

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2009**

Prepared By:

Fiscal Services

**Jeffrey S. Riddle
Chief Finance and Human
Resources Officer**



**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

TABLE OF CONTENTS

JUNE 30, 2009

| | Reference | Page |
|--|------------------|-------------|
| INTRODUCTORY SECTION | | |
| Letter of Transmittal | | 1-10 |
| Board of Education and Administration | | 11-16 |
| Organizational Chart | | 17 |
| Certificate of Achievement for Excellence in Financial Reporting | | 18 |
| Certificate of Excellence in Financial Reporting | | 19 |
| FINANCIAL SECTION | | |
| Independent Auditors' Report | | 20-21 |
| Management's Discussion and Analysis | | 22-33 |
| Basic Financial Statements: | | |
| Government-Wide Financial Statements: | | |
| Statement of Net Assets | Exhibit A | 34 |
| Statement of Activities | Exhibit B | 35 |
| Fund Financial Statements: | | |
| Balance Sheet - Governmental Funds | Exhibit C | 36 |
| Reconciliation of Balance Sheet of Government Funds to the Statement of Net Assets | Exhibit D | 37 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds | Exhibit E | 38 |
| Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities | Exhibit F | 39 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund | Exhibit G | 40 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Special Projects Fund | Exhibit H | 41 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Education Improvement Act Fund | Exhibit I | 42 |
| Statement of Net Assets - Proprietary Fund | Exhibit J | 43 |
| Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Fund | Exhibit K | 44 |
| Statement of Cash Flows - Proprietary Fund | Exhibit L | 45 |
| Statement of Fiduciary Net Assets - Fiduciary Funds | Exhibit M | 46 |
| Statement of Changes in Fiduciary Net Assets - Fiduciary Funds | Exhibit N | 47 |
| Notes to Financial Statements | | 48-61 |

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

TABLE OF CONTENTS

JUNE 30, 2009

| | Reference | Page |
|--|------------------|-------------|
| Supplemental Financial Statements and Schedules | | |
| <i>Governmental Fund Types:</i> | | |
| General Fund: | | |
| Comparative Balance Sheets | Schedule A-1 | 62 |
| Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance | Schedule A-2 | 63 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | Schedule A-3 | 64-72 |
| Special Projects Fund: | | |
| Comparative Balance Sheets | Schedule B-1 | 73 |
| Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balances | Schedule B-2 | 74 |
| Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances | Schedule B-3 | 75-84 |
| Summary Schedule of Other State Restricted State Grants | Schedule B-4 | 85 |
| Summary Schedule of Other Special Revenue Programs | Schedule B-5 | 86 |
| Education Improvement Act Fund: | | |
| Comparative Balance Sheets | Schedule B-6 | 87 |
| Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance | Schedule B-7 | 88 |
| Combining Schedule of Revenues, Expenditures and Changes in Fund Balance | Schedule B-8 | 89-94 |
| Summary Schedule by Program | Schedule B-9 | 95 |
| Debt Service Fund: | | |
| Comparative Balance Sheets | Schedule C-1 | 96 |
| Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance | Schedule C-2 | 97 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | Schedule C-3 | 98 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance | Schedule C-4 | 99 |

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

TABLE OF CONTENTS

JUNE 30, 2009

| | Reference | Page |
|--|------------------|-------------|
| Supplemental Financial Statements and Schedules (Continued) | | |
| Capital Projects Fund: | | |
| Comparative Balance Sheets | Schedule D-1 | 100 |
| Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance | Schedule D-2 | 101 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | Schedule D-3 | 102 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance | Schedule D-4 | 103-104 |
| Proprietary Fund Type: | | |
| Enterprise Fund - Food Service Fund: | | |
| Comparative Schedule of Net Assets | Schedule E-1 | 105 |
| Comparative Schedule of Revenues, Expenses, and Changes in Retained Earnings | Schedule E-2 | 106 |
| Schedule of Revenues, Expenses, and Changes in Retained Earnings | Schedule E-3 | 107 |
| Fiduciary Fund Types: | | |
| Trust Funds: | | |
| Private Purpose Trust Funds: | | |
| Combining Schedule of Fiduciary Net Assets | Schedule F-1 | 108 |
| Combining Schedule of Changes in Fiduciary Net Assets | Schedule F-2 | 109 |
| Schedule of Changes in Assets and Net Assets | Schedule F-3 | 110 |
| Education Endowment Trust Fund: | | |
| Comparative Schedule of Fiduciary Net Assets | Schedule F-4 | 111 |
| Comparative Schedule of Additions, Deductions and Changes in Net Assets | Schedule F-5 | 112 |
| Scholarship Endowment Fund: | | |
| Comparative Schedule of Fiduciary Net Assets | Schedule F-6 | 113 |
| Comparative Schedule of Additions, Deductions, and Changes in Net Assets | Schedule F-7 | 114 |

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

TABLE OF CONTENTS

JUNE 30, 2009

| | Reference | Page |
|--|------------------|-------------|
| Supplemental Financial Statements and Schedules (Continued) | | |
| Agency Funds: | | |
| Combining Schedule of Fiduciary Assets and Liabilities | Schedule G-1 | 115 |
| Pupil Activity Fund: | | |
| Comparative Balance Sheets | Schedule G-2 | 116 |
| Schedule of Changes in Assets and Liabilities | Schedule G-3 | 117 |
| Schedule of Receipts, Disbursements, and Changes in Amounts Due to Schools and School Organizations | Schedule G-4 | 118-121 |
| Federal Program Fund: | | |
| Comparative Balance Sheets | Schedule G-5 | 122 |
| Schedule of Changes in Assets and Liabilities | Schedule G-6 | 123 |
| Component Unit: | | |
| Waccamaw Park Public Charter School, Inc. | | |
| Balance Sheet - Governmental Fund | Schedule H-1 | 124 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund | Schedule H-2 | 125 |
| Statement of Net Assets - Proprietary Fund | Schedule H-3 | 126 |
| Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Fund | Schedule H-4 | 127 |
| Statement of Cash Flows - Proprietary Fund | Schedule H-5 | 128 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund | Schedule H-6 | 129 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund | Schedule H-7 | 130-131 |
| Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual - Food Service Fund | Schedule H-8 | 132 |
| Additional Schedules Required by the South Carolina Department of Education | | |
| Detailed Schedule of Due to State Department of Education/Federal Government | | 133 |
| Location Reconciliation Schedule | | 134-135 |

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

TABLE OF CONTENTS

JUNE 30, 2009

| | Reference | Page |
|--|------------------|-------------|
| STATISTICAL SECTION | | |
| Net Assets By Component, Last Seven Fiscal Years | Schedule 1 | 136 |
| Expenses, Program Revenues, and Net (Expenses)/Revenues, Last Seven Fiscal Years | Schedule 2 | 137 |
| General Revenues and Total Change in Net Assets, Last Seven Fiscal Years | Schedule 3 | 138 |
| Fund Balances, Governmental Funds, Last Ten Fiscal Years | Schedule 4 | 139 |
| Governmental Funds Revenues, Expenditures, Debt Service Ratio, Other Financing Sources and Uses and Change in Fund Balances, Last Ten Fiscal Years | Schedule 5 | 140 |
| Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years | Schedule 6 | 141 |
| Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years | Schedule 7 | 142 |
| Property Tax Rates, School District and County, Last Ten Fiscal Years | Schedule 8 | 143 |
| Principal Property Tax Payers, Current Year and Nine Years Ago | Schedule 9 | 144 |
| Property Tax Levies and Collections, Last Ten Fiscal Years | Schedule 10 | 145 |
| Direct and Overlapping Governmental Activities Debt as of June 30, 2009 | Schedule 11 | 146 |
| Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita, Last Ten Fiscal Years | Schedule 12 | 147 |
| Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures, Last Ten Fiscal Years | Schedule 13 | 148 |
| Legal Debt Margin Information, Last Ten Fiscal Years | Schedule 14 | 149 |
| Demographic and Economic Statistics, Last Ten Calendar Years | Schedule 15 | 150 |
| Principal Employers, Current Year and Nine Years Ago | Schedule 16 | 151 |

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA**

TABLE OF CONTENTS

JUNE 30, 2009

| | Reference | Page |
|---|------------------|-------------|
| STATISTICAL SECTION (Continued) | | |
| Employee Staffing Levels and Staffing Ratios for Regular Teachers, Last Seven Fiscal Years | Schedule 17 | 152 |
| Operating Statistics, Last Ten Fiscal Years | Schedule 18 | 153 |
| Teacher Base Salaries, Last Ten Fiscal Years | Schedule 19 | 154 |
| Student Enrollment, Last Ten Fiscal Years | Schedule 20 | 155 |
| Capital Asset Information, Last Ten Fiscal Years | Schedule 21 | 156 |
| SINGLE AUDIT SECTION | | |
| Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | | 157-158 |
| Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 | | 159-160 |
| Schedule of Findings and Questioned Costs | | 161-162 |
| Corrective Action Plan | | 163 |
| Summary Schedule of Prior Audit Findings | | 164 |
| Schedule of Expenditures of Federal Awards | | 165-166 |

INTRODUCTORY SECTION



Horry County Schools

November 30, 2009

HORRY COUNTY BOARD OF EDUCATION AND DR. CYNTHIA C. ELSBERRY SUPERINTENDENT OF SCHOOLS

The Comprehensive Annual Financial Report (CAFR) of the Horry County Schools (the District) for the fiscal year ended June 30, 2009, is hereby submitted. Responsibility for both the accuracy of the information and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District's Board of Education is financially accountable for the funds included in this report. The District is not included in any other "reporting entity" as defined by the Government Accounting Standards Board Statement 14, "The Financial Reporting Entity." The Board of Education has decision-making authority including the power to hire management, the ability to significantly influence operations and the accountability for fiscal matters. The District accounts for its financial activity using fund accounting procedures. Note 1 of the financial statements fully describes the various funds used by the District.

The accounting principles generally accepted in the United States 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 (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Horry County Schools' MD&A can be found immediately following the report of the independent auditors.

THE REPORTING ENTITY

Horry County, South Carolina, is located on the east coast of the United States, bounded on the north by the North Carolina state line and the east by the Atlantic Ocean. It encompasses 1,145 square miles of area creating the largest county in landmass east of the Mississippi River and is slightly larger geographically than the state of Rhode Island. The District serves a county of approximately 257,380 people.



The District is governed by a twelve-member Board of Education (the Board); eleven members elected from single-member districts for four-year staggered terms and a chairperson elected at large for a four-year term. The Board has legal authority for the operation of all public schools in Horry County. It has complete and final control over County school matters within the framework set by the State Legislature and the South Carolina Department of Education. The Board acts to interpret the educational needs of the County and then meets those needs with policies and facilities that stimulate the student and the learning process.

The Board is also responsible for hiring the Superintendent, who is a professional educator employed to advise the Board on all matters concerning management of the schools, as well as administering laws, regulations and policies adopted by the Board. As the leader for teaching and learning for the District, the Superintendent is responsible for guiding the development of the curriculum and educational programs that address the needs of students as well as providing leadership and advocacy for education.

The District has nine attendance areas: Myrtle Beach, Conway, Socastee, North Myrtle Beach, Loris, Aynor, Green Sea-Floyds, St. James, and Carolina Forest. Each area consists of a high school and the middle and elementary schools that feed into it. The District operates a total of 49 schools. All schools in the District are fully accredited by the South Carolina Department of Education and the Southern Association of Colleges and Schools. The District is the third largest of the State's eighty-five school districts and ranks second in the State in student enrollment growth during the past ten years. According to the 135-day average daily membership, the District has a student population of 37,392.

The District provides a full range of programs and services for its students. These include elementary and secondary course offerings at the general, vocational, college preparatory, and international baccalaureate levels. A broad range of co-curricular and extra-curricular activities to complement the students' curricular programs is also offered.

In addition, Waccamaw Park Public Charter Schools, also known as Bridgewater Academy, is a charter school under legislation enacted on June 18, 1996. A charter school is considered a public school and is part of Horry County Schools for the purposes of state law and state constitution. Because this charter school is fiscally dependent on the District and exclusion of their financial information would cause the District's financial statements to be incomplete, the financial statements of the charter school are included in those of the District as a discretely presented component unit.

FINANCIAL INFORMATION

Internal Controls

The administration of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Independent Audit

State statutes require an annual audit by an independent Certified Public Accountant. The accounting firm of McGregor and Company, LLP, Certified Public Accountants, was selected to perform this audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the year ended June 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the 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 District's financial statements for the year ended June 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

Single Audit

As a recipient of federal revenues, the District is required to undergo an annual single audit in conformity with the provisions of all applicable laws and/or regulations. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditors' reports on the internal control and compliance with applicable laws and regulations, is included in the single audit section of this report.

The District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the administration of the District. As a part of the single audit process, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

Budgetary Control

The District approves an annual budget which acts as the financial operating plan for the entire fiscal year and provides budgetary controls for all components of the District. The objective of these budgetary controls is to ensure compliance with the annual appropriated budget approved by the Board of Education. Activities of the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund are included in the annual appropriated budget. The legal level of budgetary control is the fund level. To ensure compliance, the budgetary controls are established by function and activity within each individual fund. All annual appropriations lapse at year-end with the exception of those indicated as a reservation of fund balance. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Cash Management

All available cash resources of the District are invested by the Horry County Treasurer in compliance with state law. The County Treasurer maintains an aggressive cash management program which consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by instruments issued or guaranteed by the United States Government or the State of South Carolina.

Risk Management

The District participates in the South Carolina Insurance Reserve Fund. This fund provides coverage in the areas of property and casualty. This program is directed toward minimizing cost through the integration of system design, risk control and claims management. School Boards Insurance Trust/Workers Compensation Trust Fund provides workers' compensation coverage for the District.

Pension/Retirement Plan

Substantially all School District employees are members of a pension plan. The South Carolina Retirement System administers five public pension plans; four are defined contribution plans and one is a defined benefit plan. The Retirement System is a division of the South Carolina Budget and Control Board. Currently, the majority of the District's

employees are participants in the defined benefit plan. The Systems' defined benefit plan offers retirement and disability benefits, cost of living adjustments, life insurance, and survivor benefits. The plan's provisions are established under Title 9 of the SC Code of Laws. Comprehensive Annual Financial Reports are issued and publicly available by writing the SC Retirement System, 202 Arbor Lake Drive, Columbia, SC 29223. The Optional Retirement Plans are administered by independent companies selected by the South Carolina Retirement System.

ECONOMIC CONDITION AND OUTLOOK

Development of the County's predominantly tourist-based economy continues to expand. Most of the County's sixty (60) miles of beaches stretching from Little River to Pawleys Island have been developed residentially or commercially. Thirty-eight percent of the state's hotel and motel rooms are located in Horry County and forty percent of the state's second homes are also located within the county. The Myrtle Beach area is No. 1 out of about one million searches for a second home location according to EscapeHomes.com, a website for second-home buyers, followed by Maricopa, Arizona and Brunswick County, North Carolina.

Where to Retire magazine rated the Myrtle Beach area as one of the top 100 Best Retirement Towns in America. The magazine cites the Myrtle Beach area for its low cost of living and calls it one of the best beach towns in the nation. In addition, South Carolina ranks 18th in the country for the number of people older than 60 moving into the state. Persons 65 years old and older make up 15 percent of the total population for Horry County. Horry County is first among the top five regions in South Carolina where retirees are relocating.

Horry County was the second-fastest-growing county in South Carolina between 2000 and 2008. According to the U.S. Census Bureau, the population grew by 60,751 residents, or 23.6 percent, during that period to 257,380 people in 2008 from 196,629 in 2000.

Source: Myrtle Beach Area Chamber of Commerce – Statistical Abstract (Seventeenth Edition) and U.S. Census Bureau

Due to the amount of growth in Horry County, construction, both residential and commercial, has boomed over the past several years. From FY 2005 to FY 2006 Horry County received the largest increase in building permit revenue since we started permitting construction in the mid seventies. From FY 2004 to FY 2006 permit revenue increased from \$4.5 million to a peak of \$9.2 million. After the peak in 2006 permit revenue returned to the 2004 level by the end of FY 2008. For FY 2009 the revenue continued to fall to a new post boom low of \$2.5 million. Residential Building permits issued declined by fifty-two percent and Commercial Building permits issued by twenty-eight percent. No significant increase in the building industry is anticipated for FY 2010. Although development has slowed in Horry County, as it has in much of the rest of the country, it is still being planned to continue once the other economic factors turn around. Horry County's condominium construction and sales experienced a similar boom for FY 2004 to FY 2006. However, the decline in the condo market has been worse than the single family residential or commercial construction.

The tourism industry continues to be the most important industry on the Grand Strand. Myrtle Beach is considered one of the nation's top vacation destinations and hosts an estimated 13.8 million visitors annually. Myrtle Beach has been named one of the nation's Top 10 Beaches by the Travel Channel, Yahoo! Travel, and *National Geographic Traveler* Magazine. The beach, golf, shopping, and entertainment theaters are all major attractions for the region. Group market

sales are also an increasing part of the visitor industry for the Grand Strand. The region now has more than 1,700 full service restaurants, more than 72,400 rooms available for overnight guests, eight entertainment theaters and 105 golf courses – not to mention miles of beachfront.

There are many amusement attractions spanning the Grand Strand, and the 105 golf courses located in the area constitute one of the largest concentrations of like facilities in the nation. Golfers will be able to tee-off on any of 1,800 golf holes in the area. Vacationing golfers played approximately 4.0 million paid rounds. *The Toronto Sun* presented the Myrtle Beach area with the 2005 Golfer's Choice Bronze Award for Best Travel Destination. The Horry County area accounts for more than 34 percent of South Carolina's golf courses. This industry has been instrumental in the expansion of the tourist season, including early spring and late fall in our regular May through October season.

Retail sales, employment and construction are all intimately tied to the tourism industry. The increasing diversity of geographic origin and economic profile of tourists will help alleviate any cyclical downturn in the national economy.

Retail sales do, of course, show a seasonal pattern, but the first quarter of each year is noticeably below the other quarters. This pattern indicates that the Myrtle Beach area is becoming more of a year-round tourism destination.

As the recession has gotten worse the tourism industry and tourism related revenues have suffered. According to Taylor DeMonte of Coastal Carolina's Clay Brittain, Jr. Center for Tourism, the decline in room rates and occupancy over the past year have both contributed to the decline in accommodation and tourism revenue. The Center for Tourism keeps data on the tourism occupancy and maintains a moving 52 week revolving average of occupancy percentage change. From December of 2007 the percentage change in the 52 week average declined steadily each week from two percent at December 2007 to a low of nearly nine percent at December 2008. Since December 2008 the occupancy average rebounded to four percent down.

The other factor affecting the revenues related to tourism is the rate charged per night of lodging. The Center for Tourism also tracks a moving 52 week average of revenue per available room collected by locations within a sample group. For the period from December 2007 to September 2009, there has been a general decline in the 52 week average of the revenues per available room. The general decline rendered a low of over ten percent below the initial week of the study around week 35 of 2009 and has rebounded slightly to just under ten percent as of September 5, 2009. Part of this decline is from discounting blocks of rooms to national internet reservation companies like Travelocity, Priceline and others. Both the occupancy and revenue per available room statistics end the study period with an upturn in each of the parameters. Hopefully this upward movement of the indicator is indicative of better times ahead.

Most of the economists in the nation are indicating that the recession has bottomed out. As they say it, we can see the light at the end of the tunnel. The remaining question to be answered is how long it will take to begin a significant return toward better times. Horry County and Myrtle Beach in particular are working diligently to promote our area to ensure we are ready for the improvement in the economy.

LONG-TERM PLANNING

Sustained unprecedented growth places many demands on the District. Determining future facility needs and their locations; performing enrollment forecasting and monitoring; performing redistricting analysis and making long-term recommendations; and assisting with developing long-range comprehensive facility plans present staff with challenges to meet the District's needs caused by this growth.

The District's strategic planning process represents a collaborative effort of engaging educators and citizens in the decision-making process for their schools. Each of the District's schools has developed a strategic plan, following the same process of involving stakeholders as used by the District's planning process. More than 5,000 teachers, parents, community members and students have served as planning or action team members at the District or school level. The most recent update of the Strategic Plan was completed in spring 2005. Through this planning process, the needs and challenges facing the District through 2010 will be met.

The District promotes the philosophy of site-based management, employing intense involvement by school principals, staff and community members studying the needs of schools, instructional programs, administrative management, and fiscal authority. Extensive staff development plans continue for teachers and staff at every level of the organization.

The Horry County Board of Education is governed by policies designed to focus the District's attention on "Student Achievement Results", clearly delineating what students should know, understand, and be able to do upon exiting Horry County Schools. Goals are stated in terms of increased student achievement. A literacy program, which offers a structured delivery of reading and writing instruction has already been implemented in grades K-12, is only the beginning of the District's planned improvements in education.

In the last ten years, Horry County Schools' enrollment has grown over 10,000 students. Of the District's 49 schools, 17 of them are operating over capacity. To temporarily cope with growth, more than 200 portable classrooms are in use and attendance lines have been redrawn to deal with the swelling population. Looking to the future, the District anticipates the projected enrollment to increase from 37,392 students in fiscal year 2008-09 to over 49,152 students by fiscal year 2014-15.

As Horry County grows, so grows the need for new schools and classrooms. Although the ages of the facilities range up to 51 years, all buildings have been renovated and/or retrofitted to provide similar accommodations across the District.

On November 2, 2004, a \$240 million bond referendum was approved for additional schools and renovations. The list of projects in Horry County Schools' Phase III Building Program includes six new schools and additions and renovations to 20 others.

As construction finalizes on the Phase III Building Program, the District is currently assessing its facilities and has ranked future needs based on educational and technical requirements, projected growth (new facilities), and the capacity of existing buildings.

HONORS AND DISTINCTIONS

By placing a continuous emphasis on parent and community involvement in the education of our children, the students, parents, faculty and staff, and the community continued to make progress in the 2009 school year by winning numerous honors and awards.

- HCS was the first school district in SC to earn SACS accreditation under a new district review process.
- HCS met 81 percent of Adequate Yearly Progress (AYP) objectives under No Child Left Behind.
- SAT scores are 20 points above the state average and within 12 points of the national average.
- The District's performance on the Palmetto Achievement Challenge Test has consistently been higher than the state at all grade levels.
- The SC Education Oversight Committee recognized schools throughout the state for significantly improving the performance of low-achieving students. Twelve of those were District Schools.
- Ten schools received state honors as Palmetto Gold and Palmetto Silver award winners for academic improvement on the Palmetto Achievement Challenge Test.
- 269 HCS teachers hold National Board Certification.
- Schools' performance on 2007 Advanced Placement exams show 17 percent more Horry County Schools' students participated in AP courses and took AP exams than in 2006.
- Aynor High School and Socastee High School both offer the International Baccalaureate Program.
- Twelve schools have been awarded Red Carpet Schools Awards.
- Seven schools have been named National Blue Ribbon Schools of Excellence by the U.S. Department of Education.
- Nine of the district's primary, elementary, and middle schools have been named Palmetto's Finest.
- In the last decade, the school district has had: the state's outstanding high school principal, distinguished elementary school principal, and middle school assistant principal of the year; the state's outstanding school superintendent; the state's top chemistry teacher, athletic director, speech clinician, biology teacher, technology teacher, adult education teacher, dance teacher, Spanish teacher, health occupations teacher, hospitality & tourism teacher, vocational education teacher, student council advisor, American history teacher, FHA advisor, speech / hearing program, teacher of

autistic students, Southern Interscholastic Press Association's Administrator of the Year, and Learning Disabilities Teacher of the Year.

Other Distinctions

- All classrooms are networked to the Internet. The ratio of students to computers is just over 5:1. The use of wireless labs is expanding. During the last three years, more than \$3 million dollars has been allocated for a laptop initiative for teachers, giving them equipment and training to enhance the use of technology in instruction.
- The District has developed an accountability system for the Board of Education, principals, assistant principals and district office staff to ensure performance and focus on results.
- Since the mid-1990's, the District invested nearly \$500 million in new and renovated facilities. Twenty-one new schools have been built, and two new attendance areas have been added.
- Horry County Schools is the fastest growing, and the 3rd largest overall, among South Carolina's 85 school districts. During the last decade, it has grown by 10,000 students, almost 50 percent of which occurred during the last three years.
- The District has received the **Distinguished Budget Presentation Award** from the Government Finance Officers Association and the **Meritorious Budget Award** from the Association of School Business Officials International.
- The Association of School Business Officials International (ASBO) awarded a **Certificate of Achievement for Excellence on Financial Reporting** to Horry County School District for its comprehensive annual financial report for the past eight fiscal years. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the ASBO to determine its eligibility for another certificate.
- The Government Finance Officers Association of the United State and Canada (GFOA) awarded a **Certificate of Achievement for Excellence on Financial Reporting** to Horry County School District for its comprehensive annual financial report for the past eight fiscal years. 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 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.

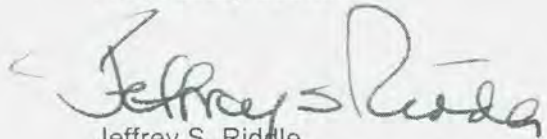
ACKNOWLEDGMENTS

The completion of this Comprehensive Annual Financial Report could not have been accomplished without the professionalism and dedication of the entire Fiscal Services staff.

Each staff member has our sincere appreciation for their contributions in the timely closing of financial records. We also acknowledge and thank the other District departments for assistance in the presentation of information for this report.

In closing, without the leadership and support of the Superintendent and the Horry County Schools' Board of Education, the outstanding results described in the Fiscal Year 2009 Comprehensive Annual Financial Report would not have been possible.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Jeffrey S. Riddle". The signature is written in a cursive style with a large initial "J" and "R".

Jeffrey S. Riddle
Chief Finance and Human Resources Officer

**HORRY COUNTY SCHOOLS
CONWAY, SOUTH CAROLINA
BOARD OF EDUCATION AND ADMINISTRATION
JUNE 30, 2009**

BOARD OF EDUCATION

| | |
|-------------------------|-------------------------------|
| Will Garland | Chairperson |
| Harvey Eisner..... | District 1 |
| Mary Ellen Greene | District 2 |
| Joe J. Defeo..... | District 3 |
| Kay Loftus | District 4 |
| Dr. Paul Peterson..... | Vice Chairperson - District 5 |
| Pam C. Timms | District 6 |
| Paul B. Hudson | District 7 |
| John R. Poston..... | District 8 |
| David Cox | District 9 |
| Open Seat..... | District 10 |
| Trent Hardee..... | District 11 |

ADMINISTRATION OFFICIALS

| | |
|----------------------------|--|
| Dr. Cynthia Elsberry | Superintendent |
| Dr. Bobby Nalley | Deputy Superintendent |
| Cynthia Ambrose..... | Chief Academics Officer |
| Jeffrey S. Riddle..... | Chief Finance & Human Resources Officer |
| Edward Boyd..... | Chief Information & Accountability Officer |
| Carolyn J. Chestnut..... | Chief Instructional Support Officer |



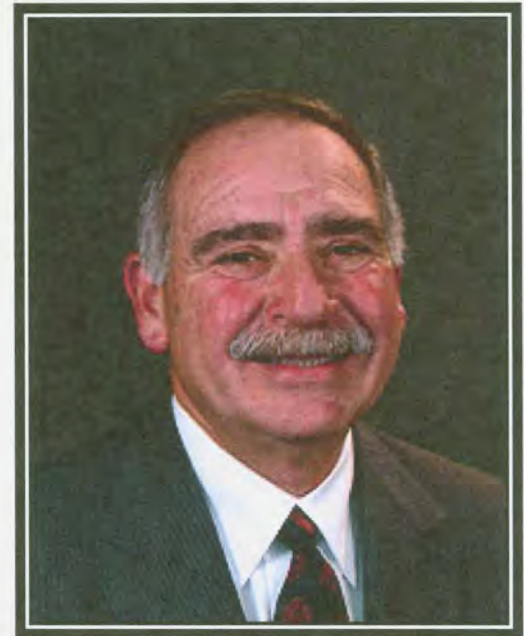


Dr. Cynthia Elsberry, Superintendent - *Dr. Elsberry was appointed Superintendent by the Horry County Schools Board of Education on July 1, 2008. Dr. Elsberry has 30 years of experience in public education which includes serving as a teacher, assistant principal, principal, coordinator, and Superintendent within various school systems. Prior to coming to Horry County Schools, Dr. Elsberry was the Superintendent of Talladega County Schools in Alabama for six years. She graduated from the University of Alabama with a Bachelor of Science in Physical Education in 1975. Dr. Elsberry also served as Assistant Comptroller for First Federal Savings & Loan Association before graduating with an Accounting Certificate and Masters degree in Physical Education from Jacksonville State University. Dr. Elsberry later earned a Doctor of Education degree from the University of Alabama in 1993.*



Will Garland, Chairperson - Will Garland was elected to the Board in November, 2000 and was elected Chair in November, 2002. He completed 25 years of service at CCU and retired as Professor Emeritus from the Wall College of Business Administration in 1999. He received his Bachelor's degree in Industrial Mgmt. (GSIM) from the Georgia Institute of Technology and a Master's degree in Business Administration (MBA) from Georgia State University. In addition, Mr. Garland completed all necessary coursework for the PhD. Degree in business administration from Georgia State and 18 graduate hours in education from USC. Mr. Garland and his wife, Audrey have two children, Jeffrey and Melissa and three grandchildren.

Harvey Eisner, District 1 – Harvey Eisner was elected to the Board in November 2006. He is a graduate of Carleton College with a BA in History. He received his MS in School Administration from Northern Illinois University, and has additional post graduate courses from Oregon State University. He is retired after 34 years in education. He is married and has two daughters and four grandchildren.



MaryEllen Greene, District 2 – MaryEllen Greene has served as a member of the Board since November, 1998. A graduate of St. John's University with a Bachelor of Science in Education, she has earned an additional 24 hours in graduate studies. Mrs. Greene is married to retired physician, Doctor William Greene and has one daughter, Erin.



Joe J. Defeo, District 3 – Joe Defeo was elected as a member of the Board of Education in November, 2006. Mr. Defeo was born in Philadelphia, PA. He attended Burlington Community College and Trenton State College and has a degree in Electronics Technology. A former NJ police officer, Mr. Defeo moved to Myrtle Beach 27 years ago and currently owns Beach Aircraft Maintenance and is a Commercial Helicopter/Fixed Wing Pilot - Aircraft Mechanic. He is married to Rebecca and has 3 children, Megan, Joseph and Suzannah.



Kay Loftus, District 4 – Kay Loftus was elected as a member of the Board of Education in November 2002. Mrs. Loftus is a recent management retiree of a successful family business. She is a 1967 graduate of Summerville High School and attended Massey Junior College from 1967-68. For the past fifteen years, she has been involved in various capacities with the local Myrtle Beach Area Hospitality Association, the Myrtle Beach Area Chamber of Commerce, and the S.C Hotel-Motel Association. Mrs. Loftus and husband, Gary have two sons, Kyle and Keith.

Paul Peterson, Vice Chair, District 5 – Paul Peterson was elected to the Board in November 2000. He has been a professor of Political Science at CCU since 1982. He has a Bachelor of Arts degree in Political Science from Brigham Young University, an M. A. from the University of California, Riverside, and a Ph.D. in Government from Claremont Graduate School. He has served two terms on the Executive Board of the S. C. Humanities Council, and in 1999-2000 was President of the S. C. Political Science Association. Paul and his wife, Pam have one daughter, Elizabeth.





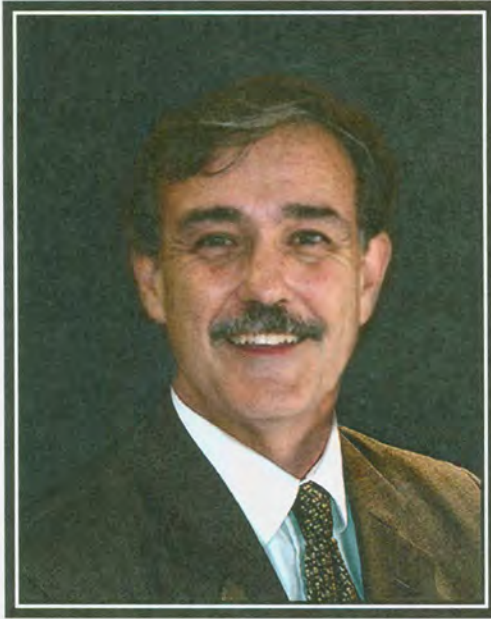
Pamela C. Timms, District 6 – Pam Timms has been a member of the Horry County Schools Board of Education since November, 1998. A native of Horry County, Mrs. Timms is a 1972 graduate of Myrtle Beach High School and attended Coastal Carolina's school of nursing program from 1973-76. She is self-employed with Pamela's Custom Framing. Mrs. Timms has one daughter, Sarah Elizabeth.



Paul B. Hudson, District 7 – Paul Hudson has been a member of the Horry County School Board since August, 2001 and serves as treasurer of the SCSBA Caucus of Black School Board Members. He is the Asst. Branch Mgr. of First Federal Savings & Loan (Wal-Mart Super Center). Mr. Hudson is a member of the S. C. Banker's Association. He has been a resident of Horry County all his life and is a member of the Greater St. James AME Church in Conway. Mr. Hudson and his wife, Darlene have two children, Craig and Jaleesa.

John R. Poston, District 8 – John Poston has served on the Board of Education since November 2008. He is a professional land surveyor and an engineer. He is the Chief Operating Officer and a partner with Castles Engineering, Inc. Mr. Poston received his Bachelor of Science degree in Mathematics from Francis Marion University in 1991 and a Bachelor of Science degree in Civil Engineering from Clemson University in 1996. Mr. Poston and his wife, Robin have three children - a son and two daughters.





David Cox, District 9 – David Cox was elected to the Board of Education in November 2008. Mr. Cox is presently self-employed. He is a graduate of the University of South Carolina with a Bachelor of Arts degree in Journalism. He is married with children and grandchildren.

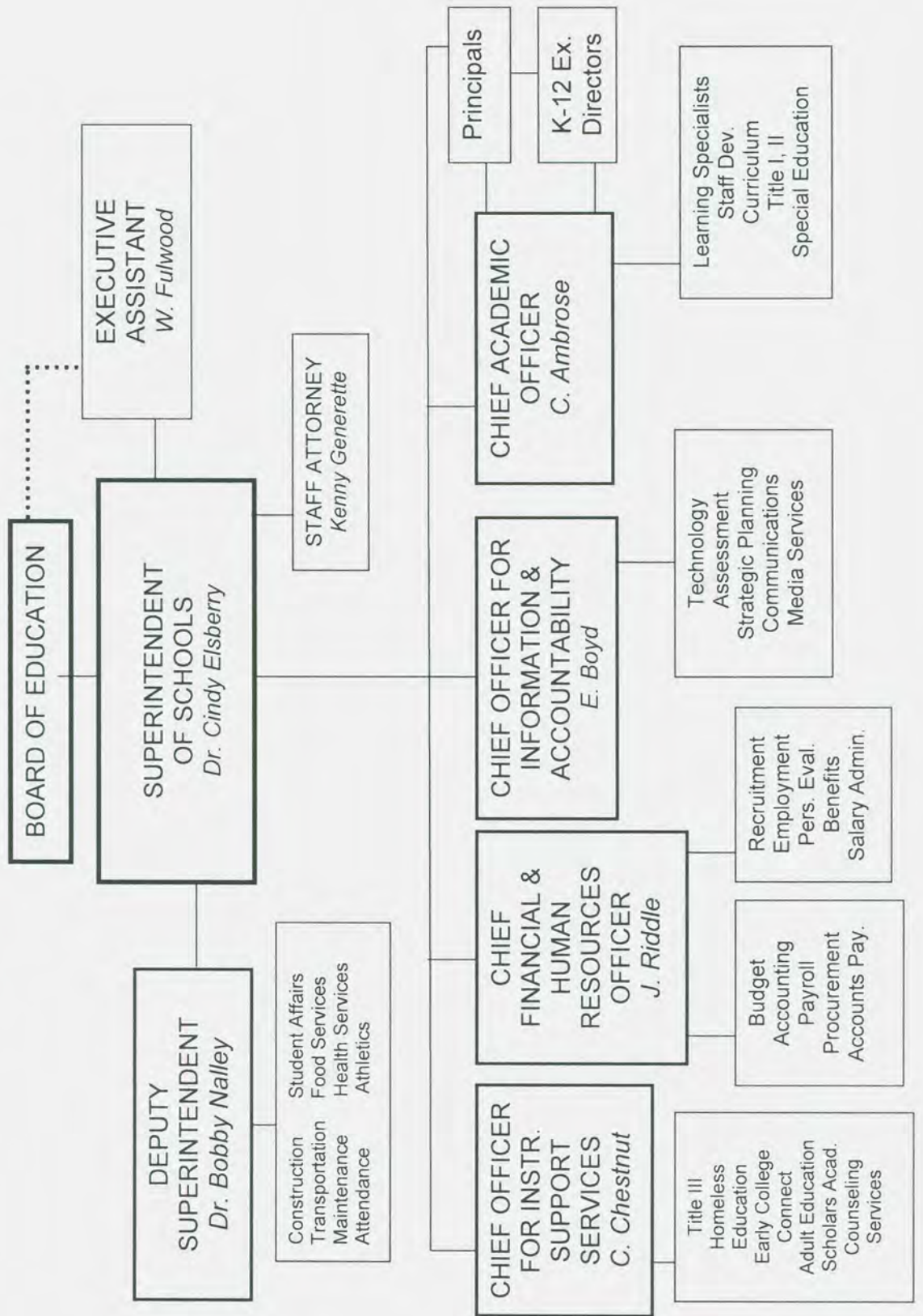
Trent Hardee, District 11 – Trent Hardee was elected to the Board of Education in November 2008. Mr. Hardee is a native of Horry County and co-owner of Jayco, Inc., a general contractor. He earned a Civil Engineering degree from Clemson University in 1997. Mr. Hardee and wife, Amanda have three daughters.



Open Seat, District 10 - Our District 10 seat is currently awaiting approval by the S.C. Governor for appointment.

Organizational Chart

Horry County Schools



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Horry County School District
South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

HORRY COUNTY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2008

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Angeh Piterman

President

John D. Messer

Executive Director

FINANCIAL SECTION

McGregor & COMPANY^{LLP}

CERTIFIED PUBLIC ACCOUNTANTS | SINCE 1930

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS • SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

C.C. McGregor, CPA
1906-1968

PARTNERS

W.C. Stevenson, CPA
B.T. Kight, CPA
G.D. Skipper, CPA
L.R. Leaphart, Jr., CPA
M.J. Binnicker, CPA
W.W. Francis, CPA

D.L. Richardson, CPA
E.C. Inabinet, CPA
S.S. Luoma, CPA
T.M. McCall, CPA
H.D. Brown, Jr., CPA
L.B. Salley, CPA

D.K. Strickland, CPA
J.P. McGuire, CPA
L.H. Kelly, CPA

ASSOCIATES

V.K. Laroche, CPA
G.N. Mundy, CPA
M.L. Layman, CPA
P.A. Berette, Jr., CPA

S. Wo, CPA
G.A. Farmer, CPA
C.D. Hinchee, CPA
J.R. Matthews, II, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Horry County Schools
Conway, South Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and budgetary comparison information of Horry County Schools (The District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, 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 discretely presented component unit, each major fund, the aggregate remaining fund information, and budgetary comparison information of the District as of June 30, 2009, and the respective changes in financial position and, where applicable cash flows thereof 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 a report dated November 30, 2009, on our consideration of the District'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.

The Management's Discussion and Analysis on pages 22 through 33 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Horry County School's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of Horry County Schools. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

M^cGregor's Company, LLP

Columbia, SC
November 30, 2009

**HORRY COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2009**

The discussion and analysis of Horry County School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2009. We encourage readers to consider this information in conjunction with the additional information in the District's financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The District's total net assets increased \$27.4 million which represents a 10.4 percent increase from fiscal year 2008 as a result of current year funding used for capital additions and debt service.
- Our principal operating fund, the General Fund, had \$290.6 million in fiscal year 2009 revenues, which primarily consisted of state aid and property taxes. In addition, the General Fund had \$6.1 million in other financing sources, which consisted of transfers from the Special Revenue Fund in the form of indirect cost and teacher salary supplement transfers. The General Fund incurred \$299.5 million in expenditures, as well as \$1.7 million in other financing uses.
- The General Fund's fund balance decreased from \$60.3 million as of June 30, 2008 to \$55.8 million as of June 30, 2009. When the 2008-09 funding plan was developed, the District anticipated the utilization of fund balance in the amount of \$6.8 million. During the course of the year, the District experienced three budget reductions from the State. The total impact of these reductions was \$12.6 million. The impact was partially negated by the receipt of additional tax revenue. Furthermore, the District took proactive measures by eliminating nonessential travel, curtailing expenditures, and instituting a hiring freeze for non-core academic areas. Due to adequate reserves, District was able to weather this segment of the economic crisis without severely impacting the academic program.
- The District's total debt decreased by \$1.8 million during FY 2009. The key factor in this change was the issuance of \$15.1 million general obligation debt and principal payments of \$16.9 million on existing debt. The \$15.1 million issue will be used to construct, improve, equip, and renovate school buildings and other school facilities. This issue will be repaid March 2010.
- The District currently has a Standard & Poor's underlying rating of AA and a Moody's Investor Services underlying rating of Aa3.
- In continuation of the \$240 million Phase III Building Program, two elementary schools, two middle schools, two secondary schools and seven renovations to schools were completed and capitalized during the 2008-09 fiscal year.
- The District's only Proprietary Fund is the Food Service Fund. The fund ended the year with revenues and transfers exceeding expenses by \$1.7 million and total net assets equaling \$5.2 million.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements (General, Special Revenue, Debt Service, Capital Projects, Fiduciary, and, Proprietary) and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. A description of these statements and some related definitions follow:

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. These statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities) and functions principally supported by user charges (business type activities). The governmental activities of the District include instruction, support services, community services, and intergovernmental activities. The District's food service operation is reported as a business type activity. Short-term and long-term information about the District's overall financial status is provided in these statements. These statements are prepared utilizing the accrual basis of accounting which takes into account all current year revenues and expenses regardless of when cash is received or paid.

The government-wide financial statements include not only the District itself (known as the primary government), but also a component unit, Waccamaw Park Public Charter Schools, Inc. (also known as Bridgewater Academy). Bridgewater Academy is a charter school sponsored by the District. Financial information for the charter school is reported separately from the financial information presented for the primary government itself. Additional information on the District's component unit can be found on page 48.

The government-wide financial statements are included on pages 34 and 35 of this report.

Statement of Net Assets: The statement of net assets presents information on all of the District's assets and liabilities except for those related to fiduciary funds, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Statement of Activities: The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Fund Financial Statements: 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. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements. The modified accrual basis of accounting is used for governmental funds.

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 District'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 a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on pages 37 and 39.

Proprietary Funds: The District maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for its food service operation. Proprietary fund statements are reported on the accrual basis.

Fiduciary Funds: Fiduciary (Pupil Activity) funds are used to account for resources held for the benefit of students and are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accrual basis of accounting is used for fiduciary funds.

The District maintains its accounting records in conformity with the South Carolina Department of Education's Financial Accounting Handbook. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Special Projects, Education Improvement Act (EIA), Debt Service and Capital Projects, all of which are considered to be major funds.

Notes to the Financial Statements: The notes 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 48 – 61.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information that further supports the financial statements with a comparison of the District's budget for the year and other supplementary information schedules required either by the State Department of Education, the Certificate of Achievement Program of the Governmental Finance Officer's Association, or the Certificate of Excellence Program of the Association of School Business Officials.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets. Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$289.6 million as of June 30, 2009.

The following table presents a comparative analysis of the District's net assets for the fiscal years ended June 30, 2009 and June 30, 2008.

Net Assets
(Amounts expressed in thousands)

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|-------------------|--------------------------|-----------------|-------------------|-------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Current and other assets | \$ 216,794 | \$ 226,059 | \$ 3,751 | \$ 2,266 | \$ 220,545 | \$ 228,325 |
| Capital assets, net | 586,101 | 556,151 | 2,711 | 1,282 | 588,812 | 557,433 |
| Total assets | 802,895 | 782,210 | 6,462 | 3,548 | 809,357 | 785,758 |
| Current liabilities | 91,614 | 76,997 | 1,275 | 36 | 92,889 | 77,033 |
| Long-term liabilities | 426,850 | 446,490 | 19 | 21 | 426,869 | 446,511 |
| Total liabilities | 518,464 | 523,487 | 1,294 | 57 | 519,758 | 523,544 |
| Net assets | | | | | | |
| Invested in capital assets, net of related debt | 126,186 | 93,916 | 2,711 | 1,282 | 128,897 | 95,198 |
| Restricted | 94,786 | 100,048 | - | - | 94,786 | 100,048 |
| Unrestricted | 63,459 | 64,759 | 2,457 | 2,209 | 65,916 | 66,968 |
| Total net assets | \$ 284,431 | \$ 258,723 | \$ 5,168 | \$ 3,491 | \$ 289,599 | \$ 262,214 |

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table presents a five year comparative analysis of the District's net assets for the fiscal years ended 2005 through 2009.

Net Assets By Component
(Amounts expressed in thousands)

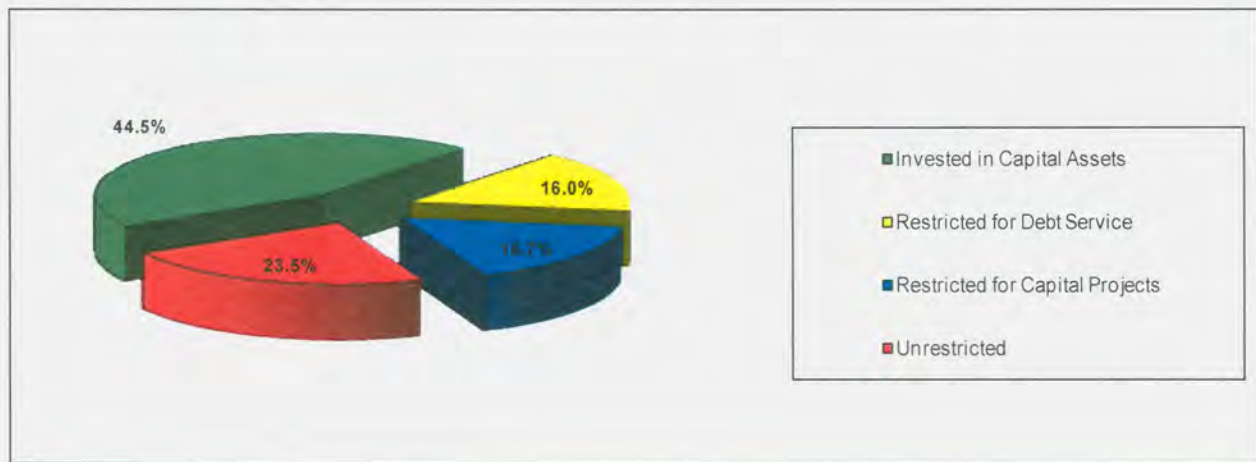
| | 2005 | 2006 | 2007 | 2008 | 2009 |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Governmental Activities | \$ 161,036 | \$ 193,927 | \$ 221,266 | \$ 258,723 | \$ 284,431 |
| Business - Type Activities | 1,526 | 2,456 | 2,901 | 3,491 | 5,168 |
| Total Primary Government | \$ 162,562 | \$ 196,383 | \$ 224,167 | \$ 262,214 | \$ 289,599 |

By far, the largest portion of the District's net assets reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restriction for Capital Projects represents residual funding for building construction scheduled in 2009-10. As previously mentioned, the District is currently undertaking a major building program. The Phase III Building Program funded from a voter approved \$240 million bond referendum will provide six new schools and renovations to twenty others.

An additional portion of the District's net assets represents resources subject to external restrictions on how they may be used. The amount identified as restricted for Debt Service is earmarked for principal and interest payments. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities.

As the graph below illustrates, the largest portion of net assets is invested in capital assets.



The following are significant current year transactions that have had an impact on the Statement of Net Assets.

- The \$9.3 million increase in receivables from the Federal and State government is due to outstanding claims and the delay in payments from the State.
- The \$4.6 million increase in property taxes receivable. This is due to taxes receivable recognized under the accrual basis.
- The net addition of \$45 million in capital assets through construction of school improvements, and purchases of furniture, equipment and vehicles less current depreciation of \$13.6 million.
- The \$1.8 million decrease in outstanding general obligation debt.
- The \$27.7 million increase in accrued salaries. Prior to 2009, the District paid all employment agreements by the end of the fiscal year. The accrual represents the July and August payments for non twelve-month employees.
- The \$6.8 million decrease in accounts and retainage payable is largely attributed to the phase out of current construction projects.

Changes in net assets. The District's total revenues for the fiscal year ended June 30, 2009 were \$433.8 million. The total cost of all programs and services before transfers was \$406.4 million. The following table presents a comparative analysis of changes in net assets for the fiscal years ended June 30, 2009 and June 30, 2008.

| Changes in Net Assets | | | | | | |
|--|----------------------------|-------------------|-----------------------------|-----------------|-------------------|-------------------|
| (Amounts expressed in thousands) | | | | | | |
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Revenues | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 3,782 | \$ 4,196 | \$ 5,933 | \$ 5,956 | \$ 9,715 | \$ 10,152 |
| Operating grants and contributions | 123,701 | 139,410 | 12,425 | 11,263 | 136,126 | 150,673 |
| General revenues | | | | | | |
| Property taxes | 237,110 | 208,068 | - | - | 237,110 | 208,068 |
| State aid | 45,149 | 43,941 | - | - | 45,149 | 43,941 |
| Other | 5,558 | 14,020 | 111 | 1 | 5,669 | 14,021 |
| Total revenues | <u>415,300</u> | <u>409,635</u> | <u>18,469</u> | <u>17,220</u> | <u>433,769</u> | <u>426,855</u> |
| Expenses | | | | | | |
| Instruction | 234,511 | 223,015 | - | - | 234,511 | 223,015 |
| Support services | 130,780 | 126,447 | - | - | 130,780 | 126,447 |
| Community services | 1,087 | 1,123 | - | - | 1,087 | 1,123 |
| Pupil Activities | 133 | 470 | - | - | 133 | 470 |
| Interest on long-term debt | 21,042 | 20,084 | - | - | 21,042 | 20,084 |
| Food service | - | - | 18,831 | 17,668 | 18,831 | 17,668 |
| Total expenses | <u>387,553</u> | <u>371,139</u> | <u>18,831</u> | <u>17,668</u> | <u>406,384</u> | <u>388,807</u> |
| Increase (decrease) in net assets before transfers | 27,747 | 38,496 | (362) | (448) | 27,385 | 38,048 |
| Transfers | (2,039) | (1,039) | 2,039 | 1,039 | - | - |
| Increase (decrease) in net assets | 25,708 | 37,457 | 1,677 | 591 | 27,385 | 38,048 |
| Net assets July 1 | 258,723 | 221,266 | 3,491 | 2,900 | 262,214 | 224,166 |
| Net assets June 30 | <u>\$ 284,431</u> | <u>\$ 258,723</u> | <u>\$ 5,168</u> | <u>\$ 3,491</u> | <u>\$ 289,599</u> | <u>\$ 262,214</u> |

The following are significant current year transactions that have had an impact on the Schedule of Changes in Net Assets.

- Operating grants and contributions decreased primarily due to state-wide funding reductions in the form of Education Finance Act (EFA) and The Education Improvement Act (EIA) revenues. The EFA reduction was \$12.6 million and the EIA reduction was \$2.5 million.
- State Aid increased due to ACT 388. The ACT provides a 100 percent exemption from school operating tax for residential owner occupied property. In 2007-08, the State fully reimbursed districts the foregone amount. The District received \$24.8 million in 2007-08; however, future payments will be "frozen" at the 2007-08 actual reimbursement with a proportionate share of the growth in the State entitlement. The District received an additional \$1.1 million as its proportionate share of the 2008-09 entitlement. If the total properties were subject to operational millage, the District would have received \$3.8 million in additional revenue.

- Property tax revenue increased primarily due to point-of-sale reassessment. In ACT 388, there is a provision that allows assessable transfers of interest (ATI) to occur in the interim where real property is appraised on the basis of sales price (point of sale). In preparation of the 2008-09 funding plan, the District did not include these collections in its revenue estimates due to pending legislation. In addition, District also incurred a \$4.6 million increase in property tax receivables. Under the accrual approach, a receivable for property taxes (current taxes billed but not paid) is recognized as revenue less an allowance. Under the modified accrual basis, the receivable for property taxes is based on actual collections for July and August of the subsequent year.
- The District did incur additional operating expenses for the 2008-09 fiscal year. These include property insurance, retirement, utilities, and maintenance of facilities. Additionally, enrollment grew by 613 new students (per 135th day). The cost of additional instructional staff coupled with a 3.85% cost of living adjustment and applicable step increases for all employees attributed to the increase.

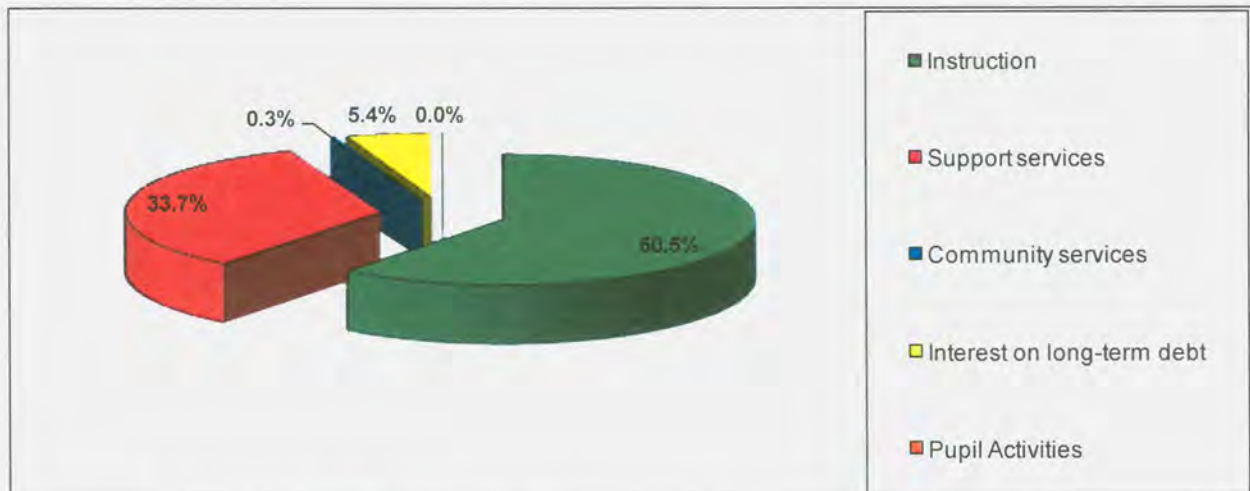
Governmental activities. The following table presents the cost of the five major District functional activities: instruction, support services, community services, pupil activities, and interest on long-term debt for the fiscal years ended June 30, 2009 and June 30, 2008. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District taxpayers by each of these functions.

Governmental Activities
(Amounts expressed in thousands)

| | 2009 | | 2008 | |
|----------------------------|-------------------|--------------------------|-------------------|--------------------------|
| | Total Expenses | Net (Expense) Revenue | Total Expenses | Net (Expense) Revenue |
| Instruction | \$ 234,511 | \$ (155,246) | \$ 223,015 | \$ (132,294) |
| Support services | 130,780 | (82,938) | 126,447 | (74,001) |
| Community services | 1,087 | (711) | 1,123 | (684) |
| Pupil Activities | 133 | (133) | 470 | (470) |
| Interest on long-term debt | 21,042 | (21,042) | 20,084 | (20,084) |
| Total expenses | <u>\$ 387,553</u> | <u>\$ (260,070)</u> | <u>\$ 371,139</u> | <u>\$ (227,533)</u> |

- The cost of all governmental activities this fiscal year was \$387.6 million.
- Operating grants, capital grants, and charges for services subsidized certain programs in the amount of \$127.5 million.
- Net cost of governmental activities, \$260.1 million was financed by general revenues, which are made up primarily of property taxes in the amount of \$237.1 million and state aid of \$45.1 million. Unrestricted grants/other contributions and other revenue accounted for \$5.6 million. In addition, a transfer of \$2 million was made to the Proprietary Fund.

As the graph below illustrates, the largest portion of governmental activity expenditures are for instruction.



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The General Fund is the principal operating fund of the District. As mentioned previously, the decrease in fund balance in the General Fund for the fiscal year was \$4.5 million. Incorporating reservations for inventories, prepaid expenditures, and encumbrances, combined with designations for school carryover budgets and subsequent years' expenditures, the remaining fund balance was \$36.1 million. It is the policy of the Board of Education to designate 7.5 percent of the ensuing year's General Fund revenue as a minimum fund balance designation as advised by the District's bond counsel and financial advisors. The actual fund balance designation is \$29.3 million which represents 9.5 percent of the ensuing year's General Fund revenue. The unreserved and undesignated fund balance of \$6.8 million is available for future Board initiatives.

The Debt Service fund balance showed an increase of \$21.7 million from the prior year. This increase is due to the additional tax collections from point-of-sale reassessment and the first quarter collection of the Education Capital Improvements tax.

On November 4, 2008, 67 percent of Horry County voters elected to add a penny of sales tax (Education Capital Improvements tax) as a way to roll-back property taxes for debt service and create an additional revenue stream to support capital needs for schools. The penny is expected to generate more than one billion dollars over 15 years and will be shared among Horry County Schools, (80 percent); Coastal Carolina University (13.3 percent) and Horry Georgetown Technical College (6.7 percent).

The penny sales tax will allow for all consumers, including more than 14 million people who visit our area each year, to help support the needs of educational facilities. Penny revenues allowed the school district to reduce the debt service millage from 28 to 20 mills in 2010 and positioned the District to reduce millage to 10 - 14 mills by 2011. In addition to rolling-back property taxes and broadening the tax base, the penny sales tax will enable Horry County Schools, Coastal Carolina University, and Horry Georgetown Technical College to collaborate on more shared initiatives to increase access and services to students of all ages. The penny sales tax began collection in March of 2009. The District received \$5.7 million during the first quarter (ended June 30, 2009). The penny sales tax does not apply to groceries, gasoline or prescription drugs. The District maintains sufficient fund balance in the Debt Service Fund to pay the ensuing six-month principal and interest payments on general obligation debt.

The Capital Projects fund balance decreased from \$75.3 million to \$48.3 million. This decrease was anticipated due to the substantive completion of the Phase III Building Program. There remain 4 renovation projects in the final stages of completion and 2 renovation projects subject to bid. In addition, the District has an ERP solution (PeopleSoft) underway and several other maintenance projects pending.

As capital projects may span fiscal years, the Capital Projects fund balance is reserved for these commitments.

Proprietary funds. The Proprietary Fund (Food Service Fund) showed an increase in fund net assets of \$1.7 million. The increase is primarily due to the contribution of food service equipment purchased from the Capital Projects and General Fund in the amount of \$1,627,091.

GENERAL FUND BUDGETARY HIGHLIGHTS

The net change between the General Fund's expenditure original budget and final budget (\$5.9 million) is primarily due to the prior year designations of fund balance, insurance claims, and contributions and donations. The table below indicates the changes:

| | |
|---|--------------------|
| Reserve for Workers Compensation | \$1,374,048 |
| Insurance Claims | 58,624 |
| Contributions and Donations | 22,416 |
| School Carryover Budgets and Enrollment Adjustments | 145,742 |
| Subsequent Years Expenditures | <u>4,310,393</u> |
| Total Changes | <u>\$5,911,223</u> |

The net change between the General Fund's revenue original budget and final budget (\$81,040) is due to receipts from contributions and donations and insurance claims.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as part of the basic financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2009, the District had invested \$727.7 million in capital assets, which includes land, school buildings, construction in progress, athletic facilities, buses and other vehicles, computers, and other equipment. Accumulated depreciation was \$138.9 million including current depreciation expense of \$13.8 million for the year.

The following schedule presents capital asset balances net of depreciation for the fiscal years ended June 30, 2009 and June 30, 2008.

Capital Asset Balances
Net of Depreciation
(Amounts expressed in thousands)

| | Governmental | | Business-Type | | Total | |
|----------------------------|-------------------|-------------------|-----------------|-----------------|-------------------|-------------------|
| | Activities | | Activities | | | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Land | \$ 21,276 | \$ 18,703 | \$ - | \$ - | \$ 21,276 | \$ 18,703 |
| Buildings and improvements | 503,742 | 356,420 | - | - | 503,742 | 356,420 |
| Land improvements | 8,084 | 6,815 | - | - | 8,084 | 6,815 |
| Autos and trucks | 1,312 | 1,488 | - | - | 1,312 | 1,488 |
| Machinery and equipment | 7,616 | 6,633 | 2,711 | 1,283 | 10,327 | 7,916 |
| Construction in progress | 44,071 | 166,092 | - | - | 44,071 | 166,092 |
| Total | \$ 586,101 | \$ 556,151 | \$ 2,711 | \$ 1,283 | \$ 588,812 | \$ 557,434 |

Additional information on the District's capital assets can be found in Note 4 of this report.

Debt Administration: At year-end, the District had \$449.6 million in general obligation bonds outstanding, of which \$55.6 million in principal and interest payments are due within one year. The following table presents a summary of the District's outstanding long-term debt for the fiscal years ended June 30, 2009 and June 30, 2008.

Outstanding Debt
(Amounts expressed in millions)

| | 2009 | 2008 |
|------------------------------------|-----------------|-----------------|
| 8% General obligation debt | \$ 42.3 | \$ 36.5 |
| Referendum general obligation debt | 407.3 | 414.9 |
| Total | \$ 449.6 | \$ 451.4 |

State statutes currently limit the amount of general obligation debt a District may issue to 8 percent of its total assessed valuation. The current debt limitation for the District is \$116.7 million. Additional information on the District's long-term debt can be found in Note 10 of this report.

ECONOMIC FACTORS

On September 3, 2009, the Budget and Control Board applied an across the board 4.04% reduction to the State's General Fund. The impact of this reduction to the District was \$4.1 million.

NEXT YEAR'S BUDGET

The 2009-10 comprehensive budget as proposed by the administration represents months of involvement by various stakeholders. This process began in December, 2008 when the Board of Education established its priorities for the 2009-10 fiscal year. These priorities are:

- The District will provide curriculum programs and instructional support which have proven to be effective for students.
- The District must provide the instructional support essential to meet the adequate yearly progress (AYP) standards of No Child Left Behind.
- The District must provide resources for unfunded mandates including but not limited to services to special needs and non-English speaking students.
- The support services and operational aspects of the District will be maintained such that the essential services provided to students and staff will be continued.

For the current budget year, the District has experienced over \$15.1 million in funding reductions. This coupled with the \$6.8 million utilization of fund balance, created an initial problem of \$21.9 million. To confront these revenue reductions, the administration examined all programs (regardless of funding source) to assure alignment with our core beliefs. Although certain positions and programs were eliminated, reduced, or redirected, the administration's primary focus was to align resources in the critical core academic areas.

To compound this issue, the District is expecting to serve approximately 528 new students when school begins in August. Funding is included in the budget to accommodate the instructional needs of these students as well as to provide services to newly identified special needs, gifted, and non-English speaking students.

The District will incur additional operating expenses for the 2009-10 fiscal year. These include property insurance, health insurance, utilities, and maintenance of facilities. Additionally, the 2009-10 funding plan incorporates applicable step increases for all employees.

The 2009-10 State funding plan for public education has presented unique challenges for all school districts in South Carolina. When the Superintendent's Preliminary General Fund Budget was presented to the Board, the revenue projections were based on the House version of the State budget. The most recent version of the State budget (Senate Finance) has resulted in an additional \$6.3 million reduction in state revenue. The current deliberations in the legislature continue to send "mixed signals" regarding the utilization of stimulus funds for K-12 education.

As we look to the future, there remain many uncertainties at the national, state, and local level regarding the economy. At the national and state level, there has been much hope placed on impact of the recent stimulus package. Adequate fund balance becomes more critical as the District may continue to experience delays in the flow of reimbursement from the State and/or additional revenue reductions in 2009-10.

Also, there has been a proliferation of ideas discussed about educational funding that could have serious implications on the District. Among them are:

- Revising the computation of the Index of Tax Paying Ability to exclude owner occupied property. The District could lose up to \$7.4 million in Education Finance Act revenue if the index is revised.
- Modify the provision in the one cent sales tax for property tax relief (ACT 388) that allows reassessment at "point of sale".

As mentioned above, one of the components of ACT 388 (Property Tax Relief) was the ability of taxing entities to assess certain transfers of interest (property transfers) at current market value.

During the 2008 legislative session, there were several bills introduced to remove the assessable transfers of interest (ATI) language from ACT 388. Due to this uncertainty, the District did not anticipate additional revenue from the ATI in development of the current 2008-09 funding plan. Although there remain sponsors to this change, the District did receive additional funding from the ATI assessments in 2008-09. In preparation of the 2009-10 funding plan, the administration incorporated this increase in the property tax base along with a marginal increase in the growth of new additions

Revenue projections on the Special Revenue and Education Improvement Act Funds are based on the Senate Finance Committee version of the state budget, where appropriate. Otherwise, projections are based on the current year allocations. Also included in the 2009-10 funding plan is \$8 million in stimulus funds provided under the American Recovery and Investment Act of 2009. These funds are targeted to provide academic assistance to students who are in identified socio/economic areas and students with disabilities. The District is currently preparing utilization plans while the final regulations are being developed.

ACT 388 limits millage increases to the percent of growth in CPI and the population growth of the County. Based on recent information, the CPI is 3.8% and the population increase for the County is 3.1%. Under this statute, the District cannot exceed a 7.9 mill increase for operations.

The district administration is pleased to provide to the Board of Education the comprehensive budget for 2009-10. This budget includes a 4.0 millage increase for operations. However, the District will be able to reduce debt service millage by 8.0 mills as a result of the local option sales tax for school construction.

This budget allows the District to continue the significant progress in academic achievement and addresses the instructional and operational needs of serving a growing student population.

The following table presents a summary of the budgets for the District's Government Funds for the years 2009-10 and 2008-09.

| | 2009-10 | 2008-09 | Change |
|--------------------------------------|----------------|----------------|---------------|
| Governmental Funds Budget (total) | \$477,855,327 | \$475,902,700 | \$ 1,952,627 |
| General Fund | 308,152,502 | 308,529,989 | (377,487) |
| Special Projects Fund | 38,224,148 | 29,992,229 | 8,231,919 |
| Education Improvement Act Fund (EIA) | 19,452,385 | 26,429,383 | (6,976,998) |
| Debt Service Fund | 61,164,578 | 43,913,574 | 17,251,004 |
| Capital Projects Fund | 50,861,714 | 67,037,525 | (16,175,811) |
| Millage required for General Fund | 119.3 mills | 115.3 mills | 4.0 mills |
| Millage required for Debt Service | 20.0 mills | 28.0 mills | (8.0 mills) |
| Total millage required | 139.3 mills | 143.3 mills | (4.0 mills) |
| Student enrollment | 38,263 | 37,735 * | 528 |

* Actual 2008-09 45-day average daily membership

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate accountability for the resources it receives. If you have questions about this report or need additional information, contact the Office of Fiscal Services, Horry County School District, P.O. Box 260005, 1605 Horry Street, Conway, South Carolina 29527-6005.

**BASIC FINANCIAL
STATEMENTS**

**GOVERNMENT-WIDE AND FUND
FINANCIAL STATEMENTS**

HORRY COUNTY SCHOOLS
STATEMENT OF NET ASSETS

JUNE 30, 2009

| | Primary Government | | | Component Units |
|---|----------------------------|--------------------------------|--------------------|--------------------|
| | Governmental Activities | Business Type Activities | Total | Charter School |
| Assets | | | | |
| Cash and Investments | \$ 168,683,690 | \$ 3,452,462 | \$ 172,136,152 | \$ 403,873 |
| Property Taxes Receivable, Current | 19,133,740 | | 19,133,740 | |
| Accrued Interest | 281,078 | | 281,078 | |
| Other Receivables | 232,954 | 121,392 | 354,346 | |
| Due from Other State Agencies | 6,386,684 | | 6,386,684 | |
| Due from Federal Government | 9,513,570 | | 9,513,570 | |
| Due from State Department of Education | 9,144,167 | | 9,144,167 | |
| Inventories | 440,774 | 177,133 | 617,907 | |
| Prepaid Expenses | 1,549,672 | | 1,549,672 | 7,500 |
| Deferred Charges | 1,427,725 | | 1,427,725 | |
| Capital Assets Not Being Depreciated: | | | | |
| Land | 21,275,515 | | 21,275,515 | |
| Construction in Progress | 44,070,622 | | 44,070,622 | |
| Capital Assets Net of Depreciation: | | | | |
| Buildings and Improvements | 503,741,601 | | 503,741,601 | 141,315 |
| Land Improvements | 8,084,470 | | 8,084,470 | |
| Vehicles | 1,312,561 | | 1,312,561 | |
| Machinery and Equipment | 7,616,073 | 2,711,347 | 10,327,420 | 31,349 |
| Total Assets | 802,894,896 | 6,462,334 | 809,357,230 | 584,037 |
| Liabilities | | | | |
| Accounts Payable and Other Liabilities | 41,766,859 | 1,146,066 | 42,912,925 | 2,789 |
| Retainage Payable | 922,007 | | 922,007 | |
| Due to State Department of Education | 78,135 | | 78,135 | |
| Due to Other State Agencies | 32,615 | | 32,615 | |
| Due to Federal Government | 500 | | 500 | |
| Deferred Revenue | 5,237,805 | 116,714 | 5,354,519 | |
| Accrued Interest | 6,924,577 | | 6,924,577 | |
| Noncurrent Liabilities: | | | | |
| Due within One Year | 36,651,384 | 12,509 | 36,663,893 | |
| Due in More Than One Year | 426,849,572 | 18,764 | 426,868,336 | |
| Total Liabilities | 518,463,454 | 1,294,053 | 519,757,507 | 2,789 |
| Net Assets | | | | |
| Invested in Capital Assets, Net of Related Debt | 126,186,327 | 2,711,347 | 128,897,674 | 172,664 |
| Restricted for: | | | | |
| Debt Service | 46,437,916 | | 46,437,916 | |
| Capital Projects | 48,347,660 | | 48,347,660 | |
| Net Assets - Unrestricted | 63,459,539 | 2,456,934 | 65,916,473 | 408,584 |
| Total Net Assets | 284,431,442 | 5,168,281 | 289,599,723 | 581,248 |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009

| Functions/Programs | Expenses | Charges for Services | Operating Grants and Contributions | Net (Expense) Revenue and Changes in Net Assets | | | Charter School |
|---|--------------------|----------------------|------------------------------------|---|--------------------------|----------------------|------------------|
| | | | | Primary Government | | Total | |
| | | | | Governmental Activities | Business-Type Activities | | |
| Primary Government | | | | | | | |
| Governmental Activities: | | | | | | | |
| Instruction | \$234,510,739 | \$ 86,135 | \$ 79,178,950 | \$ (155,245,654) | - | \$(155,245,654) | |
| Support Services | 130,780,212 | 3,695,695 | 44,146,821 | (82,937,696) | - | (82,937,696) | |
| Community Services | 1,086,831 | | 375,758 | (711,073) | - | (711,073) | |
| Pupil Activities | 132,885 | | | (132,885) | - | (132,885) | |
| Interest Expense | 21,042,311 | | | (21,042,311) | - | (21,042,311) | |
| Total Governmental Activities | 387,552,978 | 3,781,830 | 123,701,529 | (260,069,619) | | (260,069,619) | |
| Business-Type Activities: | | | | | | | |
| Food Service | 18,830,922 | 5,933,278 | 12,424,962 | - | \$ (472,682) | (472,682) | |
| Total Business-Type Activities | 18,830,922 | 5,933,278 | 12,424,962 | - | (472,682) | (472,682) | |
| Total Primary Government | 406,383,900 | 9,715,108 | 136,126,491 | (260,069,619) | | (260,542,301) | |
| Component Units | | | | | | | |
| Waccamaw Park Public Charter Schools, Inc. | 1,279,918 | 70,167 | 14,745 | | | | \$ (1,195,006) |
| General Revenues | | | | | | | |
| Taxes: | | | | | | | |
| Property Taxes, Levied for General Purposes | | | | 178,284,791 | | 178,284,791 | |
| Property Taxes, Levied for Debt Service | | | | 58,824,958 | | 58,824,958 | |
| State Aid/Grants (Unrestricted) | | | | 45,149,577 | | 45,149,577 | 1,296,504 |
| Gain on Sale of Capital Assets | | | | 2,996,404 | | 2,996,404 | |
| Miscellaneous Revenues | | | | 154,542 | | 154,542 | |
| Unrestricted Investment Earnings | | | | 2,406,661 | 110,702 | 2,517,363 | 1,715 |
| Transfers | | | | (2,039,033) | 2,039,033 | - | |
| Total General Revenues and Transfers | | | | 285,777,900 | 2,149,735 | 287,927,635 | 1,298,219 |
| Change in Net Assets | | | | 25,708,281 | 1,677,053 | 27,385,334 | 103,213 |
| Net Assets - Beginning | | | | 258,723,161 | 3,491,228 | 262,214,389 | 478,035 |
| Net Assets - Ending | | | | 284,431,442 | 5,168,281 | 289,599,723 | 581,248 |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2009

| Assets | Major Funds | | | | Total Governmental Funds | |
|--|--------------------|---------------------|---------------------------------|-------------------|--------------------------------|---------------------|
| | General | Special Projects | Education Improvement Act | Debt Services | | Capital Projects |
| Cash and Investments | \$ 72,866,559 | | \$ 1,506,090 | \$42,680,266 | \$51,630,775 | \$ 168,683,690 |
| Receivables: | | | | | | |
| Property Taxes, Current | 15,327,897 | | | 3,805,843 | | 19,133,740 |
| Accrued Interest | 281,078 | | | | | 281,078 |
| Other | 18,633 | \$ 35,140 | | 2,125 | 177,056 | 232,954 |
| Due from Special Projects Fund | 6,206,425 | | | | | 6,206,425 |
| Due from Other State Agencies | 3,160,185 | 8,352 | | 3,218,147 | | 6,386,684 |
| Due from Federal Government | | 9,513,570 | | | | 9,513,570 |
| Due from State Department of Education | 4,603,930 | 1,421,765 | 3,118,472 | | | 9,144,167 |
| Inventories | 440,774 | | | | | 440,774 |
| Prepaid Expenditures | 1,549,672 | | | | | 1,549,672 |
| Total Assets | 104,455,153 | 10,978,827 | 4,624,562 | 49,706,381 | 51,807,831 | 221,572,754 |
| Liabilities and Fund Balances | | | | | | |
| Accounts Payable | 4,430,434 | 409,555 | 73,799 | | 2,538,164 | 7,451,952 |
| Retainage Payable | | | | | 922,007 | 922,007 |
| Accrued Salaries | 18,215,048 | 1,477,827 | 1,503,500 | | | 21,196,375 |
| Accrued Liabilities | 12,273,496 | 439,116 | 405,923 | | | 13,118,535 |
| Due to State Department of Education | 47,937 | 6,856 | 23,342 | | | 78,135 |
| Due to Federal Government | | 500 | | | | 500 |
| Due to Other State Agencies | 26,646 | 237 | | 5,732 | | 32,615 |
| Due to General Fund | | 6,206,425 | | | | 6,206,425 |
| Deferred Revenue | 13,693,898 | 2,438,311 | 2,617,998 | 3,262,733 | | 22,012,940 |
| Total Liabilities | 48,687,459 | 10,978,827 | 4,624,562 | 3,268,465 | 3,460,171 | 71,019,484 |
| Fund Balances | | | | | | |
| Reserved for: | | | | | | |
| Inventories | 440,774 | | | | | 440,774 |
| Prepaid Expenditures | 1,549,672 | | | | | 1,549,672 |
| Encumbrances | 167,310 | | | | | 167,310 |
| Debt Service | | | | 46,437,916 | | 46,437,916 |
| Capital Projects | | | | | 48,347,660 | 48,347,660 |
| Unreserved and Designated for: | | | | | | |
| Carryover School Budgets | 306,615 | | | | | 306,615 |
| Subsequent Year Expenditures | 13,128,723 | | | | | 13,128,723 |
| State Budget Reductions | 4,086,738 | | | | | 4,086,738 |
| Minimum Fund Balance | 29,262,657 | | | | | 29,262,657 |
| Unreserved and Undesignated | 6,825,205 | | | | | 6,825,205 |
| Total Fund Balances | 55,767,694 | - | - | 46,437,916 | 48,347,660 | 150,553,270 |
| Total Liabilities and Fund Balances | 104,455,153 | 10,978,827 | 4,624,562 | 49,706,381 | 51,807,831 | 221,572,754 |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS

RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS

JUNE 30, 2009

Amounts Reported for Governmental Activities in the Statement of Net Assets
are Different Because:

| | |
|--|---------------------------|
| Ending Fund Balance - Governmental Fund Financial Statements | \$ 150,553,270 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements. | 586,100,842 |
| Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period expenditures and, therefore, are deferred in the fund financial statements. | 16,775,138 |
| Interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. | (6,924,577) |
| Deferred charges are not reported in the funds because they are not current financial resources, but they are reported in the statement of net assets. This is the amount that debt issuance costs exceeds accumulated amortization. | (8,871,790) |
| Long-term liabilities, including bonds payable (\$449,615,000) and compensated absences (\$3,586,411) are not due and payable in the current period and, therefore, are not reported in the fund financial statements. | <u>(453,201,441)</u> |
| Net Assets of Governmental Activities | <u><u>284,431,442</u></u> |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2009

| | Major Funds | | | | | Total Governmental Funds |
|--|--------------------|---------------------|---------------------------------|-------------------|---------------------|--------------------------------|
| | General | Special Projects | Education Improvement Act | Debt Services | Capital Projects | |
| Revenues | | | | | | |
| Local Sources | \$ 180,795,033 | \$ 1,292,985 | | \$ 58,620,329 | \$ 1,200,691 | \$ 241,909,038 |
| Intergovernmental | 20,745 | | | | | 20,745 |
| State Sources | 109,765,436 | 6,294,682 | \$ 23,476,042 | 1,558,782 | | 141,094,942 |
| Federal Sources | | 25,922,814 | | | | 25,922,814 |
| Total Revenues | 290,581,214 | 33,510,481 | 23,476,042 | 60,179,111 | 1,200,691 | 408,947,539 |
| Expenditures | | | | | | |
| Current | | | | | | |
| Instruction | 184,356,710 | 19,686,709 | 16,236,774 | | 2,901 | 220,283,094 |
| Support Services | 107,441,428 | 9,915,987 | 1,710,646 | | 3,769,727 | 122,837,788 |
| Community Services | 5,984 | 997,880 | 24,245 | | | 1,028,109 |
| Intergovernmental | 2,399,839 | 62,198 | 49,571 | | | 2,511,608 |
| Capital Outlay | 5,313,407 | 2,264,863 | 1,096,161 | | 40,863,885 | 49,538,316 |
| Debt Service: | | | | | | |
| Principal | | | | 16,895,000 | | 16,895,000 |
| Interest and Fiscal Charges | | | | 21,678,643 | | 21,678,643 |
| Total Expenditures | 299,517,368 | 32,927,637 | 19,117,397 | 38,573,643 | 44,636,513 | 434,772,558 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (8,936,154) | 582,844 | 4,358,645 | 21,605,468 | (43,435,822) | (25,825,019) |
| Other Financing Sources (Uses) | | | | | | |
| Premium on Bonds Sold | | | | 91,657 | | 91,657 |
| General Obligation Bonds Issued | | | | | 15,100,000 | 15,100,000 |
| Sale of Capital Assets | 11,832 | | | | 2,988,375 | 3,000,207 |
| Transfers In | 6,059,594 | 88,327 | | | | 6,147,921 |
| Transfers Out | (1,678,087) | (671,171) | (4,358,645) | | (1,611,936) | (8,319,839) |
| Total Other Financing Sources (Uses) | 4,393,339 | (582,844) | (4,358,645) | 91,657 | 16,476,439 | 16,019,946 |
| Net Change in Fund Balances | (4,542,815) | - | - | 21,697,125 | (26,959,383) | (9,805,073) |
| Fund Balance - Beginning | 60,310,509 | - | - | 24,740,791 | 75,307,043 | 160,358,343 |
| Fund Balance - Ending | 55,767,694 | - | - | 46,437,916 | 48,347,660 | 150,553,270 |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

JUNE 30, 2009

**Amounts Reported for Governmental Activities in the Statement of Net Assets are
Different Because:**

| | |
|---|--------------------------|
| Net Change in Fund Balances - Total Governmental Funds: | \$ (9,805,073) |
| Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. This is the amount that the current period cost of assets (\$43,518,835) exceeds the depreciation \$13,564,884. | 29,953,951 |
| Certain deferred revenues reported in the governmental funds are recognized subject to a reserve for uncollectible amounts in the statement of activities. This is the change in the amount of taxes receivable recognized under the accrual basis. | 3,356,349 |
| Deferred charges are not reported in the funds because they are not current financial resources, but they are reported in the statement of net assets. This is the amount that debt issuance amortization (\$232,673) exceeds cost \$99,550; bond premium amortization \$953,595 exceeds bond premium (\$91,657); and amount deferred on refunding amortization (\$336,628). | 392,187 |
| In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental fund, however, expenditures for these items are measured by the amount of financial resources used. This year the compensated absences used exceeded amounts earned by \$132,818. | (132,818) |
| In the statement of activities the gain/(loss) on the sale of capital assets is reported, whereas in the governmental funds the proceeds from the sale increase financial resources. Thus the change in net assets differs from the change in fund balance by the cost of capital assets sold. | (3,803) |
| Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. Interest on long-term debt is not recognized in the governmental funds statement until due, however, it is recognized in the statement of activities as it accrues. The amount presented is the difference in the accounting for these costs during the current year. | 152,488 |
| The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This is the amount that amounts paid during the year (\$16,895,000) exceeds bonds issued during the year \$15,100,000. | <u>1,795,000</u> |
| Change in Net Assets - Governmental Activities | <u><u>25,708,281</u></u> |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|---------------------|---------------------|--------------------|------------------------------------|
| Revenues | | | | |
| Local Sources | \$ 173,071,899 | \$ 173,141,570 | \$ 180,795,033 | \$ 7,653,463 |
| Intergovernmental | 651 | 651 | 20,745 | 20,094 |
| State Sources | 122,461,367 | 122,461,367 | 109,765,436 | (12,695,931) |
| Total Revenues | <u>295,533,917</u> | <u>295,603,588</u> | <u>290,581,214</u> | <u>(5,022,374)</u> |
| Expenditures | | | | |
| Instruction | 191,787,964 | 190,609,085 | 184,356,710 | 6,252,375 |
| Support Services | 109,262,359 | 112,547,261 | 107,441,428 | 5,105,833 |
| Community Services | 110 | 12,520 | 5,984 | 6,536 |
| Intergovernmental | 3,366,284 | 3,366,284 | 2,399,839 | 966,445 |
| Capital Outlay | 2,536,459 | 6,329,249 | 5,313,407 | 1,015,842 |
| Total Expenditures | <u>306,953,176</u> | <u>312,864,399</u> | <u>299,517,368</u> | <u>13,347,031</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(11,419,259)</u> | <u>(17,260,811)</u> | <u>(8,936,154)</u> | <u>8,324,657</u> |
| Other Financing Sources (Uses) | | | | |
| Proceeds from Sale of Capital Assets | 3,892 | 4,557 | 11,832 | 7,275 |
| Transfers In | 6,158,416 | 6,169,120 | 6,059,594 | (109,526) |
| Transfers Out | (1,576,813) | (1,576,813) | (1,678,087) | (101,274) |
| Total Other Financing Sources (Uses) | <u>4,585,495</u> | <u>4,596,864</u> | <u>4,393,339</u> | <u>(203,525)</u> |
| Net Change in Fund Balances | <u>(6,833,764)</u> | <u>(12,663,947)</u> | <u>(4,542,815)</u> | <u>8,121,132</u> |
| Fund Balance - Beginning | | | <u>60,310,509</u> | |
| Fund Balance - Ending | | | <u>55,767,694</u> | |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|--------------------|--------------------|-------------------|------------------------------------|
| Revenues | | | | |
| Local Sources | \$ 1,419,185 | \$ 2,454,521 | \$ 1,292,985 | \$ (1,161,536) |
| State Sources | 5,876,894 | 7,147,396 | 6,294,682 | (852,714) |
| Federal Sources | 22,558,516 | 46,551,065 | 25,922,814 | (20,628,251) |
| Total Revenues | <u>29,854,595</u> | <u>56,152,982</u> | <u>33,510,481</u> | <u>(22,642,501)</u> |
| Expenditures | | | | |
| Instruction | 18,264,166 | 34,723,543 | 19,686,709 | 15,036,834 |
| Support Services | 9,061,839 | 15,144,358 | 9,915,987 | 5,228,371 |
| Community Services | 1,512,865 | 1,991,931 | 997,880 | 994,051 |
| Intergovernmental | 30,000 | 102,274 | 62,198 | 40,076 |
| Capital Outlay | 334,847 | 3,099,130 | 2,264,863 | 834,267 |
| Total Expenditures | <u>29,203,717</u> | <u>55,061,236</u> | <u>32,927,637</u> | <u>22,133,599</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>650,878</u> | <u>1,091,746</u> | <u>582,844</u> | <u>(508,902)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfer In | | 96,625 | 88,327 | (8,298) |
| Transfers Out | (650,878) | (1,188,371) | (671,171) | 517,200 |
| Total Other Financing Sources (Uses) | <u>(650,878)</u> | <u>(1,091,746)</u> | <u>(582,844)</u> | <u>508,902</u> |
| Net Change in Fund Balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance - Beginning | | | <u>-</u> | |
| Fund Balance - Ending | | | <u>-</u> | |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|--------------------|--------------------|--------------------|------------------------------------|
| Revenues | | | | |
| State Sources | \$ 26,429,383 | \$ 26,837,317 | \$ 23,476,042 | \$ (3,361,275) |
| Total Revenues | <u>26,429,383</u> | <u>26,837,317</u> | <u>23,476,042</u> | <u>3,361,275</u> |
| Expenditures | | | | |
| Instruction | 20,149,460 | 19,265,471 | 16,236,774 | 3,028,697 |
| Support Services | 1,395,129 | 2,109,590 | 1,710,646 | 398,944 |
| Community Services | 24,798 | 24,798 | 24,245 | 553 |
| Intergovernmental | 2,475 | 2,475 | 49,571 | (47,096) |
| Capital Outlay | 673,738 | 1,134,324 | 1,096,161 | 38,163 |
| Total Expenditures | <u>22,245,600</u> | <u>22,536,658</u> | <u>19,117,397</u> | <u>3,419,261</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>4,183,783</u> | <u>4,300,659</u> | <u>4,358,645</u> | <u>57,986</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | (4,183,783) | (4,300,659) | (4,358,645) | (57,986) |
| Total Other Financing Sources (Uses) | <u>(4,183,783)</u> | <u>(4,300,659)</u> | <u>(4,358,645)</u> | <u>(57,986)</u> |
| Net Change in Fund Balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance - Beginning | | | <u>-</u> | |
| Fund Balance - Ending | | | <u>-</u> | |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS
STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2009

| Assets | Food Service Fund |
|----------------------------------|----------------------------------|
| Current Assets: | |
| Cash and Cash Equivalents | \$ 3,452,462 |
| Accounts Receivable | 121,392 |
| Inventories | 177,133 |
| | <u>3,750,987</u> |
| Total Current Assets | 3,750,987 |
| Noncurrent Assets: | |
| Property and Equipment | 5,050,444 |
| Accumulated Depreciation | (2,339,097) |
| | <u>2,711,347</u> |
| Total Noncurrent Assets | <u>2,711,347</u> |
| Total Assets | 6,462,334 |
| Liabilities | |
| Current Liabilities: | |
| Accounts Payable | 19,176 |
| Other Accrued Liabilities | 321,809 |
| Accrued Salaries | 805,081 |
| Deferred Revenue | 116,714 |
| Compensated Absences Payable | 12,509 |
| | <u>1,275,289</u> |
| Total Current Liabilities | 1,275,289 |
| Noncurrent Liabilities: | |
| Compensated Absences Payable | 18,764 |
| | <u>18,764</u> |
| Total Noncurrent Liabilities | <u>18,764</u> |
| Total Liabilities | 1,294,053 |
| Net Assets | |
| Invested in Capital Assets | 2,711,347 |
| Unrestricted | 2,456,934 |
| | <u>5,168,281</u> |
| Total Net Assets | 5,168,281 |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2009

| | Food Service Fund |
|--|-------------------------|
| Operating Revenue | |
| Proceeds from Sale of Meals | \$ 5,709,133 |
| Total Operating Revenue | <u>5,709,133</u> |
| Operating Expenses | |
| Food Costs | 7,923,702 |
| Salaries | 7,262,761 |
| Employee Benefits | 2,743,482 |
| Purchased Services | 118,406 |
| Supplies and Materials | 542,726 |
| Other Objects | 41,477 |
| Depreciation | 198,369 |
| Total Operating Expenses | <u>18,830,923</u> |
| Operating Income (Loss) | <u>(13,121,790)</u> |
| Nonoperating Revenue | |
| Interest | 110,702 |
| USDA Commodities | 1,117,711 |
| USDA Reimbursements | 11,291,008 |
| Other State Aid | 16,244 |
| Other Income | 224,145 |
| Total Nonoperating Revenue | <u>12,759,810</u> |
| Income (Loss) Before Transfers | <u>(361,980)</u> |
| Interfund Transfers From (To) Other Funds | |
| Transfers In | 3,088,704 |
| Transfers Out | <u>(1,049,671)</u> |
| Total Transfers | <u>2,039,033</u> |
| Change in Net Assets | 1,677,053 |
| Total Net Assets - Beginning | <u>3,491,228</u> |
| Total Net Assets - Ending | <u><u>5,168,281</u></u> |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2009

| | <u>Business-Type Activities</u> Enterprise Fund - Food Service |
|---|--|
| Cash Flows from Operating Activities | |
| Received from Patrons | \$ 5,765,272 |
| Payments to Employees for Services | (8,883,784) |
| Payments to Suppliers for Goods and Services | <u>(7,483,580)</u> |
| Net Cash Used by Operating Activities | <u>(10,602,092)</u> |
| Cash Flows from Noncapital Financing Activities | |
| Federal Subsidy | 11,291,008 |
| State Subsidy | 16,244 |
| Non-operating Local Support | 224,145 |
| Transfers from Other Funds | 3,088,704 |
| Transfers to Other Funds | <u>(1,049,671)</u> |
| Net Cash Provided by Noncapital Financing Activities | <u>13,570,430</u> |
| Cash Flows from Capital and Related Financing Activities | |
| Purchase of Capital Assets | <u>(1,627,091)</u> |
| Cash Flows from Investing Activities | |
| Interest on Investments | <u>110,702</u> |
| Net Increase in Cash and Cash Equivalents | 1,451,949 |
| Cash and Cash Equivalents - Beginning | <u>2,000,513</u> |
| Cash and Cash Equivalents - Ending | <u><u>3,452,462</u></u> |
| Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities | |
| Operating Income (Loss) | <u>(13,121,790)</u> |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities: | |
| Depreciation Expense | 198,369 |
| Commodities Received from USDA | 1,117,711 |
| Change in Assets and Liabilities: | |
| (Increase) in Accounts Receivable | (60,575) |
| Decrease in Inventories | 27,393 |
| Increase in Accounts Payable and Other Liabilities | 319,429 |
| Increase in Accrued Salaries and Compensated Absences | 800,657 |
| Increase in Deferred Revenue | <u>116,714</u> |
| Total Adjustments | <u>2,519,698</u> |
| Net Cash Used by Operating Activities | <u><u>(10,602,092)</u></u> |
| Non-Cash Transactions: | |
| Commodities Received from the USDA | <u><u>1,117,711</u></u> |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2009

| Assets | Private-Purpose Trusts | Agency Funds |
|---|-----------------------------------|-------------------------|
| Cash and Investments | \$ 151,829 | \$ 4,630,297 |
| Other Assets | | 1,948 |
| Total Assets | <u>151,829</u> | <u>4,632,245</u> |
| Liabilities | | |
| Accounts Payable | | 93,672 |
| Accrued Liabilities | | 12,152 |
| Due to Other Governments | | 1,144,477 |
| Due to Schools and School Organizations | | <u>3,381,944</u> |
| Total Liabilities | <u>-</u> | <u>4,632,245</u> |
| Restricted Net Assets | | |
| Held in Trust for Individuals and Organizations | <u>151,829</u> | |
| Total Net Assets | <u>151,829</u> | |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2009

| | Private-Purpose Trusts |
|--|-----------------------------------|
| Additions | |
| Contributions: | |
| Scholarship Receipts | \$ 1,467 |
| Investment Earnings: | |
| Interest | 7,409 |
| Net Increase (Decrease) in Fair Value of Investments | <u>2,516</u> |
| Total Additions | <u>11,392</u> |
| Deductions | |
| Scholarships Awarded | <u>23,170</u> |
| Total Deductions | <u>23,170</u> |
| Change in Net Assets | (11,778) |
| Total Net Assets - Beginning | <u>163,607</u> |
| Total Net Assets - Ending | <u><u>151,829</u></u> |

The notes to the basic financial statements are an integral part of this statement.

HORRY COUNTY SCHOOLS
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The accounting policies of Horry County Schools conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

Reporting Entity: Horry County Schools (The District) is a Local Education Agency empowered by State law with the responsibility to oversee and control all activities related to public school education in Horry County, South Carolina. The Board receives State, Local and Federal government funding and must adhere to the legal requirements of each funding entity. Educational services are provided to approximately 37,000 students residing in Horry County, South Carolina. The District operates under the direction of an elected Board of Education. A Superintendent, hired by the Board, serves as the chief administrative officer of the District.

The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete. The primary entity is financially accountable if it appoints a voting majority of the organization's governing body including situations in which the voting majority consists of the primary entity's officials serving as required by law and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary entity. The primary entity also may be financially accountable if an organization is fiscally dependent on it even if it does not appoint a voting majority of the board. An organization is fiscally dependent on the primary entity that holds one or more of the following powers: determine its budget without another government's having the authority to approve and modify that budget, levy taxes or set rates or charges without approval by another government, and issue bonded debt without approval by another government.

As required by accounting principles generally accepted in the United States of America, these financial statements present the District and its component unit, an entity for which the District is considered to be financially accountable or for which exclusion of a component unit would render the financial statements incomplete or misleading. The discretely presented component unit is reported in a separate column in the basic financial statements to emphasize it is legally separate from the District.

Discretely Presented Component Unit: Waccamaw Park Public Charter Schools, also known as Bridgewater Academy, is a charter school under legislation enacted on June 18, 1996. Educational services are provided to over 100 students residing in Horry County, South Carolina. A charter school is considered a public school and is part of Horry County Schools for the purposes of state law and state constitution. Because the charter school is fiscally dependent on the District and exclusion of the charter school would cause the District's financial statements to be incomplete, the financial statements of the charter school are included in those of the District. The charter school is presented as a governmental fund type. Complete separately issued financial statements may be obtained from the administrative offices of Bridgewater Academy, 316 Bush Drive, Myrtle Beach, SC 29579.

Basis of Presentation: The financial statement presentation provides a comprehensive, entity-wide perspective of the District's net assets, revenue, expenses and changes in net assets and, as applicable cash flows that replaces the fund-group perspective previously required.

Government-Wide Statements: The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

Note 1. Summary of Significant Accounting Policies (Continued)

Government-Wide Statements (Continued): The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function, and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been eliminated for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements are on major governmental and enterprise funds, each displayed in a separate column. All of the District's governmental and enterprise funds are reported as major funds. The fiduciary funds are presented separately.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the District. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund.

Special Revenue Fund - Special Projects Fund: This fund accounts for the proceeds of specific revenue sources (other than expendable trust, Education Improvement Act revenues or major capital projects) that are legally restricted for specified purposes.

Special Revenue Fund - Education Improvement Act: This fund accounts for the revenues from a one percent State sales and use tax that are restricted to expenditures of the Education Improvement Act strategies.

Debt Service Fund: Accounts for the accumulation of resources for and the payment of general long-term debt, principal and interest.

Capital Projects Fund: The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities, other than those financed by proprietary and trust funds. Capital projects are funded by proceeds of bonds issued for public school construction and from certain State assistance and grants.

The District reports the following major enterprise funds:

Food Service Fund: The Food Service Fund is used to account for the food service program within the District.

Additionally, the District reports the following fund types:

Agency Fund - Pupil Activity Fund: This fund is used to report resources held by the District in a custodial capacity for students and student organizations.

Agency Fund - Federal Program Fund: This fund is used to report resources held by the District in a custodial capacity to pay unemployment benefits of federal program personnel.

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued):

Private Purpose Trust Fund - Education Endowment Fund: This fund is used to account for scholarship money under the control of the District for the benefit of the students within the District.

Private Purpose Trust Fund - Scholarship Endowment Fund: This fund is used to account for scholarship money under the control of the District for the benefit of the students within the District.

Measurement Focus and Basis of Accounting: *Government-wide, proprietary, and fiduciary fund financial statements:* The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Agency fund accounts for the receipt and disbursement of monies to and from student activity organizations or for the benefit of the Federal program fund. These funds have no equity and do not include revenues and expenditures for general operation of the District. This accounting reflects the agency relationship of the District with the student activity organizations and the accumulation of funds to pay Federal programs unemployment benefits.

Government Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days after year-end. These include federal and state grants, some charges for services, and ad-valorem property taxes. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

The District has elected not to apply Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989.

Use of Resources: When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Budgetary Data: The District adopts an annual operating budget, which can be amended by the Board throughout the year. During the year ended June 30, 2009, there were several budget amendments. Formal budgetary accounting is employed as a management control for all funds of the District; however, legal budgets are adopted only for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund. For each of the funds for which a formal budget is adopted, the basis of accounting used to reflect budget and actual revenues and expenditures is accounting principles generally accepted in the United States of America. Budgeted appropriations lapse at year-end for all funds.

When the Board of Education adopts a budget, it is done at the fund level of budgetary control. Because expenditures may not legally exceed budgeted appropriations, supplemental budget appropriations are made by the Board of Education, when additional revenue is identified, or for expenditures exceeding total appropriations within the legal level of control.

Note 1. Summary of Significant Accounting Policies (Continued)

Budgetary Data (Continued):

The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrance accounting is used for the General Fund, Special Revenue Fund and Capital Project Fund. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrance's lapse at year end, except for the General Fund, which is carried forward as reserved fund balance until liquidated.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments: The District accounts for its investments at fair value. Changes in unrealized gain or loss on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenditures, and changes in fund balances.

Accounts Receivable: Accounts receivable consists of property taxes levied against Horry County taxpayers. Accounts receivable also include amounts due from the Federal government, State and Local governments or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Allowance for Doubtful Accounts: All receivables that historically experience uncollectible amounts are shown net of an allowance for doubtful accounts. This amount is determined by analyzing the percentage of receivables that were not collected in prior years.

Inventories: Inventories of the Proprietary Fund are held for resale and are valued at the lower of cost or market determined on a first-in, first-out basis. The inventories of the District's General Fund consist of expendable materials and supplies, which are recorded as expenditures when purchased. These inventories are reported at cost. The General Fund inventories do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is reserved. Proprietary Fund inventories consist of food and supplies and are recorded as expenses when consumed.

Capital Assets: Capital assets are recorded at cost at the date of acquisition or fair market value at the date of donation in the case of gifts. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Qualifying improvements include major additions and renovations; improvements that add to the usable space; or improvements that extend the useful life of an existing building are capitalized. The District capitalized moveable personal property with a unit value in excess of \$5,000 and a useful life in excess of one year. Routine repairs and maintenance are charged to expenses in the year in which the expense is incurred.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 15 to 50 years for buildings and improvements and 5 to 12 years for machinery, equipment and vehicles. Depreciation is pro rated the year the asset is placed in service and in the year of disposition. The District does not allocate any depreciation expense directly to any program. Land and construction in progress are not depreciated.

Deferred Revenues: Deferred revenues in the governmental funds include amounts received from grant and contract sponsors that have not yet been earned.

Long-Term Obligations: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Note 1. Summary of Significant Accounting Policies (Continued)

Long-Term Obligations (Continued):

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Compensated Absences: Employee vacation pay and salary-related expenses are accrued at year end for financial statement purposes. The liability and expense incurred are recorded at year end as compensated absences payable in the government-wide and proprietary fund statement of net assets on a FIFO basis and as a component of the appropriate functional category in the statement of activities. Employees can earn up to 45 days for subsequent use or payment upon termination, death or retirement. The portion of time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements. In prior years, the General Fund and/or Proprietary Fund have been used to liquidate the liability for compensated absences.

Non-Exchange Transactions: The District generally has two types of non-exchange transactions, government-mandated non-exchange transactions (which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose) and voluntary non-exchange transactions (which result from legislative or contractual agreements other than exchanges, entered into willingly by the parties to the agreement). The District recognizes non-exchange transactions when they are both measurable and probable for collection. For government-mandated non-exchange transactions and voluntary non-exchange transactions, the District recognizes assets when all applicable eligibility requirements are met or resources are received, whichever is first, and recognizes revenue when all applicable eligibility requirements are met.

Net Assets/Fund Balances: The District's net assets in the government-wide financial statements and proprietary fund financial statements are classified as follows:

Invested in Capital Assets, Net of Related Debt: This represents the District's total investments in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

Restricted Net Assets - Expendable: Restricted expendable net assets include resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by third parties.

Restricted Net Assets - Non-Expendable: Non-expendable restricted net assets consist of funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Unrestricted Net Assets: Unrestricted net assets represent resources derived from ad valorem taxes, earnings on investments, and various local and state unrestricted grants, contracts and revenues.

The District's policy for applying expenses that can use both restricted and unrestricted resources is designated to the program administrative level. General practice is to first apply the expense to the restricted resource then to unrestricted resources.

In the governmental fund financial statements, reservations or restriction of fund balance represent amounts that are not available for appropriation, are legally separated for a specific purpose, or are restricted by a grant agreement. Designations of fund balance represent tentative management plans that are subject to change.

Note 1. Summary of Significant Accounting Policies (Continued)

Net Assets/Fund Balances (Continued):

Unrestricted Net Assets (Continued):

The governmental fund types classify fund balances as follows:

Reserved:

Reserved for Inventories - portion of fund balance that is not available for appropriation because it represents the year-end fund balances of ending inventories, which are not expendable, available resources.

Reserved for Prepaid Expenditures - portion of fund balance that is not available for appropriation because it represents year-end fund balances of prepaid items, which are not expendable, available resources.

Unreserved:

Designated for Subsequent Years Expenditures - portion of the total fund balance available for appropriation that has been designated based on the adopted 2008-2009 budget ordinance.

Designated for Minimum Fund Balance - It is the policy of the Board of Education to designate 7.5 percent of the ensuing year's General Fund revenue as a minimum fund balance. The actual fund balance designation at year end represents 9.5% of the ensuing year's General Fund revenue.

Designated for Carryover School Budgets - schools are allowed to carryover unexpended funds from one fiscal year to the next. Carryover funds may not exceed 10 percent of each individual school's non-personnel allocation or \$10,000.

Undesignated - portion of total fund balance available for appropriation that is uncommitted at year end.

Income Taxes: The District, as a political subdivision of the State of South Carolina, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code.

Classification of Revenues: The District has classified its revenues as either operating or non-operating revenues according to the following criteria:

Operating Revenues: Operating revenues generally result from exchange transactions related to the District's principal ongoing operations. These revenues include (1) student tuition and fees received in exchange for providing educational services or (2) grants and contracts that are essentially the same as contracts for services that finance programs the District would not otherwise undertake. Proprietary funds operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal ongoing revenues of the enterprise fund are charges to students and teachers for breakfast, lunch and special sales. Operating expenses for the enterprise fund include the cost of sales, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Non-Operating Revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions. These revenues include gifts and contributions, investment income, and any grants or contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for other purposes.

Note 2. Cash and Cash Equivalents, Other Deposits and Investments

The District follows Governmental Accounting Standards Board (GASB) Statement No. 40, *Deposit and Investment Risk Disclosures*. The Horry County Treasurer is authorized to invest funds held for the District, which are not needed for immediate disbursement by the District, in interest bearing accounts or certificates of deposit issued by banking institutions or savings and loan associations licensed to do business in this state or in securities issued by the United States Government.

Deposits: Deposits include cash and cash equivalents on deposit in banks and non-negotiable certificates of deposit. At June 30, 2009, the carrying amount of the District's deposits was \$176,918,278 and the bank balance was \$177,985,861.

In accordance with GASB Statement No. 40, the District and its discretely presented component unit's investments are subject to interest rate and credit risk as described below:

Credit Risk: The District's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if there are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2009, \$135,957,127 of the District's deposits were collateralized by securities held in its name, \$42,028,734 was uncollateralized. The District does not have a policy for custodial credit risk.

Interest Rate Risk: The District does not have formal investment policies that limit investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Foreign Currency Risk: The District has no foreign currency investments.

Custodial Credit Risk: This is the risk that the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party if the counter party to the investment transaction fails.

Investments: The District is authorized by state statute to invest in the following:

1. Obligations of the United States and its agencies;
2. General obligations of the State of South Carolina and its political units;
3. Savings and loan associations 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 in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amounts of the certificates of deposit plus interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the Federal Government.

At June 30, 2009, the District's investments consisted of the following:

| | Reported Amount | Cost Basis |
|--------------------------|----------------------------|-----------------------|
| U. S. Treasury Bonds | \$125,469 | \$100,000 |
| Total Investments | <u>125,469</u> | <u>100,000</u> |

Investments in U.S. government securities are considered to have no credit risk. The investment noted above has an interest rate of 7.25% and a maturity date of May 15, 2016.

Note 3. Property Tax Calendar

The Horry County Treasurer collects Horry County property taxes for the District. Taxes are levied on October 1st of each year. They are due and payable without penalty until January 31st. If unpaid on August 1st of the following year, they attach as an enforceable lien on the property at that time. Vehicle taxes are levied on a monthly basis in accordance with guidelines established by the State of South Carolina. Vehicle taxes must be paid prior to the time the vehicle license is renewed.

Note 4. Capital Assets

Capital asset activity for the year ended June 30, 2009, was as follows:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|---|----------------------|---------------------|----------------------|----------------------|
| Governmental Activities: | | | | |
| Capital Assets Not Being Depreciated: | | | | |
| Land | \$ 18,702,987 | \$ 2,576,332 | \$ (3,804) | \$21,275,515 |
| Construction in Progress | 166,091,883 | 28,334,216 | (150,355,477) | 44,070,622 |
| Total Capital Assets Not Being Depreciated | 184,794,870 | 30,910,548 | (150,359,281) | 65,346,137 |
| Capital Assets Being Depreciated: | | | | |
| Buildings and Improvements | 457,348,863 | 158,238,582 | - | 615,587,445 |
| Land Improvements | 16,410,962 | 1,923,516 | - | 18,334,478 |
| Vehicles | 4,316,643 | 122,333 | (107,176) | 4,331,800 |
| Machinery and Equipment | 16,401,569 | 2,679,333 | - | 19,080,902 |
| Total Capital Assets Being Depreciated | 494,478,037 | 162,963,764 | (107,176) | 657,334,625 |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | (100,928,749) | (10,917,095) | - | (111,845,844) |
| Land Improvements | (9,595,933) | (654,075) | - | (10,250,008) |
| Vehicles | (2,828,759) | (297,656) | 107,176 | (3,019,239) |
| Machinery and Equipment | (9,768,771) | (1,696,058) | - | (11,464,829) |
| Total Accumulated Depreciation | (123,122,212) | (13,564,884) | 107,176 | (136,579,920) |
| Total Capital Assets Being Depreciated, Net | 371,355,825 | 149,398,880 | - | 520,754,705 |
| Governmental Activities Capital Assets, Net | 556,150,695 | 180,309,428 | (150,359,281) | 586,100,842 |
| Business Type Activities: | | | | |
| School Food Service Fund: | | | | |
| Capital Assets Being Depreciated: | | | | |
| Machinery and Equipment | 3,395,644 | 1,611,936 | - | 5,007,580 |
| Vehicles | 27,709 | 15,155 | - | 42,864 |
| Total Capital Assets Being Depreciated | 3,423,353 | 1,627,091 | - | 5,050,444 |
| Less Accumulated Depreciation for: | | | | |
| Machinery and Equipment | (2,113,019) | (197,422) | - | (2,310,441) |
| Vehicles | (27,709) | (947) | - | (28,656) |
| Total Accumulated Depreciation | (2,140,728) | (198,369) | - | (2,339,097) |
| Business Type Activities Capital Assets, Net | 1,282,625 | 1,428,722 | - | 2,711,347 |

The District had active construction projects as of June 30, 2009. These projects consisted of commitments with contractors for the construction of new schools and the renovation of existing facilities. The District had incurred expenditures of approximately \$36,179,980 and had a remaining commitment of approximately \$10,976,167 related to these active projects.

Note 4. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|---|--------------------------|
| Governmental Activities: | |
| Instruction | \$ 8,714,436 |
| Support | 4,710,414 |
| Community Services | 40,673 |
| Intergovernmental | <u>99,361</u> |
| Total Depreciation - Governmental Activities | <u>13,564,884</u> |
| Business-Type Activities: | |
| Food Service | <u>\$198,369</u> |

Note 5. Pension Plans

The Retirement Division of the State Budget and Control Board maintains four independent defined benefit plans and issues a publicly available Comprehensive Annual Financial Report (CAFR), which includes financial statements and required supplementary information. A copy of the separately issued CAFR may be obtained by writing to the Retirement Division, 202 Arbor Lake Drive, Columbia, South Carolina 29223.

Article X, Section 16 of the South Carolina Constitution requires that all State-operated retirement systems be funded on a sound actuarial basis. Title 9 of the South Carolina Code of Laws of 1976, as amended, prescribes requirements relating to membership, benefits, and employee/employer contributions for each pension plan. Employee and employer contribution rates for the South Carolina Retirement System are actuarially determined. Annual benefits payable monthly for life are based on length of service and on average final compensation.

The majority of employees of the District are covered by a retirement plan through the South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Retirement Division, a public employee retirement system. Generally all State employees are required to participate in and contribute to the SCRS as a condition of employment unless exempted by law as provided in Section 9-1-480 of the South Carolina Code of Laws. This plan provides retirement annuity benefits as well as disability, cost of living adjustment, death, and group life insurance benefits to eligible employees and retirees.

Effective July 1, 2008, employees participating in the SCRS have been required to contribute 6.5 percent of all compensation and the employer contribution rate became 12.74 percent, which includes a 3.5 percent surcharge to fund retiree health and dental insurance coverage. In addition to the above rates, SCRS contributes .15 percent of compensation to provide a group life insurance benefit for participants. The District's actual contributions to the SCRS for the three most recent fiscal years ended June 30, 2009, 2008, and 2007, were \$27,596,607, \$26,252,953, and \$21,579,089, respectively, and equaled the required contributions. Total payroll for the years ended June 30, 2009, 2008 and 2007 were \$219,976,750, \$216,905,793, and \$203,852,597. Covered payroll for the years ended June 30, 2009, 2008 and 2007 were \$216,613,870, \$210,360,200, and \$189,290,254.

Effective January 1, 2001, Section 9-1 of the South Carolina Code of Laws allows employees eligible for service retirement to participate in the Teacher and Employee Retention Incentive (TERI) Program. TERI participants may retire and begin accumulating retirement benefits on a deferred basis without terminating employment for up to five years. Upon termination of employment or at the end of the TERI period, whichever is earlier, participants will begin receiving monthly service retirement benefits which will include any cost-of-living adjustments granted during the TERI period.

Note 6. Post-employment and Other Employee Benefits

In accordance with the South Carolina Code of Laws and the Annual Appropriations Act, the State of South Carolina provides certain health care, dental, and life insurance benefits to certain active and retired State employees and certain surviving dependents of retirees. All permanent full-time and certain permanent part-time employees of the District are eligible to receive these benefits. The State provides post-employment health and dental benefits to employees who retire from State service or who terminated with at least twenty years of service. They must meet one or more of the eligibility requirements; age, length of service or hire date. Generally, those who retire must have at least ten years of retirement service credit to qualify for these state-funded benefits. Benefits are effective at date of retirement when the employee is eligible for retirement benefits.

The benefits are provided through annual State appropriations by the General Assembly to the District for its active employees and to the State Budget and Control Board for all participating State retirees except for portions funded through the pension surcharge and provided from other fund sources of the District for its active employees who are not funded by the State General Fund appropriations. The State finances health and dental plan benefits on a pay-as-you-go basis. Currently, over 20,000 State retirees meet these eligibility requirements.

As discussed in Note 5, the District paid \$7,581,485 applicable to the 3.50 percent surcharge included with the employer contributions for retirement benefits. These amounts were remitted to the South Carolina Retirement Systems for distribution to the Offices of Insurance Services for retiree health and dental insurance benefits.

Information regarding the cost of insurance benefits applicable to the District's retirees is not available. By State law, the District has no liability for retirement benefits. Accordingly, the cost of providing these benefits for retirees is not included in the accompanying financial statements.

Note 7. Contingencies and Litigation

The District is party to various lawsuits arising out of the normal conduct of its operations. In the opinion of the District's management, the ultimate effect of these legal matters will not have a material adverse effect on the District's financial position.

The District participates in certain federal and state grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management believes disallowances, if any, will not be material.

Note 8. Risk Management

The District is exposed to various risks of loss and maintains State and other insurance coverage for each of these risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settlement claims have not exceeded this coverage in any of the past three years.

The District believes it is more economical to manage its workers compensation claims through the South Carolina School Boards Insurance Trust/Workers Compensation Trust Fund (SCSBIT/WCTF), a public entity risk pool comprised of member school districts in the State of South Carolina. This entity is operating as a common risk management and insurance program. The District pays an annual premium to SCSBIT/WCTF for its worker's compensation insurance coverage based upon the total payroll of the District for each plan year. The Agreement for Formation of the SCSBIT/WCTF provides that the SCSBIT/WCTF will be self-sustaining through member premiums and deficiencies can be charged back to the member districts in the event a fund deficit arises. Insurance settlements have not exceeded insurance coverage for the past three years.

The District obtains coverage for its property and casualty insurance through the South Carolina Insurance Reserve Fund. There have been no significant reductions in insurance coverage over the prior years.

Note 9. Receivables/Allowance for Doubtful Accounts

The amounts presented in the statement of net assets are net of the following allowance for doubtful accounts:

| | |
|---------------------------------|---------------------|
| Property Taxes, Current | \$31,889,567 |
| Allowance for Doubtful Accounts | <u>(12,755,827)</u> |
| Property Taxes, Current | <u>19,133,740</u> |

Note 10. Long-Term Obligations

Bonds payable consisted of the following at June 30, 2009:

| | | Interest Rates | Maturity Dates | Balance June 30, 2009 |
|---------------------------------------|--------------|----------------|-----------------|--------------------------|
| General Obligation Bonds | | | | |
| Series 2000B | \$ 5,400,000 | 5.50-5.900% | March 1, 2011 | \$ 585,000 |
| Series 2001A | 70,000,000 | 4.00-5.375% | March 1, 2021 | 57,115,000 |
| Series 2002A | 74,600,000 | 3.25-5.125% | March 1, 2022 | 74,585,000 |
| Series 2003A | 63,960,000 | 3.00-5.000% | January 1, 2016 | 31,930,000 |
| Series 2003B | 16,950,000 | 2.00-4.000% | March 1, 2016 | 5,470,000 |
| Series 2005B | 3,920,000 | 3.00-4.500% | March 1, 2020 | 3,840,000 |
| Series 2005A | 70,000,000 | 3.00-5.000% | March 1, 2030 | 69,800,000 |
| Series 2006A | 125,000,000 | 4.00-5.000% | March 1, 2031 | 125,000,000 |
| Series 2007B | 68,800,000 | 4.00-5.000% | March 1, 2027 | 66,190,000 |
| Series 2009A | 15,100,000 | 1.250% | March 1, 2010 | <u>15,100,000</u> |
| Total General Obligation Bonds | | | | <u>449,615,000</u> |

Constitutionally, the District is limited in the amount of debt it can hold to 8 percent of the assessed value of all taxable property within the District. This constitutional debt limit does not include any debt existing prior to November 30, 1982, or any debt approved by referendum. At June 30, 2009, the District is within its debt limit.

General obligation bonds of the District are backed by the full faith, credit, and taxing power of the District.

The District issued \$15,100,000 of general obligation bonds on June 18, 2009. The proceeds from the bonds are being used to construct, improve, equip and renovate school buildings and other school facilities including the cost of land acquisition.

The scheduled maturities of the general obligation bonds payable are as follows:

| Year Ended June 30: | Principal | Interest | Payments |
|---------------------|--------------------|--------------------|--------------------|
| 2010 | \$ 34,590,000 | \$ 20,970,609 | \$ 55,560,609 |
| 2011 | 22,010,000 | 19,865,350 | 41,875,350 |
| 2012 | 18,000,000 | 18,763,788 | 36,763,788 |
| 2013 | 19,505,000 | 17,920,263 | 37,425,263 |
| 2014 | 20,330,000 | 16,953,931 | 37,283,931 |
| 2015-19 | 109,650,000 | 69,282,638 | 178,932,638 |
| 2020-24 | 103,375,000 | 43,419,856 | 146,794,856 |
| 2025-29 | 89,660,000 | 19,072,825 | 108,732,825 |
| 2030-31 | <u>32,495,000</u> | <u>2,257,375</u> | <u>34,752,375</u> |
| Totals | <u>449,615,000</u> | <u>228,506,635</u> | <u>678,121,635</u> |

Note 10. Long-Term Obligations (Continued)

General Obligation Bonds (Continued):

Long-term liability activity for the year ended June 30, 2009, is as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|------------------------------|-------------------|-------------------|---------------------------|--------------------------------|
| Changes in Long-Term Liabilities | | | | | |
| Governmental Activities: | | | | | |
| Bonds Payable: | | | | | |
| General Obligation Bonds: | \$451,410,000 | \$15,100,000 | \$16,895,000 | \$449,615,000 | \$34,590,000 |
| Plus Deferred Amounts | | | | | |
| For Issuance Premiums | 13,260,018 | 91,657 | 953,595 | 12,398,080 | 855,436 |
| On Refunding | (2,435,194) | - | (336,629) | (2,098,565) | (336,628) |
| Total Bonds Payable | 462,234,824 | 15,191,657 | 17,511,966 | 459,914,515 | 35,108,808 |
| Compensated Absences | 3,453,623 | 1,514,267 | 1,381,449 | 3,586,441 | 1,542,576 |
| Government Activities Long-Term Liabilities | <u>465,688,447</u> | <u>16,705,924</u> | <u>18,893,415</u> | <u>463,500,956</u> | <u>36,651,384</u> |

Over the years, when the District believed the current economic outlook was favorable, they elected to issue general obligation refunding Debt to defease outstanding debt which provided economic gains to the District. This advance refunding of Debt resulted in the proceeds of the new debt being placed into an irrevocable trust to provide for all future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the Statement of Net Assets. At June 30, 2009, \$26,865,000 of general obligation bonds is outstanding defeased debt.

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|------------------------------|------------------|-------------------|---------------------------|--------------------------------|
| Business-Type Activities: | | | | | |
| Compensated Absences | \$35,697 | \$9,855 | \$14,279 | \$31,273 | \$12,509 |
| Business-Type Activities Long-Term Liabilities | <u>35,697</u> | <u>9,855</u> | <u>14,279</u> | <u>31,273</u> | <u>12,509</u> |

The General Fund and Proprietary Fund have typically been utilized in prior years to liquidate the liability for compensated absences.

Note 11. Inter-Fund Balances and Activity

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "Due From and Due To" on the Governmental Funds Balance Sheet.

A summary of these interfund balances at June 30, 2009, are as follows:

| | | |
|--------------------------------|--|-------------|
| Due From: | | |
| General Fund | | |
| Due from Special Projects Fund | | \$6,206,425 |
| Due To: | | |
| Special Projects Fund | | |
| Due to General Fund | | (6,206,425) |

Note 11. Inter-Fund Balances and Activity (Continued)

All of the above balances are short-term advances between funds and will be liquidated in the next fiscal year.

Inter-fund transfers for the year ended June 30, 2009, consist of the following:

| | |
|--|-----------------|
| From the General Fund to the Food Service Fund for operating costs | \$(1,461,613) |
| From the General Fund to the Food Service Fund for Capital Assets | (15,155) |
| From the Capital Projects Fund to the Food Service Fund for Capital Assets | (1,611,936) |
| From the Special Projects Fund to the General Fund for indirect costs | (651,278) |
| From the Education Improvement Act Fund to the General Fund for Teacher salaries and benefits | (4,358,645) |
| From the Food Service Fund to the General Fund for indirect costs | (1,049,671) |
| To the General Fund from the Education Improvement Act Fund for Teacher salaries and benefits | 4,358,645 |
| To the General Fund from the Special Projects Fund for indirect costs | 651,278 |
| To the General Fund from the Food Service Fund for indirect costs | 1,049,671 |
| To the Food Service Fund from the General Fund for operating costs | 1,461,613 |
| To the Food Service Fund from the Capital Projects Fund for Capital Assets | 1,611,936 |
| To the Food Service Fund from the General Fund for Capital Assets | <u>15,155</u> |
| Total | <u><u>-</u></u> |

Note 12. Operating Leases

The District has entered into various operating leases for drivers' education vehicles, copiers and postage meters. The lease periods range from 3 years to 5 years. During the current fiscal year a total of \$883,370 was spent under operating leases. A summary of the aggregate minimum future rentals are as follows:

Year Ending June 30,

| | |
|--------------|-------------------------|
| 2010 | \$1,150,543 |
| 2011 | 958,106 |
| 2012 | 830,799 |
| 2013 | 293,095 |
| 2014 | 90,145 |
| 2015 | <u>1,050</u> |
| Total | <u><u>3,323,738</u></u> |

Note 13. Reconciliation of Certain Functional Expenditures to Functional Expenses

The following is a reconciliation of certain functional expenses from the Statement of Revenues, Expenditures and Changes in Fund Balance to the Government-Wide Statement of Activities.

| | Functions | | | |
|---|---------------------------|---------------------------|-------------------------|------------------------|
| | Instruction | Support | Community Service | Inter- Governmental |
| From Statement of Revenues, Expenditures and Changes in Fund Balance | \$220,283,094 | \$122,837,788 | \$1,028,109 | \$2,511,608 |
| Reconciling Items: | | | | |
| Depreciation Expense | 8,714,436 | 4,710,414 | 40,673 | 99,361 |
| Compensated Absence | | 132,818 | | |
| Allocation of Capital Outlay - Not Capitalized | 3,867,071 | 2,090,269 | 18,049 | 44,092 |
| Allocation of Intergovernmental Activity | <u>1,646,138</u> | <u>1,008,923</u> | <u>-</u> | <u>(2,655,061)</u> |
| From Statement of Activities | <u><u>234,510,739</u></u> | <u><u>130,780,212</u></u> | <u><u>1,086,831</u></u> | <u><u>-</u></u> |

Note 13. Reconciliation of Certain Functional Expenditures to Functional Expenses (Continued)

The District allocated capital outlay expenditures that were in excess of amounts capitalized as part of capital asset additions based upon actual capital outlay expenditures recorded in the governmental fund statements under each function.

Note 14. Funding Flexibility

The State of South Carolina passed a Joint Resolution to provide funding flexibility for the fiscal year ended June 30, 2009. Under the resolution, school districts may transfer revenue between programs to any instructional program with the same funding source and may make expenditures for instructional programs and essential operating costs from any state source without regard to fund type except school building bond funds. Certain funds and other exceptions apply. The District used this flexibility for the current fiscal year by making certain transfers allowed under the Joint Resolution. The impact of applying funding flexibility to the District's General Fund was not measured.

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. All property taxes, intergovernmental revenues, and miscellaneous revenues are recorded in this fund except amounts which are specifically collected to service debt or for which the District collects in a fiduciary capacity. Operational expenditures for general education, support services and other departments of the District are paid through the General Fund.

HORRY COUNTY SCHOOLS
GENERAL FUND
COMPARATIVE BALANCE SHEETS

| | June 30, 2009 | June 30, 2008 |
|--|--------------------|-------------------|
| Assets | | |
| Cash and Investments | \$ 72,866,559 | \$ 65,830,231 |
| Receivables: | | |
| Property Taxes, Current | 15,327,897 | 11,624,036 |
| Accrued Interest | 281,078 | 846,607 |
| Other | 18,633 | 340,790 |
| Due from Other State Agencies | 3,160,185 | 7,765,159 |
| Due from State Department of Education | 4,603,930 | 703,460 |
| Due from Special Revenue Fund | 6,206,425 | 3,890,390 |
| Inventories | 440,774 | 358,164 |
| Prepaid Expenditures | 1,549,672 | 1,572,202 |
| | <hr/> | <hr/> |
| Total Assets | 104,455,153 | 92,931,039 |
| Liabilities and Fund Balances | | |
| Liabilities | | |
| Accounts Payable | 4,430,434 | 8,047,605 |
| Due to Other State Agencies | 26,646 | 124,705 |
| Due to State Department of Education | 47,937 | - |
| Accrued Salaries | 18,215,048 | 325,404 |
| Accrued Liabilities | 12,273,496 | 13,272,693 |
| Deferred Revenue | 13,693,898 | 10,850,123 |
| | <hr/> | <hr/> |
| Total Liabilities | 48,687,459 | 32,620,530 |
| Fund Balances | | |
| Reserved for: | | |
| Inventories | 440,774 | 358,164 |
| Prepaid Expenditures | 1,549,672 | 1,572,202 |
| Encumbrances | 167,310 | 90,350 |
| Unreserved and Designated for: | | |
| Carryover School Budgets | 306,615 | 247,207 |
| Subsequent Years' Expenditures | 13,128,723 | 21,592,476 |
| State Budget Reductions | 4,086,738 | - |
| Minimum Fund Balance | 29,262,657 | 28,661,141 |
| Unreserved and Undesignated | 6,825,205 | 7,788,969 |
| | <hr/> | <hr/> |
| Total Fund Balances | 55,767,694 | 60,310,509 |
| | <hr/> | <hr/> |
| Total Liabilities and Fund Balances | 104,455,153 | 92,931,039 |

HORRY COUNTY SCHOOLS

GENERAL FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|--|--------------------------|--------------------------|
| Revenues | | |
| Local Sources | \$ 180,795,033 | \$ 167,925,573 |
| Intergovernmental | 20,745 | 1,562 |
| State Sources | 109,765,436 | 127,482,741 |
| Total Revenues | <u>290,581,214</u> | <u>295,409,876</u> |
| Expenditures | | |
| Instruction | 184,356,710 | 174,178,089 |
| Support Services | 107,441,428 | 100,558,197 |
| Community Services | 5,984 | 3,376 |
| Intergovernmental | 2,399,839 | 2,599,658 |
| Capital Outlay | 5,313,407 | 7,522,194 |
| Total Expenditures | <u>299,517,368</u> | <u>284,861,514</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(8,936,154)</u> | <u>10,548,362</u> |
| Other Financing Sources (Uses) | | |
| Sale of Capital Assets | 11,832 | 36,884 |
| Transfers In | 6,059,594 | 5,947,100 |
| Transfers Out | (1,678,087) | (1,907,332) |
| Total Other Financing Sources (Uses) | <u>4,393,339</u> | <u>4,076,652</u> |
| Net Change in Fund Balances | (4,542,815) | 14,625,014 |
| Fund Balance - Beginning | <u>60,310,509</u> | <u>45,685,495</u> |
| Fund Balance - Ending | <u><u>55,767,694</u></u> | <u><u>60,310,509</u></u> |

HORRY COUNTY SCHOOLS

SCHEDULE A-3

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance Positive (Negative) |
|---|--------------------|--------------------|------------------------------------|
| Revenues | | | |
| Revenue from Local Sources: | | | |
| 1110 Ad Valorem Taxes - Including Delinquent | \$ 159,818,152 | \$ 168,138,437 | \$ 8,320,285 |
| 1140 Penalties & Interest on Taxes | 1,377,869 | 1,958,289 | 580,420 |
| 1190 Other Taxes | - | 1,170,574 | 1,170,574 |
| 1280 Revenue in Lieu of Taxes | 3,186,776 | 4,355,212 | 1,168,436 |
| 1310 From Patrons for Regular Day School | 18,471 | 18,322 | (149) |
| 1320 From Other LEAs for Regular Day School | 400 | - | (400) |
| 1330 From Patrons for Adult/Continuing Ed | 18,905 | 26,622 | 7,717 |
| 1350 From Patrons for Summer School | - | 1,000 | 1,000 |
| 1510 Interest on Investments | 3,240,676 | 1,152,314 | (2,088,362) |
| 1910 Rentals | 63,035 | 16,021 | (47,014) |
| 1920 Contributions & Donations Private Sources | 16,047 | 11,947 | (4,100) |
| 1930 Medicaid | 4,886,379 | 3,623,694 | (1,262,685) |
| 1950 Refund of Prior Year's Expenditures | 227,372 | 104,656 | (122,716) |
| 1993 Receipt of Insurance Proceeds | 58,624 | 76,102 | 17,478 |
| 1994 Receipt of Legal Settlements | 41,630 | 1,629 | (40,001) |
| 1999 Revenue from Other Local Sources | 187,234 | 140,214 | (47,020) |
| Total Local Sources | 173,141,570 | 180,795,033 | 7,653,463 |
| Intergovernmental Revenue: | | | |
| 2100 Payments from Other Governmental Units | 651 | 20,745 | 20,094 |
| Revenue from State Sources: | | | |
| 3100 Restricted State Funding: | | | |
| 3131 Handicapped Transportation | 10,232 | 12,321 | 2,089 |
| 3132 Home Schooling | 17,161 | 10,922 | (6,239) |
| 3160 School Bus Driver's Salary | 2,000,007 | 2,264,073 | 264,066 |
| 3161 EAA Bus Driver | 76,865 | 31,328 | (45,537) |
| 3162 Transportation Workers' Compensation | 180,888 | 185,304 | 4,416 |
| 3165 EEDA Transportation | 9,326 | - | (9,326) |
| 3180 Fringe Benefits Employer Contributions | 18,455,905 | 18,348,320 | (107,585) |
| 3181 Retiree Insurance | 4,625,677 | 4,288,337 | (337,340) |
| 3199 Other Restricted State Grants | - | 2,215 | 2,215 |
| 3200 Unrestricted Grants: | | | |
| 3250 ARRA Medicaid Payments | - | 72,001 | 72,001 |
| 3300 Education Finance Act: | | | |
| 3310 Full Time Programs: | | | |
| 3311 Kindergarten | 3,966,501 | 2,888,066 | (1,078,435) |
| 3312 Primary | 10,799,269 | 8,187,112 | (2,612,157) |
| 3313 Elementary | 13,395,613 | 10,182,210 | (3,213,403) |
| 3314 High School | 6,397,048 | 5,248,200 | (1,148,848) |
| 3315 Trainable Mentally Handicapped | 325,472 | 256,304 | (69,168) |
| 3316 Speech Handicapped (Part-Time Program) | 3,562,385 | 2,792,132 | (770,253) |
| 3317 Homebound | 187,978 | 229,774 | 41,796 |
| 3319 EFA Underpayment | - | 142,900 | 142,900 |
| 3320 Part Time Programs: | | | |
| 3321 Emotionally Handicapped | 549,610 | 353,735 | (195,875) |
| 3322 Educable Mentally Handicapped | 465,640 | 320,451 | (145,189) |
| 3323 Learning Disabilities | 6,942,380 | 5,287,302 | (1,655,078) |
| 3324 Hearing Handicapped | 142,961 | 118,056 | (24,905) |
| 3325 Visually Handicapped | 68,236 | 71,035 | 2,799 |
| 3326 Orthopedically Handicapped | 110,442 | 90,055 | (20,387) |
| 3327 Vocational | 7,135,366 | 5,079,286 | (2,056,080) |
| 3330 Other EFA Programs: | | | |
| 3331 Autism | 316,180 | 300,256 | (15,924) |
| 3800 State Revenue in Lieu of Taxes: | | | |
| 3810 Reimbursement for Local Residential Property Tax Relief (Tier 1) | 11,342,589 | 11,378,339 | 35,750 |
| 3820 Homestead Exemption (Tier 2) | 4,021,336 | 3,952,008 | (69,328) |
| 3825 Reimbursement for Property Tax Relief (Tier 3) | 26,054,671 | 26,130,224 | 75,553 |
| 3830 Merchant's Inventory Tax | 701,824 | 701,824 | - |
| 3840 Manufacturer's Depreciation Reimbursement | 274,338 | 285,769 | 11,431 |
| 3890 Other State Property Tax Revenues | 325,112 | 555,577 | 230,465 |
| 3900 Other State Revenue: | | | |
| 3999 Revenue from Other State Sources | 355 | - | (355) |
| Total State Sources | 122,461,367 | 109,765,436 | (12,695,931) |
| Total Revenue - All Sources | 295,603,588 | 290,581,214 | (5,022,374) |

HORRY COUNTY SCHOOLS

SCHEDULE A-3

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| Expenditures | Budget | Actual | Variance Positive (Negative) |
|-------------------------------------|--------------|--------------|------------------------------------|
| 100 Instruction: | | | |
| 110 General Instruction: | | | |
| 111 Kindergarten Programs: | | | |
| 100 Salaries | \$ 7,950,637 | \$ 7,949,663 | \$ 974 |
| 200 Employee Benefits | 2,673,850 | 2,511,524 | 162,326 |
| 300 Purchased Services | 6,547 | 2,988 | 3,559 |
| 400 Supplies and Materials | 127,226 | 122,968 | 4,258 |
| 500 Capital Outlay | 2,500 | 1,726 | 774 |
| 112 Primary Programs: | | | |
| 100 Salaries | 28,872,026 | 28,870,010 | 2,016 |
| 200 Employee Benefits | 8,182,145 | 8,075,568 | 106,577 |
| 300 Purchased Services | 529,159 | 447,685 | 81,474 |
| 400 Supplies and Materials | 642,962 | 450,987 | 191,975 |
| 500 Capital Outlay | 206,879 | 29,925 | 176,954 |
| 113 Elementary Programs: | | | |
| 100 Salaries | 33,196,404 | 33,193,989 | 2,415 |
| 200 Employee Benefits | 9,729,821 | 9,363,112 | 366,709 |
| 300 Purchased Services | 405,660 | 366,011 | 39,649 |
| 400 Supplies and Materials | 1,394,441 | 963,510 | 430,931 |
| 500 Capital Outlay | 682,671 | 639,037 | 43,634 |
| 600 Other Objects | 19,194 | 15,338 | 3,856 |
| 114 High School Programs: | | | |
| 100 Salaries | 27,939,174 | 27,313,835 | 625,339 |
| 200 Employee Benefits | 7,973,845 | 7,441,081 | 532,764 |
| 300 Purchased Services | 971,869 | 756,497 | 215,372 |
| 400 Supplies and Materials | 1,626,988 | 1,068,604 | 558,384 |
| 500 Capital Outlay | 719,312 | 717,249 | 2,063 |
| 600 Other Objects | 127,480 | 125,474 | 2,006 |
| 115 Vocational Programs: | | | |
| 100 Salaries | 4,414,301 | 4,413,057 | 1,244 |
| 200 Employee Benefits | 1,261,509 | 1,243,463 | 18,046 |
| 300 Purchased Services | 56,057 | 54,938 | 1,119 |
| 400 Supplies and Materials | 206,137 | 185,899 | 20,238 |
| 500 Capital Outlay | 47,339 | 20,922 | 26,417 |
| 600 Other Objects | 1,000 | 116 | 884 |
| 120 Exceptional Programs: | | | |
| 121 Educable Mentally Handicapped: | | | |
| 100 Salaries | 584,749 | 540,521 | 44,228 |
| 200 Employee Benefits | 162,744 | 145,051 | 17,693 |
| 300 Purchased Services | 200 | 45 | 155 |
| 400 Supplies and Materials | 6,401 | 4,071 | 2,330 |
| 122 Trainable Mentally Handicapped: | | | |
| 100 Salaries | 2,357,635 | 2,348,055 | 9,580 |
| 200 Employee Benefits | 728,287 | 697,262 | 31,025 |
| 400 Supplies and Materials | 16,128 | 16,128 | - |
| 500 Capital Outlay | 4,565 | 4,564 | 1 |

HORRY COUNTY SCHOOLS

SCHEDULE A-3

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance Positive (Negative) |
|---|------------|------------|------------------------------------|
| Expenditures | | | |
| 100 Instruction (Continued): | | | |
| 120 Exceptional Programs (Continued): | | | |
| 123 Orthopedically Handicapped: | | | |
| 100 Salaries | \$ 636,720 | \$ 572,479 | \$ 64,241 |
| 200 Employee Benefits | 195,514 | 167,795 | 27,719 |
| 300 Purchased Services | 40,179 | 1,205 | 38,974 |
| 400 Supplies and Materials | 1,016 | 133 | 883 |
| 500 Capital Outlay | 5,000 | 2,771 | 2,229 |
| 124 Visually Handicapped: | | | |
| 100 Salaries | 231,416 | 231,415 | 1 |
| 200 Employee Benefits | 72,567 | 72,116 | 451 |
| 300 Purchased Services | 49,000 | 8,431 | 40,569 |
| 400 Supplies and Materials | 8,280 | 2,552 | 5,728 |
| 500 Capital Outlay | 2,725 | 2,721 | 4 |
| 125 Hearing Handicapped: | | | |
| 100 Salaries | 523,469 | 441,356 | 82,113 |
| 200 Employee Benefits | 166,717 | 138,180 | 28,537 |
| 300 Purchased Services | 16,500 | 9,643 | 6,857 |
| 400 Supplies and Materials | 13,082 | 2,132 | 10,950 |
| 126 Speech Handicapped: | | | |
| 100 Salaries | 2,737,473 | 2,681,776 | 55,697 |
| 200 Employee Benefits | 775,848 | 735,558 | 40,290 |
| 300 Purchased Services | 16,425 | 16,411 | 14 |
| 400 Supplies and Materials | 18,658 | 15,841 | 2,817 |
| 500 Capital Outlay | 2,875 | 2,868 | 7 |
| 127 Learning Disabilities: | | | |
| 100 Salaries | 17,866,801 | 17,866,556 | 245 |
| 200 Employee Benefits | 5,502,480 | 5,139,523 | 362,957 |
| 300 Purchased Services | 1,061,974 | 720,474 | 341,500 |
| 400 Supplies and Materials | 201,137 | 160,534 | 40,603 |
| 500 Capital Outlay | 9,307 | 8,094 | 1,213 |
| 600 Other Objects | 250 | 142 | 108 |
| 128 Emotionally Handicapped: | | | |
| 100 Salaries | 1,531,807 | 1,531,796 | 11 |
| 200 Employee Benefits | 474,681 | 451,857 | 22,824 |
| 300 Purchased Services | 125 | 115 | 10 |
| 400 Supplies and Materials | 10,553 | 7,171 | 3,382 |
| 130 Pre-School Programs: | | | |
| 137 Pre-School Handicapped-Self-Contained (3 & 4 yr. olds): | | | |
| 100 Salaries | 1,822,832 | 1,710,077 | 112,755 |
| 200 Employee Benefits | 597,006 | 510,608 | 86,398 |
| 300 Purchased Services | 100 | - | 100 |
| 400 Supplies and Materials | 14,343 | 12,007 | 2,336 |
| 500 Capital Outlay | 6,100 | 6,056 | 44 |
| 139 Early Childhood Programs: | | | |
| 100 Salaries | 958,584 | 603,212 | 355,372 |
| 200 Employee Benefits | 278,142 | 160,641 | 117,501 |
| 300 Purchased Services | 8,575 | 8,567 | 8 |
| 400 Supplies and Materials | 119,395 | 111,004 | 8,391 |
| 500 Capital Outlay | 2,500 | 1,434 | 1,066 |
| 600 Other Objects | 2,140 | 2,045 | 95 |

HORRY COUNTY SCHOOLS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| Expenditures | Budget | Actual | Variance Positive (Negative) |
|---|--------------|--------------|------------------------------------|
| 100 Instruction (Continued): | | | |
| 140 Special Programs: | | | |
| 141 Gifted and Talented - Academic: | | | |
| 100 Salaries | \$ 2,337,290 | \$ 2,309,652 | \$ 27,638 |
| 200 Employee Benefits | 651,944 | 635,435 | 16,509 |
| 300 Purchased Services | 43,775 | 43,394 | 381 |
| 400 Supplies and Materials | 100,212 | 85,167 | 15,045 |
| 500 Capital Outlay | 20,885 | 20,879 | 6 |
| 600 Other Objects | 40 | 40 | - |
| 143 Advanced Placement: | | | |
| 100 Salaries | 17,267 | 14,950 | 2,317 |
| 200 Employee Benefits | 3,533 | 2,665 | 868 |
| 300 Purchased Services | 54,021 | 22,984 | 31,037 |
| 400 Supplies and Materials | 17,000 | 6,514 | 10,486 |
| 145 Homebound: | | | |
| 100 Salaries | 787,651 | 780,081 | 7,570 |
| 200 Employee Benefits | 152,933 | 152,081 | 852 |
| 300 Purchased Services | 233,425 | 233,514 | (89) |
| 400 Supplies and Materials | 1,070 | 596 | 474 |
| 149 Other Special Programs: | | | |
| 100 Salaries | 3,016,912 | 2,763,317 | 253,595 |
| 200 Employee Benefits | 891,912 | 756,043 | 135,869 |
| 300 Purchased Services | 186,183 | 126,627 | 59,556 |
| 400 Supplies and Materials | 83,772 | 49,691 | 34,081 |
| 500 Capital Outlay | 17,757 | 7,349 | 10,408 |
| 600 Other Objects | 225 | 215 | 10 |
| 160 Other Exceptional Programs: | | | |
| 161 Autism: | | | |
| 100 Salaries | 2,094,508 | 1,858,704 | 235,804 |
| 200 Employee Benefits | 626,386 | 590,781 | 35,605 |
| 300 Purchased Services | 49,090 | 48,869 | 221 |
| 400 Supplies and Materials | 21,470 | 21,370 | 100 |
| 500 Capital Outlay | 3,299 | 1,373 | 1,926 |
| 170 Summer School Program: | | | |
| 171 Primary Summer School: | | | |
| 400 Supplies and Materials | 13,535 | 10,911 | 2,624 |
| 172 Elementary Summer School: | | | |
| 100 Salaries | 28,577 | 17,506 | 11,071 |
| 200 Employee Benefits | 5,765 | 3,780 | 1,985 |
| 300 Purchased Services | 70 | 68 | 2 |
| 400 Supplies and Materials | 1,800 | 1,791 | 9 |
| 173 High School Summer School: | | | |
| 100 Salaries | 3,000 | 2,857 | 143 |
| 200 Employee Benefits | 617 | 587 | 30 |
| 174 Gifted and Talented Summer School: | | | |
| 500 Capital Outlay | 400 | 400 | - |
| 175 Instructional Programs Beyond Regular School Day: | | | |
| 100 Salaries | 14,589 | 14,588 | 1 |
| 200 Employee Benefits | 2,590 | 2,307 | 283 |
| 400 Supplies and Materials | 1,826 | 1,813 | 13 |
| 500 Capital Outlay | 500 | 500 | - |
| 180 Adult/Continuing Educational Programs: | | | |
| 181 Adult Basic Education Programs: | | | |
| 100 Salaries | 211,132 | 211,129 | 3 |
| 200 Employee Benefits | 53,925 | 53,338 | 587 |
| 300 Purchased Services | 12,170 | 12,167 | 3 |
| 400 Supplies and Materials | 10,650 | 8,172 | 2,478 |
| 500 Capital Outlay | 6,650 | 5,674 | 976 |

HORRY COUNTY SCHOOLS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance Positive (Negative) |
|--|--------------------|--------------------|------------------------------------|
| Expenditures | | | |
| 100 Instruction (Continued): | | | |
| 180 Adult/Continuing Educational Programs (Continued): | | | |
| 182 Adult Secondary Education Programs: | | | |
| 100 Salaries | \$ 420,367 | \$ 420,059 | \$ 308 |
| 200 Employee Benefits | 100,873 | 100,258 | 615 |
| 300 Purchased Services | 155 | 154 | 1 |
| 400 Supplies and Materials | 20,215 | 12,943 | 7,272 |
| 183 Adult English Literacy (ESL): | | | |
| 100 Salaries | 16,371 | 15,236 | 1,135 |
| 200 Employee Benefits | 2,612 | 2,611 | 1 |
| 400 Supplies and Materials | 1,500 | 201 | 1,299 |
| 188 Parenting/Family Literacy: | | | |
| 100 Salaries | 42,722 | 42,716 | 6 |
| 200 Employee Benefits | 12,893 | 11,940 | 953 |
| 300 Purchased Services | 600 | 298 | 302 |
| 400 Supplies and Materials | 450 | 400 | 50 |
| 190 Instructional Pupil Activity: | | | |
| 100 Salaries | 66,327 | 55,840 | 10,487 |
| 200 Employee Benefits | 13,533 | 10,375 | 3,158 |
| 300 Purchased Services | 58,008 | 57,191 | 817 |
| 400 Supplies and Materials | 3,229 | 1,982 | 1,247 |
| Total Instruction | 192,350,349 | 185,830,252 | 6,520,097 |
| 200 Supporting Services: | | | |
| 210 Pupil Services: | | | |
| 211 Attendance and Social Work Services: | | | |
| 100 Salaries | 2,286,971 | 2,285,197 | 1,774 |
| 200 Employee Benefits | 704,508 | 695,967 | 8,541 |
| 300 Purchased Services | 30,075 | 30,072 | 3 |
| 400 Supplies and Materials | 15,082 | 10,355 | 4,727 |
| 500 Capital Outlay | 5,000 | 4,792 | 208 |
| 212 Guidance Services: | | | |
| 100 Salaries | 5,759,369 | 5,721,956 | 37,413 |
| 200 Employee Benefits | 1,614,429 | 1,562,356 | 52,073 |
| 300 Purchased Services | 369,940 | 315,795 | 54,145 |
| 400 Supplies and Materials | 26,527 | 21,861 | 4,666 |
| 213 Health Services: | | | |
| 100 Salaries | 1,848,301 | 1,839,082 | 9,219 |
| 200 Employee Benefits | 647,047 | 565,726 | 81,321 |
| 300 Purchased Services | 99,300 | 55,989 | 43,311 |
| 400 Supplies and Materials | 143,616 | 139,811 | 3,805 |
| 500 Capital Outlay | 9,886 | 7,623 | 2,263 |
| 214 Psychological Services: | | | |
| 100 Salaries | 1,544,191 | 1,543,258 | 933 |
| 200 Employee Benefits | 459,409 | 402,139 | 57,270 |
| 300 Purchased Services | 38,615 | 38,614 | 1 |
| 400 Supplies and Materials | 14,766 | 131 | 14,635 |
| 500 Capital Outlay | 1,500 | 1,443 | 57 |

HORRY COUNTY SCHOOLS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| Expenditures | Budget | Actual | Variance Positive (Negative) |
|--|------------|------------|------------------------------------|
| 200 Supporting Services (Continued): | | | |
| 210 Pupil Services (Continued): | | | |
| 215 Exceptional Program Services: | | | |
| 100 Salaries | \$ 171,006 | \$ 170,431 | \$ 575 |
| 200 Employee Benefits | 60,577 | 56,641 | 3,936 |
| 400 Supplies and Materials | 412,550 | 427 | 412,123 |
| 500 Capital Outlay | 9,950 | 9,914 | 36 |
| 217 Career Specialist Services: | | | |
| 100 Salaries | 15,840 | 15,839 | 1 |
| 200 Employee Benefits | 2,497 | 1,585 | 912 |
| 220 Instructional Staff Services: | | | |
| 221 Improvement of Instruction - Curriculum Development: | | | |
| 100 Salaries | 2,662,513 | 2,662,503 | 10 |
| 200 Employee Benefits | 672,146 | 662,091 | 10,055 |
| 300 Purchased Services | 122,190 | 115,854 | 6,336 |
| 400 Supplies and Materials | 32,130 | 31,805 | 325 |
| 500 Capital Outlay | 18,771 | 18,752 | 19 |
| 600 Other Objects | 1,653 | 1,052 | 601 |
| 222 Library and Media Services: | | | |
| 100 Salaries | 4,330,471 | 4,326,663 | 3,808 |
| 200 Employee Benefits | 1,321,384 | 1,277,163 | 44,221 |
| 300 Purchased Services | 1,039 | 679 | 360 |
| 400 Supplies and Materials | 441,091 | 402,860 | 38,231 |
| 500 Capital Outlay | 6,319 | 4,102 | 2,217 |
| 223 Supervision of Special Programs: | | | |
| 100 Salaries | 1,196,327 | 1,157,223 | 39,104 |
| 140 Terminal Leave | 459 | 459 | - |
| 200 Employee Benefits | 356,598 | 328,074 | 28,524 |
| 300 Purchased Services | 39,950 | 34,694 | 5,256 |
| 400 Supplies and Materials | 11,200 | 8,316 | 2,884 |
| 500 Capital Outlay | 10,527 | 1,845 | 8,682 |
| 600 Other Objects | 200 | - | 200 |
| 224 Improvement of Instruction - Inservice and Staff Training: | | | |
| 100 Salaries | 380,642 | 284,843 | 95,799 |
| 200 Employee Benefits | 86,374 | 70,791 | 15,583 |
| 300 Purchased Services | 399,883 | 224,852 | 175,031 |
| 400 Supplies and Materials | 119,963 | 82,258 | 37,705 |
| 500 Capital Outlay | 22,647 | 18,799 | 3,848 |
| 230 General Administrative Services: | | | |
| 231 Board of Education: | | | |
| 100 Salaries | 96,640 | 96,640 | - |
| 200 Employee Benefits | 18,855 | 18,854 | 1 |
| 300 Purchased Services | 552,750 | 343,460 | 209,290 |
| 318 Audit Services | 50,000 | 51,300 | (1,300) |
| 400 Supplies and Materials | 8,000 | 5,590 | 2,410 |
| 600 Other Objects | 52,500 | 52,438 | 62 |
| 232 Office of the Superintendent: | | | |
| 100 Salaries | 823,340 | 749,213 | 74,127 |
| 200 Employee Benefits | 208,900 | 202,779 | 6,121 |
| 300 Purchased Services | 41,900 | 17,111 | 24,789 |
| 400 Supplies and Materials | 24,180 | 20,380 | 3,800 |
| 500 Capital Outlay | 2,300 | 2,269 | 31 |
| 600 Other Objects | 8,600 | 5,984 | 2,616 |

HORRY COUNTY SCHOOLS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance Positive (Negative) |
|---|---------------|---------------|------------------------------------|
| Expenditures | | | |
| 200 Supporting Services (Continued): | | | |
| 230 General Administrative Services (Continued): | | | |
| 233 School Administration: | | | |
| 100 Salaries | \$ 15,774,763 | \$ 15,765,571 | \$ 9,192 |
| 200 Employee Benefits | 4,222,859 | 4,181,873 | 40,986 |
| 300 Purchased Services | 118,100 | 118,246 | (146) |
| 400 Supplies and Materials | 146,281 | 138,640 | 7,641 |
| 500 Capital Outlay | 5,300 | 3,459 | 1,841 |
| 600 Other Objects | 8,226 | 6,575 | 1,651 |
| 250 Finance and Operations Services: | | | |
| 251 Student Transportation (Federal/District Mandated): | | | |
| 300 Purchased Services | 17,689 | 3,411 | 14,278 |
| 400 Supplies and Materials | 1,200 | 1,156 | 44 |
| 252 Fiscal Services: | | | |
| 100 Salaries | 1,506,280 | 1,401,662 | 104,618 |
| 200 Employee Benefits | 423,537 | 383,168 | 40,369 |
| 300 Purchased Services | 48,245 | 36,423 | 11,822 |
| 400 Supplies and Materials | 30,579 | 29,663 | 916 |
| 500 Capital Outlay | 26,734 | 8,399 | 18,335 |
| 600 Other Objects | 19,994 | 6,110 | 13,884 |
| 253 Facilities Acquisition & Construction: | | | |
| 300 Purchased Services | 253,306 | 252,916 | 390 |
| 400 Supplies and Materials | 6,000 | 5,698 | 302 |
| 254 Operation and Maintenance of Plant: | | | |
| 100 Salaries | 8,254,941 | 8,231,245 | 23,696 |
| 140 Terminal Leave | 12,559 | 12,559 | - |
| 200 Employee Benefits | 2,679,388 | 2,534,780 | 144,608 |
| 300 Purchased Services | 5,389,602 | 5,376,641 | 12,961 |
| 321 Public Utilities | 869,361 | 882,045 | (12,684) |
| 400 Supplies and Materials | 3,091,119 | 2,410,217 | 680,902 |
| 470 Energy | 7,734,086 | 8,382,458 | (648,372) |
| 500 Capital Outlay | 608,624 | 605,381 | 3,243 |
| 600 Other Objects | 405 | 175 | 230 |
| 255 Student Transportation: | | | |
| 100 Salaries | 9,100,845 | 9,038,960 | 61,885 |
| 200 Employee Benefits | 3,288,497 | 3,092,527 | 195,970 |
| 300 Purchased Services | 483,537 | 396,451 | 87,086 |
| 400 Supplies and Materials | 486,158 | 401,932 | 84,226 |
| 500 Capital Outlay | 48,450 | 42,877 | 5,573 |
| 256 Food Services: | | | |
| 100 Salaries | 80,065 | 79,368 | 697 |
| 200 Employee Benefits | 7,177 | - | 7,177 |
| 300 Purchased Services | 5,700 | 4,576 | 1,124 |
| 400 Supplies and Materials | 34,474 | 28,406 | 6,068 |
| 500 Capital Outlay | 15,155 | - | 15,155 |

HORRY COUNTY SCHOOLS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance Positive (Negative) |
|---|--------------------|--------------------|------------------------------------|
| Expenditures | | | |
| 200 Supporting Services (Continued): | | | |
| 250 Finance and Operations Services (Continued): | | | |
| 257 Internal Services: | | | |
| 100 Salaries | \$ 596,691 | \$ 596,678 | \$ 13 |
| 200 Employee Benefits | 153,280 | 149,459 | 3,821 |
| 300 Purchased Services | 109,081 | 108,734 | 347 |
| 400 Supplies and Materials | 47,100 | 46,429 | 671 |
| 500 Capital Outlay | 17,200 | 17,137 | 63 |
| 600 Other Objects | 1,300 | 1,095 | 205 |
| 258 Security: | | | |
| 100 Salaries | 190,971 | 190,969 | 2 |
| 200 Employee Benefits | 47,709 | 47,428 | 281 |
| 300 Purchased Services | 1,143,757 | 843,372 | 300,385 |
| 400 Supplies and Materials | 92,395 | 84,205 | 8,190 |
| 500 Capital Outlay | 382,839 | 382,577 | 262 |
| 260 Central Support Services: | | | |
| 262 Planning, Research, Development and Evaluation: | | | |
| 100 Salaries | 360,491 | 353,002 | 7,489 |
| 200 Employee Benefits | 98,103 | 90,534 | 7,569 |
| 300 Purchased Services | 380,500 | 72,134 | 308,366 |
| 400 Supplies and Materials | 37,072 | 24,487 | 12,585 |
| 500 Capital Outlay | 20,000 | 15,681 | 4,319 |
| 600 Other Objects | 25,000 | 24,175 | 825 |
| 263 Information Services: | | | |
| 100 Salaries | 685,462 | 616,800 | 68,662 |
| 150 TERI - Second Annual Leave Payout | 2,578 | 2,578 | - |
| 200 Employee Benefits | 180,165 | 153,793 | 26,372 |
| 300 Purchased Services | 78,205 | 44,576 | 33,629 |
| 400 Supplies and Materials | 214,558 | 131,420 | 83,138 |
| 500 Capital Outlay | 12,500 | 12,174 | 326 |
| 264 Staff Services: | | | |
| 100 Salaries | 1,578,093 | 1,559,069 | 19,024 |
| 140 Terminal Leave | 1,379 | 1,379 | - |
| 200 Employee Benefits | 3,949,027 | 3,051,969 | 897,058 |
| 300 Purchased Services | 332,274 | 219,512 | 112,762 |
| 400 Supplies and Materials | 73,545 | 72,100 | 1,445 |
| 500 Capital Outlay | 17,896 | 11,170 | 6,726 |
| 600 Other Objects | 22,750 | 11,697 | 11,053 |
| 266 Technology and Data Processing Services: | | | |
| 100 Salaries | 2,099,183 | 2,099,180 | 3 |
| 200 Employee Benefits | 573,791 | 573,168 | 623 |
| 300 Purchased Services | 301,200 | 129,806 | 171,394 |
| 400 Supplies and Materials | 623,967 | 623,472 | 495 |
| 500 Capital Outlay | 3,195,268 | 2,604,016 | 591,252 |
| 600 Other Objects | 350 | 350 | - |
| 270 Supporting Services Pupil Activity: | | | |
| 271 Pupil Services Activities: | | | |
| 100 Salaries | 3,061,504 | 2,748,165 | 313,339 |
| 200 Employee Benefits | 722,868 | 580,239 | 142,629 |
| 300 Purchased Services | 256,928 | 221,319 | 35,609 |
| 400 Supplies and Materials | 31,036 | 21,656 | 9,380 |
| 500 Capital Outlay | 151,119 | 67,455 | 83,664 |
| 600 Other Objects | 53,481 | 33,866 | 19,615 |
| Total Supporting Services | 117,135,246 | 111,281,293 | 5,853,953 |

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance Positive (Negative) |
|---|---------------------|--------------------|------------------------------------|
| Expenditures | | | |
| 300 Community Services: | | | |
| 350 Custody and Care of Children Services: | | | |
| 100 Salaries | \$ 11,003 | \$ 5,502 | \$ 5,501 |
| 200 Employee Benefits | 1,517 | 482 | 1,035 |
| Total Community Services | <u>12,520</u> | <u>5,984</u> | <u>6,536</u> |
| 400 Other Charges: | | | |
| 410 Intergovernmental Expenditures: | | | |
| 411-720 Payments to State Department of Education | - | 47,937 | (47,937) |
| 412-720 Payments to Other Governmental Units | 133,700 | 93,643 | 40,057 |
| 414-420 Medicaid Payments to SDE | 1,884,591 | 1,073,521 | 811,070 |
| 416-720 Payments to Public Charter Schools | 1,347,993 | 1,184,738 | 163,255 |
| Total Intergovernmental Expenditures | <u>3,366,284</u> | <u>2,399,839</u> | <u>966,445</u> |
| Total Expenditures | <u>312,864,399</u> | <u>299,517,368</u> | <u>13,347,031</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(17,260,811)</u> | <u>(8,936,154)</u> | <u>8,324,657</u> |
| Other Financing Sources (Uses) | | | |
| 5300 Sale of Capital Assets | 4,557 | 11,832 | 7,275 |
| Interfund Transfers, from (to) Other Funds: | | | |
| 5230 Transfer from Special Revenue EIA Fund | 4,183,783 | 4,358,645 | 174,862 |
| 5270 Transfer from Pupil Activity Fund | 10,704 | - | (10,704) |
| 5280 Transfer from Other Funds Indirect Cost | 1,974,633 | 1,700,949 | (273,684) |
| 421-710 Transfer to Special Revenue Fund | - | (86,119) | (86,119) |
| 425-710 Transfer to Food Service Fund | (1,461,613) | (1,476,768) | (15,155) |
| 426-710 Transfer to Pupil Activity Fund | (115,200) | (115,200) | - |
| Total Other Financing Sources (Uses) | <u>4,596,864</u> | <u>4,393,339</u> | <u>(203,525)</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(12,663,947)</u> | <u>(4,542,815)</u> | <u>8,121,132</u> |
| Fund Balance July 1, 2008 | | <u>60,310,509</u> | |
| Fund Balance June 30, 2009 | | <u>55,767,694</u> | |

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues and expenditures derived from the State of South Carolina and the Federal Government, certain of which require matching funds from local sources, required to finance particular activities.

During 1984, the South Carolina State Legislature passed the Education Improvement Act (EIA) to upgrade the quality of education in South Carolina. Because of the categorical nature of the funding, the State requires that revenues and expenditures be accounted for in a separate fund. Accordingly, the EIA Fund is reported as a Special Revenue Fund.

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND

COMPARATIVE BALANCE SHEETS

| | June 30, 2009 | June 30, 2008 |
|--|-------------------|------------------|
| Assets | | |
| Receivables: | | |
| Other | \$ 35,140 | \$ 39,253 |
| Due from Other State Agencies | 8,352 | 26,367 |
| Due from Federal Government | 9,513,570 | 5,859,998 |
| Due from State Department of Education | 1,421,765 | 30 |
| Total Assets | <u>10,978,827</u> | <u>5,925,648</u> |
| Liabilities and Fund Balances | | |
| Liabilities | | |
| Accounts Payable | 409,555 | 525,424 |
| Accrued Salaries | 1,477,827 | 217,943 |
| Accrued Liabilities | 439,116 | 43,422 |
| Due to Other Organizations | 237 | 16,728 |
| Due to State Department of Education | 6,856 | - |
| Due to Federal Government | 500 | - |
| Due to General Fund | 6,206,425 | 3,890,390 |
| Deferred Revenue | 2,438,311 | 1,231,741 |
| Total Liabilities | <u>10,978,827</u> | <u>5,925,648</u> |
| Fund Balances | | |
| Unreserved and Undesignated | - | - |
| Total Fund Balances | <u>-</u> | <u>-</u> |
| Total Liabilities and Fund Balances | <u>10,978,827</u> | <u>5,925,648</u> |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|--|-------------------|-------------------|
| Revenues | | |
| Local Sources | \$ 1,292,985 | \$ 1,708,810 |
| State Sources | 6,294,682 | 6,391,350 |
| Federal Sources | 25,922,814 | 23,001,551 |
| Total Revenues | <u>33,510,481</u> | <u>31,101,711</u> |
| Expenditures | | |
| Instruction | 19,686,709 | 17,999,041 |
| Support Services | 9,915,987 | 9,795,999 |
| Community Services | 997,880 | 1,032,899 |
| Intergovernmental | 62,198 | 51,827 |
| Capital Outlay | 2,264,863 | 1,275,773 |
| Total Expenditures | <u>32,927,637</u> | <u>30,155,539</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>582,844</u> | <u>946,172</u> |
| Other Financing Sources (Uses) | | |
| Transfers In | 88,327 | - |
| Transfers Out | (671,171) | (946,172) |
| Total Other Financing Sources (Uses) | <u>(582,844)</u> | <u>(946,172)</u> |
| Net Change in Fund Balances | - | - |
| Fund Balance - Beginning | <u>-</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>-</u></u> | <u><u>-</u></u> |

HORRY COUNTY SCHOOLS
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

| Revenues | Title I 201 | IDEA 203 | Preschool Handicapped 205 | Occupational Education 207 | Drug and Violence Prevention 209 | Adult Education 243 | Other Restricted State Grant | Other Special Revenue Programs | Total |
|---|----------------|-------------|---------------------------------|----------------------------------|---|---------------------------|---------------------------------------|---|-----------|
| 1000 Revenue - Local Sources: | | | | | | | | | |
| 1350 Summer School from Patrons | | | | | | | | \$ 38,341 | \$ 38,341 |
| 1360 Summer School from Other LEAs | | | | | | | | 400 | 400 |
| 1720 Bookstore Sales | | | | | | | | 24 | 24 |
| 1790 Other Pupil Activity Revenue | | | | | | | | 1,426 | 1,426 |
| 1910 Rentals | | | | | | | | 32,237 | 32,237 |
| 1999 Revenue from Other Local Sources | | | | | | | | 1,220,557 | 1,220,557 |
| Total Revenues - Local Sources | | | | | | | | 1,292,985 | 1,292,985 |
| 3000 Revenue - State Sources: | | | | | | | | | |
| 3100 Restricted Grants: | | | | | | | | | |
| 3110 Vocational: | | | | | | | | | |
| 3113 Twelve Month AG Program | | | | | | | | 37,120 | 37,120 |
| 3116 EEDA 9th Grade Career Awareness | | | | | | | | 40,922 | 40,922 |
| 3117 EEDA 8th Grade Career Awareness | | | | | | | | 27,268 | 27,268 |
| 3118 EEDA Career Specialist | | | | | | | | 1,022,619 | 1,022,619 |
| 3120 General Education: | | | | | | | | | |
| 3123 Formative Assessment | | | | | | | | 252,483 | 252,483 |
| 3125 Career and Technology Career Equipment | | | | | | | | 407,752 | 407,752 |
| 3127 Student Health and Fitness | | | | | | | | 390,403 | 390,403 |
| 3128 High Schools that Work | | | | | | | | 58,809 | 58,809 |
| 3130 Special Programs: | | | | | | | | | |
| 3136 Student Health and Fitness - Nurses | | | | | | | | 864,255 | 864,255 |
| 3150 Adult Education: | | | | | | | | | |
| 3151 Basic | | | | | | | | 9,981 | 9,981 |
| 3154 Young Adult Education | | | | | | | | 185,762 | 185,762 |
| 3185 National Board Certified | | | | | | | | 532,576 | 532,576 |
| 3190 Other Restricted Grants: | | | | | | | | | |
| 3193 Education License Plates | | | | | | | | 9,595 | 9,595 |
| 3199 Other Restricted State Grants | | | | | | | | | |
| 3600 Education Lottery Act Revenue: | | | | | | | | | |
| 3607 6-8 Enhancement | | | | | | | | 75,917 | 75,917 |
| 3610 K-5 Enhancement | | | | | | | | 1,779,470 | 1,779,470 |
| 3990 Other State Revenue: | | | | | | | | | |
| 3991 ADEPT | | | | | | | | 94,498 | 94,498 |
| 3993 School Media Services | | | | | | | | 3,033 | 3,033 |
| 3999 Revenue from Other State Sources | | | | | | | | 489,523 | 489,523 |
| Total Revenue - State Sources | | | | | | | 5,755,343 | 539,339 | 6,294,682 |

HORRY COUNTY SCHOOLS
 SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

| Revenues: | Title I 201 | IDEA 203 | Preschool Handicapped 205 | Occupational Education 207 | Drug and Violence Prevention 209 | Adult Education 243 | Other Restricted State Grant | Other Special Revenue Programs | Total |
|---|----------------|--------------|---------------------------------|----------------------------------|---|---------------------------|---------------------------------------|---|------------|
| 4000 Revenue - Federal Sources: | | | | | | | | | |
| 4200 Occupational Education: | | | | \$ 628,390 | | | | | \$ 628,390 |
| 4210 Vocational Aid | | | | | | | | | |
| 4300 Elementary and Secondary Education Act of 1965: | | | | | | | | | |
| 4310 Title I | \$ 9,954,646 | | | | | | | | |
| 4315 Title I - Stimulus | | | | | | | \$ 393,586 | | 10,348,232 |
| 4331 Education Technology, Title II | | | | | | | 1,716,033 | | 1,716,033 |
| 4340 Promoting Informed Parental Choice, Title V | | | | | | | 68,369 | | 68,369 |
| 4341 Language Instruction, Title III | | | | | | | 42,819 | | 42,819 |
| 4351 Improving Teacher Quality | | | | | | | 268,140 | | 268,140 |
| 4400 Adult Education: | | | | | | \$ 175,017 | 1,516,841 | | 1,516,841 |
| 4410 Basic | | | | | | | | | 175,017 |
| 4500 Program for Children with Disabilities: | | | | | | | | | |
| 4510 IDEA | | \$ 8,352,756 | | | | | | 451,682 | 8,804,438 |
| 4520 Pre-School | | | \$ 303,706 | | | | | | 303,706 |
| 4900 Other Federal Sources: | | | | | | | | | |
| 4920 Drug and Violence Prevention | | | | | \$ 154,410 | | | | 154,410 |
| 4924 21st Century Community Learning Centers Grants, Title IV | | | | | | | 174,987 | | 174,987 |
| 4999 Other Federal Revenue | | | | | | | 1,721,432 | | 1,721,432 |
| Total Revenue - Federal Sources | 9,954,646 | 8,352,756 | 303,706 | 628,390 | 154,410 | 175,017 | 6,353,889 | | 25,922,814 |
| Total Revenue - All Sources | 9,954,646 | 8,352,756 | 303,706 | 628,390 | 154,410 | 175,017 | 8,186,213 | | 33,510,481 |

HORRY COUNTY SCHOOLS
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

| | Title I | | IDEA | | Preschool Handicapped | | Occupational Education | | Drug and Violence Prevention | | Adult Education | | Other Restricted State Grant | | Other Special Revenue Programs | | Total | |
|-------------------------------------|-----------|-----|---------|-----|-----------------------|-----|------------------------|-----|------------------------------|-----|-----------------|-----|------------------------------|-----------|--------------------------------|-----------|-------|-----|
| | 201 | 203 | 203 | 205 | 207 | 209 | 243 | 209 | 209 | 209 | 243 | 209 | 243 | 209 | 243 | 209 | | 243 |
| Expenditures | | | | | | | | | | | | | | | | | | |
| 100 Instruction: | | | | | | | | | | | | | | | | | | |
| 110 General Instruction: | | | | | | | | | | | | | | | | | | |
| 111 Kindergarten Programs: | | | | | | | | | | | | | | | | | | |
| 100 Salaries | \$ 21,848 | | | | | | | | | | | | | \$ 15,212 | \$ 98 | \$ 37,158 | | |
| 200 Employee Benefits | 2,111 | | | | | | | | | | | | 3,055 | 7 | 5,173 | | | |
| 400 Supplies and Materials | 4,688 | | | | | | | | | | | | | | 4,688 | | | |
| 500 Capital Outlay | 6,293 | | | | | | | | | | | | | 1,000 | 7,293 | | | |
| 112 Primary Programs: | | | | | | | | | | | | | | | | | | |
| 100 Salaries | 1,144,486 | | | | | | | | | | | | 490,724 | 138,444 | 1,773,654 | | | |
| 200 Employee Benefits | 339,638 | | | | | | | | | | | | 105,873 | 42,188 | 487,699 | | | |
| 300 Purchased Services | 465,641 | | | | | | | | | | | | 57,765 | 6,230 | 529,636 | | | |
| 400 Supplies and Materials | 225,687 | | | | | | | | | | | | 109,528 | 17,114 | 351,329 | | | |
| 500 Capital Outlay | 121,533 | | | | | | | | | | | | | 42,674 | 164,207 | | | |
| 113 Elementary Programs: | | | | | | | | | | | | | | | | | | |
| 100 Salaries | 671,889 | | | | | | | | | | | | 479,865 | 130,168 | 1,281,922 | | | |
| 200 Employee Benefits | 197,799 | | | | | | | | | | | | 101,248 | 17,901 | 316,948 | | | |
| 300 Purchased Services | 7,148 | | | | | | | | | | | | 252,483 | 89,626 | 349,257 | | | |
| 400 Supplies and Materials | 4,296 | | | | | 642 | | | | | | | 513,096 | 264,877 | 782,911 | | | |
| 500 Capital Outlay | 12,464 | | | | | | | | | | | | 12,467 | 1,506,051 | 1,530,982 | | | |
| 114 High School Programs: | | | | | | | | | | | | | | | | | | |
| 100 Salaries | 28,380 | | | | | | | | | | | | 169,429 | 557,473 | 755,282 | | | |
| 200 Employee Benefits | 7,883 | | | | | | | | | | | | 32,564 | 5,447 | 45,894 | | | |
| 300 Purchased Services | | | | | | | | | | | | | | 1,020 | 1,020 | | | |
| 400 Supplies and Materials | | | | | | | | | | | | | 18,667 | 8,564 | 27,231 | | | |
| 500 Capital Outlay | | | | | | | | | | | | | 2,843 | | 2,843 | | | |
| 115 Vocational Programs: | | | | | | | | | | | | | | | | | | |
| 100 Salaries | | | | | | | | | | | | | 11,291 | 30,795 | 42,086 | | | |
| 200 Employee Benefits | | | | | | | | | | | | | 2,155 | 6,325 | 8,480 | | | |
| 300 Purchased Services | | | | | | | | | | | | | | 1,559 | 1,809 | | | |
| 400 Supplies and Materials | | | | | | | | | | | | | | 68,491 | 172,596 | | | |
| 500 Capital Outlay | | | | | | | | | | | | | | 14,222 | 450,399 | | | |
| 120 Exceptional Programs: | | | | | | | | | | | | | | | | | | |
| 121 Educable Mentally Handicapped: | | | | | | | | | | | | | | | | | | |
| 100 Salaries | | | | | | | | | | | | | | | | | 75 | |
| 200 Employee Benefits | | | | | | | | | | | | | | | | | 6 | |
| 122 Trainable Mentally Handicapped: | | | | | | | | | | | | | | | | | | |
| 100 Salaries | | | 313,691 | | | | | | | | | | | | 14,625 | 328,316 | | |
| 200 Employee Benefits | | | 100,634 | | | | | | | | | | | | 1,119 | 101,753 | | |
| 400 Supplies and Materials | | | 5,445 | | | | | | | | | | | | | 5,445 | | |

HORRY COUNTY SCHOOLS
 SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

| | Title I | | IDEA | Preschool Handicapped | Occupational Education | Drug and Violence Prevention | Adult Education | Other Restricted State Grant | Other Special Revenue Programs | Total |
|---|---------|-----|-----------|-----------------------|------------------------|------------------------------|-----------------|------------------------------|--------------------------------|-----------|
| | 201 | 203 | | | | | | | | |
| Expenditures | | | | | | | | | | |
| 100 Instruction: | | | | | | | | | | |
| 120 Exceptional Programs: | | | | | | | | | | |
| 123 Orthopedically Handicapped: | | | | | | | | | | |
| 100 Salaries | | \$ | 52,487 | | | | | | | \$ 52,487 |
| 200 Employee Benefits | | | 17,352 | | | | | | | 17,352 |
| 300 Purchased Services | | | 238,613 | \$ | 38 | | | | | 238,651 |
| 400 Supplies and Materials | | | 44,085 | | | | | | | 44,085 |
| 124 Visually Handicapped: | | | | | | | | | | |
| 300 Purchased Services | | | 6,629 | | | | | | | 6,629 |
| 400 Supplies and Materials | | | 7,670 | | | | | | | 7,776 |
| 125 Hearing Handicapped: | | | | | | | | | | |
| 100 Salaries | | | 38,593 | | | | | | | 38,593 |
| 200 Employee Benefits | | | 16,869 | | | | | | | 16,869 |
| 300 Purchased Services | | | 1,035 | | | | | | | 1,035 |
| 400 Supplies and Materials | | | 33,848 | | | | | | | 33,848 |
| 126 Speech Handicapped: | | | | | | | | | | |
| 100 Salaries | | | 118,783 | | | | | \$ | 4,768 | 123,551 |
| 200 Employee Benefits | | | 36,275 | | | | | | 365 | 36,640 |
| 400 Supplies and Materials | | | 7,316 | | | | | | | 7,316 |
| 127 Learning Disabilities: | | | | | | | | | | |
| 100 Salaries | | | 2,249,122 | | | | | \$ | 15,000 | 2,457,406 |
| 200 Employee Benefits | | | 650,171 | | | | | | 3,025 | 693,812 |
| 300 Purchased Services | | | 30,861 | | | | | | 341,839 | 372,700 |
| 400 Supplies and Materials | | | 609,014 | | | | | | | 609,014 |
| 128 Emotionally Handicapped: | | | | | | | | | | |
| 100 Salaries | | | 211,052 | | | | | | 8,970 | 220,022 |
| 200 Employee Benefits | | | 60,736 | | | | | | 686 | 61,422 |
| 129 Corrupted Early Intervening Services (CEIS): | | | | | | | | | | |
| 100 Salaries | | | 118,713 | | | | | | | 118,713 |
| 200 Employee Benefits | | | 24,384 | | | | | | | 24,384 |
| 130 Preschool Handicapped Programs: | | | | | | | | | | |
| 137 Preschool Handicapped Self-Contained (3 and 4 Year Olds): | | | | | | | | | | |
| 100 Salaries | | | 105,430 | | | | | | 7,500 | 266,312 |
| 200 Employee Benefits | | | 48,272 | | | | | | 1,508 | 89,589 |
| 300 Purchased Services | | | | | | | | | | 12,125 |
| 400 Supplies and Materials | | | 656 | | | | | | | 81,753 |

HORRY COUNTY SCHOOLS
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2008

| Expenditures | Title I 201 | IDEA 203 | Preschool Handicapped 205 | Occupational Education 207 | Drug and Violence Prevention 209 | Adult Education 243 | Other Restricted State Grant | Other Special Revenue Programs | Total |
|-------------------------------------|----------------|-------------|---------------------------------|----------------------------------|---|---------------------------|---------------------------------------|---|--------------|
| 100 Instruction: | | | | | | | | | |
| 130 Preschool Handicapped Programs: | | | | | | | | | |
| 139 Early Childhood: | | | | | | | | | |
| 100 Salaries | \$ 3,018,800 | | | | | | | 1,403 | \$ 3,020,203 |
| 200 Employee Benefits | 990,053 | | | | | | | 161 | 990,214 |
| 400 Supplies and Materials | 174,550 | | | | | | | | 174,550 |
| 140 Special Programs: | | | | | | | | | |
| 141 Gifted and Talented - Academic: | | | | | | | | | |
| 100 Salaries | | | | | | | \$ 35,625 | 283 | 35,908 |
| 200 Employee Benefits | | | | | | | 7,191 | 22 | 7,213 |
| 149 Other Special Programs: | | | | | | | | | |
| 100 Salaries | | | | | | | 78,887 | 181,682 | 260,569 |
| 200 Employee Benefits | | | | | | | 15,444 | 46,968 | 62,412 |
| 300 Purchased Services | | | | | | | | 8,690 | 8,690 |
| 400 Supplies and Materials | | 1,933 | | | | | | 77,114 | 79,047 |
| 500 Capital Outlay | | | | | | | | 3,276 | 3,276 |
| 600 Other Objects | | | | | | | | 1,245 | 1,245 |
| 160 Other Exceptional Programs: | | | | | | | | | |
| 161 Autism: | | | | | | | | | |
| 100 Salaries | | 488,540 | | | | | | | 488,540 |
| 200 Employee Benefits | | 178,441 | | | | | | | 178,441 |
| 400 Supplies and Materials | | 1,031 | | | | | | | 1,031 |
| 170 Summer School Programs: | | | | | | | | | |
| 171 Primary Summer School: | | | | | | | | | |
| 100 Salaries | | | | | | | 287 | | 287 |
| 200 Employee Benefits | | | | | | | 59 | | 59 |
| 172 Elementary Summer School: | | | | | | | | | |
| 100 Salaries | | | | | | | 144,552 | 45,605 | 190,157 |
| 200 Employee Benefits | | | | | | | 29,699 | 9,367 | 39,066 |
| 400 Supplies and Materials | | | | | | | 23 | 9,721 | 9,744 |
| 173 High School Summer School: | | | | | | | | | |
| 100 Salaries | | | | | | | | 28,297 | 28,297 |
| 200 Employee Benefits | | | | | | | | 5,812 | 5,812 |

HORRY COUNTY SCHOOLS
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

| | Title I 201 | IDEA 203 | Preschool Handicapped 205 | Occupational Education 207 | Drug and Violence Prevention 209 | Adult Education 243 | Other Restricted State Grant | Other Special Revenue Programs | Total |
|---|---------------------|---------------------|---------------------------------|----------------------------------|---|---------------------------|---------------------------------------|---|-------------------|
| | | | | | | | | | |
| Expenditures | | | | | | | | | |
| 100 Instruction: | | | | | | | | | |
| 170 Summer School Programs: | | | | | | | | | |
| 175 Instructional Programs Beyond Regular School Day: | | | | | | | | | |
| 100 Salaries | \$ 57,164 | | | | | | \$ 233,271 | \$ 59,381 | \$ 349,816 |
| 200 Employee Benefits | 9,619 | | | | | | 38,157 | 11,432 | 59,208 |
| 300 Purchased Services | | | | | | | | 3,000 | 3,000 |
| 400 Supplies and Materials | 516 | | | | | | 2,012 | 10,668 | 13,196 |
| 500 Capital Outlay | | | | | | | | 29,604 | 29,604 |
| 180 Adult/Continuing Educational Programs: | | | | | | | | | |
| 181 Adult Basic: | | | | | | | | | |
| 100 Salaries | | | | | | \$ 40,295 | 8,280 | | 48,575 |
| 200 Employee Benefits | | | | | | 5,674 | 1,701 | | 7,375 |
| 300 Purchased Services | | | | | | 278 | | | 278 |
| 400 Supplies and Materials | | | | | | 1,115 | | | 1,115 |
| 182 Adult Secondary: | | | | | | | | | |
| 100 Salaries | | | | | | | 27,579 | | 27,579 |
| 200 Employee Benefits | | | | | | | 4,522 | | 4,522 |
| 300 Purchased Services | | | | | | | 340 | | 340 |
| 400 Supplies and Materials | | | | | | | 2,492 | | 2,492 |
| 183 Adult English Literacy: | | | | | | | | | |
| 100 Salaries | | | | | | 105,617 | | | 105,617 |
| 200 Employee Benefits | | | | | | 14,777 | | | 14,777 |
| 400 Supplies and Materials | | | | | | 2,114 | | | 2,114 |
| 188 Parenting/Family Literacy: | | | | | | | | | |
| 100 Salaries | 132,157 | | | | | | | 118,715 | 250,872 |
| 200 Employee Benefits | 44,528 | | | | | | | 43,139 | 87,667 |
| 300 Purchased Services | 6,369 | | | | | | | 15,852 | 22,221 |
| 400 Supplies and Materials | 57,248 | | | | | | | 4,760 | 62,008 |
| Total Instruction | \$ 7,752,788 | \$ 5,818,404 | \$ 286,557 | \$ 132,425 | - | 169,870 | 3,442,526 | 4,272,743 | 21,875,313 |

HORRY COUNTY SCHOOLS
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

| Expenditures | Title I 201 | IDEA 203 | Preschool Handicapped 205 | Occupational Education 207 | Drug and Violence Prevention 209 | Adult Education 243 | Other Restricted State Grant | Other Special Revenue Programs | Total |
|--|----------------|-------------|---------------------------------|----------------------------------|---|---------------------------|---------------------------------------|---|-----------|
| 200 Supporting Services: | | | | | | | | | |
| 210 Pupil Services: | | | | | | | | | |
| 211 Attendance and Social Work Services: | | \$ 9,890 | | | | | | \$ 6,597 | \$ 16,487 |
| 300 Purchased Services: | | | | | | | | | |
| 212 Guidance Services: | | | | | | | | | |
| 100 Salaries | | | | \$ 303,836 | | | \$ 30,000 | | 333,836 |
| 200 Employee Benefits | | | | 80,571 | | | 6,096 | | 86,667 |
| 400 Supplies and Materials | | | | | | | 34,057 | | 34,057 |
| 213 Health: | | | | | | | | | |
| 100 Salaries | | | | | | | 657,749 | | 679,243 |
| 200 Employee Benefits | | | | | | | 206,506 | | 215,772 |
| 300 Purchased Services | | | | | | | | 238,783 | 238,783 |
| 400 Supplies and Materials | | | | | | | | 7,420 | 7,420 |
| 500 Capital Outlay | | | | | | | | 1,392 | 1,392 |
| 600 Other Objects | | | | | | | | 1,477 | 1,477 |
| 214 Psychological: | | | | | | | | | |
| 100 Salaries | | | | | | | | | 496,015 |
| 200 Employee Benefits | | | | | | | | | 143,823 |
| 300 Purchased Services | | | | | | | | | 36,698 |
| 400 Supplies and Materials | | | | | | | | | 32,804 |
| 500 Capital Outlay | | | | | | | | | 4 |
| 215 Exceptional Program Services: | | | | | | | | | |
| 100 Salaries | | | | | | | | | 116,890 |
| 200 Employee Benefits | | | | | | | | | 31,017 |
| 300 Purchased Services | | | | | | | | | 72 |
| 400 Supplies and Materials | | | | | | | | | 9,452 |
| 600 Other Objects | | | | | | | | | 8,874 |
| 216 Vocational Placement Services: | | | | | | | | | |
| 300 Purchased Services | | | | 7,200 | | | | | 7,200 |
| 217 Career Specialist Services: | | | | | | | | | |
| 100 Salaries | | | | | | | 803,852 | | 803,852 |
| 200 Employee Benefits | | | | | | | 216,721 | | 216,721 |

HORRY COUNTY SCHOOLS
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

| Expenditures | Title 201 | IDEA 203 | Preschool Handicapped Education 205 | Occupational Education 207 | Drug and Violence Prevention 209 | Adult Education 243 | Other Restricted State Grant | Other Special Revenue Programs | Total |
|--|----------------|-------------|--|----------------------------------|---|---------------------------|---------------------------------------|---|--------------|
| | | | | | | | | | |
| 200 Supporting Services: | | | | | | | | | |
| 220 Instructional Staff Services: | | | | | | | | | |
| 221 Improvement of Instruction - Curriculum: | | | | | | | | | |
| 100 Salaries | \$ 301,853 | \$ 560,119 | | | \$ 35,826 | | \$ 2,670 | \$ 183,086 | \$ 1,083,554 |
| 200 Employee Benefits | 84,976 | 140,728 | | | 7,377 | | 459 | 37,569 | 271,109 |
| 300 Purchased Services | | 5,403 | | | 50,500 | | | | 57,722 |
| 400 Supplies and Materials | | 7,405 | | \$ 1,819 | 27,202 | | | 3,964 | 38,571 |
| 222 Library and Media: | | | | | | | | | |
| 400 Supplies and Materials | | | | | | | 3,033 | 41,560 | 44,593 |
| 223 Supervision of Special Programs: | | | | | | | | | |
| 100 Salaries | 150,081 | 311,793 | | | | | 118,611 | 408,494 | 988,979 |
| 200 Employee Benefits | 38,779 | 98,662 | | | | | 25,892 | 109,193 | 272,526 |
| 300 Purchased Services | 19,339 | 746 | \$ 1,590 | | | | 2,859 | 18,016 | 42,550 |
| 400 Supplies and Materials | 28,118 | 13,798 | 223 | | | | 3,634 | 9,846 | 55,619 |
| 500 Capital Outlay | 3,224 | | | | | | | | 3,224 |
| 224 Improvement of Instruction - In-Service: | | | | | | | | | |
| 100 Salaries | 195,594 | 2,834 | | | | | 9,795 | 413,533 | 621,756 |
| 200 Employee Benefits | 42,963 | 571 | | | | | 1,956 | 82,518 | 128,008 |
| 300 Purchased Services | 688,546 | 166,722 | 4,352 | 17,953 | | | 103,434 | 758,227 | 1,739,234 |
| 400 Supplies and Materials | 24,514 | 16,564 | 178 | | | | 33,057 | 111,335 | 185,648 |
| 500 Capital Outlay | 60,779 | | | | | | | 2,249 | 63,028 |

HORRY COUNTY SCHOOLS
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

| | Title I 201 | IDEA 203 | Preschool Handicapped 205 | Occupational Education 207 | Drug and Violence Prevention 209 | Adult Education 243 | Other Restricted State Grant | Other Special Revenue Programs | Total |
|--|------------------|------------------|---------------------------------|----------------------------------|---|---------------------------|---------------------------------------|---|------------------|
| | | | | | | | | | |
| Expenditures | | | | | | | | | |
| 200 Supporting Services: | | | | | | | | | |
| 250 Finance and Operations Services: | | | | | | | | | |
| 251 Student Transportation: | | | | | | | | | |
| 100 Salaries | \$ 6,873 | | | | | | | \$ 31,681 | \$ 38,554 |
| 200 Employee Benefits | 1,243 | | | | | | | 5,958 | 7,201 |
| 300 Purchased Services | 224,442 | | | | | | | 37,635 | 262,077 |
| 254 Operation and Maintenance of Plant: | | | | | | | | | |
| 100 Salaries | | | | | | | | 17,881 | 17,881 |
| 200 Employee Benefits | | | | | | | | 3,648 | 3,648 |
| 300 Purchased Services | | | | | | | | 3,711 | 3,711 |
| 400 Supplies and Materials | | | | | | | | 32,338 | 32,338 |
| 255 Pupil Transportation: | | | | | | | | | |
| 100 Salaries | | | | | | | \$ 3,850 | 624 | 4,474 |
| 200 Employee Benefits | | | | | | | 685 | 126 | 811 |
| 300 Purchased Services | | | | | | | 3,311 | | 5,136 |
| 258 Security | | | | | | | | | |
| 300 Purchased Services | | \$ 1,825 | | | | | | 103,858 | 132,822 |
| 400 Supplies and Materials | | | | | \$ 28,964 | | | 37,225 | 37,225 |
| 260 Central Support Services: | | | | | | | | | |
| 262 Planning: | | | | | | | | | |
| 300 Purchased Services | | | | | | | | 79,343 | 79,343 |
| 264 Staff Services: | | | | | | | | | |
| 100 Salaries | | | | | | | | 73,967 | 73,967 |
| 200 Employee Benefits | | | | | | | | 21,928 | 21,928 |
| 300 Purchased Services | | | | | | | | 16,179 | 16,179 |
| 400 Supplies and Materials | | | | | | | | 2,210 | 2,210 |
| 266 Technology and Data Processing Services: | | | | | | | | | |
| 500 Capital Outlay | | | | | | | | 7,600 | 7,600 |
| 270 Support Services - Pupil Activities: | | | | | | | | | |
| 271 Pupil Service Activities: | | | | | | | | | |
| 100 Salaries | | 248 | | | | | 20,840 | 2,989 | 24,077 |
| 200 Employee Benefits | | 49 | | | | | 4,253 | 608 | 4,910 |
| 300 Purchased Services | | | | | | | 3,900 | 825 | 4,725 |
| 400 Supplies and Materials | | | | | | | | 537 | 537 |
| 600 Other Objects | | | | | | | | 8,466 | 8,466 |
| Total Supporting Services | 12,120 | 4,021 | 1,874 | 70,000 | 149,869 | - | 2,297,220 | 2,917,176 | 9,991,320 |
| | 1,889,472 | 2,247,987 | 8,217 | 481,379 | 149,869 | - | 2,297,220 | 2,917,176 | 9,991,320 |

HORRY COUNTY SCHOOLS
SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

| Expenditures | Title II 201 | IDEA 203 | Preschool Handicapped 205 | Occupational Education 207 | Drug and Violence Prevention 209 | Adult Education 243 | Other Restricted State Grant | Other Special Revenue Programs | Total |
|--|-----------------|-------------|---------------------------------|----------------------------------|---|---------------------------|---------------------------------------|---|--------|
| | | | | | | | | | |
| 300 Community Services: | | | | | | | | | |
| 350 Custody and Care of Children: | | | | | | | | | |
| 100 Salaries | | | | | | | \$ 698,224 | \$ 698,224 | |
| 140 Terminal Leave | | | | | | | 147 | 147 | |
| 200 Employee Benefits | | | | | | | 122,144 | 122,144 | |
| 300 Purchased Services | | | | | | | 4,341 | 4,341 | |
| 400 Supplies and Materials | | | | | | | 64,238 | 64,238 | |
| 500 Capital Outlay | | | | | | | 926 | 926 | |
| 600 Other Objects | | | | | | | 9,378 | 9,378 | |
| 360 Welfare: | | | | | | | | | |
| 100 Salaries | | | | | | | 61,427 | 61,427 | |
| 200 Employee Benefits | | | | | | | 12,045 | 12,045 | |
| 400 Supplies and Materials | | | | | | | 297 | 297 | |
| Total Community Services | 25,639 | | | | | | 973,167 | 998,806 | |
| 410 Intergovernmental Expenditures: | | | | | | | | | |
| 416-720 Payments to Public Charter Schools | | \$ 40,720 | | | | | \$ 15,597 | 5,881 | 62,198 |
| Total - Intergovernmental Expenditures | | 40,720 | | | | | 15,597 | 5,881 | 62,198 |
| Total Expenditures | 9,667,899 | 8,107,111 | \$ 294,774 | \$ 613,804 | \$ 149,869 | \$ 169,870 | 8,168,967 | 32,927,637 | |
| Excess of Revenues Over (Under) Expenditures Other Financing Sources (Uses) | 286,747 | 245,645 | 8,932 | 14,586 | 4,541 | 5,147 | 17,246 | 582,844 | |
| Transfers from (to) Other Funds: | | | | | | | | | |
| 5210 Transfer from General Fund | | | | | | | 86,119 | 86,119 | |
| 5270 Transfer from Pupil Activity Fund | | | | | | | 2,208 | 2,208 | |
| 426-720 Transfer to Pupil Activity Fund | | | | | | | (19,893) | (19,893) | |
| 431-791 Special Revenue - Indirect Costs | (286,747) | (245,645) | (8,932) | (14,586) | (4,541) | (5,147) | (85,680) | (651,278) | |
| Total Other Financing Sources (Uses) | (286,747) | (245,645) | (8,932) | (14,586) | (4,541) | (5,147) | (17,246) | (582,844) | |
| Excess of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | - | - | - | - | - | - | - | - | |
| Fund Balance July 1, 2008 | - | - | - | - | - | - | - | - | |
| Fund Balance June 30, 2009 | - | - | - | - | - | - | - | - | |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND

SUMMARY SCHEDULE OF OTHER STATE RESTRICTED GRANTS

YEAR ENDED JUNE 30, 2009

| Subfund | Revenue Code | Programs | Revenues | Expenditures | Special Revenue | |
|---|--------------|---|------------------|------------------|------------------------------|-------------------------------|
| | | | | | Interfund Transfers In (Out) | Other Fund Transfers In (Out) |
| 905 | 3125 | Career and Technology Education Equipment | \$ 407,752 | \$ 407,752 | - | - |
| 916 | 3991 | ADEPT | 94,498 | 94,498 | - | - |
| 918 | 3151 | Adult Education - Basic | 9,981 | 9,981 | - | - |
| 919 | 3193 | Education License Plates | 9,595 | 9,595 | - | - |
| 920 | 3154 | Young Adult Education | 185,762 | 185,762 | - | - |
| 926 | 3116 | EEDA - 9th Grade Awareness | 40,922 | 40,922 | - | - |
| 927 | 3117 | EEDA - 8th Grade Awareness | 27,268 | 27,268 | - | - |
| 928 | 3118 | EEDA - Career Specialist | 1,022,619 | 1,022,619 | - | - |
| 933 | 3123 | Formative Assessment | 252,483 | 252,483 | - | - |
| 935 | 3185 | National Board Certified | 532,576 | 532,576 | - | - |
| 936 | 3136 | Student Health and Fitness - Nurses | 864,255 | 864,255 | - | - |
| 937 | 3127 | Student and Health Fitness - PE Teachers | 390,403 | 390,403 | - | - |
| 938 | 3128 | High Schools that Work | 58,809 | 58,809 | - | - |
| 939 | 3993 | School Media Services | 3,033 | 3,033 | - | - |
| 960 | 3610 | K-5 Enhancement | 1,779,470 | 1,779,470 | - | - |
| 967 | 3607 | 6-8 Enhancement | 75,917 | 75,917 | - | - |
| Totals - Other Restricted State Grants | | | 5,755,343 | 5,755,343 | - | - |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - SPECIAL PROJECTS FUND - SUMMARY SCHEDULE OF OTHER SPECIAL REVENUE PROGRAMS

YEAR ENDED JUNE 30, 2009

| Program | Subfund | Revenue Code | Revenues | | | Total | Expenditures | Transfers In (Out) |
|--|---------|----------------|-----------|---------|-----------|-----------|--------------|--------------------|
| | | | Local | State | Federal | | | |
| IDEA - Extended School Year | 204 | 4510 | | | \$ 90,550 | \$ 90,550 | - | |
| IDEA - Personnel Development | 213 | 4510 | | | 19,293 | 18,726 | \$ (567) | |
| Neglected and Delinquent Children | 221 | 4310 | | | 153,548 | 153,548 | - | |
| Title I - Stimulus | 222 | 4315 | | | 1,716,033 | 1,708,842 | (7,191) | |
| 21st Century Community Learning Center | 424 | 4924 | | | 174,987 | 170,711 | (4,276) | |
| Title I - Program Improvement | 237 | 4310 | | | 240,038 | 240,038 | - | |
| Title V - Innovative Education | 241 | 4340 | | | 42,819 | 41,560 | (1,259) | |
| Title II - Education Technology | 253 | 4331 | | | 68,369 | 68,369 | - | |
| Title III - ESOL | 264 | 4341 | | | 268,140 | 262,935 | (5,205) | |
| Improving Teacher Quality | 267 | 4351 | | | 1,516,841 | 1,472,230 | (44,611) | |
| Nursing Program | 416 | 1999 | \$ 2,795 | | 2,795 | 2,795 | - | |
| COPS - Secure our Schools | 420 | n/a | | | - | 86,119 | 86,119 | |
| After School Childcare | 432 | 1999/3999 | 793,532 | \$ 857 | 794,389 | 794,389 | - | |
| After School Childcare Summer | 433 | 1999 | 107,265 | | 107,265 | 89,580 | (17,685) | |
| USC Cohort | 454 | 1999 | 39,375 | | 39,375 | 39,375 | - | |
| Teacher Staff Development | 455 | 1999 | 96,709 | | 96,709 | 96,709 | - | |
| Service Learning Courses | 460 | 1999 | 653 | | 653 | 653 | - | |
| Lesley College | 463 | 1999 | 13,936 | | 13,936 | 13,936 | - | |
| Miscellaneous Grants | 470 | 1999 | 54,993 | | 54,993 | 54,993 | - | |
| Great to Wait | 471 | 1999 | 74 | | 74 | 74 | - | |
| Santee Cooper | 472 | 1999 | 84,179 | | 84,179 | 84,179 | - | |
| Pace Courses - Horry Georgetown | 492 | 1999 | 162 | | 162 | 162 | - | |
| College Courses - Coastal Carolina | 493 | 1999 | 150 | | 150 | 150 | - | |
| Myrtle Beach Auditorium | 497 | 1910/1999 | 58,971 | | 58,971 | 58,971 | - | |
| Middle School Summer Program | 498 | 1350/1360/1720 | 1,066 | | 1,066 | 1,066 | - | |
| High School Summer Program | 499 | 1350/1790 | 39,125 | | 39,125 | 39,125 | - | |
| SAT Improvement | 501 | 3199 | | 9,228 | 9,228 | 9,228 | - | |
| SC Coalition Math/Science Coach | 527 | 3999 | | 30,000 | 30,000 | 30,000 | - | |
| 12 Month Agriculture Program | 528 | 3113 | | 37,120 | 37,120 | 37,120 | - | |
| Extended School Year | 560 | 3199 | | 3,468 | 3,468 | 3,468 | - | |
| Palmetto Pride Litter Initiative | 583 | 3999 | | 1,445 | 1,445 | 1,445 | - | |
| IDEA - Private Placement | 603 | 4510 | | | 341,839 | 341,839 | - | |
| WIA - Family Learning | 615 | 4999 | | 109 | 109 | 109 | - | |
| Discovery of American History | 640 | 4999 | | 243,100 | 243,100 | 235,951 | (7,149) | |
| Safe Schools/Healthy Students | 641 | 4999 | | 765,528 | 765,528 | 750,106 | (15,422) | |
| WIA - Youth | 651 | 4999 | | 66,976 | 66,976 | 66,976 | - | |
| WIA - Youth Summer - Stimulus | 652 | 4999 | | 11,098 | 11,098 | 11,098 | - | |
| Workforce Investment - Adult Education | 663 | 4999 | | 70,000 | 70,000 | 70,000 | - | |
| WIA - Adult Summer - Stimulus | 664 | 4999 | | 3,472 | 3,472 | 3,472 | - | |
| NAVY ROTC | 666 | 4999 | | 233,081 | 233,081 | 233,081 | - | |
| Air Force ROTC | 667 | 4999 | | 67,736 | 67,736 | 67,736 | - | |
| Army ROTC | 668 | 4999 | | 252,732 | 252,732 | 252,732 | - | |
| State Data Manager Pilot Implementation | 672 | 4999 | | 7,600 | 7,600 | 7,600 | - | |
| First Steps - Parent Home Child | 981 | 3999 | | 102,908 | 102,908 | 102,908 | - | |
| First Steps - Director Salary | 982 | 3999 | | 354,313 | 354,313 | 354,313 | - | |
| Totals - Other Special Revenue Programs | | | 1,292,985 | 539,339 | 6,353,889 | 8,186,213 | (17,246) | |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT FUND

COMPARATIVE BALANCE SHEETS

| | June 30, 2009 | June 30, 2008 |
|--|------------------|------------------|
| Assets | | |
| Cash and Investments | \$ 1,506,090 | \$ 4,676,430 |
| Accounts Receivable - Other | - | 287 |
| Due from State Department of Education | 3,118,472 | 2,749,434 |
| Total Assets | <u>4,624,562</u> | <u>7,426,151</u> |
| Liabilities and Fund Balances | | |
| Liabilities | | |
| Accounts Payable | 73,799 | 786,671 |
| Accrued Salaries | 1,503,500 | 323,898 |
| Accrued Liabilities | 405,923 | 65,671 |
| Due to State Department of Education | 23,342 | 767 |
| Deferred Revenue | 2,617,998 | 6,249,144 |
| Total Liabilities | <u>4,624,562</u> | <u>7,426,151</u> |
| Fund Balances | | |
| Unreserved and Undesignated | - | - |
| Total Fund Balances | <u>-</u> | <u>-</u> |
| Total Liabilities and Fund Balances | <u>4,624,562</u> | <u>7,426,151</u> |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|--|--------------------|--------------------|
| Revenues | | |
| State Sources | \$ 23,476,042 | \$ 22,469,129 |
| Total Revenues | <u>23,476,042</u> | <u>22,469,129</u> |
| Expenditures | | |
| Instruction | 16,236,774 | 15,727,174 |
| Support Services | 1,710,646 | 1,395,043 |
| Community Services | 24,245 | 19,438 |
| Payment to Public Charter Schools | 49,571 | 19,810 |
| Capital Outlay | 1,096,161 | 950,460 |
| Total Expenditures | <u>19,117,397</u> | <u>18,111,925</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>4,358,645</u> | <u>4,357,204</u> |
| Other Financing Sources (Uses) | | |
| Transfers Out | <u>(4,358,645)</u> | <u>(4,357,204)</u> |
| Total Other Financing Sources (Uses) | <u>(4,358,645)</u> | <u>(4,357,204)</u> |
| Net Change in Fund Balance | - | - |
| Fund Balance - Beginning | <u>-</u> | <u>-</u> |
| Fund Balance - Ending | <u><u>-</u></u> | <u><u>-</u></u> |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

| | Actual |
|--|-------------------|
| Revenues | |
| 3000 Revenue from State Sources: | |
| 3100 Restricted State Funding: | |
| 3199 Other Restricted State Grants | \$ 4,573 |
| 3500 Education Improvement Act: | |
| 3501 Increase High School Diploma Requirements | 966,160 |
| 3505 School Technology Initiative | 33,522 |
| 3509 Arts in Education | 15,714 |
| 3513 Family Literacy | 202,764 |
| 3515 Advanced Placement Courses | 37,077 |
| 3517 Advanced Placement - Singleton | 21,683 |
| 3520 Gifted and Talented - Academic | 2,188,044 |
| 3522 Gifted and Talented - Artistic | 310,373 |
| 3523 Junior Scholars Program | 2,672 |
| 3527 Critical Teaching Needs | 10,781 |
| 3530 Profoundly & Trainable Handicapped Services | 211,677 |
| 3532 National Board Certification Salary Supplement | 1,827,760 |
| 3533 Teacher of the Year Awards | 1,077 |
| 3534 Professional Development on Standards | 191,373 |
| 3540 Four-Year Old Early Childhood | 2,203,818 |
| 3542 Preschool Programs for Children with Disabilities | 126,808 |
| 3546 Academic Assistance K-3 | 2,674,785 |
| 3548 Academic Assistance 4-12 | 3,672,590 |
| 3549 Academic Assistance Reading Recovery | 162,978 |
| 3550 Teacher Salary Increase | 3,958,076 |
| 3553 Adult Education - Remedial | 66,987 |
| 3555 School Employer Contributions | 809,822 |
| 3562 Adult Education Basic | 212,948 |
| 3565 Adult Education, Literacy | 43,489 |
| 3568 EAA Technical Assistance | 439,365 |
| 3575 Competitive Teacher Grants | 10,790 |
| 3577 Teacher Supplies | 746,328 |
| 3578 High Schools that Work | 10,167 |
| 3582 Principal's Salary/Fringe Increase | 148,812 |
| 3583 EAA Summer School/Comprehensive Remediation | 961,269 |
| 3588 EAA Palmetto Gold and Silver Awards | 90,959 |
| 3591 Excellence in Middle Schools | 367,380 |
| 3592 School-to-Work Transition | 150,939 |
| 3593 EAA Reduced Class Size Grades 1-3 | 370,840 |
| 3596 EAA Alternative School Programs | 221,642 |
| Total Revenues - All Sources | <u>23,476,042</u> |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

| Expenditures | Actual |
|-------------------------------------|-----------|
| 100 Instruction: | |
| 110 General Instruction: | |
| 111 Kindergarten Programs: | |
| 100 Salaries | \$ 45,000 |
| 200 Employee Benefits | 9,149 |
| 400 Supplies and Materials | 24,723 |
| 112 Primary Programs: | |
| 100 Salaries | 2,871,574 |
| 200 Employee Benefits | 826,979 |
| 300 Purchased Services | 24,232 |
| 400 Supplies and Materials | 803,701 |
| 500 Capital Outlay | 597,423 |
| 113 Elementary Programs: | |
| 100 Salaries | 1,363,261 |
| 200 Employee Benefits | 375,079 |
| 300 Purchased Services | 4,300 |
| 400 Supplies and Materials | 428,518 |
| 500 Capital Outlay | 309,868 |
| 114 High School Programs: | |
| 100 Salaries | 1,951,893 |
| 200 Employee Benefits | 513,902 |
| 300 Purchased Services | 500 |
| 400 Supplies and Materials | 268,133 |
| 500 Capital Outlay | 80,504 |
| 115 Vocational Programs: | |
| 100 Salaries | 166,165 |
| 200 Employee Benefits | 46,699 |
| 300 Purchased Services | 20,056 |
| 400 Supplies and Materials | 32,041 |
| 500 Capital Outlay | 52,135 |
| 120 Exceptional Programs: | |
| 121 Educable Mentally Handicapped: | |
| 100 Salaries | 7,500 |
| 200 Employee Benefits | 1,510 |
| 400 Supplies and Materials | 2,200 |
| 122 Trainable Mentally Handicapped: | |
| 100 Salaries | 181,683 |
| 200 Employee Benefits | 48,447 |
| 300 Purchased Services | 56 |
| 400 Supplies and Materials | 22,073 |
| 124 Visually Handicapped: | |
| 100 Salaries | 7,500 |
| 200 Employee Benefits | 1,507 |
| 400 Supplies and Materials | 550 |
| 125 Hearing Handicapped: | |
| 400 Supplies and Materials | 1,925 |
| 126 Speech Handicapped: | |
| 100 Salaries | 13,927 |
| 200 Employee Benefits | 2,746 |
| 400 Supplies and Materials | 14,025 |
| 127 Learning Disabilities: | |
| 100 Salaries | 119,687 |
| 200 Employee Benefits | 27,790 |
| 400 Supplies and Materials | 68,600 |
| 128 Emotionally Handicapped: | |
| 400 Supplies and Materials | 6,050 |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

| | Actual |
|--|-----------|
| Expenditures (Continued) | |
| 100 Instruction (Continued): | |
| 130 Pre-School Programs: | |
| 137 Pre-School Handicapped Self-Contained (3 and 4 Year Olds): | |
| 100 Salaries | \$ 99,346 |
| 200 Employee Benefits | 38,587 |
| 400 Supplies and Materials | 6,875 |
| 139 Early Childhood: | |
| 100 Salaries | 1,081,024 |
| 200 Employee Benefits | 356,772 |
| 300 Purchased Services | 13,480 |
| 400 Supplies and Materials | 37,489 |
| 140 Special Programs: | |
| 141 Gifted and Talented - Academic: | |
| 100 Salaries | 1,698,656 |
| 200 Employee Benefits | 479,541 |
| 300 Purchased Services | 66,542 |
| 400 Supplies and Materials | 98,809 |
| 500 Capital Outlay | 35,042 |
| 600 Other Objects | 100 |
| 143 Advanced Placement: | |
| 100 Salaries | 270 |
| 200 Employee Benefits | 54 |
| 400 Supplies and Materials | 44,403 |
| 145 Homebound: | |
| 400 Supplies and Materials | 275 |
| 149 Other Special Programs: | |
| 100 Salaries | 189,311 |
| 200 Employee Benefits | 48,028 |
| 400 Supplies and Materials | 12,416 |
| 160 Other Exceptional Programs: | |
| 161 Autism: | |
| 400 Supplies and Materials | 1,375 |
| 170 Summer School Program: | |
| 171 Primary Summer School: | |
| 100 Salaries | 72,175 |
| 200 Employee Benefits | 13,819 |
| 400 Supplies and Materials | 2,656 |
| 172 Elementary Summer School: | |
| 100 Salaries | 447,239 |
| 200 Employee Benefits | 91,045 |
| 300 Purchased Services | 1,171 |
| 400 Supplies and Materials | 30,685 |
| 173 High School Summer School: | |
| 100 Salaries | 150,305 |
| 200 Employee Benefits | 30,637 |
| 300 Purchased Services | 16,151 |
| 400 Supplies and Materials | 2,381 |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

| | Actual |
|---|-------------------|
| Expenditures (Continued) | |
| 100 Instruction (Continued): | |
| 170 Summer School Program (Continued): | |
| 174 Gifted and Talented Summer School: | |
| 100 Salaries | \$ 15,665 |
| 200 Employee Benefits | 3,181 |
| 300 Purchased Services | 187,104 |
| 400 Supplies and Materials | 317 |
| 500 Capital Outlay | 1,062 |
| 175 Instructional Programs Beyond Regular School Day: | |
| 100 Salaries | 201,958 |
| 200 Employee Benefits | 38,672 |
| 400 Supplies and Materials | 4,335 |
| 180 Adult/Continuing Educational Programs: | |
| 181 Adult Basic Programs: | |
| 100 Salaries | 33,890 |
| 200 Employee Benefits | 8,533 |
| 300 Purchased Services | 3,008 |
| 400 Supplies and Materials | 1,084 |
| 182 Adult Secondary Education: | |
| 100 Salaries | 36,948 |
| 200 Employee Benefits | 8,369 |
| 400 Supplies and Materials | 1,719 |
| 183 Adult English Literacy (ESL): | |
| 100 Salaries | 5,550 |
| 200 Employee Benefits | 440 |
| 400 Supplies and Materials | 570 |
| 187 Adult Education - Remedial: | |
| 100 Salaries | 60,879 |
| 200 Employee Benefits | 5,847 |
| 400 Supplies and Materials | 262 |
| 188 Parenting/Family Literacy: | |
| 100 Salaries | 118,755 |
| 200 Employee Benefits | 35,254 |
| 300 Purchased Services | 18,916 |
| 400 Supplies and Materials | 6,733 |
| 190 Instructional Pupil Activity: | |
| 300 Purchased Services | 1,200 |
| 400 Supplies and Materials | 1,246 |
| 600 Other Objects | 1,041 |
| Total Instruction | <u>17,312,808</u> |
| 200 Support Services: | |
| 210 Pupil Services: | |
| 211 Attendance and Social Work Services: | |
| 100 Salaries | 68 |
| 200 Employee Benefits | 14 |
| 212 Guidance: | |
| 100 Salaries | 97,213 |
| 200 Employee Benefits | 19,847 |
| 400 Supplies and Materials | 29,560 |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

Expenditures (Continued)

200 Support Services (Continued):

210 Pupil Services:

213 Health Services:

| | |
|-----------------------|-----------|
| 100 Salaries | \$ 16,132 |
| 200 Employee Benefits | 3,301 |

217 Career Specialist Services:

| | |
|-----------------------|--------|
| 100 Salaries | 32,179 |
| 200 Employee Benefits | 6,584 |

220 Instructional Staff Services:

221 Improvement of Instruction - Curriculum Development:

| | |
|------------------------|-------|
| 100 Salaries | 1,875 |
| 200 Employee Benefits | 385 |
| 300 Purchased Services | 106 |

222 Library and Media:

| | |
|----------------------------|--------|
| 100 Salaries | 82,500 |
| 200 Employee Benefits | 16,732 |
| 400 Supplies and Materials | 16,057 |
| 500 Capital Outlay | 1,360 |

223 Supervision of Special Programs:

| | |
|------------------------|---------|
| 100 Salaries | 191,463 |
| 200 Employee Benefits | 45,834 |
| 300 Purchased Services | 7,748 |

224 Improvement of Instruction - Inservice Training:

| | |
|----------------------------|---------|
| 100 Salaries | 148,716 |
| 200 Employee Benefits | 29,360 |
| 300 Purchased Services | 128,582 |
| 400 Supplies and Materials | 37,441 |

230 General Administrative Services:

233 School Administration:

| | |
|-----------------------|---------|
| 100 Salaries | 123,391 |
| 200 Employee Benefits | 30,931 |

250 Finance and Operations Services:

251 Student Transportation (Federal/District Mandate):

| | |
|------------------------|-------|
| 300 Purchased Services | 3,103 |
|------------------------|-------|

254 Operations and Maintenance of Plant:

| | |
|-----------------------|-------|
| 100 Salaries | 7,781 |
| 200 Employee Benefits | 1,598 |

255 Student Transportation (State Mandate):

| | |
|------------------------|---------|
| 100 Salaries | 252,091 |
| 200 Employee Benefits | 51,995 |
| 300 Purchased Services | 549 |

256 Food Services:

| | |
|----------------------------|-------|
| 100 Salaries | 694 |
| 200 Employee Benefits | 53 |
| 400 Supplies and Materials | 1,500 |

258 Security:

| | |
|------------------------|---------|
| 300 Purchased Services | 293,684 |
|------------------------|---------|

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

| | Actual |
|--|--------------------|
| Expenditures (Continued) | |
| 200 Support Services (Continued): | |
| 260 Central Support Services: | |
| 266 Technology and Data Processing Services: | |
| 400 Supplies and Materials | \$ 9,668 |
| 500 Capital Outlay | 18,767 |
| 270 Support Services - Pupil Activity: | |
| 271 Pupil Service Activities: | |
| 100 Salaries | 3,750 |
| 200 Employee Benefits | 772 |
| 400 Supplies and Materials | 626 |
| 600 Other Objects | <u>16,763</u> |
| Total Support Services | <u>1,730,773</u> |
| 300 Community Services: | |
| 350 Custody and Care of Children Services: | |
| 100 Salaries | 20,053 |
| 200 Employee Benefits | <u>4,192</u> |
| Total Community Services | <u>24,245</u> |
| 410 Intergovernmental Expenditures: | |
| 416 Payments to Public Charter Schools: | |
| 720 Transits | <u>49,571</u> |
| Total Intergovernmental Expenditures | <u>49,571</u> |
| Total Expenditures | <u>19,117,397</u> |
| Excess of Revenues Over Expenditures | <u>4,358,645</u> |
| Other Financing Sources (Uses) | |
| Interfund Transfers, From (To) Other Funds: | |
| 420-710 Transfer to General Fund | <u>(4,358,645)</u> |
| Total Other Financing Sources (Uses) | <u>(4,358,645)</u> |
| Excess of Revenues Over Expenditures and Other Financing Sources (Uses) | - |
| Fund Balance, July 1, 2008 | <u>-</u> |
| Fund Balance, June 30, 2009 | <u><u>-</u></u> |

HORRY COUNTY SCHOOLS

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT FUND

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2009

| Program | Revenues | Expenditures | EIA Interfund Transfers In (Out) | Other Fund Transfers In (Out) | EIA Fund Deferred Revenue |
|--|-------------------|-------------------|----------------------------------|-------------------------------|---------------------------|
| 3500 Education Improvement Act: | | | | | |
| 3501 Increase High School Diploma Requirements | \$ 966,160 | \$ 966,160 | | | |
| 3505 School Technology | 33,522 | 33,522 | | | |
| 3509 Arts in Education | 15,714 | 15,714 | | | |
| 3513 Family Literacy | 202,764 | 202,764 | | | \$ 67,751 |
| 3515 Advanced Placement Courses | 37,077 | 37,077 | | | |
| 3517 Advanced Placement - Singleton | 21,683 | 21,683 | | | 7,811 |
| 3520 Gifted and Talented - Academic | 2,188,044 | 2,188,044 | | | 378,429 |
| 3522 Gifted and Talented - Artistic | 310,373 | 208,043 | \$ (102,330) | | |
| 3523 Junior Scholars Program | 2,672 | 2,672 | | | |
| 3527 Critical Teaching Needs | 10,781 | 10,781 | | | |
| 3530 Profoundly & Trainable Handicapped Services | 211,677 | 211,677 | | | |
| 3532 National Board Certification Salary Supplement | 1,827,760 | 1,827,760 | | | |
| 3533 Teacher of the Year Awards | 1,077 | 1,077 | | | |
| 3534 Professional Development on Standards | 191,373 | 191,373 | | | 28,179 |
| 3540 Four-Year Old Early Childhood | 2,203,818 | 1,395,880 | (807,938) | | 128,165 |
| 3542 Preschool Programs for Children with Disabilities | 126,808 | 126,808 | | | |
| 3546 Academic Assistance K-3 | 2,674,785 | 4,410,374 | 1,735,589 | | 1,771,330 |
| 3548 Academic Assistance 4-12 | 3,672,590 | 3,218,109 | (454,481) | | 12,606 |
| 3549 Academic Assistance Reading Recovery | 162,978 | 162,978 | | | 51,918 |
| 3550 Teacher Salary Increase | 3,958,076 | 339,742 | | \$ (3,618,334) | |
| 3553 Adult Education - Remedial | 66,987 | 66,987 | | | 7,501 |
| 3555 School Employer Contributions | 809,822 | 69,511 | | (740,311) | |
| 3562 Adult Education Basic | 212,948 | 212,948 | | | 12,938 |
| 3565 Adult Education, Literacy | 43,489 | 43,489 | | | 1,333 |
| 3568 EAA Technical Assistance | 439,365 | 439,365 | | | 80,744 |
| 3575 Competitive Teacher Grants | 10,790 | 10,790 | | | |
| 3577 Teacher Supplies | 746,328 | 746,328 | | | |
| 3578 High Schools that Work | 10,167 | 10,167 | | | |
| 3582 Principal's Salary/Fringe Increase | 148,812 | 148,812 | | | |
| 3583 EAA Summer School/Comprehensive Remediation | 961,269 | 961,269 | | | 28,245 |
| 3588 EAA Palmetto Gold and Silver Awards | 90,959 | 90,959 | | | 13,335 |
| 3591 Middle School Initiative | 367,380 | 367,380 | | | |
| 3592 School to Work Transition Act | 150,939 | 150,939 | | | 27,713 |
| 3593 EAA Reduced Class Size Grades 1-3 | 370,840 | - | (370,840) | | |
| 3596 EAA Alternative School Program | 221,642 | 221,642 | | | |
| Total | 23,471,469 | 19,112,824 | - | (4,358,645) | 2,617,998 |

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for and payment of interest and principal on long-term general obligation debt. Sources of funds used for payments include tax proceeds and earnings on temporary investments.

HORRY COUNTY SCHOOLS
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS

| | June 30, 2009 | June 30, 2008 |
|--|-------------------|-------------------|
| Assets | | |
| Cash and Investments | \$ 42,680,266 | \$ 24,392,900 |
| Accounts Receivable - Other | 2,125 | - |
| Property Taxes, Current | 3,805,843 | 2,869,799 |
| Due from Other State Agencies | 3,218,147 | 46,754 |
| Total Assets | <u>49,706,381</u> | <u>27,309,453</u> |
| Liabilities and Fund Balances | | |
| Liabilities | | |
| Due to Other State Agencies | 5,732 | - |
| Deferred Revenue | 3,262,733 | 2,568,662 |
| Total Liabilities | <u>3,268,465</u> | <u>2,568,662</u> |
| Fund Balances | | |
| Reserved for Debt Service | 46,437,916 | 24,740,791 |
| Total Fund Balances | <u>46,437,916</u> | <u>24,740,791</u> |
| Total Liabilities and Fund Balances | <u>49,706,381</u> | <u>27,309,453</u> |

HORRY COUNTY SCHOOLS

DEBT SERVICE FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|--|--------------------------|--------------------------|
| Revenues | | |
| Local Sources | \$ 58,620,329 | \$ 49,145,298 |
| State Sources | 1,558,782 | 1,472,491 |
| Total Revenues | <u>60,179,111</u> | <u>50,617,789</u> |
| Expenditures | | |
| Debt Service | <u>38,573,643</u> | <u>59,993,849</u> |
| Total Expenditures | <u>38,573,643</u> | <u>59,993,849</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>21,605,468</u> | <u>(9,376,060)</u> |
| Other Financing Sources (Uses) | | |
| Premium on Bonds Sold | <u>91,657</u> | <u>2,037,605</u> |
| Total Other Financing Sources (Uses) | <u>91,657</u> | <u>2,037,605</u> |
| Net Change in Fund Balance | 21,697,125 | (7,338,455) |
| Fund Balance - Beginning | <u>24,740,791</u> | <u>32,079,246</u> |
| Fund Balance - Ending | <u><u>46,437,916</u></u> | <u><u>24,740,791</u></u> |

HORRY COUNTY SCHOOLS

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|--------------------|-------------------|-------------------|------------------------------------|
| Revenues | | | | |
| Local Sources | \$ 50,480,495 | \$ 50,480,495 | \$ 58,620,329 | \$ 8,139,834 |
| State Sources | 1,424,463 | 1,424,463 | 1,558,782 | 134,319 |
| Total Revenues | <u>51,904,958</u> | <u>51,904,958</u> | <u>60,179,111</u> | <u>8,274,153</u> |
| Expenditures | | | | |
| Debt Service | 43,913,574 | 43,913,574 | 38,573,643 | 5,339,931 |
| Total Expenditures | <u>43,913,574</u> | <u>43,913,574</u> | <u>38,573,643</u> | <u>5,339,931</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>7,991,384</u> | <u>7,991,384</u> | <u>21,605,468</u> | <u>13,614,084</u> |
| Other Financing Sources (Uses) | | | | |
| Premium on Bonds Sold | - | - | 91,657 | 91,657 |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>91,657</u> | <u>91,657</u> |
| Net Change in Fund Balance | <u>7,991,384</u> | <u>7,991,384</u> | <u>21,697,125</u> | <u>13,705,741</u> |
| Fund Balance - Beginning | | | <u>24,740,791</u> | |
| Fund Balance - Ending | | | <u>46,437,916</u> | |

HORRY COUNTY SCHOOLS

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance |
|--|-------------------|-------------------|-------------------|
| Revenues | | | |
| 1000 Revenue from Local Sources: | | | |
| 1100 Taxes: | | | |
| 1110 Ad Valorem Taxes | \$ 48,096,048 | \$ 50,767,980 | \$ 2,671,932 |
| 1140 Penalties & Interest/Delinquent Taxes | 493,957 | 583,136 | 89,179 |
| 1190 Other Taxes | - | 5,728,765 | 5,728,765 |
| 1280 Revenue in Lieu of Taxes | 756,647 | 1,051,006 | 294,359 |
| 1500 Earnings on Investments: | | | |
| 1510 Interest on Investments | 1,133,843 | 489,442 | (644,401) |
| Total Revenue - Local Sources | 50,480,495 | 58,620,329 | 8,139,834 |
| 3000 Revenue from State Sources: | | | |
| 3800 State Revenue in Lieu of Taxes: | | | |
| 3820 Homestead Exemption | 1,051,167 | 1,152,481 | 101,314 |
| 3830 Merchant's Inventory Tax | 201,985 | 201,985 | - |
| 3840 Manufacturer's Depreciation Reimbursement | 72,054 | 69,397 | (2,657) |
| 3890 Other State Property Tax Revenues | 99,257 | 134,919 | 35,662 |
| Total Revenue - State Sources | 1,424,463 | 1,558,782 | 134,319 |
| Total Revenue - All Sources | 51,904,958 | 60,179,111 | 8,274,153 |
| Expenditures | | | |
| 500 Debt Service: | | | |
| 610 Redemption on Principal | 21,895,000 | 16,895,000 | 5,000,000 |
| 620 Interest | 21,641,956 | 21,573,622 | 68,334 |
| 690 Other Objects (Includes Fees for Servicing Bonds) | 376,618 | 105,021 | 271,597 |
| Total Expenditures | 43,913,574 | 38,573,643 | 5,339,931 |
| Excess of Revenues Over Expenditures | 7,991,384 | 21,605,468 | 13,614,084 |
| Other Financing Sources (Uses) | | | |
| 5110 Premium on Bonds Sold | - | 91,657 | 91,657 |
| Total Other Financing Sources (Uses) | - | 91,657 | 91,657 |
| Excess of Revenues Over Expenditures and Other Financing Sources (Uses) | 7,991,384 | 21,697,125 | 13,705,741 |
| Fund Balance July 1, 2008 | | 24,740,791 | |
| Fund Balance June 30, 2009 | | 46,437,916 | |



CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for the receipt of proceeds from the sale of long-term general obligation bonds and other revenues for facilities acquisitions, construction and other capital outlay.

HORRY COUNTY SCHOOLS
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS

| | June 30, 2009 | June 30, 2008 |
|--|-------------------|-------------------|
| Assets | | |
| Cash and Investments | \$ 51,630,775 | \$ 81,245,670 |
| Receivables: | | |
| Other | 177,056 | 132,403 |
| Total Assets | <u>51,807,831</u> | <u>81,378,073</u> |
| Liabilities and Fund Balances | | |
| Liabilities | | |
| Accounts Payable | 2,538,164 | 3,737,105 |
| Retainage Payable | 922,007 | 2,333,611 |
| Accrued Liabilities | - | 314 |
| Total Liabilities | <u>3,460,171</u> | <u>6,071,030</u> |
| Fund Balances | | |
| Reserved for Capital Projects | <u>48,347,660</u> | <u>75,307,043</u> |
| Total Fund Balances | <u>48,347,660</u> | <u>75,307,043</u> |
| Total Liabilities and Fund Balances | <u>51,807,831</u> | <u>81,378,073</u> |

HORRY COUNTY SCHOOLS

CAPITAL PROJECTS FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|--|--------------------------|--------------------------|
| Revenues | | |
| Local Sources | \$ 1,200,691 | \$ 3,031,166 |
| Total Revenues | <u>1,200,691</u> | <u>3,031,166</u> |
| Expenditures | | |
| Instruction | 2,901 | 801 |
| Support Services | 3,769,727 | 6,042,929 |
| Capital Outlay | 40,863,885 | 45,885,677 |
| Total Expenditures | <u>44,636,513</u> | <u>51,929,407</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(43,435,822)</u> | <u>(48,898,241)</u> |
| Other Financing Sources (Uses) | | |
| General Obligation Bonds Issued | 15,100,000 | 90,000,000 |
| Sale of Capital Assets | 2,988,375 | 6,883,489 |
| Interfund Transfers, From (To) Other Funds | | |
| Transfer Out | <u>(1,611,936)</u> | <u>(244,561)</u> |
| Total Other Financing Sources (Uses) | <u>16,476,439</u> | <u>96,638,928</u> |
| Net Change in Fund Balance | (26,959,383) | 47,740,687 |
| Fund Balance - Beginning | <u>75,307,043</u> | <u>27,566,356</u> |
| Fund Balance - Ending | <u><u>48,347,660</u></u> | <u><u>75,307,043</u></u> |

HORRY COUNTY SCHOOLS

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|---------------------|---------------------|---------------------|------------------------------------|
| Revenues | | | | |
| Local Sources | \$ 2,389,677 | \$ 1,207,691 | \$ 1,200,691 | \$ (7,000) |
| Total Revenues | <u>2,389,677</u> | <u>1,207,691</u> | <u>1,200,691</u> | <u>(7,000)</u> |
| Expenditures | | | | |
| Instruction | | 5,000 | 2,901 | 2,099 |
| Support Services | 23,361,922 | 26,592,708 | 3,769,727 | 22,822,981 |
| Capital Outlay | 43,675,603 | 50,727,270 | 40,863,885 | 9,863,385 |
| Total Expenditures | <u>67,037,525</u> | <u>77,324,978</u> | <u>44,636,513</u> | <u>32,688,465</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(64,647,848)</u> | <u>(76,117,287)</u> | <u>(43,435,822)</u> | <u>32,681,465</u> |
| Other Financing Sources (Uses) | | | | |
| General Obligation Bonds Issued | 5,000,000 | 15,100,000 | 15,100,000 | - |
| Sale of Capital Assets | | 2,988,375 | 2,988,375 | - |
| Interfund Transfers, From (To) Other Funds | | | | |
| Transfers In | | | | - |
| Transfers Out | | (1,611,936) | (1,611,936) | - |
| Total Other Financial Sources (Uses) | <u>5,000,000</u> | <u>16,476,439</u> | <u>16,476,439</u> | <u>-</u> |
| Net Change in Fund Balance | <u>(59,647,848)</u> | <u>(59,640,848)</u> | <u>(26,959,383)</u> | <u>32,681,465</u> |
| Fund Balance - Beginning | | | <u>75,307,043</u> | |
| Fund Balance - Ending | | | <u>48,347,660</u> | |

HORRY COUNTY SCHOOLS

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance |
|---|------------------|------------------|----------------|
| Revenues | | | |
| 1000 Revenue - Local Sources | | | |
| 1510 Interest on Investments | \$ 764,905 | \$ 764,905 | - |
| 1910 Rentals | 7,000 | - | \$ (7,000) |
| 1900 Miscellaneous Local Revenue | | | |
| 1999 Other Local Revenue | 435,786 | 435,786 | - |
| Total Revenue - Local Sources | <u>1,207,691</u> | <u>1,200,691</u> | <u>(7,000)</u> |
| Total Revenue - All Sources | <u>1,207,691</u> | <u>1,200,691</u> | <u>(7,000)</u> |
| Expenditures | | | |
| 100 Instruction: | | | |
| 110 General Instructions: | | | |
| 113 Elementary Programs: | | | |
| 400 Supplies and Materials | 5,000 | 2,901 | 2,099 |
| 500 Capital Outlay | 650,000 | 642,168 | 7,832 |
| Total Instruction | <u>655,000</u> | <u>645,069</u> | <u>9,931</u> |
| 200 Support Services: | | | |
| 250 Finance and Operations Services: | | | |
| 253 Facilities Acquisition and Construction Services: | | | |
| 100 Salaries | 695,411 | 686,915 | 8,496 |
| 200 Employee Benefits | 187,041 | 180,637 | 6,404 |
| 300 Purchased Services | 2,107,503 | 51,530 | 2,055,973 |
| 400 Supplies and Materials | 6,322,527 | 1,059,541 | 5,262,986 |
| 500 Capital Outlay: | | | |
| 510 Land | 2,700,000 | 2,576,331 | 123,669 |
| 520 Construction Services | 38,015,675 | 32,477,454 | 5,538,221 |
| 525 Buildings | 10,000 | 10,000 | - |
| 530 Improvements Other Than Buildings | 895,841 | 316,295 | 579,546 |
| 540 Equipment | 10,000 | 7,316 | 2,684 |
| 545 Technology Equipment and Software | 1,200,000 | 1,189,709 | 10,291 |
| 600 Other Objects | 15,079,766 | 10,610 | 15,069,156 |
| 254 Operation and Maintenance of Plant: | | | |
| 100 Salaries | 3,000 | 2,897 | 103 |
| 200 Employee Benefits | 1,000 | 586 | 414 |
| 300 Purchased Services | 1,750,000 | 1,652,354 | 97,646 |
| 400 Supplies and Materials | 229,540 | 6,129 | 223,411 |
| 500 Capital Outlay | 3,000,000 | 2,979,910 | 20,090 |

HORRY COUNTY SCHOOLS

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance |
|--|---------------------|---------------------|-------------------|
| Expenditures (Continued) | | | |
| 250 Finance and Operations Services (Continued): | | | |
| 258 Security: | | | |
| 300 Purchased Services | \$ 5,000 | \$ 4,786 | \$ 214 |
| 400 Supplies and Materials | 35,267 | 38 | 35,229 |
| 500 Capital Outlay | 630,000 | 628,827 | 1,173 |
| 260 Central Support Services: | | | |
| 262 Planning: | | | |
| 100 Salaries | 80,467 | 80,460 | 7 |
| 200 Employee Benefits | 23,562 | 23,092 | 470 |
| 266 Technology and Data Processing Services: | | | |
| 100 Salaries | 45,305 | | 45,305 |
| 200 Employee Benefits | 12,319 | | 12,319 |
| 500 Capital Outlay | 3,040,728 | 30,000 | 3,010,728 |
| 270 Support Services Pupil Activities: | | | |
| 271 Pupil Services Activities: | | | |
| 400 Supplies and Materials | 15,000 | 10,152 | 4,848 |
| 500 Capital Outlay | 575,026 | 5,875 | 569,151 |
| Total Support Services | 76,669,978 | 43,991,444 | 32,678,534 |
| Total Expenditures | 77,324,978 | 44,636,513 | 32,688,465 |
| Other Financing Sources (Uses) | | | |
| 5120 General Obligation Bonds Issued | 15,100,000 | 15,100,000 | - |
| 5300 Sale of Capital Assets | 2,988,375 | 2,988,375 | - |
| Interfund Transfers, From/(To) Other Funds | | | |
| 5230 Transfer from Special Revenue EIA Fund | | | - |
| 5250 Transfer to School Building Fund | | | - |
| 425-710 Transfer to Food Service Fund | (1,611,936) | (1,611,936) | - |
| Total Other Financing Sources (Uses) | 16,476,439 | 16,476,439 | - |
| Excess/(Deficiency) of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses | (59,640,848) | (26,959,383) | 32,681,465 |
| Fund Balance, July 1, 2008 | | 75,307,043 | |
| Fund Balance, June 30, 2009 | | 48,347,660 | |

PROPRIETARY FUND TYPE

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises. The Food Service Fund is the School District's only Enterprise Fund and is used to account for the USDA's approved school breakfast and lunch programs.

HORRY COUNTY SCHOOLS
 PROPRIETARY FUND - FOOD SERVICE FUND
 COMPARATIVE SCHEDULE OF NET ASSETS

| | June 30, 2009 | June 30, 2008 |
|-------------------------------------|------------------|------------------|
| Assets | | |
| Current Assets: | | |
| Cash and Investments | \$ 3,452,462 | \$ 2,000,513 |
| Accounts Receivable | 121,392 | 60,817 |
| Inventories | 177,133 | 204,526 |
| | <hr/> | <hr/> |
| Total Current Assets | 3,750,987 | 2,265,856 |
| Noncurrent Assets: | | |
| Property and Equipment | 5,050,444 | 3,423,353 |
| Accumulated Depreciation | (2,339,097) | (2,140,728) |
| | <hr/> | <hr/> |
| Total Noncurrent Assets | 2,711,347 | 1,282,625 |
| | <hr/> | <hr/> |
| Total Assets | 6,462,334 | 3,548,481 |
| Liabilities | | |
| Current Liabilities: | | |
| Accounts Payable | 19,176 | 21,549 |
| Accrued Liabilities | 321,809 | 7 |
| Accrued Salaries | 805,081 | - |
| Deferred Revenue | 116,714 | - |
| Compensated Absences Payable | 12,509 | 14,279 |
| | <hr/> | <hr/> |
| Total Current Liabilities | 1,275,289 | 35,835 |
| Noncurrent Liabilities: | | |
| Compensated Absences Payable | 18,764 | 21,418 |
| | <hr/> | <hr/> |
| Total Noncurrent Liabilities | 18,764 | 21,418 |
| | <hr/> | <hr/> |
| Total Liabilities | 1,294,053 | 57,253 |
| Net Assets | | |
| Invested in Capital Assets | 2,711,347 | 1,282,625 |
| Unrestricted | 2,456,934 | 2,208,603 |
| | <hr/> | <hr/> |
| Total Net Assets | 5,168,281 | 3,491,228 |
| | <hr/> <hr/> | <hr/> <hr/> |

HORRY COUNTY SCHOOLS

PROPRIETARY FUND - FOOD SERVICE FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|---|-------------------------|-------------------------|
| Operating Revenue | | |
| Proceeds from Sale of Meals | \$ 5,709,133 | \$ 5,955,597 |
| Total Operating Revenue | <u>5,709,133</u> | <u>5,955,597</u> |
| Operating Expenses | | |
| Food Costs | 7,923,702 | 7,236,777 |
| Salaries | 7,262,761 | 6,892,656 |
| Employee Benefits | 2,743,482 | 2,689,148 |
| Purchased Services | 118,406 | 116,737 |
| Supplies and Materials | 542,726 | 558,818 |
| Other Objects | 41,477 | 48,345 |
| Depreciation | 198,369 | 125,357 |
| Total Operating Expenses | <u>18,830,923</u> | <u>17,667,838</u> |
| Operating Income (Loss) | <u>(13,121,790)</u> | <u>(11,712,241)</u> |
| Nonoperating Revenue | | |
| Interest | 110,702 | 1,511 |
| USDA Commodities | 1,117,711 | 895,715 |
| USDA Reimbursements | 11,291,008 | 10,160,909 |
| Other Federal and State Aid | 16,244 | 17,600 |
| Other Income | 224,145 | 188,558 |
| Total Nonoperating Revenue (Expense) | <u>12,759,810</u> | <u>11,264,293</u> |
| Income (Loss) Before Other Financing Sources and Transfers | (361,980) | (447,948) |
| Other Financing Sources (Uses) | | |
| Interfund Transfers, From (To) Other Funds | | |
| Transfers In | 3,088,704 | 2,022,270 |
| Transfers Out | (1,049,671) | (983,729) |
| Total Other Financing Sources (Uses) | <u>2,039,033</u> | <u>1,038,541</u> |
| Change in Retained Earnings | 1,677,053 | 590,593 |
| Retained Earnings, Beginning | <u>3,491,228</u> | <u>2,900,635</u> |
| Retained Earnings, Ending | <u><u>5,168,281</u></u> | <u><u>3,491,228</u></u> |

HORRY COUNTY SCHOOLS

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance |
|---|-------------------|-------------------|------------------|
| Revenues | | | |
| 1000 Revenue - Local Sources: | | | |
| 1500 Earnings on Investments: | | | |
| 1510 Interest on Investments | \$ 4,000 | \$ 110,702 | \$ 106,702 |
| 1600 Food Services: | | | |
| 1610 Lunch Sales to Pupils | 4,676,610 | 4,017,086 | (659,524) |
| 1620 Breakfast Sales to Pupils | 20,936 | 13,532 | (7,404) |
| 1630 Special Sales to Pupils | 1,524,012 | 1,120,671 | (403,341) |
| 1640 Lunch Sales to Adults | 538,151 | 501,262 | (36,889) |
| 1650 Breakfast Sales to Adults | 5,050 | 6,560 | 1,510 |
| 1660 Special Sales to Adults | 50,980 | 50,023 | (957) |
| 1900 Other Revenue from Local Sources: | | | |
| 1950 Refund of Prior Year Expenses | - | 9,718 | 9,718 |
| 1999 Revenue from Other Local Sources | 181,505 | 214,426 | 32,921 |
| Total Revenue - Local Sources | <u>7,001,244</u> | <u>6,043,980</u> | <u>(957,264)</u> |
| 3000 Revenue - State Sources: | | | |
| 3100 Restricted State Funding: | | | |
| 3140 School Lunch: | | | |
| 3142 Program Aid | 16,845 | 16,243 | (602) |
| Total Revenue - State Sources | <u>16,845</u> | <u>16,243</u> | <u>(602)</u> |
| 4000 Revenue - Federal Sources: | | | |
| 4800 USDA Reimbursement: | | | |
| 4810 School Lunch Program | 8,177,472 | 8,250,755 | 73,283 |
| 4830 School Breakfast Program | 2,744,481 | 3,040,253 | 295,772 |
| 4900 Other Federal Sources: | | | |
| 4991 USDA Commodities | 1,117,711 | 1,117,711 | - |
| Total Revenue - Federal Sources | <u>12,039,664</u> | <u>12,408,719</u> | <u>369,055</u> |
| Total Revenue - All Sources | <u>19,057,753</u> | <u>18,468,942</u> | <u>(588,811)</u> |
| Expenses | | | |
| 256 Food Services: | | | |
| 100 Salaries | 7,510,467 | 7,257,586 | 252,881 |
| 140 Terminal Leave | 5,175 | 5,175 | - |
| 200 Employee | 2,966,871 | 2,743,482 | 223,389 |
| 300 Purchased Services | 118,245 | 118,406 | (161) |
| 400 Supplies and Materials | 8,523,985 | 8,462,835 | 61,150 |
| 500 Capital Outlay | 137,400 | 201,961 | (64,561) |
| 600 Other Objects | 35,000 | 41,477 | (6,477) |
| Total Expenses | <u>19,297,143</u> | <u>18,830,922</u> | <u>466,221</u> |
| Other Financing Sources (Uses) | | | |
| Interfund Transfers From (To) Other Funds | | | |
| 5210 Transfer from General Fund (Excludes Indirect Costs) | 1,461,613 | 1,476,768 | 15,155 |
| 5250 Transfer from School Building Fund | - | 1,611,936 | 1,611,936 |
| 432-791 Transfer to General Fund (Indirect Costs) | (1,323,755) | (1,049,671) | 274,084 |
| Total Other Financing Sources (Uses) | <u>137,858</u> | <u>2,039,033</u> | <u>1,901,175</u> |
| Net Income (Loss) | <u>(101,532)</u> | <u>1,677,053</u> | <u>1,778,585</u> |
| Retained Earnings July 1, 2008 | | <u>3,491,228</u> | |
| Retained Earnings June 30, 2009 | | <u>5,168,281</u> | |

FIDUCIARY FUND TYPES

Agency Funds

The Pupil Activity Fund is used to account for receipts and disbursements of monies from various student activity organizations. These organizations exist at the explicit approval, subject to revocation, of the District's governing body. Since the Agency Fund is custodial, no fund balance exists.

The Federal Program Fund is used to account for unemployment benefits to claimants. To be a claimant, an individual must have been employed in the District by a federal program, involved in this reserve fund.

Private Purpose Trust Funds

The Green Sea-Floyd's Endowment Principal Fund is used to account for monies provided by a private donor. The fund was established in 1994. The expendable portion of the fund is used for college scholarships.

The Scholarship Endowment Trust Fund is used to account for contributions from local businesses for the purpose of providing scholarships for the winning participants in the annual District Academic Olympics competition.

HORRY COUNTY SCHOOLS

PRIVATE-PURPOSE TRUST FUNDS

COMBINING SCHEDULE OF FIDUCIARY NET ASSETS

JUNE 30, 2009

| Assets | Education Endowment Fund | Scholarship Endowment Fund | Total |
|------------------------------|---|---|----------------|
| Cash and Investments | \$ 125,469 | \$ 26,360 | \$ 151,829 |
| Total Assets | <u>125,469</u> | <u>26,360</u> | <u>151,829</u> |
| Restricted Net Assets | <u>125,469</u> | <u>26,360</u> | <u>151,829</u> |

HORRY COUNTY SCHOOLS

PRIVATE-PURPOSE TRUST FUNDS

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS

YEAR ENDED JUNE 30, 2009

| | Education Endowment Fund | Scholarship Endowment Fund | Total |
|--|--------------------------------|----------------------------------|----------------|
| Additions | | | |
| Contributions: | | | |
| Scholarship Receipts | - | \$ 1,467 | \$ 1,467 |
| Investment Earnings: | | | |
| Interest | \$ 7,060 | 349 | 7,409 |
| Net Increase (Decrease) in Fair Value of Investments | 2,516 | - | 2,516 |
| Total Additions | <u>9,576</u> | <u>1,816</u> | <u>11,392</u> |
| Deductions | | | |
| Scholarships Awarded | 7,060 | 16,110 | 23,170 |
| Total Deductions | <u>7,060</u> | <u>16,110</u> | <u>23,170</u> |
| Changes in Net Assets | 2,516 | (14,294) | (11,778) |
| Total Net Assets - Beginning | <u>122,953</u> | <u>40,654</u> | <u>163,607</u> |
| Total Net Assets - Ending | <u>125,469</u> | <u>26,360</u> | <u>151,829</u> |

HORRY COUNTY SCHOOLS

PRIVATE-PURPOSE TRUST FUNDS

SCHEDULE OF CHANGES IN ASSETS AND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2009

| | Balance July 1, 2008 | Additions | Deductions | Balance June 30, 2009 |
|-------------------------|-------------------------|----------------------|----------------------|--------------------------|
| Assets | | | | |
| Cash and Investments | \$ 163,607 | \$ 11,392 | \$ 23,170 | \$ 151,829 |
| Total Assets | <u>163,607</u> | <u>11,392</u> | <u>23,170</u> | <u>151,829</u> |
| Net Assets | | | | |
| Restricted Net Assets | <u>163,607</u> | <u>11,392</u> | <u>23,170</u> | <u>151,829</u> |
| Total Net Assets | <u><u>163,607</u></u> | <u><u>11,392</u></u> | <u><u>23,170</u></u> | <u><u>151,829</u></u> |

HORRY COUNTY SCHOOLS

EDUCATION ENDOWMENT TRUST FUND - PRIVATE PURPOSE

COMPARATIVE SCHEDULE OF FIDUCIARY NET ASSETS

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|---|------------------|------------------|
| Assets | | |
| Cash and Investments | \$ 125,469 | \$ 122,953 |
| Total Assets | <u>125,469</u> | <u>122,953</u> |
| Restricted Net Assets | | |
| Held in Trust for Individuals and Organizations | <u>125,469</u> | <u>122,953</u> |

HORRY COUNTY SCHOOLS

EDUCATION ENDOWMENT TRUST FUND - PRIVATE PURPOSE

COMPARATIVE SCHEDULE OF ADDITIONS, DEDUCTIONS AND CHANGES IN NET ASSETS

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|--|-----------------------|-----------------------|
| Additions | | |
| Investment Earnings: | | |
| Interest | \$ 7,060 | \$ 7,060 |
| Net Increase (Decrease) in Fair Value of Investments | 2,516 | 7,375 |
| Total Additions | <u>9,576</u> | <u>14,435</u> |
| Deductions | | |
| Scholarships Awarded | <u>7,060</u> | <u>7,060</u> |
| Total Deductions | <u>7,060</u> | <u>7,060</u> |
| Changes in Net Assets | 2,516 | 7,375 |
| Total Net Assets - Beginning | <u>122,953</u> | <u>115,578</u> |
| Total Net Assets - Ending | <u><u>125,469</u></u> | <u><u>122,953</u></u> |

HORRY COUNTY SCHOOLS
SCHOLARSHIP ENDOWMENT FUND - PRIVATE PURPOSE
COMPARATIVE SCHEDULE OF FIDUCIARY NET ASSETS
YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|---|--------------------------|--------------------------|
| Assets | | |
| Cash and Investments | \$ 26,360 | <u>\$ 40,654</u> |
| Total Assets | <u>26,360</u> | <u>40,654</u> |
| | | |
| Restricted Net Assets | | |
| Held in Trust for Individuals and Organizations | <u>26,360</u> | <u>40,654</u> |

HORRY COUNTY SCHOOLS

SCHOLARSHIP ENDOWMENT FUND - PRIVATE PURPOSE

COMPARATIVE SCHEDULE OF ADDITIONS, DEDUCTIONS AND
CHANGES IN NET ASSETS

YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|-------------------------------------|----------------------|----------------------|
| Additions | | |
| Contributions: | | |
| Scholarship Receipts | \$ 1,467 | \$ 26,279 |
| Investment Earnings: | | |
| Interest | 349 | 1,285 |
| Total Additions | <u>1,816</u> | <u>27,564</u> |
| Deductions | | |
| Scholarships Awarded | <u>16,110</u> | <u>38,060</u> |
| Total Deductions | <u>16,110</u> | <u>38,060</u> |
| Changes in Net Assets | (14,294) | (10,496) |
| Total Net Assets - Beginning | <u>40,654</u> | <u>51,150</u> |
| Total Net Assets - Ending | <u><u>26,360</u></u> | <u><u>40,654</u></u> |

HORRY COUNTY SCHOOLS

AGENCY FUNDS

COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES

JUNE 30, 2009

| | Pupil Activity | Federal Program | Total |
|---|-------------------|--------------------|------------------|
| Assets | | | |
| Cash and Investments | \$ 3,485,820 | \$ 1,144,477 | \$ 4,630,297 |
| Other Assets | 1,948 | | 1,948 |
| Total Assets | <u>3,487,768</u> | <u>1,144,477</u> | <u>4,632,245</u> |
| Liabilities | | | |
| Accounts Payable | 93,672 | | 93,672 |
| Accrued Liabilities | 12,152 | | 12,152 |
| Due to Other Governments | | 1,144,477 | 1,144,477 |
| Due to Schools and School Organizations | 3,381,944 | | 3,381,944 |
| Total Liabilities | <u>3,487,768</u> | <u>1,144,477</u> | <u>4,632,245</u> |

HORRY COUNTY SCHOOLS
PUPIL ACTIVITY - AGENCY FUND
COMPARATIVE BALANCE SHEETS
YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|---|------------------|------------------|
| Assets | | |
| Cash and Investments | \$ 3,485,820 | \$ 3,339,126 |
| Other Assets | 1,948 | 12,575 |
| Total Assets | <u>3,487,768</u> | <u>3,351,701</u> |
| Liabilities | | |
| Accounts Payable | 93,672 | 167,462 |
| Accrued Liabilities | 12,152 | 31,963 |
| Due to Schools and School Organizations | <u>3,381,944</u> | <u>3,152,276</u> |
| Total Liabilities | <u>3,487,768</u> | <u>3,351,701</u> |

HORRY COUNTY SCHOOLS

PUPIL ACTIVITY - AGENCY FUND

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2009

| | Balance July 1, 2008 | Additions | Deductions | Balance June 30, 2009 |
|---|-------------------------|-------------------|-------------------|--------------------------|
| Assets | | | | |
| Cash and Investments | \$ 3,339,126 | \$ 6,871,497 | \$ 6,724,803 | \$ 3,485,820 |
| Other Assets | 12,575 | 39,273 | 49,900 | 1,948 |
| Total Assets | <u>3,351,701</u> | <u>6,910,770</u> | <u>6,774,703</u> | <u>3,487,768</u> |
| Liabilities | | | | |
| Accounts Payable | 167,462 | 6,762,552 | 6,836,342 | 93,672 |
| Accrued Liabilities | 31,963 | 12,152 | 31,963 | 12,152 |
| Due to Schools and School Organizations | 3,152,276 | 7,308,862 | 7,079,194 | 3,381,944 |
| Total Liabilities | <u>3,351,701</u> | <u>14,083,566</u> | <u>13,947,499</u> | <u>3,487,768</u> |

HORRY COUNTY SCHOOLS

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO SCHOOLS
AND SCHOOL ORGANIZATIONS

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance |
|--|------------------|------------------|----------------|
| Receipts | | | |
| 1000 Receipts from Local Sources: | | | |
| 1500 Earnings on Investments: | | | |
| 1510 Interest on Investments | \$ 114,298 | \$ 41,919 | \$ (72,379) |
| 1700 Pupil Activities: | | | |
| 1710 Admissions | 749,238 | 758,468 | 9,230 |
| 1720 Bookstore Sales | 407,481 | 345,835 | (61,646) |
| 1730 Pupil Organization Membership Dues and Fees | 21,813 | 27,223 | 5,410 |
| 1740 Student Fees | 1,649 | 1,615 | (34) |
| 1790 Other | 5,398,680 | 5,496,376 | 97,696 |
| 1900 Other Revenue form Local Sources: | | | |
| 1910 Rentals | 2,042 | 2,025 | (17) |
| 1920 Contributions and Donations Private Sources | 235,373 | 205,408 | (29,965) |
| 1999 Revenue from Other Local Sources | 595 | 262,642 | 262,047 |
| Total Receipts - Local Sources | 6,931,169 | 7,141,511 | 210,342 |

HORRY COUNTY SCHOOLS

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO SCHOOLS
AND SCHOOL ORGANIZATIONS

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance |
|---|----------------|---------------|---------------|
| Disbursements | | | |
| 100 Instruction | | | |
| 112 Primary Programs: | | | |
| 100 Salaries | | \$ 28,628 | \$ (28,628) |
| 200 Employee Benefits | | 6,718 | (6,718) |
| 400 Supplies and Materials | | 480 | (480) |
| 500 Capital Outlay | | 4,244 | (4,244) |
| 113 Elementary Programs: | | | |
| 100 Salaries | | 1,385 | (1,385) |
| 200 Employee Benefits | | 150 | (150) |
| 400 Supplies and Materials | | 258 | (258) |
| 500 Capital Outlay | | 86 | (86) |
| 114 High School Programs: | | | |
| 100 Salaries | | 2,152 | (2,152) |
| 200 Employee Benefits | | 276 | (276) |
| 400 Supplies and Materials | | 500 | (500) |
| 600 Other Objects | | 1,152 | (1,152) |
| 127 Learning Disabilities: | | | |
| 600 Other Objects | | 22 | (22) |
| 141 Gifted and Talented - Academic: | | | |
| 400 Supplies and Materials | | 718 | (718) |
| 175 Instructional Programs Beyond Regular School Day: | | | |
| 100 Salaries | | 1,194 | (1,194) |
| 200 Employee Benefits | | 213 | (213) |
| 190 Instructional Pupil Activity: | | | |
| 100 Salaries | \$ 22,938 | 23,812 | (874) |
| 200 Employee Benefits | 4,834 | 4,889 | (55) |
| 600 Other Objects | 79,696 | - | 79,696 |
| Total Instruction | 107,468 | 76,877 | 30,591 |
| 200 Support Services | | | |
| 210 Pupil Services: | | | |
| 217 Career Specialist Services: | | | |
| 600 Other Objects | | 73 | (73) |
| 220 Instructional Staff Services: | | | |
| 222 Library and Media Services: | | | |
| 400 Supplies and Materials | | 53 | (53) |
| 600 Other Objects | | 781 | (781) |

HORRY COUNTY SCHOOLS

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO SCHOOLS
AND SCHOOL ORGANIZATIONS

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance |
|--|------------------|------------------|-----------------|
| 200 Support Services (Continued) | | | |
| 224 Improvement of Instruction - Inservice and Staff Training: | | | |
| 100 Salaries | | \$ 117 | \$ (117) |
| 200 Employee Benefits | | 24 | (24) |
| 300 Purchased Services | | 146 | (146) |
| 230 General and Administration Services: | | | |
| 233 School Administration: | | | |
| 100 Salaries | | 5,204 | (5,204) |
| 200 Employee Benefits | | 1,152 | (1,152) |
| 400 Supplies and Materials | | 76 | (76) |
| 250 Finance and Operations Services: | | | |
| 251 Student Transportation (Federal/District Mandated): | | | |
| 600 Other Objects | | 126 | (126) |
| 254 Operation and Maintenance of Plant: | | | |
| 100 Salaries | | 5,103 | (5,103) |
| 200 Employee Benefits | | 972 | (972) |
| 300 Purchased Services | | 297 | (297) |
| 400 Supplies and Materials | | 1,459 | (1,459) |
| 600 Other Objects | | 412 | (412) |
| 255 Student Transportation (State Mandated): | | | |
| 100 Salaries | | 6,099 | (6,099) |
| 200 Employee Benefits | | 1,130 | (1,130) |
| 400 Supplies and Materials | | 8,586 | (8,586) |
| 256 Food Service: | | | |
| 100 Salaries | | 1,287 | (1,287) |
| 200 Employee Benefits | | 257 | (257) |
| 258 Security: | | | |
| 300 Purchased Services | | 78,779 | (78,779) |
| 400 Supplies and Materials | | 7,766 | (7,766) |
| 270 Support Services Pupil Activity: | | | |
| 271 Pupil Service Activities: | | | |
| 100 Salaries | \$ 110,556 | 287,473 | (176,917) |
| 200 Employee Benefits | 35,871 | 58,597 | (22,726) |
| 300 Purchased Services | 322,562 | 227,709 | 94,853 |
| 400 Supplies and Materials | 308,859 | 294,548 | 14,311 |
| 500 Capital Outlay | 8,105 | 43,673 | (35,568) |
| 600 Other Objects | 6,058,277 | 5,871,682 | 186,595 |
| 272 Enterprise Activities: | | | |
| 600 Other Objects | 27,696 | 46,390 | (18,694) |
| 273 Trust and Agency Activities: | | | |
| 600 Other Objects | 19,472 | 17,880 | 1,592 |
| Total Support Services | 6,891,398 | 6,967,851 | (76,453) |
| Total Pupil Activity Expenditures | 6,998,866 | 7,044,728 | (45,862) |

HORRY COUNTY SCHOOLS

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN AMOUNTS DUE TO SCHOOLS
AND SCHOOL ORGANIZATIONS

YEAR ENDED JUNE 30, 2009

| | Budget | Actual | Variance |
|---|----------------|------------------|-----------------|
| Other Financing Sources (Uses) | | | |
| Transfers from (to) Other Funds: | | | |
| 5210 Transfer from General Fund | \$ 115,200 | \$ 115,200 | - |
| 5220 Transfer from Special Revenue Fund | 43,762 | 19,893 | \$ (23,869) |
| 421-710 Transfer to Special Revenue Fund | | (2,208) | (2,208) |
| Total Other Financing Sources (Uses) | <u>158,962</u> | <u>132,885</u> | <u>(26,077)</u> |
| Excess of Receipts Over (Under) Disbursements and Other Financing Sources (Uses) | <u>91,265</u> | 229,668 | <u>138,403</u> |
| Due to Schools and School Organizations, July 1, 2008 | | <u>3,152,276</u> | |
| Due to Schools and School Organizations, June 30, 2009 | | <u>3,381,944</u> | |

HORRY COUNTY SCHOOLS
FEDERAL PROGRAM - AGENCY FUND
COMPARATIVE BALANCE SHEETS
FOR YEARS ENDED JUNE 30, 2009 AND 2008

| | June 30, 2009 | June 30, 2008 |
|--------------------------|------------------|------------------|
| Assets | | |
| Cash and Investments | \$ 1,144,477 | \$ 1,157,120 |
| Total Assets | <u>1,144,477</u> | <u>1,157,120</u> |
| Liabilities | | |
| Due to Other Governments | 1,144,477 | 1,157,120 |
| Total Liabilities | <u>1,144,477</u> | <u>1,157,120</u> |

HORRY COUNTY SCHOOLS

FEDERAL PROGRAM - AGENCY FUND

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2009

| | Balance July 1, 2008 | Additions | Deductions | Balance June 30, 2009 |
|--------------------------|-------------------------|-----------|---------------|--------------------------|
| Assets | | | | |
| Cash and Investments | \$ 1,157,120 | \$ - | 12,643 | \$ 1,144,477 |
| Total Assets | <u>1,157,120</u> | <u>-</u> | <u>12,643</u> | <u>1,144,477</u> |
| Liabilities | | | | |
| Due to Other Governments | <u>1,157,120</u> | | <u>12,643</u> | <u>1,144,477</u> |
| Total Liabilities | <u>1,157,120</u> | <u>-</u> | <u>12,643</u> | <u>1,144,477</u> |



**COMPONENT UNIT
WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.**

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

BALANCE SHEET
GOVERNMENTAL FUND

JUNE 30, 2009

| | General Fund |
|---|-------------------------|
| Assets | |
| Cash and Investments | \$ 399,377 |
| Prepaid Assets | <u>7,500</u> |
| Total Assets | <u><u>406,877</u></u> |
| Liabilities and Fund Balances | |
| Liabilities | |
| Accounts Payable | <u>2,789</u> |
| Total Liabilities | <u>2,789</u> |
| Fund Balance | |
| Reserved for Prepaid Assets | 7,500 |
| Unreserved and Undesignated | <u>396,588</u> |
| Total Fund Balance | <u>404,088</u> |
| Total Liabilities and Fund Balance | <u><u>406,877</u></u> |

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE

GOVERNMENTAL FUND

YEAR ENDED JUNE 30, 2009

| | General Fund |
|-----------------------------------|-------------------------|
| Revenues | |
| Local Sources | \$ 22,265 |
| Intergovernmental | 1,296,504 |
| Total Revenues | <u>1,318,769</u> |
| Expenditures | |
| Instruction | 748,158 |
| Support Services | 447,510 |
| Capital Outlay | 13,502 |
| Total Expenditures | <u>1,209,170</u> |
| Net Change in Fund Balance | 109,599 |
| Fund Balance - Beginning | <u>294,489</u> |
| Fund Balance - Ending | <u><u>404,088</u></u> |

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

STATEMENT OF NET ASSETS

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2009

| Assets | Food Services Enterprise Fund |
|----------------------------|--|
| Cash and Cash Equivalents | \$ 4,496 |
| Capital Assets (Net) | <u>10,214</u> |
| Total Assets | <u><u>14,710</u></u> |
| | |
| Net Assets | |
| Invested in Capital Assets | 10,214 |
| Unrestricted | <u>4,496</u> |
| Total Net Assets | <u><u>14,710</u></u> |

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2009

| | <u>Food Services Enterprise Fund</u> |
|---------------------------------|--|
| Operating Revenues | |
| Sales of Meals | \$ 64,362 |
| Operating Expenses | |
| Salaries and Benefits | 35,290 |
| Food Costs | 24,485 |
| Depreciation | 4,057 |
| Total Operating Expenses | <u>63,832</u> |
| Change in Net Assets | 530 |
| Total Assets - Beginning | <u>14,180</u> |
| Total Assets - Ending | <u><u>14,710</u></u> |

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

STATEMENT OF CASH FLOWS

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2009

| | <u>Food Services Enterprise Fund</u> |
|--|--|
| Cash Flows from Operating Activities | |
| Proceeds from Sale of Meals | \$ 64,362 |
| Payments to Suppliers | (32,008) |
| Payments to Employees | <u>(27,767)</u> |
| Net Cash and Cash Equivalents Provided by Operating Activities | <u>4,587</u> |
| Cash Flows from Capital and Related Financing Activities | |
| Purchase of Capital Assets | <u>(2,500)</u> |
| Net Cash and Cash Equivalents Used by Capital and Related Financing Activities | <u>(2,500)</u> |
| Net Increase in Cash and Cash Equivalents | 2,087 |
| Cash and Cash Equivalents - Beginning | <u>2,409</u> |
| Cash and Cash Equivalents - Ending | <u><u>4,496</u></u> |
| | |
| Reconciliation of Operating Income to Net Cash and Cash Equivalents Provided by Operating Activities: | |
| Operating Income | 530 |
| Adjustments to Reconcile Operating Income to Net Cash and Cash Equivalents Provided by Operating Activities | |
| Depreciation | <u>4,057</u> |
| Net Cash and Cash Equivalents Provided by Operating Activities | <u><u>4,587</u></u> |

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original & Final Budget | Actual | Variance Positive (Negative) |
|-----------------------------------|-------------------------------|------------------|------------------------------------|
| Revenues | | | |
| Local Sources | | \$ 22,265 | \$ 22,265 |
| Intergovernmental | \$ 1,244,987 | 1,296,504 | 51,517 |
| Total Revenues | <u>1,244,987</u> | <u>1,318,769</u> | <u>73,782</u> |
| Expenditures | | | |
| Instruction | 700,255 | 748,158 | (47,903) |
| Support Services | 356,993 | 447,510 | (90,517) |
| Capital Outlay | 23,080 | 13,502 | 9,578 |
| Total Expenditures | <u>1,080,328</u> | <u>1,209,170</u> | <u>(128,842)</u> |
| Net Change in Fund Balance | <u>164,659</u> | 109,599 | <u>(55,060)</u> |
| Fund Balance - Beginning | | <u>294,489</u> | |
| Fund Balance - Ending | | <u>404,088</u> | |

WACCAMAW PARK PUBLIC CHARTER SCHOOLS, INC.

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original & Final Budget | Actual | Variance Positive (Negative) |
|---|-------------------------------|-----------|------------------------------------|
| Revenues: | | | |
| Revenue from Local Sources: | | | |
| 1510 Interest on Investments | | \$ 1,715 | \$ 1,715 |
| 1999 Revenue from Other Local Sources | | 20,550 | 20,550 |
| Total Local Sources | - | 22,265 | 22,265 |
| Intergovernmental Revenue: | | | |
| 2100 Payments from Other Governmental Units | \$ 1,244,987 | 1,296,504 | 51,517 |
| Total Revenue - All Sources | 1,244,987 | 1,318,769 | 73,782 |
| Expenditures: | | | |
| 100 Instruction: | | | |
| 110 General Instruction: | | | |
| 111 Kindergarten Programs: | | | |
| 100 Salaries | 61,902 | 55,199 | 6,703 |
| 200 Employee Benefits | 6,353 | 11,199 | (4,846) |
| 300 Purchased Services | 324 | 1,246 | (922) |
| 400 Supplies and Materials | 316 | 954 | (638) |
| 112 Primary Programs: | | | |
| 100 Salaries | 173,718 | 154,908 | 18,810 |
| 200 Employee Benefits | 18,670 | 51,950 | (33,280) |
| 300 Purchased Services | 649 | 2,492 | (1,843) |
| 400 Supplies and Materials | 1,339 | 4,039 | (2,700) |
| 500 Capital Outlay | 5,000 | 4,156 | 844 |
| 113 Elementary Programs: | | | |
| 100 Salaries | 320,449 | 285,743 | 34,706 |
| 200 Employee Benefits | 34,739 | 78,230 | (43,491) |
| 300 Purchased Services | 2,027 | 7,781 | (5,754) |
| 400 Supplies and Materials | 2,752 | 8,304 | (5,552) |
| 500 Capital Outlay | 5,000 | 4,157 | 843 |
| 120 Exceptional Programs: | | | |
| 127 Learning Disabilities: | | | |
| 100 Salaries | 69,116 | 64,786 | 4,330 |
| 200 Employee Benefits | 7,808 | 21,046 | (13,238) |
| 400 Supplies and Materials | 93 | 281 | (188) |
| Total - Instruction | 710,255 | 756,471 | (46,216) |

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original & Final Budget | Actual | Variance Positive (Negative) |
|---|-------------------------------|------------------|------------------------------------|
| Expenditures (Continued): | | | |
| 200 Supporting Services: | | | |
| 230 General Administrative Services: | | | |
| 233 School Administration: | | | |
| 100 Salaries | \$ 177,012 | \$ 194,598 | \$ (17,586) |
| 200 Employee Benefits | 18,333 | 54,133 | (35,800) |
| 300 Purchased Services | 21,376 | 51,661 | (30,285) |
| 400 Supplies and Materials | 10,000 | 18,232 | (8,232) |
| 500 Capital Outlay | | 1,779 | (1,779) |
| | | | |
| 250 Finance and Operations Services: | | | |
| 254 Operation and Maintenance of Plant: | | | |
| 100 Salaries | 7,000 | 1,048 | 5,952 |
| 200 Employee Benefits | 725 | 210 | 515 |
| 300 Purchased Services | 122,547 | 127,451 | (4,904) |
| 400 Supplies and Materials | | 177 | (177) |
| 500 Capital Outlay | 13,080 | 3,410 | 9,670 |
| | | | |
| Total - Supporting Services | <u>370,073</u> | <u>452,699</u> | <u>(82,626)</u> |
| | | | |
| Total Expenditures | <u>1,080,328</u> | <u>1,209,170</u> | <u>(128,842)</u> |
| | | | |
| Changes in Fund Balance | <u>164,659</u> | <u>109,599</u> | <u>(55,060)</u> |
| | | | |
| Fund Balance July 1, 2008 | | <u>294,489</u> | |
| | | | |
| Fund Balance June 30, 2009 | | <u>404,088</u> | |

WACCAMAW PARK PUBLIC CHARTER SCHOOL, INC.

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

| | Original & Final Budget | Actual | Variance Positive (Negative) |
|-------------------------------------|-------------------------------|----------|------------------------------------|
| Operating Revenues | | | |
| Revenues: | | | |
| Revenue from Local Sources: | | | |
| 1600 Food Service: | | | |
| 1610 Lunch Sales to Pupils | \$ 7,307 | \$ 8,628 | \$ 1,321 |
| 1620 Breakfast Sales to Pupils | 755 | 892 | 137 |
| 1630 Special Sales to Pupils | | 2,169 | 2,169 |
| 1640 Lunch Sales to Adults | | 378 | 378 |
| | | | |
| Total Revenue from Local Sources | 8,062 | 12,067 | 4,005 |
| Revenue from Federal Sources: | | | |
| 4800 USDA Reimbursements: | | | |
| 4810 School Lunch Program | 28,881 | 43,229 | 14,348 |
| 4820 School Breakfast Program | 6,057 | 9,066 | 3,009 |
| | | | |
| Total Revenue from Federal Sources | 34,938 | 52,295 | 17,357 |
| | | | |
| Total Revenue all Sources | 43,000 | 64,362 | 21,362 |
| Operating Expenses | | | |
| 256 Food Service: | | | |
| 100 Salaries | 19,440 | 27,767 | (8,327) |
| 200 Employee Benefits | 1,497 | 7,523 | (6,026) |
| 300 Purchased Services | | 5,668 | (5,668) |
| 400 Supplies and Materials | 12,016 | 18,817 | (6,801) |
| 500 Depreciation | 2,776 | 4,057 | (1,281) |
| | | | |
| Total Expenses | 35,729 | 63,832 | (28,103) |
| Change In Net Assets | 7,271 | 530 | (6,741) |
| Total Net Assets - Beginning | | 14,180 | |
| Total Net Assets - Ending | | 14,710 | |

**ADDITIONAL SCHEDULES
REQUIRED BY THE SOUTH CAROLINA
DEPARTMENT OF EDUCATION**

HORRY COUNTY SCHOOLS
DETAILED SCHEDULE OF DUE TO STATE
DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT
YEAR ENDED JUNE 30, 2009

| Program | Project/Grant Number | Revenue/ Subfund Code | Description | Total Due June 30, 2009 | Status of Amount Due to Grantors |
|---|-------------------------|-----------------------------|------------------------------|----------------------------|--|
| National Board Certified | - | 3185/935 | Unspent Allocation | \$ 6,856.19 | Repaid 8/4/09 |
| National Board Certified Salary Supplement | - | 3352/332 | Unspent Allocation | 23,341.79 | Repaid 8/4/09 |
| Safe Schools - Healthy Students | - | 4999/641 | Overclaimed Costs 213-300 | <u>500.00</u> | Outstanding |
| Total | | | | <u><u>30,697.98</u></u> | |

HORRY COUNTY SCHOOLS
LOCATION RECONCILIATION SCHEDULE
YEAR ENDED JUNE 30, 2009

| Location ID | Location Description | Education Level | Cost Type | Total Expenditures |
|-------------|-------------------------------|--------------------|-----------|--------------------|
| 001 | Aynor High | High School | School | \$ 6,977,012 |
| 002 | North Myrtle Beach High | High School | School | 11,297,523 |
| 004 | Conway High | High School | School | 13,669,781 |
| 006 | Green Sea Floyds High | Middle-High School | School | 8,095,396 |
| 008 | Loris High | High School | School | 8,907,243 |
| 010 | Myrtle Beach High | High School | School | 10,997,436 |
| 011 | Socastee High | High School | School | 12,697,914 |
| 013 | Whittemore Park Middle | Middle School | School | 6,266,755 |
| 014 | Aynor Elementary | Elementary School | School | 5,964,923 |
| 016 | Myrtle Beach Middle | Middle School | School | 7,019,032 |
| 017 | Conway Middle | Middle School | School | 5,968,792 |
| 021 | Daisy Elementary | Elementary School | School | 6,037,553 |
| 023 | Green Sea Floyds Elementary | Elementary School | School | 8,371,752 |
| 025 | Homewood Elementary | Elementary School | School | 6,208,251 |
| 027 | Loris Middle | Middle School | School | 6,878,064 |
| 028 | Kingston Elementary | Elementary School | School | 5,465,918 |
| 029 | Lakewood Elementary | Elementary School | School | 16,107,274 |
| 030 | St. James Elementary | Elementary School | School | 5,757,458 |
| 032 | Loris Elementary | Elementary School | School | 8,122,757 |
| 033 | Midland Elementary | Elementary School | School | 4,447,174 |
| 034 | Myrtle Beach Elementary | Elementary School | School | 5,723,612 |
| 035 | Myrtle Beach Primary | Primary School | School | 7,964,453 |
| 036 | Conway Elementary | Elementary School | School | 5,112,832 |
| 037 | North Myrtle Beach Middle | Middle School | School | 7,975,202 |
| 038 | North Myrtle Beach Primary | Primary School | School | 7,433,708 |
| 039 | Pee Dee Elementary | Elementary School | School | 6,586,998 |
| 042 | Waccamaw Elementary | Elementary School | School | 10,421,017 |
| 045 | South Conway Elementary | Elementary School | School | 6,297,158 |
| 046 | Forestbrook Elementary | Elementary School | School | 15,098,515 |
| 047 | St James Middle | Middle School | School | 7,964,999 |
| 048 | North Myrtle Beach Elementary | Elementary School | School | 6,185,742 |
| 049 | Carolina Forest Elementary | Elementary School | School | 7,731,618 |
| 050 | Seaside Elementary | Elementary School | School | 6,223,384 |
| 051 | Forestbrook Middle | Middle School | School | 8,222,294 |
| 052 | Carolina Forest High | High School | School | 15,982,830 |
| 053 | Myrtle Beach Intermediate | Elementary School | School | 5,038,704 |
| 054 | Socastee Elementary | Elementary School | School | 8,504,474 |
| 056 | Palmetto Bays Elementary | Elementary School | School | 6,315,318 |
| 057 | Aynor Middle School | Middle School | School | 5,064,662 |
| 058 | St. James High School | High School | School | 10,901,129 |
| 059 | NMB Intermediate | Elementary School | School | 5,541,562 |
| 060 | Ocean Bay Elementary School | Elementary School | School | 7,580,589 |
| 061 | Ocean Bay Middle School | Middle School | School | 6,760,504 |
| 062 | Black Water Middle School | Middle School | School | 5,981,487 |
| 063 | Burgess Elementary School | Elementary School | School | 4,754,066 |
| 072 | Conway Education Center | Various | School | 2,073,545 |
| 073 | Myrtle Beach Education Center | Various | School | 144,614 |
| 074 | Early College | Various | School | 2,118,671 |
| 075 | Chabad Academy | Various | Central | 7,407 |
| 076 | Conway Alternative School | Various | School | 2,716,971 |

(Continued)

HORRY COUNTY SCHOOLS

LOCATION RECONCILIATION SCHEDULE (Continued)

YEAR ENDED JUNE 30, 2009

| Location ID | Location Description | Education Level | Cost Type | Total Expenditures |
|-------------|---|-----------------|-----------|--------------------|
| 077 | Loris Alternative School | Various | School | \$ 1,647 |
| 078 | CCU Scholars Academy | Various | School | 1,006,689 |
| 079 | Bridgewater Academy | Charter School | Central | 1,296,504 |
| 080 | All Schools | Various | School | 944,160 |
| 096 | Academy of Arts, Science and Technology | High School | School | 5,226,631 |
| 098 | Academy of Technology & Academics | High School | School | 6,179,874 |
| 100 | Office Of Superintendent | | Central | 1,224,797 |
| 200 | Academics | | Central | 8,592,996 |
| 300 | Support Services | | Central | 18,950,799 |
| 400 | Fiscal Services | | Central | 5,183,836 |
| 490 | Debt Service | | Central | 38,573,644 |
| 500 | Construction Services | | Central | 170,715 |
| 600 | Personnel Services | | Central | 2,322,713 |
| 700 | Policy and Procedural Services | | Central | 173,280 |
| 800 | Information and Accountability Services | | Central | 4,576,518 |
| 900 | Instructional Support Services | | Central | 2,573,145 |
| | Total | | | <u>460,684,021</u> |
| | General Fund | | | 299,517,368 |
| | Special Projects Fund | | | 32,927,637 |
| | Education Improvement Act Fund | | | 19,117,397 |
| | Debt Service | | | 38,573,643 |
| | Capital Projects Fund | | | 44,636,513 |
| | Proprietary Fund | | | 18,830,922 |
| | Agency Funds | | | 23,170 |
| | Trust and Other Private Purpose Funds | | | <u>7,057,371</u> |
| | Total by Fund | | | <u>460,684,021</u> |

STATISTICAL SECTION

STATISTICAL SECTION

This part of Horry County School's comprehensive annual financial report presents detailed information as a contest for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

| Contents | Page |
|---|-------------|
| Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. | 136-140 |
| Revenue Capacity These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes. | 141-145 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of understanding debt and the District's ability to issue additional debt in the future. | 146-149 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other Districts. | 150-152 |
| Operating Information These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs. | 153-156 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

**HORRY COUNTY SCHOOLS
NET ASSETS BY COMPONENT,
LAST SEVEN FISCAL YEARS
(Amounts expressed in thousands)**

| | Fiscal Year | | | | | | |
|---|-------------|-----------|-----------|------------|------------|-----------|------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Primary Government | | | | | | | |
| Governmental Activities | | | | | | | |
| Invested in Capital Assets, Net of Related Debt | \$ 64,876 | \$ 86,978 | \$ 17,184 | \$ 112,353 | \$ 111,071 | \$ 93,916 | \$ 126,186 |
| Restricted | 57,524 | 36,258 | 100,256 | 40,038 | 59,646 | 100,048 | 94,786 |
| Unrestricted | 17,839 | 28,603 | 43,596 | 41,536 | 50,549 | 64,759 | 63,460 |
| Total Governmental Activities Net Assets | 140,239 | 151,839 | 161,036 | 193,927 | 221,266 | 258,723 | 284,432 |
| Business-Type Activities | | | | | | | |
| Invested in Capital Assets, Net of Related Debt | 1,105 | 1,017 | 912 | 817 | 733 | 1,283 | 2,711 |
| Restricted | - | - | - | - | - | - | - |
| Unrestricted | (333) | (337) | 614 | 1,639 | 2,168 | 2,208 | 2,457 |
| Total Business-Type Activities Net Assets | 772 | 680 | 1,526 | 2,456 | 2,901 | 3,491 | 5,168 |
| Total Primary Government | | | | | | | |
| Invested in Capital Assets, Net of Related Debt | 65,981 | 87,995 | 18,096 | 113,170 | 111,804 | 95,199 | 128,897 |
| Restricted | 57,524 | 36,258 | 100,256 | 40,038 | 59,646 | 100,048 | 94,786 |
| Unrestricted | 17,506 | 28,266 | 44,210 | 43,175 | 52,717 | 66,967 | 65,917 |
| Total Primary Government Net Assets | 141,011 | 152,519 | 162,562 | 196,383 | 224,167 | 262,214 | 289,600 |
| Component Units (1) | | | | | | | |
| Invested in Capital Assets, Net of Related Debt | - | 150 | 182 | 223 | 201 | 181 | 172 |
| Restricted | - | - | - | - | 1 | - | - |
| Unrestricted | - | 52 | 16 | (35) | 120 | 297 | 409 |
| Total Component Units Net Assets | - | 202 | 198 | 188 | 322 | 478 | 581 |

Note: Accrual basis of accounting.

This schedule begins with the year the District implemented GASB 34

(1) Horry County School District did not have this component unit in fiscal year 2003

Source: Horry County Schools' Audit Reports.

**HORRY COUNTY SCHOOLS
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSES)/REVENUES,
LAST SEVEN FISCAL YEARS
(Amounts expressed in thousands)**

| | Fiscal Year | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Expenses | | | | | | | |
| Governmental Activities: | | | | | | | |
| Instruction | \$ 133,167 | \$ 152,497 | \$ 160,250 | \$ 181,981 | \$ 201,947 | \$ 223,015 | \$ 234,511 |
| Support Services | 78,383 | 81,226 | 85,704 | 94,850 | 109,570 | 126,447 | 130,780 |
| Community Services | 626 | 722 | 701 | 668 | 1,013 | 1,123 | 1,087 |
| Intergovernmental | 604 | 1,674 | 2,201 | 2,597 | 2,824 | - | - |
| Interest on Long-Term Debt | 11,612 | 10,816 | 11,176 | 13,957 | 17,849 | 20,084 | 21,042 |
| Pupil Activities | - | - | - | 427 | 335 | 470 | 133 |
| Total Governmental Activities Expenses | <u>224,392</u> | <u>246,935</u> | <u>260,032</u> | <u>294,480</u> | <u>333,538</u> | <u>371,139</u> | <u>387,553</u> |
| Business-Type Activities: | | | | | | | |
| Food Service | 11,689 | 12,487 | 13,015 | 14,316 | 15,869 | 17,668 | 18,831 |
| Total Business-Type Activities Expenses | <u>11,689</u> | <u>12,487</u> | <u>13,015</u> | <u>14,316</u> | <u>15,869</u> | <u>17,668</u> | <u>18,831</u> |
| Total Primary Government Expenses | <u>236,081</u> | <u>259,422</u> | <u>273,047</u> | <u>308,796</u> | <u>349,407</u> | <u>388,807</u> | <u>406,384</u> |
| Program Revenues | | | | | | | |
| Governmental Activities: | | | | | | | |
| Charges for Services: | | | | | | | |
| Instruction | 139 | 1,709 | 2,387 | 2,584 | 225 | 116 | 86 |
| Support Services | - | 1,011 | 642 | 338 | 4,472 | 4,079 | 3,696 |
| Community Services | 39 | - | - | - | - | - | - |
| Intergovernmental | - | 781 | 1,077 | 1,833 | - | - | - |
| Operating Grants and Contributions | 83,077 | 94,494 | 106,567 | 124,540 | 132,668 | 139,410 | 123,701 |
| Capital Grants and Contributions | 605 | 703 | 1,560 | 331 | - | - | - |
| Total Governmental Activities Program Revenues | <u>83,860</u> | <u>98,698</u> | <u>112,233</u> | <u>129,626</u> | <u>137,365</u> | <u>143,605</u> | <u>127,483</u> |
| Business-Type Activities: | | | | | | | |
| Charges for Services: | | | | | | | |
| Operating Grants and Contributions | 4,358 | 4,539 | 4,896 | 5,443 | 5,773 | 5,956 | 5,933 |
| Operating Grants and Contributions | 6,876 | 7,585 | 8,738 | 9,260 | 10,294 | 11,263 | 12,425 |
| Total Business-Type Activities Program Revenues | <u>11,234</u> | <u>12,124</u> | <u>13,634</u> | <u>14,703</u> | <u>16,067</u> | <u>17,219</u> | <u>18,358</u> |
| Total Primary Government Program Revenues | <u>95,094</u> | <u>110,822</u> | <u>125,867</u> | <u>144,329</u> | <u>153,432</u> | <u>160,824</u> | <u>145,841</u> |
| Net (Expense)/Revenue | | | | | | | |
| Governmental Activities | (140,532) | (148,237) | (147,799) | (164,854) | (196,173) | (227,534) | (260,070) |
| Business-Type Activities | (455) | (363) | 619 | 387 | 198 | (449) | (473) |
| Total Primary Governmental Net (Expense)/Revenue | <u>(140,987)</u> | <u>(148,600)</u> | <u>(147,180)</u> | <u>(164,467)</u> | <u>(195,975)</u> | <u>(227,983)</u> | <u>(260,543)</u> |

Note: Accrual basis of accounting.

This schedule begins with the year the District implemented GASB 34

Source: Horry County Schools' Audit Reports.

HORRY COUNTY SCHOOLS
GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS,
LAST SEVEN FISCAL YEARS
(Amounts expressed in thousands)

| | 2003 | 2004 | 2005 | Fiscal Year 2006 | 2007 | 2008 | 2009 |
|---|------------|------------|------------|---------------------|------------|------------|------------|
| General Revenues and Other Changes in Net Assets | | | | | | | |
| Governmental Activities: | | | | | | | |
| Property Taxes | \$ 126,317 | \$ 141,504 | \$ 136,710 | \$ 174,675 | \$ 194,652 | \$ 208,069 | \$ 237,110 |
| State Aid | 17,070 | 17,396 | 17,658 | 18,468 | 18,991 | 43,941 | 45,150 |
| Unrestricted Grants and Contributions | 12 | 371 | - | - | - | - | - |
| Other | 3,175 | 1,017 | 799 | 4,962 | 10,099 | 14,020 | 5,557 |
| Transfers | (432) | (450) | (466) | (360) | (230) | (1,039) | (2,039) |
| Total Governmental Activities | 146,142 | 159,838 | 154,701 | 197,745 | 223,512 | 264,991 | 285,778 |
| Business-Type Activities: | | | | | | | |
| Other | 183 | 17 | 15 | 184 | 16 | 2 | 111 |
| Transfers | 202 | 254 | 211 | 360 | 230 | 1,039 | 2,039 |
| Total Business-Type Activities | 385 | 271 | 226 | 544 | 246 | 1,041 | 2,150 |
| Total Primary Government | 146,527 | 160,109 | 154,927 | 198,289 | 223,758 | 266,032 | 287,928 |
| Change in Net Assets | | | | | | | |
| Governmental Activities | 5,610 | 11,601 | 9,198 | 32,891 | 27,339 | 37,458 | 25,708 |
| Business-Type Activities | (70) | (92) | 845 | 931 | 444 | 591 | 1,677 |
| Total Change in Net Assets-Primary Government | 5,540 | 11,509 | 10,043 | 33,822 | 27,783 | 38,049 | 27,385 |
| Total Component Units (1) | | | | | | | |
| Total Expenses | - | 658 | 825 | 943 | 977 | 1,157 | 1,280 |
| Program Revenues: | | | | | | | |
| Charges for Services | - | 39 | 36 | 30 | 32 | 54 | 70 |
| Operating Grants and Contributions | - | 82 | 64 | 104 | 36 | 29 | 15 |
| Capital Grants and Contributions | - | 150 | 43 | 15 | - | - | - |
| Total Program Revenues | - | 271 | 143 | 149 | 68 | 83 | 85 |
| Net (Expense)/Revenue | - | (387) | (682) | (794) | (909) | (1,074) | (1,195) |
| General Revenues-State Aid/Grants (Unrestricted) | - | 589 | 678 | 735 | 1,043 | 1,230 | 1,298 |
| Change in Net Assets- Total Component Units | - | 202 | (4) | (59) | 134 | 156 | 103 |

Note: Accrual basis of accounting.

This schedule begins with the year the District implemented GASB 34

(1) Horry County School District did not have this component unit in fiscal year 2003

Source: Horry County Schools' Audit Reports.

**HORRY COUNTY SCHOOLS
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Amounts expressed in thousands)**

| | Fiscal Year | | | | | | | | | |
|------------------------------------|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| General Fund | | | | | | | | | | |
| Reserved | \$ 1,251 | \$ 1,142 | \$ 1,170 | \$ 1,320 | \$ 1,742 | \$ 1,283 | \$ 2,053 | \$ 2,420 | \$ 2,021 | \$ 2,158 |
| Unreserved | 13,819 | 12,682 | 11,204 | 10,954 | 17,533 | 19,931 | 32,695 | 43,265 | 58,290 | 53,610 |
| Total General Fund | 15,070 | 13,824 | 12,374 | 12,274 | 19,275 | 21,214 | 34,748 | 45,685 | 60,311 | 55,768 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | 13,466 | 8,914 | 35,052 | 57,524 | 36,258 | 100,256 | 40,038 | 59,646 | 100,047 | 94,785 |
| Total All Other Governmental Funds | 13,466 | 8,914 | 35,052 | 57,524 | 36,258 | 100,256 | 40,038 | 59,646 | 100,047 | 94,785 |

Note: Modified accrual basis of accounting.
Source: Horry County Schools' Audit Reports.

HORRY COUNTY SCHOOLS
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, DEBT SERVICE RATIO, OTHER FINANCING SOURCES AND USES AND CHANGE IN FUND BALANCES,
LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|--------------|--------------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Revenues | | | | | | | | | | |
| Local Sources | \$ 102,140,175 | \$ 109,071,988 | \$ 124,517,482 | \$ 128,864,097 | \$ 140,429,896 | \$ 147,482,030 | \$ 185,756,388 | 211,185,440 | 221,810,847 | 241,909,038 |
| Intergovernmental | - | - | 9,773 | 75,642 | 7,855 | 831 | 3,088 | 316 | 1,562 | 20,745 |
| Slate Sources | 84,707,847 | 101,896,176 | 102,326,559 | 85,931,486 | 95,361,657 | 106,349,389 | 118,604,284 | 127,376,580 | 157,815,711 | 141,094,942 |
| Federal Sources | 10,431,578 | 10,060,511 | 11,602,718 | 13,891,483 | 16,404,141 | 17,798,281 | 21,860,078 | 22,324,981 | 23,001,551 | 25,922,814 |
| Total Revenues | 197,279,600 | 221,028,675 | 238,456,532 | 228,762,708 | 252,203,489 | 271,630,531 | 326,223,838 | 360,887,317 | 402,629,671 | 408,947,539 |
| Expenditures | | | | | | | | | | |
| Instruction | 112,908,196 | 119,574,912 | 127,061,026 | 128,737,722 | 139,384,344 | 154,833,820 | 174,191,192 | 189,211,709 | 207,905,105 | 220,283,094 |
| Support Services | 69,728,769 | 69,542,900 | 69,070,829 | 71,352,499 | 76,249,848 | 80,968,682 | 159,407,537 | 102,649,771 | 117,800,850 | 122,837,788 |
| Community Services | 573,882 | 439,569 | 542,871 | 609,865 | 660,004 | 679,060 | 639,478 | 949,467 | 1,055,713 | 1,028,109 |
| Intergovernmental | 700,326 | 560,807 | 558,821 | 588,158 | 1,530,309 | 1,883,032 | 2,485,859 | 2,646,037 | 2,671,295 | 2,511,608 |
| Capital Outlay | - | 16,659,065 | 67,755,615 | 69,555,862 | 26,650,491 | 35,837,298 | 3,232,329 | 130,683,130 | 55,625,422 | 49,538,316 |
| Debt Service: | | | | | | | | | | |
| Principal | 13,755,000 | 15,170,000 | 15,820,000 | 10,905,000 | 10,480,000 | 11,414,357 | 22,855,000 | 18,726,860 | 39,120,000 | 16,895,000 |
| Interest and Fiscal Charges | 7,374,018 | 6,849,477 | 8,030,945 | 9,405,735 | 11,809,637 | 11,515,375 | 15,511,053 | 17,557,229 | 20,873,849 | 21,678,643 |
| Discount on Bonds Sold | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 205,038,191 | 228,796,730 | 288,840,107 | 291,154,841 | 266,764,633 | 297,131,624 | 378,322,448 | 462,426,203 | 445,052,234 | 434,772,558 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (7,758,591) | (7,768,055) | (50,383,575) | (62,392,133) | (14,561,144) | (25,501,093) | (52,098,610) | (101,538,886) | (42,422,563) | (25,825,019) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Premium on Bonds Sold | 4,942 | - | 3,093,774 | 4,488,746 | - | 2,581,380 | 465,081 | 3,393,526 | 2,037,605 | 3,080,032 |
| General Obligation Bonds Issued | 9,400,000 | - | 71,200,000 | 79,400,000 | - | 89,215,000 | 5,285,000 | 128,710,000 | 90,000,000 | 15,100,000 |
| Proceeds of Refunding Debt | - | - | - | 67,524,188 | 17,105,638 | 3,920,000 | - | - | - | - |
| Payment to Refunded Debt Escrow Agent | - | - | - | (67,320,274) | (17,010,888) | (3,987,080) | - | - | - | - |
| Sale of Capital Assets | 5,078 | - | 11,648 | 1,103,813 | 651,914 | 175,030 | 82,276 | 180,836 | 6,920,373 | 11,832 |
| Medicaid Reimbursement | 1,136,621 | - | 1,150,342 | - | - | - | - | - | - | - |
| Other Financing Sources | 580,667 | 29,327 | - | - | - | - | 369,581 | 365,137 | - | - |
| Transfers In | 8,241,802 | 9,845,100 | 12,889,781 | 9,996,010 | 11,037,677 | 13,644,053 | 25,134,911 | 6,651,267 | 5,947,100 | 6,147,921 |
| Transfers Out | (7,425,427) | (8,993,370) | (13,275,052) | (10,427,791) | (11,488,243) | (14,110,307) | (25,921,945) | (7,216,891) | (7,455,269) | (8,319,839) |
| Total Other Financing Sources (Uses) | 11,943,683 | 881,057 | 75,070,493 | 84,764,692 | 296,098 | 91,438,076 | 5,414,904 | 132,083,875 | 97,449,809 | 16,019,946 |
| Net Change in Fund Balances | 4,185,092 | (6,886,998) | 24,686,918 | 22,372,559 | (14,265,046) | 65,936,983 | (46,683,706) | 30,544,989 | 55,027,246 | (9,805,073) |
| Debt Service as a Percentage of Noncapital Expenditures | 10.3% | 10.4% | 10.8% | 9.2% | 9.3% | 8.8% | 10.2% | 10.9% | 15.4% | 10.0% |

Note: Modified Accrual Basis of accounting.
Source: Horry County Schools' Audit Reports.

HORRY COUNTY SCHOOLS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS
 (Amounts expressed in thousands)

| Fiscal Year | Real Property | | Personal Property | | Total | | Total Direct Rate ^a | Ratio of Total Assessed to Total Estimated Actual Value |
|-------------|----------------|------------------------|-------------------|------------------------|----------------|------------------------|--------------------------------|---|
| | Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | | |
| 2000 | \$ 764,038 | \$ 14,324,914 | \$ 282,129 | \$ 2,686,946 | \$ 1,046,167 | \$ 17,011,860 | 9.919 | 6.15% |
| 2001 | 803,683 | 15,091,567 | 296,050 | 3,284,919 | 1,099,733 | 18,376,486 | 10.332 | 5.98% |
| 2002 | 843,090 | 15,848,056 | 278,741 | 2,654,195 | 1,121,831 | 18,502,251 | 10.737 | 6.06% |
| 2003 | 879,182 | 16,545,968 | 289,276 | 3,005,053 | 1,168,458 | 19,551,021 | 10.589 | 5.98% |
| 2004 | 955,462 | 17,917,443 | 273,908 | 2,960,155 | 1,229,370 | 20,877,598 | 11.123 | 5.89% |
| 2005 | 936,640 | 17,708,080 | 272,458 | 2,521,125 | 1,209,098 | 20,229,205 | 11.533 | 5.98% |
| 2006 | 1,206,681 | 24,133,619 | 288,608 | 4,403,525 | 1,495,289 | 28,537,144 | 11.545 | 5.24% |
| 2007 | 1,311,110 | 26,222,200 | 298,432 | 4,828,550 | 1,609,542 | 31,050,750 | 12.040 | 5.18% |
| 2008 | 1,466,775 | 29,335,491 | 316,687 | 5,215,624 | 1,783,462 | 34,551,115 | 11.530 | 5.16% |
| 2009 | 1,663,986 | 31,058,312 | 323,386 | 5,177,005 | 1,987,372 | 36,235,317 | 11.215 | 5.48% |

Note: Fiscal year 2000 and 2006 real property assessed values increased as a result of a state mandated reassessment.

Source: Horry County Auditor and Assessor.

^a Per \$1,000 of assessed value

**HORRY COUNTY SCHOOLS
DIRECT AND OVERLAPPING PROPERTY TAX RATES,
LAST TEN FISCAL YEARS
(Amounts expressed in mills)**

| | Fiscal Year | | | | | | | | | |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
| Jurisdiction: | | | | | | | | | | |
| Horry County Schools | 113.0 | 116.4 | 124.9 | 124.9 | 130.4 | 130.4 | 129.7 | 135.3 | 143.3 | 143.3 |
| Overlapping Rates: | | | | | | | | | | |
| Horry County | 40.9 | 44.5 | 50.9 | 50.9 | 50.9 | 50.9 | 46.3 | 46.3 | 47.3 | 47.3 |
| Town of Atlantic Beach | 110.0 | 110.0 | 110.0 | 110.0 | 110.0 | 90.0 | 90.0 | 90.0 | 94.5 | 94.5 |
| Town of Aynor | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 70.8 | 70.8 | 72.2 | 72.2 |
| Town of Briarcliff Acres | 55.0 | 75.0 | 75.0 | 42.0 | 56.0 | 56.0 | 47.0 | 50.0 | 52.8 | 55.6 |
| City of Conway | 93.9 | 93.9 | 93.9 | 93.9 | 96.7 | 96.7 | 86.6 | 86.6 | 86.6 | 86.6 |
| City of Loris | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 105.0 | 105.0 | 105.0 | 105.0 |
| City of Myrtle Beach | 61.0 | 60.9 | 63.2 | 63.2 | 63.2 | 63.2 | 61.4 | 61.4 | 61.4 | 64.4 |
| City of North Myrtle Beach | 38.7 | 35.7 | 35.7 | 35.7 | 35.7 | 35.7 | 30.5 | 30.5 | 30.5 | 32.2 |
| Town of Surfside Beach | 44.0 | 44.0 | 44.0 | 44.0 | 55.0 | 55.0 | 44.0 | 44.0 | 44.0 | 44.0 |

Note: Fiscal year 2000 and 2006 millage rates were reduced as a result of a state mandated reassessment of real property.

Source: Horry County Auditor.

**HORRY COUNTY SCHOOLS
PROPERTY TAX RATES, SCHOOL DISTRICT AND COUNTY,
LAST TEN FISCAL YEARS
(Amounts expressed in mills)**

| Fiscal Year | School Operation - General Fund | School Debt Service | County Operation - General Fund | County Debt Service | Total |
|------------------------|--|------------------------------------|--|------------------------------------|--------------|
| 2000 | 91.0 | 22.0 | 33.5 | 4.9 | 151.4 |
| 2001 | 94.4 | 22.0 | 35.8 | 5.7 | 157.9 |
| 2002 | 102.9 | 22.0 | 39.4 | 7.0 | 171.3 |
| 2003 | 102.9 | 22.0 | 39.4 | 7.0 | 171.3 |
| 2004 | 108.4 | 22.0 | 40.2 | 8.8 | 179.4 |
| 2005 | 108.4 | 22.0 | 42.1 | 8.8 | 181.3 |
| 2006 | 101.7 | 28.0 | 36.7 | 5.3 | 171.7 |
| 2007 | 107.3 | 28.0 | 36.7 | 5.3 | 177.3 |
| 2008 | 115.3 | 28.0 | 36.7 | 5.3 | 185.3 |
| 2009 | 115.3 | 28.0 | 36.7 | 5.3 | 185.3 |

Note: Fiscal year 2000 School District and County operational millage rates were reduced as a result of a state mandated reassessment of real property.

Source: Horry County Auditor.

**HORRY COUNTY SCHOOLS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

| Taxpayer | 2009 ^a | | | 2000 ^b | | |
|---|-------------------|------|-----------------------------------|-------------------|------|-----------------------------------|
| | Taxable Value | Rank | Percentage of Total Taxable Value | Taxable Value | Rank | Percentage of Total Taxable Value |
| Myrtle Beach Farms / Burroughs & Chapin (1) | \$ 26,877,387 | 1 | 1.36% | \$ 19,246,532 | 1 | 1.89% |
| Horry Electric Coop. | 16,590,635 | 2 | 0.84% | 6,120,320 | 4 | 0.60% |
| Horry Telephone Coop. | 8,333,480 | 3 | 0.42% | | | |
| Verizon | 6,676,820 | 4 | 0.34% | | | |
| Lawyers Title Insurance Corp. | 6,420,732 | 5 | 0.33% | | | |
| Broadway at the Beach, Inc. | 4,542,776 | 6 | 0.23% | 4,253,124 | 5 | 0.42% |
| Anderson Ocean Club Dev., LLC | 4,218,986 | 7 | 0.21% | | | |
| Bluegreen Vacations Unlimited, Inc. | 3,897,614 | 8 | 0.20% | | | |
| Time Warner Ent. - Advance/Newhouse | 3,570,240 | 9 | 0.18% | | | |
| Dunes Village Properties, LLC | 3,557,718 | 10 | 0.18% | | | |
| General Telephone Co. of the Southeast | | | | 7,445,450 | 2 | 0.73% |
| AVX Corporation | | | | 7,315,550 | 3 | 0.72% |
| Montgomery Company | | | | 3,760,390 | 6 | 0.37% |
| Carolina Equipment | | | | 3,712,360 | 7 | 0.36% |
| Justice, Inc. | | | | 3,483,040 | 8 | 0.34% |
| Ocean Lakes Family Campground | | | | 3,301,759 | 9 | 0.32% |
| Burroughs & Chapin | | | | 2,784,268 | 10 | 0.24% |
| Totals | <u>84,686,388</u> | | <u>4.29%</u> | <u>61,422,793</u> | | <u>5.99%</u> |

Note: (1) 2009 Data includes Burroughs & Chapin

Source: ^a Horry County Treasurer
^b Horry County Government

**HORRY COUNTY SCHOOLS
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
(Amounts expressed in thousands)**

| Fiscal Year | Total Tax Levy | Collected within the Fiscal Year of the Levy | | Delinquent Tax Collections | Total Collections to Date | |
|-------------|----------------|--|--------------------|----------------------------|---------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2000 | \$ 103,766 | \$ 96,237 | 92.74% | \$ 2,923 | \$ 99,160 | 95.56% |
| 2001 | 113,622 | 102,090 | 89.85% | 3,135 | 105,225 | 92.61% |
| 2002 | 120,447 | 110,396 | 91.66% | 8,170 | 118,566 | 98.44% |
| 2003 | 123,730 | 114,574 | 92.60% | 7,815 | 122,389 | 98.92% |
| 2004 | 136,741 | 127,989 | 93.60% | 2,914 | 130,903 | 95.73% |
| 2005 | 139,446 | 132,579 | 95.08% | 3,027 | 135,606 | 97.25% |
| 2006 | 172,629 | 165,933 | 96.12% | 4,271 | 170,204 | 98.60% |
| 2007 | 193,782 | 186,784 | 96.39% | 4,359 | 191,143 | 98.64% |
| 2008 | 205,633 | 196,868 | 95.74% | 5,833 | 202,701 | 98.57% |
| 2009 | 222,886 | 213,578 | 95.82% | 6,746 | 220,324 | 98.85% |

Note: Percentage includes delinquent taxes collected in the year indicated. Delinquent taxes include taxes levied in prior years but collected in the year shown.

Source: Horry County Schools' audited financial statements and Horry County Treasurer.

HORRY COUNTY SCHOOLS
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF JUNE 30, 2009
 (Amounts Expressed in Thousands)

| Entity | Net General Obligation Debt Outstanding | Percent Applicable to School District ^a | Amount Applicable to School District |
|--|---|--|--|
| Horry County Schools | \$ 449,615 | 100% | \$ 449,615 |
| Direct debt | <u>449,615</u> | | <u>449,615</u> |
| Horry County Government | 116,050 | 100% | 116,050 |
| City of Conway | 1,910 | 100% | 1,910 |
| City of Loris | 199 | 100% | 199 |
| City of Myrtle Beach | 48,135 | 100% | 48,135 |
| City of North Myrtle Beach | 6,248 | 100% | 6,248 |
| Town of Surfside | 1,560 | 100% | 1,560 |
| Overlapping Debt | <u>174,102</u> | | <u>174,102</u> |
| Total Direct and Overlapping Debt | | | <u>\$ 623,717</u> |

Note: Net General Obligation Debt Outstanding is all general obligation long term debt (excluding compensation for future absences, revenue bonds, other "user fee" bonds, and capital leases).

Source: Finance Department of each entity.

^a Overlapping governments are those that coincide with the geographic boundaries of the County.

This percentage represents the portion of burden the outstanding debt of those overlapping governments place on residents and businesses in Horry County. This process recognizes that when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

**HORRY COUNTY SCHOOLS
RATIO OF NET GENERAL BONDED
DEBT TO ASSESSED VALUE AND
NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(Amounts expressed in thousands)**

| Fiscal Year | Total Outstanding | Amount Available in D/S Funds | Net | Assessed Value | Population | Ratio Net Bonded Debt to Assessed Value | Ratio of O/S Debt to Personal Income | Net Bonded Debt Per Capita in Actual Dollars |
|-------------|-------------------|-------------------------------|------------|----------------|------------|---|--------------------------------------|--|
| 2000 | \$ 131,885 | \$ 3,709 | \$ 128,176 | \$ 1,046,167 | 197 | 12.25% | 2.80% | \$ 651 |
| 2001 | 116,715 | 4,922 | 111,793 | 1,099,733 | 201 | 10.17% | 2.41% | 556 |
| 2002 | 172,095 | 10,122 | 161,973 | 1,121,831 | 202 | 14.44% | 3.51% | 802 |
| 2003 | 240,020 | 20,012 | 220,008 | 1,168,458 | 206 | 18.83% | 4.66% | 1,068 |
| 2004 | 230,510 | 24,188 | 206,322 | 1,229,370 | 211 | 16.78% | 4.21% | 978 |
| 2005 | 308,210 | 31,150 | 277,060 | 1,209,098 | 217 | 22.91% | 5.29% | 1,277 |
| 2006 | 290,640 | 18,857 | 271,783 | 1,495,289 | 228 | 18.18% | 4.59% | 1,192 |
| 2007 | 400,530 | 31,799 | 368,731 | 1,609,542 | 238 | 22.91% | Unavailable | 1,549 |
| 2008 | 451,410 | 24,393 | 427,017 | 1,783,462 | 250 | 23.94% | Unavailable | 1,708 |
| 2009 | 449,615 | 42,680 | 406,935 | 1,987,372 | 257 | 20.48% | Unavailable | 1,583 |

Sources: Assessed Value - Horry County Auditor and Assessor.
Population - Coastal Carolina University.

HORRY COUNTY SCHOOLS
 RATIO OF ANNUAL DEBT SERVICE
 EXPENDITURES FOR GENERAL BONDED
 DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
 LAST TEN FISCAL YEARS

| Fiscal Year | Principal | Interest and Fiscal Charges | Total | General Governmental Expenditures | Ratio of Debt Service to Total General Expenditures |
|-------------|---------------|-----------------------------|---------------|-----------------------------------|---|
| 2000 | \$ 13,755,000 | \$ 7,374,018 | \$ 21,129,018 | \$ 205,038,186 | 10.30% |
| 2001 | 15,170,000 | 6,837,245 | 22,007,245 | 228,791,927 | 9.62% |
| 2002 | 15,820,000 | 7,946,914 | 23,766,914 | 288,840,108 | 8.23% |
| 2003 | 10,905,000 | 9,405,736 | 20,310,736 | 291,154,841 | 6.98% |
| 2004 | 10,480,000 | 11,696,241 | 22,176,241 | 266,764,633 | 8.31% |
| 2005 | 11,414,357 | 11,515,375 | 22,929,732 | 297,131,624 | 7.72% |
| 2006 | 22,855,000 | 15,511,053 | 38,366,053 | 378,322,448 | 10.14% |
| 2007 | 18,728,861 | 17,557,229 | 36,286,090 | 462,426,203 | 7.85% |
| 2008 | 39,120,000 | 20,873,849 | 59,993,849 | 445,052,234 | 13.48% |
| 2009 | 16,895,000 | 21,678,643 | 38,573,643 | 434,772,558 | 8.87% |

Note: Total general governmental expenditures represent total expenditures, excluding other financing sources (uses), for all governmental fund types: General Fund, Special Revenue Fund, Debt Service Fund and Capital Projects Fund.

Source: Horry County Schools' Audit Reports.

HORRY COUNTY SCHOOLS
 LEGAL DEBT MARGIN INFORMATION,
 LAST TEN FISCAL YEARS
 (Amounts expressed in thousands)

Legal Debt Margin Calculation for Fiscal Year 2009

| | |
|-----------------------------------|----------------|
| Assessed Value | \$ 1,987,372 |
| Debt Limit (8% of Assessed Value) | 158,990 |
| Debt Application to Limit | 42,265 |
| Legal Debt Margin | <u>116,725</u> |

| | Fiscal Year | | | | | | | | | |
|---|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|------------|------------|------------|
| | 2000 ^a | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 ^a | 2007 | 2008 | 2009 |
| Debt Limit | \$ 84,539 | \$ 88,824 | \$ 90,326 | \$ 93,477 | \$ 98,350 | \$ 96,728 | \$ 119,623 | \$ 128,763 | \$ 142,677 | \$ 158,990 |
| Total Net Debt Applicable to Limit | 53,580 | 42,585 | 32,365 | 27,482 | 23,251 | 36,100 | 27,244 | 21,195 | 36,547 | 42,265 |
| Legal Debt Margin | 30,959 | 46,239 | 57,961 | 65,995 | 75,099 | 60,628 | 92,379 | 107,568 | 106,130 | 116,725 |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 63.38% | 47.94% | 35.83% | 29.40% | 23.64% | 37.32% | 22.77% | 16.46% | 25.62% | 26.58% |

^a Fiscal Year 2000 and 2006 real property assessed values increased as a result of a state mandated reassessment.

Source: Horry County Schools' audit reports and Horry County Auditor & Assessor

HORRY COUNTY SCHOOLS
 DEMOGRAPHIC AND ECONOMIC STATISTICS,
 LAST TEN CALENDAR YEARS

| Calendar Year | Population (1) | % Increase | Per Capita Income County (2) | Personal Income (3) | Unemployment Rate County (4) | School Enrollment (5) |
|---------------|----------------|------------|------------------------------|---------------------|------------------------------|-----------------------|
| 2000 | 196,629 | 1.1% | \$ 23,933 | \$ 4,706,118 | 3.5% | 27,703 |
| 2001 | 200,568 | 2.0% | 24,150 | 4,845,723 | 4.0% | 28,379 |
| 2002 | 201,607 | 0.5% | 24,450 | 4,905,703 | 3.4% | 29,100 |
| 2003 | 205,932 | 2.1% | 25,266 | 5,151,801 | 4.2% | 29,931 |
| 2004 | 210,676 | 2.3% | 26,170 | 5,478,840 | 4.1% | 31,064 |
| 2005 | 217,411 | 3.2% | 26,789 | 5,824,223 | 4.4% | 32,840 |
| 2006 | 227,520 | 4.6% | 27,809 | 6,327,104 | 4.7% | 34,480 |
| 2007 | 238,493 | 4.8% | 28,310 | 6,751,737 | 4.1% | 36,068 |
| 2008 | 249,925 | 4.8% | Unavailable | Unavailable | 5.6% | 36,779 |
| 2009 | 257,380 | 3.0% | Unavailable | Unavailable | 11.2% | 37,392 |

Source: (1) Coastal Carolina University
 (2) Bureau of Economic Analysis
 (3) County Population x Per Capita Personal Income
 (4) South Carolina Employment Security Commission
 (5) Horry County Schools' 135-Day Average Daily Membership (based on fiscal year)

HORRY COUNTY SCHOOLS
 PRINCIPAL EMPLOYERS,
 CURRENT YEAR AND NINE YEARS AGO

| Employer | 2009 ^b | | | 2000 ^a | | |
|--------------------------------------|-------------------|------|---|-------------------|------|---|
| | Employees | Rank | Percentage of Total Employment ^c | Employees | Rank | Percentage of Total Employment ^c |
| Horry County School District | 4,400 | 1 | 3.58% | 3,640 | 1 | 3.19% |
| Wal-Mart Associates, Inc. | 2,100 | 2 | 1.71% | | | |
| Horry County Government | 2,019 | 3 | 1.16% | 1,350 | 3 | 1.18% |
| Grand Strand Regional Medical Center | 1,280 | 4 | 1.04% | 854 | 5 | 0.75% |
| Conway Medical Center | 1,100 | 5 | 0.90% | 900 | 4 | 0.79% |
| AVX Corporation | 1,100 | 5 | 0.90% | 1,680 | 2 | 1.47% |
| City of Myrtle Beach | 1,076 | 7 | 0.88% | 750 | 7 | 0.66% |
| Coastal Carolina University | 984 | 8 | 0.80% | 504 | 9 | 0.44% |
| Blue Cross/Blue Shield | 825 | 9 | 0.67% | | | |
| Burroughs and Chapin | 700 | 10 | 0.57% | | | |
| Sand Oceanfront Resort | | | | 775 | 6 | 0.68% |
| Loris Hospital | | | | 670 | 8 | 0.59% |
| Combraco Industries, Inc. | | | | 500 | 10 | 0.44% |
| | 15,584 | | 12.21% | 11,623 | | 10.19% |

Source: ^a Horry County Government

^b Myrtle Beach Regional Economic Development

^c SC Employment Security Commission

HORRY COUNTY SCHOOLS
EMPLOYEE STAFFING LEVELS AND
STAFFING RATIOS FOR REGULAR TEACHERS,
LAST SEVEN FISCAL YEARS

| Budgeted Positions | Fiscal Year | | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Teachers (1) | 1,960 | 2,109 | 2,199 | 2,300 | 2,404 | 2,558 | 2,664 |
| Classified Instructional Aides | 422 | 474 | 522 | 630 | 675 | 726 | 765 |
| Principals and Assistant Principals | 109 | 113 | 120 | 121 | 123 | 134 | 137 |
| Supervisors and Directors | 32 | 36 | 36 | 35 | 38 | 39 | 37 |
| Coordinators and Learning Specialists | 40 | 42 | 46 | 80 | 97 | 111 | 112 |
| Counselors and Guidance | 70 | 77 | 117 | 90 | 98 | 96 | 98 |
| Librarians and Media Specialists | 44 | 47 | 47 | 48 | 52 | 54 | 54 |
| Nurses | 40 | 43 | 43 | 46 | 48 | 57 | 65 |
| Psychologists | 18 | 20 | 23 | 27 | 28 | 33 | 32 |
| Special Education Therapists | 43 | 45 | 47 | 48 | 57 | 62 | 69 |
| Technology | 21 | 21 | 21 | 26 | 21 | 22 | 23 |
| Transportation | 249 | 282 | 286 | 307 | 380 | 358 | 388 |
| Cafeteria | 288 | 293 | 306 | 295 | 330 | 339 | 349 |
| Custodians | 157 | 139 | 137 | 136 | 144 | 163 | 196 |
| Clerical | 262 | 231 | 239 | 237 | 262 | 274 | 275 |
| Maintenance | 51 | 57 | 59 | 65 | 67 | 74 | 76 |
| Miscellaneous (2) | 14 | 14 | 26 | 72 | 89 | 92 | 95 |
| Totals | 3,820 | 4,043 | 4,274 | 4,563 | 4,913 | 5,192 | 5,435 |

Budgeted Staffing Ratios

| | | | | | | | |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| Child Development | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 |
| Kindergarten | 25 to 1 | 25 to 1 | 25 to 1 | 25 to 1 | 25 to 1 | 25 to 1 | 25 to 1 |
| Primary - Grade 1 | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 | 21 to 1 | 21 to 1 |
| Primary - Grades 2-3 | 21 to 1 | 21 to 1 | 21 to 1 | 21 to 1 | 21 to 1 | 21 to 1 | 21 to 1 |
| Elementary - Grades 4-5 | 24 to 1 | 24 to 1 | 24 to 1 | 24 to 1 | 24 to 1 | 22 to 1 | 22 to 1 |
| Middle - Grade 6 | 21 to 1 | 21 to 1 | 21 to 1 | 21 to 1 | 21 to 1 | 22 to 1 | 19 to 1 |
| Middle - Grades 7-8 | 22 to 1 | 22 to 1 | 22 to 1 | 22 to 1 | 22 to 1 | 22 to 1 | 19 to 1 |
| High - Grades 9-12 (Smallest Schools) | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 | 20 to 1 |
| High - Grades 9-12 (Largest Schools) | 23 to 1 | 23 to 1 | 23 to 1 | 23 to 1 | 23 to 1 | 23 to 1 | 23 to 1 |

- Notes:** (1) The number of regular classroom teachers employed varies with student enrollment.
(2) Miscellaneous staff includes accountants, administrative assistants, athletic directors, trainers, auditorium managers, childcare and First Steps managers, interpreters, and interventionists.

HORRY COUNTY SCHOOLS
OPERATING STATISTICS,
LAST TEN FISCAL YEARS

| Fiscal Year | Enrollment | Expenses (in Thousands) | Cost Per Pupil | Teaching Staff | Pupil - Teacher Ratio | Percentage of Students Receiving Free or Reduced Meals |
|-------------|------------|----------------------------|-------------------|-------------------|-----------------------------|--|
| 2000 | 27,703 | | | 1,961 | 14.13 | 54.84% |
| 2001 | 28,379 | | | 2,029 | 13.99 | 54.77% |
| 2002 | 29,100 | \$ 212,890 | \$ 7,316 | 1,990 | 14.62 | 55.16% |
| 2003 | 29,931 | 224,392 | 7,497 | 1,960 | 15.27 | 56.82% |
| 2004 | 31,064 | 246,935 | 7,949 | 2,109 | 14.73 | 53.21% |
| 2005 | 32,840 | 260,032 | 7,918 | 2,199 | 14.93 | 56.98% |
| 2006 | 34,480 | 294,480 | 8,541 | 2,300 | 14.99 | 55.76% |
| 2007 | 36,068 | 333,538 | 9,247 | 2,404 | 15.00 | 55.55% |
| 2008 | 36,779 | 371,139 | 10,091 | 2,558 | 14.38 | 56.43% |
| 2009 | 37,392 | 387,553 | 10,365 | 2,664 | 14.04 | 59.19% |

Source: Horry County Schools' budget document and district records.

HORRY COUNTY SCHOOLS
TEACHER BASE SALARIES,
LAST TEN FISCAL YEARS

| <u>Fiscal Year</u> | <u>Minimum Salary^a</u> | <u>Maximum Salary^a</u> | <u>Average Contracted Salary^a</u> | <u>Statewide Average Salary^b</u> |
|------------------------|---------------------------------------|---------------------------------------|--|---|
| 2000 | \$ 25,087 | \$ 59,238 | \$ 37,251 | \$ 36,081 |
| 2001 | 26,367 | 63,223 | 39,357 | 37,938 |
| 2002 | 27,377 | 65,644 | 36,856 | 39,923 |
| 2003 | 27,377 | 65,644 | 37,404 | 40,362 |
| 2004 | 27,556 | 66,074 | 37,339 | 41,162 |
| 2005 | 28,964 | 67,296 | 38,914 | 42,163 |
| 2006 | 30,280 | 68,292 | 40,358 | 42,189 |
| 2007 | 31,943 | 70,074 | 42,246 | 44,123 |
| 2008 | 33,001 | 72,394 | 43,644 | 45,685 |
| 2009 | 34,270 | 75,181 | 50,964 | 47,304 |

Source: ^a Horry County Schools' budget document and district records.

^b S.C. Department of Education Average Salary Summary file

**HORRY COUNTY SCHOOLS
STUDENT ENROLLMENT,
LAST TEN FISCAL YEARS**

| Fiscal Year | Child Development | Kindergarten | Elementary Grades 1-8 | High School Grades 9-12 | Total |
|------------------------|------------------------------|---------------------|----------------------------------|------------------------------------|--------------|
| 2000 | 420 | 1,932 | 17,637 | 7,714 | 27,703 |
| 2001 | 540 | 2,026 | 18,000 | 7,813 | 28,379 |
| 2002 | 631 | 2,157 | 18,161 | 8,151 | 29,100 |
| 2003 | 790 | 2,111 | 18,610 | 8,420 | 29,931 |
| 2004 | 770 | 2,355 | 19,060 | 8,879 | 31,064 |
| 2005 | 1,246 | 2,510 | 19,866 | 9,218 | 32,840 |
| 2006 | 1,455 | 2,802 | 20,532 | 9,691 | 34,480 |
| 2007 | 1,462 | 2,911 | 21,428 | 10,267 | 36,068 |
| 2008 | 1,429 | 2,822 | 22,069 | 10,459 | 36,779 |
| 2009 | 1,379 | 2,795 | 22,444 | 10,774 | 37,392 |

Source: Horry County Schools' 135-Day Average Daily Membership Summary.

**HORRY COUNTY SCHOOLS
CAPITAL ASSET INFORMATION,
LAST TEN FISCAL YEARS**

SCHEDULE 21

| | Fiscal Year | | | | | | | | | |
|-------------------------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Schools | | | | | | | | | | |
| Primary | | | | | | | | | | |
| Buildings | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Square Feet | 216,291 | 216,291 | 184,041 | 184,041 | 184,041 | 184,041 | 184,041 | 224,185 | 224,185 | 224,185 |
| Capacity | 1,969 | 1,969 | 1,481 | 1,481 | 1,481 | 1,481 | 1,481 | 1,834 | 1,834 | 1,994 |
| Enrollment | 1,763 | 1,844 | 1,513 | 1,374 | 1,466 | 1,622 | 1,725 | 1,673 | 1,666 | 1,600 |
| Primary Portables | | | | | | | | | | |
| Buildings | | | | | 22 | | | 25 | 25 | 3 |
| Elementary | | | | | | | | | | |
| Buildings | 19 | 19 | 20 | 20 | 20 | 20 | 20 | 21 | 22 | 22 |
| Square Feet | 1,330,681 | 1,330,681 | 1,803,963 | 1,803,963 | 1,803,963 | 1,803,963 | 1,803,963 | 1,903,606 | 2,034,256 | 2,187,848 |
| Capacity | 11,661 | 11,661 | 12,862 | 12,862 | 12,862 | 12,862 | 12,862 | 13,612 | 14,680 | 18,249 |
| Enrollment | 11,832 | 11,476 | 12,346 | 12,408 | 12,122 | 13,150 | 14,100 | 14,631 | 15,192 | 15,571 |
| Elementary Portables | | | | | | | | | | |
| Buildings | | | | | 99 | | | 95 | 95 | 148 |
| Intermediate | | | | | | | | | | |
| Buildings | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Square Feet | 78,290 | 78,290 | 78,290 | 78,290 | 154,544 | 154,544 | 154,544 | 177,465 | 177,465 | 177,465 |
| Capacity | 922 | 922 | 922 | 922 | 1,484 | 1,484 | 1,484 | 1,658 | 1,658 | 1,968 |
| Enrollment | 541 | 507 | 554 | 558 | 1,181 | 1,111 | 1,168 | 1,140 | 1,176 | 1,207 |
| Intermediate Portables | | | | | | | | | | |
| Buildings | | | | | 4 | | | 2 | 2 | |
| Middle | | | | | | | | | | |
| Buildings | 8 | 8 | 8 | 8 | 9 | 9 | 9 | 10 | 10 | 10 |
| Square Feet | 1,011,994 | 1,011,994 | 1,011,994 | 1,011,994 | 1,233,099 | 1,233,099 | 1,233,099 | 1,382,274 | 1,382,274 | 1,382,274 |
| Capacity | 6,322 | 6,322 | 6,322 | 6,322 | 7,773 | 7,773 | 7,773 | 8,837 | 8,837 | 10,436 |
| Enrollment | 5,897 | 6,207 | 6,132 | 6,515 | 7,210 | 7,521 | 7,654 | 7,694 | 7,809 | 7,961 |
| Middle Portables | | | | | | | | | | |
| Buildings | | | | | 17 | | | 13 | 13 | 29 |
| High | | | | | | | | | | |
| Buildings | 8 | 8 | 8 | 8 | 9 | 9 | 9 | 9 | 9 | 9 |
| Square Feet | 1,562,863 | 1,562,863 | 1,562,863 | 1,562,863 | 1,909,252 | 1,909,252 | 1,909,252 | 2,284,279 | 2,284,279 | 2,254,304 |
| Capacity | 7,559 | 7,559 | 7,559 | 7,559 | 9,626 | 9,626 | 9,626 | 12,202 | 12,202 | 14,702 |
| Enrollment | 8,387 | 8,463 | 8,786 | 9,071 | 9,228 | 9,603 | 10,039 | 10,777 | 11,003 | 11,292 |
| High Portables | | | | | | | | | | |
| Buildings | | | | | 54 | | | 55 | 55 | 16 |
| Other | | | | | | | | | | |
| Buildings | 8 | 8 | 8 | 8 | 7 | 7 | 8 | 8 | 8 | 8 |
| Square Feet | 355,403 | 355,403 | 355,403 | 355,403 | 291,103 | 291,103 | 435,269 | 435,269 | 435,269 | 520,559 |
| Capacity | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,610 | 1,610 | 1,752 |
| Enrollment | | | | | | | | | | |
| Other Portables | | | | | | | | | | |
| Buildings | | | | | 18 | | | 23 | 23 | 19 |

Source: District records.
Notes: Square footage data includes all additions/renovations completed during the Phase II construction program.

SINGLE AUDIT SECTION

C.C. McGregor, CPA
1906-1968

PARTNERS

W.C. Stevenson, CPA
B.T. Kight, CPA
G.D. Skipper, CPA
L.R. Leaphart, Jr, CPA
M.J. Binnicker, CPA
W.W. Francis, CPA

D.L. Richardson, CPA
E.C. Inabiniet, CPA
S.S. Luoma, CPA
T.M. McCall, CPA
H.D. Brown, Jr, CPA
L.B. Salley, CPA

D.K. Strickland, CPA
J.P. McGuire, CPA
L.H. Kelly, CPA

ASSOCIATES

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P.A. Betette, Jr, CPA

S. Wo, CPA
G.A. Farmer, CPA
C.D. Hinchee, CPA
J.R. Matthews, II, CPA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Education
Horry County Schools
Conway, South Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of Horry County Schools as of and for the year ended June 30, 2009, which collectively comprise Horry County Schools' basic financial statements and have issued our report thereon dated November 30, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Horry County School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Horry County School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Horry County School's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. Finding 09-01. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Horry County School's internal control.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Horry County School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as Finding 09-01.

Horry County Schools' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Horry County Schools' response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the District, the Board of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

M = Greig & Company, LLP

Columbia, South Carolina
November 30, 2009

C.C. McGregor, CPA
1906-1968

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Education
Horry County Schools
Conway, South Carolina

Compliance

We have audited the compliance of Horry County Schools with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Horry County Schools' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Horry County Schools' management. Our responsibility is to express an opinion on Horry County Schools' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Horry County Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Horry County Schools' compliance with those requirements.

In our opinion, Horry County Schools complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Horry County Schools is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Horry County Schools' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Horry County Schools' internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the District, the Board of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

M^cGregg & Company, LLP

Columbia, South Carolina
November 30, 2009

HORRY COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

1. Summary of Auditor's Results

| | |
|--|-----------------|
| (i) Type of report issued on financial statements | Unqualified |
| (ii) Reportable material weaknesses in internal control over financial reporting | None Identified |
| (iii) Significant Deficiencies not considered to be material weaknesses in internal control | Yes |
| (iv) Noncompliance material to the financial statements | None Noted |
| (v) Material weaknesses in internal control over major programs | None Identified |
| (vi) Significant Deficiencies not considered to be material weaknesses in internal control over major programs | None Identified |
| (vii) Type of report issued on compliance for major federal programs | Unqualified |
| (viii) Audit findings required to be reported In accordance with paragraph 510(a) OMB 133 | None Disclosed |
| (ix) Identification of major programs: | |

| U. S. Department of Education | CFDA# | Expenditure |
|--|-------------------|--------------------|
| Food Service Cluster | 10.553 and 10.555 | \$12,408,719 |
| Title I - Stimulus/Neglected and Delinquent Children | 84.389 | <u>1,869,581</u> |
| | | <u>14,278,300</u> |

| | |
|---|-------------|
| (x) Dollar threshold used to distinguish between Type A and Type B programs | \$1,149,946 |
| (xi) Horry County Schools qualifies as a low risk auditee under paragraph 530 OMB 133 | Yes |

HORRY COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

2. Findings related to the financial statements which are required to be reported in accordance with GAGAS

Internal Control

Finding 09-01 (Internal Control - Significant Deficiency)

Criteria:

Section 8H of the OMB Circular A-87 indicates specific requirements for the support of federal salaries and wages. Where employees work on multiple activities or cost objects, a distribution of their salaries or wages should be supported by Personal Activity Reports (PARs). This is required when employees work on more than one federal award or a federal award and a non federal award. PARs must be prepared at least monthly, signed by the employee, account for the total activity for which the employee is compensated and reflect an after the fact distribution of the actual activity. This requirement also establishes methods to account for employees' salaries and wages charged entirely to federal programs.

Condition/Effect:

The District did not have required documentation to support all wages charged to the various non-major federal programs. Our sample of employees charged in part or in whole to federal programs resulted in 6 sampled employees not having the proper supporting documentation as required by federal guidelines. The reimbursement for amounts not supported by the required documentation is subject to being disallowed.

Causes:

Procedures to ensure the District complies with Section 8H of the OMB Circular A-87 failed.

Questioned Costs:

Not Determined

Recommendation:

Current procedures should be added which requires monitoring of the required PARs for personnel allocated to all federal programs and at least quarterly, comparison of actual costs to budgeted distributions based on the monthly activity reports should be made. In addition, procedures should be established to ensure that compliance with requirements for employees charged entirely to federal programs are met by obtaining semi-annual certifications.

Compliance and Other Matters

Finding 09-01

Repeat of Internal Control Finding 09-01 noted above as it relates to Compliance

3. Findings and Questioned Costs Major Federal Programs Audit

Internal Control

None Reported

Compliance

None Reported

HORRY COUNTY SCHOOLS

CORRECTIVE ACTION PLAN

JUNE 30, 2009

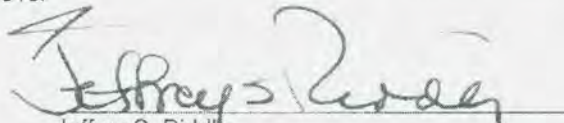
Finding 09-01

Contact Person: Jeffrey S. Riddle, Chief Finance and Human Resources Officer

Action Plan: Management agrees with the auditors' recommendation and the new control procedure will be placed in service to ensure compliance.

**Anticipated
Completion
Date:**

Controls will be placed in service and should be functioning as intended during the fiscal year ending June 30, 2010.



Jeffrey S. Riddle,
Chief Finance and Human Resources Officer
Horry County Schools

HORRY COUNTY SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009

Summary of Prior Year Findings

Finding 08-01

Finding related to no control policy or procedure to ensure that capital assets purchased are allocated between governmental and proprietary funds.

Based on the results of testing these controls in the current year, this finding has been removed.

HORRY COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

| LEA Subfund Code | Federal Grantor/Pass-Through Grantor Program Title | Federal CFDA Number | Pass-Through Grantor's Number | Total Expenditures |
|---|---|---------------------------|-------------------------------------|-----------------------|
| U. S. Department of Agriculture | | | | |
| Pass-Through State Department of Education: | | | | |
| Child Nutrition Cluster: | | | | |
| Non-Cash Assistance (Commodities): | | | | |
| 600 | ** National School Lunch Program | 10.555 | 103220 | \$ 1,117,711 |
| | Non-Cash Assistance Subtotal | | | <u>1,117,711</u> |
| Cash Assistance: | | | | |
| 600 | ** School Breakfast Program | 10.553 | 103220 | 3,040,253 |
| 600 | ** National School Lunch Program | 10.555 | 103220 | <u>8,250,755</u> |
| | Cash Assistance Subtotal | | | <u>11,291,008</u> |
| ** | Total for Program (Cluster) | | | <u>12,408,719</u> |
| | Total U. S. Department of Agriculture | | | <u>12,408,719</u> |
| U. S. Department of Education | | | | |
| Pass-Through State Department of Education: | | | | |
| 201 | Title I - Grants to LEA's | 84.010 | 9BA046 | 9,954,646 |
| 237 | Title I - School Improvement | 84.010 | 9BJ046 | 240,038 |
| | Total CFDA 84.010 | | | <u>10,194,684</u> |
| 203 | IDEA - Children with Disabilities | 84.027 | 9CA046 | 8,352,756 |
| 204 | IDEA - Extended School Year | 84.027 | 9CA046 | 90,550 |
| 603 | IDEA - Private Placement | 84.027 | 9CA046 | 341,839 |
| | Total CFDA 84.027 | | | <u>8,785,145</u> |
| 205 | Handicapped Preschool Grants | 84.173 | 9CG046 | 303,706 |
| 213 | Personnel Development | 84.173 | 9C0046 | 19,293 |
| | Total CFDA 84.173 | | | <u>322,999</u> |
| 207 | Vocational Education - (Subprogram 03) | 84.048 | 9VA046 | 10,000 |
| 207 | Vocational Education - (Subprogram 04) | 84.048 | 9VA046 | 19,772 |
| 207 | Vocational Education - (Subprogram 05) | 84.048 | 9VA046 | 7,200 |
| 207 | Vocational Education - (Subprogram 06) | 84.048 | 9VA046 | 124,825 |
| 207 | Vocational Education - (Subprogram 09) | 84.048 | 9VA046 | 384,407 |
| 207 | Vocational Education - (Subprogram 10) | 84.048 | 9VA046 | 60,000 |
| 207 | Vocational Education - (Subprogram 15) | 84.048 | 9VA046 | 14,586 |
| 207 | Vocational Education - (Subprogram 23) | 84.048 | 9VA046 | 7,600 |
| | Total CFDA 84.048 | | | <u>628,390</u> |
| 221 | ** Neglected and Delinquent Children | 84.389 | 9-ND-046 | 153,548 |
| 222 | ** Title I - Stimulus | 84.389A | 9-SA-046 | 1,716,033 |
| | Total CFDA 84.389 | | | <u>1,869,581</u> |
| 209 | Drug and Violence Prevention Program | 84.186 | 9FQ046 | 154,410 |
| 241 | Title V - Innovative Education Program Strategies | 84.298 | 9BB046 | 42,819 |
| 243 | Adult Education | 84.002 | 9EA046 | 175,017 |
| 224 | 21st Century Community Learning Center | 84.287 | 9-CL-046 | 174,987 |
| 253 | Ed Tech Title II | 84.318 | 9ET046 | 68,369 |
| 264 | ESOL Title III | 84.365 | 9BP046 | 268,140 |
| 267 | Improving Teacher Quality | 84.367 | 9TQ046 | 1,516,841 |
| 672 | State Data Manager Pilot Implementation | 84.372 | 8-FC046-02 | <u>7,600</u> |
| | Total Passed-Through State Department of Education | | | <u>24,208,982</u> |
| Direct Programs | | | | |
| 640 | Discovery of American History | 84.215X | N/A | 243,100 |
| 641 | Safe School/Health Students | 84.184L | N/A | <u>765,528</u> |
| | Total U.S. Department of Education | | | <u>25,217,610</u> |

HORRY COUNTY SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009

| LEA Subfund Code | Federal Grantor/Pass-Through Grantor Program Title | Federal CFDA Number | Pass-Through Grantor's Number | Total Expenditures |
|------------------------------------|---|---------------------------|-------------------------------------|-----------------------|
| U. S. Department of Labor | | | | |
| | Pass-Through Waccamaw Council of Government | | | |
| 615 | Workforce Investment Act Incentive | 17.267 | N/A | \$ 109 |
| 651 | Workforce Investment Act - Youth | 17.267 | N/A | 66,976 |
| 652 | Workforce Investment Act - Youth Summer | 17.267 | N/A | 11,098 |
| 663 | Workforce Initiative - Adult Education | 17.267 | N/A | 70,000 |
| 663 | Workforce Initiative - Adult Education Summer | 17.267 | N/A | 3,472 |
| | Total CFDA 17.267 | | | 151,655 |
| | Total U. S. Department of Labor | | | 151,655 |
| U. S. Department of Defense | | | | |
| | Direct Program | | | |
| 666 | Navy ROTC | 12.000 | N/A | 233,081 |
| 668 | Army ROTC | 12.000 | N/A | 252,732 |
| 667 | Air Force ROTC | 12.000 | N/A | 67,736 |
| | Total U.S. Department of Defense | | | 553,549 |
| | Total Federal Awards Expended | | | 38,331,533 |

** Denotes Major Program

Summary of Significant Accounting Policies

This schedule includes the federal grant activity of Horry County Schools and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The financial activity shown in this schedule reflects amounts recorded by the District during its fiscal year July 1, 2008 through June 30, 2009, and, accordingly, does not include a full year's financial activity for grants awarded or terminated on dates not coinciding with the District's year.