

ANNUAL REPORT

FISCAL YEAR
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Message From Your Chairman

As we do each year, we present to the citizens of Horry County our annual report for the preceding fiscal year 2009, which began July 1, 2008 and ended June 30, 2009. In this report, we take a factual look at the accomplishments of Horry County government during that time, giving a snapshot of the highlights. Despite the growing recession, which was beginning to have an effect on all of us, the highlights are impressive.

You will read of our new jail, new police precinct and a grant for new firemen. The county reclaimed the animal shelter, renamed it the Animal Care Center, and have turned a controversy into a source of pride for animal-lovers. The Long Term Recovery Task Force is doing a job few counties have had the foresight do.

Parks and Rec worked on a new community center, a new park and renovation of boat landings. Grants expanded their work with children.



Liz Gilland
Chairman

Nearly 34 miles of dirt roads were paved and 24 miles resurfaced. A new general aviation terminal was built at MB International Airport. At a time when construction had slowed to a crawl, the county continued to build - without raising taxes - doing what we could to keep work going in Horry.

Please pay particular attention to the section on revenue – it explains our system of taxes simply and extremely well. We close the report with information on the census, which is critical for state and federal allocations for the next 10 years as well as increased representation at both levels.

Although we are halfway through the 2010 fiscal year, it is good to take a good look back at our accomplishments the preceding year. With no tax increase for the past decade, we continue to build, pave, and add personnel to better serve you, our constituents. And we thank you for letting us serve you and this great county of Horry.

Horry County Council



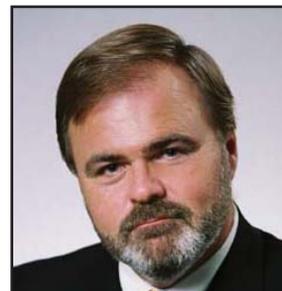
Bob Grabowski
Vice Chairman / District 6



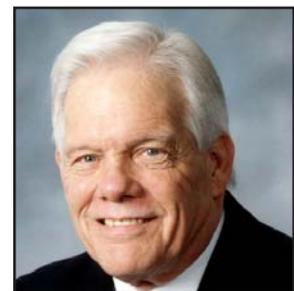
Harold G. Worley
District 1



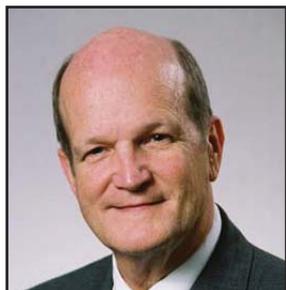
Brent Schulz
District 2



Marion Foxworth, III
District 3



Gary Loftus
District 4



Howard D. Barnard, III
District 5



James R. Frazier
District 7



Carl Schwartzkopf
District 8



W. Paul Prince
District 9



Jody Prince
District 10



Al Allen
District 11

Council / Administrator Form of Government

Horry County has been operating under the Council/Administrator form of government since 1975. Under this type of government each member of council is elected from the district in which he/she lives and a chairman is elected at-large. The council consists of a chairman and 11 council members, each elected for four-year terms. The Council appoints a Clerk to Council, Register of Deeds Director and an Administrator.

Mission Statement:

Providing a community environment in which the citizens and visitors of Horry County can enjoy the highest quality of life.

Motto:

Committed to Excellence

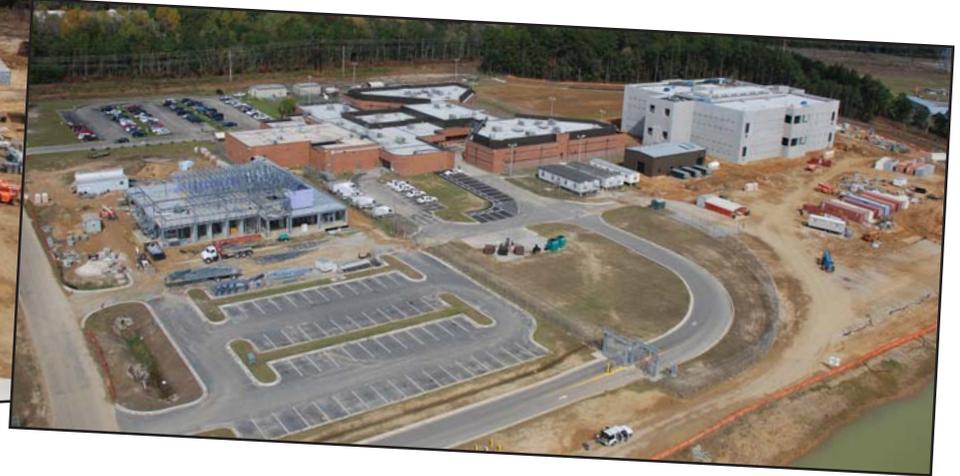
Cover Photographs by
Julie Bostian of SplashStudioPhotography.com

- Public Safety Initiatives -

J. Reuben Long Detention Center Expansion Upgrade

Horry County has continued to make significant progress in the Jail Expansion Project. The Minimum Security addition has been completed and is already being utilized. The construction of the large 506-bed tower is

well underway, and is currently on time and on budget. This facility is expected to be completed in 2010. The planning for the renovation of the current buildings is on-going, and is on target. Additional staff members have already been hired and trained to work in the new facility.



Horry County Animal Care Center

Horry County resumed operational management of the County Animal Shelter on July 1, 2009, and renamed the facility the Horry County Animal Care Center (ACC). Horry County hired and trained the staff, and immediately began providing excellent care to the animals in our facility. The ACC has contracted with a local veterinarian, and has implemented an internal spay/neuter program for

animals being adopted from this facility. The ACC has also assumed responsibility for housing large animals on-site, by establishing a large pasture area and appropriate shelter. To facilitate adoptions, the county's website has been modified to allow citizens to view available animals online (www.horrycounty.org).

Long Term Recovery Task Force

Horry County has teamed up with the Area Recovery Council to help facilitate the Long Term Community Recovery Planning. A Long Term Recovery Task Force has been established, which includes representation from all areas of the local community including private enterprise, non-profit groups, citizens and government. The purpose of the Task Force is to develop a broad

stroke approach to local recovery after a catastrophic disaster like a hurricane. This effort will result in ways to identify efficiencies, gain understanding and knowledge, and reduce the overall time involved for the community to recover from a catastrophic disaster, thus ensuring its long-term viability.

West Precinct

Horry County Police Department restructured personnel staffing, which allowed the implementation of the West Precinct in July 2009. The West Precinct provides police protection to the western part of Horry County to include Green Sea, Mt. Olive, Aynor

and Loris areas and is located in the Mt. Olive Magistrate's Office. The Department has received very positive feedback from the citizens in this part of the county.

SAFER Grant

Horry County received a Staffing for Adequate Fire and Emergency Response Grant (SAFER), which covers a five year period. This grant provides for the hiring of 18 additional firefighters. These firefighters were hired on November 9, 2009,

and once their training is complete, will be used to provide 24 hour-a-day staffing at two stations, Scipio Lane (Station 20) and Red Bluff (Station 34).

Parks and Recreation

The North Strand Recreation Center, located on Highway 57, will open the beginning of 2010. The 20,000 square foot center will offer a gym, two multipurpose rooms, an indoor walking track, and an exercise room. The open lobby will provide ample space to have games and a rock climbing wall. The facility will also host after-school programs, summer camps, athletic and senior activities.

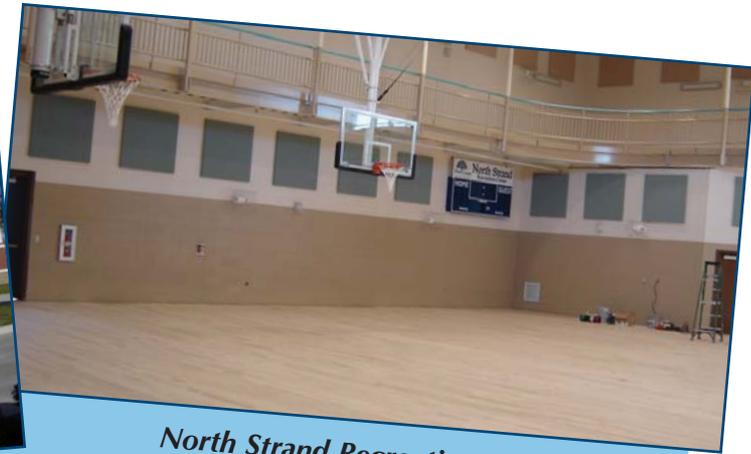
The Carolina Forest area is now home to four new softball fields. The fields are located near

Ocean Bays Elementary School on International Drive and are fully irrigated with Bermuda sod and a walking trail. It will also have a concession and restroom facility, picnic shelters, batting cages, scoreboards and lights.

Hibben Park, located on Lake Arrowhead Road, now features restroom facilities, arbors and is beautifully landscaped with palmetto trees, oleanders, day lilies, etc.



North Strand Recreation Center



North Strand Recreation Center

Horry County has also renovated a number of boat landings around the county at a cost of \$275,000 to include:

- **Enterprise Landing** – (located on Enterprise Road in Socastee) Installed a new floating dock that replaced an old deteriorating stationary dock.
- **Port Harrelson Landing** – (located on Big Bull Road in Conway) Installed new floating docks that replace a stationary dock.
- **Ricefield Cove Landing** – (located on River Road in Nichols) Constructed a new ramp and floating dock.
- **Gunters Lake Landing** – (located on Huggins Landing Road in Galivants Ferry) constructed a new ramp to replace a damaged ramp.



Carolina Forest Ballfields

Horry County Parks & Recreation has also been very fortunate to receive multiple grants throughout the year to assist with various programs for our community. The county received over \$2000 in archery grants for training, equipment and exposed over 200 children to archery. The county also received a \$93,000 grant from Housing and Urban Development (HUD) for the after-school program. This grant allowed the county to service 220 children in the county's

after-school program in the North Myrtle Beach School area, the Green Sea Floyds area, and the Bucksport area. This program has offered after-school assistance for children in our community who otherwise could not afford it to assist with homework, crafts, recreational games and to assist with socialization skills. This generous grant has allowed the county to offer this service of weekly camps throughout the school year for only \$10 a week per child.

Local Comprehensive Road Improvement Plan Update

Horry County adopted its local road plan and began its implementation in 1997. The plan is designed to develop a more efficient and effective method of improving the county's unimproved road network while at the same time initiating a pavement management program for the county's paved roads.

The plan began its 13th year in July 2009 and typical road projects range in length from less than one-tenth of a mile to

Program Status Update Years 1-13

Total Miles Programmed	202.70 Miles
Total Miles Complete	175.18 Miles
Total Miles Under Construction	2.63 Miles

over two miles and consist of widening the existing dirt road and improving alignments and storm drainage. Horry County currently has about 750 miles of unpaved dirt roads in its road network system.

In Fiscal Year 2009 (year 12 of the plan), the Horry County Engineering Department completed six roads on the Road Plan totaling 2.78 miles and the Department of Public Works completed 19 roads totaling 6.84 miles.

Riding on a Penny – Sales Tax for Roads

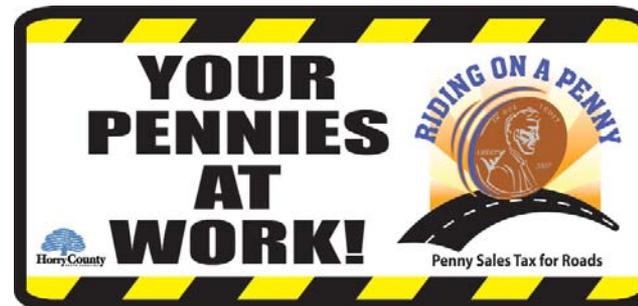
Residents and visitors in Horry County have been seeing a new slogan around town called *Riding on a Penny*. On November 7, 2006, Horry County voters, by a 61.4 to 38.6 percent margin, supported a One-Cent Capital Projects Sales Tax for roads. The sales tax was implemented in May 2007 and Horry County is estimated to collect \$425 million over the seven year life-span of the tax.

Resurfacing work was completed on the first two groups of resurfacing projects totaling approximately 24 miles and the first 24 miles of paved dirt roads was completed in July 2009 by RPM Engineers of Myrtle Beach.

Horry County entered into an intergovernmental agreement with the South Carolina Department of Transportation

(SCDOT) to act as project/construction manager for those named state highway projects included on the road list. Those road projects include (1) a grade separated interchange at the intersection of US Highway 17 Bypass and SC Highway 707 at the backgate of the former Myrtle Beach Air Force Base; (2) widen SC Highway 707 from Enterprise Road to the county line; (3) construction of the Aynor Overpass; and (4) widen Glens Bay Road to 3-lanes and construct a grade separated interchange at US Highway 17 Bypass.

These projects are in various stages of design, permitting, right-of-way acquisition and construction. For the most current status of each project, log onto www.ridingonapenny.org. The website will give an overview of the tax, a description of each road project and a construction timeline.



Myrtle Beach General Aviation Terminal



Myrtle Beach General Aviation Terminal

The Myrtle Beach General Aviation Terminal, which opened in November 2009, serves as the gateway to South Carolina and annually accommodates over 45,000 people who arrive on private aircraft. The former terminal, a converted air force operations building, was inadequate to provide suitable facilities for the airport's growing aviation activity and was demolished.

The new General Aviation Terminal consists of a one level building containing a generous passenger lounge, a snack bar, public restrooms and a private pilot's lounge. Canopy awnings are provided for the loading and unloading of passengers and their luggage. A configurable multi-purpose/training room is provided to host a variety of functions and is designed to serve as overflow for the passenger lounge. A conference room and business center is provided for passenger and business use. The project budget was \$4.5 million and was funded from the following sources:

- \$2 million special appropriation from the State of South Carolina
- \$1 million grant from South Carolina Division of Aeronautics
- \$800,000 grant from the Myrtle Beach Air Force Base Redevelopment Authority
- \$700,000 Airport Enterprise Funds

BUDGET SUMMARY - FISCAL YEAR 2009

Revenue Highlights 2009

- Horry County's General Fund tax revenue for property tax on real grew in excess of 11 percent for the tax levy issued in Fiscal Year (FY) 2009. The new construction boom that has occurred since 2004 continues to reflect in the tax billings this year. Additionally, the reassessment of all property that sold, as mandated by state law, is also contributing to the revenue increase of an additional \$4.5 million. The personal property tax revenue decreased from FY 2008 by one percent. There wasn't a millage increase associated with the FY 2009 budget and the countywide millage remained at 47.3.
- Revenues associated with land ownership transfer and development has slowed dramatically in FY 2009 as compared with FY 2008. For FY 2009 documentary stamps sold by the Register of Deeds on land transactions decreased from \$4.1 million to \$2.2 million, a decrease of 45.3 percent.
- For FY 2009 the number of residential building permits declined by 52 percent from 2,165 permits in FY 2008 to 1,026 permits for FY 2009. The total building department revenues declined from \$4.7 million to \$2.5 million and for FY 2010, these revenues are anticipated to stabilize at FY 2009 levels. According to the local realtor's association report, there is approximately a two year supply of single family residence available, and a significant increase in single family construction is not expected for the next several years.
- The Local Government Fund (the revenue the state sends back to the local jurisdictions) in FY 2009 decreased from \$11.3 million to \$10.8 million. Business License revenue declined as well during FY 2009 to \$4.1 million from \$4.8 million in FY 2008
- Master-in-Equity fees nearly tripled over the budgeted amount of \$657,000 to \$1.7 million due to the massive number of foreclosure sales completed in FY 2009.

Revenue Sources

Taxes – Horry County's source of tax revenue is the real, personal and vehicle taxes that are levied against citizens. Taxes are 57 percent of the total General Fund revenue source and are based on the assessed value of property. Horry County estimated that the assessed value for all real property, personal property and vehicles as of June 30, 2009,

was \$1,981,157,724. The tax payment to the County is determined by the following formula; multiply the appraised value by the assessment rate to determine the assessed value of the property. The assessment rate of all property is determined by the state of South Carolina in the following chart below:

ASSESSED VALUES	
Primary Residence	4 percent of market value
Rental & Secondary Property	6 percent of market value
Agricultural Real Property (privately owned)	4 percent of market value
Agricultural Real Property (corporate owned)	6 percent of market value
Commercial Real Property	6 percent of market value
Manufacturing Real & Personal Property	10.5 percent of market value
Utility Real & Personal Property	10.5 percent of market value
Personal Property (other than airplanes & boats)	10.5 percent of market value
Airplanes	4 percent of market value
Boats	6 percent of market value
Personal Vehicles (January to December 2009)	6 percent of market value

The assessed value is multiplied by the millage rate to determine the tax payment due to the county for county purposes only.

If the residence was located within a municipality, the payment due to the county for county purposes would be determined as follows:

The assessed value is multiplied by the millage rate to determine the tax payment due to the county for county purposes only. The following example reflects the formula as applied to a \$200,000 primary residence in an incorporated area of the county.

EXAMPLE (unincorporated)

\$200,000	Fair market value of home
x 4%	Assessment ratio (4% legal residence)
\$ 8,000	Assessed value
x .0700	Unincorporated county millage rate (70.0 mills in FY 2009)
\$ 560.00	Taxes due

(does not reflect school tax relief, Homestead credits, or municipality taxes)

EXAMPLE (incorporated)

\$200,000	Fair market value of home
x 4%	Assessment ratio (4% primary residence)
\$ 8,000	Assessed value
x .0473	Countywide millage rate (47.3 mills in FY 2009)
\$ 378.40	Taxes due

(does not reflect school tax relief, Homestead credits, or municipality taxes)

Although a taxpayer receives just one property tax bill, there are other agencies that utilize that tax bill. These agencies are itemized on your bill, which include the Horry School District, municipalities, special tax districts, etc. Any increase by any of these agencies will result in an increase to the overall tax bill.

BUDGET SUMMARY - FISCAL YEAR 2009

Expenditure Highlights

The Fiscal Year (FY) 2009 budget included 110 new positions; 52 of these positions were for the General Fund Public Safety Division. These positions were added in three different departments including 50 positions in the Detention Department to staff the new 536-bed tower addition, which is scheduled to open in early FY 2011. The other two positions were Administrative Assistants for the Solicitor's Office and the Public Safety Department.

The Fire Fund was granted 32 positions funded from the Fire millage to staff a third battalion. The Parks and Recreation Fund was granted four, full-time positions and 21 part-time positions as the contract staffing were converted to in-house labor.

Fuel expenses for early FY 2009 increased substantially from FY 2008, where actual expenses for FY 2008 were \$2.6 million and \$4.1 million was budgeted for FY 2009. However, by the end of FY 2009 fuel prices had returned to normal price levels creating a budget under-run of nearly \$2 million.

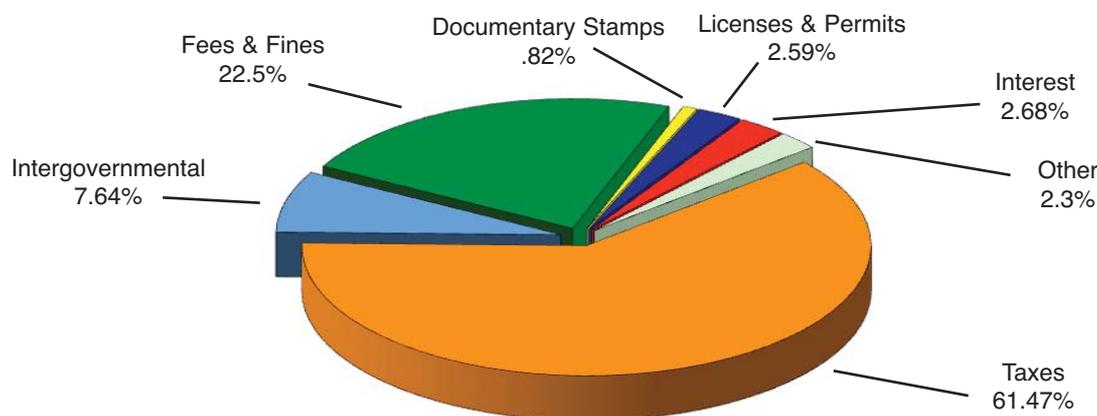
During FY 2009, revenue shortfalls led the county to hold vacant positions open for longer periods of time before allowing the departments to refill those positions. Additionally, it became necessary to implement a salary reduction of 2.22 percent for each employee for the last nine payrolls of the year.

Awards & Recognitions

- Horry County Information Technology was the **recipient of the Exemplary Systems in Government (ESIG) Award** for their Geospatial Incident Management System. This is an outstanding example of the full process of implementing an inter-jurisdictional system, from planning, reaching agreements, building infrastructure, system acquisition and integration.
- Horry County Fire/Rescue received the **South Carolina Safety Award**, the **American Heart Association "Fit Friendly Company-Platinum" Award**, and the **South Carolina Firefighter Challenge State Champions in the Relay, Team and Individual divisions**.
- Horry County 911 was selected as the **2009 South Carolina "Communications Center of the Year"** at the South Carolina Association of Public Safety Communications Officials-International/National Emergency Number Association (APCO/NENA) Conference
- Horry County received two safety awards from the South Carolina Association of Counties: **Sustained Excellence in Risk Management Award for 2009** and the **2009 Outstanding Safety Achievement Award**.

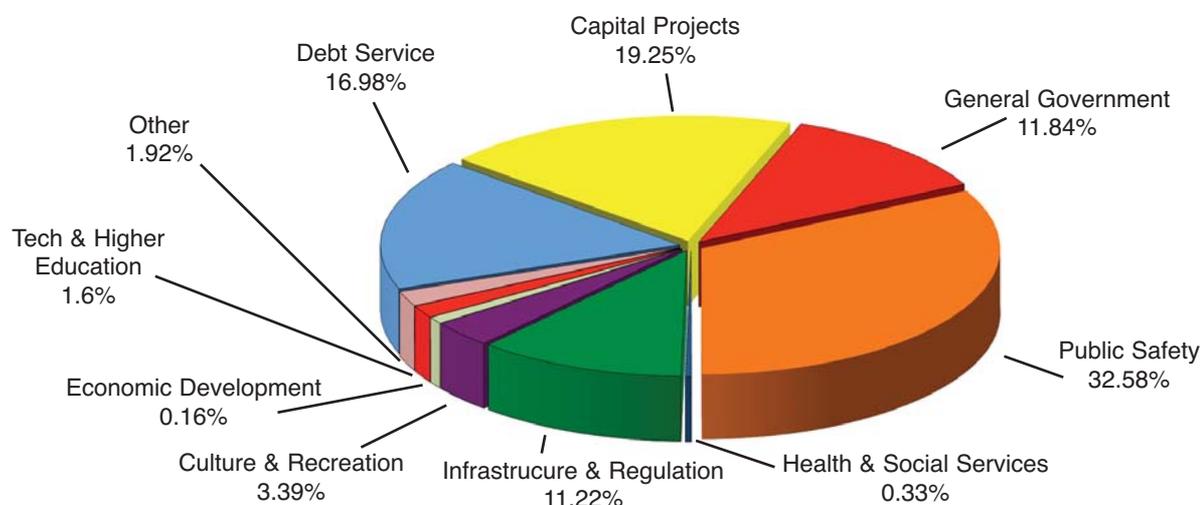
Horry County Government General Government Revenues By Function

Fiscal Year 2009 (expressed in thousands)



Horry County Government General Government Expenditures By Function

Fiscal Year 2009 (expressed in thousands)



10 QUESTIONS MINUTES

TO DEFINE WHO WE ARE AS A NATION

The Census: A Snapshot

- **What:** The census is a count of everyone residing in the United States.
- **Who:** All U.S. residents must be counted—both citizens and non citizens.
- **When:** You will receive your questionnaire in March 2010 either by U.S. mail or hand delivery. Some people in remote areas will be counted in person.
- **Why:** The U.S. Constitution requires a national census once every 10 years to count the population and determine the number of seats each state will have in the U.S. House of Representatives.
- **How:** Households should complete and mail back their questionnaires upon receipt. Households that do not respond may receive a replacement questionnaire in early April. Census takers will visit households that do not return questionnaires to take a count in person.

A Complete Count: The Importance of Census Data

- Every year, the federal government allocates more than \$400 billion to states and communities based, in part, on census data.
- Census data are used to determine locations for retail stores, schools, hospitals, new housing developments and other community facilities.
- Census data determine boundaries for state and local legislative and congressional districts.

2010 Census Questionnaire: Easy, Important and Safe

- With only 10 questions, the 2010 Census questionnaire takes approximately 10 minutes to complete. Households are asked to provide key demographic information, including: whether a housing unit is rented or owned; the address of the residence; and the names, genders, ages and races of others living in the household.
- By law, the Census Bureau cannot share an individual's responses with anyone, including other federal agencies and law enforcement entities.

United States[®]
Census
2010

CENSUS HISTORY

The first census took place in 1790 to determine the number of seats each state would have in the U.S. House of Representatives. The census also was created to gain a better understanding of where people lived and to establish patterns of settlement as the nation grew.

ABOUT THE CENSUS BUREAU

The Census Bureau was established in 1902. Today, in addition to administering the census of population and housing, the Census Bureau conducts more than 200 annual surveys, including the American Community Survey, the Current Population Survey and economic censuses every five years.



**We move
forward
when you
send it back.**