266
Decrease in Interest on Investments, *due to lower interest rates*		(77)
Increase in Cost Allocations, *from General Fund to other funds*		113
Decrease in Other Revenues, *primarily from a reduction in the casino boat fee*		(927)
Increase in net Other Financing Sources (Uses), *primarily due to a decrease in Public Works transfers for Heavy Equipment*		1,754
Decrease in Extraordinary Item		(1,120)
Increase in Expenditures, *primarily due to increased operational cost at the expanded Detention Center, increased funding for MBREDC & Coast RTA*		(1,258)
Net decrease in General Fund results compared to FY 2011 results		(663)
Net increase in fund balance from FY 2011 General Fund results		301
Net decrease in the fund balance of the General Fund from FY 2011 results	**$**	**(362)**

RIDE Program Debt Service Fund

The County receives a 1.5% Hospitality Fee assessed county-wide on accommodations, prepared foods, beverages and admissions. The proceeds of this fee, after payment of an administrative fee to the General Fund, are pledged to repay the RIDE debt owed to the State Infrastructure Bank. These fees are recorded as revenue in the RIDE Program Debt Service Fund and used to fund the debt service payments. Due to the growth in tourism in recent years, the Hospitality Fees have exceeded the required debt service and the County has remitted approximately $39.1 million to the State Infrastructure Bank above the amount required for the scheduled debt. That amount, plus the amount collected but not yet remitted at year end and Hospitality Fee collections in July 2012 on sales that occurred during the month of June, make up the fund balance in this fund. Hospitality Fees and investment earnings total $33.2 million in 2012. This is a $2.1 million increase over the prior fiscal year. Expenditures of $30.5 million reflect the RIDE debt service for the year. Debt Service is programmed to increase over the next five years and is projected to utilize a portion of the accumulated Fund Balance.

Horry County's RIDE Program Debt Service Fund

(amounts expressed in thousands)

Fund Balance, July 1, 2011	$	44,167
Revenues		33,213
Expenditures		(30,517)
Other Financing Sources (Uses)		(315)
Net change in Fund Balance FY 2012		2,381
Fund Balance, June 30, 2012	$	46,548
Deposited with SIB, June 30, 2012	$	39,145

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

The General Improvement Capital Projects Fund reflects the funding sources and the expenditures for the County's general government capital improvements, excluding those reported in the Capital Projects Sales Tax and the Grants Fund. Primary funding sources are debt proceeds, transfers in as pay-as-you go funding, and interest earnings. During fiscal year 2012, $2.6 million in lease financing was initiated to fund various equipment needs. The fund balance of $10.4 million at June 30, 2012 reflects the resources previously funded and available to complete the capital projects currently in process.

Horry County's General Improvement Capital Project Fund

(amounts expressed in thousands)

Fund Balance, July 1, 2011	$ 22,953
Revenues	1,510
Expenditures	(20,727)
Other Financing Sources (Uses)	6,709
Net change in Fund Balance FY 2012	(12,508)
Fund Balance, June 30, 2012	$ 10,445

The Capital Projects Sales Tax Fund reports the revenue from a one cent sales tax which County businesses began collecting in May 2007, as well as the related expenditures for the road projects that were approved by referendum in November 2007. Sales tax and Interest revenue increased $3.6 million or 5.8 percent in fiscal year 2012 to a total of $65.5 million. Total receipts life to date of the program are $311.4 million. The program places a cap of $425.3 million on total receipts which are estimated to fully fund the approved infrastructure. The County has chosen a pay-as-you-go basis for expenditures and maintains in fund balance the excess of revenues over expenditures to date for the projects. Expenditures for 2012 total $25.6 million and includes construction of $15.7 million on State roadways and $9.9 million on County roadways. The excess of revenues over expenditures of $39.9 million in 2012 increases the accumulated fund balance to $222.8 million. The funds are restricted to specific projects and have accumulated due to permitting delays for several major road projects. As projects are completed, the expenditures will exceed revenue in subsequent periods and utilize this accumulated excess over the next several years.

Horry County's Capital Project Sales Tax Fund

(amounts expressed in thousands)

Fund Balance, July 1, 2011	$ 182,914
Revenues	65,481
Expenditures	(25,603)
Net change in Fund Balance FY 2012	39,878
Fund Balance, June 30, 2012	$ 222,792

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. All proprietary funds are reported as major funds. Net Assets of proprietary funds at the end of the year amounted to $255.6 million. The Department of Airports reflects a $24.2 million or 12.0 percent increase in 2012. This increase resulted from positive non-operating revenues and federal and state restricted capital project grant revenues. The Internal Service Fund provides for the repair and replacement of the County's light and heavy equipment fleet with the exception of heavy fire apparatus. Net Assets includes the undepreciated cost of the covered fleet vehicles in service of $12.5 million at June 30, 2012. This reflects a $1.7 million increase during the year including $5.3 million of assets purchased, less $3.6 million for annual depreciation and assets disposals. The remaining Fund Balance of $17.0 million is restricted for future replacement of the covered equipment.

Horry County's Proprietary Funds Net Assets

(amounts expressed in thousands)

	Department of Airports		Internal Service Fund		Total	
	2012	2011	2012	2011	2012	2011
Invested in capital assets, net of related debt	$ 138,123	$ 116,287	$ 12,526	$ 10,779	$ 150,649	$ 127,066
Restricted for:						
Debt Service	14,298	14,670	-	-	14,298	14,670
Capital	30,740	27,733	16,973	15,105	47,713	42,838
Unrestricted	42,948	43,140	-	-	42,948	43,140
Total net assets	$ 226,109	$ 201,830	$ 29,499	$ 25,884	$ 255,608	$ 227,714

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

General Fund Budgetary Highlights

The final budgeted revenues and transfers in were adjusted for budgetary amendments that netted to an increase of $117,000 from the original budget. These increases were made to reflect minor increases in Intergovernmental and Fee Revenues.

The final budgeted expenditures and transfers out were increased by $1.4 million over the original budget. The primary reason for these expenditure budget adjustments was $1.1 million in the roll-forward of certain prior year budgets and the balance of $395,000 was a result of $231,000 for baseball stadium maintenance, $134,000 to cover recreation enhancements, $23,100 for County grant matching funds, $3,300 for road improvements and $3,200 for communication upgrades.

Considering these budget amendments, General Fund revenues were less than the final budget by $566,000 and expenditures were less than the final budget by $6.9 million.

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

- Property taxes were lower than budget by $670,000. The property tax budget included a .5 mil the 2011 tax levy millage shift from the Recreation Fund to the General Fund and a .3 mil increase. Decreases were experienced in prior year tax collections of $465,000 and associated penalty and interest of $350,000. Increases in vehicle taxes of $363,000 partially offset the budget shortfall in personal property of $544,000.

  Intergovernmental revenues were lower than the budget by $192,000 primarily due to a decrease in the state funding from the Local Government Fund.

- Fees and fines were over budget by $.8 million, primarily due to RMC and Master in Equity fees being $580,000 above budget, coupled with higher CATV and Hospitality fees.
- RMC Documentary Stamps were over budget by $110,000 due to increased values of real estate transactions.
- Licenses and permits were under budget by $.5 million, due to higher inspection permits and business licenses.
- Interest on investments was under budget by $206,000 due to continued low interest rates.

Other revenue was under budget by $1.0 million due to lower Casino Boat fees and lower miscellaneous revenues.

- Various departmental spending was reduced below budgeted amounts as a result of management controls on hiring and spending. The largest departmental savings are detailed in the table below:

Horry County's General Fund Budget to Actual Variance

(amounts expressed in thousands)

	Final Budget	Actual	(Favorable) Variance
County Council	$ 1,396	$ 826	$ (570)
Library	3,860	3,401	(459)
Planning	1,641	1,422	(219)
County Engineer	1,323	1,042	(281)
EMS	13,604	13,181	(423)
Grants Administration	405	44	(361)
Code Enforcement	2,825	2,418	(407)
Legal	847	556	(291)
Detention Center	20,403	19,678	(725)
Other Agencies	2,944	1,906	(1,038)
Public Works	8,484	7,174	(1,310)
Total of above			(6,084)
Various other departments over (under) budget			(862)
Total expenditures under budget			$ (6,946)

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2012 amounts to $882.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements (other than buildings), leasehold improvements, equipment, intangible assets, infrastructure, and construction in progress. The total increase of $73.1 million in the County's investment in capital assets (net of accumulated depreciation) for the current fiscal year was a 9 percent change from the prior year (a 3.2 percent increase for governmental activities and a 38.0 percent increase for business-type activities).

Some of the significant capital events that occurred during the current fiscal year which increased capital assets were $57.2 million for the expansion of the airport, $17.0 million in construction of road improvements, $3.2 million in construction of the museum, $3.2 million in construction of recreation centers, $2.8 million in construction for libraries, and $5.3 million in light and heavy fleet equipment. These addition amounts are reduced by depreciation during the year of $23.7 million and asset disposals of $3.3 million.

Horry County's Capital Assets

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land, Easements, and Improvements	$ 26,360	$ 25,321	$ 42,163	$ 30,396	$ 68,523	$ 55,717
Intangible Assets	552	407	-	-	552	407
Infrastructure	451,269	446,605	9,182	9,182	460,451	455,787
Construction-in-Progress	26,666	22,401	70,158	30,662	96,824	53,063
Buildings and Improvements	162,615	151,754	31,355	28,967	193,970	180,721
Office Furniture	418	1,804	-	-	418	1,804
Vehicles	1,618	2,630	-	-	1,618	2,630
Machinery and Equipment	15,914	14,094	5,292	5,986	21,206	20,080
Heavy Equipment	9,135	7,649	-	-	9,135	7,649
Runways and Taxiways	-	-	28,207	29,878	28,207	29,878
Other	1,473	1,548	-	-	1,473	1,548
Total	$ 696,020	$ 674,213	$ 186,357	$ 135,071	$ 882,377	$ 809,284

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

Modified Approach for Infrastructure

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

The County's road system consists of approximately 52.0 percent paved roads and 48.0 percent unpaved roads. The condition of the road pavement is measured using several distress factors found in pavement surfaces. The County implemented a new pavement management system (MicroPAVER) on July 1, 2010 in an effort to better assess the paved road network within the County. The pavement management system uses a measurement scale that is based on a condition index ranging from 1 for failed pavement to 5 for a pavement in perfect condition. The condition index is used to classify roads in good or better condition (rating 4 or 5), fair condition (rating 3), and substandard condition (rating 1 or 2). It is the County's goal to maintain at least 70.0 percent of its street system at fair or better condition level. No more than 30.0 percent should be in a substandard condition. Condition assessments are determined every year. The implementation of this new evaluation system resulted in a more thorough and accurate assessment of condition of the road infrastructure and resulted in an increase in the percentage of fair and better condition roads. The following assessment for fiscal year 2012 shows that the County is in compliance with the target condition levels that have been established. The prior year is presented to show the change in measurement through this new pavement management system.

Percentage of Miles in Fair or Better Condition

	2012	2011
Arterial	81.1%	81.1%
Collector	76.8%	72.8%
Access	89.9%	85.7%
Overall system	88.5%	84.4%

The County created a long-term road improvement program that had been paving at least 16 miles of dirt roads per year from fiscal year 2004 through 2008. In fiscal year 2009, as a result of an expected revenue shortfall, this was decreased to 14.5 miles and in fiscal year 2010 it was further reduced to 9.7 miles per year. In fiscal year 2011 an 2012, due to continued revenue shortfalls, it has been further reduced to 8.9 and 9.0 miles, respectively. As these roads are paved, they become part of the County's pavement management system.

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

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

Horry County's Improvements to State Roadways

(amounts expressed in thousands)

	Current Year	Project to Date
Backgate interchange	$ 8,415	$ 35,344
Widen 707	6,326	12,355
Widen Glenns Bay	838	3,276
International	143	478
Total	$ 15,722	$ 51,453

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

Debt Administration

At June 30, 2012, the County had total bonded debt outstanding of $182.0 million. This represents a decrease from the prior year of $9.9 million which is the normal amortization of prior balances. Of the total bonded debt outstanding, $117.8 million comprises debt backed by the full faith and credit of the government. The remainder of the County's debt represents bonds secured solely by specified revenue sources, such as the 1% Hospitality Fee pledged to repay the Special Obligation Bonds, and the Airport revenues pledged to repay the Revenue Bonds. Under agreements with the City of Myrtle Beach, the County has also pledged a portion of the 1% Hospitality Fee to repay 30 percent of the Certificates of Participation issued by the City of Myrtle Beach for a baseball stadium. The RIDE – Intergovernmental Loan Agreements with the State of South Carolina Transportation Infrastructure Bank are being repaid by the county-wide 1.5% Hospitality Fee.

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

The County's bonds with outstanding balances as of June 30, 2012 are presented in the following table.

Horry County's General Obligation and Revenue Bonds Outstanding

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**
General Obligation Bonds	$ 117,794	$ 125,967	$ -	$ -	$ 117,794	$ 125,967
Special Obligation Bonds	3,665	5,410	-	-	3,665	5,410
Revenue Bonds	-	-	60,590	60,590	60,590	60,590
Baseball Stadium COPS	1,233	1,405	-	-	1,233	1,405
RIDE IGA Loans	254,386	276,765	-	-	254,386	276,765
Total	$ 377,078	$ 409,547	$ 60,590	$ 60,590	$ 437,668	$ 470,137

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

The County maintains various reserves from which to pay future debt service. At June 30, 2012, amounts reserved for debt service totaled $76.1 million. This represents a stable balance from the prior year. Favorable increases in the 1.5% Hospitality Fee revenue exceeded annual debt service and increased the accumulated excess dedicated to the repayment of the RIDE IGA loans by $2.4 million. General debt reflected a $1.9 million decrease and Revenue Bonds reflected a $.4 million decrease as planned in the current year budget. The table below reflects the County's reserve amounts by category of obligation. These amounts are reflected as restricted net assets and fund balance within the financial statements.

Horry County's Debt Service Reserves

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**
General Debt	$ 12,822	$ 14,696	$ -	$ -	$ 12,822	$ 14,696
Special Obligation	2,385	2,364	-	-	2,385	2,364
Revenue Bonds	-	-	14,298	14,670	14,298	14,670
RIDE IGA Loans	46,548	44,167	-	-	46,548	44,167
Total	$ 61,755	$ 61,227	$ 14,298	$ 14,670	$ 76,052	$ 75,897

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

Economic Factors and Next Year's Budgets and Rates

The following summarizes some economic factors:

- As of June 2012, the unemployment rate for the County was 10.0 percent, down from 10.7 percent at June 2011. This rate ranked the County as the 17th lowest unemployment rate of the forty-six counties in the state. The range of unemployment rates for South Carolina counties in June 2012 was a low of 7.7 percent to a high of 18.0 percent. The unemployment rate for the state of South Carolina as of June 2012 was 9.4 percent. Median family income in 2011 was $47,354 in the County, compared to the state of South Carolina's median family income of $52,240 according to the U.S. Census Bureau.

- The fiscal year 2013 County base tax millage is 45.2 mills, equivalent to a tax rate of .0452 percent of assessed value. This was the lowest county base tax rate in South Carolina.

The fiscal year ended June 30, 2012 indicated growth in the tourism market which provided overall financial stability. Economic factors continue to affect the area's real estate market, as well as having an adverse effect in general on personal and business incomes, and impacted the preparation of the fiscal year 2013 budget compared to fiscal year 2012 as follows:

- stable revenue with exception of minor increases in intergovernmental and fee revenues;
- stable expenditures overall, recurring expenses increased by $800,000 to fund a 1 percent pay increase for employees;
- lower transfers in as economic development budget have been transferred to the industrial park fund; and
- prior year excess fund balance was appropriated in the amount of $8.3 million.

All of these factors were considered in preparing the County's budget for the 2013 fiscal year. The County applications in process for grant funding will result in budget amendments upon notification of grant award.

During fiscal year 2012, unassigned fund balance in the General Fund decreased from $9.8 million to $7.1 million as a higher amount of unassigned fund balance was appropriated for the fiscal year 2013 budget. Unrestricted fund balance in the General Fund increased from $35.5 million to $36.5 million. Projections at this time indicate that at the end of fiscal year 2013, the unreserved fund balance for the General Fund will remain above the 15 percent of total General Fund expenditures requirement set by the Financial Policy Ordinance.

Requests for Information

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

AUDITED BASIC FINANCIAL STATEMENTS

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF NET ASSETS

JUNE 30, 2012

(amounts expressed in thousands)

	Primary Government			Component Units	
	Governmental Activities	**Business-type Activities**	**Total**	**Shoreline Behavior Services**	**Horry County Solid Waste Authority**
Assets					
Current assets:					
Cash and cash equivalents	$ 2,904	$ 44,856	$ 47,760	$ 90	$ 14,139
Pooled Cash	258,171	-	258,171	-	-
Investments	90,520	5,578	96,098	-	21,636
Funds held in trust	327	-	327	-	-
Receivables, net:					
Property taxes	6,125	-	6,125	-	-
Accounts and other	4,410	550	4,960	382	1,306
Fees	8,053	-	8,053	-	-
Interest receivable	139	118	257	-	-
Due from primary government	-	-	-	102	512
Due from other governments	37,683	2,682	40,365	100	-
Internal balances	857	(857)	-	-	-
Prepaid items	150	64	214	1	94
Inventories	426	428	854	-	42
Restricted - funds held in trust	40,228	-	40,228	-	-
Total current assets	449,993	53,419	503,412	675	37,729
Non-current assets:					
Restricted assets:					
Cash and cash equivalents	-	20,240	20,240	-	-
Investments	-	40,982	40,982	-	-
Accounts receivable	-	813	813	-	-
Total restricted assets	-	62,035	62,035	-	-
Capital assets:					
Land, easements, intangible assets and infrastructure	474,146	32,475	506,621	138	7,890
Depreciable capital assets, net	195,208	83,724	278,932	853	27,640
Construction-in-progress	26,666	70,158	96,824	-	646
Total capital assets, net	696,020	186,357	882,377	991	36,176
Deferred charges, net	3,099	952	4,051	3	-
Total non-current assets	699,119	249,344	948,463	994	36,176
Total assets	$ 1,149,112	$ 302,763	$ 1,451,875	$ 1,669	$ 73,905

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF NET ASSETS

- CONTINUED -

(amounts expressed in thousands)

	Primary Government			Component Units	
	Governmental Activities	**Business-type Activities**	**Total**	**Shoreline Behavior Services**	**Horry County Solid Waste Authority**
Liabilities and Net Assets					
Current liabilities:					
Accounts payable - trade	$ 7,067	$ 260	$ 7,327	$ 21	$ 797
Accounts payable - other	1,251	-	1,251	-	-
Accrued salaries, related taxes and compensated absences	3,635	519	4,154	71	376
Accrued expenses	-	881	881	-	-
Due to other governments	2,056	-	2,056	-	-
Due to component units	614	-	614	-	-
Construction and retainage payable	167	10,521	10,688	-	-
Other liabilities	23,822	-	23,822	9	-
Deferred revenue	5,780	241	6,021	9	-
Accrued interest payable	1,781	-	1,781	-	-
General and special obligation bonds payable - current portion	11,181	-	11,181	116	-
IGA #1 payable - current portion	12,915	-	12,915	-	-
IGA #2 payable - current portion	11,404	-	11,404	-	-
Loans payable - current portion	-	-	-	5	-
Capital lease obligations - current portion	1,855	45	1,900	-	-
Landfill closures costs	-	-	-		800
Amounts due to tenants	-	587	587	-	-
Total current liabilities	83,528	13,054	96,582	231	1,973
Current liabilities payable from restricted assets:					
Accrued interest payable	-	1,543	1,543	-	-
Total current liabilities payable from restricted assets	-	1,543	1,543	-	-
Non-current (long-term) liabilities:					
General and special obligation bonds payable	113,898	-	113,898	-	-
Revenue bonds payable	-	60,390	60,390	-	-
IGA loans payable	230,067	-	230,067	-	-
Loans payable	-	-	-	69	-
Capital lease obligations	3,409	136	3,545	-	-
Compensation for future absences	13,401	900	14,301	40	88
Net post employment benefit obligation	20,675	631	21,306	329	1,064
Landfill closures costs	-	-	-	-	12,895
Landfill post closure care costs	-	-	-	-	6,719
Total long-term liabilities	381,450	62,057	443,507	438	20,766
Total liabilities	464,978	76,654	541,632	669	22,739

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF NET ASSETS

- CONTINUED -

(amounts expressed in thousands)

	Primary Government			Component Units	
	Governmental Activities	**Business-type Activities**	**Total**	**Shoreline Behavior Services**	**Horry County Solid Waste Authority**
Net Assets:					
Invested in capital assets, net of related debt	576,387	138,123	714,510	868	36,176
Restricted for capital	17,111	30,740	47,851	-	-
Restricted for public safety	6,251	-	6,251	-	-
Restricted for culture, recreation and tourism	7,614	-	7,614	-	-
Restricted for infrastructure and regulation	257,460	-	257,460	-	-
Restricted for economic development	1,476	-	1,476	-	-
Restricted for health and social services	72	-	72	403	-
Restricted for debt service	58,135	14,298	72,433	-	-
Unrestricted (deficit)	(240,372)	42,948	(197,424)	(271)	14,990
Total net assets	684,134	226,109	910,243	1,000	51,166
Total liabilities and net assets	$ 1,149,112	$ 302,763	$ 1,451,875	$ 1,669	$ 73,905

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

(amounts expressed in thousands)

		Program Revenue			Net (Expense) Revenue and Changes in Net Assets				
					Primary Governmental			Component Units	
Functions and Programs	**Expenses**	**Fees for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business -type Activities**	**Totals**	**Shoreline Behavior**	**Solid Waste Authority**
Primary government									
Governmental activities:									
General government	$ (33,091)	$ 12,595	$ 66	$ 1,292	$ (19,138)	$ -	$ (19,138)	$ -	$ -
Public safety	(106,451)	16,787	2,287	591	(86,786)	-	(86,786)	-	-
Health and social services	(2,659)	70	-	-	(2,589)	-	(2,589)	-	-
Infrastructure and regulation	(28,236)	12,634	-	3,043	(12,559)	-	(12,559)	-	-
Improvements to state roadways	(15,722)	-	-	-	(15,722)	-	(15,722)	-	-
Culture, recreation and tourism	(10,523)	93	5	-	(10,425)	-	(10,425)	-	-
Economic development	(3,555)	-	10	1,800	(1,745)	-	(1,745)	-	-
Debt service	(9,652)	-	-	-	(9,652)	-	(9,652)	-	-
TECH and Higher Education Commission	(4,547)	-	-	-	(4,547)	-	(4,547)	-	-
Total governmental activities	(214,436)	42,179	2,368	6,726	(163,163)	-	(163,163)	-	-
Business-type activities:									
Airports	(19,834)	25,841	4,720	12,949	-	23,676	23,676	-	-
Total business-type activities	(19,834)	25,841	4,720	12,949	-	23,676	23,676	-	-
Total primary government	$ (234,270)	$ 68,020	$ 7,088	$ 19,675	$ (163,163)	$ 23,676	$ (139,487)	$ -	$ -
Component units									
Health services	$ (4,429)	$ 3,988	$ -	$ -	$ -	$ -	$ -	$ (441)	$ -
Landfill	(18,028)	17,888	130	365	-	-	-	-	355
Total component units	$ (22,457)	$ 21,876	$ 130	$ 365	$ -	$ -	$ -	$ (441)	$ 355
	General Revenue								
	General Revenue								
	Property taxes				108,026	-	108,026	-	-
	Capital Sales Tax				65,316	-	65,316	-	-
	Fees-in-lieu of taxes				5,371	-	5,371	-	-
	Intergovernmental- unrestricted				14,138	-	14,138	-	-
	Accommodations tax				3,846	-	3,846	-	-
	Local accommodations tax				978	-	978	-	-
	Hospitality tax				38,474	-	38,474	-	-
	Unrestricted investment earnings				2,014	282	2,296	(10)	157
	Miscellaneous				4,867	321	5,188	-	17
	Gain on disposal of asset				216	-	216	-	40
	Total general revenue				243,246	603	243,849	(10)	214
	Changes in net assets				80,083	24,279	104,362	(451)	569
	Net assets - beginning of year				604,051	201,830	805,881	1,451	50,597
	Net assets - end of year				$ 684,134	$ 226,109	$ 910,243	$ 1,000	$ 51,166

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

BALANCE SHEETS

GOVERNMENTAL FUNDS

JUNE 30, 2012

	General Fund	General Improvement Capital Projects	Capital Project Sales Tax	RIDE Program Debt Service	Other Non-Major Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 2,904,008	$ -	$ -	$ -	$ 100	$ 2,904,108
Pooled cash and investments	58,334,837	10,157,609	208,423,237	2,738,801	52,308,815	331,963,299
Receivables, net:						
Property taxes	4,148,238	-	-	-	1,976,278	6,124,516
Accounts and other	4,430,439	67,361	-	4,963,223	619,548	10,080,571
Fees	-	-	-	-	1,486,204	1,486,204
Interest receivable	55,687	37,209	-	782	25,352	119,030
Due from other funds	1,524,099	-	-	-	399,247	1,923,346
Due from other governments	2,575,583	337,480	16,093,808	-	6,005,030	25,011,901
Inventories	39,097	-	-	-	-	39,097
Prepaid items	130,158	-	-	-	19,574	149,732
Restricted cash and investments	438,225	645,753	-	39,144,551	326,574	40,555,103
Total Assets	$ 74,580,371	$ 11,245,412	$ 224,517,045	$ 46,847,357	$ 63,166,722	$ 420,356,907
Liabilities and Fund Balances						
Liabilities:						
Accounts payable - trade	$ 2,271,299	$ 712,989	$ 1,724,601	$ -	$ 2,734,463	$ 7,443,352
Accounts payable - other	1,251,152	-	-	-	-	1,251,152
Construction and retainage payable	-	87,827	-	-	78,922	166,749
Accrued salaries and wages	3,036,361	-	-	-	571,887	3,608,248
Due to other funds	293,790	-	-	46,427	726,390	1,066,607
Due to component units	102,278	-	-	-	-	102,278

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BALANCE SHEETS

GOVERNMENTAL FUNDS

- CONTINUED -

	General Fund	General Improvement Capital Projects	Capital Project Sales Tax	RIDE Program Debt Service	Other Non-Major Governmental Funds	Total Governmental Funds
Liabilities and Fund Balances (cont.)						
Liabilities:						
Due to other governments	2,009,386	-	-	-	46,718	2,056,104
Proceeds from sales held by Master in Equity	3,418,120	-	-	-	-	3,418,120
Due to taxpayers for overpayment	2,099,951	-	-	-	-	2,099,951
Funds held in trust- delinquent taxes	13,291,522	-	-	-	-	13,291,522
Other liabilities	4,462,423	-	-	-	40	4,462,463
Deferred revenue	5,642,428	-	-	253,222	4,752,491	10,648,141
Total liabilities	37,878,710	800,816	1,724,601	299,649	8,910,911	49,614,687
Fund Balances:						
Nonspendable	169,255	-	-	-	19,574	188,829
Restricted for capital	-	1,724,121	-	-	-	1,724,121
Restricted for public safety	-	-	-	-	5,649,604	5,649,604
Restricted for culture, recreation and tourism	-	-	-	-	6,584,129	6,584,129
Restricted for infrastructure and regulation	-	-	222,792,444	-	21,710,040	244,502,484
Restricted for economic development	-	-	-	-	1,476,032	1,476,032
Restricted for health and social services	-	-	-	-	43,097	43,097
Restricted for debt service	-	-	-	46,547,708	15,207,063	61,754,771
Committed to public safety	2,437	848,779	-	-	737,201	1,588,417
Committed to culture, recreation and tourism	431,306	2,214,793	-	-	841,428	3,487,527
Committed to infrastructure and regulation	759,415	2,859,493	-	-	-	3,618,908
Committed to economic development	1,037,960	-	-	-	3,121,464	4,159,424
Committed to other capital projects	-	2,797,410	-	-	-	2,797,410
Committed to stabilization	18,479,111	-	-	-	-	18,479,111
Committed to other purposes	8,371,317	-	-	-	-	8,371,317
Assigned to OPEB	342,785	-	-	-	-	342,785
Unassigned (deficit)	7,108,075	-	-	-	(1,133,821)	5,974,254
Total fund balances	36,701,661	10,444,596	222,792,444	46,547,708	54,255,811	370,742,220
Total liabilities and fund balances	$ 74,580,371	$ 11,245,412	$ 224,517,045	$ 46,847,357	$ 63,166,722	$ 420,356,907

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BALANCE SHEETS

GOVERNMENTAL FUNDS

- CONTINUED -

Reconciliation to amounts reported for Governmental Activities in the Statement of Net Assets:	***(amounts expressed in thousands)***
Total fund balances - governmental funds	$ 370,742
Capital assets (exclusive of Internal Service Fund Capital Assets) used in governmental activities are not financial resources and therefore are not reported in these funds.	683,494
Some of the County's taxes will be collected after year end, but not available soon enough to pay for current period's expenditures.	18,435
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	(550)
Internal service funds are used by management to charge the costs of fleet services to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities.	29,499
OPEB costs reported in the statement of activities does not require the use of current financial resources and therefore is not reported as a liability in the governmental funds	(20,675)
Long-term liabilities, including bonds payable that are not due and payable in the current period and, therefore, are not reported in these funds.	(396,811)
Net Assets, end of year - governmental activities	$ 684,134

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	General Improvement Capital Projects	Capital Project Sales Tax	RIDE Program Debt Service	Other Non-Major Governmental Funds	Total Governmental Funds
Revenues						
Real property taxes	$ 64,479,022	$ -	$ -	$ -	$ 35,126,111	$ 99,605,133
Personal property taxes	4,718,300	-	-	-	2,911,108	7,629,408
Vehicle taxes	4,284,754	-	-	-	2,962,152	7,246,906
Intergovernmental	10,897,887	567,750	-	-	8,078,867	19,544,504
Sales tax	-	-	64,801,867	-	-	64,801,867
Accommodation tax	211,759	-	-	-	3,464,735	3,676,494
Fees and fines	18,792,145	681,639	-	-	13,827,706	33,301,490
Local Accommodations Tax	784,774	-	-	-	193,746	978,520
Hospitality Fees	1,191,522	-	-	32,283,711	4,998,328	38,473,561
Documentary stamps	2,340,425	-	-	-	-	2,340,425
License and permits	6,537,417	-	-	-	-	6,537,417
Interest on investments	62,338	135,228	679,052	929,976	207,827	2,014,421
Cost allocation	3,167,359	-	-	-	-	3,167,359
Other	3,344,571	125,000	-	-	978,168	4,447,739
Total revenues	120,812,273	1,509,617	65,480,919	33,213,687	72,748,748	293,765,244
Expenditures						
Current:						
General government	27,928,484	-	-	-	281,205	28,209,689
Public safety	73,681,645	8,687,969	-	-	17,517,589	99,887,203
Health and social services	1,652,513	-	-	-	783,031	2,435,544
Infrastructure and regulation	12,252,432	-	15,722,276	-	16,714,837	44,689,545
Culture, recreation and tourism	3,696,487	-	-	-	6,089,043	9,785,530
Economic development	-	-	-	-	1,799,776	1,799,776
TECH & Higher Education Commission	-	-	-	-	4,547,000	4,547,000
Other	1,906,348	-	-	-	-	1,906,348
Debt service	-	-	-	30,517,432	16,468,357	46,985,789
Capital outlay	735,454	12,038,999	9,880,494	-	6,647,301	29,302,248
Total expenditures	121,853,363	20,726,968	25,602,770	30,517,432	70,848,139	269,548,672

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

STATEMENTS OF REVENUES , EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

- CONTINUED -

	General Fund	General Improvement Capital Projects	Capital Project Sales Tax	RIDE Program Debt Service	Other Non-Major Governmental Funds	Total Governmental Funds
Excess (deficiency) of revenues over (under) expenditures	(1,041,090)	(19,217,351)	39,878,149	2,696,255	1,900,609	24,216,572
Other Financing Sources (Uses)						
Issuance of refunding debt	-	-	-	-	8,740,000	8,740,000
Bond Premium	-	-	-	-	285,141	285,141
Sales of assets	207,794	-	-	-	8,061	215,855
Lease Financing	-	2,602,861	-	-	-	2,602,861
Transfers in	3,714,608	5,245,836	-	-	2,772,752	11,733,196
Payment to refunded bond escrow agent	-	-	-	-	(8,881,281)	(8,881,281)
Transfers out	(3,243,535)	(1,139,368)	-	(315,240)	(8,061,053)	(12,759,196)
Total other financing sources (uses)	678,867	6,709,329	-	(315,240)	(5,136,380)	1,936,576
Net change in fund balance	(362,223)	(12,508,022)	39,878,149	2,381,015	(3,235,771)	26,153,148
Fund balances at beginning of year	37,063,884	22,952,618	182,914,295	44,166,693	57,491,582	344,589,072
Fund balances at end of year	$ 36,701,661	$ 10,444,596	$ 222,792,444	$ 46,547,708	$ 54,255,811	$ 370,742,220

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

- CONTINUED -

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

	(amounts expressed in thousands)
Net change in fund balances - total governmental funds	$ 26,153
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense in the current period.	20,060
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in these funds.	(401)
Contributed property is not reported as revenue in governmental funds. However, in the statement of activities, the cost of property contributed is reported in the current period. In the current period, these amounts are:	25
Some expenses reported in Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in these funds.	(4,990)
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items.	35,621
The net revenue (expense) and transfer of fund balance of certain activities of internal service funds reported with governmental activities.	3,615
Change in Net Assets - Governmental Activities	$ 80,083

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
BALANCE SHEETS

JUNE 30, 2012

	Business-type Activities Enterprise Fund Department of Airports	Governmental Activities- Internal Service Fund
Assets		
Current assets:		
Cash and cash equivalents	$ 44,855,831	$ 100
Pooled cash and investments	-	16,727,103
Investments	5,578,187	-
Accounts receivable, net	549,786	-
Interest receivable	118,245	20,185
Due from other governments	2,682,778	-
Inventories	427,725	387,384
Prepaid items	63,940	-
Total current assets	54,276,492	17,134,772
Non-current assets:		
Restricted assets:		
Cash and cash equivalents	20,240,191	-
Investments	40,981,897	-
Accounts receivable	812,766	-
Total restricted assets	62,034,854	-
Capital assets, net:		
Land, easements and infrastructure	32,474,793	-
Depreciable capital assets, net	83,723,983	12,526,411
Construction-in-progress	70,158,313	-
Total capital assets, net	186,357,089	12,526,411
Deferred charges		
Bond issuance costs, net	951,755	-
Total non-current assets	249,343,698	12,526,411
Total assets	$ 303,620,190	$ 29,661,183

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
BALANCE SHEETS
JUNE 30, 2011
- CONTINUED -

	Business-type Activities Enterprise Fund Department of Airports	Governmental Activities- Internal Service Fund
Liabilities and Net Assets		
Current liabilities:		
Accounts payable-trade	$ 260,070	$ 135,151
Construction accounts and retainage payable	10,521,498	-
Accrued salaries, wages and compensated absences	519,627	26,765
Due to other funds	856,741	-
Other accrued expenses	880,743	-
Unearned revenue	240,975	-
Capital leases payable - current portion	44,792	-
Amounts due to tenants, airlines, car rentals	586,709	-
	13,911,155	161,916
Current liabilities payable from restricted assets:		
Accrued interest payable	1,543,097	-
Total current liabilities payable from restricted assets	1,543,097	-
Total current liabilities	15,454,252	161,916
Non-current liabilities:		
Compensated absences - long term	900,288	-
Revenue bonds payable	60,389,843	-
Net other post-employment benefits obligation	631,051	-
Capital leases	135,624	-
Total non-current liabilities	62,056,806	-
Total liabilities	77,511,058	161,916
Net assets:		
Invested in capital assets, net of related debt	138,122,942	12,526,411
Restricted for:		
Debt service	14,297,502	-
Capital	30,740,353	16,972,856
Unrestricted	42,948,335	-
Total net assets	226,109,132	29,499,267
Total liabilities and net assets	$ 303,620,190	$ 29,661,183

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2012

	Business-type Activities Enterprise Fund Department of Airports	Governmental Activities - Internal Service Fund
Operating Revenues		
Landing fees	$ 1,341,027	$ -
Rents	4,163,986	-
Concessions and rentals	6,835,508	-
Security fees	211,928	-
Leases	808,922	-
Fuel sales - FBO	3,912,198	-
Other airline services	580,038	-
Federal revenues	113,906	-
Charges for service	-	6,817,986
Other	422,599	121,242
Total operating revenues	18,390,112	6,939,228
Less, signatory airline contract operating rebate	(358,439)	-
Net operating revenues	18,031,673	6,939,228
Operating Expenses		
Salaries and benefits	6,204,976	820,052
Utilities	952,819	-
Outside and professional services	889,242	-
Maintenance and supplies	744,036	-
Fuel cost of sales	2,987,205	-
Vehicle and equipment expense	401,698	-
Insurance	292,752	-
Business and transportation	213,502	1,307,390
Office supplies	32,439	-
Supplies and materials	-	31,873
Horry County administrative costs	350,000	-
Depreciation and amortization	5,960,358	3,169,585
Bad debt expense	189,972	-
Indirect cost allocation	-	1,830
Contractual services	-	33,640
Other	-	21,534
Total operating expenses	19,218,999	5,385,904
Operating income (loss)	(1,187,326)	1,553,324

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012
- CONTINUED -

	Business-type Activities Enterprise Fund Department of Airports	Governmental Activities - Internal Service Fund
Non-operating Revenues (Expenses)		
Passenger facility charges	3,175,514	-
Contract facility charges	2,612,106	-
Intergovernmental revenues	3,889,880	-
Redevelopment Authority grant revenue	205,000	-
Revenue - Utility Companies for ITAP	625,000	-
Loss on Construction in Process	(71,612)	-
Interest income	282,184	16,948
Interest expense	(507,403)	-
Legal settlement	(36,000)	-
Interest subsidy on "RZEDB"	320,527	-
Gain on disposal/sale of capital assets	2,021,946	1,019,169
Total non-operating revenues	12,517,142	1,036,117
Net income before capital contributions	11,329,816	2,589,441
Capital contributions, net	12,949,196	-
Transfers in	-	1,026,000
Change in net assets	24,279,012	3,615,441
Net Assets		
Beginning of year	201,830,120	25,883,826
End of year	$ 226,109,132	$ 29,499,267

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2012

	Business Type Activities - Enterprise Fund- Department of Airports	Governmental Activities - Internal Service Fund
Cash Flows From Operating Activities		
Cash received from:		
Landing fees, terminal rents, concessions leases and other fees	$ 13,270,082	$ -
FBO sales and services	4,401,699	-
Service and miscellaneous charges	-	6,939,228
Other	420,881	-
Cash paid to:		
Salaries and benefits	(6,043,654)	-
Maintenance, supplies, fuel, utilities and equipment	(6,592,299)	(2,110,454)
Other supplies and miscellaneous costs	-	(31,873)
Net cash provided by operating activities	5,456,709	4,796,901
Cash Flows From Non-Capital Financing Activities		
Legal settlement	(36,000)	-
Transfers in	-	1,026,000
Net cash provided by (used in) noncapital financing activities	(36,000)	1,026,000
Cash Flows From Capital and Related Financing Activities		
Receipt of passenger and contract facility charges	5,804,969	-
Acquisition and construction of capital assets	(53,897,948)	(5,309,305)
Interest paid on bonds and notes	(366,617)	-
Principal payments on capital lease obligation	(43,275)	-
Receipt of intergovernmental and private grants	4,727,567	-
Proceeds from AIP and TSA grants	16,339,286	-
Proceeds from disposition of capital assets	1,950,334	1,411,346
Receipt of Federal Subsidy for "RZEDB" (Series 2010B)	320,527	-
Net cash used in capital and related financing activities	(25,165,157)	(3,897,959)

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

PROPRIETARY FUNDS
STATEMENTS OF CASH FLOWS

- CONTINUED -

	Business-Type Activities - Enterprise Fund- Department of Airports	Governmental Activities - Internal Service Fund
Cash Flow From Investing Activities		
Investment purchases	(46,560,085)	-
Investment sales	46,218,934	-
Interest on investments	341,188	11,982
Net cash provided by investing activities	37	11,982
Net increase (decrease) in cash and cash equivalents	(19,744,411)	1,936,924
Cash and cash equivalents at beginning of year (of which $45,229,754 is restricted for Airports)	84,840,433	14,790,279
Cash and cash equivalents at end of year (of which $20,240,191 is restricted for Airports)	$ 65,096,022	$ 16,727,203
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	$ (1,187,326)	$ 1,553,324
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	5,960,358	3,169,585
Bad debt expense	189,972	-
Change in certain assets and liabilities:		
Decrease in accounts receivable, net	309,744	-
(Increase) in inventories	(63,535)	(27,466)
Decrease in prepaid items	35,471	-
Increase in accounts payable	34,170	96,605
Increase in accrued salaries, wages and compensated absences	105,525	4,853
Increase in net other post-employment benefit obligation	55,797	-
Increase in other accrued expenses	179,921	-
Increase in due to other funds	85,367	-
Increase in unearned revenue	1,836	-
(Decrease) in amounts due to tenants	(250,591)	-
Net cash provided by operating activities	$ 5,456,709	$ 4,796,901

See accompanying notes to financial statements.

HORRY COUNTY, SOUTH CAROLINA

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2012

		Agency Funds
Assets		
Cash and cash equivalents	$	15,060,858
Pooled cash and investments		207,350,329
Interest Receivable		19,559
Taxes receivable		133,670,856
Total assets	$	356,101,602
Liabilities		
Due to others	$	356,101,602
Total liabilities	$	356,101,602

See accompanying notes to financial statements.

Note 1. Summary of Significant Accounting Policies

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

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

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

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

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

A. Reporting Entity

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

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

Note 1. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

Discretely Presented Component Units

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

The Shoreline Behavioral Health Services (formerly known as Horry County Commission on Alcohol and Drug Abuse) (SBHS) is responsible for the coordination of all substance abuse prevention, intervention, treatment, and educational programs within Horry County Council's jurisdiction. County Council is responsible for the appointment of all members of SBHS's governing board and fiscal control. In the event of dissolution of the Commission, all assets shall be transferred to the County and the County would become financially accountable for these services to the citizens.

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

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

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

Horry County Solid Waste Authority
Finance Department
Post Office Box 1664
Conway, South Carolina 29528

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements - The Government-Wide financial statements consist of a statement of net assets and a statement of activities and reports information on all of the non-fiduciary activities of the government as a whole. Separate columns are used to distinguish between the County's governmental and business-type activities and discretely presented component units. Governmental activities are generally those activities financed by taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds. Business-type activities are those activities which are financed in whole or in part by user fees charged to external parties for goods and services. These activities are usually reported in enterprise funds. The primary government is reported separately from certain legally separate component units. At June 30, 2012, the County's component units were Shoreline Behavioral Health Services and the Horry County Solid Waste Authority.

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

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

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

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

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

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

A summary of fund financial statement types follows:

Governmental Fund Types

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

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally or donor restricted to expenditures for specified purposes. Special revenue funds consists of the following: Fire, Tourism and Promotion, Waste Management Recycling, Watersheds, Mt. Gilead, Socastee Recreation, Road Maintenance & CTC, Beach Nourishment, Grants, Admissions Tax, Victim Witness Assistance, Senior Citizen, Baseball Stadium, Arcadian Shores, Industrial Parks, Stormwater Management, GIS/IT, B&C Multi-County Business Park, E-911, CDBG Grant Program, and Recreation.

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

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

Proprietary Fund Types

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

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

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

Fiduciary Fund Type

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

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

C. Measurement Focus and Basis of Accounting

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

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

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

Those revenues susceptible to accrual are property taxes, charges for services, and hospitality fees. Revenues from state and federal grants are recorded when expenditures are incurred.

Note 1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting (continued)

Entitlements and shared revenues are recognized at the time of receipt or earlier if the susceptible to accrual criteria is met. Interest revenue is considered available when earned. Major revenues that are determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include fees and fines (except hospitality fees), licenses and permits.

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

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

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

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

Estimates

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

Note 1. Summary of Significant Accounting Policies (continued)

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

Cash Equivalents and Pooled Cash and Investments

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

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

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

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

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

Investments
Investments are stated at fair value, with accrued interest shown under a separate caption on the financial statements. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts. At June 30, 2012, the fair value of the County's investments approximated cost.

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

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

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

Note 1. Summary of Significant Accounting Policies (continued)

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

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

Inventories in the general fund consist of tile used for subsurface drains and gift shop items at the Horry County Museum and at the L. W. Paul Living History Farm. The cost of the inventory item is recorded as an expenditure at the time the items are consumed. Inventories in the Road Maintenance/CTC Special Revenue fund are construction materials held for construction.

Inventories in the Department of Airports Enterprise Fund consist primarily of aviation gas, jet fuels, supplies, and parts held for consumption are stated at the lower of cost, determined using the first-in, first-out, (FIFO) method, or market. Accordingly, the cost is recorded as an asset at the time individual inventory items are purchased and then expended as the supplies and parts are consumed (consumption method).

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

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

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

Restricted Assets
Restricted assets include monies or other resources, the use of which is restricted by legal or contractual requirements. In the enterprise fund, restricted assets are derived from certain grants, bonds, and contract ordinances, and receivables associated with Passenger Facility Charges (PFC's) and Contract Facility Charges (CFC's).

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When the Airport incurs an expense that may be paid from unrestricted or restricted funds, the Airport first uses restricted funds as allowed by legal or contractual requirements.

Capital Assets and Depreciation
Capital assets, which include land, buildings, improvements, machinery and equipment, construction in progress and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets used in the operations of governmental funds and are not specifically related to activities reported in proprietary or fiduciary funds, have been reported as assets in the governmental activities column of the government-wide financial statements.

Note. 1. Summary of Significant Accounting Policies (continued)

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

Capital assets are defined by the County as those assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. The County has chosen the modified approach of accounting for infrastructure under GASB Statement No. 34. Under the modified approach, infrastructure is treated as an inexhaustible capital asset, thereby eliminating the need for depreciation accounting. The County must demonstrate that they are maintaining networks or subsystems of infrastructure assets at a selected condition level to qualify to use the modified approach.

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

Depreciation of all exhaustible capital assets has been provided using the straight-line method over the estimated useful lives of the respective assets ranging as follows: land improvements and easements, 20-40 years; buildings, 10-40 years; runways, taxiways and rehabilitations, 30-40 years; vehicles, machinery and equipment, 3-15 years.

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

Intangible Assets & Amortization

Intangible assets lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. Intangible assets may include easements, internally generated computer software, water rights, timber rights, patents, copyrights and trademarks and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. External and internal expenditures such as development, implementation and testing is included as part of the asset.

Under GASB Statement No. 51, intangible assets not yet placed in service are reported as construction in progress. Expenditures associated with an intangible asset are capitalized when placed into operation and the existing guidance for depreciating capital assets applies to amortizing intangible assets with finite lives. The amortization period and method is reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. As of June 30, 2012, the County's value of copyrights was $20,000 and intangible assets subject to amortization are internally developed software with a net value of $532,070.

Note 1. Summary of Significant Accounting Policies (continued)

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

Capitalization of Interest
Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of the asset being constructed, net of interest earned on the invested proceeds over the same period. With regard to assets acquired with tax-exempt debt, the amount of interest to be capitalized is calculated by offsetting interest expense on the tax-exempt debt with interest earned on invested proceeds from the date of the borrowing until completion of the project. With regard to assets not acquired with tax-exempt debt, the amount of interest to be capitalized is the product of the average accumulated expenditures during the year for such assets and the weighted average interest rate on borrowings and is limited to the sum of interest expense on the tax-exempt debt not previously capitalized and all other interest expense. Interest is not capitalized on assets acquired or constructed with gifts and grants (contributed capital) that are restricted by the donor or grantor to acquisition of those assets to the extent that funds are available from such grants and gifts. During the year ended June 30, 2012, there were no material capitalized interest costs incurred.

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

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

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

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

Note 1. Summary of Significant Accounting Policies (continued)

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

Net Assets and Fund Balances

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

With the implementation of GASB 54, the County's financial policy (Section 2-7.05) states, the following actions are required for fund balance to be classified as “restricted”, "committed" or "assigned":

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

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

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

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

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

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

Note 1. Summary of Significant Accounting Policies (continued)

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

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

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

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

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

The County's minimum fund balance policy states that all governmental funds responsible for the payment of debt service must maintain within fund balance an amount equal to at least 50% of the next year's debt service amount and this policy, approved by County Council Ordinance, authorizes this amount to be classified as "committed" fund balance. This requirement applies to the General Debt Service Fund and Fire Fund. The Airport Enterprise Fund will maintain reserves at levels that comply with the applicable regulatory requirements such as bond covenants and requirements of various funding sources.

Non-exchange Transactions, Contributed Capital and Transfers

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

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

Passenger Facility Charges

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

Contract Facility Charges

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

Note 1. Summary of Significant Accounting Policies (continued)

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

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

In addition, lease revenues from air carriers are based on certain compensatory "signatory" and "non-signatory" airline lease and use agreements which are subject to annual rate negotiations. Lease costs, if material, are deferred and amortized over the life of the lease.

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

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

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

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

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

Cost Allocation - Indirect
The County records interdepartmental cost allocations designed to redistribute general fund operating expenditures to other governmental and proprietary funds. These allocations are based upon cost allocation plans prepared in accordance with United States Office of Management and Budget requirements and include an estimate of allocable costs based upon the cost allocation plan.

Note 1. Summary of Significant Accounting Policies (continued)

Future Landfill Closure and Postclosure Care Costs
In accordance with GASB Statement No. 18, *Accounting For Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, the discretely presented component unit, HCSWA, recognizes expenses for landfill closure and postclosure care costs over the life of the landfill's operation in proportion to the usage of the landfill's total capacity. Federal and state regulations related to landfill closure procedures are comprehensive and require postclosure care and monitoring for a period extending thirty (30) years after closure.

E. Reclassification

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

F. Subsequent events

In preparing these financial statements, the County has evaluated events and transactions for potential recognition or disclosure through November 19, 2012, the date the financial statements were available to be issued.

Note 2. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

Annual appropriated legal-based budgets are adopted by County Council for governmental fund types including the general, special revenue and debt service funds. Capital projects fund, general improvement fund and capital project sales tax fund adopted project-length budgets. Budgetary comparisons to actual of the general fund are presented as Required Supplementary Information. Capital Projects project-length budget comparisons are presented following individual fund-level schedules. Additionally, budgetary controls are maintained for certain proprietary fund types. For example, annual operating and capital budgets are prepared for the Department of Airports and Fleet Services for fiscal year ended June 30, 2012, which were approved and adopted by County Council. However, budgetary comparisons to actual for proprietary fund types are not required to be presented in the accompanying basic financial statements.

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

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

Note 2. Stewardship, Compliance and Accountability (continued)

A. Budgets and Budgetary Accounting (continued)

At fiscal year end, June 30, 2012, any funds budgeted for capital projects which have not been completed and said funds have not been budgeted to other capital projects, road maintenance fees and funds budgeted for the local road improvement accounts, which have not been expended, funds budgeted for the one penny sales tax capital road plan that have not been expended, other County Council road improvement, parks maintenance and recreation funds which have not been expended, grant funds or donations which have not been expended, stormwater management funds budgeted for capital projects, funds budgeted for site improvements at the recycle centers which have not been expended, chemicals and contract spraying which have not been expended, funds for Maintenance Life Cycle Program which have not been expended, funds for County Council expense accounts which have not been expended, funds for Recreation capital improvements and programs which have not been expended, funds for capital items authorized by purchase order but not received, accommodations tax funds approved by the Accommodations Tax Committee and County Council which have not been expended, funds approved for infrastructure improvements in admission tax districts which have not been spent shall reflect as a commitment of fund balance in the Comprehensive Annual Financial Report and shall be brought forward in the fiscal year 2013 as budgetary control and not represented in the approved revenue and expenditure budget amounts. This automatic re-budgeting shall not require a supplemental budget ordinance and shall be limited to the amount available above the required fund balance for the previous fiscal year.

B. Encumbrances

Under encumbrance accounting, outstanding purchase orders, contracts, and other commitments for unperformed contracts and goods and services are recorded in order to reserve that portion of the applicable appropriation in the governmental fund types. At year-end, encumbrances are carried forward and are reported within the category of restricted fund balance if the encumbrance will be relieved by grant funds or other external restricted funds or as committed fund balance. Details of significant encumbrances are included in Note 18 Commitments and Contingencies.

Note 3. Deposits and Investments

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

Note 3. Deposits and Investments (continued)

A. Deposits

Deposits include cash and cash equivalents on deposit in banks and non-negotiable certificates of deposit. All deposits under the control of the County Treasurer are fully insured or collateralized. As of June 30, 2012, reported amount of the primary government's deposits was $587 million and the bank balance was $619 million. Of the $619 million bank balance exposed to custodial credit risk, $184 million was covered by federal depository insurance, and $435 million was collateralized with securities held by the counterparty's trust department, line of credit, or agent in the County's name.

B. Investments

Investment Policy

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

At June 30, 2012, the County had the following investments and maturities:

		Investment Maturities (in Years)	
Investment Type	Fair Value	Less than 1	1-5
Certificates of Deposit	$ 136,431,252	$ 133,083,968	$ 3,347,284
Government Backed Securities:			
Federal Home Loan Bank, 1.28%, matures August 24, 2015	2,500,000	-	2,500,000
Total investments held in the County's name	$ 138,931,252	$ 133,083,968	$ 5,847,284

Custodial Credit Risk

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

Note 3. Deposits and Investments (continued)

Credit Risk

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

Interest Rate Risk

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The County's respective maturity dates are as noted above. The County does not have a policy with respect to interest rate risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. The County does not have a policy for reducing this risk to any single issuer. As of June 30, 2012, the County had 39.63% of its investments invested with BB&T, 11.25% with Conway National Bank and 10.80% with TD Bank.

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

Component Units

HCSWA:

A. Deposits

At June 30, 2012, the carrying amount of the HCSWA's total cash deposits, including certificates of deposit, was $35,772,657 with corresponding bank balances of $36,135,377. Of that balance, $1,500,000 was covered by federal depository insurance and $34,635,377 was collateralized with securities held by the pledging financial institutions' trust department in the HCSWA's name. At year end, petty cash on hand totaled $1,700.

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

Note 3. Deposits and Investments (continued)

B. Investments

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

In accordance with formal resolutions of the HCSWA's Board of Directors, cash, cash equivalents and investments have been designated for the following purposes at June 30, 2012 and are not considered to be available to pay for operating expenses:

Landfill Closure Costs	$ 11,873,682
Landfill Postclosure Care Costs	6,614,018
Equipment Replacement	5,010,619
Construction	8,347,551
MRF Contingency	139,346
OPEB Obligation	388,587
Waste Diversion	564,586
	$ 32,938,389

SBHS:

A. Deposits

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

At June 30, 2012, the carrying amount of SBHS's deposits was $90,605, with corresponding bank balances of $249,472. The entire amount is insured or collateralized with securities held by SBHS or by its agent in SBHS's name.

Note 3. Deposits and Investments (continued)

B. Investments

SBHS does not have policies with respect to credit rate risk, interest rate risk, concentration of credit risk or foreign currency risk. At June 30, 2012, SBHS had no investments.

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

	(amounts shown in thousands)				
				Discretely Presented Component Units	
	Primary Government	Fiduciary Fund Agency	Total	SBHS	HCSWA
Cash on hand	$ 29	$ -	$ 29	$ -	$ 1
Carrying amount of deposits	366,697	220,560	587,257	90	35,773
Carrying amount of investments	137,080	1,851	138,931	-	1
Totals	$ 503,806	$ 222,411	$ 726,217	$ 90	$ 35,775
Cash and cash equivalents	$ 47,760	$ 15,061	$ 62,821	$ 90	$ 14,139
Pooled cash and investments	258,171	205,499	463,670	-	-
Investments	96,098	1,851	97,949	-	21,636
Funds held in trust - restricted	327	-	327	-	-
Cash and cash equivalents -restricted	20,240	-	20,240	-	-
Investments-restricted	40,982	-	40,982	-	-
Funds held in trust - restricted	40,228	-	40,228	-	-
Totals	$ 503,806	$ 222,411	$ 726,217	$ 90	$ 35,775

Note 4. Receivables

Receivables for the primary government, including applicable allowances for uncollectible accounts, at June 30, 2012, are as follows:

	(amounts shown in thousands)		
		Business-type Activity	
	Government Activities	**Department of Airports**	**Totals**
Property taxes	$ 18,773	$ -	$ 18,773
Less, allowance for uncollectibles and amounts not available for current period	(12,649)	-	(12,649)
Net property taxes	6,124	-	6,124
Accounts and other	20,708	1,006	21,714
Road fees	1,348	-	1,348
E911 fees	72	-	72
Hospitality fees	6,567	-	6,567
Stormwater fees	66	-	66
Less, allowance for uncollectibles	(16,298)	(456)	(16,754)
	12,463	550	13,013
Net receivables	$ 18,587	$ 550	$ 19,137

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

Accounts receivable include amounts owed to the County as a result of magistrates court, clerk of court fines and assessments, and billings relating to emergency medical transportation. Fees receivable include Road Maintenance, Stormwater and E911 fees.

Receivables at June 30, 2012 for the discretely presented component unit HCSWA totaled $1,305,988 and included amounts from trade accounts receivable, amounts due from other governments, interest and allowance for doubtful accounts.

Receivables at June 30, 2012 for the discretely presented component unit SBHS totaled $381,535 and included amounts from client accounts receivable, returned checks, employee receivables, and allowance for doubtful accounts.

Note 5. Interfund Receivables and Payables

In the government-wide statement of net assets, interfund receivables and payables (internal balances) between governmental activities and Business-type activities have been eliminated. In the governmental and proprietary funds financial statements, short-term interfund receivables and payables at June 30, 2012 were as follows:

(amounts shown in thousands)

	Due From									
Due To	General Fund	Beach Nourishment	Victim Witness	Arcadian Shores	Grants	Tourism & Promotion	CDBG Grant Program	RIDE Debt Service	Airport	**Total**
General Fund	$ -	$ 142	$ 23	$ 242	$ 7	$ -	$ 207	$ 46	$ 857	$ 1,524
Beach Renourishment	36	-	-	-	-	105	-	-	-	141
Baseball Stadium	9	-	-	-	-	-	-	-	-	9
Special Obligation Debt	249	-	-	-	-	-	-	-	-	249
Total	$ 294	$ 142	$ 23	$ 242	$ 7	$ 105	$ 207	$ 46	$ 857	$ 1,923

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

	Interfund Receivable	**Interfund Payable**
Primary government:		
General Fund	$ -	$ 102
Waste Management Recycling Fund	-	511
Stormwater		1
Component units:		
SHBS	102	-
HCSWA	512	-
	$ 614	$ 614

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

Note 5. Interfund Receivables and Payables (continued)

The following table summarizes interfund transfers during the year ended June 30, 2012:

	(amounts shown in thousands)				
		Transfers from			
Transfers to	General Fund	Capital Projects Fund	RIDE Program Debt Service	Non-major Governmental Funds	Total
General Fund	$ -	$ 1,139	$ 315	$ 2,260	$ 3,714
Capital Projects	2,196	-	-	3,050	5,246
Beach Renourishment	187	-	-	-	187
Victim Witness	8	-	-	-	8
Recreation	134	-	-	20	154
Road Maintenance	3	-	-	150	153
Grants	23	-	-	255	278
Debt Service	-	-	-	1,762	1,762
Baseball Stadium	231	-	-	-	231
Fleet Internal Service	461	-	-	565	1,026
Total	$ 3,243	$ 1,139	$ 315	$ 8,062	$ 12,759

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

Note 6. Due From Other Governments

Amounts due from other governments for the primary governments and component units on the Statement of Net Assets at June 30, 2012 are as follows:

	(amounts shown in thousands)					
	Governmental Activities				Business-type Activities	Discretely Presented Component Unit
	General	Special Revenue	Capital Projects	Total	Department of Airports	SBHS
State	$ 2,444	$ 4,522	$ 29,102	$ 36,068	$ -	$ -
City	42	-	-	42	364	-
Federal	90	1,483	-	1,573	2,318	100
Total	$ 2,576	$ 6,005	$ 29,102	$ 37,683	$ 2,682	$ 100

Note 7. Capital Assets

A summary of the changes in capital assets during the year ended June 30, 2012 are as follows:

	(amounts shown in thousands)				
Governmental Activities	**Balance June 30, 2011**	**Additions**	**Deletions**	**Transfers**	**Balance June 30, 2012**
General Capital Assets					
Not subject to depreciation:					
Land and easements	$ 21,783	$ 25	$ -	$ 1,049	$ 22,857
Intangible Assets	20	-	-	-	20
Infrastructure	446,605	7,147	(2,483)	-	451,269
	468,408	7,172	(2,483)	1,049	474,146
Construction-in-progress	22,401	26,981	-	(22,716)	26,666
Total capital assets not depreciated	490,809	34,153	(2,483)	(21,667)	500,812
Subject to depreciation/amortization:					
Land improvements	5,140	163	-	111	5,414
Buildings	180,167	690	(303)	15,559	196,113
Building improvements	20,117	733	-	1,067	21,917
Office furniture	10,479	87	(14)	-	10,552
Vehicles	20,973	243	(1,313)	-	19,903
Heavy equipment	6,975	287	(1,947)	-	5,315
Computer equipment	38,100	578	(4,245)	4,930	39,363
Intangible assets	387	145	-	-	532
Other	4,272	414	-	-	4,686
Totals	286,610	3,340	(7,822)	21,667	303,795
Total General Capital Assets	777,419	37,493	(10,305)	-	804,607
Less, accumulated depreciation/amortization:					
Land improvements	(1,602)	(309)	-	-	(1,911)
Buildings	(44,852)	(6,327)	232	-	(50,947)
Building improvements	(3,678)	(790)	-	-	(4,468)
Office furniture	(8,675)	(1,473)	14	-	(10,134)
Vehicles	(18,343)	(1,217)	1,275	-	(18,285)
Heavy equipment	(4,659)	(258)	1,845	-	(3,072)
Computer equipment	(29,452)	(3,730)	4,099	-	(29,083)
Other	(2,724)	(489)	-	-	(3,213)
Totals	(113,985)	(14,593)	7,465	-	(121,113)
Net general capital assets	663,434	22,900	(2,840)	-	683,494
Internal Service Fund Capital Assets					
Subject to depreciation/amortization:					
Machinery and equipment	14,282	2,121	(1,311)	-	15,092
Heavy equipment	9,960	3,188	(630)	-	12,518
Totals	24,242	5,309	(1,941)	-	27,610
Less, accumulated depreciation/amortization:					
Machinery and equipment	(8,836)	(1,916)	1,294	-	(9,458)
Heavy equipment	(4,627)	(1,253)	254	-	(5,626)
Totals	(13,463)	(3,169)	1,548	-	(15,084)
Net internal service fund capital assets	10,779	2,140	(393)	-	12,526
Net capital assets - Governmental Activities	$ 674,213	$ 25,040	$ (3,233)	$ -	$ 696,020

Roadway improvements by the County using Capital Project Sales Tax for infrastructure owned and maintained by the state are not capitalized but are expensed as incurred. Total roadway improvements expensed for the years ended June 30, 2012 and 2011 were $15,722 and $ 21,081, respectively.

Note 7. Capital Assets (continued)

	(amounts shown in thousands)			
Business-type Activities	**Balance June 30, 2011**	**Additions**	**Retirements**	**Balance June 30, 2012**
Not subject to depreciation:				
Land and easements	$ 23,320	$ -	$ (27)	$ 23,293
Infrastructure	9,182	-	-	9,182
	32,502	-	(27)	32,475
Construction in progress	30,662	57,053	(17,557)	70,158
Total capital assets not depreciated	63,164	57,053	(17,584)	102,633
Subject to depreciation:				
Buildings and improvements	57,349	4,259	-	61,608
Runways and taxiways	55,817	458	-	56,275
Machinery and equipment	13,707	381	(54)	14,034
Land improvements	11,894	12,646	-	24,540
Totals	138,767	17,744	(54)	156,457
Total Business-Type Assets	201,931	74,797	(17,638)	259,090
Less accumulated depreciation:				
Buildings and improvements	(28,382)	(1,871)	-	(30,253)
Runways and taxiways	(25,939)	(2,129)	-	(28,068)
Machinery and equipment	(7,721)	(1,075)	54	(8,742)
Land improvements	(4,818)	(852)	-	(5,670)
Totals	(66,860)	(5,927)	54	(72,733)
Net capital assets - Business-type Activities	$ 135,071	$ 68,870	$ (17,584)	$ 186,357

Capital assets of the discretely presented component units, HCSWA and SBHS at June 30, 2012, are as follows:

	(amounts shown in thousands)	
Component Units	**SBHS**	**HCSWA**
Land	$ 138	$ 7,890
Subtitle D (Class 3) landfill	-	26,463
Buildings	1,455	11,933
Vehicles, machinery and equipment	156	16,817
Other improvements	-	5,522
Construction-in-progress	-	646
Totals	1,749	69,271
Less, accumulated depreciation:		
Subtitled D (Class 3) landfill	-	(19,944)
Buildings	(616)	(2,388)
Vehicles, machinery and equipment	(142)	(9,415)
Other improvements	-	(1,348)
Totals	(758)	(33,095)
Net capital assets - Component Units	$ 991	$ 36,176

Note 7. Capital Assets (continued)

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

Governmental Activities	***(amounts shown in thousands)***	
Road Improvements	$	17,561
Horry County Museum		6,483
GIS Arial Photography		835
Fire Stations		684
Recreation		505
Fiber Installation		356
Animal Shelter Quarantine		98
IT Capital		68
Libraries		37
E911 Equipment		30
Loris EMS Addition		5
Streetscapes		4
Total	$	26,666

Estimated total costs to complete these projects approximates $18 million.

Business-type Activities: (Department of Airports)	***(amounts shown in thousands)***	
Terminal Capacity Enhancement Program (TCEP)	$	69,528
Commerce Park Myrtle Beach ITAP		107
MYR Wildlife Study		105
MYR Ramp & Runway Rehabilitation		133
Conway Fuel Farm		90
Hangar 3232 Renovation		173
Other Capital Improvements		22
Total	$	70,158

Estimated additional costs to complete these projects are estimated at $68 million. As of June 30, 2012, the Department of Airports had outstanding purchase orders relating to the projects above of approximately $ 48,057,000.

Note 7. Capital Assets (continued)

Department of Airport Facilities

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

The term of the Base Lease agreement was extended to December 31, 2028. The agreement called for the transfer of ownership of the property in fee simple to the County from USAF for the land and facilities at the end of the lease, but contemplated an earlier transfer based upon the USAF meeting certain criteria set forth in the agreement. The transfer of ownership was completed on June 17, 2003, and a fee simple deed to the property was recorded in the County's name in the Register of Deeds office of Horry County on that date at Deed Book 2623, page number 1491. The property transferred excluded portions of Myrtle Beach International Airport (MYR) property which are still undergoing environmental remediation and cleanup efforts by the United States Government.

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

Horry County Department of Airports is obligated by the Federal Aviation Administration (FAA) to maintain a current Airport Layout Plan (ALP). In order to maintain a current ALP, the Department reviews and updates its Master Plan whenever strategically necessary. The Airport completed the updated ALP in fiscal year 2011.

Depreciation allocation - Governmental

The amount of depreciation charged to each governmental function for the year ended June 30, 2012 is as follows: general government ($4,489,857); public safety ($8,026,577); Infrastructure and regulation ($462,938); culture and recreation ($1,390,189) and health and social services ($224,279). Capital assets held by the Internal Service Fund ($3,169,585).

Note 8. Long-Term Debt

Long-term debt at June 30, 2012, is comprised of general and special obligation bonds, revenue bonds, RIDE - Intergovernmental Loan Agreements (IGA), accumulated compensated absences liability, other post employment benefits, and long-term capital leases.

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

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

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

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

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

On September 1, 2005, the County issued $5,010,000 of General Obligation Refunding Bonds, Series 2005A (the “2005A Bonds”) with interest rates ranging from 3.000% to 3.580%. The net proceeds of the 2005A Bonds were placed in an irrevocable trust account and were issued to partially defease the 2000 General Obligation Bonds- Fire Protection, including payment of the prepayment penalty on the Bonds. The 2005A Bonds are payable through March 2015, and the full faith, credit and taxing power of the County are irrevocably pledged for the payment thereof. As a result of the transaction, the County reduced total debt service payments by $3,128,855 and realized an economic gain (difference between the present values of the old and new debt service payments) of $224,618. The outstanding principal balance of the 2005A Bonds at June 30, 2012 was $2.515 million.

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

On September 1, 2005, the County issued $30,000,000 of General Obligation Refunding Bonds, Series 2005B (the “2005B Bonds”) with interest rates ranging from 3.500% to 4.125%. The net proceeds of the 2005B Bonds were placed in an irrevocable trust account and were issued to partially defease the 2000 General Obligation Bonds- Judicial Center, including payment of the prepayment penalty on the Bonds. The 2005B Bonds are payable through March 2022, and the full faith, credit and taxing power of the County are irrevocably pledged for the payment thereof. As a result of the transaction, the County reduced total debt service payments by $6,878,384 and realized an economic gain (difference between the present values of the old and new debt service payments) of $1,379,795. The outstanding principal balance of the 2005B Bonds at June 30, 2012 was $23.175 million.

Note 8. Long-Term Debt (continued)

On December 30, 2009, the County issued $5,040,000 of General Obligation Bonds, Series 2009A and $6,960,000 of General Obligation Bonds, Series 2009B (Federally Taxable – Build America Bonds – Direct Payment Bonds). The proceeds of the Series 2009A & Series 2009B Bonds will be used to provide funds for constructing and equipping library and various recreation facilities and the full faith, credit and taxing power of the County are irrevocably pledged for the payment thereof.

Beginning with March 1, 2010, the Series 2009A bonds requires semi-annual interest-only payments until March 1, 2011, when the Series 2009A bonds are payable semiannually in principal installments of $455,000 to $570,000 plus interest at 2.0% to 4.0% over ten years. The Series 2009B bonds provide for interest installments only for the first ten years of the life of the bonds. Beginning in fiscal year 2021, the Series 2009B bonds will be payable in principal installments of $595,000 to $815,000 plus interest at 4.75% to 5.75% over ten years. The Series 2009B bonds were issued under the guidelines provided in the American Recovery and Reinvestment Act ("ARRA") as Build American Bonds. The County, under the guidelines set forth in the ARRA, is eligible to apply for an interest subsidy payment from the United States Treasury for Build America Bonds of 35% of the interest payable on the bond. The subsidy payments have not been pledged to the payment of any Bonds and would be part of the County's general revenues. The County received an interest subsidy of $129,098 for the year ended June 30, 2012.

The 2009A Bonds are not subject to redemption on or prior to March 1, 2020. The 2009B Bonds maturing on or after March 1, 2021, are subject to redemption at the option of the County on or after March 1, 2020, at any time as a whole or in part in such order of maturities as the County may determine, at par, together with the interest accrued thereon to the date fixed for redemption.

On June 15, 2010 the County issued $350,000 of General Obligation Bonds, Series 2010A with interest at 2.79%. The proceeds of the Series 2010A Bonds were used to acquire property and to construct a boat landing. The bond is payable in annual installments of principal and interest on March 1, 2011, to and including March 1, 2015 in the amount of $75,388.

Advance Refundings

The balance of outstanding advanced refunding at June 30, 2012 is $7,910,000.

On December 6, 2011 the County issued $8,740,000 of General Obligation Bonds with an average interest rate of 2.473% were issued to advance refund $6,015,000 of outstanding 2004A GO Bonds (Fire Bonds) with a coupon rate ranging from 3.0% to 5% and $1,895,000 of outstanding 2004B GO Bonds (Tech Bonds) with a coupon rate ranging from 3.25% to 5.5%. The net proceeds of $8,955,931 (after payment of $183,710 in underwriting discount and issuance costs) plus an additional $2,573 in additional funds were used to purchase US Government securities. Those securities were deposited in an irrevocable trust with Wells Fargo Bank to provide for future debt service payment on the 2004A and 2004B GO Bonds. As a result the 2004A and 2004B GO Bonds are considered to be defeased for payments due after March 2014 and the liability for these bonds has been removed from the governmental activities column of the statement of net assets.

The reacquisition price exceeded the net carrying amount of the old debt by $931,431. This amount is being netted against the new debt and amortized over the remaining life of the new debt, which is equal to the life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next thirteen years by $622,908 and resulted in an economic gain (difference between the present values of the debt service payment of the old and new debt) of $615,665.

On June 3, 2010, $13,690,000 of General Obligation Bonds with an average interest rate of 3.621% were issued to advance refund $11,645,000 of outstanding 2001A GO Bonds with a coupon rate ranging from 4.75% to 5% and $1,615,000 of outstanding 2001 B GO Bonds (Higher Education Commission) with a coupon rate ranging from 4.5% to 5.0%. The net proceeds of $14,412,330 (after payment of $181,710 in underwriting discount and issuance costs) plus an additional $3,848 in additional funds were used to purchase US Government securities. Those securities were deposited in

Note 8. Long-Term Debt (continued)

Advance Refundings (continued)

an irrevocable trust with Bank of New York Mellon to provide for future debt service payment on the 2001A and 2001B GO Bonds. As a result, the 2001A and 2001B GO Bonds are considered to be defeased for payments due after March 2012 and the liability for these bonds has been removed from the governmental activities column of the statement of net assets.

The reacquisition price exceeded the net carrying amount of the old debt by $1,156,179. This amount is being netted against the new debt and amortized over the remaining life of the new debt, which is equal to the life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next seven years by $778,080 and resulted in an economic gain (difference between the present values of the debt service payment of the old and new debt) of $748,099.

On May 7, 2009 the County issued $8,155,000 of General Obligation Bonds with an average interest rate of 3.14% were issued to advance refund $10,015,000 of outstanding 2000 Special Hospitality Fee Bonds with a coupon rate ranging from 4% to 5%. The net proceeds of $10,632,295 (after payment of $75,000 in issuance costs) plus an additional $369 in additional funds were used to purchase US Government securities. Those securities were deposited in an irrevocable trust with Bank of New York-Mellon to provide for all future debt service payment on the 2000 Special Hospitality Fee Bonds. As a result the 2000 Special Hospitality Fee bonds are considered to be defeased and a liability for these bonds has been removed from the governmental activities column of the statement of net assets.

The reacquisition price exceeded the net carrying amount of the old debt by $617,665. This amount is being netted against the new debt and amortized over the remaining life of the new debt, which is shorter than the life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next three years by $3,217,834 and resulted in an economic gain (difference between the present values of the debt service payment of the old and new debt) of $2,822,070.

Conduit Debt. Occasionally, the County is requested to act as an "Issuer" of conduit financing for any college, university, or hospital that is located in Horry County and deemed to be in the public interest. On March 1, 1998, the County issued $31,275,000 of limited obligation Hospital Revenue Bonds. These bonds were defeased on September 30, 2011 by the $19,510,000 South Carolina Jobs-Economic Development Authority Hospital Revenue Bond (Conway Hospital, Inc.), series 2011A and are no longer outstanding.

8. Long-Term Debt (continued)

A. Governmental Activities Debt

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

(amounts shown in thousands)

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012	Current Portion
General and Special Obligation Bonds:					
G.O. Bonds of 2001 (Series A) dated September 15 for $20.2 million with interest at 3.5% to 4.75% - Strand/Library/Equipment	$ 1,020	$ -	$ (1,020)	$ -	$ -
G.O. Bonds of 2001 (Series B) dated September 15 for $2.875 million with interest at 4.25% to 4.5% - Higher Education	140	-	(140)	-	-
G.O. Bonds of 2004 (Series A) dated June 1 for $11 million with interest at 3.0% to 5.0% - Fire Protection District	7,865	-	(6,605)	1,260	615
G.O. Bonds of 2004 (Series B) dated June 1 for $3 million with interest at 3.25% to 5.50% - TECH Bond	2,310	-	(2,030)	280	140
G.O. Bonds of 2005 (Series A) dated September 1 for $5.01 million with interest at 3% to 3.8% - Fire Protection Refunding	3,305	-	(790)	2,515	810
G.O Bonds of 2005 (Series B) dated September 1 for $30 million with interest at 3.5% to 4.125% - Judicial Center Refunding	25,010	-	(1,835)	23,175	1,915
G.O. Bonds of 2007 dated April 11 for $11 million with interest at 4% to 4.5% -Health Department/Museum	8,675	-	(640)	8,035	665
G.O. Bonds of 2008 dated May 20 for $12 million with interest at 4% to 5% -Libraries	10,600	-	(460)	10,140	475
G.O. Bonds of 2008 dated May 20 for $50 million with interest at 4% to 5% -Detention Center	41,525	-	(2,860)	38,665	2,940
Special Hospitality Fee Bonds of 2009 dated May 7 for $8.155M with interest at 3% to 4%- Hospitality Fee Refunding	5,410	-	(1,745)	3,665	1,805
G.O. Bonds of 2009 (Series A) dated December 30 for $5.04 million with interest at 2% to 3% - Recreation and Library	4,585	-	(465)	4,120	470
G.O. Bonds of 2009 (Series B) dated December 30 for $6.96 million with interest at 2% to 3% - Recreation and Library	6,960	-	-	6,960	-
G.O. Bonds of 2010 (Series B) dated June 3 for $13.69 million with interest at 2.5% to 4.0% - Series 2001 A&B Refunding	13,690	-	-	13,690	1,095
G.O. Bonds of 2010 (Series A) dated June 15 for $350,000 with interest at 2.79% - Boat Landing	282	-	(68)	214	69
G.O. Bonds of 2011 (Series A) dated December 6 for $6.64M with interest at 2% to 4% - Series 2004A Refunding - Fire Protection District	-	6,640	-	6,640	-
G.O. Bonds of 2011 (Series B) dated December 6 for $2.1M with interest at 2% to 3% - Series 2004B Refunding - Tech Bond	-	2,100	-	2,100	-
Certificates of Participation dated September 1, 1998 for $3.088M with interest at 3% to 5%- Baseball Stadium	1,405	-	(172)	1,233	182
Total general and special obligation bonds	132,782	8,740	(18,830)	122,692	11,181
Unamortized premiums	2,300	286	(199)	2,387	-
Net general and special obligation bond debt	$ 135,082	$ 9,026	$ (19,029)	$ 125,079	$ 11,181

8. Long-Term Debt (continued)

A. Governmental Activities Debt

Other general long-term obligations of the County's governmental activities at June 30, 2012 are as follows:

	(amounts shown in thousands)				
	Balance June 30, 2011	**Additions**	**Deletions**	**Balance June 30, 2012**	**Current Portion**
Other general long-term obligations:					
RIDE - IGA Loan #1	$ 90,000	$ -	$ (15,000)	$ 75,000	$ 12,915
Less, amounts imputed for interest	(8,531)	-	2,496	(6,035)	
Net RIDE - IGA Loan #1	81,469	-	(12,504)	68,965	
RIDE - IGA Loan #2	195,296	-	(9,875)	185,421	11,404
Net RIDE - IGA Loans payable	276,765	-	(22,379)	254,386	24,319
Capital lease obligation - phone systems	36	-	(36)	-	-
Capital lease obligation - fiber optic network	630	-	(443)	187	187
Capital lease obligation - CAD	805	2,248	(805)	2,248	426
Capital lease obligation - computers	553	-	(369)	184	184
Capital lease obligation - fiber ring	1,884	-	(498)	1,386	523
Capital lease obligation - toughbooks	343	-	(111)	232	116
Capital lease obligation- fiber relocation	1,000	-	(328)	672	333
Capital lease obligation- toughbooks	-	355	-	355	86
Net capital leases	5,251	2,603	(2,590)	5,264	1,855
Post employment benefit obligation, net	19,097	1,578	-	20,675	-
Accumulated compensation absences, net	13,034	9,443	(9,076)	13,401	-
Total other general long-term obligations	314,147	13,624	(34,045)	293,726	-
Total Net Governmental Activities Debt	$ 449,229	$ 22,650	$ (53,074)	$ 418,805	$ 37,355

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

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

RIDE Intergovernmental Agreements

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

Note 8. Long-Term Debt (continued)

B. Business-type Activities (Enterprise Funds) Debt

Revenue Bonds - Department of Airports

In October 2000, the County issued $9,745,000 in Airport Revenue Refunding Bonds with original issue discount of $25,784 and bond issuance costs of $321,892. These bonds were issued to refund the $10,320,000 outstanding principal amount of the $11,660,000 original principal amount of the Airport Revenue Bonds, Series 1990. The outstanding 2000 Series bonds were redeemed November 8, 2010.

In May 1997, the County issued $26,255,000 (Series 1997A, B, C, and D) in Airport Revenue Bonds with original issue discounts of $169,000 and bond issuance costs of $867,000. These bonds were issued as an amendment to the Horry County Series 1990 Revenue Bond ordinance and are being used to pay the costs of certain interests in land and the construction of terminal building improvements, rental car facilities and curbside improvements at the Myrtle Beach International Airport. In November 2010, the airport redeemed all outstanding 1997 Series Bonds.

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

The Series 2010A Bonds were issued to pay a portion of the cost of construction of the TCEP at the Myrtle Beach International Airport and to fund the capitalized interest on the Series 2010A Bonds through December 1, 2010, fund the debt service reserve and pay the costs of issuance of the Series 2010A Bonds. The net original issue discount for 2010A Bond was $211,085. The unamortized discount at June 30, 2012 is $200,157.

The Series 2010B Bonds were issued to pay the cost of the Harrelson Boulevard Improvements, fund the capitalized interest on the Series 2010B Bonds through December 1, 2011, fund the debt service reserve requirements and pay cost of issuance of the Series 2010B Bonds. The County has elected to treat the Series 2010B Bonds as “Recovery Zone Economic Development Bonds” for the purposes of the Internal Revenue Code of 1986. Subject to the County’s compliance with certain requirements of the Code, the County expects to receive cash subsidy payments from the United States Treasury equal to 45% of the interest payable on the Series 2010B Bonds. In Fiscal Year 2012, the County received an interest subsidy of $320,527.

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

Refunded Debt – Department of Airports

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

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

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

Note 8. Long-Term Debt (continued)

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

Bond Redemption - Department of Airports

The Airport cash was used to redeem all outstanding Series 1997 and Series 2000 Bonds in November 2010, in preparation for implementing the funding plan for the new terminal project, access road, parking lots, renovating the existing terminal and Harrelson Boulevard extension. The airport is undertaking these projects to meet increased demand and improve passenger flows.

On November 8, 2010, the County redeemed $1,345,000 of Series 1997A bonds, $2,115,000 of Series 2000 Bonds, and $6,040,000 of Series 2000 Bonds for a total redemption of $9,500,000 in principle amount of bonds. The redemption price of these bonds was equal to the principle amount plus a call premium of 1% or $60,400 for the Series 2000 Bonds. The sources of the funds for the redemption were $8,753,500 of airport cash, and $806,900 from the reserve accounts held by the bond trustee, Bank of New York, for the redeemed bonds. During the 2011 fiscal year, the County charged $678,799 to Bond Redemption Expense for unamortized issuance costs, net original issue discount and the deferred charges from the 1990 refunding and call premium associated with the redeemed bonds. This amount has been classified as a special item in the statement of revenues, expenses, and changes in net assets for the year ended June 30, 2011.

Long-term 'revenue bonded' debt of the Department of Airports Enterprise Fund at June 30, 2012, is as follows:

	(amounts shown in thousands)			
Revenue Bonds:	**Balance June 30, 2011**	**Additions**	**Deletions**	**Balance June 30, 2012**
Revenue bond, 2010A Series				
dated November 17, for $50.87 million with interest at 4.375% to 5% due 2011-2040	$ 50,870	$ -	$ -	$ 50,870
Taxable Revenue bond, 2010B Series				
dated November 17, for $9.72 million with interest at 7.328% due 2011-2040	9,720	-	-	9,720
Total revenue bonded debt	60,590	-	-	60,590
Less, original issue discount	(207)	7	-	(200)
Net Revenue Bonds	$ 60,383	$ 7	$ -	$ 60,390

Note 8. Long-Term Debt (continued)

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

Annual principal requirements to amortize general and special obligation bonds, revenue bonds, certificates of participation (COPS), and RIDE Intergovernmental Agreements (IGA) loans #1 and #2 at their respective present values at June 30, 2012, are summarized as follows:

(amounts shown in thousands)

Years Ending June 30,	G.O. Bonds		Special Obligation Bonds		Baseball Stadium COPS		Airport Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2013	$ 9,194	$ 4,715	$ 1,805	$ 115	$ 182	$ 61	$ -	$ 3,086
2014	9,787	4,347	1,860	58	190	53	-	3,086
2015	10,173	3,955	-	-	200	43	1,215	3,086
2016	9,650	3,547	-	-	210	33	1,270	3,038
2017	9,986	3,193	-	-	220	23	7,125	14,399
2018-2022	52,935	9,850	-	-	231	11	8,790	12,734
2023-2027	12,865	2,141	-	-	-	-	10,960	10,562
2028-2032	3,204	309	-	-	-	-	13,815	7,419
2033-2036	-	-	-	-	-	-	17,415	3,073
2037-2041	-	-	-	-	-	-	-	-
Total	$ 117,794	$ 32,057	$ 3,665	$ 173	$ 1,233	$ 224	$ 60,590	$ 60,483

Years Ending June 30,	RIDE IGA Loan #1		RIDE IGA Loan #2		Total Debt Service Requirements	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	$ 12,915	$ 2,086	$ 11,404	$ 5,334	$ 35,500	$ 15,397
2014	13,340	1,660	13,027	4,981	38,204	14,185
2015	13,778	1,221	14,750	4,579	40,116	12,884
2016	14,232	768	16,751	4,122	42,113	11,508
2017	14,700	300	18,881	3,606	50,912	21,521
2018-2022	-	-	110,608	8,748	172,564	31,343
2023-2027	-	-	-	-	23,825	12,703
2028-2032	-	-	-	-	17,019	7,728
2033-2036	-	-	-	-	17,415	3,073
2037-2041	-	-	-	-	-	-
Total	$ 68,965	$ 6,035	$ 185,421	$ 31,370	$ 437,668	$ 130,342

D. SBHS

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

	Interest Rate	Maturity Date	Balance 6/30/12
Hospital Revenue Bond	4.46%	6/18/2013	$ 116,339

Scheduled maturities are as follows:

	Principal	Interest	Payment
Year Ending June 30, 2013	116,339	2,830	119,169
	$ 116,339	$ 2,830	$ 119,169

The bond is secured by all revenue and receipts derived by the Commission.

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

A. Capital Lease Obligations

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

Governmental Activities:

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

Year Ended June 30,	*(amounts shown in thousands)*			
	Fiber Relocation	Toughboook Computers	Fiber Ring	Fiber Optic Network
2013	$ 346	$ 93	$ 594	$ 193
2014	346	92	463	-
2015	-	92	464	-
2016	-	92	-	-
2017	-	-	-	-
Total lease payments	692	369	1,521	193
Less, interest	(20)	(14)	(135)	(6)
Present value of future minimum lease payments	672	355	1,386	187
Less, current portion	(333)	(86)	(523)	(187)
Total non-current portion	$ 339	$ 269	$ 863	$ -

Year Ended June 30,	Toughboook Computers	CAD	Computers	Total
2013	$ 125	$ 488	$ 193	$ 2,032
2014	125	487	-	1,513
2015	-	487	-	1,043
2016	-	975	-	1,067
2017	-	-	-	-
Total lease payments	250	2,437	193	5,655
Less, interest	(18)	(189)	(9)	(391)
Present value of future minimum lease payments	232	2,248	184	5,264
Less, current portion	(116)	(426)	(184)	(1,855)
Total non-current portion	$ 116	$ 1,822	$ -	$ 3,409

Business-type Activities (Enterprise Funds):

During the year ended June 30, 2006, the Airport entered into a ten year non-cancelable lease for a generator for the Airport. The annual interest rate on the lease is 2.87% per annum. The cost of the generator at acquisition was $425,000 and the net book value of the generator as of June 30, 2012 and June 30, 2011 was $180,416 and $223,692, respectively.

The present value of the minimum lease payments follows:

Year Ended June 30,	Total
2013	50,314
2014	50,314
2015	50,314
2016	41,928
Total payments	192,870
Less, interest	(12,454)
Present value of future minimum lease payments	180,416
Less, current portion	(44,792)
Total non-current portion	$ 135,624

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

In January 2006, the Airport entered into a lease agreement with Atlanta Air Services (lessee) for hangar space at MYR. Under the terms of the agreement, the lessee was permitted to offset its rental obligations for certain capital improvements made to the premises. During 2006, the lessee completed the necessary capital improvements and as such is due rental credits in the sum of $300,000 to be applied to the rent payments at $50,000 annually. The remaining balance at June 30, 2012 is a current liability of $50,000.

The changes in the County's capital leases and compensated absences for its business-type activities for the year ended June 30, 2012 are as follows:

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012	Amounts due within one year
Capital leases	$ 223,692	$ -	$ (43,275)	$ 180,417	$ 44,792
Compensated absences	$ 1,139,329	$ 61,055	$ -	$ 1,200,384	$ 300,096
Due to tenants	$ 100,000	$ -	$ (50,000)	$ 50,000	$ 50,000
Net OPEB obligation	$ 575,254	$ 55,797	$ -	$ 631,051	$ -

Other Long-term liabilities - SBHS at June 30, 2012

On December 15, 2011, the Commission entered into a loan agreement with BB&T in the amount of $85,000 for the purpose of facility upgrades. The loan has a stated interest rate of 3.4% and will mature on December 15, 2014, at which time the unpaid principal balance outstanding will be due. For the year ended June 30, 2012, $63,895 of loan proceeds have been expended.

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts due within one year
Compensated absences	$ 94,116	$ -	$ 11,115	$ 83,001	$ 43,161
Net OPEB obligation	228,928	99,924	-	328,852	-
Auto loan	13,969	-	4,262	9,707	4,534
Bonds payable	227,613	-	111,274	116,339	116,339
BB&T loan	-	63,895	-	63,895	-
	$ 564,626	$ 163,819	$ 126,651	$ 601,794	$ 164,034

Other Long-term liabilities - HCSWA at June 30, 2012

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts due within one year
Compensated absences	$ 320,304	$ 223,749	$ 226,419	$ 317,634	$ 230,000
Net OPEB obligation	861,606	223,698	21,553	1,063,751	-
Landfill closure costs	12,068,663	1,625,914	-	13,694,577	800,000
Landfill postclosure care costs	6,216,061	503,302	-	6,719,363	-
	$ 19,466,634	$ 2,576,663	$ 247,972	$ 21,795,325	$ 1,030,000

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

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

The Department of Airports Enterprise Fund derives a substantial portion of its revenues from charges to air carriers, aeronautical businesses and schools, and concessionaires. Substantially all of the assets classified as fixed assets in the balance sheet are held by the Airport for the purpose of rental or related use. The Airport, as lessor, leases land, buildings, and terminal space to air carriers, and concessionaires on a fixed fee as well as a contingent fee basis. All leases of the Airport are treated as operating leases for accounting purposes. Most of the leases provide for an annual review and redetermination of the rental amounts. The following is a schedule of future minimum rentals receivable on non-cancelable operating leases at June 30, 2012:

Year Ended June 30,	*(amounts shown in thousands)*
2013	$ 5,450
2014	4,435
2015	4,220
2016	4,294
2017	4,350
2018 to 2022	817
Total	$ 23,566

The total historical cost and net book value of certain property leased to parties external to Horry County, South Carolina reporting entity is $44,128,506 and $18,997,390, respectively at June 30, 2012.

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

The Department of Airports, primarily the Myrtle Beach International Airport (the "MBIA"), has entered into separate, but substantially similar, Signatory Airline Contract and Use Agreements (the Signatory Airline Agreements) with 5 passenger airlines. The Signatory Airline Agreements had an original term commencing July 1, 2002 and terminating June 30, 2007, but remain in effect on a month-to-month holdover basis. The holdover term under each Signatory Airline Agreement may be terminated by either the County or the Signatory Airline upon 30 days' notice. The Airport is finalizing review of the terms of the new Signatory Airline Agreement, which will be effective July 1, 2012. As of June 30, 2012, Spirit Airlines, USAirways, Delta Air Lines (System), United Airlines and Vision Airlines were signatory airlines. Collectively, these carriers are called "Signatory Airlines". Additionally, Direct Air was a signatory indirect air carrier at the end of June 30, 2011. Direct Air service was discontinued as of March 15, 2012. Discontinuation of service was concurrent with their bankruptcy filing request made to the U.S. Bankruptcy Court District of Massachusetts on the same date.

The Signatory Airline Agreements and Indirect Signatory Airline Agreement cover the use of and rate-setting mechanisms for the airfield and terminal facilities at the Airport. Interim rates charged during the fiscal year are subject to a retroactive adjustment based upon actual year-end costs and activity levels (the Settlement). Any Settlement owed to the Signatory Airlines is applied to any balance owed by the airlines for rates and charges. For the fiscal year ended June 30, 2012, the County estimates the Settlement due to the Signatory Airlines is $179,400. This amount is included in amounts due to tenants on the accompanying Statements of Net Assets.

Horry County's has also entered into agreements with airlines that serve the Airport and are not parties to Signatory Airline Agreements or Signatory Indirect Airline Agreements (the Non-signatory Airlines). The County assesses fees, rentals, and charges to the Non-Signatory Airlines at 125% of the fees, rentals, and charges charged to the Signatory Airlines. The Non-Signatory Airlines do not participate in the year-end Settlement. As of June 30, 2012, the Non-Signatory Airlines operating at the Airport were Allegiant Air and Porter Airlines.

Horry County's Air Service Development Program that began in September 2008 and continued for fiscal year 2012 provided, at the County's sole discretion, for reduced landing fees from $1.97 to $1.25 per 1,000 lbs., which reduced landing fee revenue by approximately $695,868. The airport also waived airline fees of $179,039 as incentives for new service. The County has agreed to extend the Air Service Development program. For fiscal 2013, the combined incentive landing fee and apron fee for Signatory airlines will be $1.26 per 1,000 lbs.

Note 11. Landfill Closure and Postclosure Care Costs

Federal and state laws and regulations require the HCSWA to place a final cover on its permitted landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the HCSWA reports a portion of these costs as operating expenses in each period based on landfill capacity used during each fiscal year. The amounts reported as a liability at June 30, 2012 for landfill closure and postclosure care represents the cumulative expense reported to date based on 100%, 62%, and 50% utilization of the estimated total capacity of the unlined, Subtitle D (Class 3) landfill sites and construction and demolition-East Hill respectively. For purposes of postclosure care, the unlined and the construction and demolition landfills are considered a single permitted site with 67% utilization of the estimated total capacity at June 30, 2012.

	(amounts shown in thousands)			
	Unlined	**Subtitle D (Class 3)**	**Construction & Demolition**	**Total**
Closure Costs	$ 1,384	$ 6,462	$ 5,849	$ 13,695
Postclosure Care Costs	N/A	4,169	2,550	6,719
Total	$ 1,384	$ 10,631	$ 8,399	$ 20,414

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

	Closure Costs	Postclosure Care Costs
Subtitle D (Class 3)	6,726	2,591
Construction and Demolition - East Hill	$ 6,277	$ N/A
Unlined / Construction and Demolition	N/A	1,268
	$ 13,003	$ 3,859

The HCSWA has closed out the east and west hills of the unlined landfill, with the saddle area to be closed out during the year ending June 30, 2014. The Subtitle D (Class 3) landfill is expected to be closed during the year ending June 30, 2019. The construction and demolition landfill is anticipated to be closed during the year end June 30, 2025. The estimated closure and postclosure care costs are based on what it would cost today to perform all required closure and postclosure care. Actual costs ultimately incurred for closure and postclosure care may be higher due to inflation, changes in technology, or changes in regulations.

The HCSWA is required by federal and state laws to provide financial assurance that funds will be available when needed for closure and postclosure care costs through compliance with one of several approved alternative methods. The method utilized by the SWA is the local government financial test. At June 30, 2012, the HCSWA is in compliance with federal and state financial assurance requirements.

In accordance with formal resolutions of the HCSWA's Board of Directors, $11,873,682 and $6,614,018 of cash, cash equivalents and investments at June 30, 2012 are designated for landfill closure and postclosure care costs, respectively. These amounts are included in unrestricted net assets on the balance sheet. If the designated funds are inadequate or additional closure and postclosure care requirements are mandated or otherwise found to be necessary (due to changes in technology or applicable laws or regulations, for example) these costs need to covered through additional charges to future landfill users.

Note 12. Net Assets and Fund Balances

Net assets:

Net assets of the government-wide and proprietary fund financial statements represent the difference between assets and liabilities. Reported amounts for invested in capital assets and restricted net assets are as follows at June 30, 2012:

	(amounts shown in thousands)			
	Governmental Activities	**Business-type Activities**	**Component Units**	
			SHBS	**HCSWA**
Invested in Capital Assets, Net of Related Debt:				
Primary Government	$ 696,020	$ 186,357	$ -	$ -
Component units	-	-	991	36,176
Less, G.O., special revenue bonds payable and capital leases, net of unspent proceeds	(119,466)	(37,713)	(123)	-
Less, construction and retainage payable for capital items	(167)	(10,521)	-	-
Total invested in capital assets, net of related debt	$ 576,387	$ 138,123	$ 868	$ 36,176

Note 12. Net Assets and Fund Balances (continued)

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

The adopted budget for fiscal year 2013 includes total expenditures and other uses. By reducing this total for any amount being funded by a use of fund balance and/or debt service requirement, the current required stabilization reserve for each of the above identified funds is reported below:

	FY 2013 Operating budget	15% Stabilization reserve at June 30, 2012	FY 2013 Debt Service	Related restricted fund balance at June 30, 2012
General Fund	$ 123,194,073	$ 18,479,111	n/a	n/a
Fire Fund	$ 14,303,420	$ 2,145,513	$ 1,568,800	$ 784,400
Stormwater Fund	$ 4,453,500	$ 668,025	n/a	n/a
Recreation Fund	$ 4,143,266	$ 621,490	n/a	n/a
General Debt Service Fund	n/a	n/a	$ 14,489,238	$ 12,562,463

At June 30, 2012 the following funds had deficit fund balances: Victim Witness Assistance ($119,704) and Arcadian Shores ($177,895). These deficit fund balances will be repaid from future tax revenues and fee increases.

Note 13. Capital Contributions *(amounts shown in thousands)*

For the governmental activities, capital contributions during the fiscal year ended June 30, 2012, is as follows:

	Governmental Activities
Donated capital assets	$ 25
Total	$ 25

For the proprietary (enterprise) funds, capital contributions during the fiscal year ended June 30, 2012, are as follows:

	Business -Type Activities
Grants and other cash contributions	$ 12,949
Total	$ 12,949

Capital contributions in the discretely presented component unit HCSWA for the fiscal year ended June 30, 2012, are as follows:

	HCSWA
Grants and other cash contributions	$ 365
Totals	$ 365

Note 14. Employee Benefit Plans

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

The following retirement related disclosure is made under the current GASB Statements 25 & 27.

All County employees, except for police department personnel, participate in the South Carolina Retirement System (SCRS), a cost-sharing, multiple-employer, public employee retirement system. County police officers participate in the South Carolina Police Officers' Retirement System (SCPORS), a cost-sharing, multiple-employer, public employee retirement system. The County's total payroll for the year ended June 30, 2012 was approximately $80,003 of which $39,929 and $35,440 were for employees covered by the SCRS and SCPORS, respectively. The County's total payroll for the year ended June 30, 2011 was approximately $80,697 of which $40,830 and $36,153 were for employees covered by the SCRS and SCPORS, respectively. The County's total payroll for the year ended June 30, 2010 was approximately $79,379 of which $40,736 and $35,337 were for employees covered by the SCRS and SCPORS, respectively.

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

The County's actual contributions made for the SCRS and SCPORS equaled the required contributions. The County's required contributions to the SCRS for employer and employee portions for the year ended June 30, 2012 expressed as a dollar amount and as a percentage of covered payroll in 2012 were $3,977 and 9.38% and $2,754 and 6.5%, respectively, and the contributions to the SCPORS for the employer and employee portions were $4,210 and 11.36% and $2,408 and 6.5%, respectively. The County's required contributions to the SCRS for employer and employee portions for the year ended June 30, 2011 expressed as a dollar amount and as a percentage of covered payroll in 2011 were $3,982 and 9.39% and $2,801 and 6.5%, respectively, and the contributions to the SCPORS for the employer and employee portions were $4,154 and 11.53% and $2,426 and 6.5%, respectively. The County's required contributions to the SCRS for employer and employee portions for the year ended June 30, 2010 expressed as a dollar amount and as a percentage of covered payroll in 2010 were $3,948 and 9.24% and $2,766 and 6.5%, respectively, and the contributions to the SCPORS for the employer and employee portions were $3,867 and 10.65% and $2,360 and 6.5%, respectively.

In addition to the above rates, the County's required contributions to the SCRS to provide a group life insurance benefit for their participants for the year ended June 30, 2012 expressed as a dollar amount and as a percentage of covered payroll were approximately $64 and 0.15% of annual earnings, and the contributions to the SCPORS to provide a group life insurance benefit and an accidental death benefit for their participants expressed as a dollar amount and as a percentage of covered payroll were approximately $74 and 0.2%.

Note 14. Employee Benefit Plans (continued)

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

SBHS:
Employees of SBHS are also members of SCRS. Employer and employee contributions expressed as a percentage of covered payrolls are 9.385% and 6.50%, respectively. Total payroll for the year ended June 30, 2012 was $1,316 of which $1,264 was for employees covered by SCRS. SBHC's contributions for the three most recent fiscal years ended June 30, 2012, 2011 and 2010 were $124, $122 and $106 respectively. SBHS paid employer group-life insurance contributions of $2 for their participants for the year ended June 30, 2012.

SWA:
The contribution requirements of plan members and the HCSWA are established and may be amended by the SCRS and are currently 6.50% and 9.535%. The HCSWA's contributions for the fiscal year ended June 30, 2012, 2011 and 2010 were $362, $360, and $365, respectively. The contributions made by the SWA were equal to the required contributions for each year.

On June 26, 2012, South Carolina Governor Nikki Haley signed the Retirement Free Conference Report on H.4967, the retirement reform legislation, into law. Plan modifications associated with this law become effective July 1, 2012 and include annual SCRS and PORS retirement allowance increases through July 1, 2014 with certain cap provisions and other changes to retirement benefit calculation factors.

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

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

Other post employment healthcare benefits –

Plan Description

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

For grandfathered employees, the following plan modifications apply effective January 1, 2013:
Grandfathered retirees are those who are retirement eligible employees, and current employees who are either 62 years old or have 23 or more years of County service as of December 31, 2012. Grandfathered retirees continue to be eligible for health insurance benefits from the age of retirement until they reach the age of 65, or otherwise become Medicare eligible, at the following coverage levels if they attain age forty-six (46) while working for the County, retire and draw benefits from SCRS or SCPORS system, and have a minimum of fifteen (15) years service. The County will contribute to SCRS (regular retirees): 50% of single coverage for employees with 15-22 years of service, 75% of single coverage for employees with 23-27 year of service, and 100% for employees with 28 or more years of service; for SCPORS (police retirees): 50% of single coverage for employees with 15-21 years, 75% for 22-24 years and 100% for employees with 25 years or more of service.

Note 14. Employee Benefit Plans (continued)

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

Other post employment healthcare benefits –

Plan Description (continued)

For non-grandfathered employees, the following plan modifications apply effective January 1, 2013:
Non-Grandfathered retirees are defined as those with a hire date prior to July 1, 2011 who did not meet the qualifications to be included in the "Grandfathered" group. These retirees will receive County subsidy of health insurance only from the ages of 62 – 65. Employees can still retire before that age if they are eligible, but the County will not pay the health insurance premiums until age 62. The retiree can stay on the County plan and pay the total premiums personally, or opt-out of the plan and obtain coverage elsewhere, then opt-back in to the plan at age 62 to receive the County funded benefit. The 75% tier is eliminated. Employees are eligible for the County payment of 50% of the premiums, at 15 years of County service, and 100% coverage at 28 years (SCRS) or 25 years (SCPORS) of service. The amount of the County subsidy will not increase by more than 3% over the amount paid by the County in the prior calendar year. Any increase in cost above 3% will be absorbed by the retiree. Those employees who separate from County employment for any reason other than retirement and are then are rehired after June 30, 2011 will be eligible to participate in the retiree health insurance plan upon their retirement; however, the County will not pay any portion of their retiree health insurance premiums and they will not be eligible to receive any County subsidy for the purposes of retiree health insurance.

Medicare – Eligible Provisions apply effective January 1, 2013:
County paid health insurance coverage ceases when the retiree becomes Medicare eligible. This change becomes effective December 31, 2012 at which time the County will begin to contribute $150 on the first banking day of each month in to a Health Reimbursement Arrangement account for the retiree to purchase a Medicare supplemental insurance plan or to use for payment of out-of-pocket qualifying medical expenses. This monthly contribution is pro-rated according to the retiree's years of service with the County (50%, 75% if grandfathered, or 100%) and will increase annually by the lower of CPI-U (the Consumer Price Index All Urban Consumers on a September over September basis) or 3% per year. This is the only change that impacts current retirees and current retiree eligible employees or past employees with a hire date prior to July 1, 2011.

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

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

Deferred Retirement Benefits

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

Note 14. Employee Benefit Plans

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

Other post employment healthcare benefits –

Plan Description (continued)

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

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

The Airport currently has 119 active employees and 5 retired members are eligible for OPEB as of June 30, 2012. Only one of the retired employees has opted for OPEB from the Airport, and that employee worked for both the Airport and Horry County. The Airport reimburses Horry County for its share of the OPEB expense.

Funding Policy

Horry County currently pays for post-employment benefits on a pay-as-you-go basis. The cost of these benefits is recognized as an expenditure of the general fund as provided for in the annual budget ordinance. These benefits will cease if funds are not available for appropriation. For fiscal year 2012, the County contributed $573 for existing retirees, net of the implicit rate subsidy. As of year-end, there were 225 employees that were receiving benefits. These financial statements assume that a pay-as-you-go funding policy will continue.

HCSWA:

Plan Description

The HCSWA retiree health care plan is a single-employer defined benefit health care plan administered by the HCSWA. The plan provides medical and dental insurance benefits to eligible retirees. Benefit provisions are established and may be amended by the HCSWA's Board of Directors. Employees retiring with at least twenty years of service as an employee of the HCSWA and receiving benefits from the South Carolina Retirement System may elect to continue single coverage at a cost established by the State Budget and Control Board. Employees retiring with at least ten years of service as an employee of the HCSWA and receiving benefits from the South Carolina Retirement System may elect to continue single coverage with fifty percent of the cost of coverage provided by the HCSWA and the remaining fifty percent provided by the retiree. Employees retiring at age sixty five or older with at least five years of service as an employee of the HCSWA and receiving benefits from the South Carolina Retirement System may elect to continue single coverage with one hundred percent of the cost of coverage provided by the retiree. If an eligible retiree accepts employment with another organization that provides health care benefits, the HCSWA coverage will no longer be provided.

Funding Policy

HCSWA currently pays for post-employment benefits on a pay-as-you-go basis. For fiscal year 2012, the County contributed $22 (approximately 39% of total premiums) for the cost of retiree health insurance coverage.

Note 14. Employee Benefit Plans (continued)

B. Post-Employment Benefits

Other post employment healthcare benefits –

Annual OPEB costs and Net OPEB Obligation

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

	Governmental		**Business-type**		**Component Units**
	General	**Police**	**Airport**	**Total**	**HCSWA & SBHS**
Employer Normal Costs	$626,503	$646,673	$40,242	$1,313,418	$207,078
Amortization of UAL*	$387,804	$622,980	$23,823	$1,034,607	98,015
Annual Required Contribution (ARC)	$1,014,307	$1,269,653	$64,065	$2,348,025	$305,093
Interest on Net OPEB Obligation	$446,681	$412,707	$25,886	$885,274	$38,804
Adjustment to ARC	$(413,846)	$(382,368)	$(23,983)	$(820,197)	$(20,275)
Annual OPEB Costs	$1,047,142	$1,299,992	$65,968	$2,413,102	$323,622
Contributions made	$591,395	$177,852	$10,171	$779,418	$21,553
Increase in net OPEB obligation	$455,747	$1,122,140	$55,797	$1,633,684	$302,069
Net OPEB Obligation-beginning of year	$9,926,245	$9,171,258	$575,254	$19,672,757	$1,090,534
Net OPEB Obligation – end of year	$10,381,992	$10,293,398	$631,051	$21,306,441	$1,392,603

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

Note 14. Employee Benefit Plans (continued)

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the preceding year are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	$5,425,242	14.62%	$15,037,859
2011	$5,602,291	17.27%	$19,672,757
2012	$2,413,102	32.30%	$21,306,441

HCSWA and SBSH's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	$357,354	3.30%	$778,046
2011	$329,268	5.10%	$1,090,534
2012	$323,622	6.66%	$1,392,603

Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due. The provisions of Statement 45 may be applied prospectively and do not require governments to fund their OPEB plans. For fiscal year, 2009, SBHS's auditor reported a significant deficiency and material weakness, finding 2009-1 - Failure to implement GASB 45 – Accounting for Other Post Employment Benefits. As a component unit, SBHS must implement the requirements of GASB 45 no later than the same year as their primary government. As of fiscal year end June 30, 2010, SBHS had an actuarial analysis performed and recorded the OBEB obligation based on the amounts determined by the study.

Note 14. Employee Benefit Plans (continued)

Funded Status and Funding Progress

The funded status of the plans as of June 30, 2012, was as follows:

	Governmental		Business-type	Component Units
	General	**Police**	**Airport**	**HCSWA & SBHS**
Actuarial accrued liability	$9,301,650	$14,942,445	$571,426	$2,204,024
Actuarial value of plan assets	-	-	-	-
Unfunded actuarial accrued liability (UAAL)	$9,301,650	$14,942,445	$571,426	$2,204,024
Funded Ratio	0.00%	0.00%	0.00%	0.00%
Covered payroll	$39,144,623	$36,035,496	$4,595,620	$5,059,392
Unfunded actuarial accrued liability as a % of covered payroll	23.76%	41.47%	12.43%	43.56%

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

Actuarial Methods and Assumptions

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

In the June 30, 2011, actuarial valuation, the Projected Unit Credit, Level Percent of Payroll actuarial cost method was used. The UAAL amortization payment is the level percent of payroll (assumed to increase 3%) required to fully amortize the UAAL over a 30 year period or closed basis. The actuarial assumptions included 4.5% rate of investment return. General inflation is assumed to be 3.0% per year. The valuation assumes a health care trend inflation rate as follows:

	Health Care Trend Inflation Rates		
Year	Medical	Drug	Dental
2012	6.24%	6.24%	3.00%
2013	7.25	7.25	3.00
2014	7.00	7.00	3.00
2015	6.75	6.75	3.00
2016	6.50	6.50	3.00
2017	6.25	6.25	3.00
2018	6.00	6.00	3.00
2019	5.75	5.75	3.00
2020	5.50	5.50	3.00
2021	5.25	5.25	3.00
2022	5.00	5.00	3.00
2023	4.75	4.75	3.00
2024 and later	4.50	4.50	3.00

Note 14. Employee Benefit Plans (continued)

Actuarial Methods and Assumptions (continued)

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

SBHS:

In the July 1, 2009, actuarial valuation, a discount rate of 4.5% was used for the estimated long-term investment yield on the investments, and turnover rates are in accordance with the Alternative Measurement Method. The per capita claims cost and insurance trend inflation assumptions were obtained from the June 30, 2008 Actuarial GASB 45 Valuation Report for the State of South Carolina Retiree Health Care Plan and adjusted to 2010.

HCSWA:
In the June 30, 2010, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included 4.5% rate of investment return and an annual health care cost trend rate of 7.3% initially, reduced to an ultimate rate of 4.5% after thirteen years. Both rates included a 3.0% inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value over a five-year period. The UAAL is being amortized as a level percent of active member payroll over a thirty-year period on a closed basis. The remaining amortization period at June 30, 2010 was twenty seven years.

Note 15. Segment Information

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

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

Major Customers and Economic Condition - Department of Airports
Airline revenues, leases, concessions, and rental car activities, generate approximately 77% of the Airport's revenues or just over $13.9 million of the $18 million net operating revenue. Signatory Airlines generate $4.1 million in revenue after surcharges.

Rates and charges of Signatory Airlines, which serve MYR, represented 23% in fiscal year 2012 and 21% in fiscal year 2011, of the total operating revenues reported for MYR. Of the leading Signatory Airline carriers, Spirit Airlines represents 45% of the airline traffic, U.S. Airways represents 23%, Delta Airlines (System) 17%, United Airlines 3%, and Direct Air 8%.

US Airways, Spirit Airlines, United Airlines, and Delta Airlines are currently Signatory airlines. Direct Air is a signatory indirect air carrier.

For the year ended June 30, 2012, three customers make up approximately 54% of the accounts receivable balance. For year ended June 30, 2011, two customers made up approximately 46% of the accounts receivable balance.

Note 15. Segment Information

Aviation Trust Funds - Due From Other Governments

Pursuant to certain agreements with the Federal Aviation Administration (FAA), the City of Myrtle Beach, South Carolina maintains an Airport Trust Fund which holds resources received from leases of certain parcels of property near the Myrtle Beach International Airport. Funds are to be made available for Airport purposes through agreement with the FAA. In April 2004, the parties reached a new agreement through which the Airport received $2,000,000 from the fund on January 1, 2005. Beginning in 2005, and continuing each and every year thereafter, Horry County shall receive 75% of the proceeds and the City of Myrtle Beach shall receive 25%. As part of the agreement, the Airport is required to spend $6 million on Harrelson Blvd (a road that runs near the Airport). The Airport recognized $3,889,880 and $2,102,222, in non-operating revenues for funds received from this trust fund during the years ended June 30, 2012 and 2011, respectively.

Note 16. Joint Enterprise - Baseball Stadium

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

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

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

Pursuant to a Hospitality Fee Agreement, dated September 1, 1998, between the County and the City of Myrtle Beach, South Carolina, the County agreed to make payments of an amount equal to 30% of the required debt service requirements of the Certificates. The County's proportionate debt service payments shall be made solely from amounts derived by the County's special revenue fund portion of the County 1% Hospitality Fee and shall not be deemed to be general obligations of the County or payable from the road fund portion of the County’s 1.5% Hospitality Fee, or from any other source of revenues, fees, or taxes.

As security for its obligation to make payments under the Hospitality Fee Agreement, the County has pledged and granted a security interest in the County Hospitality Fees to the extent of the lesser of $300,000 or the amount due in any bond year pursuant to the Hospitality Fee Agreement. This amount is shown as part of the committed fund balance in the Special Obligation Debt Service Fund.

While the stadium is under joint control by the City and County, no separate entity or organization of the baseball stadium exists as of June 30, 2012. Accordingly, the County has reported activities in the baseball stadium as a special revenue fund. Separate financial statements of the baseball stadium are presently not available.

Note 17. Intergovernmental Agreements - RIDE Projects

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

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

These agreements are summarized as follows:

Intergovernmental Agreement #1- dated March 10, 1998 (as amended)
As amended, SIB agreed to make one or more loans available to Horry County totaling up to $545 million for Table 1 projects of the RIDE application.

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

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

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

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

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

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

Note 17. Intergovernmental Agreements - RIDE Projects (continued)

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

Intergovernmental Agreement #2 - dated April 21, 1998 (as amended)
As amended, SIB agreed to fund Table 3 projects of the RIDE application by way of loans of up to $199.4 million to Horry County for Table 3 projects, and an additional $48.2 million loan for Table 1 projects in the RIDE plan, all secured by payments from Horry County.

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

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

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

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

Amendment to Master Loan Agreement
Pursuant to an amendment to the Master Loan Agreement (dated April 27, 1999), SIB agreed to provide for $95 million additional loans to Horry County for Phase II of the Conway Bypass Project in Table 1. SIB's agreement to loan Horry County the additional $95 million under IGA #1 for the Conway Bypass Project increase requires SCDOT to repay the $95 million loan for Horry County in its entirety.

Intergovernmental Agreement #3 - dated May 21, 2002
Horry County and the SIB agreed to additional funding and construction of an additional phase of the RIDE Program in Horry County not to exceed $198 million. Accordingly, Horry County pledged revenues derived from a certain admissions tax totaling $2,279,950, and the funding of other related highway projects identified in the application in the approximate amount of $20,550,000. SIB agreed to fund the balance of the construction costs through grants.

Note 17. Intergovernmental Agreements – RIDE Projects (continued)

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

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

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

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

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

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

In June of 2007, the County entered into an intergovernmental agreement with the State Infrastructure Bank in which the County received a funding commitment for the Widening of 707 of $150 million from the State Infrastructure Bank. In November of 2007, the entered into an additional intergovernmental agreement with the State Infrastructure Bank in which the County received additional funding in the amount of $85 million for the Widening of 707. $235 million was made available for immediate distribution by the State Infrastructure Bank. A portion of the local sales tax ($93.6 million) serves as the local match for the funds contributed by the County for the Widening of 707.

Note 18. Commitments and Contingencies

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

The discretely presented component unit HCSWA is also a defendant in various lawsuits. The outcome of the lawsuits is not presently determinable; however HCSWA's management does not believe the settlement of these matters will have a material effect on its financial condition.

Federal and State Assisted Programs

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

Commitments

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

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

Major projects in RIDE are the Conway Bypass (Highway 22), a six-lane controlled access highway between Aynor and Conway at Highway 501 to U.S. 17 near the Myrtle Beach Mall (formerly known as the Colonial Mall); and Carolina Bays Parkway (Highway 31); a six-lane limited access highway between S.C. Highway 9 in the North and S.C. Highway 544 in the South; a four-lane bridge spanning the Intercoastal Waterway at Fantasy Harbour; and the North Myrtle Beach Connector , a four-lane road connecting S.C. Highway 90 and U.S. 17 to the Carolina Bays Parkway. Other projects resulted in improvements to S.C. Highway 544, S.C. Highway 501 and U.S. 17. In fiscal year 2007, the County received approval of a $40 million grant from the South Carolina Transportation Infrastructure Bank Board for engineering and environmental work and right of way acquisitions for extension of the Carolina Bays Parkway and the widening of S.C. 707. During fiscal year 2008, the County received notification that the State Infrastructure Bank approved a commitment to provide funding of $85 million for the continued extension of Carolina Bays Parkway (Highway 31) to the southern portion of Horry County ending at S.C. Highway 707; there is no matching requirement on these funds.

The County had a total of $10,692,067 in encumbrances at June 30, 2012 of which $175,434 is encumbered in the General Fund. The General Capital Improvements Project Fund had $1,710,788 in encumbrances primarily related to the capital projects of the Juniper Bay Fire Station, appraisal software (CAMA), Recreation Center and two Library projects. The Capital Project Sales Tax Fund had $6,662,754 in encumbrances which are a result of the repaving, resurfacing and road expansion projects funded by the one cent capital road sales tax. The CDBG Grant Program Special Revenue Fund had $836,222 of encumbrances at June 30, 2012.

Grants - During the year ended June 30, 2012, the Airport received grants from the FAA and TSA to fund certain improvements and expansions. In connection with these grants, the Airport is obligated to administer the program and spend the grant monies in accordance with regulatory restrictions and is subject to audit by the grantor agency. In the event of noncompliance, the agency may require the Airport to refund program awards.

Note 19. Risk Management

The County and its component units are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers compensation; and natural disasters for which commercial insurance is carried. The County and its component units carry commercial insurance to cover all losses, excluding vehicle comprehensive and collision coverage and including workers' compensation. During the year ended June 30, 2012, there were no significant reductions in insurance coverage from the prior year. Insured claims have not exceeded the County's coverage in any of the past five (5) years.

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

A. Explanation of differences between the governmental fund balance sheet and the government-wide statement of net assets

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

Total fund balances - governmental funds	$ 370,742,220
Capital assets (exclusive of Internal Service Fund Capital Assets) in governmental activities are not financial resources and therefore are not reported in the fund financial statements.	
Capital assets	804,606,635
Less, accumulated depreciation	(121,113,270)
Net amount reported	683,493,365
Some of the County's taxes will be collected after year end, but are not available soon enough to pay for current period expenditures.	
Property taxes, net of allowance for collectible	4,867,829
Accomodations Tax	896,067
Capital Project Sales Tax	12,671,746
Net amount reported	18,435,642
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Other general liabilities	(550,000)
Internal service funds are used by management to charge the costs of fleet services to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	29,499,267
OPEB costs reported in the statement of activities does not require the use of current financial resources and therefore is not reported as a liability in the governmental funds.	(20,675,390)
Long-term liabilities, including bonds payable that are not due and payable in the current period and, therefore, are not reported in these funds.	
General obligation bonds	(119,027,107)
Special obligation bonds & certificates of participation	(3,665,000)
Capital leases payable	(5,263,739)
Deferred charges, net	3,099,495
Bond premium	(2,386,423)
SC Transportation Infrastructure Bank Loan (SIB)	(260,420,370)
Less: Net present value adjustment of SIB loan	6,034,337
Compensated Absences	(13,400,756)
Accrued interest	(1,781,049)
Net amount reported	(396,810,611)
Net Assets, end of year - governmental activities	$ 684,134,493

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

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

The governmental fund statement of revenue, expenses and changes in fund balances includes a reconciliation between net changes in fund balance and changes in net assets-governmental activities. The details of the reconciled amounts are as follows:

Net change in fund balance - governmental funds	$ 26,153,148
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.	
Capital outlay expenditures	34,653,439
Depreciation expense	(14,593,840)
Net amount reported	20,059,599
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in these funds.	
Property taxes, capital project sales tax & accommodations tax	(400,711)
Contributed property is not reported as revenue in governmental funds. However, in the statement of activities, the cost of property contributed is reported in the current period. In the current period, these amounts are:	
Donation of capital assets	25,000
Some expenditures reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Net post employment benefit obligation	(1,577,887)
Accrued compensated absences	(366,259)
Imputed interest on SIB	(2,496,000)
Other general government expenditure liabilities	(550,000)
Net amount reported	(4,990,146)
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Repayments of G.O., S.O. bond & Certificates of Participation principal	10,920,090
Repayments of SC Transportation Infrastructure Bank Loan (SIB) principal	24,875,000
Payment to bond escrow agent on refunded debt	7,910,000
Proceeds from bonds	(8,740,000)
Proceeds from capital leases	(2,602,861)
Repayments of capital leases	2,599,949
Change in accrued interest expense and amortization of bond premium	658,737
Net amount reported	35,620,915
The net revenue and transfer of fund balance of certain activities of internal service funds reported with governmental activities.	3,615,441
Change in Net Assets - governmental activities	$ 80,083,246

Note 21. New Accounting Pronouncements

In February of 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* This Statement establishes new categories for reporting fund balance and revises the definitions for governmental fund types. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2010. The County implemented GASB 54 with June 30, 2011 reporting and recategorized June 30, 2010 fund balances for comparative reporting purposes. With the implementation of GASB 34 and the new definition for Special Revenue Funds, the County eliminated three previously reported Special Revenue Funds. They are: Hospitality 1.0%, Hospitality 1.5% and Local Accommodations. These revenues are recorded directly to the funds they benefit.

In November of 2010, the GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. This Statement establishes accounting and financial reporting guidance for service concession arrangements (SCA), which are a type of public-private or public-public partnership. These SCA's may include payments from the operator to the government for the right to build, operate or collect user fees on infrastructure or other public assets and provide for revenue sharing between the government and the operator during the term of the arrangement. The requirements of this Statement are effective for financial statements for reporting periods beginning after December 15, 2011. This Statement will have an impact with the Airport's financial statements but the amount has not yet been determined.

In November of 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34.* This Statement is to improve financial reporting for a governmental financial reporting entity. This statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity and financial reporting entity display and disclosure requirements. This statement also amends the criteria for reporting component units as if they were part of the primary government (blended component units) in certain circumstances. For component units that are currently blended based on the "substantively the same governing body" criterion, it additionally requires that 1) the primary government and the component unit have a financial benefit or burden relationship or 2) management (below the level of the elected officials) of the primary government have operational responsibility for the activities of the component unit. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2012. This Statement is not expected to have an impact on the County's financial statements.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.* This statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1) Financial Accounting Standards Board (FASB) Statement and Interpretations
2) Accounting Principles Board Opinions
3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011.

Note 21. New Accounting Pronouncements (continued)

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* This statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. State and local governments enter into transactions that result in the consumption or acquisition of net assets in one period that are applicable to future periods; resulting in deferred inflows or deferred outflows. Net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. This statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2011.

In June 2011, the GASB issued Statement No. 64, *Derivative instruments: Application of Hedge Accounting Termination Provisions.* This statement is to enhance the comparability and improve financial reporting by clarifying the circumstances in which hedge accounting should continue when a swap counterparty, or a swap counterparty's credit support provider, is replaced. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2011. This Statement has no impact on the County's financial statements.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities.* This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged.

In March 2012, the GASB issued Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62.* The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.* The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged.

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25.* The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures,* as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Earlier application is encouraged. This Statement is not expected to have an impact on the County's financial statements.

Note 21. New Accounting Pronouncements (continued)

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

Note 22. Subsequent Events

On October 2, 2012, Horry County Council granted final approval of Ordinance 60-12, authorizing the County to enter into a land sale contract for the conveyance of 1.93 acres of land at the Grand Strand Airport to the City of North Myrtle Beach for use by the City for the public utility purposes. Negotiations were ongoing as of the date of this report.

REQUIRED SUPPLEMENTARY INFORMATION

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

FOR THE YEAR ENDED JUNE 30, 2012

A. Basis of Budgeting

The policy established by the County with respect to the Budget is substantially the same as GAAP, with one exception. The County's budget basis accounting differs from GAAP in accounting for capital lease financing transactions. For budgetary basis accounting, these transactions are not recorded as other financing sources when funded and expenditures when the equipment is acquired, as required by GAAP.

However, there is no difference in fund balance because of this, thus the County considers its budget to be GAAP basis.

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULES

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2012
(with comparative actual amounts for for the year ended June 30, 2011)

	2012				2011
	Budget		Actual	Variance Positive	
	Original	Final	Amounts	(Negative)	Actual
Revenues					
Real property taxes	$ 64,954,601	$ 64,954,601	$ 64,479,022	$ (475,579)	$ 63,835,992
Personal property taxes	5,275,684	5,275,684	4,718,300	(557,384)	4,848,416
Vehicle taxes	3,921,715	3,921,715	4,284,754	363,039	4,114,530
Intergovernmental	11,262,200	11,301,131	11,109,646	(191,485)	11,648,370
Fees and fines	21,162,510	20,002,448	20,768,441	765,993	21,711,410
Documentary stamps	2,230,420	2,230,420	2,340,425	110,005	2,305,261
License and permits	6,050,200	6,050,200	6,537,417	487,217	6,272,169
Interest on investments	268,702	268,702	62,338	(206,364)	139,356
Cost allocation	2,985,856	2,985,856	3,167,359	181,503	3,054,482
Other	3,189,005	4,387,566	3,344,571	(1,042,995)	2,922,254
Total revenues	121,300,893	121,378,323	120,812,273	(566,050)	120,852,240
Expenditures					
General Government:					
County Council	1,044,669	1,396,392	826,123	570,269	868,299
County Administrator	505,947	434,028	369,089	64,939	448,207
Administration Division	173,120	173,120	165,448	7,672	163,460
Finance	1,152,940	1,152,940	1,120,264	32,676	941,719
Department Overhead	2,656,690	2,839,597	3,475,128	(635,531)	3,311,248
Human Resources	1,163,469	1,167,252	1,093,277	73,975	1,037,784
Procurement	389,296	389,296	352,944	36,352	318,621
IT/GIS	6,495,920	6,538,748	6,444,614	94,134	6,858,534
Assessor	3,148,131	3,145,348	2,927,061	218,287	2,885,761
Assessor Appeals Board	20,529	20,529	1,971	18,558	2,999
Registrar of Deeds	1,036,620	1,036,620	945,546	91,074	1,002,646
Maintenance	4,561,952	4,581,470	4,126,619	454,851	4,038,473
Voter Registration and Election	629,695	629,695	528,999	100,696	465,365
Public Information	293,296	293,296	269,537	23,759	252,518
Budget and Revenue Management	185,875	185,875	182,995	2,880	183,356
Treasurer	1,814,285	1,816,318	1,804,405	11,913	1,810,446
Auditor	1,379,826	1,379,826	1,371,735	8,091	1,362,541
Probate Judge	870,046	870,046	873,176	(3,130)	865,287
Master-in-equity	368,839	368,839	412,995	(44,156)	400,144
Legal	846,504	846,504	556,295	290,209	535,435
Grant Administration	430,705	405,075	44,204	360,871	89,382
Delegation	99,531	99,531	98,835	696	97,852
Hospitality	259,830	259,830	245,155	14,675	265,198
Business License	210,168	210,168	206,737	3,431	209,243
Total	29,737,883	30,240,343	28,443,152	1,797,191	28,414,520
Less, capital outlay	(927,576)	(540,922)	(514,668)	(26,254)	(167,532)
Net general government	28,810,307	29,699,421	27,928,484	1,770,937	28,246,988

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULES

GENERAL FUND

- CONTINUED -

	2012				2011
	Budget				
	Original	Final	Actual Amounts	Variance Positive (Negative)	Actual
Public Safety:					
Solicitor	5,157,911	5,162,011	5,137,942	24,069	5,258,167
Public Defender	1,420,678	1,420,678	1,404,519	16,159	1,486,165
Clerk of Court - Circuit DSS Family	2,416,617	2,416,850	2,536,603	(119,753)	2,489,693
Magistrate No. 1 Conway	267,052	267,052	266,201	851	263,944
Magistrate No. 2 Aynor	177,110	178,214	165,267	12,947	122,043
Magistrate No. 4 Mt. Olive	196,392	197,062	200,150	(3,088)	198,475
Magistrate No. 5 Loris	190,600	191,939	198,050	(6,111)	184,128
Magistrate No. 6 Myrtle Beach	324,009	324,587	310,934	13,653	320,940
Magistrate No. 7 Steven Cross Road	197,778	197,778	203,643	(5,865)	203,532
Magistrate No. 11 Surfside	173,278	173,278	177,090	(3,812)	177,636
Magistrate at Large No. 1	104,700	104,700	108,642	(3,942)	110,899
Magistrate at Large No. 2	353,173	353,173	362,311	(9,138)	361,422
Central Summary Court	570,189	585,609	581,430	4,179	508,183
800 MHZ Rebanding	1,713,631	1,744,053	1,739,055	4,998	1,940,842
Assistant County Administrator	311,127	338,783	335,424	3,359	487,056
Sheriff	3,085,003	4,837,830	4,834,220	3,610	3,138,158
Police	18,709,537	17,129,235	17,060,773	68,462	18,282,897
Central Processing - DSS	65,010	66,400	66,078	322	64,074
Emergency Preparedness	375,044	444,167	440,680	3,487	381,363
Emergency 911 Communications	2,762,619	2,763,859	2,700,222	63,637	2,541,735
Coroner	678,788	678,788	665,999	12,789	671,152
Detention Center	20,810,687	20,403,246	19,677,859	725,387	19,611,364
Emergency Medical Services	13,577,848	13,603,739	13,182,834	420,905	13,678,669
Animal Care Center	883,563	912,519	897,167	15,352	881,690
Pre-trial Intervention	641,539	641,539	564,436	77,103	522,772
Total	75,163,883	75,137,089	73,817,529	1,319,560	73,886,999
Less, capital outlay	(361,100)	(158,117)	(135,884)	(22,233)	(349,721)
Net public safety	74,802,783	74,978,972	73,681,645	1,297,327	73,537,278

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULES

GENERAL FUND

- CONTINUED -

	2012				2011
	Budget				
	Original	Final	Actual Amounts	Variance Positive (Negative)	Actual
Expenditures (continued)					
Infrastructure and Regulation:					
Assistant County Administrator	265,962	265,962	251,028	14,934	226,305
County Engineer	1,302,015	1,323,277	1,041,607	281,670	1,182,915
Public Works	8,003,164	8,483,585	7,173,757	1,309,828	7,185,322
Codes Enforcement	2,825,222	2,825,222	2,417,955	407,267	2,459,906
Planning	1,707,662	1,640,939	1,421,773	219,166	1,541,807
Total	14,104,025	14,538,985	12,306,120	2,232,865	12,596,255
Less, capital outlay	(25,500)	(63,817)	(53,688)	(10,129)	(551,090)
Net infrastructure and regulation	14,078,525	14,475,168	12,252,432	2,222,736	12,045,165
Health and Social Services:					
Medically Indigent Assistance Program	1,243,553	1,225,217	1,225,211	6	1,186,562
Health Department	140,000	140,000	125,516	14,484	121,677
Department of Social Services	80,000	84,792	83,202	1,590	73,132
Veteran Affairs	215,176	225,176	218,584	6,592	206,391
Total	1,678,729	1,675,185	1,652,513	22,672	1,587,762
Net health and social services	1,678,729	1,675,185	1,652,513	22,672	1,587,762
Culture, Recreation, and Tourism:					
Library	3,824,375	3,859,680	3,400,544	459,136	3,211,257
Museum	404,131	404,131	327,157	76,974	324,480
Total	4,228,506	4,263,811	3,727,701	536,110	3,535,737
Less, capital outlay	(10,100)	(31,215)	(31,214)	(1)	-
Net culture, recreation and tourism	4,218,406	4,232,596	3,696,487	536,109	3,535,737
Other:					
Other Agencies:	2,899,308	2,944,308	1,906,348	1,037,960	574,308
Total other	2,899,308	2,944,308	1,906,348	1,037,960	574,308
Capital outlay	1,324,276	794,071	735,454	58,617	1,068,343
Total expenditures	127,812,334	128,799,721	121,853,363	6,946,358	120,595,579
Excess of revenues over expenditures	(6,511,441)	(7,421,398)	(1,041,090)	6,380,308	256,661
Other Financial Sources (Uses)					
Sale of assets	100,000	100,000	207,794	107,794	88,581
Lease Financing	-	-	-	-	1,090,746
Transfers in	3,663,868	3,703,868	3,714,608	10,740	4,777,952
Transfers out	(2,851,210)	(3,246,250)	(3,243,535)	2,715	(7,032,778)
Total other financing sources (uses)	912,658	557,618	678,867	121,249	(1,075,499)
Extraordinary item	-	-	-	-	1,119,857
Net change in fund balance	(5,598,783)	(6,863,780)	(362,223)	6,501,557	301,019
Fund balance at beginning of year	37,063,884	37,063,884	37,063,884	-	36,762,865
Fund balance at end of year	$ 31,465,101	$ 30,200,104	$ 36,701,661	$ 6,501,557	$ 37,063,884

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

FOR THE YEAR END JUNE 30, 2012

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

Horry County's road system consists of approximately 52.00% paved roads and 48.00% unpaved roads. The condition of the road pavement is measured using several distress factors found in pavement surfaces. Horry County implemented a Pavement Management System (MicroPAVER) on July 1, 2010 in an effort to better assess the paved road network in the County. The pavement management system uses a measurement scale called a Pavement Condition Index (PCI) to rate road condition and the PCI is correlated to the 1-5 condition ranking. Each road is ranked from 1 for failed pavement to 5 for a pavement in perfect condition. The condition index is used to classify roads in good or better condition (rating 4 or 5), fair condition (rating 3), and substandard condition (rating 1 or 2). It is the County's goal to maintain at least 70 percent of its paved road system at fair or better condition level. No more than 30 percent should be in a substandard condition. Condition assessments are completed every year.

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

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

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

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

1) Horry County has experienced tremendous growth which has resulted in the growth of our paved road network by approximately 77% since the end of FY 2004.

2) The current economic conditions, as well as County Council's shifting $1,750,000 in revenue out of Road Fund (34) has resulted in a reduction in the road improvement fund. This loss of revenue has reduced the paving and resurfacing programs.

3) In May 2007, a one-cent sales tax was passed and is dedicated to specific road projects, included is the paving of 100 miles of dirt roads and the resurfacing of 67 miles of County maintained roads over a 7 year period.

*4) As stated above, Horry County implemented a MicroPAVER Pavement Management System on July 1, 2010. Each paved road has been inspected and ranked based on it's condition using the PCI (Pavement Condition Index). This program is much more accurate when determining the networks condition because each paved road is visited annually and rated. Since the new Pavement Management Program utilizes a PCI the figures & condition ratings for FY 11 do not correlate to previous numbers. The maintenance costs needed for roads in substandard condition decreased $5,267,831 primarily due to the new program in FY11. Maintenance costs needed at June 30, 2012 are $3,184,884.

5) In FY09 County Council increased the road maintenance fee by $10.00 and dedicated it to the resurfacing program.

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

Percentage of Miles in Fair or Better Condition Condition

	2012	2011*	2010
Arterial	81.1%	81.1%	57.1%
Collector	76.8%	72.8%	61.1%
Access	89.9%	85.7%	61.7%
Overall system	88.5%	84.4%	60.0%

Percentage of Miles in Substandard Condition

	2012	2011*	2010
Arterial	18.9%	18.9%	42.9%
Collector	23.2%	27.2%	38.9%
Access	10.1%	14.3%	38.3%
Overall System	11.5%	15.6%	40.0%

* Note 4 above

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

	Comparison of Needed-To-Actual Maintenance/Preservation				
	2012	2011*	2010	2009	2008
Arterial:					
Needed	$ 165,965	$ 165,965	$ 376,530	$ 304,911	$ 225,145
Actual	-	-	10,721	84,912	205,436
Collector:					
Needed	669,497	779,027	1,050,433	871,842	833,136
Actual	109,530	158,357	6,158	147,800	102,718
Access:					
Needed	2,349,422	3,253,398	8,039,258	6,716,057	5,366,741
Actual	903,976	1,728,335	1,345,558	1,231,778	1,558,480
Overall System:					
Needed	3,184,884	4,198,390	9,466,221	7,892,810	6,425,022
Actual	1,013,506	1,799,418	1,362,437	1,464,490	1,866,634
Difference	$ 2,171,378	$2,398,972	$ 8,103,784	$6,428,320	$4,558,388

* See Note 4 on previous page.

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

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

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

The Airport developed a Pavement Management and Maintenance Study (PMMS) in 2000 and again in 2010. The basis for the condition measurement of airfield systems using the Pavement Condition Index (PCI) are distresses found in the pavement surfaces. The airport has a PMMS completed periodically (5-10 years) or as required by the FAA.

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

The Airport is obligated by the FAA to maintain a current ALP for its airports. Additionally, the basis for the condition measurement of airfield-related runways, taxiways, aprons, etc. systems is based on the Airports' Master Plan which is periodically updated as part of the FAA required Airport Layout Plan (ALP).

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

The FAA requires the Airport to conduct a PMMS at least every five years. FAA 14 CFR Part 139 also requires the following activities: (3) daily assessments of the airfield, which include but are not limited to inspection of the Runway and Taxiways pavement, for wear or repair needs, painting/striping, signage, etc. An Inspection log is maintained, resulting in a traceable history of maintenance items addressed. General Aviation Airports are inspected annually by the State of South Carolina and monthly by the Airport.

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

The following table represents the estimated and actual maintenance costs of the MYR pavement infrastructure. During the past five years, maintenance and preservation of the infrastructure have been undertaken to prevent further deterioration of pavement condition while the Airport develops a comprehensive program to raise the average PCI to a level of 71 or greater. HCDA is currently in the preliminary design phase of the proposed rehabilitation of the MYR Runway which will greatly increase the average PCI for MYR in the future.

Fiscal year ended June 30,	Estimated Cost of Maintenance	Actual Cost of Maintenance
2012	$60,400	$96,900
2011	$44,000	$54,600
2010	$50,000	$43,500
2009	$54,000	$56,700
2008	$62,000	$41,500

From 2008 to today, the following pavement improvements to increase the capacity of the taxiways and ramps have taken place. While these projects have increased the capacity of the airfield system, they will also have a positive impact by increasing the weighted PCI for MYR:

- **MYR South Ramp Expansion ($3.6M)** - This project expanded the MYR commercial ramp size by nearly 50% in order to accommodate additional aircraft and the new terminal.

- **MYR "B-2" ($2.8M) –** This project included the construction of a new taxiway in order to general aviation and charter aircraft faster access to and from the runway.

- **MYR Ramp Rehabilitation ($2.8M)** - This project removed all remaining asphalt pavement on the Commercial Ramp at MYR and replaced it with 12 inches of P-501 Concrete over 5 inches of Cement Treated Base.

- **MYR Expansion of Taxiway "A" ($5M)** – In order to expand the existing Ramp for the proposed New Terminal, Taxiway "A" was expanded.

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

FOR THE YEAR END JUNE 30, 2012

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2008	$5,510,608	6.71%	$5,140,807
2009	$5,692,932	7.52%	$10,405,564
2010	$5,425,242	14.62%	$15,037,859
2011	$5,602,291	17.27%	$19,672,757
2012	$2,413,102	32.30%	$21,306,441

Funded status and Funding Progress

The funded status of the plan as of June 30, 2012 was as follows:

	Actuarial valuation date	Fiscal Year Ended	Actuarial value of plan assets (a)	Actuarial accrued liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded ratio (a/b)	Covered payroll (c)	UAAL as a percentage of covered payroll
General	6/30/2007	6/30/2008	$0	$30,307,044	$30,307,044	0.00%	$38,989,986	77.73%
Police	6/30/2007	6/30/2008	$0	$17,983,147	$17,983,147	0.00%	$30,483,561	58.99%
Airport	6/30/2007	6/30/2008	$0	$1,151,637	$1,151,637	0.00%	$4,349,632	26.48%
General	6/30/2007	6/30/2009	$0	$33,737,013	$33,737,013	0.00%	$36,659,940	92.03%
Police	6/30/2007	6/30/2009	$0	$21,214,682	$21,214,682	0.00%	$33,011,365	64.26%
Airport	6/30/2007	6/30/2009	$0	$1,366,632	$1,366,632	0.00%	$4,352,388	31.40%
General	6/30/2009	6/30/2010	$0	$28,891,592	$28,891,592	0.00%	$39,413,411	73.30%
Police	6/30/2009	6/30/2010	$0	$19,629,760	$19,629,760	0.00%	$35,285,743	55.63%
Airport	6/30/2009	6/30/2010	$0	$1,135,710	$1,135,710	0.00%	$4,202,436	27.03%
General	6/30/2009	6/30/2011	$0	$31,626,672	$31,626,672	0.00%	$39,864,688	79.34%
Police	6/30/2009	6/30/2011	$0	$21,695,771	$21,695,771	0.00%	$36,307,295	59.76%
Airport	6/30/2009	6/30/2011	$0	$1,257,921	$1,257,921	0.00%	$4,465,721	28.17%
General	6/30/2011	6/30/2012 *	$0	$9,301,650	$9,301,650	0.00%	$39,144,623	23.76%
Police	6/30/2011	6/30/2012 *	$0	$14,942,445	$14,942,445	0.00%	$36,035,496	41.47%
Airport	6/30/2011	6/30/2012 *	$0	$571,426	$571,426	0.00%	$4,595,620	12.43%

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

Schedule of Employer Contributions

	Fiscal Year Ended June 30,	Annual Required Contribution (ARC)	Actual Contribution	Percent of ARC Contributed
General	2008	$2,991,110	$266,149	8.90%
Police	2008	$2,364,135	$103,652	4.38%
Airport	2008	$155,363	$0	0.00%
General	2009	$3,080,843	$321,156	10.42%
Police	2009	$2,435,059	$107,019	4.39%
Airport	2009	$155,363	$0	0.00%
General	2010	$2,753,742	$555,709	20.18%
Police	2010	$2,497,144	$227,143	9.10%
Airport	2010	$139,935	$10,095	7.21%
General	2011	$2,836,355	$645,482	22.76%
Police	2011	$2,572,058	$304,768	11.85%
Airport	2011	$144,133	$17,143	11.89%
General	2012 *	$1,014,307	$591,395	58.31%
Police	2012 *	$1,269,653	$177,852	14.01%
Airport	2012 *	$64,065	$10,171	15.88%

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

OTHER FINANCIAL INFORMATION

COMBINING NON-MAJOR
GOVERNMENTAL FINANCIAL STATEMENTS

HORRY COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEETS

NON-MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

	Non-Major Special Revenue Funds	Non-Major Capital Improvement Funds	Non-Major Debt Service Funds	Total Non-Major Governmental Funds
Assets				
Cash and cash equivalents	$ 100	$ -	$ -	$ 100
Pooled cash and investments	37,483,711	249,913	14,575,191	52,308,815
Receivables, net:				
Property taxes	1,287,633	-	688,645	1,976,278
Accounts and other	619,548	-	-	619,548
Fees	1,486,204	-	-	1,486,204
Interest receivable	18,648	117	6,587	25,352
Due from other funds	150,567	-	248,680	399,247
Due from other governments	6,005,030	-	-	6,005,030
Prepaid items	19,574	-	-	19,574
Restricted assets	101,563	-	225,011	326,574
Total Assets	$ 47,172,578	$ 250,030	$ 15,744,114	$ 63,166,722
Liabilities and Fund Balances				
Liabilities:				
Accounts payable - trade	$ 2,722,152	$ 12,311	$ -	$ 2,734,463
Retainage payable	78,922	-	-	78,922
Accrued salaries and wages	571,887	-	-	571,887
Due to other funds	726,390	-	-	726,390
Due to other governments	46,718	-	-	46,718
Deferred revenue	4,215,440	-	537,051	4,752,491
Other liabilities	40	-	-	40
Total liabilities	8,361,549	12,311	537,051	8,910,911
Fund Balances:				
Nonspendable	19,574	-	-	19,574
Restricted for public safety	5,649,604	-	-	5,649,604
Restricted for culture, recreation and tourism	6,537,350	46,779	-	6,584,129
Restricted for infrastructure and regulation	21,519,100	190,940	-	21,710,040
Restricted for economic development	1,476,032	-	-	1,476,032
Restricted for health and social services	43,097	-	-	43,097
Restricted for debt service	-	-	15,207,063	15,207,063
Committed to public safety	737,201	-	-	737,201
Committed to culture, recreation and tourism	841,428	-	-	841,428
Committed to economic development	3,121,464	-	-	3,121,464
Unassigned (deficit)	(1,133,821)	-	-	(1,133,821)
Total fund balances	38,811,029	237,719	15,207,063	54,255,811
Total liabilities and fund balances	$ 47,172,578	$ 250,030	$ 15,744,114	$ 63,166,722

HORRY COUNTY, SOUTH CAROLINA

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

NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	Non-Major Special Revenue Funds	Non-Major Capital Improvement Funds	Non-Major Debt Service Funds	Total Non-Major Governmental Funds
Revenues				
Real property taxes	$ 22,169,549	$ -	$ 12,956,562	$ 35,126,111
Personal property taxes	1,942,768	-	968,340	2,911,108
Vehicle taxes	2,048,342	-	913,810	2,962,152
Intergovernmental	8,019,322	-	59,545	8,078,867
Accomodations tax	3,464,735	-	-	3,464,735
Fees and fines	13,827,706	-	-	13,827,706
Hospitality fees	2,841,296	-	2,157,032	4,998,328
Local accommodations tax	193,746	-	-	193,746
Interest on investments	27,098	230	180,499	207,827
Other	947,507	9,500	21,161	978,168
Total revenues	55,482,069	9,730	17,256,949	72,748,748
Expenditures				
Current:				
General government	281,205	-	-	281,205
Public safety	17,517,589	-	-	17,517,589
Infrastructure and regulation	16,714,837	-	-	16,714,837
Health and social services	783,031	-	-	783,031
Culture, recreation and tourism	6,059,544	29,499	-	6,089,043
Economic development	1,799,776	-	-	1,799,776
TECH and Higher Education Commission	-	-	4,547,000	4,547,000
Capital outlay	6,634,989	12,312	-	6,647,301
Debt service	-	-	16,468,357	16,468,357
Total expenditures	49,790,971	41,811	21,015,357	70,848,139
Excess (deficiency) of revenues over (under) expenditures	5,691,098	(32,081)	(3,758,408)	1,900,609
Other Financing Sources (Uses)				
Transfers in	1,011,110	-	1,761,642	2,772,752
Issuance of refunding bonds	-	-	8,740,000	8,740,000
Bond Premium	-	-	285,141	285,141
Sale of assets	8,061	-	-	8,061
Payment to refunded bond escrow agent	-	-	(8,881,281)	(8,881,281)
Transfers out	(8,061,053)	-	-	(8,061,053)
Total other financing sources (uses)	(7,041,882)	-	1,905,502	(5,136,380)
Net change in fund balance	(1,350,784)	(32,081)	(1,852,906)	(3,235,771)
Fund balances at beginning of year	40,161,813	269,800	17,059,969	57,491,582
Fund balances at end of year	$ 38,811,029	$ 237,719	$ 15,207,063	$ 54,255,811

INDIVIDUAL FUND FINANCIAL STATEMENTS

GENERAL FUND

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

HORRY COUNTY, SOUTH CAROLINA

GENERAL FUND
BALANCE SHEETS

As of June 30, 2012
(with comparative amounts as of June 30, 2011)

	2012	2011
Assets		
Cash and cash equivalents	**$ 2,904,008**	$ 2,870,993
Pooled cash and investments	**58,334,837**	49,013,508
Restricted Cash	**438,225**	-
Receivables, net:		
Property taxes	**4,148,238**	4,187,482
Accounts and other	**4,430,439**	3,595,117
Interest receivable	**55,687**	77,777
Due from other governments	**2,575,583**	2,909,713
Due from other funds	**1,524,099**	1,677,313
Inventories	**39,097**	35,252
Prepaid items	**130,158**	1,496,363
Total Assets	**$ 74,580,371**	$ 65,863,519
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 2,271,299**	$ 2,441,744
Accounts payable - other	**1,251,152**	1,378,047
Due to other governments	**2,009,386**	2,022,271
Accrued salaries and wages	**3,036,361**	2,641,068
Due to component unit	**102,278**	-
Due to other funds	**293,790**	59,758
Proceeds from sales held by Master in Equity	**3,418,120**	2,251,282
Due to taxpayers for overpayment	**2,099,951**	1,680,457
Funds held in trust - proceeds from sale of properties due to delinquent taxes	**13,291,522**	7,414,158
Other accrued liabilities	**4,462,423**	3,667,291
Deferred revenues	**5,642,428**	5,243,560
Total Liabilities	**37,878,710**	28,799,635
Fund balance:		
Nonspendable	**169,255**	1,531,615
Committed to public safety	**2,437**	39,589
Committed to culture, recreation and tourism	**431,306**	489,365
Committed to infrastructure & regulation	**759,415**	520,178
Committed to stabilization	**18,479,111**	18,744,714
Committed to other puposes	**8,371,317**	5,598,783
Committed to economic development	**1,037,960**	-
Assigned to OPEB	**342,785**	342,785
Unassigned	**7,108,075**	9,796,855
Total fund balance:	**36,701,661**	37,063,884
Total liabilities and fund balance	**$ 74,580,371**	$ 65,863,519

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE PERIOD JULY 1, 2011 THRU JUNE 30, 2012
(with comparative actual amounts for the period ended June 30, 2011)

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Property taxes:				
Real property taxes	**$ 64,954,601**	**$ 64,479,022**	**$ (475,579)**	$ 63,835,997
Personal property taxes	**5,275,684**	**4,718,300**	**(557,384)**	4,848,417
Vehicle taxes	**3,921,715**	**4,284,754**	**363,039**	4,114,530
Total property taxes	**74,152,000**	**73,482,076**	**(669,924)**	72,798,944
Intergovernmental:				
Federal grants	**549,290**	**556,899**	**7,609**	665,855
Inventory tax	**306,284**	**306,286**	**2**	306,286
State salary supplements	**7,875**	**7,875**	**-**	7,875
Board of registration	**-**	**6,776**	**6,776**	-
Veteran affairs	**6,579**	**6,184**	**(395)**	6,579
State shared	**8,450,000**	**8,288,962**	**(161,038)**	8,498,793
State - Library	**171,067**	**197,365**	**26,298**	189,403
Accommodations tax	**214,473**	**211,759**	**(2,714)**	217,990
Other - state	**541,832**	**453,675**	**(88,157)**	437,867
Solicitors	**576,123**	**700,060**	**123,937**	671,999
Public Defender	**339,560**	**283,153**	**(56,407)**	312,974
Public Defender - Georgetown	**138,048**	**90,653**	**(47,395)**	112,212
Total intergovernmental	**11,301,131**	**11,109,646**	**(191,485)**	11,427,832
Fees and Fines:				
Planning fees	**100,500**	**77,544**	**(22,956)**	85,911
EMS	**6,255,520**	**6,266,981**	**11,461**	6,283,211
RMC fees	**1,815,200**	**2,129,926**	**314,726**	1,865,655
Clerk of Court fees and fines	**739,125**	**762,261**	**23,136**	755,073
Library	**80,000**	**77,326**	**(2,674)**	77,597
Sheriff fines	**71,500**	**67,809**	**(3,691)**	76,723
Family court fees	**464,975**	**491,036**	**26,061**	475,600
Probate court fees	**569,829**	**593,815**	**23,986**	812,146
Magistrates' fees and fines	**2,701,828**	**2,513,569**	**(188,259)**	2,657,463
Prisoner Housing	**62,500**	**46,080**	**(16,420)**	46,848
Health department fees	**65,000**	**70,120**	**5,120**	69,345
Master in Equity fees	**2,500,000**	**2,766,420**	**266,420**	2,743,779
CATV fees	**2,350,000**	**2,524,341**	**174,341**	2,397,889
Beach franchise fees	**52,000**	**52,000**	**-**	51,999
Hospitality Fees	**1,088,385**	**1,191,522**	**103,137**	1,311,002
Local Accommodations Tax	**744,000**	**784,774**	**40,774**	744,503
Other	**342,086**	**352,917**	**10,831**	127,952
Total fees and fines	**20,002,448**	**20,768,441**	**765,993**	20,582,696

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenue (continued)				
RMC Documentary Stamps:	**2,230,420**	**2,340,425**	**110,005**	2,305,260
Licenses and Permits:				
Business licenses	**3,671,550**	**3,871,803**	**200,253**	3,843,609
Building inspection permits	**2,100,000**	**2,321,424**	**221,424**	2,106,250
Other permits	**93,650**	**131,040**	**37,390**	109,175
Marriage licenses	**185,000**	**213,150**	**28,150**	213,135
Total licenses and permits	**6,050,200**	**6,537,417**	**487,217**	6,272,169
Interest on investments:	**268,702**	**62,338**	**(206,364)**	139,356
Cost allocation:	**2,985,856**	**3,167,359**	**181,503**	3,054,482
Other:				
Casino Boat	**1,425,000**	**720,216**	**(704,784)**	1,518,195
Rent	**264,308**	**218,700**	**(45,608)**	227,015
Georgetown Solicitor fees	**1,071,012**	**981,549**	**(89,463)**	1,034,349
Other	**985,707**	**862,469**	**(123,238)**	970,957
Pre-Trial Intervention	**641,539**	**561,637**	**(79,902)**	520,988
Total other	**4,387,566**	**3,344,571**	**(1,042,995)**	4,271,503
Total revenue	**121,378,323**	**120,812,273**	**(566,050)**	120,852,243
Expenditures				
Current:				
General Government:				
County Council:				
Personal services	**503,550**	**503,550**	**-**	495,295
Contractual services	**155,200**	**127,496**	**27,704**	107,096
Supplies and material	**565,679**	**120,073**	**445,606**	174,771
Business and transportation	**163,861**	**75,004**	**88,857**	91,137
Capital outlay	**8,102**	**-**	**8,102**	-
Total	**1,396,392**	**826,123**	**570,269**	868,299
County Administrator:				
Personal services	**267,394**	**267,393**	**1**	262,818
Contractual services	**94,865**	**93,420**	**1,445**	168,459
Supplies and material	**1,801**	**1,800**	**1**	3,466
Business and transportation	**7,108**	**3,697**	**3,411**	10,710
Other	**2,779**	**2,779**	**-**	2,779
Contingency	**60,081**	**-**	**60,081**	(25)
Total	**434,028**	**369,089**	**64,939**	448,207

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
General Government (cont):				
Assistant County Administrator - Administration:				
Personal services	**164,200**	**160,765**	**3,435**	160,610
Contractual services	**4,600**	**1,246**	**3,354**	1,140
Supplies and material	**2,425**	**1,639**	**786**	784
Business and transportation	**1,895**	**1,798**	**97**	926
Total	**173,120**	**165,448**	**7,672**	163,460
Finance:				
Personal services	**1,087,815**	**1,059,627**	**28,188**	890,422
Contractual services	**27,955**	**28,535**	**(580)**	25,782
Supplies and material	**26,840**	**24,954**	**1,886**	24,598
Business and transportation	**1,975**	**1,003**	**972**	917
Capital outlay	**8,355**	**6,145**	**2,210**	-
Total	**1,152,940**	**1,120,264**	**32,676**	941,719
Department Overhead:				
Personal services	**172,426**	**800,896**	**(628,470)**	579,383
Contractual services	**1,849,023**	**1,856,085**	**(7,062)**	1,960,138
Supplies and material	**816,279**	**816,279**	**-**	770,677
Business and transportation	**1,869**	**1,868**	**1**	1,050
Total	**2,839,597**	**3,475,128**	**(635,531)**	3,311,248
Human Resources/Risk Management:				
Personal services	**1,023,116**	**994,706**	**28,410**	973,478
Contractual services	**71,142**	**50,257**	**20,885**	24,998
Supplies and material	**33,303**	**25,987**	**7,316**	24,682
Business and transportation	**16,390**	**12,369**	**4,021**	6,557
Other	**23,301**	**9,958**	**13,343**	8,068
Total	**1,167,252**	**1,093,277**	**73,975**	1,037,784
Procurement:				
Personal services	**368,771**	**338,277**	**30,494**	305,653
Contractual services	**9,842**	**5,363**	**4,479**	5,973
Supplies and material	**8,295**	**8,090**	**205**	5,713
Business and transportation	**2,388**	**1,214**	**1,174**	1,282
Total	**389,296**	**352,944**	**36,352**	318,621

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
General Government (cont):				
IT/GIS:				
Personal services	**2,286,518**	**2,195,388**	**91,130**	2,233,862
Contractual services	**2,974,289**	**2,975,506**	**(1,217)**	3,042,383
Supplies and material	**290,711**	**286,494**	**4,217**	223,072
Business and transportation	**25,631**	**25,630**	**1**	19,937
Capital outlay	**450,224**	**450,223**	**1**	1,332,556
Other	**511,375**	**511,374**	**1**	6,724
Total	**6,538,748**	**6,444,615**	**94,133**	6,858,534
Assessor:				
Personal services	**2,999,417**	**2,827,947**	**171,470**	2,784,225
Contractual services	**33,547**	**20,014**	**13,533**	20,371
Supplies and material	**36,009**	**22,457**	**13,552**	37,734
Business and transportation	**39,003**	**19,278**	**19,725**	17,605
Other	**37,372**	**37,365**	**7**	25,826
Total	**3,145,348**	**2,927,061**	**218,287**	2,885,761
Assessor Appeals Board:				
Personal services	**17,999**	**1,943**	**16,056**	2,981
Contractual services	**505**	**-**	**505**	-
Supplies and material	**2,025**	**28**	**1,997**	18
Total	**20,529**	**1,971**	**18,558**	2,999
Registrar of Deeds:				
Personal services	**944,379**	**859,565**	**84,814**	923,463
Contractual services	**45,267**	**43,981**	**1,286**	42,918
Supplies and material	**39,268**	**34,732**	**4,536**	27,853
Business and transportation	**7,706**	**7,268**	**438**	8,412
Total	**1,036,620**	**945,546**	**91,074**	1,002,646

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
General Government (cont):				
Maintenance:				
Personal services	**3,164,000**	**2,805,518**	**358,482**	2,789,472
Contractual services	**440,467**	**395,043**	**45,424**	379,938
Supplies and material	**674,907**	**661,979**	**12,928**	531,795
Business and transportation	**166,875**	**144,798**	**22,077**	116,847
Capital outlay	**74,240**	**58,300**	**15,940**	153,436
Other	**60,981**	**60,981**	**-**	66,985
Total	**4,581,470**	**4,126,619**	**454,851**	4,038,473
Voter Registration and Election:				
Personal services	**474,011**	**462,282**	**11,729**	339,573
Contractual services	**37,500**	**31,368**	**6,132**	19,812
Supplies and material	**111,328**	**31,458**	**79,870**	100,584
Business and transportation	**6,856**	**3,891**	**2,965**	2,609
Other	**-**	**-**	**-**	2,787
Total	**629,695**	**528,999**	**100,696**	465,365
Public Information:				
Personal services	**232,910**	**232,910**	**-**	229,600
Contractual services	**25,313**	**18,294**	**7,019**	15,573
Supplies and material	**33,473**	**17,779**	**15,694**	6,990
Business and transportation	**1,600**	**554**	**1,046**	355
Total	**293,296**	**269,537**	**23,759**	252,518
Budget and Revenue Management:				
Personal services	**178,655**	**178,403**	**252**	177,337
Contractual services	**360**	**105**	**255**	-
Supplies and material	**3,960**	**3,727**	**233**	2,787
Business and transportation	**2,900**	**760**	**2,140**	3,232
Total	**185,875**	**182,995**	**2,880**	183,356

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
General Government (cont):				
Treasurer:				
Personal services	**1,466,599**	**1,515,200**	**(48,601)**	1,485,042
Contractual services	**144,795**	**87,145**	**57,650**	148,636
Supplies and material	**180,000**	**179,334**	**666**	148,152
Business and transportation	**14,225**	**12,027**	**2,198**	10,865
Other	**10,699**	**10,699**	**-**	17,751
Total	**1,816,318**	**1,804,405**	**11,913**	1,810,446
Auditor:				
Personal services	**1,224,108**	**1,255,027**	**(30,919)**	1,255,762
Contractual services	**47,675**	**39,017**	**8,658**	37,653
Supplies and material	**88,355**	**61,294**	**27,061**	53,204
Business and transportation	**14,886**	**11,595**	**3,291**	9,277
Other	**4,802**	**4,802**	**-**	6,645
Total	**1,379,826**	**1,371,735**	**8,091**	1,362,541
Probate Judge:				
Personal services	**834,356**	**838,642**	**(4,286)**	825,216
Contractual services	**10,451**	**10,001**	**450**	10,587
Supplies and material	**21,603**	**21,394**	**209**	25,243
Business and transportation	**3,636**	**3,139**	**497**	4,241
Total	**870,046**	**873,176**	**(3,130)**	865,287
Master -in-Equity:				
Personal services	**319,250**	**357,996**	**(38,746)**	351,631
Contractual services	**43,834**	**49,275**	**(5,441)**	42,028
Supplies and material	**4,265**	**4,242**	**23**	5,770
Business and transportation	**1,490**	**1,482**	**8**	715
Total	**368,839**	**412,995**	**(44,156)**	400,144

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
General Government (cont):				
Legal:				
Personal services	**509,594**	**363,267**	**146,327**	351,753
Contractual services	**317,335**	**185,708**	**131,627**	173,863
Supplies and material	**6,075**	**3,675**	**2,400**	3,017
Business and transportation	**13,500**	**3,645**	**9,855**	6,802
Total	**846,504**	**556,295**	**290,209**	535,435
Grants Administration:				
Personal services	**118,479**	**39,114**	**79,365**	85,002
Contractual services	**281,132**	**3,048**	**278,084**	638
Supplies and material	**2,814**	**1,766**	**1,048**	3,742
Business and transportation	**2,650**	**276**	**2,374**	-
Total	**405,075**	**44,204**	**360,871**	89,382
Delegation:				
Personal services	**98,697**	**98,696**	**1**	97,557
Contractual services	**173**	**139**	**34**	149
Supplies and material	**400**	**-**	**400**	-
Business and transportation	**261**	**-**	**261**	146
Total	**99,531**	**98,835**	**696**	97,852
Hospitality:				
Personal services	**232,301**	**225,923**	**6,378**	248,486
Contractual services	**5,814**	**3,319**	**2,495**	2,779
Supplies and material	**12,115**	**8,143**	**3,972**	6,046
Business and transportation	**6,000**	**4,170**	**1,830**	4,435
Other	**3,600**	**3,600**	**-**	3,452
Total	**259,830**	**245,155**	**14,675**	265,198
Business License:				
Personal services	**195,188**	**195,187**	**1**	193,969
Contractual services	**5,131**	**3,372**	**1,759**	2,549
Supplies and material	**6,007**	**5,760**	**247**	6,022
Business and transportation	**3,841**	**2,414**	**1,427**	3,251
Other	**1**	**4**	**(3)**	3,452
Total	**210,168**	**206,737**	**3,431**	209,243
Total general government	**30,240,343**	**28,443,152**	**1,797,191**	28,414,520

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Public Safety:				
Solicitor:				
Personal services	**2,657,284**	**2,696,461**	**(39,177)**	2,728,744
Contractual services	**137,000**	**140,450**	**(3,450)**	158,051
Supplies and material	**53,791**	**52,718**	**1,073**	43,457
Business and transportation	**54,348**	**51,672**	**2,676**	52,607
Other	**50,232**	**50,232**	**-**	45,232
Total	**2,952,655**	**2,991,533**	**(38,878)**	3,028,091
Solicitor's Drug Enforcement Unit:				
Personal services	**193,456**	**201,775**	**(8,319)**	194,452
Contractual services	**44,748**	**44,205**	**543**	44,508
Supplies and material	**43,100**	**43,000**	**100**	40,000
Business and transportation	**2,300**	**2,025**	**275**	-
Other	**18,000**	**18,000**	**-**	-
Total	**301,604**	**309,005**	**(7,401)**	278,960
Solicitor's Drug Court:				
Personal services	**135,905**	**129,571**	**6,334**	135,526
Contractual services	**19,645**	**14,868**	**4,777**	16,184
Supplies and material	**49,342**	**7,934**	**41,408**	17,276
Business and transportation	**9,694**	**3,422**	**6,272**	2,310
Contingency	**1,315**	**-**	**1,315**	-
Total	**215,901**	**155,795**	**60,106**	171,296
Solicitor's Worthless Check Unit:				
Personal services	**161,262**	**118,669**	**42,593**	117,143
Contractual services	**8,171**	**4,924**	**3,247**	6,946
Supplies and material	**3,781**	**1,165**	**2,616**	2,225
Business and transportation	**2,800**	**65**	**2,735**	128
Contingency	**593**	**-**	**593**	-
Total	**176,607**	**124,823**	**51,784**	126,442
Public Defender:				
Personal services	**1,081,915**	**1,092,670**	**(10,755)**	1,094,607
Contractual services	**60,288**	**59,043**	**1,245**	99,976
Supplies and material	**28,900**	**25,684**	**3,216**	27,389
Business and transportation	**22,037**	**20,497**	**1,540**	42,013
Total	**1,193,140**	**1,197,894**	**(4,754)**	1,263,985

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Public Safety:				
Public Defender Georgetown:				
Personal services	**81,793**	**79,008**	**2,785**	83,655
Contractual services	**133,045**	**120,988**	**12,057**	132,603
Supplies and material	**8,000**	**4,470**	**3,530**	5,028
Business and transportation	**4,700**	**2,159**	**2,541**	894
Total	**227,538**	**206,625**	**20,913**	222,180
Solicitor Victim Witness Program:				
Personal services	**82,448**	**96,022**	**(13,574)**	94,291
Supplies and material	**2,000**	**-**	**2,000**	-
Business and transportation	**2,000**	**-**	**2,000**	-
Contingency	**1,072**	**-**	**1,072**	-
Total	**87,520**	**96,022**	**(8,502)**	94,291
Solicitor State Appropriations:				
Personal services	**531,789**	**604,038**	**(72,249)**	675,405
Contractual services	**-**	**-**	**-**	1,649
Supplies and material	**-**	**-**	**-**	2,172
Contingency	**1,530**	**-**	**1,530**	-
Total	**533,319**	**604,038**	**(70,719)**	679,226
Solicitor Georgetown:				
Personal services	**817,275**	**792,878**	**24,397**	817,452
Contractual services	**28,264**	**22,553**	**5,711**	29,916
Supplies and material	**31,675**	**28,853**	**2,822**	21,749
Business and transportation	**17,191**	**12,442**	**4,749**	10,744
Total	**894,405**	**856,726**	**37,679**	879,861
Clerk of Court:				
Personal services	**1,244,962**	**1,390,998**	**(146,036)**	1,308,885
Contractual services	**207,240**	**189,417**	**17,823**	207,129
Supplies and material	**91,733**	**72,787**	**18,946**	76,215
Business and transportation	**2,500**	**628**	**1,873**	558
Total	**1,546,435**	**1,653,830**	**(107,395)**	1,592,787

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Public Safety:				
Clerk of Court - DSS Family Court:				
Personal services	**559,890**	**574,184**	**(14,294)**	557,729
Contractual services	**11,922**	**11,466**	**456**	13,800
Supplies and material	**23,750**	**13,965**	**9,785**	21,132
Business and transportation	**1,269**	**55**	**1,214**	-
Total	**596,831**	**599,670**	**(2,839)**	592,661
Clerk of Court - Family Court:				
Personal services	**269,316**	**278,889**	**(9,573)**	301,355
Contractual services	**1,867**	**1,726**	**141**	618
Supplies and material	**2,401**	**2,398**	**3**	2,272
Other	**-**	**90**	**(90)**	-
Total	**273,584**	**283,103**	**(9,519)**	304,245
Magistrate No. 1 Conway:				
Personal services	**258,952**	**258,318**	**634**	258,027
Contractual services	**2,354**	**2,166**	**188**	2,067
Supplies and material	**4,161**	**4,135**	**26**	2,955
Business and transportation	**1,585**	**1,582**	**3**	895
Total	**267,052**	**266,201**	**851**	263,944
Magistrate No. 2 Aynor:				
Personal services	**155,750**	**150,211**	**5,539**	104,935
Contractual services	**15,590**	**8,436**	**7,154**	13,294
Supplies and material	**4,378**	**4,303**	**75**	3,196
Business and transportation	**2,496**	**2,317**	**179**	618
Total	**178,214**	**165,267**	**12,947**	122,043
Magistrate No. 4 Mt. Olive:				
Personal services	**179,542**	**187,426**	**(7,884)**	183,830
Contractual services	**12,165**	**8,600**	**3,565**	9,474
Supplies and material	**3,340**	**2,110**	**1,230**	2,119
Business and transportation	**2,015**	**2,014**	**1**	3,052
Total	**197,062**	**200,150**	**(3,088)**	198,475

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Public Safety (cont):				
Magistrate No. 5 Loris:				
Personal services	**177,200**	**191,244**	**(14,044)**	174,921
Contractual services	**5,635**	**1,600**	**4,035**	3,052
Supplies and material	**7,304**	**3,586**	**3,718**	4,055
Business and transportation	**1,800**	**1,620**	**180**	2,100
Total	**191,939**	**198,050**	**(6,111)**	184,128
Magistrate No. 6 Myrtle Beach:				
Personal services	**309,009**	**302,307**	**6,702**	310,723
Contractual services	**4,500**	**1,786**	**2,714**	1,772
Supplies and material	**9,328**	**6,281**	**3,047**	6,943
Business and transportation	**1,750**	**560**	**1,190**	1,502
Total	**324,587**	**310,934**	**13,653**	320,940
Magistrate No. 7 Stevens Cross Road:				
Personal services	**182,028**	**193,193**	**(11,165)**	192,588
Contractual services	**4,000**	**3,344**	**656**	3,085
Supplies and material	**6,250**	**4,378**	**1,872**	4,634
Business and transportation	**5,500**	**2,728**	**2,772**	3,225
Total	**197,778**	**203,643**	**(5,865)**	203,532
Magistrate No. 11 Surfside:				
Personal services	**166,898**	**171,349**	**(4,451)**	171,823
Contractual services	**1,977**	**1,620**	**357**	668
Supplies and material	**3,527**	**3,256**	**271**	4,384
Business and transportation	**876**	**863**	**13**	761
Total	**173,278**	**177,090**	**(3,812)**	177,636
Magistrate at Large No. 1:				
Personal services	**100,063**	**105,238**	**(5,175)**	104,649
Contractual services	**237**	**-**	**237**	-
Supplies and material	**400**	**25**	**375**	128
Business and transportation	**4,000**	**3,379**	**621**	6,122
Total	**104,700**	**108,642**	**(3,942)**	110,899

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Public Safety (cont):				
Magistrate at Large No. 2 - Detention:				
Personal services	**336,323**	**345,931**	**(9,608)**	345,286
Contractual services	**5,925**	**5,644**	**281**	6,743
Supplies and material	**7,600**	**7,512**	**88**	6,534
Business and transportation	**3,325**	**3,224**	**101**	2,859
Total	**353,173**	**362,311**	**(9,138)**	361,422
Central Summary Court:				
Personal services	**393,639**	**392,434**	**1,205**	378,681
Contractual services	**170,220**	**168,730**	**1,490**	111,966
Supplies and material	**19,500**	**18,366**	**1,134**	15,383
Business and transportation	**2,250**	**1,900**	**350**	2,153
Total	**585,609**	**581,430**	**4,179**	508,183
800 MHZ Rebanding:				
Personal services	**251,716**	**251,715**	**1**	170,902
Contractual services	**1,161,328**	**1,161,192**	**136**	984,428
Supplies and material	**133,879**	**129,482**	**4,397**	86,842
Business and transportation	**806**	**342**	**464**	3,386
Capital outlay	**46,888**	**46,888**	**-**	695,284
Other	**149,436**	**149,436**	**-**	-
Total	**1,744,053**	**1,739,055**	**4,998**	1,940,842
Assistant County Administrator - Public Safety:				
Personal services	**300,031**	**300,030**	**1**	301,950
Contractual services	**4,670**	**4,095**	**575**	4,463
Supplies and material	**4,324**	**4,244**	**80**	46,409
Business and transportation	**6,337**	**6,073**	**264**	6,801
Capital outlay	**-**	**-**	**-**	109,943
Other	**23,421**	**20,982**	**2,439**	17,490
Total	**338,783**	**335,424**	**3,359**	487,056
Sheriff:				
Personal services	**4,336,496**	**4,338,732**	**(2,236)**	2,840,252
Contractual services	**58,710**	**57,383**	**1,327**	44,000
Supplies and material	**73,902**	**62,611**	**11,291**	33,838
Business and transportation	**300,359**	**298,676**	**1,683**	137,229
Capital outlay	**92**	**8,547**	**(8,455)**	4,759
Other	**68,271**	**68,271**	**-**	78,080
Total	**4,837,830**	**4,834,220**	**3,610**	3,138,158

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Public Safety (cont):				
Police:				
Personal services	**14,162,401**	**14,165,283**	**(2,882)**	15,195,319
Contractual services	**367,228**	**355,746**	**11,482**	369,545
Supplies and material	**319,498**	**302,272**	**17,226**	363,953
Business and transportation	**1,287,527**	**1,247,391**	**40,136**	1,147,448
Capital outlay	**-**	**-**	**-**	51,439
Other	**992,581**	**990,081**	**2,500**	1,155,193
Total	**17,129,235**	**17,060,773**	**68,462**	18,282,897
Central Processing:				
Personal services	**59,315**	**60,971**	**(1,656)**	59,898
Contractual services	**6,385**	**4,530**	**1,855**	585
Supplies and material	**700**	**577**	**123**	-
Business and transportation	**-**	**-**	**-**	3,591
Total	**66,400**	**66,078**	**322**	64,074
Emergency Management:				
Personal services	**357,658**	**355,478**	**2,180**	292,513
Contractual services	**23,229**	**22,194**	**1,035**	25,033
Supplies and material	**26,082**	**25,920**	**162**	27,309
Business and transportation	**24,127**	**24,017**	**110**	23,437
Other	**13,071**	**13,071**	**-**	13,071
Total	**444,167**	**440,680**	**3,487**	381,363
Emergency 911 Communications:				
Personal services	**2,699,094**	**2,648,428**	**50,666**	2,482,623
Contractual services	**48,490**	**41,789**	**6,701**	43,798
Supplies and material	**12,375**	**8,600**	**3,775**	12,375
Business and transportation	**3,900**	**1,405**	**2,495**	2,939
Total	**2,763,859**	**2,700,222**	**63,637**	2,541,735
Coroner:				
Personal services	**348,511**	**358,153**	**(9,642)**	356,957
Contractual services	**283,547**	**268,278**	**15,269**	276,049
Supplies and material	**9,163**	**7,816**	**1,347**	6,276
Business and transportation	**20,100**	**14,285**	**5,815**	14,977
Other	**17,467**	**17,467**	**-**	16,893
Total	**678,788**	**665,999**	**12,789**	671,152

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Public Safety (cont):				
Detention Center:				
Personal services	**15,025,510**	**14,560,446**	**465,064**	15,599,739
Contractual services	**2,804,976**	**2,656,985**	**147,991**	1,253,966
Supplies and material	**2,143,205**	**2,070,464**	**72,741**	2,312,687
Business and transportation	**268,066**	**258,559**	**9,507**	223,597
Capital outlay	**79,800**	**49,717**	**30,083**	141,104
Other	**81,689**	**81,689**	**-**	80,271
Total	**20,403,246**	**19,677,860**	**725,386**	19,611,364
Emergency Medical Services:				
Personal services	**11,172,137**	**10,879,582**	**292,555**	11,402,488
Contractual services	**426,117**	**393,192**	**32,925**	389,139
Supplies and material	**646,274**	**557,019**	**89,255**	579,121
Business and transportation	**686,690**	**681,125**	**5,565**	614,531
Capital outlay	**31,337**	**30,733**	**604**	8,370
Other	**641,184**	**641,184**	**-**	685,020
Total	**13,603,739**	**13,182,834**	**420,905**	13,678,669
Animal Care Center				
Personal services	**694,539**	**685,626**	**8,913**	675,407
Contractual services	**64,260**	**59,926**	**4,334**	61,936
Supplies and material	**125,796**	**124,555**	**1,241**	104,788
Business and transportation	**16,630**	**15,766**	**864**	14,659
Capital outlay	**-**	**-**	**-**	14,300
Other	**11,294**	**11,294**	**-**	10,600
Total	**912,519**	**897,167**	**15,352**	881,690
Pre-Trial Intervention:				
Personal services	**637,502**	**564,002**	**73,500**	522,772
Contractual services	**-**	**292**	**(292)**	-
Business and transportation	**142**	**142**	**-**	-
Contingency	**3,895**	**-**	**3,895**	-
Total	**641,539**	**564,436**	**77,103**	522,772
Total public safety	**75,137,089**	**73,817,529**	**1,319,560**	73,886,999

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Infrastructure & Regulation				
Assistant County Administrator - Infrastructure & Regulation:				
Personal services	**241,785**	**235,085**	**6,700**	210,277
Contractual services	**18,277**	**10,411**	**7,866**	11,619
Supplies and material	**2,800**	**2,557**	**243**	2,803
Business and transportation	**3,100**	**2,975**	**125**	1,606
Total	**265,962**	**251,028**	**14,934**	226,305
County Engineer:				
Personal services	**1,050,599**	**806,533**	**244,066**	951,030
Contractual services	**183,887**	**160,080**	**23,807**	148,672
Supplies and material	**13,250**	**12,448**	**802**	6,955
Business and transportation	**51,768**	**38,773**	**12,995**	39,378
Capital outlay	**-**	**-**	**-**	17,807
Other	**23,773**	**23,773**	**-**	19,073
Total	**1,323,277**	**1,041,607**	**281,670**	1,182,915
Public Works:				
Personal services	**3,901,247**	**3,313,834**	**587,413**	3,361,471
Contractual services	**298,992**	**285,166**	**13,826**	342,103
Supplies and material	**1,222,616**	**524,159**	**698,457**	565,031
Business and transportation	**1,349,311**	**1,349,308**	**3**	1,229,458
Capital outlay	**63,817**	**53,688**	**10,129**	533,283
Other	**1,647,602**	**1,647,602**	**-**	1,153,976
Total	**8,483,585**	**7,173,757**	**1,309,828**	7,185,322
Code Enforcement:				
Personal services	**2,547,689**	**2,159,562**	**388,127**	2,210,308
Contractual services	**28,715**	**27,619**	**1,096**	26,700
Supplies and material	**53,356**	**43,608**	**9,748**	27,564
Business and transportation	**133,365**	**125,069**	**8,296**	117,747
Other	**62,097**	**62,097**	**-**	77,587
Total	**2,825,222**	**2,417,955**	**407,267**	2,459,906
Planning:				
Personal services	**1,563,101**	**1,362,867**	**200,234**	1,467,330
Contractual services	**43,496**	**30,765**	**12,731**	34,643
Supplies and material	**16,206**	**11,918**	**4,288**	23,697
Business and transportation	**14,316**	**12,403**	**1,913**	12,317
Other	**3,820**	**3,820**	**-**	3,820
Total	**1,640,939**	**1,421,773**	**219,166**	1,541,807
Total infrastructure & regulation	**14,538,985**	**12,306,120**	**2,232,865**	12,596,255

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Health and Social Services:				
Veteran Affairs:				
Personal services	**210,732**	**207,588**	**3,144**	199,556
Contractual services	**4,828**	**2,208**	**2,620**	1,553
Supplies and material	**5,721**	**4,958**	**763**	2,978
Business and transportation	**3,895**	**3,830**	**65**	2,304
Total	**225,176**	**218,584**	**6,592**	206,391
Medically Indigent Assistance Program:				
Personal services	**59,372**	**59,371**	**1**	56,684
Contractual services	**95**	**94**	**1**	73
Supplies and material	**1,305**	**1,301**	**4**	941
Other	**1,164,445**	**1,164,445**	**-**	1,128,864
Total	**1,225,217**	**1,225,211**	**6**	1,186,562
Health Department	**140,000**	**125,516**	**14,484**	121,677
Department of Social Services	**84,792**	**83,202**	**1,590**	73,132
Total health and social services	**1,675,185**	**1,652,513**	**22,672**	1,587,762
Culture, Recreation and Tourism:				
Library:				
Personal services	**2,722,035**	**2,472,580**	**249,455**	2,421,805
Contractual services	**520,200**	**386,326**	**133,874**	287,750
Supplies and material	**536,160**	**477,778**	**58,382**	456,342
Business and transportation	**40,290**	**22,866**	**17,424**	28,572
Capital outlay	**31,215**	**31,214**	**1**	-
Other	**9,780**	**9,780**	**-**	16,788
Total	**3,859,680**	**3,400,544**	**459,136**	3,211,257
Museum:				
Personal services	**307,908**	**256,223**	**51,685**	252,514
Contractual services	**62,983**	**50,500**	**12,483**	47,406
Supplies and material	**23,481**	**15,187**	**8,294**	18,016
Business and transportation	**7,667**	**3,155**	**4,512**	4,452
Other	**2,092**	**2,092**	**-**	2,092
Total	**404,131**	**327,157**	**76,974**	324,480
Total culture, recreation and tourism	**4,263,811**	**3,727,701**	**536,110**	3,535,737

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2012			2011
	Final Budget	**Actual**	**Variance Positive (Negative)**	Actual
Expenditures (continued)				
Other Agencies:				
Total other agencies	**2,944,308**	**1,906,348**	**1,037,960**	574,308
Total expenditures	**128,799,721**	**121,853,363**	**6,946,358**	120,595,581
Excess of revenue over expenditures	**(7,421,398)**	**(1,041,090)**	**6,380,308**	256,661
Other Financing Sources (Uses)				
Sale of assets	**100,000**	**207,794**	**107,794**	88,581
Lease financing	**-**	**-**	**-**	1,090,746
Transfers in	**3,703,868**	**3,714,608**	**10,740**	4,777,951
Transfer out	**(3,246,250)**	**(3,243,535)**	**2,715**	(7,032,777)
Total other financing sources (uses)	**557,618**	**678,867**	**121,249**	(1,075,499)
Extraordinary item	-	-	-	1,119,857
Net change in fund balance	**(6,863,780)**	**(362,223)**	**6,501,557**	301,019
Fund balance at beginning of year	**37,063,884**	**37,063,884**	**-**	36,762,865
Fund balance at end of year	**$ 30,200,104**	**$ 36,701,661**	**$ 6,501,557**	$ 37,063,884

SPECIAL REVENUE FUNDS

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

Fire – accounts for operations of thirty-three (33) stations throughout rural Horry County. Funding is provided by property taxes levied on the unincorporated area of the County.

Tourism and Promotion – accounts for the revenue derived from State levied room tax earmarked for the promotion of tourism in South Carolina.

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

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

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

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

Road Maintenance & CTC – accounts for revenue derived from a $30 fee on registered vehicles, intergovernmental revenue, and operating transfers-in earmarked for the maintenance and/or improvements of the County's road system and public works operation.

Beach Nourishment – accounts for revenue earmarked for beach nourishment.

Grants – accounts for revenue earmarked for all grants.

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

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

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

Baseball Stadium – accounts for revenue and expenditures associated with the County's portion of the baseball stadium management.

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

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

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

SPECIAL REVENUE FUNDS

- CONTINUED -

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

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

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

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

Local Accommodations Tax – accounts for special revenue derived from local government accommodations tax. With the implementation of GASB 54 and the new definition of a special revenue fund, these revenues are now recorded directly to the funds they service.

Recreation – accounts for revenue and expenditures associated with the County's recreation.

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

June 30, 2012

	Non-Major Funds										
	Fire	Tourism & Promotion	Waste Management Recycling	Watersheds	Mt Gilead	Socastee Recreation	Road Maintenance & CTC	Beach Nourishment	Grants	Admissions Tax	Victim Witness Assistance
Assets											
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pooled cash and investments	3,911,879	655,969	7,751,725	618,983	386,949	315,324	9,999,773	3,055,142	6,430	639,525	-
Receivables, net:											
Property taxes	756,697	-	319,103	6,141	827	7,730	-	-	-	-	-
Accounts and other	3,494	504,968	-	-	-	152	-	35,750	-	-	32,376
Fees	-	-	-	-	-	-	1,348,155	-	-	-	-
Interest Receivable	2,349	397	3,799	338	173	123	4,658	1,363	91	285	-
Prepaid items	19,574	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	141,921	-	-	-
Due from other governments	1,639	2,282,433	-	-	-	-	915,205	-	1,200,979	-	-
Restricted assets	-	-	-	-	-	-	-	-	-	-	-
Total assets	$4,695,632	$3,443,767	$ 8,074,627	$ 625,462	$ 387,949	$ 323,329	$ 12,267,791	$ 3,234,176	$1,207,500	$ 639,810	$ 32,376
Liabilities and Fund Balance											
Liabilities											
Accounts payable-trade	$ 84,883	$ 788,268	$ 514,203	$ -	$ 1,087	770	$ 711,274	$ 1,062	$ 55,380	$ -	$ 3,286
Retainage payable	-	-	-	-	-	-	26,833	-	52,089	-	-
Accrued salaries and wages	303,451	39,808	-	-	-	-	20,116	-	50,366	-	15,770
Due to other funds	-	105,458	-	-	-	-	-	141,564	7,235	-	22,655
Due to other governments	-	-	-	-	-	-	-	-	-	-	-
Deferred revenues	621,056	1,673,292	257,903	5,286	319	5,889	1,353,055	-	-	-	110,369
Other liabilities	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,009,390	2,606,826	772,106	5,286	1,406	6,659	2,111,278	142,626	165,070	-	152,080
Fund balances:											
Nonspendable	19,574	-	-	-	-	-	-	-	-	-	-
Restricted for public safety	3,666,668	-	-	-	-	-	-	-	389,398	-	-
Restricted for culture, recreation and tourism	-	836,941	-	-	-	316,670	-	2,250,122	5,095	-	-
Restricted for infrastructure and regulation	-	-	7,302,521	620,176	386,543	-	10,156,513	-	28,691	-	-
Restricted for economic development	-	-	-	-	-	-	-	-	-	639,810	-
Restricted for health and social services	-	-	-	-	-	-	-	-	-	-	-
Committed to public safety	-	-	-	-	-	-	-	-	619,246	-	-
Committed to culture, recreation and tourism	-	-	-	-	-	-	-	841,428	-	-	-
Committed to economic development	-	-	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-	(119,704)
Total fund balances / (deficit)	3,686,242	836,941	7,302,521	620,176	386,543	316,670	10,156,513	3,091,550	1,042,430	639,810	(119,704)
Total liabilities and fund balances	$4,695,632	$3,443,767	$ 8,074,627	$ 625,462	$ 387,949	$ 323,329	$ 12,267,791	$ 3,234,176	$1,207,500	$ 639,810	$ 32,376

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2012

	Non-Major Funds										
	Senior Citizen	Baseball Stadium	Arcadian Shores	Industrial Parks	Stormwater Management	GIS/IT	B&C MCBP	E-911	CDBG Grant Program	Recreation	Total Non-Major Funds
Assets											
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 100	$ 100
Pooled cash and investments	47,778	152,340	65,011	3,120,207	2,910,425	118,079	505,909	204,064	-	3,018,199	37,483,711
Receivables, net:											
Property taxes	36,278	-	430	-	-	-	-	-	-	160,427	1,287,633
Accounts and other	-	-	-	-	7,136	-	-	-	-	35,672	619,548
Fees	-	-	-	-	65,741	-	-	72,308	-	-	1,486,204
Interest Receivable	57	-	28	1,436	1,529	44	235	187	-	1,556	18,648
Prepaid items	-	-	-	-	-	-	-	-	-	-	19,574
Due from other funds	-	8,646	-	-	-	-	-	-	-	-	150,567
Due from other governments	-	-	-	-	-	-	-	1,322,869	281,905	-	6,005,030
Restricted assets	-	101,563	-	-	-	-	-	-	-	-	101,563
Total assets	$ 84,113	$ 262,549	$ 65,469	$ 3,121,643	$ 2,984,831	$ 118,123	$ 506,144	$ 1,599,428	$ 281,905	$ 3,215,954	$ 47,172,578
Liabilities and Fund Balance											
Liabilities											
Accounts payable-trade	$ 12,812	$ -	$ 971	$ 179	$ 385,925	$ 168	$ -	$ 532	$ 68,334	$ 93,018	$ 2,722,152
Retainage payable	-	-	-	-	-	-	-	-	-	-	78,922
Accrued salaries and wages	-	-	-	-	46,403	-	-	5,358	6,584	84,031	571,887
Due to other funds	-	-	242,491	-	-	-	-	-	206,987	-	726,390
Due to other governments	-	46,718	-	-	-	-	-	-	-	-	46,718
Deferred revenues	28,204	-	(98)	-	33,951	-	-	-	-	126,214	4,215,440
Other liabilities	-	-	-	-	40	-	-	-	-	-	40
Total Liabilities	41,016	46,718	243,364	179	466,319	168	-	5,890	281,905	303,263	8,361,549
Fund balances:											
Nonspendable	-	-	-	-	-	-	-	-	-	-	19,574
Restricted for public safety	-	-	-	-	-	-	-	1,593,538	-	-	5,649,604
Restricted for culture, recreation and tourism	-	215,831	-	-	-	-	-	-	-	2,912,691	6,537,350
Restricted for infrastructure and regulation	-	-	-	-	2,518,512	-	506,144	-	-	-	21,519,100
Restricted for economic development	-	-	-	-	-	-	-	-	836,222	-	1,476,032
Restricted for health and social services	43,097	-	-	-	-	-	-	-	-	-	43,097
Committed to public safety	-	-	-	-	-	117,955	-	-	-	-	737,201
Committed to culture, recreation and tourism	-	-	-	-	-	-	-	-	-	-	841,428
Committed to economic development	-	-	-	3,121,464	-	-	-	-	-	-	3,121,464
Unassigned (deficit)	-	-	(177,895)	-	-	-	-	-	(836,222)	-	(1,133,821)
Total fund balances / (deficit)	43,097	215,831	(177,895)	3,121,464	2,518,512	117,955	506,144	1,593,538	-	2,912,691	38,811,029
Total liabilities and fund balances	$ 84,113	$ 262,549	$ 65,469	$ 3,121,643	$ 2,984,831	$ 118,123	$ 506,144	$ 1,599,428	$ 281,905	$ 3,215,954	$ 47,172,578

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012

	Non-Major Funds										
	Fire	Tourism & Promotion	Waste Management Recycling	Watersheds	Mt Gilead	Socastee Recreation	Road Maintenance & CTC	Beach Nourishment	Grants	Admissions Tax	Victim Witness Assistance
Revenues											
Real property taxes	$ 12,565,244	$ -	$ 5,582,469	$ 93,204	$ 30,106	$ 184,299	$ -	$ -	$ -	$ -	$ -
Personal property taxes	1,179,247	-	488,464	-	-	-	-	-	-	-	-
Vehicle taxes	1,228,483	-	530,637	-	1,509	-	-	-	-	-	-
Intergovernmental	26,594	-	-	-	-	-	1,156,903	-	3,036,608	-	-
Accommodations tax	-	2,954,735	-	-	-	-	-	510,000	-	-	-
Fees and fines	-	-	-	-	-	-	7,411,645	-	-	-	432,825
Hospitality fees	-	-	-	-	-	-	2,766,296	-	-	-	-
Local accommodations tax	-	-	-	-	-	-	-	193,746	-	-	-
Interest	3,775	1,092	5,958	613	269	304	5,507	2,773	137	540	-
Other	36,341	671	(702)	-	-	157,147	2,431	53,333	20,350	-	-
Total revenues	15,039,684	2,956,498	6,606,826	93,817	31,884	341,750	11,342,782	759,852	3,057,095	540	432,825
Expenditures											
Current:											
General government	-	-	-	-	-	-	-	-	281,205	-	-
Public safety	12,745,252	1,348,767	-	-	-	-	-	-	2,081,535	-	484,221
Infrastructure and regulation	-	-	5,740,625	10,820	36,463	-	5,999,225	-	-	-	-
Health and social services	-	-	-	-	-	-	-	-	-	-	-
Culture, recreation and tourism	-	1,478,639	-	-	-	87,541	-	123,057	4,886	-	-
Economic development	-	-	-	-	-	-	-	-	19,855	-	-
Capital Outlay	94,113	1,827	265,714	-	-	7,500	4,499,450	-	1,101,450	-	-
Total expenditures	12,839,365	2,829,233	6,006,339	10,820	36,463	95,041	10,498,675	123,057	3,488,931	-	484,221
Excess (deficiency) of revenues over (under) expenditures	2,200,319	127,265	600,487	82,997	(4,579)	246,709	844,107	636,795	(431,836)	540	(51,396)
Other Financing Sources (Uses)											
Transfers in	-	-	-	-	-	-	153,300	186,758	277,904	-	8,080
Sale of Assets	8,061	-	-	-	-	-	-	-	-	-	-
Transfers out	(2,016,442)	(250,000)	-	-	-	(19,611)	(2,225,000)	-	-	-	-
Total other financing sources (uses)	(2,008,381)	(250,000)	-	-	-	(19,611)	(2,071,700)	186,758	277,904	-	8,080
Net change in fund balance	191,938	(122,735)	600,487	82,997	(4,579)	227,098	(1,227,593)	823,553	(153,932)	540	(43,316)
Fund balances (deficit), at beginning of year	3,494,304	959,676	6,702,034	537,179	391,122	89,572	11,384,106	2,267,997	1,196,362	639,270	(76,388)
Fund balances (deficit), at end of year	$ 3,686,242	$ 836,941	$ 7,302,521	$ 620,176	$ 386,543	$ 316,670	$ 10,156,513	$ 3,091,550	$ 1,042,430	$ 639,810	$ (119,704)

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012

	Non-Major Funds										
	Senior Citizen	Baseball Stadium	Arcadian Shores	Industrial Parks	Stormwater	GIS/IT	B&C MCBP	E-911	CDBG Grant Program	Recreation	Total Non-Major Funds
Revenues											
Real property taxes	$ 690,886	$ -	$ 63,942	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,959,399	$ 22,169,549
Personal property taxes	51,488	-	-	-	-	-	-	-	-	223,569	1,942,768
Vehicle taxes	48,720	-	-	-	-	-	-	-	-	238,993	2,048,342
Intergovernmental	-	-	-	-	-	77,871	-	1,931,425	1,789,921	-	8,019,322
Accommodations tax	-	-	-	-	-	-	-	-	-	-	3,464,735
Fees and fines	-	15,851	-	711,667	4,510,946	5,131	-	739,641	-	-	13,827,706
Hospitality fees	-	75,000	-	-	-	-	-	-	-	-	2,841,296
Local accommodations tax	-	-	-	-	-	-	-	-	-	-	193,746
Interest	24	669	51	1,239	1,313	98	(872)	1,411	-	2,197	27,098
Other	-	-	2,500	-	1,400	-	-	-	-	674,036	947,507
Total revenues	791,118	91,520	66,493	712,906	4,513,659	83,100	(872)	2,672,477	1,789,921	4,098,194	55,482,069
Expenditures											
Current:											
General government	-	-	-	-	-	-	-	-	-	-	281,205
Public safety	-	-	-	-	-	29,052	-	828,762	-	-	17,517,589
Infrastructure and regulation	-	-	33,186	72,488	4,429,753	-	392,277	-	-	-	16,714,837
Health and social services	783,031	-	-	-	-	-	-	-	-	-	783,031
Culture, recreation and tourism	-	272,842	-	-	-	-	-	-	-	4,092,579	6,059,544
Economic development	-	-	-	-	-	-	-	-	1,779,921	-	1,799,776
Capital Outlay	-	-	-	48,116	44,031	-	-	-	-	572,788	6,634,989
Total expenditures	783,031	272,842	33,186	120,604	4,473,784	29,052	392,277	828,762	1,779,921	4,665,367	49,790,971
Excess (deficiency) of revenues over (under) expenditures	8,087	(181,322)	33,307	592,302	39,875	54,048	(393,149)	1,843,715	10,000	(567,173)	5,691,098
Other Financing Sources (Uses)											
Transfers in	-	231,057	-	-	-	-	-	-	-	154,011	1,011,110
Sale of Assets	-	-	-	-	-	-	-	-	-	-	8,061
Transfers out	-	-	-	(500,000)	(240,000)	-	-	(2,800,000)	(10,000)	-	(8,061,053)
Total other financing sources (uses)	-	231,057	-	(500,000)	(240,000)	-	-	(2,800,000)	(10,000)	154,011	(7,041,882)
Net change in fund balance	8,087	49,735	33,307	92,302	(200,125)	54,048	(393,149)	(956,285)	-	(413,162)	(1,350,784)
Fund balances (deficit), at beginning of year	35,010	166,096	(211,202)	3,029,162	2,718,637	63,907	899,293	2,549,823	-	3,325,853	40,161,813
Fund balances (deficit), at end of year	$ 43,097	$ 215,831	$ (177,895)	$ 3,121,464	$ 2,518,512	$ 117,955	$ 506,144	$ 1,593,538	$ -	$ 2,912,691	$ 38,811,029

HORRY COUNTY, SOUTH CAROLINA

FIRE SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 3,911,879**	$ 3,331,611
Receivables, net:		
Property taxes	**756,697**	788,903
Other	**3,494**	-
Interest Receivable	**2,349**	5,507
Due from other governments	**1,639**	375,922
Prepaid items	**19,574**	23,311
Total assets	**$ 4,695,632**	$ 4,525,254
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 84,883**	$ 67,943
Accrued salaries and wages	**303,451**	272,028
Deferred revenues	**621,056**	690,979
Total liabilities	**1,009,390**	1,030,950
Fund balance:		
Nonspendable	**19,574**	23,311
Restricted for public safety	**3,666,668**	3,470,993
Total fund balance	**3,686,242**	3,494,304
Total liabilities and fund balance	**$ 4,695,632**	$ 4,525,254

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 12,532,000**	**$ 12,565,244**	**$ 33,244**	$ 12,711,400
Personal property taxes	**1,265,000**	**1,179,247**	**(85,753)**	1,271,740
Vehicle taxes	**1,195,780**	**1,228,483**	**32,703**	1,215,092
Intergovernmental	**26,585**	**26,594**	**9**	195,148
Interest	**4,500**	**3,775**	**(725)**	9,591
Other	**-**	**36,341**	**36,341**	714
Total revenues	**15,023,865**	**15,039,684**	**15,819**	15,403,685
Expenditures				
Current:				
Public safety:				
Personal services	**9,107,564**	**9,378,800**	**(271,236)**	9,583,646
Contractual services	**1,302,383**	**1,161,476**	**140,907**	1,189,062
Supplies & Materials	**543,426**	**429,879**	**113,547**	251,478
Business & Transportation	**915,356**	**829,678**	**85,678**	690,262
Capital outlay	**84,517**	**94,113**	**(9,596)**	9,368
Indirect cost allocation	**945,419**	**945,419**	**-**	1,117,391
Total expenditures	**12,898,665**	**12,839,365**	**59,300**	12,841,207
Excess of revenues over expenditures	**2,125,200**	**2,200,319**	**75,119**	2,562,478
Other Financing Sources (Uses)				
Sale of Assets	**-**	**8,061**	**8,061**	2,872
Transfers out	**(2,125,200)**	**(2,016,442)**	**108,758**	(2,162,305)
Total other financing sources (uses)	**(2,125,200)**	**(2,008,381)**	**116,819**	(2,159,433)
Net change in fund balance	**-**	**191,938**	**191,938**	403,045
Fund balance at beginning of year	**3,494,304**	**3,494,304**	**-**	3,091,259
Fund balance at end of year	**$ 3,494,304**	**$ 3,686,242**	**$ 191,938**	$ 3,494,304

HORRY COUNTY, SOUTH CAROLINA

TOURISM & PROMOTION SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

Assets	**2012**	2011
Pooled cash and investments	**$ 655,969**	$ 282,779
Accounts receivable, net:		
Other	**504,968**	2,259
Interest Receivable	**397**	509
Due from other governments	**2,282,433**	1,135,919
Total assets	**$ 3,443,767**	$ 1,421,466
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 788,268**	$ 395,475
Accrued salaries and wages	**39,808**	31,911
Due to other funds	**105,458**	34,404
Deferred Revenue	**1,673,292**	-
Total liabilities	**2,606,826**	461,790
Fund balance:		
Restricted for culture, recreation and tourism	**836,941**	959,676
Total fund balance	**836,941**	959,676
Total liabilities and fund balance	**$ 3,443,767**	$ 1,421,466

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Accommodations tax	**$ 3,090,000**	**$ 2,954,735**	**$ (135,265)**	$ 3,156,813
Interest	**1,500**	**1,092**	**(408)**	1,981
Other	**-**	**671**	**671**	704
Total revenues	**3,091,500**	**2,956,498**	**(135,002)**	3,159,498
Expenditures				
Current:				
Public safety				
Beach Patrol:				
Personal services	**1,007,065**	**948,314**	**58,751**	864,657
Contractual services	**107,864**	**103,330**	**4,534**	95,552
Supplies & Materials	**40,295**	**24,483**	**15,812**	11,221
Business & Transportation	**172,419**	**147,146**	**25,273**	149,238
Capital outlay	**12,600**	**1,827**	**10,773**	8,088
Other	**232,854**	**125,494**	**107,360**	123,374
Total beach patrol	**1,573,097**	**1,350,594**	**222,503**	1,252,130
Culture, Recreation and Tourism:				
Contributions to other agencies	**1,542,250**	**1,478,639**	**63,611**	1,403,803
Total culture, recreation and tourism	**1,542,250**	**1,478,639**	**63,611**	1,403,803
Total expenditures	**3,115,347**	**2,829,233**	**286,114**	2,655,933
Excess of revenues over expenditures	**(23,847)**	**127,265**	**151,112**	503,565
Other Financing Sources (Uses)				
Transfers out	**(250,000)**	**(250,000)**	**-**	-
Total other financing sources (uses)	**(250,000)**	**(250,000)**	**-**	-
Net change in fund balance	**(273,847)**	**(122,735)**	**151,112**	503,565
Fund balance at beginning of year	**959,676**	**959,676**	**-**	456,111
Fund balance at end of year	**$ 685,829**	**$ 836,941**	**$ 151,112**	$ 959,676

HORRY COUNTY, SOUTH CAROLINA

WASTE MANAGEMENT SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

Assets	**2012**	2011
Pooled cash and investments	**$ 7,751,725**	$ 7,514,942
Receivables, net:		
Property taxes	**319,103**	326,691
Interest Receivable	**3,799**	11,018
Total assets	**$ 8,074,627**	$ 7,852,651
Liabilities and Fund Balance		
Liabilities:		
Accounts payable -trade	**$ 514,203**	$ -
Due to component unit	**-**	866,808
Deferred revenues	**257,903**	283,809
Total liabilities	**772,106**	1,150,617
Fund balance:		
Restricted for infrastructure and regulation	**7,302,521**	6,702,034
Total fund balance	**7,302,521**	6,702,034
Total liabilities and fund balance	**$ 8,074,627**	$ 7,852,651

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 5,633,470**	**$ 5,582,469**	**$ (51,001)**	$ 5,643,878
Personal property taxes	**503,500**	**488,464**	**(15,036)**	527,000
Vehicle taxes	**511,500**	**530,637**	**19,137**	521,571
Interest	**18,000**	**5,958**	**(12,042)**	22,915
Other	**-**	**(702)**	**(702)**	43
Total revenues	**6,666,470**	**6,606,826**	**(59,644)**	6,715,407
Expenditures				
Current:				
Infrastructure and Regulation:				
Contractual services	**6,662,179**	**5,737,475**	**924,704**	5,651,075
Capital outlay	**1,305,285**	**265,714**	**1,039,571**	1,151,313
Indirect cost allocation	**10,851**	**3,150**	**7,701**	2,484
Total expenditures	**7,978,315**	**6,006,339**	**1,971,976**	6,804,872
Excess (deficiency) of revenues over (under) expenditures	**(1,311,845)**	**600,487**	**1,912,332**	(89,465)
Net change in fund balance	**(1,311,845)**	**600,487**	**1,912,332**	(89,465)
Fund balance at beginning of year	**6,702,034**	**6,702,034**	**-**	6,791,499
Fund balance at end of year	**$ 5,390,189**	**$ 7,302,521**	**$ 1,912,332**	$ 6,702,034

HORRY COUNTY, SOUTH CAROLINA

WATERSHED SPECIAL REVENUE FUNDS
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 618,983**	$ 535,711
Receivables, net:		
Property taxes	**6,141**	7,585
Interest receivable	**338**	892
Total assets	**$ 625,462**	$ 544,188
Liabilties and Fund Balance		
Liabilities:		
Deferred revenues	**$ 5,286**	$ 7,009
Total liabilities	**5,286**	7,009
Fund balance:		
Restricted for infrastructure and regulation	**620,176**	537,179
Total fund balance	**620,176**	537,179
Total liabilities and fund balance	**$ 625,462**	$ 544,188

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 92,785**	**$ 93,204**	**$ 419**	$ 94,660
Interest	**2,025**	**613**	**(1,412)**	1,941
Total revenues	**94,810**	**93,817**	**(993)**	96,601
Expenditures				
Current:				
Infrastructure and Regulation:				
Contractual services	**92,746**	**4,644**	**88,102**	15,973
Indirect cost allocation	**2,064**	**6,176**	**(4,112)**	1,852
Total expenditures	**94,810**	**10,820**	**83,990**	17,825
Excess (deficiency) of revenues over (under) expenditures	**-**	**82,997**	**82,997**	78,776
Net change in fund balance	**-**	**82,997**	**82,997**	78,776
Fund balance at beginning of year	**537,179**	**537,179**	**-**	458,403
Fund balance at end of year	**$ 537,179**	**$ 620,176**	**$ 82,997**	$ 537,179

HORRY COUNTY, SOUTH CAROLINA

MT. GILEAD SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

Assets	**2012**	2011
Pooled cash and investments	**$ 386,949**	$ 392,675
Receivables, net:		
Property taxes	**827**	1,175
Interest receivable	**173**	546
Total assets	**$ 387,949**	$ 394,396
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 1,087**	$ 2,281
Deferred revenues	**319**	993
Total Liabilities	**1,406**	3,274
Fund balance:		
Restricted for infrastructure and regulation	**386,543**	391,122
Total Fund balance	**386,543**	391,122
Total liabilities and fund balance	**$ 387,949**	$ 394,396

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 29,875**	**$ 30,106**	**$ 231**	$ 30,359
Personal property taxes	**15**	**-**	**(15)**	100
Vehicle taxes	**-**	**1,509**	**1,509**	2,067
Interest	**1,500**	**269**	**(1,231)**	1,115
Total revenues	**31,390**	**31,884**	**494**	33,641
Expenditures				
Current:				
Infrastructure and Regulation:				
Personal services	**602**	**602**	**-**	602
Contractual services	**24,586**	**18,190**	**6,396**	21,066
Supplies and materials	**15,000**	**15,000**	**-**	900
Other	**14,108**	**-**	**14,108**	-
Indirect cost allocation	**4,979**	**2,671**	**2,308**	1,462
Total expenditures	**59,275**	**36,463**	**22,812**	24,030
Excess (deficiency) of revenues over (under) expenditures	**(27,885)**	**(4,579)**	**23,306**	9,611
Net change in fund balance	**(27,885)**	**(4,579)**	**23,306**	9,611
Fund balance at beginning of year	**391,122**	**391,122**	**-**	381,511
Fund balance at end of year	**$ 363,237**	**$ 386,543**	**$ 23,306**	$ 391,122

HORRY COUNTY, SOUTH CAROLINA

SOCASTEE RECREATION SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 315,324**	$ 91,204
Receivables, net:		
Property taxes	**7,730**	8,065
Other	**152**	
Interest Receivable	**123**	56
Total assets	**$ 323,329**	$ 99,325
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	**$ 770**	$ 3,933
Deferred revenues	**5,889**	5,820
Total liabilities	**6,659**	9,753
Fund balance:		
Restricted for culture, recreation and tourism	**316,670**	89,572
Total fund balance	**316,670**	89,572
Total liabilities and fund balance	**$ 323,329**	$ 99,325

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 184,250**	**$ 184,299**	**$ 49**	$ 186,050
Personal property taxes	**50**	**-**	**(50)**	41
Interest	**100**	**304**	**204**	119
Other	**-**	**157,147**	**157,147**	24,474
Total revenues	**184,400**	**341,750**	**157,350**	210,684
Expenditures				
Current:				
Culture, Recreation and Tourism:				
Personal services	**1,932**	**1,932**	**-**	1,932
Contractual services	**44,118**	**24,793**	**19,325**	13,966
Supplies and materials	**12,000**	**2,000**	**10,000**	8,322
Capital Outlay	**36,614**	**7,500**	**29,114**	-
Other	**69,125**	**58,816**	**10,309**	28,106
Indirect cost allocation	**1,000**	**-**	**1,000**	25,789
Total expenditures	**164,789**	**95,041**	**69,748**	78,115
Excess (deficiency) of revenues over (under) expenditures	**19,611**	**246,709**	**227,098**	132,569
Other Financing Sources (Uses)				
Transfers out	**(19,611)**	**(19,611)**	**-**	(19,798)
Total other financing sources (uses)	**(19,611)**	**(19,611)**	**-**	(19,798)
Net change in fund balance	**-**	**227,098**	**227,098**	112,771
Fund balance at beginning of year	**89,572**	**89,572**	**-**	(23,199)
Fund balance at end of year	**$ 89,572**	**$ 316,670**	**$ 227,098**	$ 89,572

HORRY COUNTY, SOUTH CAROLINA

ROAD MAINTENANCE & CTC SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 9,999,773**	$ 11,840,382
Receivables, net:		
Fees	**1,348,155**	1,226,125
Interest Receivable	**4,658**	18,040
Due from other governments	**915,205**	415,983
Total assets	**$ 12,267,791**	$ 13,500,530
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 711,274**	$ 864,876
Retainage payable	**26,833**	5,288
Accrued salaries and wages	**20,116**	20,135
Deferred revenues	**1,353,055**	1,226,125
Total liabilities	**2,111,278**	2,116,424
Fund balance:		
Restricted for infrastructure and regulation	**10,156,513**	11,384,106
Total fund balance	**10,156,513**	11,384,106
Total liabilities and fund balance	**$ 12,267,791**	$ 13,500,530

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Intergovernmental	**$ 4,290,694**	**$ 1,156,903**	**$ (3,133,791)**	$ 1,220,372
Fees	**7,361,510**	**7,411,645**	**50,135**	7,394,105
Hospitality fees	**2,699,583**	**2,766,296**	**66,713**	2,628,509
Interest	**40,000**	**5,507**	**(34,493)**	37,728
Other	**5,000**	**2,431**	**(2,569)**	4,364
Total revenues	**14,396,787**	**11,342,782**	**(3,054,005)**	11,285,078
Expenditures				
Current:				
Engineer:				
Contractual services	**45,371**	**31,833**	**13,538**	7,929
Capital outlay-infrastructure	**690,581**	**690,581**	**-**	-
Construction contracts	**8,101,928**	**2,881,883**	**5,220,045**	3,053,505
Indirect cost allocation	**427,707**	**427,707**	**-**	401,148
Total engineer	**9,265,587**	**4,032,004**	**5,233,583**	3,462,582
Operations:				
Personal services	**623,688**	**551,480**	**72,208**	592,693
Contractual services	**39,193**	**36,361**	**2,832**	215,968
Supplies & Materials	**17,613**	**14,288**	**3,325**	12,276
Business & Transportation	**148,554**	**142,296**	**6,258**	144,087
Capital outlay	**92,296**	**92,296**	**-**	28,150
Capital outlay-infrastructure	**10,320,102**	**3,716,573**	**6,603,529**	4,337,614
Distributions to Municipalities	**1,458,896**	**1,494,460**	**(35,564)**	1,473,053
Other	**344,266**	**344,266**	**-**	86,769
Indirect cost allocation	**74,651**	**74,651**	**-**	94,773
Total operations	**13,119,259**	**6,466,671**	**6,652,588**	6,985,383
Total expenditures	**22,384,846**	**10,498,675**	**11,886,171**	10,447,965
Excess (deficiency) of revenues over (under) expenditures	**(7,988,059)**	**844,107**	**8,832,166**	837,113
Other Financing Sources (Uses)				
Transfers in	**153,300**	**153,300**	**-**	168,000
Transfers out	**(2,225,000)**	**(2,225,000)**	**-**	(2,939,655)
Total other financing sources (uses)	**(2,071,700)**	**(2,071,700)**	**-**	(2,771,655)
Net change in fund balance	**(10,059,759)**	**(1,227,593)**	**8,832,166**	(1,934,542)
Fund balance at beginning of year	**11,384,106**	**11,384,106**	**-**	13,318,648
Fund balance at end of year	**$ 1,324,347**	**$ 10,156,513**	**$ 8,832,166**	$ 11,384,106

HORRY COUNTY, SOUTH CAROLINA

BEACH NOURISHMENT SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 3,055,142**	$ 2,498,057
Receivables, net:		
Other	**35,750**	30,332
Interest receivable	**1,363**	3,090
Due from other funds	**141,921**	94,161
Total assets	**$ 3,234,176**	$ 2,625,640
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	**$ 1,062**	$ -
Due to other funds	**141,564**	357,643
Total liabilities	**142,626**	357,643
Fund balance:		
Restricted for culture, recreation and tourism	**2,250,122**	1,669,433
Committed to culture,recreation and tourism	**841,428**	598,564
Total fund balance	**3,091,550**	2,267,997
Total liabilities and fund balance	**$ 3,234,176**	$ 2,625,640

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Accommodations tax	**$ 510,000**	**$ 510,000**	**$ -**	$ 510,000
Local Accommodations tax	**186,000**	**193,746**	**7,746**	183,775
Interest	**-**	**2,773**	**2,773**	6,707
Other	**-**	**53,333**	**53,333**	19,879
Total revenues	**696,000**	**759,852**	**63,852**	720,361
Expenditures				
Current:				
Culture, Recreation and Tourism:				
Contractual services	**215,857**	**123,057**	**92,800**	94,963
Other	**757,022**	**-**	**757,022**	-
Total expenditures	**972,879**	**123,057**	**849,822**	94,963
Excess (deficiency) of revenues over (under) expenditures	**(276,879)**	**636,795**	**913,674**	625,398
Other Financing Sources (Uses)				
Transfers in	**189,473**	**186,758**	**(2,715)**	193,504
Total other financing sources (uses)	**189,473**	**186,758**	**(2,715)**	193,504
Net change in fund balance	**(87,406)**	**823,553**	**910,959**	818,902
Fund balance at beginning of year	**2,267,997**	**2,267,997**	**-**	1,449,095
Fund balance at end of year	**$ 2,180,591**	**$ 3,091,550**	**$ 910,959**	$ 2,267,997

HORRY COUNTY, SOUTH CAROLINA

GRANTS SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 6,430**	$ 17,802
Receivables, net:		
Other	**-**	178
Interest receivable	**91**	533
Due from other governments	**1,200,979**	1,683,002
Total assets	**$ 1,207,500**	$ 1,701,515
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 55,380**	$ 465,045
Accrued salaries and wages	**50,366**	40,108
Retainage payable	**52,089**	-
Due to other funds	**7,235**	-
Total liabilities	**165,070**	505,153
Fund balance:		
Restricted for public safety	**389,398**	755,163
Restricted for culture, recreation and tourism	**5,095**	-
Restricted for economic development	**28,691**	-
Committed to public safety	**619,246**	441,199
Total fund balance	**1,042,430**	1,196,362
Total liabilities and fund balance	**$ 1,207,500**	$ 1,701,515

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Intergovernmental	**$ 4,701,582**	**$ 3,036,608**	**$ (1,664,974)**	$ 3,084,658
Interest	**-**	**137**	**137**	924
Other	**40,100**	**20,350**	**(19,750)**	35,301
Total revenues	**4,741,682**	**3,057,095**	**(1,684,587)**	3,120,883
Expenditures				
Current:				
General Government:				
Personal services	**18,530**	**20,911**	**(2,381)**	30,570
Contractual services	**43,920**	**43,920**	**-**	-
Supplies & Materials	**6,330**	**1,400**	**4,930**	-
Business & Transportation	**-**	**-**	**-**	26
Grant projects	**214,974**	**214,974**	**-**	429,392
Capital outlay	**945,217**	**873,075**	**72,142**	764,137
Total general government	**1,228,971**	**1,154,280**	**74,691**	1,224,125
Public safety:				
Personal services	**1,980,785**	**1,278,147**	**702,638**	961,794
Contractual services	**595,905**	**288,833**	**307,072**	148,403
Supplies & Materials	**702,115**	**433,966**	**268,149**	257,902
Business & Transportation	**60,713**	**37,029**	**23,684**	11,908
Capital outlay	**473,573**	**228,375**	**245,198**	525,854
Other	**44,102**	**43,560**	**542**	15,759
Total public safety	**3,857,193**	**2,309,910**	**1,547,283**	1,921,620
Culture, Recreation and Tourism				
Contractual services	**1,500**	**1,889**	**(389)**	3,377
Supplies & Materials	**30,689**	**2,931**	**27,758**	40,958
Capital outlay	**-**	**-**	**-**	22,420
Grant projects	**103**	**66**	**37**	314
Other	**188**	**-**	**188**	-
Total culture, recreation and tourism	**32,480**	**4,886**	**27,594**	67,069
Economic Development:				
Personal services	**-**	**-**	**-**	20,478
Supplies & Materials	**2,504**	**1,706**	**798**	646
Capital outlay	**146,566**	**-**	**146,566**	259,953
Grant projects	**276,900**	**18,149**	**258,751**	-
Total economic development	**425,970**	**19,855**	**406,115**	281,077
Total expenditures	**5,544,614**	**3,488,931**	**2,055,683**	3,493,891
Excess (deficiency) of revenues over (under) expenditures	**(802,932)**	**(431,836)**	**371,096**	(373,008)
Other Financing Sources (Uses)				
Transfers in	**277,904**	**277,904**	**-**	381,009
Total other financing sources (uses)	**277,904**	**277,904**	**-**	381,009
Net change in fund balance	**(525,028)**	**(153,932)**	**371,096**	8,001
Fund balance at beginning of year	**1,196,362**	**1,196,362**	**-**	1,188,361
Fund balance at end of year	**$ 671,334**	**$ 1,042,430**	**$ 371,096**	$ 1,196,362

HORRY COUNTY, SOUTH CAROLINA

ADMISSIONS TAX SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

Assets	**2012**	2011
Pooled cash and investments	**$ 639,525**	$ 638,468
Interest receivable	**285**	802
Total assets	**$ 639,810**	$ 639,270
Liabilities and Fund Balance		
Fund balance		
Restricted for economic development	**$ 639,810**	$ 639,270
Total fund balance	**639,810**	639,270
Total liabilities and fund balance	**$ 639,810**	$ 639,270

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Intergovernmental	**$ -**	**$ -**	**$ -**	$ 15,030
Interest	**-**	**540**	**540**	1,933
Total revenues	**-**	**540**	**540**	16,963
Expenditures				
Current:				
Other	**$ -**	**$ -**	**-**	$ -
Total expenditures	**-**	**-**	**-**	-
Excess (deficiency) of revenues over (under) expenditures	**-**	**540**	**540**	16,963
Net change in fund balance	**-**	**540**	**540**	16,963
Fund balance at beginning of year	**639,270**	**639,270**	**-**	622,307
Fund balance at end of year	**$ 639,270**	**$ 639,810**	**$ 540**	$ 639,270

HORRY COUNTY, SOUTH CAROLINA

HOSPITALITY 1.5% FEE SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Cash and cash equivalents	**$ -**	$ -
Pooled cash and investments	**-**	-
Receivables, net:		
Fees	**-**	-
Interest receivable	**-**	-
Total assets	**$ -**	$ -
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	**$ -**	$ -
Deferred revenue	**-**	-
Total liabilities	**-**	-
Fund balance:		
Unassigned	**-**	-
Total fund balance (deficit)	**-**	-
Total liabilities and fund balance	**$ -**	$ -

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Fees and fines	**$ -**	**$ -**	**$ -**	$ -
Interest	**-**	**-**	**-**	1,787
Total revenues	**-**	**-**	**-**	1,787
Excess of revenues over expenditures	**-**	**-**	**-**	1,787
Other Financing Sources (Uses)				
Transfers out - RIDE Debt Service	**-**	**-**	**-**	-
Transfers out - General Fund	**-**	**-**	**-**	-
Total other financing sources (uses)	**-**	**-**	**-**	-
Net change in fund balance	**-**	**-**	**-**	1,787
Fund balance (deficit) at beginning of year	**-**	**-**	**-**	(1,787)
Fund balance (deficit) at end of year	**$ -**	**$ -**	**$ -**	$ -

HORRY COUNTY, SOUTH CAROLINA

HOSPITALITY 1.0% FEE SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Cash and cash equivalents	**$ -**	$ -
Pooled cash and investments	**-**	-
Receivables, net:		
Fees	**-**	-
Interest receivable	**-**	-
Total assets	**$ -**	**$ -**
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	**$ -**	$ -
Deferred revenues	**-**	-
Total liabilities	**-**	**-**
Fund balance:		
Restricted for debt service	**-**	-
Restricted for culture, recreation and tourism	**-**	-
Restricted for infrastructure and regulation	**-**	-
Total fund balance	**-**	**-**
Total liabilities and fund balance	**$ -**	**$ -**

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Fees and fines	**$ -**	**$ -**	**$ -**	$ -
Interest	**-**	**-**	**-**	-
Total revenues	**-**	**-**	**-**	-
Expenditures				
Current:				
General Government:				
Other	**-**	**-**	**-**	-
Total expenditures	**-**	**-**	**-**	-
Excess of revenues over expenditures	**-**	**-**	**-**	-
Other Financing Sources (Uses)				
Transfers out	**-**	**-**	**-**	(3,350,783)
Total other financing sources (uses)	**-**	**-**	**-**	(3,350,783)
Net change in fund balance	**-**	**-**	**-**	(3,350,783)
Fund balance at beginning of year	**-**	**-**	**-**	3,350,783
Fund balance at end of year	**$ -**	**$ -**	**$ -**	$ -

HORRY COUNTY, SOUTH CAROLINA

VICTIM WITNESS ASSISTANCE SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Receivables, net:		
Accounts Receivable	**$ 32,376**	$ 33,810
Total assets	**$ 32,376**	$ 33,810
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	**$ 3,286**	$ 254
Accrued salaries and wages	**15,770**	13,868
Due to other funds	**22,655**	96,076
Deferred revenues	**110,369**	-
Total liabilities	**152,080**	110,198
Fund balance:		
Unassigned	**(119,704)**	(76,388)
Total fund balance (deficit)	**(119,704)**	(76,388)
Total liabilities and fund balance	**$ 32,376**	$ 33,810

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Fees and fines	**$ 456,366**	**$ 432,825**	**$ (23,541)**	$ 457,403
Interest	**500**	**-**	**(500)**	-
Total revenues	**456,866**	**432,825**	**(24,041)**	457,403
Expenditures				
Current:				
Public safety				
Detention:				
Personal services	**171,519**	**211,287**	**(39,768)**	216,900
Contractual services	**6,500**	**3,721**	**2,779**	3,213
Supplies & Materials	**4,500**	**3,790**	**710**	4,225
Business & Transportation	**5,400**	**2,187**	**3,213**	1,120
Other	**8,080**	**-**	**8,080**	-
Total detention	**195,999**	**220,985**	**(24,986)**	225,458
Victim Witness:				
Personal services	**55,996**	**55,432**	**564**	55,150
Contractual services	**585**	**585**	**-**	292
Supplies & Materials	**914**	**866**	**48**	-
Business & Transportation	**3,201**	**2,673**	**528**	865
Total victim witness	**60,696**	**59,556**	**1,140**	56,307
Solicitor:				
Personal services	**194,289**	**195,790**	**(1,501)**	239,391
Contractual services	**2,800**	**2,234**	**566**	1,785
Supplies & Materials	**6,817**	**5,656**	**1,161**	1,563
Business & Transportation	**3,845**	**-**	**3,845**	1,207
Total solicitor	**207,751**	**203,680**	**4,071**	243,946
Total expenditures	**464,446**	**484,221**	**(19,775)**	525,711
Excess (deficiency) of revenues over (under) expenditures	**(7,580)**	**(51,396)**	**(43,816)**	(68,308)
Other Financing Sources (Uses)				
Transfers in	**8,080**	**8,080**	**-**	81,107
Total other financing sources (uses)	**8,080**	**8,080**	**-**	81,107
Net change in fund balance	**500**	**(43,316)**	**(43,816)**	12,799
Fund balance (deficit) at beginning of year	**(76,388)**	**(76,388)**	**-**	(89,187)
Fund balance (deficit) at end of year	**$ (75,888)**	**$ (119,704)**	**$ (43,816)**	$ (76,388)

HORRY COUNTY, SOUTH CAROLINA

SENIOR CITIZEN SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 47,778**	$ 50,532
Receivables, net:		
Property taxes	**36,278**	37,340
Interest receivable	**57**	192
Total assets	**$ 84,113**	$ 88,064
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	**$ 12,812**	$ 21,146
Deferred revenues	**28,204**	31,908
Total liabilities	**41,016**	53,054
Fund balance:		
Restricted for health and social services	**43,097**	35,010
Total fund balance	**43,097**	35,010
Total liabilities and fund balance	**$ 84,113**	$ 88,064

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 692,145**	**$ 690,886**	**$ (1,259)**	$ 695,223
Personal property taxes	**56,750**	**51,488**	**(5,262)**	55,164
Vehicle taxes	**42,500**	**48,720**	**6,220**	45,993
Interest	**100**	**24**	**(76)**	186
Total revenues	**791,495**	**791,118**	**(377)**	796,566
Expenditures				
Current:				
Health and Social Services:				
Contractual services	**791,135**	**781,163**	**9,972**	793,090
Indirect cost allocation	**360**	**1,868**	**(1,508)**	1,164
Total expenditures	**791,495**	**783,031**	**8,464**	794,254
Excess of revenues over expenditures	**-**	**8,087**	**8,087**	2,312
Net change in fund balance	**-**	**8,087**	**8,087**	2,312
Fund balance at beginning of year	**35,010**	**35,010**	**-**	32,698
Fund balance at end of year	**$ 35,010**	**$ 43,097**	**$ 8,087**	$ 35,010

HORRY COUNTY, SOUTH CAROLINA

BASEBALL STADIUM SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 152,340**	$ 110,328
Restricted assets	**101,563**	101,268
Due from other funds	**8,646**	-
Total assets	**$ 262,549**	$ 211,596
Liabilities and Fund Balance		
Liabilities:		
Due to other governments	**$ 46,718**	$ 45,500
Total liabilities	**$ 46,718**	$ 45,500
Fund balance:		
Restricted for culture, recreation and tourism	**$ 215,831**	$ 166,096
Total fund balance	**215,831**	166,096
Total liabilities and fund balance	**$ 262,549**	$ 211,596

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Fees and fines	**$ 24,000**	**$ 15,851**	**$ (8,149)**	$ 12,776
Hospitality fees	**75,000**	**75,000**	**-**	75,923
Interest	**-**	**669**	**669**	3,121
Total revenues	**99,000**	**91,520**	**(7,480)**	91,820
Expenditures				
Current:				
Culture, Recreation and Tourism:				
Personal services	**14,341**	**14,341**	**-**	12,593
Contractual services	**18,016**	**18,016**	**-**	24,293
Supplies & Materials	**24,621**	**24,621**	**-**	21,330
Construction contracts	**231,057**	**210,518**	**20,539**	-
Other	**42,022**	**5,346**	**36,676**	60
Total expenditures	**330,057**	**272,842**	**57,215**	58,276
Excess (deficiency) of revenues over (under) expenditures	**(231,057)**	**(181,322)**	**49,735**	33,544
Other Financing Sources (Uses)				
Transfers in	**231,057**	**231,057**	**-**	-
Total other financing sources (uses)	**231,057**	**231,057**	**-**	-
Net change in fund balance	**-**	**49,735**	**49,735**	33,544
Fund balance at beginning of year	**166,096**	**166,096**	**-**	132,552
Fund balance at end of year	**$ 166,096**	**$ 215,831**	**$ 49,735**	$ 166,096

HORRY COUNTY, SOUTH CAROLINA

ARCADIAN SHORES SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 65,011**	$ 57,411
Receivables, net:		
Property taxes	**430**	524
Interest receivable	**28**	69
Total assets	**$ 65,469**	$ 58,004
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 971**	$ 1,652
Due to other funds	**242,491**	266,664
Deferred revenues	**(98)**	890
Total liabilities	**243,364**	269,206
Fund balance:		
Unassigned	**(177,895)**	(211,202)
Total fund balance (deficit)	**(177,895)**	(211,202)
Total liabilities and fund balance	**$ 65,469**	$ 58,004

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 64,900**	**$ 63,942**	**$ (958)**	$ 64,266
Interest	**150**	**51**	**(99)**	133
Other	**-**	**2,500**	**2,500**	500
Total revenues	**65,050**	**66,493**	**1,443**	64,899
Expenditures				
Current:				
Infrastructure and Regulation:				
Personal Services	**602**	**602**	**-**	602
Contractual services	**11,486**	**11,422**	**64**	10,371
Supplies and materials	**9,025**	**5,815**	**3,210**	10,506
Indirect cost allocation	**3,365**	**2,442**	**923**	1,194
Other	**40,572**	**12,905**	**27,667**	14,059
Total expenditures	**65,050**	**33,186**	**31,864**	36,732
Excess of revenues over expenditures	**-**	**33,307**	**33,307**	28,167
Net change in fund balance	**-**	**33,307**	**33,307**	28,167
Fund balance (deficit) at beginning of year	**(211,202)**	**(211,202)**	**-**	(239,369)
Fund balance (deficit) at end of year	**$ (211,202)**	**$ (177,895)**	**$ 33,307**	$ (211,202)

HORRY COUNTY, SOUTH CAROLINA

CDBG GRANT PROGRAM SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Due from other governments	**$ 281,905**	$ 225,546
Total assets	**$ 281,905**	$ 225,546
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 68,334**	$ 37,918
Due to other funds	**206,987**	181,768
Accrued salaries and wages	**6,584**	5,860
Total liabilities	**281,905**	225,546
Fund balance:		
Restricted for economic development	**836,222**	910,938
Unassigned	**(836,222)**	(910,938)
Total fund balance	**-**	-
Total liabilities and fund balance	**$ 281,905**	$ 225,546

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Intergovernmental	**$ 2,960,733**	**$ 1,789,921**	**$ (1,170,812)**	$ 1,831,174
Total revenues	**2,960,733**	**1,789,921**	**(1,170,812)**	1,831,174
Expenditures				
Current:				
Economic Development:				
Personal services	**210,290**	**186,816**	**23,474**	191,285
Contractual services	**2,464,481**	**1,469,574**	**994,907**	918,312
Supplies & Materials	**23,372**	**11,360**	**12,012**	29,270
Business & Transportation	**19,443**	**9,858**	**9,585**	9,258
Construction contracts	**7,442**	**6,608**	**834**	176,000
Indirect cost allocation	**95,705**	**95,705**	**-**	8,998
Capital Outlay	**130,000**	**-**	**130,000**	42,049
Other -CDBG community projects	**-**	**-**	**-**	68,741
Total expenditures	**2,950,733**	**1,779,921**	**1,170,812**	1,443,913
Excess (deficiency) of revenues over (under) expenditures	**10,000**	**10,000**	**-**	387,261
Other Financing Sources (Uses)				
Transfers out	**(10,000)**	**(10,000)**	**-**	(387,261)
Total other financing sources (uses)	**(10,000)**	**(10,000)**	**-**	(387,261)
Net change in fund balance	**-**	**-**	**-**	-
Fund balance at beginning of year	**-**	**-**	**-**	-
Fund balance at end of year	**$ -**	**$ -**	**$ -**	$ -

HORRY COUNTY, SOUTH CAROLINA

STORMWATER SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 2,910,425**	$ 2,801,356
Receivables, net:		
Fees	**65,741**	68,626
Accounts Receivable	**7,136**	42
Interest receivable	**1,529**	5,132
Total assets	**$ 2,984,831**	$ 2,875,156
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 385,925**	$ 80,971
Accrued salaries and wages	**46,403**	41,075
Due to component unit	**-**	771
Deferred revenues	**33,951**	33,651
Other liabilities	**40**	51
Total liabilities	**466,319**	156,519
Fund balance:		
Restricted for infrastructure and regulation	**2,518,512**	2,718,637
Total fund balance	**2,518,512**	2,718,637
Total liabilities and fund balance	**$ 2,984,831**	$ 2,875,156

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Fees	**$ 4,465,000**	**$ 4,510,946**	**$ 45,946**	$ 4,455,825
Interest	**7,500**	**1,313**	**(6,187)**	8,077
Other	**-**	**1,400**	**1,400**	(3)
Total revenues	**4,472,500**	**4,513,659**	**41,159**	4,463,899
Expenditures				
Current:				
Infrastructure and Regulation:				
Personal services	**1,709,257**	**1,570,521**	**138,736**	1,558,010
Contractual services	**1,566,246**	**1,435,292**	**130,954**	1,127,963
Supplies & Materials	**303,108**	**241,773**	**61,335**	270,769
Business & Transportation	**282,407**	**278,310**	**4,097**	255,038
Construction contracts	**475,484**	**387,577**	**87,907**	596,204
Capital Outlay	**31,000**	**44,031**	**(13,031)**	251,270
Indirect cost allocation	**322,900**	**322,900**	**-**	266,534
Other	**193,380**	**193,380**	**-**	168,649
Total expenditures	**4,883,782**	**4,473,784**	**409,998**	4,494,437
Excess (deficiency) of revenues over (under) expenditures	**(411,282)**	**39,875**	**451,157**	(30,538)
Other Financing Sources (Uses)				
Transfers out	**(240,000)**	**(240,000)**	**-**	(883,746)
Total other financing sources (uses)	**(240,000)**	**(240,000)**	**-**	(883,746)
Net change in fund balance	**(651,282)**	**(200,125)**	**451,157**	(914,284)
Fund balance at beginning of year	**2,718,637**	**2,718,637**	**-**	3,632,921
Fund balance at end of year	**$ 2,067,355**	**$ 2,518,512**	**$ 451,157**	$ 2,718,637

HORRY COUNTY, SOUTH CAROLINA

GIS/IT SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 118,079**	$ 65,395
Interest receivable	**44**	46
Total assets	**$ 118,123**	$ 65,441
Liabilties and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 168**	$ 1,534
Total liabilities	**168**	1,534
Fund balance:		
Committed to public safety	**117,955**	63,907
Total fund balance	**117,955**	63,907
Total liabilities and fund balance	**$ 118,123**	$ 65,441

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Fees and fines	**$ 8,740**	**$ 5,131**	**$ (3,609)**	$ 7,569
Intergovernmental	**-**	**77,871**	**77,871**	27,500
Interest	**100**	**98**	**(2)**	131
Total revenues	**8,840**	**83,100**	**74,260**	35,200
Expenditures				
Current:				
Public safety:				
Contractual services	**8,840**	**10,000**	**(1,160)**	1,470
Materials & Supplies	**-**	**17,454**	**(17,454)**	-
Other	**-**	**1,598**	**(1,598)**	5,575
Total expenditures	**8,840**	**29,052**	**(20,212)**	7,045
Excess (deficiency) of revenues over (under) expenditures	**-**	**54,048**	**54,048**	28,155
Net change in fund balance	**-**	**54,048**	**54,048**	28,155
Fund balance at beginning of year	**63,907**	**63,907**	**-**	35,752
Fund balance at end of year	**$ 63,907**	**$ 117,955**	**$ 54,048**	$ 63,907

HORRY COUNTY, SOUTH CAROLINA

MULTI-COUNTY BUSINESS PARK ROLLBACK SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 505,909**	$ 896,835
Interest receivable	**235**	2,458
Total assets	**$ 506,144**	$ 899,293
Liabilities and Fund Balance		
Fund balance:		
Restricted for infrastructure and regulation	**$ 506,144**	$ 899,293
Total fund balance	**506,144**	899,293
Total liabilities and fund balance	**$ 506,144**	$ 899,293

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Interest	**$ -**	**$ (872)**	**$ (872)**	$ 3,578
Total revenues	**-**	**(872)**	**(872)**	3,578
Expenditures				
Current:				
Infrastructure and Regulation:				
Construction contracts	**-**	**392,277**	**(392,277)**	908,286
Total expenditures	**-**	**392,277**	**(392,277)**	908,286
Excess (deficiency) of revenues over (under) expenditures	**-**	**(393,149)**	**(393,149)**	(904,708)
Net change in fund balance	**-**	**(393,149)**	**(393,149)**	(904,708)
Fund balance at beginning of year	**899,293**	**899,293**	**-**	1,804,001
Fund balance at end of year	**$ 899,293**	**$ 506,144**	**$ (393,149)**	$ 899,293

HORRY COUNTY, SOUTH CAROLINA

E-911 SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 204,064**	$ 2,237,189
Receivables, net:		
Fees	**72,308**	65,874
Due from other governments	**1,322,869**	249,649
Interest receivable	**187**	1,611
Total assets	**$ 1,599,428**	$ 2,554,323
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 532**	$ 48
Accrued salaries and wages	**5,358**	4,452
Total liabilities	**5,890**	4,500
Fund balance:		
Restricted for public safety	**1,593,538**	2,549,823
Total fund balance	**1,593,538**	2,549,823
Total liabilities and fund balance	**$ 1,599,428**	$ 2,554,323

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Intergovernmental	**$ 1,460,000**	**$ 1,931,425**	**$ 471,425**	$ 967,522
Fees and fines	**825,000**	**739,641**	**(85,359)**	919,212
Interest	**-**	**1,411**	**1,411**	4,919
Total revenues	**2,285,000**	**2,672,477**	**387,477**	1,891,653
Expenditures				
Current:				
Public safety:				
Personal services	**189,880**	**145,229**	**44,651**	153,308
Contractual services	**1,101,000**	**678,600**	**422,400**	820,889
Supplies & Materials	**3,650**	**2,252**	**1,398**	979
Business & Transportation	**8,330**	**2,681**	**5,649**	4,713
Other	**82,140**	**-**	**82,140**	-
Total expenditures	**1,385,000**	**828,762**	**556,238**	979,889
Excess (deficiency) of revenues over (under) expenditures	**900,000**	**1,843,715**	**943,715**	911,764
Other Financing Sources (Uses)				
Transfers out	**(2,800,000)**	**(2,800,000)**	**-**	-
Net change in fund balance	**(1,900,000)**	**(956,285)**	**943,715**	911,764
Fund balance at beginning of year	**2,549,823**	**2,549,823**	**-**	1,638,059
Fund balance at end of year	**$ 649,823**	**$ 1,593,538**	**$ 943,715**	$ 2,549,823

HORRY COUNTY, SOUTH CAROLINA

LOCAL ACCOMMODATIONS TAX SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Cash and cash equivalents	**$ -**	$ -
Pooled cash and investments	**-**	-
Receivables, net:		
Other	**-**	-
Interest receivable	**-**	-
Total assets	**$ -**	$ -
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ -**	$ -
Due to other funds	**-**	-
Total liabilities	**-**	-
Fund balance:		
Restricted for culture and recreation	**-**	-
Total fund balance	**-**	-
Total liabilities and fund balance	**$ -**	$ -

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Accomodations tax	**$ -**	**$ -**	**$ -**	**$ -**
Interest	**-**	**-**	**-**	**-**
Other	**-**	**-**	**-**	**-**
Total revenues	**-**	**-**	**-**	**-**
Expenditures				
Current:				
Culture, Recreation and Tourism:				
Other	**-**	**-**	**-**	**-**
Total culture, recreation and tourism	**-**	**-**	**-**	**-**
Total expenditures	**-**	**-**	**-**	**-**
Excess of revenues over expenditures	**-**	**-**	**-**	**-**
Other Financing Sources (Uses)				
Transfers out	**-**	**-**	**-**	**(340,328)**
Total other financing sources (uses)	**-**	**-**	**-**	**(340,328)**
Net change in fund balance	**-**	**-**	**-**	**(340,328)**
Fund balance at beginning of year	**-**	**-**	**-**	**340,328**
Fund balance at end of year	**$ -**	**$ -**	**$ -**	**$ -**

HORRY COUNTY, SOUTH CAROLINA

RECREATION SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Cash	**$ 100**	$ 100
Pooled cash and investments	**3,018,199**	3,378,400
Receivables, net:		
Property taxes	**160,427**	201,780
Other	**35,672**	32,740
Interest receivable	**1,556**	5,139
Total assets	**$ 3,215,954**	$ 3,618,159
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 93,018**	$ 58,986
Accrued salaries and wages	**84,031**	61,191
Deferred revenues	**126,214**	172,129
Total liabilities	**303,263**	292,306
Fund balance:		
Restricted for culture, recreation and tourism	**2,912,691**	3,325,853
Total fund balance	**2,912,691**	3,325,853
Total liabilities and fund balance	**$ 3,215,954**	$ 3,618,159

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 2,980,500**	**$ 2,959,399**	**$ (21,101)**	$ 3,828,408
Personal property taxes	**227,800**	**223,569**	**(4,231)**	303,206
Vehicle taxes	**191,250**	**238,993**	**47,743**	258,937
Intergovernmental	**-**	**-**	**-**	262
Interest	**10,000**	**2,197**	**(7,803)**	9,554
Other	**520,000**	**674,036**	**154,036**	618,064
Total revenues	**3,929,550**	**4,098,194**	**168,644**	5,018,431
Expenditures				
Current:				
Culture, Recreation and Tourism:				
Personal services	**1,858,113**	**1,794,793**	**63,320**	1,598,918
Contractual services	**341,069**	**341,065**	**4**	300,129
Supplies & Materials	**219,097**	**229,872**	**(10,775)**	109,728
Business & Transportation	**132,167**	**132,165**	**2**	111,918
Construction contracts	**634,375**	**196,652**	**437,723**	177,948
Capital Outlay	**572,788**	**572,788**	**-**	296,787
Indirect cost allocation	**619,902**	**619,902**	**-**	615,607
Distributions to Municipalities	**200,000**	**200,000**	**-**	200,000
Programs	**870,534**	**539,419**	**331,115**	508,048
Other	**81,359**	**38,711**	**42,648**	22,000
Total expenditures	**5,529,404**	**4,665,367**	**864,037**	3,941,083
Excess (deficiency) of revenues over (under) expenditures	**(1,599,854)**	**(567,173)**	**1,032,681**	1,077,348
Other Financing Sources (Uses)				
Sale of Assets	**-**	**-**	**-**	1,707
Transfers in	**154,011**	**154,011**	**-**	146,209
Transfers out	**-**	**-**	**-**	(943,710)
Total other financing sources (uses)	**154,011**	**154,011**	**-**	(795,794)
Net change in fund balance	**(1,445,843)**	**(413,162)**	**1,032,681**	281,554
Fund balance at beginning of year	**3,325,853**	**3,325,853**	**-**	3,044,299
Fund balance at end of year	**$ 1,880,010**	**$ 2,912,691**	**$ 1,032,681**	$ 3,325,853

HORRY COUNTY, SOUTH CAROLINA

INDUSTRIAL PARKS SPECIAL REVENUE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 3,120,207**	$ 3,023,126
Receivables, net:		
Interest receivable	**1,436**	5,320
Prepaid items	**-**	716
Total assets	**$ 3,121,643**	$ 3,029,162
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 179**	$ -
Total liabilities	**179**	-
Fund balance:		
Nonspendable	**-**	716
Committed to economic development	**3,121,464**	2,428,446
Committed to Department of Airports	**-**	600,000
Total fund balance	**3,121,464**	3,029,162
Total liabilities and fund balance	**$ 3,121,643**	$ 3,029,162

HORRY COUNTY, SOUTH CAROLINA

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

For the Year ended June 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Fees	**$ 64,656**	**$ 711,667**	**$ 647,011**	$ 315,044
Interest	**10,800**	**1,239**	**(9,561)**	10,551
Total revenues	**75,456**	**712,906**	**637,450**	325,595
Expenditures				
Current:				
Infrastructure and Regulation:				
Contractual services	**24,347**	**16,601**	**7,746**	512,161
Capital outlay	**48,116**	**48,116**	**-**	-
Indirect cost allocation	**11,748**	**55,505**	**(43,757)**	48,699
Other	**5,950**	**382**	**5,568**	-
Total expenditures	**90,161**	**120,604**	**(30,443)**	560,860
Excess (deficiency) of revenues over (under) expenditures	**(14,705)**	**592,302**	**607,007**	(235,265)
Other Financing Sources (Uses)				
Transfers out	**(500,000)**	**(500,000)**	**-**	(90,700)
Total other financing sources (uses)	**(500,000)**	**(500,000)**	**-**	(90,700)
Net change in fund balance	**(514,705)**	**92,302**	**607,007**	(325,965)
Fund balance at beginning of year	**3,029,162**	**3,029,162**	**-**	3,355,127
Fund balance at end of year	**$ 2,514,457**	**$ 3,121,464**	**$ 607,007**	$ 3,029,162

CAPITAL PROJECTS FUNDS

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

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

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

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, 2012

	Major Funds		
	General Improvement Capital Projects	Capital Projects Sales Tax	Total Major Funds
Assets			
Pooled cash and investments	$ 10,157,609	$ 208,423,237	$ 218,580,846
Receivables, net:			
Accounts and other	67,361	-	67,361
Interest receivable	37,209	-	37,209
Due from other governments	337,480	16,093,808	16,431,288
Restricted assets	645,753	-	645,753
Total assets	$ 11,245,412	$ 224,517,045	$ 235,762,457
Liabilities and Fund Balance			
Liabilities:			
Accounts payable - trade	$ 712,989	$ 1,724,601	$ 2,437,590
Retainage payable	87,827	-	87,827
Total liabilities	800,816	1,724,601	2,525,417
Fund balance :			
Restricted for capital	1,724,121	-	1,724,121
Restricted for infrastructure and regulation	-	222,792,444	222,792,444
Committed to public safety	848,779	-	848,779
Committed to culture, recreation and tourism	2,214,793	-	2,214,793
Committed to infrastructure and regulation	2,859,493	-	2,859,493
Committed to other capital projects	2,797,410	-	2,797,410
Total fund balance	10,444,596	222,792,444	233,237,040
Total liabilities and fund balance	$ 11,245,412	$ 224,517,045	$ 235,762,457

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, 2012

	Major Funds		
	General Improvement Capital Projects	**Capital Projects Sales Tax**	**Total Major Funds**
Revenues			
Intergovernmental	**$ 567,750**	**$ 64,801,867**	**$ 65,369,617**
Disposal fee	**681,639**	**-**	**681,639**
Interest	**135,228**	**679,052**	**814,280**
Other- donations	**125,000**	**-**	**125,000**
Total revenues	**1,509,617**	**65,480,919**	**66,990,536**
Expenditures			
Capital outlay:			
Construction contracts	**8,687,969**	**-**	**8,687,969**
Capital outlay	**12,038,999**	**-**	**12,038,999**
Total economic development	**20,726,968**	**-**	**20,726,968**
Infrastructure and regulation:			
Construction contracts	**-**	**15,722,276**	**15,722,276**
Capital outlay	**-**	**9,880,494**	**9,880,494**
Total infrastructure & regulation	**-**	**25,602,770**	**25,602,770**
Total expenditures	**20,726,968**	**25,602,770**	**46,329,738**
Excess (deficiency) of revenue over expenditures	**(19,217,351)**	**39,878,149**	**20,660,798**
Other Financing Sources (Uses)			
Capital lease	**2,602,861**	**-**	**2,602,861**
Transfers in	**5,245,836**	**-**	**5,245,836**
Transfers out	**(1,139,368)**	**-**	**(1,139,368)**
Total other financing sources (uses)	**6,709,329**	**-**	**6,709,329**
Net change in fund balance	**(12,508,022)**	**39,878,149**	**27,370,127**
Fund balance at beginning of year	**22,952,618**	**182,914,295**	**205,866,913**
Fund balance at end of year	**$ 10,444,596**	**$ 222,792,444**	**$ 233,237,040**

Note: Separation is for presentation purposes only.

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENT CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

		2012		2011
Assets				
Pooled cash and investments	**$**	**10,157,609**	$	24,022,440
Receivables, net:				
Accounts and other		**67,361**		91,314
Interest receivable		**37,209**		72,966
Prepaid contracts		**-**		832,542
Due from other governments		**337,480**		432,793
Restricted assets		**645,753**		682,110
Total assets	**$**	**11,245,412**	$	26,134,165
Liabilities and Fund Balance				
Liabilities:				
Accounts payable - trade	**$**	**712,989**	$	2,331,228
Retainage payable		**87,827**		821,238
Other accrued liabilities		**-**		29,081
Total liabilities		**800,816**		3,181,547
Fund balance :				
Nonspendable		**-**		832,542
Restricted for capital		**1,724,121**		8,619,778
Committed to public safety		**848,779**		1,631,353
Committed to culture, recreation and tourism		**2,214,793**		6,083,746
Committed to infrastructure and regulation		**2,859,493**		3,210,610
Committed to other capital projects		**2,797,410**		2,574,589
Total fund balance		**10,444,596**		22,952,618
Total liabilities and fund balance	**$**	**11,245,412**	$	26,134,165

HORRY COUNTY, SOUTH CAROLINA

GENERAL IMPROVEMENTS CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

FOR THE YEAR ENDED JUNE 30, 2012
(With comparative actual amounts for the year ended June 30, 2011)

	2012	2011
Revenues		
Disposal fee	**$ 681,639**	$ 714,924
Intergovernmental	**567,750**	819,731
Interest	**135,228**	340,199
Other -donations	**125,000**	165,000
Total revenues	**1,509,617**	2,039,854
Expenditures		
Capital outlay:		
Construction contracts	**8,687,969**	2,870,545
Capital outlay	**12,038,999**	24,847,196
Total expenditures	**20,726,968**	27,717,741
Excess (deficiency) of revenue over expenditures	**(19,217,351)**	(25,677,887)
Other Financing Sources (Uses)		
Sale of assets	**-**	166,158
Capital lease	**2,602,861**	1,000,000
Transfers in	**5,245,836**	5,464,007
Transfers out	**(1,139,368)**	(1,815,838)
Total other financing sources (uses)	**6,709,329**	4,814,327
Net change in fund balance	**(12,508,022)**	(20,863,560)
Fund balance at beginning of year	**22,952,618**	43,816,178
Fund balance at end of year	**$ 10,444,596**	$ 22,952,618

HORRY COUNTY, SOUTH CAROLINA

CAPITAL PROJECTS SALES TAX FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 208,423,237**	$ 173,853,364
Interest Receivable	**-**	305,305
Due from other governments	**16,093,808**	14,858,462
Total assets	**$ 224,517,045**	$ 189,017,131
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 1,724,601**	$ 6,102,836
Total liabilities	**1,724,601**	6,102,836
Fund balance :		
Restricted for infrastructure and regulation	**222,792,444**	182,914,295
Total fund balance	**222,792,444**	182,914,295
Total liabilities and fund balance	**$ 224,517,045**	$ 189,017,131

HORRY COUNTY, SOUTH CAROLINA

CAPITAL PROJECTS SALES TAX FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

FOR THE YEAR ENDED JUNE 30, 2012
(With comparative actual amounts for the year ended June 30, 2011)

	2012	2011
Revenues		
Sales tax	**$ 64,801,867**	$ 61,476,930
Interest	**679,052**	436,439
Total revenues	**65,480,919**	61,913,369
Expenditures		
Infrastructure and regulation:		
Construction contracts	**15,722,276**	21,081,123
Capital outlay	**9,880,494**	7,784,598
Total expenditures	**25,602,770**	28,865,721
Net change in fund balance	**39,878,149**	33,047,648
Fund balance at beginning of year	**182,914,295**	149,866,647
Fund balance at end of year	**$ 222,792,444**	$ 182,914,295

HORRY COUNTY, SOUTH CAROLINA

VOLUNTARY DEVELOPER CONTRIBUTIONS CAPITAL PROJECTS FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 249,913**	$ 269,471
Interest receivable	**117**	329
Total assets	**$ 250,030**	$ 269,800
Liabilities and Fund Balance		
Liabilities:		
Accounts payable - trade	**$ 12,311**	$ -
Total liabilities	**12,311**	-
Fund balance :		
Restricted for culture, recreation and tourism	**46,779**	92,578
Restricted for infrastructure and regulation	**190,940**	177,222
Total fund balance	**237,719**	269,800
Total liabilities and fund balance	**$ 250,030**	$ 269,800

HORRY COUNTY, SOUTH CAROLINA

VOLUNTARY DEVELOPER CONTRIBUTIONS CAPITAL PROJECTS FUND
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

FOR THE YEAR ENDED JUNE 30, 2012
(With comparative actual amounts for the year ended June 30, 2011)

	2012	2011
Revenues		
Interest	**$ 230**	$ 738
Other- donations	**9,500**	72,000
Total revenues	**9,730**	72,738
Expenditures		
Culture, recreation and tourism:		
Construction contracts	**29,499**	3,000
Capital Outlay	**12,312**	-
Total expenditures	**41,811**	3,000
Net change in fund balance	**(32,081)**	69,738
Fund balance at beginning of year	**269,800**	200,062
Fund balance at end of year	**$ 237,719**	$ 269,800

DEBT SERVICE FUNDS

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

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

General Debt – accounts for 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.

HGTC – 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 the balance remitted 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.

HORRY COUNTY, SOUTH CAROLINA

RIDE PROGRAM DEBT SERVICE FUND - MAJOR FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Funds held in trust (restricted):		
Loan Reserve Account	**$ 39,144,551**	$ 37,331,836
Equity in pooled cash and investments	**2,738,801**	2,631,732
Receivables (net):		
Accounts receivable	**4,963,223**	4,431,063
Interest Receivable	**782**	669
Total assets	**$ 46,847,357**	$ 44,395,300
Liabilities and Fund Balance		
Liabilities:		
Due to other funds	**$ 46,427**	$ -
Deferred revenue	**253,222**	228,607
Total Liabilities	**$ 299,649**	$ 228,607
Fund balance:		
Restricted for debt service	**$ 46,547,708**	$ 44,166,693
Total fund balance	**46,547,708**	44,166,693
Total liabilities and fund balance	**$ 46,847,357**	$ 44,395,300

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Hospitality Fees	**$ 31,209,325**	**$ 32,283,711**	**$ 1,074,386**	$ 29,909,746
Interest	**1,409,300**	**929,976**	**(479,324)**	1,158,778
Other	**-**	**-**	**-**	693
Total revenues	**32,618,625**	**33,213,687**	**595,062**	31,069,217
Expenditures				
Debt Service:				
Principal				
Insured	**12,503,609**	**12,503,609**	**-**	12,105,364
Uninsured	**9,875,466**	**9,875,466**	**-**	8,437,502
Interest				
Insured	**2,496,392**	**2,496,391**	**1**	2,894,637
Uninsured	**5,641,966**	**5,641,966**	**-**	5,906,183
Contingency	**1,796,692**	**-**	**1,796,692**	-
Total debt service	**32,314,125**	**30,517,432**	**1,796,693**	29,343,686
Excess of revenue over expenditures	**304,500**	**2,696,255**	**2,391,755**	1,725,531
Other Financing Sources (Uses)				
Transfers out	**(304,500)**	**(315,240)**	**(10,740)**	-
Total other financing sources (uses)	**(304,500)**	**(315,240)**	**(10,740)**	-
Net change in fund balance	**-**	**2,381,015**	**2,381,015**	1,725,531
Fund balance, beginning of year	**44,166,693**	**44,166,693**	**-**	42,441,162
Fund balance, end of year	**$ 44,166,693**	**$ 46,547,708**	**$ 2,381,015**	$ 44,166,693

HORRY COUNTY, SOUTH CAROLINA

NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET

June 30, 2012

	Non-Major Funds				
	General Debt	**Higher Education**	**Horry Georgetown TECH**	**Special Obligation Debt**	**Total Non-Major Funds**
ASSETS					
Pooled cash and investments	$ 12,455,411	$ 83,000	$ 125,282	$ 1,911,498	$ 14,575,191
Restricted assets	-	-	-	225,011	225,011
Receivables, net:					
Taxes	460,450	63,561	164,634	-	688,645
Due from other funds	-	-	-	248,680	248,680
Interest receivable	5,964	476	147	-	6,587
Total Assets	$ 12,921,825	$ 147,037	$ 290,063	$ 2,385,189	$ 15,744,114
LIABILITIES AND FUND BALANCE					
Liabilities:					
Deferred Revenue	$ 359,362	$ 49,434	$ 128,255	$ -	$ 537,051
Total Liabilities	359,362	49,434	128,255	-	537,051
Fund Balance:					
Restricted for debt service	$ 12,562,463	$ 97,603	$ 161,808	$ 2,385,189	$ 15,207,063
Total Fund Balance	12,562,463	97,603	161,808	2,385,189	15,207,063
Total Liabilities and Fund Balance	$ 12,921,825	$ 147,037	$ 290,063	$ 2,385,189	$ 15,744,114

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, 2012

	Non- Major Funds				
	General Debt	**Higher Education**	**Horry Georgetown TECH**	**Special Obligation Debt**	**Total Non-Major Funds**
Revenues					
Real property taxes	$ 8,638,087	$ 1,209,070	$ 3,109,405	$ -	$ 12,956,562
Personal property taxes	645,771	90,184	232,385	-	968,340
Vehicle taxes	609,032	85,543	219,235	-	913,810
Intergovernmental	35,026	10,638	13,881	-	59,545
Hospitality fees	-	-	-	2,157,032	2,157,032
Interest	169,695	540	10,123	141	180,499
Other	-	-	-	21,161	21,161
Total revenues	10,097,611	1,395,975	3,585,029	2,178,334	17,256,949
Expenditures					
Debt service:					
Principal	8,727,530	140,000	135,000	1,917,500	10,920,030
Interest	4,977,184	63,650	76,924	239,532	5,357,290
Agents fees	4,405	425	400	525	5,755
Bond issuance costs	135,339	-	48,371	-	183,710
Other	1,572	-	-	-	1,572
Total debt service	13,846,030	204,075	260,695	2,157,557	16,468,357
Current:					
Horry Georgetown TECH	-	-	3,347,000	-	3,347,000
Higher education commission	-	1,200,000	-	-	1,200,000
Total current	-	1,200,000	3,347,000	-	4,547,000
Total expenditures	13,846,030	1,404,075	3,607,695	2,157,557	21,015,357
Excess (deficiency) of revenues over (under) expenditures	(3,748,419)	(8,100)	(22,666)	20,777	(3,758,408)
Other Financing Sources (Uses)					
Transfers in	1,761,642	-	-	-	1,761,642
Issuance of refunding debt	6,640,000	-	2,100,000	-	8,740,000
Bond Premium	216,874	-	68,267	-	285,141
Payment to refunded bond escrow agent	(6,752,219)	-	(2,129,062)	-	(8,881,281)
Total other financing sources (uses)	1,866,297	-	39,205	-	1,905,502
Net change in fund balance	(1,882,122)	(8,100)	16,539	20,777	(1,852,906)
Fund balance at beginning of year	14,444,585	105,703	145,269	2,364,412	17,059,969
Fund balance at end of year	$ 12,562,463	$ 97,603	$ 161,808	$ 2,385,189	$ 15,207,063

HORRY COUNTY, SOUTH CAROLINA

GENERAL DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2012
(with comparative total amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 12,455,411**	$ 14,354,760
Receivables, net:		
Property taxes	**460,450**	478,349
Interest receivable	**5,964**	22,343
Total assets	**$ 12,921,825**	$ 14,855,452
Liabilities and Fund Balance		
Liabilities:		
Accounts Payable - trade	**$ -**	$ 400
Deferred Revenue	**359,362**	410,467
Total Liabilities	**$ 359,362**	$ 410,867
Fund balance:		
Restricted for debt service	**12,562,463**	14,444,585
Total fund balance	**12,562,463**	14,444,585
Total liabilities and fund balance	**$ 12,921,825**	$ 14,855,452

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, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 8,703,970**	**$ 8,638,087**	**$ (65,883)**	$ 8,711,087
Personal property taxes	**692,500**	**645,771**	**(46,729)**	691,623
Vehicle taxes	**535,000**	**609,032**	**74,032**	593,095
Intergovernmental	**35,026**	**35,026**	**-**	35,026
Interest	**40,000**	**169,695**	**129,695**	173,761
Total revenues	**10,006,496**	**10,097,611**	**91,115**	10,204,592
Expenditures				
Debt Service:				
Principal	**8,727,531**	**8,727,530**	**1**	8,539,638
Interest	**5,084,495**	**4,977,184**	**107,311**	5,328,308
Agents fees	**2,665**	**4,405**	**(1,740)**	3,065
Bond issuance costs	**-**	**135,339**	**(135,339)**	-
Other	**-**	**1,572**	**(1,572)**	-
Total expenditures	**13,814,691**	**13,846,030**	**(31,339)**	13,871,011
Excess (deficiency) of revenues over (under) expenditures	**(3,808,195)**	**(3,748,419)**	**59,776**	(3,666,419)
Other Financing Sources (Uses)				
Transfers in	**1,870,400**	**1,761,642**	**(108,758)**	2,803,775
Issuance of refunding debt	**-**	**6,640,000**	**6,640,000**	-
Bond Premium	**-**	**216,874**	**216,874**	-
Payment to refunded bond escrow agent	**-**	**(6,752,219)**	**(6,752,219)**	-
Total other financing sources	**1,870,400**	**1,866,297**	**(4,103)**	2,803,775
Net change in fund balance	**(1,937,795)**	**(1,882,122)**	**55,673**	(862,644)
Fund balance at beginning of year	**14,444,585**	**14,444,585**	**-**	15,307,229
Fund balance at end of year	**$ 12,506,790**	**$ 12,562,463**	**$ 55,673**	$ 14,444,585

HORRY COUNTY, SOUTH CAROLINA

HIGHER EDUCATION DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2012
(with comparative total amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 83,000**	$ 95,125
Receivables, net:		
Property taxes	**63,561**	65,442
Interest Receivable	**476**	1,070
Total assets	**$ 147,037**	$ 161,637
Liabilities and Fund Balance		
Liabilities:		
Deferred Revenue	**$ 49,434**	$ 55,934
Total Liabilities	**49,434**	55,934
Fund balance:		
Restricted for debt service	**97,603**	105,703
Total fund balance	**97,603**	105,703
Total liabilities and fund balance	**$ 147,037**	$ 161,637

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, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 1,208,650**	**$ 1,209,070**	**$ 420**	$ 1,216,668
Personal property taxes	**99,900**	**90,184**	**(9,716)**	96,687
Vehicle taxes	**74,500**	**85,543**	**11,043**	80,762
Intergovernmental	**10,638**	**10,638**	**-**	10,638
Interest	**1,000**	**540**	**(460)**	1,378
Total revenues	**1,394,688**	**1,395,975**	**1,287**	1,406,133
Expenditures				
Debt Service:				
Principal	**140,000**	**140,000**	**-**	135,000
Interest	**63,650**	**63,650**	**-**	55,069
Agents fees	**425**	**425**	**-**	425
Total debt service	**204,075**	**204,075**	**-**	190,494
Current:				
Higher education commission	**1,190,613**	**1,200,000**	**(9,387)**	1,325,000
Total expenditures	**1,394,688**	**1,404,075**	**(9,387)**	1,515,494
Excess (deficiency) of revenues over (under) expenditures	**-**	**(8,100)**	**(8,100)**	(109,361)
Net change in fund balance	**-**	**(8,100)**	**(8,100)**	(109,361)
Fund balance at beginning of year	**105,703**	**105,703**	**-**	215,064
Fund balance at end of year	**$ 105,703**	**$ 97,603**	**$ (8,100)**	$ 105,703

HORRY COUNTY, SOUTH CAROLINA

HORRY GEORGETOWN TECH DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2012
(with comparative total amounts for June 30, 2011)

	2012	2011
Assets		
Pooled cash and investments	**$ 125,282**	$ 120,254
Receivables, net:		
Property taxes	**164,634**	170,156
Interest Receivable	**147**	995
Total assets	**$ 290,063**	$ 291,405
Liabilities and Fund Balance		
Liabilities:		
Accounts Payable - trade	**$ -**	$ 400
Deferred Revenue	**128,255**	145,736
Total Liabilities	**128,255**	146,136
Fund balance:		
Restricted for debt service	**161,808**	145,269
Total fund balance	**161,808**	145,269
Total liabilities and fund balance	**$ 290,063**	$ 291,405

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, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Real property taxes	**$ 3,133,300**	**$ 3,109,405**	**$ (23,895)**	$ 3,135,111
Personal property taxes	**255,750**	**232,385**	**(23,365)**	248,881
Vehicle taxes	**195,000**	**219,235**	**24,235**	213,092
Intergovernmental	**13,880**	**13,881**	**1**	13,881
Interest	**1,500**	**10,123**	**8,623**	1,501
Total revenues	**3,599,430**	**3,585,029**	**(14,401)**	3,612,466
Expenditures				
Debt Service:				
Principal	**135,000**	**135,000**	**-**	120,000
Interest	**111,613**	**76,924**	**34,689**	116,712
Agents fees	**800**	**400**	**400**	400
Bond issuance costs	**-**	**48,371**	**(48,371)**	**-**
Total debt service	**247,413**	**260,695**	**(13,282)**	237,112
Current:				
Horry Georgetown Tech	**3,352,017**	**3,347,000**	**5,017**	3,415,000
Total expenditures	**3,599,430**	**3,607,695**	**(8,265)**	3,652,112
Excess (deficiency) of revenues over (under) expenditures	**-**	**(22,666)**	**(22,666)**	(39,646)
Other Financing Sources (Uses)				
Issuance of refunding debt	**-**	**2,100,000**	**2,100,000**	-
Bond Premium	**-**	**68,267**	**68,267**	-
Payment to refunded bond escrow agent	**-**	**(2,129,062)**	**(2,129,062)**	-
Total other financing sources (uses)	**-**	**39,205**	**39,205**	-
Net change in fund balance	**-**	**16,539**	**16,539**	(39,646)
Fund balance at beginning of year	**145,269**	**145,269**	**-**	184,915
Fund balance at end of year	**$ 145,269**	**$ 161,808**	**$ 16,539**	$ 145,269

HORRY COUNTY, SOUTH CAROLINA

SPECIAL OBLIGATION DEBT SERVICE FUND
BALANCE SHEETS

June 30, 2012
(with comparative total amounts for June 30, 2011)

	2012	2011
Assets		
Equity in pooled cash and investments	**$ 1,911,498**	$ 2,160,510
Funds held in trust (restricted)	**225,011**	203,902
Due from other funds	**248,680**	-
Total assets	**$ 2,385,189**	$ 2,364,412
Liabilities and Fund Balance		
Fund balance:		
Restricted for debt service	**$ 2,385,189**	$ 2,364,412
Total fund balance	**2,385,189**	2,364,412
Total liabilities and fund balance	**$ 2,385,189**	$ 2,364,412

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, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012			2011
	Budget	**Actual**	**Variance Positive (Negative)**	Actual
Revenues				
Hospitality fees	**$ 2,157,032**	**$ 2,157,032**	**$ -**	$ 2,162,241
Interest	-	**141**	**141**	4,073
Other	-	**21,161**	**21,161**	-
Total revenues	**2,157,032**	**2,178,334**	**21,302**	2,166,314
Expenditures				
Debt Service:				
Principal	**1,917,500**	**1,917,500**	**-**	1,860,000
Interest	**239,532**	**239,532**	**-**	300,772
Agents fees	**-**	**525**	**(525)**	-
Total debt service	**2,157,032**	**2,157,557**	**(525)**	2,160,772
Excessof revenues over expenditures	-	**20,777**	**20,777**	5,542
Other Financing Sources (Uses)				
Transfers in - Hospitality	-	-	-	2,160,510
Total other financing sources	-	-	-	2,160,510
Net change in fund balance	-	**20,777**	**20,777**	2,166,052
Fund balance at beginning of year	**2,364,412**	**2,364,412**	-	198,360
Fund balance at end of year	**$ 2,364,412**	**$ 2,385,189**	**$ 20,777**	$ 2,364,412

PROPRIETARY (ENTERPRISE) FUND

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

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

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
BALANCE SHEETS

JUNE 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Current assets:		
Cash and cash equivalents	**$ 44,855,831**	$ 39,610,679
Investments	**5,578,187**	5,782,882
Accounts receivable (net of allowance of $455,792 in 2012 and $266,844 in 2011)	**549,786**	1,049,502
Interest receivable	**118,245**	177,249
Due from other governments	**2,682,778**	6,080,555
Inventories	**427,725**	364,190
Prepaid items	**63,940**	99,410
Total current assets	**54,276,492**	53,164,467
Non-current assets:		
Restricted assets:		
Cash and cash equivalents	**20,240,191**	45,229,754
Investments	**40,981,897**	40,436,052
Receivables - PFC's and CFC's	**812,766**	830,115
Total restricted assets	**62,034,854**	86,495,921
Capital assets:		
Land, easements and infrastructure	**32,474,793**	32,501,993
Depreciable buildings, runways, taxiways, aprons, machinery and equipment, net	**83,723,983**	71,906,877
Construction-in-progress	**70,158,313**	30,662,440
Total capital assets, net	**186,357,089**	135,071,310
Bond issuance costs, net	**951,755**	984,574
Total assets	**$ 303,620,190**	$ 275,716,272

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
BALANCE SHEETS

- CONTINUED -

	2012	2011
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	**$ 260,070**	$ 225,900
Construction accounts and retainage payable	**10,521,498**	6,645,041
Accrued salaries, wages and compensated absences	**519,627**	459,893
Other accrued expenses	**880,743**	700,822
Unearned revenue	**240,975**	239,139
Due to other funds	**856,741**	771,374
Capital leases payable - current portion	**44,792**	43,275
Amounts due to tenants	**586,709**	837,300
Total current liabilities	**13,911,155**	9,922,744
Current liabilities payable from restricted assets:		
Accrued interest payable	**1,543,097**	1,920,299
Total current liabilities payable from restricted assets	**1,543,097**	1,920,299
Non-current liabilities:		
Revenue bonds payable	**60,389,843**	60,382,941
Compensated absences - long term	**900,288**	854,497
Net other post-employment benefits obligation	**631,051**	575,254
Due to tenants for capital improvements	**-**	50,000
Capital leases	**135,624**	180,417
Total non-current liabilities	**62,056,806**	62,043,109
Total liabilities	**77,511,058**	73,886,152
Net assets:		
Investment in capital assets, net of related debt	**138,122,942**	116,287,073
Restricted for:		
Debt service	**14,297,502**	14,669,800
Capital projects	**30,740,353**	27,732,979
Unrestricted	**42,948,335**	43,140,268
Total net assets	**226,109,132**	201,830,120
Total liabilities and net assets	**$ 303,620,190**	$ 275,716,272

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2012
(with comparative amounts for the year ended June 30, 2011)

	2012	2011
Operating Revenues		
Landing fees	**$ 1,341,027**	$ 1,505,817
Airline terminal rents	**4,163,986**	4,000,939
Concessions and rentals	**6,835,508**	6,434,595
Security fees	**211,928**	205,902
Leases	**808,922**	855,861
Fuel sales - FBO	**3,912,198**	4,858,623
Other Airline Services	**580,038**	643,432
Federal revenue- TSA LEO reimbursement program	**113,906**	115,953
Other	**422,599**	509,791
Total operating revenues	**18,390,112**	19,130,913
Less, signatory airline contract operating rebate	**(358,439)**	(504,486)
Net operating revenues	**18,031,673**	18,626,427
Operating Expenses		
Salaries and benefits	**6,204,976**	6,052,288
Utilities	**952,819**	984,280
Outside and professional services	**889,242**	776,897
Maintenance and supplies	**744,036**	632,142
Fuel cost of sales	**2,987,205**	3,558,675
Vehicle and equipment (non-capital) expense	**401,698**	370,441
Insurance	**292,752**	248,802
Dues, memberships, and travel	**213,502**	200,051
Office supplies	**32,439**	34,368
Horry County administrative costs	**350,000**	280,000
Depreciation and amortization	**5,960,358**	5,593,193
Bad debt expense	**189,972**	1,425
Total operating expenses	**19,218,999**	18,732,562
Operating income (loss)	**(1,187,326)**	(106,135)

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

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

- CONTINUED -

	2012	2011
Non-Operating Revenues (Expenses)		
Passenger Facility Charges (PFC's)	**3,175,514**	3,381,906
Contract Facility Charges (CFC's)	**2,612,106**	2,647,016
Intergovernmental revenues	**3,889,880**	2,102,222
Gain (loss) on disposal/sale of capital assets	**2,021,946**	5,500
Redevelopment Authority grant revenue	**205,000**	4,789,000
Revenue - utility companies for ITAP	**625,000**	300,000
Loss on construction in process	**(71,612)**	-
Bond redemption expense	**-**	(678,799)
Interest income	**282,184**	452,996
Interest expense	**(507,403)**	(407,029)
Legal settlement	**(36,000)**	-
Interest subsidy on "RZEDB"	**320,527**	199,439
Net non-operating revenues (expenses)	**12,517,142**	12,792,251
Income before capital contributions	**11,329,816**	12,686,116
Capital Contributions		
State grants - capital projects	**600,269**	816,567
Federal grants - capital projects	**12,348,927**	11,298,444
Transfers In	**-**	119,188
Net change in net assets	**24,279,012**	24,920,315
Net assets, beginning of year	**201,830,120**	176,909,805
Net assets, end of year	**$ 226,109,132**	$ 201,830,120

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2012
(with comparative amounts for the year ended June 30, 2011)

	2012	2011
Cash flows from operating activities		
Cash received for:		
Landing fees, terminal rents, and concessions leases	**$ 13,270,082**	$ 12,408,886
FBO sales and airline services	**4,401,699**	5,449,044
Other	**420,881**	516,707
Cash paid for:		
Salaries and benefits	**(6,043,654)**	(5,870,619)
Maintenance, supplies, fuel, utilities and equipment	**(6,592,299)**	(7,255,106)
Net cash provided by operating activities	**5,456,709**	5,248,912
Cash flows from non-capital financing activities		
Legal settlement	**(36,000)**	-
Net cash (used in) non-capital financing activities	**(36,000)**	-
Cash flows from capital and related financing activities		
Receipt of passenger and contract facility charges	**5,804,969**	5,846,589
Acquisition and construction of capital assets	**(53,897,948)**	(20,053,967)
Bond proceeds	**-**	60,378,915
Bond Issuance Cost	**-**	(1,003,719)
Sale of capital assets	**1,950,334**	5,500
Principal payments on bonds and notes	**-**	(575,000)
Interest paid on bonds and notes	**(366,617)**	(468,311)
Bonds redeemed with airport cash	**-**	(9,500,000)
Call premium on cash redemption	**-**	(60,400)
Interest subsidy on "RZEDB"	**320,527**	199,439
Principal payments on capital lease obligation	**(43,275)**	(41,809)
Receipt of intergovernmental and private grants	**4,727,567**	6,961,352
Proceeds from Airport Improvement Program and State grants	**16,339,286**	7,778,138
Receipt of transfer from Industrial Park	**-**	500,000
Net cash provided by (used in) capital and related financing activities	**(25,165,157)**	49,966,727
Cash flows from investing activities		
Investment purchases	**(46,560,085)**	(46,218,934)
Investment sales	**46,218,934**	50,901,136
Interest on investments	**341,188**	529,025
Net cash provided by investing activities	**37**	5,211,227
Net increase (decrease) in cash and cash equivalents	**(19,744,411)**	60,426,866
Cash and cash equivalents, beginning of year		
Unrestricted	**39,610,679**	22,723,316
Restricted	**45,229,754**	1,690,251
	84,840,433	24,413,567
Cash and cash equivalents, end of year		
Unrestricted	**44,855,831**	39,610,679
Restricted	**20,240,191**	45,229,754
	$ 65,096,022	$ 84,840,433

- CONTINUED -

HORRY COUNTY, SOUTH CAROLINA

DEPARTMENT OF AIRPORTS ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

- CONTINUED -

	2012	2011
Reconciliation of operating income (loss) to cash flows from operating activities		
Operating loss	**$ (1,187,326)**	$ (106,135)
Adjustments to reconcile operating income to net cash provided by:		
Depreciation and amortization	**5,960,358**	5,593,193
Bad debt expense	**189,972**	1,425
(Increase) decrease in certain assets:		
Accounts receivable	**309,744**	(357,449)
Prepaid items	**35,471**	(31,450)
Inventories	**(63,535)**	35,693
(Decrease) increase in certain liabilities:		
Accounts payable	**34,170**	22,286
Accrued salaries, wages and compensated absences	**105,525**	53,200
Net other post-employment benefit obligation	**55,797**	128,468
Other accrued expenses	**179,921**	(125,245)
Due to other funds	**85,367**	(70,734)
Unearned Revenue	**1,836**	35,193
Amounts due to airlines and car rental companies	**(250,591)**	70,467
Net cash provided by operating activities	**$ 5,456,709**	$ 5,248,912

INTERNAL SERVICE FUND

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

Fleet Service – accounts for the maintenance and replacement of County vehicles including heavy and light equipment.

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
BALANCE SHEETS

June 30, 2012
(with comparative amounts for June 30, 2011)

	2012	2011
Assets		
Current assets:		
Pooled cash and investments	**$ 16,727,103**	$ 14,790,179
Petty Cash	**100**	100
Interest receivable	**20,185**	15,219
Inventory	**387,384**	359,918
Total current assets	**17,134,772**	15,165,416
Non-current assets:		
Capital assets:		
Machinery and Equipment	**27,610,238**	24,241,318
Less, accumulated depreciation	**(15,083,827)**	(13,462,450)
Net capital assets	**12,526,411**	10,778,868
Total assets	**$ 29,661,183**	$ 25,944,284
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	**$ 135,151**	$ 38,546
Accrued salaries, wages and compensated absences	**26,765**	21,912
Total current liabilities	**161,916**	60,458
Net Assets:		
Invested in capital assets	**12,526,411**	10,778,868
Restricted for capital	**16,972,856**	15,104,958
Total net assets	**29,499,267**	25,883,826
Total liabilities and net assets	**$ 29,661,183**	$ 25,944,284

HORRY COUNTY, SOUTH CAROLINA

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

FOR THE YEAR ENDED JUNE 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012	2011
Operating Revenues		
Charges for services	**$ 6,817,986**	$ 6,049,751
Other	**121,242**	83,119
Total operating revenues	**6,939,228**	6,132,870
Operating Expenses		
Personal services	**820,052**	805,955
Contractual services	**33,640**	30,973
Supplies and materials	**31,873**	34,565
Business and transportation	**1,307,390**	1,175,957
Indirect Cost Allocation Plan	**1,830**	2,506
Depreciation	**3,169,585**	2,734,152
Other	**21,534**	21,534
Total operating expenses	**5,385,904**	4,805,642
Operating income	**1,553,324**	1,327,228
Non-operating revenues (expenses)		
Gain (loss) on disposal of assets	**1,019,169**	224,619
Interest	**16,948**	31,518
Net non-operating revenues (expenses)	**1,036,117**	256,137
Income before transfers	**2,589,441**	1,583,365
Transfers in	**1,026,000**	3,671,641
Net change in net assets	**3,615,441**	5,255,006
Net assets, beginning of year	**25,883,826**	20,628,820
Net assets, end of year	**$ 29,499,267**	$ 25,883,826

HORRY COUNTY, SOUTH CAROLINA

FLEET SERVICE INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2012
(with comparative actual amounts for the year ended June 30, 2011)

	2012	2011
Cash flows from operating activities		
Cash received from:		
Services	**$ 6,817,986**	$ 6,049,751
Miscellaneous charges	**121,242**	83,119
Cash paid for:		
Fleet maintenance	**(2,110,454)**	(2,070,193)
Other supplies and miscellaneous costs	**(31,873)**	(34,565)
Net cash provided by operating activities	**4,796,901**	4,028,112
Cash flows from non-capital and related financing activities		
Transfers in	**1,026,000**	3,671,641
Net cash provided by non-capital and related financing activities	**1,026,000**	3,671,641
Cash flows from capital and related financing activities		
Purchase of capital assets	**(5,309,305)**	(2,198,270)
Proceeds from disposition of capital assets	**1,411,346**	305,400
Net cash used in capital and other related financing activities	**(3,897,959)**	(1,892,870)
Cash flows from investing activities		
Interest income	**11,982**	29,051
Net cash provided by investing activities	**11,982**	29,051
Net change in cash and cash equivalents	**1,936,924**	5,835,934
Cash and cash equivalents, beginning of year	**14,790,279**	8,954,345
Cash and cash equivalents, end of year	**$ 16,727,203**	$ 14,790,279
Reconciliation of operating income to net cash provided (used) by operating activities		
Operating income	**$ 1,553,324**	$ 1,327,228
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	**3,169,585**	2,734,152
(Increase) decrease in assets:		
Inventories	**(27,466)**	(24,560)
Increase (decrease) in liabilities:		
Accounts payable	**96,605**	(9,691)
Accrued salaries, wages and compensated absences	**4,853**	983
Net cash provided by operating activities	**$ 4,796,901**	$ 4,028,112

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, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Totals-Agency Funds				
Assets:				
Cash	$ 14,983,771	$ 10,807,674	$ 10,730,587	$ 15,060,858
Pooled cash and investments	200,139,556	538,991,740	531,780,967	207,350,329
Interest receivable	6,780	19,559	6,780	19,559
Taxes receivable	113,510,543	561,364,135	541,203,822	133,670,856
Total assets	$ 328,640,650	$ 1,111,183,108	$ 1,083,722,156	$ 356,101,602
Liabilities:				
Due to others	$ 328,640,650	$ 1,111,183,108	$ 1,083,722,156	$ 356,101,602
Total liabilities	$ 328,640,650	$ 1,111,183,108	$ 1,083,722,156	$ 356,101,602

HORRY COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
City of Conway				
Assets:				
Pooled cash and investments	$ 52,790	$ 4,856,243	$ 4,836,831	**$ 72,202**
Taxes receivable	2,262,761	3,843,508	4,856,243	**1,250,026**
Total	$ 2,315,551	$ 8,699,751	$ 9,693,074	**$ 1,322,228**
Liabilities:				
Due to others	$ 2,315,551	$ 8,699,751	$ 9,693,074	**$ 1,322,228**
City of Myrtle Beach				
Assets:				
Pooled cash and investments	$ 226,549	$ 24,952,119	$ 24,888,659	**$ 290,009**
Taxes receivable	6,656,271	24,021,445	24,952,119	**5,725,597**
Total	$ 6,882,820	$ 48,973,564	$ 49,840,778	**$ 6,015,606**
Liabilities:				
Due to others	$ 6,882,820	$ 48,973,564	$ 49,840,778	**$ 6,015,606**
Town of Loris				
Assets:				
Pooled cash and investments	$ 147,175	$ 886,929	$ 1,019,240	**$ 14,864**
Taxes receivable	615,124	629,449	886,929	**357,644**
Total	$ 762,299	$ 1,516,378	$ 1,906,169	**$ 372,508**
Liabilities:				
Due to others	$ 762,299	$ 1,516,378	$ 1,906,169	**$ 372,508**
City of North Myrtle Beach				
Assets:				
Pooled cash and investments	$ 107,840	$ 13,939,653	$ 13,950,958	**$ 96,535**
Taxes receivable	1,949,774	13,609,019	13,939,653	**1,619,140**
Total	$ 2,057,614	$ 27,548,672	$ 27,890,611	**$ 1,715,675**
Liabilities:				
Due to others	$ 2,057,614	$ 27,548,672	$ 27,890,611	**$ 1,715,675**
Town of Surfside				
Assets:				
Pooled cash and investments	$ 28,828	$ 2,412,890	$ 2,430,531	**$ 11,187**
Taxes receivable	624,399	2,123,590	2,412,890	**335,099**
Total	$ 653,227	$ 4,536,480	$ 4,843,421	**$ 346,286**
Liabilities:				
Due to others	$ 653,227	$ 4,536,480	$ 4,843,421	**$ 346,286**
Town of Atlantic Beach				
Assets:				
Pooled cash and investments	$ 14,478	$ 298,085	$ 310,097	**$ 2,466**
Taxes receivable	134,109	218,750	298,085	**54,774**
Total	$ 148,587	$ 516,835	$ 608,182	**$ 57,240**
Liabilities:				
Due to others	$ 148,587	$ 516,835	$ 608,182	**$ 57,240**
Town of Aynor				
Assets:				

HORRY COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Pooled cash and investments	$ 2,183	$ 174,608	$ 174,016	**$ 2,775**
Taxes receivable	147,493	77,740	174,608	**50,625**
Total	$ 149,676	$ 252,348	$ 348,624	**$ 53,400**
Liabilities:				
Due to others	$ 149,676	$ 252,348	$ 348,624	**$ 53,400**
Town of Briarcliff				
Assets:				
Pooled cash and investments	$ 3,494	$ 285,379	$ 286,315	**$ 2,558**
Taxes receivable	79,376	242,217	285,379	**36,214**
Total	$ 82,870	$ 527,596	$ 571,694	**$ 38,772**
Liabilities:				
Due to others	$ 82,870	$ 527,596	$ 571,694	**$ 38,772**
Horry County School District Operations/Debt				
Assets:				
Pooled cash and investments	$ 198,060,921	$ 489,837,222	$ 482,496,406	**$ 205,401,737**
Taxes receivable	100,769,737	512,939,043	489,837,222	**123,871,558**
Total	$ 298,830,658	$ 1,002,776,265	$ 972,333,628	**$ 329,273,295**
Liabilities:				
Due to others	$ 298,830,658	$ 1,002,776,265	$ 972,333,628	**$ 329,273,295**
Murrells Inlet-Garden City Operation/Debt Fire District				
Assets:				
Pooled cash and investments	$ 20,210	$ 1,325,692	$ 1,326,367	**$ 19,535**
Taxes receivable	118,337	1,342,447	1,325,692	**135,092**
Total	$ 138,547	$ 2,668,139	$ 2,652,059	**$ 154,627**
Liabilities:				
Due to others	$ 138,547	$ 2,668,139	$ 2,652,059	**$ 154,627**
Grand Strand Water and Sewer				
Assets:				
Pooled cash and investments	$ -	$ 9,585	$ 9,210	**$ 375**
Front footage assessment	9,772	8,092	9,585	**8,279**
Total	$ 9,772	$ 17,677	$ 18,795	**$ 8,654**
Liabilities:				
Due to others	$ 9,772	$ 17,677	$ 18,795	**$ 8,654**
Fireman's Fund				
Assets:				
Cash	$ 183,376	$ 1,423,202	$ 1,464,595	**$ 141,983**
Liabilities:				
Due to others	$ 183,376	$ 1,423,202	$ 1,464,595	**$ 141,983**
Police Asset Forfeiture Fund				
Assets:				
Cash	$ 106,419	$ 80,537	$ 112,958	**$ 73,998**

HORRY COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Liabilities:				
Due to others	$ 106,419	$ 80,537	$ 112,958	**$ 73,998**
Police Fund				
Assets:				
Cash	$ 15,669	$ 112,494	$ 128,133	**$ 30**
Liabilities:				
Due to others	$ 15,669	$ 112,494	$ 128,133	**$ 30**
Police Federal Forfeiture Fund				
Assets:				
Cash	$ 101,856	$ 8,936	$ 92,413	**$ 18,379**
Liabilities:				
Due to others	$ 101,856	$ 8,936	$ 92,413	**$ 18,379**
Environmental Services				
Assets:				
Cash	$ 45,550	$ 137	$ -	**$ 45,687**
Liabilities:				
Due to others	$ 45,550	$ 137	$ -	**$ 45,687**
Library Endowment				
Assets:				
Cash	$ 38,846	$ 3,646	$ -	**$ 42,492**
Liabilities:				
Due to others	$ 38,846	$ 3,646	$ -	**$ 42,492**
Inmate Trust				
Assets:				
Cash	$ 12,686	$ 169,268	$ 63,593	**$ 118,361**
Liabilities:				
Due to others	$ 12,686	$ 169,268	$ 63,593	**$ 118,361**
Solicitor DEU				
Assets:				
Cash	$ 21,285	$ 99,868	$ 80,057	**$ 41,096**
Liabilities:				
Due to others	$ 21,285	$ 99,868	$ 80,057	**$ 41,096**

HORRY COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

-CONTINUED-

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Solicitor DEU Forfeiture				
Assets:				
Cash	$ 165,797	$ 395,120	$ 473,213	**$ 87,704**
Liabilities:				
Due to others	$ 165,797	$ 395,120	$ 473,213	**$ 87,704**
Police Flower Fund				
Assets:				
Cash	$ 773	$ 1,025	$ 1,325	**$ 473**
Liabilities:				
Due to others	$ 773	$ 1,025	$ 1,325	**$ 473**
B&C MCBP- Infrastructure				
Assets:				
Pooled cash and investments	$ (11,601)	$ 9,998	$ -	**$ (1,603)**
Cash	6,307,114	2,225,417	1,841,684	**6,690,847**
Taxes receivable	143,390	2,308,835	2,225,417	**226,808**
Total	$ 6,438,903	$ 4,544,250	$ 4,067,101	**$ 6,916,052**
Liabilities:				
Due to others	$ 6,438,903	$ 4,544,250	$ 4,067,101	**$ 6,916,052**
Developer LOC				
Assets:				
Pooled cash and investments	$ 1,486,689	$ 3,337	$ 52,337	**$ 1,437,689**
Total	$ 1,486,689	$ 3,337	$ 52,337	**$ 1,437,689**
Liabilities:				
Due to others	$ 1,486,689	$ 3,337	$ 52,337	**$ 1,437,689**
Magistrates & Clerk of Court				
Assets:				
Cash	$ 7,984,400	$ 6,288,024	$ 6,472,616	**$ 7,799,808**
Interest Receivable	6,780	19,559	6,780	**19,559**
Total	$ 7,991,180	$ 6,307,583	$ 6,479,396	**$ 7,819,367**
Liabilities:				
Due to others	$ 7,991,180	$ 6,307,583	$ 6,479,396	**$ 7,819,367**

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENT FUNDS

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

HORRY COUNTY, SOUTH CAROLINA

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

June 30, 2012
(With comparative amounts for June 30, 2011)

Governmental funds - capital assets	**2012**	2011
Land	**$ 28,270,943**	$ 26,922,703
Buildings	**218,029,915**	200,284,326
Furniture and equipment	**54,601,102**	52,851,407
Vehicles	**25,217,551**	27,948,095
Intangible Assets	**552,070**	407,113
Infrastructure	**451,269,079**	446,605,413
Construction-in-progress	**26,666,027**	22,400,722
Total governmental funds capital assets	**$ 804,606,687**	$ 777,419,779
Investment in governmental funds - capital assets by source		
General Obligations Bonds	**$ 179,596,099**	$ 176,783,378
General Fund Revenue	**104,103,619**	102,600,935
Special Revenue Fund Revenue	**37,929,045**	33,698,943
Certificates of Participation	**10,050,303**	10,050,303
Capital Projects Fund	**472,927,621**	454,286,220
Total investment in governmental funds capital assets	**$ 804,606,687**	$ 777,419,779

HORRY COUNTY, SOUTH CAROLINA

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

JUNE 30, 2012

	Land	Buildings	Furniture and Equipment	Vehicles	Intangible Assets	Infrastructure	Construction in Progress	Totals
Function and Activity:								
General government	$ 14,259,359	$ 71,688,833	$ 20,447,412	$ 379,485	$ 552,070	$ -	$ -	$ 107,327,159
Public safety	2,489,722	96,027,805	31,828,679	19,566,296	-	-	-	149,912,502
Infrastructure	1,517,942	4,529,838	641,841	4,842,917	-	451,269,079	-	462,801,617
Health and social services	90,000	8,240,378	20,910	-	-	-	-	8,351,288
Cultural and recreation	9,913,920	37,543,061	1,662,260	428,853	-	-	-	49,548,094
Construction-in-progress	-	-	-	-	-	-	26,666,027	26,666,027
Total governmental funds capital assets	$ 28,270,943	$ 218,029,915	$ 54,601,102	$ 25,217,551	$ 552,070	$ 451,269,079	$ 26,666,027	$ 804,606,687

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, 2012

	Balances June 30, 2011	Additions	Deletions/ Transfers	Balances June 30, 2012
Functions and Activity:				
General government	$ 106,407,326	$ 2,009,052	$ (1,089,219)	$ 107,327,159
Public Safety	152,796,464	1,039,863	(3,923,825)	149,912,502
Infrastructure & Regulation	459,301,911	6,079,186	(2,579,480)	462,801,617
Health and Social Services	2,395,927	5,955,361	-	8,351,288
Cultural and Recreation	34,117,429	15,660,886	(230,221)	49,548,094
Construction-in-progress	22,400,722	26,980,909	(22,715,604)	26,666,027
Total governmental funds capital assets	$ 777,419,779	$ 57,725,257	$ (30,538,349)	$ 804,606,687
Class:				
Land	$ 26,922,703	$ 1,348,240	$ -	$ 28,270,943
Buildings	200,284,326	18,049,012	(303,423)	218,029,915
Furniture and equipment	52,851,407	6,008,620	(4,258,925)	54,601,102
Vehicles	27,948,095	529,853	(3,260,397)	25,217,551
Intangible Assets	407,113	144,957	-	552,070
Infrastructure	446,605,413	4,663,666	-	451,269,079
Construction-in-progress	22,400,722	26,980,909	(22,715,604)	26,666,027
Total governmental funds capital assets	$ 777,419,779	$ 57,725,257	$ (30,538,349)	$ 804,606,687

VICTIM’S RIGHTS

HORRY COUNTY, SOUTH CAROLINA
VICTIM'S RIGHTS
SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES

FOR THE YEAR ENDED JUNE 30, 2012
(with comparison for the year ended June 30, 2011)

	Clerk of Court	Magistrate	Probate	Total 2012	Total 2011
Fines collected	$ 2,381,382	$ 3,835,662	$ 74,080	$ 6,291,124	$ 6,704,745
Assessments collected	106,912	500,928	-	607,840	636,839
Surcharges collect	104,735	1,028,597	-	1,133,332	1,164,337
Total fines and assessments collected	$ 2,593,029	$ 5,365,187	$ 74,080	$ 8,032,296	$ 8,505,921
Fines retained by County	626,147	2,466,673	-	3,092,820	3,229,758
Assessments retained by County	37,829	175,198	-	213,027	228,833
Surcharges retained by County	82,648	80,869	-	163,517	174,510
Total fines and assessments retained by County	$ 746,624	$ 2,722,740	$ -	$ 3,469,364	$ 3,633,101
Fines remitted to State Treasurer	1,755,235	1,368,989	74,080	3,198,304	3,474,987
Assessments remitted to State Treasurer	69,083	325,730	-	394,813	408,006
Surcharges remitted to State Treasurer	22,087	947,728	-	969,815	989,827
Total fines and assessments remitted to State Treasurer	$ 1,846,405	$ 2,642,447	$ 74,080	$ 4,562,932	$ 4,872,820

CAPITAL PROJECTS SALES TAX

HORRY COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULES

CAPITAL PROJECTS SALES TAX

FOR THE YEAR ENDED JUNE 30, 2012

Projects	Project Title	Project Budget	Project Actual	Variance
Project #1	Pave 20 miles - DR	$ 19,600,000	$ 11,374,698	$ 8,225,302
Project #2	Resurface 12 miles	945,000	839,422	105,578
Project #3	Backgate Interchange	49,500,000	35,344,173	14,155,827
Project #4	Widen 707	132,250,000	12,354,872	119,895,128
Project #5	Pave 25 miles - DR	25,750,000	10,522,517	15,227,483
Project #6	Resurface 12 miles	990,000	1,095,578	(105,578)
Project #7	Aynor Overpass	46,000,000	14,280,333	31,719,667
Project #8	Resurface 12 miles	1,035,000	1,386,031	(351,031)
Project #9	Widen Glenns Bay	76,000,000	3,276,167	72,723,833
Project #10	Resurface 12 miles	1,080,000	-	1,080,000
Project #11	Pave 25 miles - DR	27,750,000	1,058,459	26,691,541
Project #12	Resurface 12 miles	1,125,000	-	1,125,000
Project #13	International Dr	6,500,000	477,886	6,022,114
Project #14	Resurface 7 miles	682,500	-	682,500
Project #15	Pave 30 miles - DR	36,100,000	-	36,100,000
Total		$ 425,307,500	$ 92,010,136	$ 333,297,364

DR = Dirt Road

Note: From inception through June 30, 2012.

GENERAL IMPROVEMENTS CAPITAL PROJECTS FUND

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, 2012
(With comparative actual amounts for the year ended June 30, 2011)

	2012				2011
	Budget				
	Original	Final	Actual Amounts	Variance Positive (Negative)	Actual
Revenues					
Intergovernmental	$ 415,000	597,632	$ 567,750	$ (29,882)	$ 819,731
Disposal fee	675,000	675,000	681,639	6,639	714,924
Interest	-	-	135,228	135,228	340,199
Other-donations	-	2,355,000	125,000	(2,230,000)	165,000
Total revenues	1,090,000	3,627,632	1,509,617	(2,118,015)	2,039,854
Expenditures					
Capital outlay:					
Construction contracts	2,651,657	13,845,849	8,687,969	5,157,880	2,870,545
Capital outlay	1,129,321	14,933,092	12,038,999	2,894,093	24,847,196
Other	415,000	2,983,232	-	2,983,232	-
Total expenditures	4,195,978	31,762,173	20,726,968	11,035,205	27,717,741
Excess (deficiency) of revenue over expenditures	(3,105,978)	(28,134,541)	(19,217,351)	8,917,190	(25,677,887)
Other Financing Sources (Uses)					
Sale of assets	-	-	-	-	166,158
Capital lease	-	2,602,861	2,602,861	-	1,000,000
Transfers in	2,192,657	5,245,836	5,245,836	-	5,464,007
Transfers out	(1,109,368)	(1,139,368)	(1,139,368)	-	(1,815,838)
Total other financing sources (uses)	1,083,289	6,709,329	6,709,329	-	4,814,327
Net change in fund balance	(2,022,689)	(21,425,212)	(12,508,022)	8,917,190	(20,863,560)
Fund balance at beginning of year	22,952,618	22,952,618	22,952,618	-	43,816,178
Fund balance at end of year	$ 20,929,929	$ 1,527,406	$ 10,444,596	$ 8,917,190	$ 22,952,618

STATISTICAL SECTION

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

HORRY COUNTY, SOUTH CAROLINA
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	2003	2004	2005	2006 as restated	2007	2008 as restated	2009 as restated	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	$339,241	$360,367	$364,396	$387,935	$406,013	$386,522	$488,550	532,927	551,832	576,387
Restricted	30,647	41,368	27,465	38,317	64,674	186,578	206,516	231,335	309,063	348,119
Unrestricted	(343,802)	(346,365)	(298,109)	(264,451)	(251,630)	(241,001)	(255,722)	(218,404)	(256,844)	(240,372)
Total governmental activities net assets	$26,086	$55,370	$93,752	$161,801	$219,057	$332,099	$439,344	$ 545,858	$ 604,051	$ 684,134
Business-type activities										
Invested in capital assets, net of related debt	$68,768	$73,877	$81,247	$84,760	$72,687	$80,109	$87,137	$104,452	$116,287	$138,123
Restricted	18,149	20,955	24,705	29,635	34,046	26,679	26,894	30,469	42,403	45,038
Unrestricted	24,599	27,395	33,920	36,054	32,682	41,020	45,253	41,989	43,140	42,948
Total business-type activities net assets	$111,516	$122,227	$139,872	$150,449	$139,415	$147,808	$159,284	$176,910	$201,830	$226,109
Primary government										
Invested in capital assets, net of related debt	$408,009	$434,244	$445,643	$472,695	$478,700	$466,631	$575,687	$637,378	$668,119	$714,510
Restricted	48,796	62,323	52,170	67,952	98,719	213,257	233,410	261,804	351,466	393,157
Unrestricted (deficit)	(319,203)	(318,970)	(264,189)	(228,397)	(218,948)	(199,981)	(210,469)	(176,415)	(213,704)	(197,424)
Total primary government net assets	$137,602	$177,597	$233,624	$312,250	$358,471	$479,907	$598,628	$722,767	$805,881	$910,243

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	2003	2004	2005	2006 as restated	2007	2008 as restated	2009 as restated	2010	2011	2012
Expenses										
Governmental activities:										
General government	$ 32,590	$ 27,978	$ 25,724	$ 27,960	$ 40,691	$ 38,239	$ 37,914	$ 34,971	$ 34,962	$ 33,091
Public safety	44,667	54,201	63,171	68,799	72,570	98,133	101,642	91,214	101,668	106,451
Health and social services	3,457	1,987	2,089	920	980	2,542	2,432	2,354	2,504	2,659
Infrastructure and regulation	85,910	23,631	25,797	30,145	14,126	18,910	23,492	31,037	34,998	28,236
Improvements to state roadways	-	-	-	-	-	-	-	-	35,731	15,722
Culture, recreation and tourism	5,985	6,497	8,211	8,534	9,133	10,836	9,426	4,629	9,307	10,523
Economic development	1,626	209	58	843	312	383	2,292	2,019	1,366	3,555
Conservation/natural resources	442	342	213	561	1	47	-	-	-	-
Other	1,352	-	-	4,077	-	-	-	-	-	-
Debt service	18,714	11,480	16,180	15,454	16,193	16,767	7,530	8,964	11,970	9,652
Horry-Georgetown TECH	1,950	1,950	2,154	2,591	2,800	3,000	3,000	3,973	3,415	3,347
Higher Education Commission	270	290	303	500	410	910	1,170	1,140	1,325	1,200
Total governmental activities expenses	196,963	128,565	143,900	160,384	157,216	189,767	188,898	180,301	237,246	214,436
Business-type activities:										
Airport	13,917	14,978	18,190	18,483	26,663	19,714	17,440	17,264	19,818	19,834
Industrial Parks	577	612	1,400	-	-	-	-	-	-	-
Baseball Stadium	372	365	369	334	376	-	-	-	-	-
Total business-type activities expenses	14,866	15,955	19,959	18,817	27,039	19,714	17,440	17,264	19,818	19,834
Total primary government expenses	211,829	144,520	163,859	179,201	184,255	209,481	206,338	197,565	257,064	234,270
Program Revenues										
Governmental activities:										
Charges for services:										
General government	11,410	7,702	7,822	20,635	2,206	12,295	10,203	11,899	12,346	12,595
Public safety	7,748	4,733	4,807	4,002	12,559	15,687	16,918	17,875	17,988	16,787
Health and social services	100	-	-	-	101	49	71	70	69	70
Infrastructure and regulation	6,627	5,546	12,729	10,596	11,936	4,177	4,387	11,666	12,165	12,634
Culture, recreation and tourism	288	-	-	-	97	593	99	108	91	93
Operating grants and contributions	2,330	688	2,462	1,991	641	597	5,196	4,800	2,769	2,368
Capital grants and contributions	732	1,384	1,344	2,400	358	666	317	1,908	10,702	6,726
Total governmental activities program revenues	29,235	20,053	29,164	39,624	27,898	34,064	37,191	48,326	56,130	51,273

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN NET ASSETS (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Business-type activities:				as restated		as restated	as restated			
Charges for services:										
Airport	12,469	14,790	21,394	23,403	26,539	24,634	19,726	18,902	24,661	25,841
Industrial Parks	277	174	265	-	-	-	-	-	-	-
Baseball Stadium	8	7	9	-	9	-	-	-	-	-
Operating grants and contributions	143	-	-	-	-	-	2,992	3,217	7,310	4,720
Capital grants and contributions	9,444	9,203	8,731	7,031	-	-	-	12,486	12,115	12,949
Total business-type activies program revenues	22,341	24,174	30,399	30,434	26,548	24,634	22,718	34,605	44,086	43,510
Total primary government program revenues	51,576	44,227	59,563	70,058	54,446	58,698	59,909	82,931	100,216	94,783
Net (Expense)/Revenues										
Governmental activities	(167,728)	(108,512)	(114,736)	(120,760)	(129,318)	(155,703)	(151,707)	(131,975)	(181,116)	(163,163)
Business-type activities	7,475	8,219	10,440	11,617	(491)	4,920	5,278	17,341	24,268	23,676
Total primary government program net expense	(160,253)	(100,293)	(104,296)	(109,143)	(129,809)	(150,783)	(146,429)	(114,634)	(156,848)	(139,487)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes and Fees-in-lieu of taxes	73,218	73,217	81,679	86,459	105,141	104,702	117,673	115,546	165,944	173,342
Investment earnings	2,168	1,847	2,945	5,676	8,030	7,880	6,717	4,656	2,382	2,014
Other	54,835	61,930	68,756	75,504	73,706	156,476	145,733	118,287	69,863	67,890
Transfers	(43)	(237)	(262)	(313)	(305)	(312)	(500)	-	-	-
Extraordinary item	-	-	-	-	-	-	-	-	1,120	-
Total governmental activities	130,178	136,757	153,118	167,326	186,572	268,746	269,623	238,489	239,309	243,246
Business-type activities:										
Other	(1,127)	1,664	5,940	2,224	(14,474)	-	4,091	(446)	453	282
Investment earnings	694	591	1,003	2,350	3,626	3,161	1,607	731	199	321
Transfers	124	237	262	313	305	312	500	-	-	-
Total business-type activities	(309)	2,492	7,205	4,887	(10,543)	3,473	6,198	285	652	603
Total primary government	129,869	139,249	160,323	172,213	176,029	272,219	275,821	238,774	239,961	243,849
Change in Net Assets										
Governmental activities:	(37,549)	28,245	38,382	46,566	57,255	113,043	117,916	106,514	58,193	80,083
Business-type activities:	7,166	10,711	17,645	16,504	(11,034)	8,393	11,476	17,626	24,920	24,279
Total primary government	$ (30,383)	$ 38,956	$ 56,027	$ 63,070	$ 46,221	$ 121,436	$129,392	$ 124,140	$ 83,113	$ 104,362

(1) The Industrial Park and Baseball Stadium has been moved from a Business-type activity to a Governmental activity in the Special Revenue Funds.

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	2003	2004	2005	2006	2007	2008 as restated	2009 as restated	2010	2011*	2012
General fund										
Reserved	$ 828	$ 620	$ 482	$ 2,395	$ 1,273	$ 1,250	$ 1,174	$ 3,649	$ -	$ -
Unreserved/designated	1,592	5,758	10,910	13,547	3,567	3,254	5,309	8,375	-	-
Unreserved/undesignated	17,597	19,832	18,962	19,102	22,089	24,579	24,341	24,739	-	-
Nonspendable	-	-	-	-	-	-	-	-	1,532	169
Committed	-	-	-	-	-	-	-	-	25,392	29,082
Assigned	-	-	-	-	-	-	-	-	343	343
Unassigned	-	-	-	-	-	-	-	-	9,797	7,108
Total general fund	20,017	26,210	30,354	35,044	26,929	29,083	30,824	36,763	37,064	36,702
All other governmental funds										
Reserved	38,997	50,819	44,791	56,734	70,700	196,056	272,586	256,012	-	-
Unreserved for:										
Special revenue funds	20,595	22,970	22,985	23,092	33,671	33,327	3,721	38,972	-	-
Capital project funds (deficit)	-	-	6,347	7,944	19,080	12,415	(7,235)	2,016	-	-
Nonspendable	-	-	-	-	-	-	-	-	857	20
Restricted	-	-	-	-	-	-	-	-	291,148	322,583
Committed	-	-	-	-	-	-	-	-	16,719	12,571
Unassigned	-	-	-	-	-	-	-	-	(1,199)	(1,134)
Total all other governmental funds	59,592	73,789	74,123	87,770	123,451	241,798	269,072	297,000	307,525	334,040
Total governmental fund balances	$ 79,609	$ 99,999	$ 104,477	$ 122,814	$ 150,380	$ 270,881	$ 299,896	$ 333,763	$ 344,589	$ 370,742

*As of June 30, 2011, fund balance classifications changed with the implementation of GASB 54.

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	2003	2004	2005	2006	2007	2008	2009 as restated	2010	2011	2012
Revenues										
Property Taxes	$ 72,818	$ 75,519	$ 78,844	$ 87,680	$ 93,557	$ 104,607	$ 114,821	$ 118,249	$ 115,241	$ 114,481
Licenses and permits	4,982	6,434	9,348	13,841	12,128	9,999	7,551	6,572	6,272	6,537
Intergovernmental	16,890	18,010	18,093	18,913	22,570	21,210	22,296	24,025	19,701	19,545
Sales Tax Major Capital Projects (3)	-	-	-	-	-	63,537	63,549	58,070	61,477	64,802
Fees and fines	46,874	51,030	54,003	58,817	61,679	64,570	65,709	66,446	34,081	33,301
Hospitality & Local Accommodations fees (4)	-	-	-	-	-	-	-	-	36,867	39,452
Charges for services	2,443	3,889	6,472	8,962	6,966	4,356	2,406	2,469	2,305	2,340
Interest on investments	2,168	1,847	2,945	5,650	8,030	7,880	7,834	4,658	2,383	2,015
Accomodation tax (1)	787	834	861	969	1,014	996	865	845	3,835	3,677
Cost allocation	991	2,115	1,142	1,697	1,426	1,685	2,100	3,077	3,055	3,167
Other	2,734	1,749	1,652	2,368	3,553	5,585	4,617	4,018	3,864	4,448
Total revenues	150,687	161,427	173,360	198,897	210,923	284,425	291,748	288,429	289,081	293,765
Expenditures										
General government	28,250	20,102	20,866	23,570	27,254	30,143	30,810	28,070	28,687	28,210
Public safety	44,177	56,573	60,478	67,878	73,533	79,117	84,810	87,461	93,942	99,887
Public works	17,144	-	-	-	-	-	-	-	-	-
Infrastructure and regulation (2)	-	23,631	28,367	29,028	31,078	32,898	29,208	31,611	54,991	44,690
Economic development	1,895	208	58	774	312	383	2,292	2,019	1,423	1,800
Health and social services	3,475	1,987	2,069	894	861	822	867	2,232	2,382	2,436
Culture and recreation	5,912	6,497	7,825	8,033	8,387	8,699	8,821	9,807	8,863	9,786
Capital outlay	15,161	8,780	20,563	13,544	11,175	28,822	50,118	56,796	37,060	29,302
Conservation and natural resources	955	342	517	561	1	47	-	-	-	-
Horry-Georgetown Tech	1,950	1,950	2,153	2,591	2,800	3,000	3,000	3,973	3,415	3,347
Higher Education	270	290	303	500	410	910	1,170	1,140	1,325	1,200
Debt service:										
Principal	32,033	30,391	18,798	20,150	19,455	21,704	28,130	27,675	31,198	33,299
Interest and fees	5,038	4,680	16,597	15,659	15,377	14,477	16,075	17,359	14,605	13,687
Other charges	1,352	1,356	1,371	1,457	6,419	10,925	5,008	1,025	44	1,906
Total expenditures	157,612	156,787	179,965	184,639	197,062	231,947	260,309	269,168	277,934	269,549
Excess of revenues over (under) expenditures	(6,925)	4,640	(6,605)	14,258	13,861	52,478	31,439	19,261	11,147	24,216

HORRY COUNTY, SOUTH CAROLINA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (Continued)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30									
	2003	2004	2005	2006	2007	2008	2009 as restated	2010	2011	2012
Transfers in	37,092	41,013	47,638	57,682	55,044	50,686	48,717	45,103	16,176	11,733
Transfers out	(37,216)	(41,470)	(48,087)	(57,995)	(55,349)	(50,997)	(49,221)	(45,103)	(19,967)	(12,759)
Refunding bonds issued	-	-	-	35,326	-	-	-	-	-	-
Issuance of debt	-	14,000	-	-	11,000	62,000	8,155	26,040	-	8,740
Premium on bonds issued	-	47	-	(439)	-	1,496	-	1,151	-	285
Payments to refunded bond escrow agent	-	-	-	(34,883)	-	-	(10,671)	(13,260)	-	(8,881)
Capital leases	985	1,032	11,606	7,488	-	4,442	-	-	-	-
Sale of assets	182	89	176	101	44	330	400	94	259	216
Other	-	-	(250)	(3,111)	-	-	-	580	2,091	2,603
Total other financing sources (uses)	1,043	14,711	11,083	4,169	10,739	67,957	(2,620)	14,605	(1,441)	1,937
Extraordinary item	-	-	-	-	-	-	-	-	1,120	-
Net change in fund balances (3)	$ (5,882)	$ 19,351	$ 4,478	$ 18,427	$ 24,600	$ 120,435	$ 28,819	$ 33,866	$ 10,826	$ 26,153
Debt service as a percentage of noncapital expenditures	26.0%	23.7%	22.2%	20.9%	18.7%	17.6%	21.0%	21.2%	16.9%	18.8%

(1) Accommodation taxes are considered Special Assessments.
(2) Prior to fiscal year ended June 30, 2004, expenses for Infrastructure and Regulation were classified as Public Works.
(3) Major Capital Projects Sales Tax added 2008.
(4) Prior to fiscal year ended June 30, 2011, Hospitality and Local Accommodations fees were classified as Intergovernmental.

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

TAX YEAR	FOR THE FISCAL YEAR ENDED JUNE 30	REAL PROPERTY (1) (2) (3)			PERSONAL PROPERTY (2) (4)		TOTAL TAXABLE ASSESSED VALUE (2) (7)	TOTAL DIRECT TAX RATE (6) (7)	ESTIMATED ACTUAL TAXABLE VALUE (5) (7)	ASSESSED VALUE (2) AS A PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE (5)
		RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	FARM	MOTOR VEHICLES	OTHER				
2002	2003	$ 225,111	$ 647,943	$ 4,917	$ 141,518	$ 119,455	$ 1,138,944	50.9	$ 19,177,387	5.94%
2003	2004	238,038	663,391	4,953	146,019	115,338	1,167,739	50.9	19,882,193	5.87%
2004	2005	249,986	681,439	4,919	144,584	116,445	1,197,373	50.9	20,592,643	5.81%
2005	2006	309,446	888,857	5,068	146,222	132,501	1,482,094	46.3	25,877,845	5.73%
2006	2007	326,176	980,924	5,031	148,820	145,614	1,606,565	46.3	28,190,764	5.70%
2007	2008	354,361	1,107,275	5,167	142,105	160,068	1,768,976	47.3	31,163,189	5.68%
2008	2009	394,601	1,264,297	5,088	133,789	172,811	1,970,586	47.3	34,797,636	5.66%
2009	2010	419,503	1,278,502	5,162	128,942	174,070	2,006,179	47.3	35,591,828	5.64%
2010	2011	465,852	1,282,410	5,524	109,872	165,332	2,028,990	44.9	36,448,278	5.57%
2011	2012	478,287	1,283,108	5,552	120,615	157,156	2,044,718	45.2	36,851,012	5.55%

Notes:
(1) Property in the County is reassessed every five years.
(2) Tax-exempt property has already been deducted.
(3) The County assesses real property at either 4% or 6% of estimated market value at the time of reassessment.
(4) The County assessed personal property at 6.0%, 6.75% or 10.5% of estimated taxable market value for FY2007.
(5) Estimated actual taxable value = appraised value.
(6) Direct tax rates are per $1,000 of assessed value.
(7) Property that is exempt from the County portion of taxes have been subtracted from Assessed Value and Estimated Actual Taxable Value.
(8) General Note: Taxes for each tax year are due and payable the following fiscal year.

Source/s:
Horry County Finance Department
Horry County Assessor
Horry County Auditor

HORRY COUNTY, SOUTH CAROLINA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	Tax Year (1)									
	2002 (1)	2003 (1)	2004 (1)	2005 (1)	2006 (1)	2007 (1)	2008 (1)	2009 (1)	2010 (1)	2011 (1)
County Direct Rates (2)										
General Fund	39.4	40.2	40.2	36.7	36.7	36.7	36.7	36.7	34.8	35.6
Debt Retirement	7.0	6.2	6.2	5.3	5.3	5.3	5.3	5.3	5.0	5.0
Senior Citizens Fund	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Horry Georgetown Tech	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.8	1.8
Higher Education	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Recreation	1.5	1.5	1.5	1.3	1.3	2.3	2.3	2.3	2.2	1.7
Total Direct Rate	50.9	50.9	50.9	46.3	46.3	47.3	47.3	47.3	44.9	45.2
Unincorp. County Rates (2)										
Rural Fire (Began in 2003)	-	18.3	18.3	16.3	16.3	16.3	16.3	16.3	15.2	15.2
Waste Management (Began in 2003)	-	5.1	7.1	6.4	6.4	6.4	6.4	6.4	6.0	6.0
School District Rates (2)	124.9	130.4	130.4	129.7	135.3	143.3	143.3	139.3	132.2	130.2
Other Fire Districts Rates (2)										
Aynor Fire Contract (Began in 2003)	-	18.3	18.3	16.3	16.3	16.3	16.3	16.3	15.2	15.2
Atlantic Beach Fire Contract (Began in 2003)	-	18.3	18.3	16.3	16.3	16.3	16.3	16.3	15.2	15.2
Murrells Inlet /Garden City Contract (Began in 2003)	-	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
City Rates (2)										
Town of Atlantic Beach	0.1100	0.0900	0.0900	0.0900	0.0900	0.0945	0.0945	0.0945	0.0945	0.0845
Town of Aynor	0.0900	0.0900	0.0900	0.0708	0.0708	0.0722	0.0722	0.0722	0.0608	0.0608
Town of Briarcliff Acres	0.0420	0.0570	0.0560	0.0470	0.0500	0.0528	0.0556	0.0556	0.0508	0.0508
City of Conway	0.0939	0.0939	0.0967	0.0866	0.0866	0.0866	0.0866	0.0866	0.0793	0.0793
City of Loris	0.1150	0.1150	0.1150	0.1050	0.1050	0.1050	0.1050	0.1050	0.1037	0.1037
City of Myrtle Beach	0.0632	0.0632	0.0632	0.0614	0.0614	0.0614	0.0644	0.0629	0.0661	0.0661
City of N. Myrtle Beach	0.0357	0.0357	0.0357	0.0305	0.0305	0.0305	0.0322	0.0322	0.0320	0.0380
City of Surfide Beach	0.0440	0.0550	0.0550	0.0440	0.0440	0.0440	0.0440	0.0440	0.0400	0.0400

HORRY COUNTY, SOUTH CAROLINA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	Tax Year (1)									
	2002 (1)	2003 (1)	2004 (1)	2005 (1)	2006 (1)	2007 (1)	2008 (1)	2009 (1)	2010 (1)	2011 (1)
Special District Rates (2)										
Conway	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227	0.0227	0.0227	0.0212	0.0212
Crabtree	0.0277	0.0277	0.0297	0.0263	0.0263	0.0263	0.0263	0.0263	0.0244	0.0244
Loris	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227	0.0227	0.0227	0.0212	0.0212
Todd Swamp	0.0277	0.0277	0.0297	0.0262	0.0262	0.0262	0.0262	0.0262	0.0243	0.0243
Buck Creek	0.0277	0.0277	0.0297	0.0265	0.0265	0.0265	0.0265	0.0265	0.0244	0.0244
Simpson Creek	0.0277	0.0277	0.0297	0.0261	0.0261	0.0261	0.0261	0.0261	0.0241	0.0241
Green Sea	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227	0.0227	0.0227	0.0212	0.0212
Aynor	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227	0.0227	0.0227	0.0212	0.0212
Little River	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227	0.0227	0.0227	0.0212	0.0212
Socastee	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227	0.0227	0.0227	0.0212	0.0212
Mt Gilead	0.0391	0.0391	0.0411	0.0338	0.0338	0.0338	0.0238	0.0238	0.0230	0.0230
Socastee Rec	0.0254	0.0254	0.0274	0.0247	0.0247	0.0247	0.0247	0.0247	0.0230	0.0230
Murrells Inlet/G.C.	0.0151	0.0151	0.0171	0.0164	0.0164	0.0164	0.0164	0.0164	0.0160	0.0160
Floyds	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227	0.0227	0.0227	0.0212	0.0212
Cartwheel	0.0277	0.0277	0.0297	0.0266	0.0266	0.0266	0.0266	0.0266	0.0246	0.0246
Gapway	0.0277	0.0277	0.0297	0.0265	0.0265	0.0265	0.0265	0.0265	0.0243	0.0243
Myrtle Beach	0.0234	0.0234	0.0254	0.0227	0.0227	0.0227	0.0227	0.0227	0.0212	0.0212
Arcadian Shores	0.0584	0.0584	0.0604	0.0577	0.0577	0.0577	0.0577	0.0577	0.0535	0.0535

Notes:
(1) Taxes for each tax year are due and payable the following fiscal year.
(2) Rates are per $1,000 of assessed value.
(3) A property reappraisal was performed in Tax Year 2005. This reappraisal was delayed by one (1) tax year.
(4) A property reappraisal was performed in Tax Year 2010. This reappraisal was delayed by one (1) tax year.
(5) A reappraisal is performed every five years. The County's next scheduled reappraisal date is Tax Year 2014 due to the prior one (1) year delay of reappraisal in Tax Year 2010.

Source/s: Horry County Assessor and Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	Fiscal Year 2012 (Tax Year 2011)			Fiscal Year 2003 (Tax Year 2002)		
TAXPAYER	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL ASSESSED VALUE (1)	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL ASSESSED VALUE (1)
Burroughs & Chapin Inc Subsidiaries (2)	$ 25,626,162	1	1.25%	$26,102,716	1	2.29%
Horry Electric Co-operative	16,453,397	2	0.80%	10,372,910	2	0.91%
Horry Telephone Co-operative/HTC	8,901,550	3	0.44%	7,676,826	4	0.67%
Winchester North Beach Towers LLC	6,259,396	4	0.31%			
Bluegreen Vacations Unlimited Inc.	5,951,548	5	0.29%			
Lawyers Title Insurance Corp	5,713,926	6	0.28%			
Marriott Ownership Resorts Inc.	4,610,160	7	0.23%			
Frontier Communications of the Carolinas	3,968,760	8	0.19%			
Atlas SC 1 SPE LLC	3,773,858	9	0.18%			
HRP Myrtle Beach Operations LLC	3,318,490	10	0.16%			
Verizon South, Inc.				8,357,560	3	0.73%
Time Warner Ent.-Advance/Newhouse				2,787,300	8	0.24%
Wal-Mart Real Estate Business Trust				2,265,474	7	0.20%
AVX Corporation				5,083,462	5	0.45%
Broadway at the Beach (3)				4,255,394	6	0.37%
Ocean Lakes Family Campground				2,514,687	9	0.22%
Conbraco Industries Inc.				2,535,070	10	0.22%
Totals	$ 84,577,247		4.14%	$71,951,399		6.32%

Notes:
(1) Property that is exempt from the County portion of taxes have been subtracted from Assessed Value.
(2) 2012 data for Burroughs & Chapin Inc. Subsidiaries includes Myrtle Beach Farms and Broadway At The Beach
(3) 2003 data for Myrtle Beach Farms (in Burroughs & Chapin Inc Subsidiaries for 2012) does not include Broadway at the Beach

Source: Horry County Treasurer

HORRY COUNTY, SOUTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

TAX YEAR	FOR THE FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
			AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2002	2003	$ 67,605	$ 63,812	94.39%	$ 1,896	$ 65,708	97.19%
2003	2004	75,692	72,650	95.98%	2,116	74,766	98.78%
2004	2005	78,211	75,544	96.59%	1,496	77,040	98.50%
2005	2006	86,977	85,237	98.00%	1,741	86,978	100.00%
2006	2007	93,573	91,215	97.48%	2,244	93,459	99.88%
2007	2008	104,866	101,674	96.96%	2,534	104,208	99.37%
2008	2009	117,588	110,329	93.83%	4,763	115,092	97.88%
2009	2010	116,592	111,623	95.74%	4,870	116,493	99.91%
2010	2011	114,240	109,436	95.80%	3,364	112,800	98.74%
2011	2012	113,039	108,004	95.55%	-	108,004	95.55%

Notes:
(1) Taxes for each tax year are due and payable the following fiscal year.

Sources:
Horry County property tax database

HORRY COUNTY, SOUTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT)

FOR THE FISCAL YEAR ENDED JUNE 30	GOVERNMENTAL ACTIVITIES					BUSINESS-TYPE ACTIVITIES		PRIMARY GOVERNMENT		
	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENT BONDS	RIDE IGA LOANS	CAPITAL LEASES	BASEBALL STADIUM COPS BONDS	REVENUE BONDS	CAPITAL LEASES	TOTAL OUTSTANDING DEBT	PERCENTAGE OF PERSONAL INCOME (1) (2)	DEBT PER CAPITA (1) (2)
2003	$ 73,945	$ 17,440	$ 396,623	$ 1,875	$ 2,662	$ 30,855	$ 50	$ 523,450	9.83%	$ 2,484
2004	81,950	16,340	387,234	2,402	2,546	29,355	30	519,857	9.13%	2,389
2005	76,435	15,190	376,159	10,872	2,423	27,765	9	508,853	8.37%	2,242
2006	72,920	13,985	364,791	14,722	2,295	26,080	426	495,219	7.47%	2,076
2007	80,120	12,725	350,132	12,027	2,162	24,300	383	481,849	6.39%	1,920
2008	137,920	11,405	334,103	13,115	2,024	11,140	345	510,052	6.58%	1,971
2009	129,840	10,035	315,760	9,828	1,880	10,620	306	478,269	6.23%	1,813
2010	134,670	7,105	297,308	6,726	1,570	10,075	266	457,720	5.94%	1,700
2011	125,967	5,410	276,765	5,251	1,405	60,590 (3)	224	475,612	not available	1,721
2012	117,794	3,665	254,386	5,264	1,233	60,590	180	443,112	not available	not available

Notes:

(1) See the schedule of Demographic and Economic Statistics for personal income and population data.
(2) Percentage of Personal Income and Per Capita data have been updated based on new data for 2007, 2008 and 2009 from the U.S. Census Bureau and the Bureau of Economic Analysis
(3) Series 1997 and Series 2000 Bonds were fully redeemed in FY2011 and Series 2010 Bonds were issued.

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT)

FOR THE FISCAL YEAR ENDED JUNE 30	GENERAL OBLIGATION BONDS (4)	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND	TOTAL	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY (2)	NET BONDED DEBT PER CAPITA (3)
2003	$ 73,945	$ 4,430	$ 69,515	0.36%	$ 337
2004	81,950	4,249	77,701	0.39%	370
2005	76,435	4,417	72,018	0.35%	330
2006	72,920	6,107	66,813	0.26%	294
2007	63,915	9,306	54,609	0.19%	229
2008	122,890	15,441	107,449	0.34%	428
2009	116,050	14,129	101,921	0.29%	394
2010	122,175	13,226	108,949	0.31%	413
2011	114,797	12,310	102,487	0.28%	381
2012	104,999	10,647	94,352	0.26%	342

Notes:
(1) The restricted for debt service principal column has not been included because there are no restricted assets for general obligation bonds.
(2) Percentage Estimated Actual Taxable Value of Property = Total Column (above) / the Estimated Actual Taxable Value (see the schedule of Assessed Value and Estimated Actual Value of Taxable Property for Est. Actual Taxable Value).
(3) Net Bonded Debt per capita = Total column (above) / the prior year's (rounded) County Population (see the schedule of Demographic and Economic Statistics for population data).
(4) General obligation bonds includes all general obligation bonds other than:
(a) Fire District G.O. Bonds of $10,415 as they have their own designated millage (fire millage is assessed only to unincorporated areas of the County and municipalities with a contract for fire protection)
(b) Higher Education G.O. Bonds of $2,380 as they have their own designated millage (est. by the State of South Carolina)

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012
(AMOUNTS EXPRESSED IN THOUSANDS)

ENTITY	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	ESTIMATED SHARE OF OVERLAPPING DEBT
School District	$ 364,690	100.00%	$ 364,690
City of Myrtle Beach	39,498	100.00%	39,498
City of Conway	2,824	100.00%	2,824
City of North Myrtle Beach	3,738	100.00%	3,738
City of Loris	1,289	100.00%	1,289
Town of Surfside	1,073	100.00%	1,073
Subtotal, overlapping debt			413,112
Horry County direct debt (1)(2)(3)	109,550	100.00%	109,550
Total direct and overlapping debt		100.00%	$ 522,662

Notes:
(1) Horry County direct debt outstanding includes all general obligation long-term bonds other than:
(a) Fire District G.O. Bonds of $10,415 as they have their own designated millage (fire millage is assessed only to unincorporated areas of the County and municipalities with a contract for fire protection)
(b) Higher Education G.O. Bonds of $2,380 as they have their own designated millage (est. by the State of South Carolina)
(2) Debt Outstanding excludes compensation for future absences, revenue bonds, and other "user fee" bonds, which are paid by other revenue sources.
(3) Debt Outstanding includes the net of unamortized premiums,discounts and bond issuance costs.

Source: Finance Department of each entity.

HORRY COUNTY, SOUTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	$ 91,850	$ 94,790	$ 97,281	$ 119,413	$ 129,371 (2)	$ 142,364	$ 158,493	$ 161,340	$ 163,165	$ 164,423
Total net debt applicable to limit	65,310	63,315	58,178	55,565	63,915 (2)	122,890 (2)	116,050 (2)	122,175	114,797	104,999
Legal debt margin	26,540	31,475	39,103	63,848	65,456 (2)	19,474 (2)	42,443 (2)	39,165	48,368	59,424
Total net debt applicable to the limit as a percentage of debt limit	71.11%	66.80%	59.80%	46.53%	49.40%	86.32%	73.22%	75.73%	70.36%	63.86%

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed value (1)	$ 2,049,451
Less: Exempt industrial personal and real property (1)	(4,734)
Plus: Assessed value - Merchant's inventory	10,572
Total assessed value	$ 2,055,289
Debt limit(8% of total assessed value)	$ 164,423
Debt application to limit:	
General obligation bonds (3a) (3b)	104,999
Legal debt margin	$ 59,424

Notes:
(1) Assessed value includes exempt industrial personal and real property
(2) Total net debt applicable to limit and Legal Debt Margin are restated for fiscal years 2007, 2008 and 2009 and the Debt Limit is restated for fiscal year 2007.
(3) General obligation bonds includes all general obligation bonds other than:
(a) Fire District G.O. Bonds of $10,415 as they have their own designated millage (fire millage is assessed only to unincorporated areas of the County and municipalities with a contract for fire protection)
(b) Higher Education G.O. Bonds of $2,380 (beginning in FY 2012) as they have their own designated millage (est. by the State of South Carolina)

Source: Horry County Finance Department

HORRY COUNTY, SOUTH CAROLINA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

FOR THE FISCAL YEAR ENDED JUNE 30	AIRPORT REVENUE BONDS						HOSPITALITY FEE SPECIAL OBLIGATION BONDS (AMOUNTS EXPRESSED IN THOUSANDS)			
	AIRPORT CHARGES AND OTHER	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE PRINCIPAL	DEBT SERVICE INTEREST	COVERAGE	HOSPITALITY FEE ASSESSMENT COLLECTIONS (1)	DEBT SERVICE PRINCIPAL	DEBT SERVICE INTEREST	COVERAGE
2003	$ 14,478,453	$ 7,750,046	$ 6,728,407	$ 1,500,000	$ 1,862,042	2.00	$ 5,063	$ 1,050	$ 979	2.50
2004	17,278,746	8,619,635	8,659,111	1,590,000	1,773,010	2.57	5,351	1,100	927	2.64
2005	19,595,565	9,967,999	9,627,566	1,685,000	1,677,588	2.86	5,642	1,150	876	2.78
2006	22,238,758	11,525,965	10,712,793	1,780,000	1,575,513	3.19	6,159	1,205	823	3.04
2007 (3)	22,219,021	9,747,615	12,471,406	1,890,000	379,830	5.49	6,638	1,260	766	3.28
2008 (2) (3)	21,362,501	10,185,879	11,176,622	520,000	816,180	8.36	6,632	1,320	707	3.27
2009 (3)	18,001,822	9,541,170	8,460,652	545,000	576,508	7.54	6,179	1,390	641	3.04
2010 (3)	16,677,679	9,316,136	7,361,543	575,000	550,666	6.54	5,847	1,050	230	4.57
2011(3)	18,557,302	10,679,650	7,877,652	-	40,920	192.51	6,101	1,695	223	3.18
2012	17,937,440	11,163,005	6,774,435	-	228,524	29.64	6,401	1,745	170	3.34

Notes:
(1) Does not include interest, fund balance usage or transfers in.
(2) On January 9, 2008, Horry County Redeemed $11,270,000 of Airport Revenue Bonds
(3) Calculations based on 2010 Airport Bond Ordinance (all Airport Revenue Bond numbers are restated for FY 2007 through FY 2010), Series 1997 and 2000 Bonds were redeemed in FY 2011.

Source: Horry County Airport Finance and Horry County Finance Departments

HORRY COUNTY, SOUTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

YEAR	COUNTY POPULATION (5B)	PERSONAL INCOME (2A) (AMOUNTS EXPRESSED IN THOUSANDS)	PER CAPITA PERSONAL INCOME		SCHOOL ENROLLMENT (1A) (4B) (7B)	LABOR FORCE (6B)		EMPLOYMENT (2B) (6B)		COUNTY % UNEMP. (6B)		STATE % UNEMP. (5A) (6B)
2002	206,039	5,065,263	24,584	(2B)	29,931	105,523		100,043		5.2		6.0
2003	210,757	5,324,986	25,266	(2B)	31,018	111,541		105,203		5.7		6.7
2004	217,608	5,694,801	26,170	(3B)	32,840	115,957		109,090		5.9		6.8
2005	226,992	6,080,889	26,789	(3B)	34,480	120,996		113,984		5.8		6.8
2006	238,493	6,632,252	27,809	(3B)	36,068	127,974		120,985		5.5		6.4
2007	250,904	7,545,687	30,074	(3B)	36,068	130,490	H	124,021	H	5.0	H	5.6
2008	258,790	7,754,125	29,963	(3B)	37,735	130,946	H	121,733	H	7.0	H	6.8
2009	263,868	7,678,823	29,101	(3B)	37,421	130,177	H	114,616	H	12.0	H	11.3
2010	269,291	7,705,223	28,613	(3B)	38,206	129,520	E	113,726	E	12.2	E	11.2
2011	276,340	not available	not available	(3B)	38,665	129,085	E	114,186	E	11.5	E	10.3

Notes (A):
(1) Enrollment is as of Spring of that year.
(2) Personal Income = County Population (above) x Per Capita Personal Income (above).
(3) County Population, Personal Income and Per Capita Personal Income have been updated for 2007, 2008 and 2009 based on new data from the U.S. Census Bureau and the Bureau of Economic Analysis
(4) Labor Force, Employment and County Unemployment are averaged on a calendar year basis and have been revised to incorporate updated information.
(5) State Unemployment Rates are an annual average and have been revised to incorporate updated population controls and re-estimation.

Sources (B):
(1) S. C. Statistical Abstract
(2) S. C. Employment Security Commission, Labor Market Research Division
(3) Bureau of Economic Analysis
(4) Horry County Schools website
(5) U.S. Census Bureau
(6) U.S. Department of Labor
H: Reflects controlling to new statewide totals
E: Reflects revised inputs, reestimation, and controlling to new statewide totals.
P: Preliminary
(7) Horry County Schools

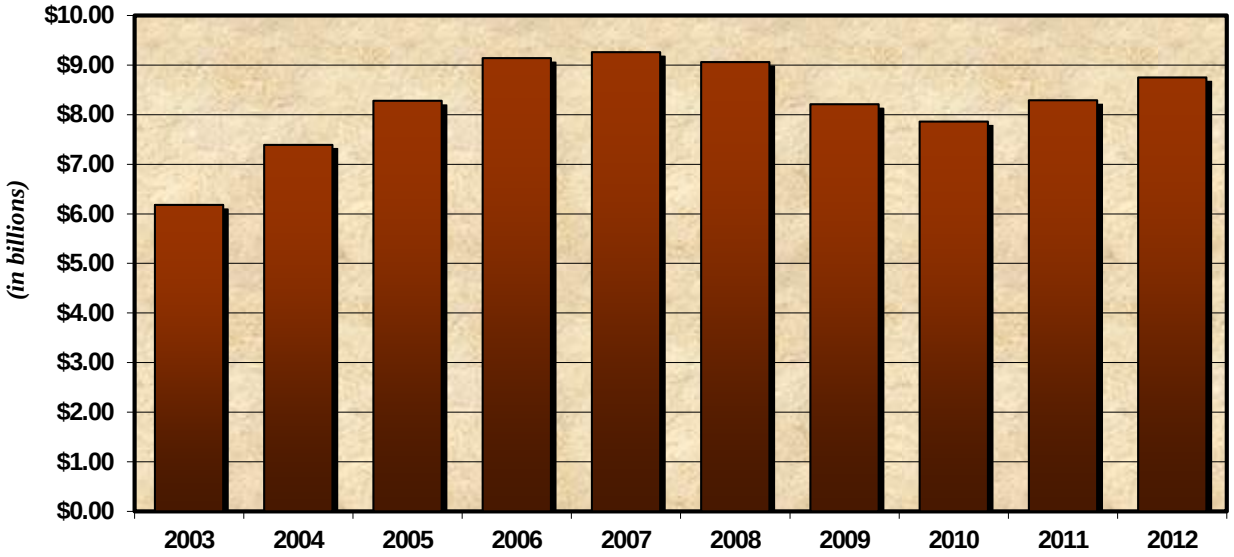
HORRY COUNTY, SOUTH CAROLINA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2012			2003 (4)		
EMPLOYER	EMPLOYEES (6)	RANK (6)	PERCENTAGE OF TOTAL EMPLOYMENT (3)	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Horry County School District	5,400	1	4.18%	4,298	1	4.02%
Wal-Mart	2,276	2	1.76%	1,845	2	1.73%
Horry County Government (5)	2,003	3	1.55%	1,608	4	1.50%
Coastal Carolina University	1,382	4	1.07%			
Conway Hospital	1,325	5	1.03%	914	7	0.85%
Grand Strand Regional Medical Center	1,134	6	0.88%	934	6	0.87%
Food Lion	929	7	0.72%	790	10	0.74%
Blue Cross Blue Sheild	900	8	0.70%	1,409	5	1.32%
McLeod Health System (7)	900	9	0.70%	818	9	0.76%
Myrtle Beach National	829	10	0.64%			
City of Myrtle Beach				835	8	0.78%
AVX Corporation				1,634	3	1.53%
Totals	17,078		13.23%	15,085		14.11%

Notes:
The Total Employment is as of June of that year

Source:
(1) Mytle Beach Regional Economic Development
(2) SC Employment Security Commission
(3) U.S Department of Labor Bureau of Labor Statistics
(4) 2003 Horry County Comprehensive Annual Financial Report
(5) Horry County Human Resources Department
(6) Myrtle Beach Chamber of Commerce - January, 2012
(7) McLeod Healthcare System acquired Loris Healthcare in January, 2012

HORRY COUNTY, SOUTH CAROLINA
GROSS RETAIL SALES FIGURES
LAST TEN YEARS



YEAR	GROSS SALES *(in Billions)*	PERCENTAGE CHANGE
2003	$6.18	1.0
2004	$7.39	19.5
2005	$8.28	12.0
2006	$9.14	10.4
2007	$9.26	1.3
2008	$9.06	(2.2)
2009	$8.21	(9.4)
2010	$7.86	(4.3)
2011	$8.29	5.5
2012	$8.75	5.5

Notes:

(1) Gross Sales information is reported on a Fiscal Year basis from 2008 forward due to accounting method, software and tracking changes at The Department of Revenue.

Sources:

S. C. Statistical Abstract

HORRY COUNTY, SOUTH CAROLINA
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30,									
	2003	2004	2005	2006	2007	2008	2009 (2)	2010	2011	2012
Functions and Programs										
Governmental Activities:										
General Government	794	831	865	921	940	964	354	341	340	307
Public Safety										
Police	288	299	320	337	342	347	263	261	262	226
Fire (1)	258	273	272	279	291	288	136	151	151	150
EMS	-	-	-	-	-	-	171	185	182	179
Sheriff & Detention Center	-	-	-	-	-	-	274	320	347	346
Courts	-	-	-	-	-	-	196	203	201	205
Other	-	-	-	-	-	-	98	100	110	143
Health and Social Services	-	-	-	-	-	-	3	3	5	6
Infrastructure and Regulation										
Public Works	122	122	121	122	136	127	79	79	81	79
Code Enforcement	-	-	-	-	-	-	47	44	42	41
Fleet	17	17	17	17	17	15	16	15	14	16
Other	-	-	-	-	-	-	79	68	62	61
Culture, Recreation and Tourism										
Libraries	42	47	48	48	57	50	54	62	60	65
Parks (3)	12	15	18	18	18	18	40	55	57	62
Other	-	-	-	-	-	-	5	4	4	5
Economic Development										
CDBG	-	-	-	-	-	-	2	3	3	3
Business-type Activities:										
Airports	132	132	131	132	133	118	112	105	104	109
Total Primary Government	1665	1736	1792	1874	1934	1927	1929	1999	2025	2003

Source: Horry County Human Resources Department

(1) Fire/EMS was combined prior to FY2009 for reporting only.
(2) Increased detail level of functional staffing; prior actual comparisons not available.
(3) FY 2012 - 35 of the 62 Full-time equivalent employees are Regular Part-time employees, total Regular Part-time employees equal 70.
(4) Regular Part-time employees are defined as working 20 hours or less or less than 6 months and are calculated at 0.5 of Full-time employee.

HORRY COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Functions and Programs	For the Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities:										
General Government										
Information Technology/GIS:										
# of GIS Parcels Maintained	177,603	187,924	199,653	210,710	218,282	227,572	231,344	232,551	233,563	234,576
# of Servers Maintained (7)	15	35	52	81	98	98	123	103	100	75
Register of Deeds:										
Total Documents Filed	147,773	176,586	196,108	209,675	184,043	177,261	150,260	130,657	128,533	142,085
Assessor:										
Assessments of Building Permits	11,635	9,235	11,314	13,561	16,630	15,294	12,854	10,228	9,835	8,506
Special Assessments	23,722	23,434	26,206	22,998	19,391	21,054	17,507	10,346	10,566	10,255
Real Property Parcels	177,906	184,466	189,956	203,304	207,221	226,799	237,276	241,974	244,624	248,050
Human Rosources:										
# of Applications Taken	5,500	6,456	5,637	7,500	8,735	7,392	8,322	4,777	12,209	14,701
Public Safety										
Police:										
# of Calls for Service	102,765	100,389	114,269	117,079	132,328	139,302	134,514	129,909	130,532	129,109
# of Index Crimes (1) (6)	8,228	8,374	9,312	N/A	8,586	9,752	9,164	10,045	9,539	9,174
Index Crime Clearance Rate (1) (6)	25.04%	22.30%	24.70%	N/A	16.85%	20.45%	19.00%	19.50%	19.75%	18.15%
# of Call Responsive Officers Per Shift	17	17	17	18	18	18	20	20	16	18
Fire:										
# of Calls for Service	32,313	33,597	35,210	38,424	40,910	43,188	42,594	42,612	40,631	46,468
# of Structure Fires	631	620	617	667	654	721	674	651	581	586
# of Ambulance Transports	15,117	14,989	16,171	18,138	21,478	20,510	20,961	20,982	23,600	23,831
# of Career Fire Fighters Per Shift	57	61	73	73	81	85	93	97	93	93
Emergency 911:										
# of 911 Calls	193,045	222,345	204,195	212,511	228,418	225,530	221,693	214,880	234,944	249,786
# of Radio Dispatches	162,943	162,576	173,537	177,758	170,482	189,244	190,962	187,323	189,471	224,520
# of Telecommunicators per shift	8	9	10	10	10	10	10	10	10	11
Sheriff's Office/Jail:										
# of Bookings	12,546	12,782	13,934	13,867	14,804	16,172	15,880	13,400	13,380	13,013
Average daily population	502	525	550	619	650	632	632	641	579	635
Infrastructure and Regulation										
Code Enforcement:										
# Building Permits	7,544	8,070	9,647	11,981	9,909	8,459	6,673	7,397	7,258	7,250
Public Works:										
Miles of Dirt Road Scraped	1,025	843	843	900	880	793	779	748	701	682
Dirt Roads Paved	5.43	16.00	1.76	11.13	11.63	2.69	1.77	13.99	13.71	5.74
Signage Replaced/Installed (6)	N/A	N/A	802	849	968	1,364	1,421	1,500	1,887	1,324
Miles of Ditches Cleaned	2,660	2,660	2,666	2,666	2,666	2,700	1,123	268	252	240

HORRY COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Functions and Programs	For the Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities (Continued):										
Engineering:										
Dirt Roads Paved	2.52	4.05	11.07	4.30	9.19	9.07	9.72	19.01	28.47	6.01
Fleet:										
# Vehicles Maintained	550	573	608	649	659	695	700	824	831	822
# Heavy Equipment Vehicles Maintained	220	223	223	306	310	259	270	229	266	272
# Vehicles Repaired or Work Orders	8,324	7,284	8,190	7,849	8,236	8,501	8,277	8,111	7,872	7,835
Culture, Recreation and Tourism										
Library:										
Circulation (8)	740,816	824,341	903,583	943,501	969,542	1,041,436	1,141,871	1,095,571	1,182,823	939,393
Patron Traffic Count (8)	500,199	561,870	653,643	652,584	662,494	758,719	772,354	749,652	716,092	656,379
New Patrons Registered (8)	15,345	21,757	24,371	25,125	28,487	28,780	26,572	23,555	15,764	12,290
Parks & Recreation:										
# Programs	68	84	91	141	153	161	180	187	193	216
Baseball Stadium:										
Paid Tickets (2)	174,211	176,659	167,293	170,285	163,056	187,009	183,094	167,334	155,076	160,062
Business-type Activities:										
Airports										
Deplanements	622,251	748,225	777,936	719,744	783,241	835,496	740,602	772,733	901,080	818,477
Industrial parks - (Three Parks) (3) (4) (5) (6)										
Atlantic Business Center - Leased/Sold/Transferred (acres)	" "	" "	" "	22.50	6.32	62.20	6.32	-	-	-
Atlantic Business Center - % of County owned acres	" "	" "	" "	24.48%	6.88%	67.67%	6.88%	0.00%	0.00%	0.00%
Cool Springs Business Pk. - Sold/Transferred (acres)	" "	" "	" "	-	12.98	-	-	-	-	-
Cool Springs Business Pk. - % of County owned acres	" "	" "	" "	0.00%	14.81%	0.00%	0.00%	0.00%	0.00%	0.00%
Pineridge Business Center - Sold/Transferred (acres)	" "	" "	" "	4.63	2.00	4.00	17.80	-	-	-
Pineridge Business Center - % of County owned acres	" "	" "	" "	6.71%	2.90%	5.79%	25.78%	0.00%	0.00%	0.00%
Total Land Sold / Transferred (acres)	N/A	N/A	N/A	27.13	21.30	66.20	24.12	-	-	-
Total % of County owned acres in three parks	N/A	N/A	N/A	10.13%	7.95%	24.71%	9.00%	0.00%	0.00%	0.00%

Notes:
(1) # of Index Crimes & Clearance Rates not available due to software migration issues.
(2) Fiscal Year is January through December. Revenue months are April through September.
(3) Operating indicators are not available for the Industrial Parks prior to FY2006.
(4) Operating indicators were changed and restated in FY2009 for FY2006 - FY2009 to accommodate and illustrate Owners changing needs.
(5) The beginning balance of total acreage owned by the County (used in the calculation of % of County owned acres) is as of July 1, 2005 and does not include unusable property such as roads.
(6) Operating Indicators that are not available are indicated with N/A
(7) The FY2012 reduction of the "# of Servers maintained" is a direct result of the use of virtual technology; which is the configuration of one physical server into multiple "virtual" servers. This reduction in the number of physical servers has resulted in improved efficiencies in heating and cooling, electricity, and a greater utilization of the actual physical servers themselves.
(8) FY2012 capital projects to Library facilities in Surfside, North Myrtle Beach, and Aynor reduced circulation, patron traffic count, and new patrons registered.

Source: Various County Departments

HORRY COUNTY, SOUTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	For the Fiscal Year Ended June 30,							
	2005 (1)	2006	2007	2008	2009	2010	2011	2012
Functions and Programs								
Governmental Activities:								
General Government								
Building Complexes	4	4	4	4	4	4	4	4
Public Safety								
Police:								
Patrol units	213	315	351	368	352	320	299	279
Sheriff/Detention Center (2):								
Transport Vehicles	-	-	-	-	-	-	102	97
Fire/Rescue:								
Stations	40	40	40	41	41	39	39	39
Trucks(Fire/Pumpers)	59	61	67	66	66	67	68	68
Ambulances	21	27	33	32	36	36	28	29
Health and Social Services								
Health Departments (bldg)	3	3	3	4	4	3	3	3
Social Services (bldg)	1	1	1	1	1	1	1	1
Infrastructure and Regulation								
Highways and streets:								
Roads (miles)	1281	1271	1369	1334	1413	1426	1431	1429
Heavy equipment:								
Motorgraders	23	23	25	25	25	24	21	15
Dump trucks	20	23	22	21	24	17	26	23
Other	87	92	133	139	206	173	155	109
Culture, Recreation and Tourism								
Museums	1	1	1	1	1	2	2	2
Libraries	9	9	9	9	9	9	9	9
Bookmobile	1	1	1	1	1	1	1	1
Parks & Recreation:								
Parks	20	20	20	20	35	35	35	35
Tennis Courts	15	15	15	15	7	7	13	13
Ball Fields	28	28	28	28	34	34	35	38
Soccer Fields	15	15	15	15	19	20	22	21
Recreation Centers/Headqtrs. (3)	-	-	-	2	2	4	4	6
Conservation/Natural Resources								
Off Site Facilities:								
Boat Landings	27	27	27	27	27	27	27	27
Watersheds	6	6	6	6	6	6	6	6
Business-type Activities:								
Airports								
Locations	4	4	4	4	4	4	4	4
Runways	4	4	4	4	4	4	4	4
Industrial Parks								
Locations	4	4	4	4	4	4	4	4
Baseball Stadium								
Baseball field (30% ownership)	1	1	1	1	1	1	1	1

Notes:
(1) Capital Asset data is not available prior to FY2005; however, ten years of data will be accumulated over time.
(2) Added the Sheriff department vehicle count in FY11.
(3) Added Recreation Centers in FY12 and retroactively added the data for FY08 through FY11.

Source: Horry County Finance Department