

**AUDITED BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2008

COUNTY OF GEORGETOWN, SOUTH CAROLINA

County of Georgetown, South Carolina
Audited Basic Financial Statements and Supplementary Information
For The Fiscal Year Ended June 30, 2008

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Introductory Section

GEORGETOWN COUNTY, SOUTH CAROLINA

List of Principal County Officials June 30, 2008

Members of County Council

Jerry M. Oakley, <i>Vice Chairman</i>	District 1
Ron L. Charlton	District 2
Thomas Earl Drayton	District 3
Helen P. Rudolph	District 4
J. Austin Beard	District 5
Glen F. O'Connell	District 6
Johnny Morant, <i>Chairman</i>	District 7

Elected Officials

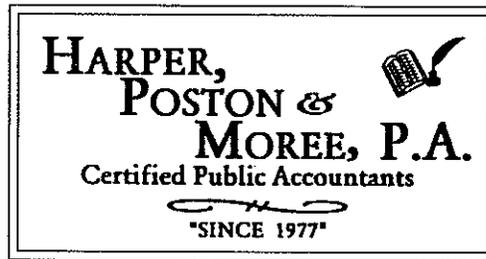
Loretta D. Washington	Treasurer
Linda S. Mock	Auditor
Alma White	Clerk of Court
Kenneth M. Johnson	Coroner
Waldo A. Maring	Probate Judge
A. Lane Cribb	Sheriff

Administrative Officials

Sel Hemingway	County Administrator
Scott C. Proctor	Finance Director
Gregory L. Troutman	Administrative Services Director
Leslie K. Thomas	Information Technology Director
Wayne E. Gregory	Economic Development Director
L. Boyd Johnson	Planning & Code Enforcement Director
James M. Mock	Emergency Services Director
Ray C. Funnye	Public Services Director
Dwight E. McInvaill	Library System Director
Wesley P. Bryant	County Attorney

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Financial Section



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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the County of Georgetown, South Carolina, as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Georgetown's management. Our responsibility is to express opinions 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 statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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, each major fund, and the aggregate remaining fund information of the County of Georgetown, as of June 30, 2008, and the respective changes in financial position, and cash flows, where applicable, 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 our report dated February 5, 2009 on our consideration of the County of Georgetown'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 important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are 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 supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes 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 not a required part of the basic financial statements of the County of Georgetown. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Harper, Poston & Moree P.A.

Harper, Poston & Moree, P.A.
Certified Public Accountants

Georgetown, South Carolina
February 5, 2009

MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2008

Management of the County of Georgetown, South Carolina, offers readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with the County's basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- **Revenues** of the County totaled approximately \$66.9 million and **expenses** amounted to approximately \$51.9 million, resulting in an increase to **net assets** of approximately \$15.0 million, or about 21.1%, for the fiscal year.
- **Unrestricted net assets** totaled approximately \$17.3 million at year-end. This is the excess of the County's assets over its liabilities that may be used to meet ongoing obligations to citizens and creditors.
- The County increased its net **investment in capital assets** by roughly \$16.2 million during the current year bringing the total book value of capital assets at year-end to approximately \$72.0 million.
- Total **outstanding debt** of the County increased by approximately \$26.9 million, bringing the total outstanding debt at year-end to approximately \$50.7 million.
- At the close of the fiscal year, the County's governmental funds reported combined **fund balances** of approximately \$60.5 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

- **Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the County's assets and liabilities, 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 County is improving or deteriorating.

The *statement of activities* presents information showing how the County'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 vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public works, health & welfare, economic development, and culture & recreation. The business-type activities of the County include solid waste & landfill management, mosquito abatement and stormwater management.

The government-wide financial statements can be found on pages 18 and 19 of this report.

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

- **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. A County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Georgetown County 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. Most of the County's basic services are accounted for in various governmental funds. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows 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 a government's near-term financing requirements.

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

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 fund and for each of the other "major" governmental funds. Data from all other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 20-25 of this report.

Proprietary funds. The County maintains only one type of proprietary fund – the enterprise fund type. An *Enterprise fund* is used to report the same functions presented as *business-type activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the environmental services fund which is considered to be a major enterprise fund of the County.

The basic proprietary fund financial statements can be found on pages 26-30 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 31 of this report.

- **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 33-38 of this report.

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Other information. In addition to the basic financial statements and accompanying notes, budgetary comparison schedules have been provided for the general fund and each of the major special revenue funds with legally appropriated budgets to demonstrate compliance with the annual appropriated budget. These schedules are presented as *required supplementary information*. Required supplementary information can be found on pages 60-73 of this report.

Other supplementary information is presented immediately following the required supplementary information. This information, which can be found on pages 80-101, includes the combining statements referred to earlier.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Our analysis of government-wide financial information focuses on the net assets (see Table 1) and changes in net assets (see Table 2) of the County's governmental and business-type activities. The 2007 fiscal year information presented in Tables 1, 2 and 3 has been restated to 1) correct an overstatement of prior depreciation expense, 2) recognize C&D landfill closure costs for prior periods based on the County's election to apply the same accounting principles that are required for "municipal solid waste landfills," and 3) to report balances and activities of the County's stormwater management fund in the business-type activities, rather than governmental activities, not that stormwater management has been created as a "utility."

As noted earlier, **net assets** may serve over time as a useful indicator of a government's financial position. The County's total assets exceeded liabilities by approximately \$85.8 million at the close of the most recent fiscal year.

Table 1
Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007 As Restated</u>	<u>2008</u>	<u>2007 As Restated</u>	<u>2008</u>	<u>2007 As Restated</u>	<u>2008</u>
Current and other assets	\$ 42,580,135	\$ 70,678,552	\$ 6,586,252	\$ 9,478,537	\$ 49,166,387	\$ 80,157,089
Capital assets	<u>45,915,266</u>	<u>61,531,508</u>	<u>9,919,782</u>	<u>10,436,154</u>	<u>55,835,048</u>	<u>71,967,662</u>
Total assets	<u>\$ 88,495,401</u>	<u>\$ 132,210,060</u>	<u>\$ 16,506,034</u>	<u>\$ 19,914,691</u>	<u>\$ 105,001,435</u>	<u>\$ 152,124,751</u>
Long-term liabilities outstanding	\$ 23,123,239	\$ 49,991,553	\$ 6,601,754	\$ 7,156,903	\$ 29,724,993	\$ 57,148,456
Other liabilities	<u>4,116,860</u>	<u>8,876,984</u>	<u>295,138</u>	<u>275,378</u>	<u>4,411,998</u>	<u>9,152,362</u>
Total liabilities	<u>\$ 27,240,099</u>	<u>\$ 58,868,537</u>	<u>\$ 6,896,892</u>	<u>\$ 7,432,281</u>	<u>\$ 34,136,991</u>	<u>\$ 66,300,818</u>
Net assets						
Invested in capital assets, net of related debt	\$ 31,955,678	\$ 35,498,734	\$ 8,035,655	\$ 8,601,049	\$ 39,991,333	\$ 44,099,783
Restricted	11,611,453	24,381,619	--	--	11,611,453	24,381,619
Unrestricted	<u>17,688,171</u>	<u>13,461,170</u>	<u>1,573,487</u>	<u>3,881,361</u>	<u>19,261,658</u>	<u>17,342,531</u>
Total net assets	<u>\$ 61,255,302</u>	<u>\$ 73,341,523</u>	<u>\$ 9,609,142</u>	<u>\$ 12,482,410</u>	<u>\$ 70,864,444</u>	<u>\$ 85,823,933</u>

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE (CONTINUED)

Comprising the largest portion of total net assets is the County's investment in capital assets (e.g., land, land improvements, buildings, machinery & equipment, vehicles, and furniture & fixtures), less any related debt used to acquire those assets that is still outstanding. At year-end that balance totaled approximately \$44.1 million, or about 51.4% of total net assets. The County uses capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

Approximately \$24.3 million, almost 28.4% of total net assets, represents resources that are subject to external restrictions on how they may be used. *Unrestricted* net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, totaled approximately \$17.3 million, or 20.2% of total net assets. Unrestricted net assets include amounts that the County has "earmarked" for projects or other uses.

Unrestricted net assets of governmental activities account for 77.6% of total unrestricted net assets, and unrestricted net assets of business-type activities account for the remaining 22.4% of total unrestricted net assets.

Table 2
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2007 As Restated	2008	2007 As Restated	2008	2007 As Restated	2008
Revenues						
Program Revenues						
Charges for services	\$ 7,419,295	\$ 7,259,203	\$ 2,901,039	\$ 5,007,148	\$ 10,320,334	\$ 12,266,351
Operating grants and contributions	3,241,419	3,818,779	122,105	33,620	3,363,524	3,852,399
Capital grants and contributions	4,307,244	4,605,843	73,550	--	4,380,794	4,605,843
General Revenues						
Taxes	25,349,501	30,956,913	2,337,128	2,386,179	27,686,629	33,343,092
Local government fund	2,891,620	3,215,822	--	--	2,891,620	3,215,822
Local accommodations and hospitality fees	3,592,095	3,600,514	--	--	3,592,095	3,600,514
Franchise fees	1,008,732	968,236	--	--	1,008,732	968,236
Vehicle user fees	1,259,715	1,684,725	--	--	1,259,715	1,684,725
Other revenue	1,377,122	1,338,407	2,975	4,521	1,380,097	1,342,928
Investment earnings	1,762,946	1,339,944	270,953	311,461	2,033,899	1,651,405
Gain (loss) on disposal of assets	205,308	336,489	127,568	9,351	332,876	345,840
Total Revenues	<u>\$ 52,414,997</u>	<u>\$ 59,124,875</u>	<u>\$ 5,835,318</u>	<u>\$ 7,752,280</u>	<u>\$ 58,250,315</u>	<u>\$ 66,877,155</u>
Expenses						
General government	\$ 13,417,547	\$ 14,175,900	\$ --	\$ --	\$ 13,417,547	\$ 14,175,900
Public safety	17,609,818	17,682,676	--	--	17,609,818	17,682,676
Public works	2,429,302	2,941,628	--	456,084	2,429,302	3,397,712
Health & welfare	3,777,956	3,721,806	--	--	3,777,956	3,721,806
Economic development	1,712,880	1,669,768	--	--	1,712,880	1,669,768
Culture & recreation	4,734,193	4,680,136	--	--	4,734,193	4,680,136
Interest and other charges	962,558	1,188,238	--	--	962,558	1,188,238
Environmental services	57,715	68,468	5,006,079	5,332,962	5,063,794	5,401,430
Total Expenses	<u>\$ 44,701,969</u>	<u>\$ 46,128,620</u>	<u>\$ 5,006,079</u>	<u>\$ 5,789,046</u>	<u>\$ 49,708,048</u>	<u>\$ 51,917,666</u>
Increase in Net Assets before Transfers	\$ 7,713,028	\$ 12,996,255	\$ 829,239	\$ 1,963,234	\$ 8,542,267	\$ 14,959,489

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE (CONTINUED)

Table 2 (continued)
Changes in Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2007		2007		2007	
	<u>As Restated</u>	<u>2008</u>	<u>As Restated</u>	<u>2008</u>	<u>As Restated</u>	<u>2008</u>
Transfers (net)	<u>(145,000)</u>	<u>(910,034)</u>	<u>145,000</u>	<u>910,034</u>	<u>--</u>	<u>--</u>
Increase in Net Assets	\$ 7,568,028	\$ 12,086,221	\$ 974,239	\$ 2,873,268	\$ 8,542,267	\$ 14,959,489
Net Assets (restated) – July 1	<u>54,721,702</u>	<u>61,255,302</u>	<u>8,111,642</u>	<u>9,609,142</u>	<u>62,833,344</u>	<u>70,864,444</u>
Net Assets – June 30	\$ 62,289,730	\$ 73,341,523	\$ 9,085,881	\$ 12,482,410	\$ 71,375,611	\$ 85,823,933
Fund Reclassification/Prior Period Adjustments	<u>(1,034,428)</u>	<u>--</u>	<u>523,261</u>	<u>--</u>	<u>(511,167)</u>	<u>--</u>
Net Assets (restated) – June 30	<u>\$ 61,255,302</u>	<u>\$ 73,341,523</u>	<u>\$ 9,609,142</u>	<u>\$ 12,482,410</u>	<u>\$ 70,864,444</u>	<u>\$ 85,823,933</u>

As reflected above, the County's total revenues increased by approximately \$8.6 million, or about 14.8%, during the most recent year. Expenses increased by approximately \$2.2 million, or about 4.4 percent. The overall change to net assets resulting from the current year's activities was positive, an increase of approximately \$15.0 million, or about 21.1%.

Our analysis below separately considers the operations of the County's governmental and business-type activities.

Governmental Activities

Governmental activities increased the County's net assets by \$12.1 million, accounting for approximately 80.7% of the total growth in the County's net assets. The cost of all governmental activities this year was \$46.1 million; however, as shown in the Statement of Activities on page 19 of this report, the amount that our taxpayers ultimately financed through County taxes and fees was only \$37.2 million because some of the costs were paid for by those who directly benefited from the programs (\$7.3 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$8.4 million). The County paid for the remaining costs of governmental activities with other general revenues, such as shared revenues from state government, impact fees, E-911 system fees, investment earnings, and miscellaneous reimbursements.

Program revenues accounted for approximately 26.5% of total revenues from governmental activities in fiscal year 2008. In this category, grant funding increased by about 11.6% from the prior year, while revenue from fees charged for services declined by about 2.2%. While the net decline was relatively small, there were significant changes in particular program revenue sources. Revenues from building permits, documentary stamps, and recording fees, all largely dependent on the housing market, declined by about 30.5%, collectively. Fortunately, a substantial portion of that decline in revenues was offset by increases in prisoner housing fees, fine revenue, and EMS transport fees.

General revenues, which accounted for the remaining 73.5% of revenues generated from governmental activities, included increased property tax revenues resulting primarily from a millage increase assessed for debt service associated with future planned bond issues included in the "Visions II" Capital Improvement Plan adopted by Council. Additional road user fee revenue was realized this year in conjunction with a fee increase that was implemented mid-way in the 2007 fiscal year. There were some significant declines in *general* revenue as well,

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE (CONTINUED)

including a big reduction in receipt of impact fees, a result of the housing market troubles, and a sizable reduction in interest earnings because of the decline in interest rates. The growth rate of collections from local accommodations and hospitality fees slowed considerably, but FY2008 revenues still were slightly greater than FY2007 revenues. In total, the County's *general revenues* increased by about \$6.0 million, or approximately 16.0 %, from the prior year.

Expenses of the County's governmental activities increased approximately \$1.4 million, or about 3.2%, for the current year. The increase is substantially accounted for by increases in operating grant expenditures and normal inflationary pressures on personnel and other operating costs.

Business-Type Activities

Business-type activities increased the County's net assets by \$2.9 million, accounting for approximately 19.3% of the total growth in the County's net assets. This compares with an increase in the previous year of \$1.0 million, which represented about 12.8% of the total growth that year. The County's business-type activities includes the operations of the County landfill, along with related environmental services functions such as waste collection, recycling and composting. It also includes the stormwater management utility which, prior to fiscal year 2008, was reported as a special revenue fund in the *governmental activities* grouping in the County's financial statements. In conjunction with the creation of the stormwater management utility and the implementation of user fees to fund that operation, it was necessary to shift the reporting to the *business-type activities* because this fund operates like a business. Revenues of the business-type activities increased by approximately \$2.0 million, with the majority of that increase coming from the new stormwater management user fees. A moderate increase from landfill fees was also realized this year. That increase was the result of growth; there were no changes in fee rates. Expenses increased by approximately \$0.8 million, with the addition of the stormwater management costs accounting for about \$0.5 million, and increased costs in the environmental services functions of about \$0.3 million.

CAPITAL ASSETS

At the end of fiscal year 2008, the County had almost \$72.0 million (net of accumulated depreciation) invested in a broad range of capital assets. (See Table 3 below) This amount represents a net increase, after recognition of a prior period error in recognition of depreciation, of about \$16.2 million, or 29.0%, over last year.

Table 3
Capital Assets at Year-End

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2007		2007		2007	
	<u>As Restated</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>As Restated</u>	<u>2008</u>
Land	\$ 4,366,467	\$ 6,850,491	\$ 740,718	\$ 740,718	\$ 5,107,185	\$ 7,591,209
Land improvements	14,177,313	13,668,850	8,966,205	9,668,312	23,143,518	23,337,162
General Infrastructure	12,919,455	15,210,314	--	--	12,919,455	15,210,314
Buildings	25,480,933	26,782,400	327,721	401,271	25,808,654	27,183,671
Machinery & equipment	13,382,271	14,098,786	4,135,612	4,329,225	17,517,883	18,428,011
Automotive equipment	14,297,765	15,226,251	1,599,334	1,791,097	15,897,099	17,017,348
Furniture & fixtures	268,644	268,644	--	--	268,644	268,644
Construction in progress	<u>4,935,965</u>	<u>17,287,243</u>	<u>73,550</u>	<u>377,392</u>	<u>5,009,515</u>	<u>17,664,635</u>
	\$ 89,828,813	\$ 109,392,979	\$ 15,843,140	\$ 17,308,015	\$ 105,671,953	\$ 126,700,994
Total accumulated depreciation	<u>(43,913,547)</u>	<u>(47,861,471)</u>	<u>(5,923,358)</u>	<u>(6,871,861)</u>	<u>(49,836,905)</u>	<u>(54,733,332)</u>
Net Capital Assets	<u>\$ 45,915,266</u>	<u>\$ 61,531,508</u>	<u>\$ 9,919,782</u>	<u>\$ 10,436,154</u>	<u>\$ 55,835,048</u>	<u>\$ 71,967,662</u>

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

CAPITAL ASSETS (CONTINUED)

This year's major capital purchases included:

- Purchase of fleet vehicles (\$1,139,000)
- Purchase of top mount pumper truck (\$185,000)
- Purchase of hydraulic excavator (\$147,000)
- Purchase of three mobile generators (\$261,000)
- Purchase of boom truck (\$115,000)
- Purchase of wheeled loader (\$158,000)

The following capital expenditures were for projects, some of which were still in progress at year-end.

- Judicial Center project (\$12,206,000)
- Corporate airport hangar project (\$447,000)
- Airport terminal building project (\$1,069,000)
- Airport runway extension project (\$149,000)
- Road paving projects (\$2,376,000)
- Carroll A. Campbell Marine Center (\$588,000)
- Pea House boat landing project (\$167,000)
- Construction of Murrells Inlet bike path bridge (\$216,000)
- Community bike/pedestrian paths (\$260,000)

Additional information about the County's capital assets, including remaining commitments for construction in progress at year-end, is presented in Note 6 and Note 15 to the financial statements.

DEBT ADMINISTRATION

As shown in Table 4 below, the County had \$50.7 million in bonds, notes and lease obligations outstanding at year-end versus \$23.8 million last year, an increase of about 113.0%. More detailed information about the County's debt obligations and future debt service requirements can be found in Note 8 to the financial statements.

Table 4
Outstanding Debt at Year-End

	Governmental Activities		Business-Type Activities		Total	
	2007	2008	2007	2008	2007	2008
General obligation bonds	\$ 17,620,000	\$ 16,355,000	\$ --	\$ --	\$ 17,620,000	\$ 16,355,000
Plus: Unamortized premium	45,990	38,232	--	--	45,990	38,232
Net general obligation bonds	\$ 17,665,990	\$ 16,393,232	\$ --	\$ --	\$ 17,665,990	\$ 16,393,232
Bond anticipation notes	--	2,400,000	--	--	--	2,400,000
Installment purchase revenue bonds	--	26,000,000	--	--	--	26,000,000
Capital lease obligations	4,207,202	3,923,196	1,884,127	1,992,295	6,091,329	5,915,491
Totals	<u>\$ 21,873,192</u>	<u>\$ 48,716,428</u>	<u>\$ 1,884,127</u>	<u>\$ 1,992,295</u>	<u>\$ 23,757,319</u>	<u>\$ 50,708,723</u>

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

DEBT ADMINISTRATION (CONTINUED)

During fiscal year 2008, the County issued "installment purchase" revenue bonds in the amount of \$26.0 million to fund a portion of construction costs for the County's new judicial center and a portion of construction costs for the Carroll A. Campbell Marine Complex. The bond funding will also be used for several projects included in the County's Visions II Capital Improvement Plan. A bond anticipation note was issued in the amount of \$2.4 million to help facilitate construction of the Thomas W. Edwards Airport Terminal. In addition, capital lease financing was utilized to fund various vehicles and major equipment included in the County's capital equipment replacement plan.

Under current state statutes, the County can issue general obligation debt without referendum whenever the new debt and outstanding balances of existing debt in total do not exceed 8% of taxable assessed values on property located within the County limits. As of June 30, 2008, the amount of new general obligation debt that could be issued without referendum was approximately \$27.6 million. General obligation debt issued pursuant to referendum is not subject to the statute limitation.

In addition to the debt described above, the County had liabilities for compensated absences (amounts accrued for employees' earned leave balances) at the end of the year in the approximate amounts of \$1.3 million for governmental activities and \$0.1 million for business-type activities, both of which increased only slightly from the prior year.

Liabilities for future landfill closure and post-closure care costs total approximately \$5.1 million at year-end, an increase of approximately \$0.4 million over the prior year, after restatement to recognize closure costs of prior periods associated with the County's C&D landfill. These liabilities are reported in the business-type activities.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Governmental Funds

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

At the completion of the County's fiscal year, its governmental funds (as presented in the balance sheet on page 20 of this report) reported a *combined* fund balance of \$60.5 million, an increase of \$23.4 million over last year's total, an increase of about 63.1%. This very large increase results primarily from unexpended bond proceeds received during the year, along with an accumulation of amounts in the County's debt service fund that are earmarked for debt service of future bond issues. Included in this year's total change in fund balance is a slight decrease of about \$0.1 million to the fund balance of the General Fund. The change to reserved fund balance of the general fund was an increase of about \$0.1 million, while the unreserved fund balance decreased by \$0.2 million. The Judicial Center project fund reflects current year expenditures of approximately \$12.2 million on the building which was still under construction at year-end.

Proprietary Funds

The County's *proprietary funds* generally provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. The County's two proprietary funds are the environmental services fund and the stormwater management fund. At year-end, net assets of the Environmental Services Fund totaled approximately \$9.2 million and net assets of the stormwater management fund totaled about \$3.3 million.

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

BUDGET HIGHLIGHTS OF THE GENERAL FUND

The *original* general fund budget, as presented in this report, includes the original appropriations authorized by County Council just prior to the start of the fiscal year. Budget amendments are adopted through formal process by County Council for encumbered capital purchases recorded and outstanding at the conclusion of the prior fiscal year. In addition, amendments are enacted by Council, at their discretion, to appropriate additional funds from accumulated fund balances or from new revenues sources that were previously unbudgeted.

Supplemental appropriations in the amount of \$938,085 were authorized by Council for the general fund during the year. Of that amount, \$544,381 was for "rollover" of previously budgeted funds for encumbrances outstanding at the commencement of the fiscal year.

Among the other significant supplemental appropriations from fund balance were provisions in the amount of \$250,000 made available for procurement and installation of a metal storage building at the law enforcement headquarters; \$140,000 for procurement of mobile data terminals for EMS operations; \$95,000 for emergency repairs resulting from storm induced beach erosion; \$50,000 for repairs to the historic Rice Museum clock tower; and \$20,000 for carpet replacement at Waccamaw Regional Council of Government's Georgetown headquarters.

Total general fund revenues were short of the revised revenue projections by less than \$16,000. However, there were several revenue sources with notable variances from the amended budget amounts, some of which had been revised very significantly from the original amounts included in the adopted budget:

- Property taxes – Approximately \$68,000 under budget estimates
- Building permit fees – Approximately \$51,000 under budget estimates
- Documentary stamp fees – Approximately \$105,000 under budget estimates
- Delinquent tax fees – Approximately \$67,000 under budget estimates
- Interest earnings – Approximately \$63,000 under budget estimates
- EMS transport fees – Approximately \$149,000 over budget estimates
- Non-specific miscellaneous receipts – Approximately \$95,000 over budget estimates

Actual expenditures incurred were \$1,034,000 less than appropriated. The significant variances from budget result primarily from the following:

- Savings in personnel costs resulting from temporary vacancies and delays in filling positions. These savings totaled approximately \$213,000 for the year.
- Delayed expenditures for capital assets and CIP master plan studies. Any "savings" resulting from such delays are only temporary as these items are rolled-over to the following year and added to that year's budget. Actual expenditures incurred for the year for these items were about \$538,000 less than budgeted.
- Numerous relatively positive variances of fairly small amounts individually that when added together result in significant savings against the budgeted appropriations. These kinds of variances are a consequence of budgetary controls that are designed to ensure that expenditures do not exceed budget appropriations and the large volume of individual line-items reported in the General Fund.

Budgetary comparisons for all general fund revenue sources and functional expenditures can be found on pages 60-69 of this report.

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected and appointed officials considered many factors when developing the fiscal year 2009 budget. Some of the factors considered were the national and local economy, tourism trends, population growth rates (both in Georgetown County and in surrounding counties), and trend data regarding growth in property tax base and building permits issued. Analysis of these factors resulted in projections for the new year that reflect significant reductions in revenue streams that are impacted by housing market problems that a year ago were starting to show up and then during fiscal year 2008 became quite serious not only locally, but throughout our national economy. The tourism industry in Georgetown County has held during the past year but growth rates in those revenues are not expected to continue at previous rates. More than ever, economic factors will put a strain on the County's fiscal year 2009 budget and perhaps for several years to come. Careful planning and continued efforts to implement cost saving measures will continue to play a key role in preserving current service levels to the citizens of Georgetown County.

Despite concerns about the economy and its short-term effects on the County's budget, fund balance of the General Fund remain strong. At year-end, amounts available in the General Fund for future appropriation are approximately \$9.6 million; however, in conjunction with the fund balance policy adopted by County Council in 2006, \$8.0 million of this balance is to be maintained to provide a reserve for future emergencies and contingencies as well as to meet cash flow needs that vary significantly throughout the year.

In establishing the annual budget for the 2009 fiscal year, Council approved a 1.3 mill tax increase in the General Fund. This increase is offset by a 1.3 mill decrease in the Debt Service Fund.

Other significant provisions included in the fiscal year 2009 budget include:

- Continuation of the Capital Equipment Replacement Fund ("CERF") created to provide for funding, acquisition and debt service related to the County's vehicle and major equipment replacement needs. Each governmental fund makes annual transfers to the CERF in amounts that are reasonably stable from year-to-year and sufficient to provide for fleet replacement on a prudent predetermined basis.
- Construction of a new spec building and pad-ready site at the County's industrial park for marketing to prospective industries. This is a carry-over from the prior fiscal year.
- Completion of Recreation & Leisure Services Master Plan and County-Wide Transportation Studies, including development of impact fee recommendations. This is also a carry-over budget item.
- Completion of a new County Judicial Center.
- Remodeling of the existing County courthouse facility for alternative utilization by County staff.
- Completion of a new Georgetown Airport terminal building.
- Completion of a new corporate aircraft hangar.
- Completion of new boat landing facilities on the Sampit River.
- Finalization of the Visions II Capital Improvement Plan program and begin Phase I implementation.
- Begin construction of stormwater utility improvements.
- Completion of County-wide zoning.

MANAGEMENT DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2008

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County's Finance Department at: 129 Screven Street, Georgetown, South Carolina 29442.

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BASIC FINANCIAL STATEMENTS

County of Georgetown
Georgetown, South Carolina
Statement of Net Assets
June 30, 2008

	Governmental Activities	Business - Type Activities	Total
Assets			
Cash and Investments	\$ 37,688,274	\$ 3,650,977	\$ 41,339,251
Cash Lease Escrow	1,542,827	548,477	2,091,304
Accounts Receivable (Net of Allowance)	0	117,334	117,334
Court Fines Receivable (Net of Allowance)	387,225	0	387,225
Taxes Receivable (Net of Allowance)	581,240	35,621	616,861
Due from State	884,640	0	884,640
Other Receivables (Net of Allowance)	4,984,842	17,950	5,002,792
Inventories	32,632	0	32,632
Assets held for resale	128,011	0	128,011
Deferred Charges	454,702	0	454,702
Prepaid Items	263,397	24,502	287,899
Temporarily Restricted Assets:			
Cash and Investments	23,730,762	5,083,676	28,814,438
Capital Assets (Net of Accumulated Depreciation):			
Land	6,850,491	740,718	7,591,209
Buildings	10,993,055	290,902	11,283,957
Infrastructure	12,223,310	0	12,223,310
Improvements	5,830,964	6,868,432	12,699,396
Machinery and Equipment	4,446,810	1,708,495	6,155,305
Automotive Equipment	3,899,635	450,215	4,349,850
Construction in Progress	17,287,243	377,392	17,664,635
Total Assets	\$ 132,210,060	\$ 19,914,691	\$ 152,124,751
Liabilities			
Accounts Payable	\$ 6,475,480	\$ 236,954	\$ 6,712,434
Due to Others	653,358	0	653,358
Accrued Interest Payable	223,614	0	223,614
Accrued Salaries and Related Fringes	518,505	38,424	556,929
Deferred Revenue	1,006,027	0	1,006,027
Noncurrent Liabilities:			
Due Within One Year	6,287,122	504,015	6,791,137
Due In More Than One Year	43,704,431	6,652,888	50,357,319
Total Liabilities	\$ 58,868,537	\$ 7,432,281	\$ 66,300,818
Net Assets			
Invested In Capital Assets, Net Of Related Debt	\$ 35,498,734	\$ 8,601,049	\$ 44,099,783
Restricted For:			
Restricted for Debt Service	8,502,329	0	8,502,329
Restricted for General Government	8,744	0	8,744
Restricted for Public Safety	3,258,445	0	3,258,445
Restricted for Public Works	2,437,210	0	2,437,210
Restricted for Health & Welfare	466,296	0	466,296
Restricted for Economic Development	4,109,982	0	4,109,982
Restricted for Culture & Recreation	5,598,613	0	5,598,613
Unrestricted	13,461,170	3,881,361	17,342,531
Total Net Assets	\$ 73,341,523	\$ 12,482,410	\$ 85,823,933

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Activities
For the Year Ended June 30, 2008

Functions/Programs Primary Government:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	PRIMARY GOVERNMENT		Total
					Governmental Activities	Business-Type Activities	
Governmental Activities:							
General Government	\$ 14,175,900	\$ 3,459,794	\$ 434,025	\$ 853,575	\$ (9,428,506)	\$ 0	\$ (9,428,506)
Public Safety	17,682,676	1,676,957	410,517	90,000	(15,505,202)	0	(15,505,202)
Public Works	2,941,628	0	53,025	1,731,125	(1,157,478)	0	(1,157,478)
Health & Welfare	3,721,806	1,952,953	873,077	70,707	(825,069)	0	(825,069)
Economic Development	1,669,768	74,628	277,370	1,312,262	(5,508)	0	(5,508)
Cultural & Recreation	4,680,136	94,871	1,724,961	525,510	(2,334,794)	0	(2,334,794)
Environmental Services	68,468	0	45,804	22,664	0	0	0
Interest and Other Charges	1,188,238	0	0	0	(1,188,238)	0	(1,188,238)
Total Governmental Activities	\$ 46,128,620	\$ 7,259,203	\$ 3,818,779	\$ 4,605,843	\$ (30,444,795)	\$ 0	\$ (30,444,795)
Business-Type Activities:							
Environmental Services	5,332,962	3,288,432	33,620	0	0	(2,010,910)	(2,010,910)
Public Works	456,084	1,718,716	0	0	0	1,262,632	1,262,632
Total Business-Type Activities	\$ 5,789,046	\$ 5,007,148	\$ 33,620	\$ 0	\$ 0	\$ (748,278)	\$ (748,278)
Total Primary Government	\$ 51,917,666	\$ 12,266,351	\$ 3,852,399	\$ 4,605,843	\$ (30,444,795)	\$ (748,278)	\$ (31,193,073)
General Revenues:							
Taxes					\$ 30,956,913	\$ 2,386,179	\$ 33,343,092
Local Government Fund					3,215,822	0	3,215,822
Local Hospitality Fees					3,600,514	0	3,600,514
Franchise Fees					968,236	0	968,236
Vehicle User Fees					1,684,725	0	1,684,725
Other Revenue					585,552	4,521	590,073
Impact Fees					365,568	0	365,568
E911 System Fees					387,287	0	387,287
Interest					1,339,944	311,461	1,651,405
Gain on Disposal of Property					336,489	9,351	345,840
Transfers					(910,034)	910,034	0
Total General Revenues, Special Items, Extraordinary Items, and Transfers					\$ 42,531,016	\$ 3,621,546	\$ 46,152,562
Change in Net Assets					\$ 12,086,221	\$ 2,873,268	\$ 14,959,489
Net Assets Beginning of Year, As Restated					61,255,302	9,609,142	70,864,444
Net Assets, End of Year					\$ 73,341,523	\$ 12,482,410	\$ 85,823,933

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Balance Sheet
Governmental Funds
June 30, 2008

	General	Law Enforcement Fund	Debt Service Fund	Judicial Center Construction Fund	CIP Reserve Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash & Investments	\$ 11,317,555	\$ 1,202,322	\$ 6,518,154	\$ 1,975,263	\$ 0	\$ 16,674,980	\$ 37,688,274
Cash Restricted	160,000	0	1,943,612	0	21,565,211	61,939	23,730,762
Cash Lease Escrow	0	0	0	0	0	1,542,827	1,542,827
Court Fines Receivable (Net of Allowances)	0	387,225	0	0	0	0	387,225
Taxes Receivable (Net of Allowance)	282,143	107,160	94,475	0	0	97,462	581,240
Other Receivables (Net of Allowance)	846,666	206,390	0	0	0	3,931,786	4,984,842
Assets Held for Resale	0	0	0	0	0	128,011	128,011
Due from State Government	865,413	0	321	0	0	18,906	884,640
Prepaid Items	111,920	94,686	0	0	0	56,791	263,397
Inventory	32,632	0	0	0	0	0	32,632
Due from Other Funds	12,001	0	0	0	0	0	12,001
Total Assets	\$ 13,628,330	\$ 1,997,783	\$ 8,556,562	\$ 1,975,263	\$ 21,565,211	\$ 22,512,702	\$ 70,235,851
Liabilities and Fund Balance							
Liabilities							
Accounts Payable	\$ 1,379,446	\$ 303,229	\$ 0	\$ 1,975,263	\$ 0	\$ 2,817,542	\$ 6,475,480
Due to Other Funds	0	0	0	0	0	12,001	12,001
Due to Others	653,358	0	0	0	0	0	653,358
Accrued Wages & Benefits Payable	317,328	105,658	0	0	0	95,519	518,505
Deferred Revenue	963,849	407,249	54,233	0	0	625,024	2,050,355
Total Liabilities	\$ 3,313,981	\$ 816,136	\$ 54,233	\$ 1,975,263	\$ 0	\$ 3,550,086	\$ 9,709,699
Fund Balance							
Reserved for Inventory	\$ 32,632	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 32,632
Reserved for Prepaid Items	111,920	94,686	0	0	0	56,791	263,397
Reserved for Encumbrances	544,381	223,417	0	0	0	2,993,265	3,761,063
Reserved for Impact Fees	0	0	0	0	0	34,931	34,931
Reserved for Capital Projects	0	0	0	0	21,565,211	3,301,568	24,866,779
Reserved for MI 2008	0	0	0	0	0	27,008	27,008
Reserved for Investment Property	0	0	0	0	0	128,011	128,011
Reserved for Bond Debt Service	0	0	1,938,410	0	0	0	1,938,410
Unreserved	9,625,416	863,544	6,563,919	0	0	12,421,042	29,473,921
Total Fund Balance	\$ 10,314,349	\$ 1,181,647	\$ 8,502,329	\$ 0	\$ 21,565,211	\$ 18,962,616	\$ 60,526,152
Total Liabilities and Fund Balance	\$ 13,628,330	\$ 1,997,783	\$ 8,556,562	\$ 1,975,263	\$ 21,565,211	\$ 22,512,702	\$ 70,235,851

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Assets
June 30, 2008

Amounts reported for governmental activities in the statement of net assets are different because :

Ending fund balances - governmental funds balance sheet	\$ 60,526,152
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	61,531,508
Other long-term assets, such as property taxes, court fines, and ambulance fees are not available to pay for current period expenditures and, therefore, are deferred in the funds.	1,044,328
Long-term liabilities, including bonds payable (net of premiums and issuance costs), capital leases, compensated absences, and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(49,760,465)</u>
Net assets of governmental activities	\$ <u>73,341,523</u>

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2008

Revenue	General	Law Enforcement Fund	Debt Service Fund	Judicial Center Construction Fund	CIP Reserve Fund	Other Governmental Funds	Total Governmental Funds
Taxes	\$ 10,839,550	\$ 6,787,422	\$ 6,931,883	\$ 0	\$ 0	\$ 6,408,093	\$ 30,966,948
Local Hospitality Tax	0	0	0	0	0	3,600,514	3,600,514
Fees, Licenses & Permits	6,158,175	378,648	967	0	0	3,454,789	9,992,579
Fines & Forfeitures	134,753	612,108	0	0	0	0	746,861
State Aid & Shared Taxes	0	0	0	0	0	1,080,399	1,080,399
Intergovernmental Revenue	3,619,910	191,017	0	0	0	251,013	4,061,940
Grants	97,414	238,529	0	0	0	2,669,170	3,005,113
C Funds	0	0	0	0	0	1,644,786	1,644,786
Interest	437,433	36,927	179,312	0	63,760	622,512	1,339,944
Donations	0	75	0	0	0	287,483	287,558
Miscellaneous Revenue	421,624	70,857	0	0	0	417,374	909,855
Total Revenues	\$ 21,708,859	\$ 8,315,583	\$ 7,112,162	\$ 0	\$ 63,760	\$ 20,436,133	\$ 57,636,497

Expenditures	General	Law Enforcement Fund	Debt Service Fund	Judicial Center Construction Fund	CIP Reserve Fund	Other Governmental Funds	Total Governmental Funds
Current:							
General Government	\$ 12,583,545	\$ 0	\$ 0	\$ 648	\$ 0	\$ 1,032,246	\$ 13,616,439
Public Safety	797,119	8,486,491	0	0	0	6,149,911	15,433,521
Public Works	2,073,542	0	0	0	0	242,338	2,315,880
Health and Welfare	2,570,135	0	0	0	0	889,753	3,459,888
Cultural and Recreational	3,032,264	0	0	0	0	1,225,609	4,257,873
Economic Development	225,583	0	0	0	0	940,989	1,166,572
Environmental Services	0	0	0	0	0	68,468	68,468
Capital Outlay:							
General Government	150,903	0	0	12,206,237	0	144,459	12,501,599
Public Safety	0	158,562	0	0	0	1,385,560	1,544,122
Public Works	0	0	0	0	0	2,667,462	2,667,462
Health and Welfare	1,125	0	0	0	0	325,793	326,918
Cultural and Recreational	96,622	0	0	0	0	1,273,812	1,370,434
Economic Development	67,222	0	0	0	0	1,902,223	1,969,445
Debt Service:							
Principal	0	31,957	1,265,000	0	0	1,033,795	2,330,752
Interest	0	1,678	899,684	0	0	165,437	1,066,799
Bond Issuance Costs	0	0	0	0	332,500	7,500	340,000
Total Expenditures	\$ 21,598,060	\$ 8,678,668	\$ 2,164,684	\$ 12,206,885	\$ 332,500	\$ 19,455,355	\$ 64,436,172

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2008

	General	Law Enforcement Fund	Debt Service Fund	Judicial Center Construction Fund	CIP Reserve Fund	Other Governmental Funds	Total Governmental Funds
Excess Revenues Over Expenditures	\$ 110,799	\$ (363,105)	\$ 4,947,478	\$ (12,206,885)	\$ (268,740)	\$ 980,778	\$ (6,799,675)
Other Financing Sources (Uses)							
Operating Transfers In (Out)	\$ (283,718)	\$ 875,000	\$ 300,000	\$ 12,091,885	\$ (2,227,639)	\$ (10,645,528)	\$ 110,000
Bond Purchase Proceeds	0	0	1,938,410	0	24,061,590	2,400,000	28,400,000
Lease Purchase Proceeds	0	0	0	0	0	781,746	781,746
Sale of Capital Assets	60,050	50,208	0	0	0	800,043	910,301
Total Other Financing Sources (Uses)	\$ (223,668)	\$ 925,208	\$ 2,238,410	\$ 12,091,885	\$ 21,833,951	\$ (6,663,739)	\$ 30,202,047
Excess Revenues & Other Financing Sources Over Expenditures & Other Financing Uses	\$ (112,869)	\$ 562,103	\$ 7,185,888	\$ (115,000)	\$ 21,565,211	\$ (5,682,961)	\$ 23,402,372
Fund Balance, July 1, 2007, As Restated	10,427,218	619,544	1,316,441	115,000	0	24,645,577	37,123,780
Fund Balance, June 30, 2008	\$ 10,314,349	\$ 1,181,647	\$ 8,502,329	\$ 0	\$ 21,565,211	\$ 18,962,616	\$ 60,526,152

The accompanying notes are an integral part of these financial statements.

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County of Georgetown
Georgetown, South Carolina
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2008

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 23,402,372
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount is the amount by which capital outlay (\$20,379,980) exceeded depreciation expense (\$4,496,663) in the current period.	15,783,317
Revenues in the statement of activities, such as property taxes and police fines that will not be collected for several months after year end and do not provide for current financial resources, are not reported as revenues in the funds.	298,314
The issuance of long-term debt (e.g. bonds, leases) 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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(26,510,994)
In the statement of activities, only the gain on the sale of assets is reported. However, 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 book value of the capital assets sold.	(573,812)
Donated capital assets are recorded on the statement of activities but do not appear in the governmental funds because they are not financial resources.	853,575
Capital assets transferred to business type activities does not decrease financial resources in the governmental funds.	(1,020,034)
Some expenses reported in the statement of activities, such as compensated absences, accrued interest, and amortization of bond premiums and issuance costs, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(146,517)</u>
Change in net assets of governmental activities	<u>\$ 12,086,221</u>

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Net Assets
Proprietary Funds
June 30, 2008

<u>Assets</u>	Business Type Activities - Enterprise Funds		
	Environmental Services Fund	Stormwater Management Fund	Total
	Fund	Fund	Total
Current Assets			
Cash	\$ 1,305,262	\$ 2,345,715	\$ 3,650,977
Cash Restricted	5,083,676	0	5,083,676
Cash Lease Escrow	548,477	0	548,477
Taxes Receivable Net of Allowance	35,621	0	35,621
Landfill Fees Receivable Net of Allowance	117,334	0	117,334
Accounts Receivable	270	0	270
Grants Receivable	17,680	0	17,680
Prepaid Insurance	24,140	362	24,502
	\$ 7,132,460	\$ 2,346,077	\$ 9,478,537
Total Current Assets			
Property, Plant, and Equipment			
Land	\$ 740,718	\$ 0	\$ 740,718
Improvements	8,978,606	689,706	9,668,312
Machinery and Equipment	4,329,225	0	4,329,225
Vehicles	1,784,278	6,819	1,791,097
Buildings	401,271	0	401,271
Construction in Progress	33,620	343,772	377,392
Less: Accumulated Depreciation	(6,822,352)	(49,509)	(6,871,861)
	\$ 9,445,366	\$ 990,788	\$ 10,436,154
Net Property, Plant, and Equipment			
Total Assets	\$ 16,577,826	\$ 3,336,865	\$ 19,914,691

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Net Assets
Proprietary Funds
June 30, 2008

<u>Liabilities</u>	Business Type Activities - Enterprise Funds		
	Environmental Services Fund	Stormwater Management Fund	Total
	Fund	Fund	Total
Short-Term Liabilities			
Accounts Payable	\$ 226,561	\$ 10,393	\$ 236,954
Accrued Payroll and Benefits	33,675	4,749	38,424
Compensated Absences Payable	73,259	3,626	76,885
Estimated Liability for Landfill Closure and Post Closure Cost	53,200	0	53,200
Capital Leases Payable	373,930	0	373,930
Total Short-Term Liabilities	\$ 760,625	\$ 18,768	\$ 779,393
Long-Term Liabilities			
Capital Leases Payable	\$ 1,618,365	\$ 0	\$ 1,618,365
Compensated Absences Payable	3,856	191	4,047
Estimated Liability for Landfill Closure and Post Closure Cost	5,030,476	0	5,030,476
Total Long-Term Liabilities	\$ 6,652,697	\$ 191	\$ 6,652,888
Total Liabilities	\$ 7,413,322	\$ 18,959	\$ 7,432,281
Net Assets			
Invested in Capital Assets, Net of Related Debt Unrestricted	\$ 7,610,261	\$ 990,788	\$ 8,601,049
	1,554,243	2,327,118	3,881,361
Total Net Assets	\$ 9,164,504	\$ 3,317,906	\$ 12,482,410

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2008

	Business Type Activities - Enterprise Funds		
	Environmental Services Fund	Stormwater Management Fund	Total
<u>Operating Revenues</u>			
Current Property Taxes	\$ 2,123,798	\$ 0	\$ 2,123,798
Current Vehicle Taxes	133,017	0	133,017
Delinquent Property Taxes	15,950	0	15,950
Payment in Lieu of Taxes	8,707	0	8,707
Homestead Exemption	45,823	0	45,823
Motor Carrier	7,368	0	7,368
Manufacturers' Reimbursements	34,162	0	34,162
Tax Penalties	17,354	0	17,354
Fees - Landfill	1,628,113	0	1,628,113
Household Fees	1,378,869	0	1,378,869
Stormwater Fees	0	1,672,736	1,672,736
Miscellaneous	20,141	45,980	66,121
Recyclable Sales	198,591	0	198,591
Compost Sales	41,663	0	41,663
Total Operating Revenues	\$ 5,653,556	\$ 1,718,716	\$ 7,372,272
<u>Operating Expenses</u>			
Salaries	\$ 1,307,217	\$ 150,773	\$ 1,457,990
Employee Benefits	393,790	42,590	436,380
Supplies and Materials	1,280,141	58,472	1,338,613
Purchased Services	818,574	145,066	963,640
Other Objects	65,423	9,674	75,097
Depreciation	910,994	49,509	960,503
Landfill Closure & Post Closure Care Cost	397,662	0	397,662
Construction & Demolition Cell Closure	80,984	0	80,984
Total Operating Expenses	\$ 5,254,785	\$ 456,084	\$ 5,710,869
Operating Income (Loss)	\$ 398,771	\$ 1,262,632	\$ 1,661,403
<u>Nonoperating Revenues (Expenses)</u>			
Interest Expense	\$ (78,177)	\$ 0	\$ (78,177)
Interest Income	240,649	70,812	311,461
Gain (Loss) on Disposal of Assets	9,351	0	9,351
Grants & Contributions	33,620	1,020,034	1,053,654
Solid Waste Tire Fees	25,576	0	25,576
Transfers In (Out)	(40,000)	(70,000)	(110,000)
Total Nonoperating Revenues (Expenses)	\$ 191,019	\$ 1,020,846	\$ 1,211,865
Net Income (Loss)	\$ 589,790	\$ 2,283,478	\$ 2,873,268
Net Assets, Beginning of Year, As Restated	8,574,714	1,034,428	9,609,142
Net Assets, End of Year	\$ 9,164,504	\$ 3,317,906	\$ 12,482,410

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds		
	Environmental Services Fund	Stormwater Management Fund	Total
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 5,734,982	\$ 1,718,716	\$ 7,453,698
Cash Payments to Suppliers for Goods and Services	(2,149,286)	(252,378)	(2,401,664)
Cash Payments to and for Employees Benefit	(1,687,541)	(186,334)	(1,873,875)
Net Cash Provided (Used) by Operating Activities	\$ 1,898,155	\$ 1,280,004	\$ 3,178,159
Cash Flows from Noncapital Financing Activities:			
Non-Operating Proceeds	\$ 59,196	\$ 0	\$ 59,196
Operating Transfers In (Out)	(40,000)	(70,000)	(110,000)
Net Cash Provided (Used) by Noncapital Financing Activities	\$ 19,196	\$ (70,000)	\$ (50,804)
Cash Flows from Capital and Related Financing Activities:			
Proceeds from Sale of Fixed Assets	\$ 9,351	\$ 0	\$ 9,351
Lease Purchase Proceeds	462,578	0	462,578
Property, Plant and Equipment Additions	(436,578)	(20,263)	(456,841)
Landfill Closure Cost Retirement	(44,305)	0	(44,305)
Principal Payment Capital Leases	(354,410)	0	(354,410)
Interest Paid	(78,177)	0	(78,177)
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ (441,541)	\$ (20,263)	\$ (461,804)
Cash Flows from Investing Activities:			
Use of Money and Property	\$ 240,649	\$ 70,812	\$ 311,461
Net Cash Provided (Used) by Investing Activities	\$ 240,649	\$ 70,812	\$ 311,461
Net Change in Cash and Cash Equivalents	\$ 1,716,459	\$ 1,260,553	\$ 2,977,012
Cash and Cash Equivalents, Beginning of Year	5,220,956	1,085,162	6,306,118
Cash and Cash Equivalents, End of Year	\$ 6,937,415	\$ 2,345,715	\$ 9,283,130

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds		
	Environmental Services Fund	Stormwater Management Fund	Total
Cash and Cash Equivalents, End of Year			
Cash	\$ 1,305,262	\$ 2,345,715	\$ 3,650,977
Cash Lease Purchase Escrow	548,477	0	548,477
Cash Restricted	5,083,676	0	5,083,676
Total Cash and Cash Equivalents, End of Year	\$ 6,937,415	\$ 2,345,715	\$ 9,283,130
Schedule of Noncash Investing, Capital and Financing Activities:			
Asset Contributed from Governmental Funds	\$ 0	\$ 1,020,034	\$ 1,020,034
Total Noncash Investing, Capital and Financing Activities	\$ 0	\$ 1,020,034	\$ 1,020,034
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 398,771	\$ 1,262,632	\$ 1,661,403
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	910,994	49,509	960,503
Landfill Closure and Post Closure Costs	478,646	0	478,646
(Increase) Decrease in Accounts and Other Receivables	89,254	0	89,254
(Increase) Decrease in Taxes Receivable	(7,828)	0	(7,828)
(Increase) Decrease in Prepaid Insurance	3,389	(88)	3,301
Increase (Decrease) in Accounts Payable	11,463	(39,078)	(27,615)
Increase (Decrease) in Salaries and Compensated Absences Payable	13,466	7,029	20,495
Net Cash Provided (Used) by Operating Activities	\$ 1,898,155	\$ 1,280,004	\$ 3,178,159

The accompanying notes are an integral part of these financial statements.

County of Georgetown
Georgetown, South Carolina
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	<u>Agency Funds</u>
<u>Assets</u>	
Cash	\$ <u>5,815,094</u>
Total Assets	\$ <u><u>5,815,094</u></u>
<u>Liabilities</u>	
Due to Other Taxing Units	\$ 2,594,648
Due to Water & Sewer District	2,575
Due to Estate & Trust Beneficiaries	1,386,944
Due to Others	240,609
Due to Bidders & Redeemers of Land Sales	806,647
Due to Plaintiffs	840
Due to Fine Recipients and Bond Payors	462,689
Due to SC Department of Revenue	93,881
Due to Support Recipients	69,034
Due to Seized Asset Recipients	131,135
Due to S.C. Highway Department	<u>26,092</u>
Total Liabilities	\$ <u><u>5,815,094</u></u>

The accompanying notes are an integral part of these financial statements.

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County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 1. Summary of Significant Accounting Policies

The financial statements of the County of Georgetown, South Carolina have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity

For financial reporting purposes, the County of Georgetown meets the criterion of a Primary Government as defined in GASB Statement 14. A Primary Government has a separately elected governing body; one that is elected by the citizens in a general, popular election. The County includes funds that are controlled by or dependent on the County Council. Control by or dependence on the County was determined on the basis of budget adoption, taxing authority, outstanding debt secured by general obligations of the County, obligation of the County to finance deficits that may occur or receipt of significant subsidies from the County. In the judgment of the County's management, no activity has been excluded from the County's financial statements that would be required to be included on the basis of the above criteria.

B. Government-Wide and Fund Financial Statements

The financial statement presentation for the County meets the requirements of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. The financial statement presentation provides a comprehensive, entity-wide perspective of the County's net assets, revenues, expenses and changes in net assets and cash flows that replaces the fund-group perspective previously required.

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financial accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expense allocations that have been made in the funds have been eliminated from the statement of activities. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 1. Summary of Significant Accounting Policies (Continued)

to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, court fines, State aid and shared taxes, ambulance fees, and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

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

Law Enforcement Fund: The law enforcement fund is a special revenue fund which accounts for the proceeds of specific revenue sources that are collected for the purpose of providing law enforcement protection services for Georgetown County.

Debt Service Fund: The Debt Service Fund accounts for revenues collected for the purpose of servicing the County's outstanding debt.

Judicial Center Construction Fund: The Judicial Center Construction Fund is a capital projects fund that accounts for the specific revenue sources and expenditures that are collected to provide for the construction of the judicial center.

Capital Improvements Plan (CIP) Reserve Fund: The CIP Reserve fund is a capital projects fund used to account for funding that has been earmarked for the County's "Visions II Capital Improvement Plan" and related administrative costs associated with the plan.

The County reports the following major proprietary fund:

Environmental Services Fund (Enterprise Fund): The environmental services fund is used to account for the operations of the County landfill along with related solid waste management functions such as waste collection, recycling, and composting. Also includes mosquito control activities. This fund is funded from a combination of property taxes and user fees.

Although the Stormwater Management Fund (Enterprise Fund) does not meet the requirement of a major fund, it is presented separately in the proprietary fund statements since it is the only other business type activity. This fund is used to account for the operations of the County's stormwater management. This fund is funded by user fees and nonoperating grants.

Additionally, the County reports the following fund types:

Agency Fund: This fund is used to report resources held by the County in a custodial capacity as an agent on behalf of others and does not involve the measurement of results of operation.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 1. Summary of Significant Accounting Policies (Continued)

provided and other charges between the various other functions of the government. Elimination of these charges would distort the direct cost and program revenues for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for sales and services for landfill fees and the rental of airport hangars to the general public. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the United States and its agencies, general obligations (not revenue obligations) of the State of South Carolina and its subdivisions, savings and loan associations to the extent of federal insurance, certificates of deposit collaterally secured, and repurchase agreements secured by the foregoing obligations.

Investments for the government are reported at fair value.

E. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

F. Receivables

All accounts and property tax receivables are shown at their gross value and where appropriate, are reduced by the estimated portion that is expected to be uncollectible. This amount is determined by analyzing the percentage of receivables that was not collected in prior years.

Property taxes for real property and personal property except motor vehicles are due without penalties by January 15th of each fiscal year. Uncollected taxes and penalties are considered delinquent on March 15th. Property taxes for motor vehicles are due in the month in which the state motor vehicle license will be renewable. Property tax revenues are recognized in accordance with imposed nonexchange transactions in accordance with GASB No. 33.

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 1. Summary of Significant Accounting Policies (Continued)

G. Inventories and Prepaid Items

The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. The amount of inventories on hand at year end for the governmental fund types consist of postage, emergency preparedness supplies, and diesel fuel. Inventories are valued at cost using the average cost method.

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

H. Restricted Assets

Certain assets of special revenue and enterprise funds are classified as restricted on the balance sheet because their use is limited to specific purposes for which the funds were received.

I. Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Construction in progress represents funds expended for construction of capital assets which have not been placed into service.

Property, plant, and equipment of the County is depreciated using the straight line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	10-20
Improvements	7-20
Equipment	3-10
Vehicles	3-10
Infrastructure	20-35

Depreciation for capital assets that can be specifically identified with a function is included in the direct expenses for that function.

J. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 1. Summary of Significant Accounting Policies (Continued)

K. Deferred Revenues

Deferred revenues arise when a potential revenue does not meet the criteria for recognition in the current period. In subsequent periods, when revenue recognition criteria are met, the government has a legal claim to the resources, or the revenue has been earned, the liability is removed and revenue is recognized.

L. 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 in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium, discount, and deferred refunding costs. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

M. Nonexchange Transactions

The standards established by GASB Statement No. 33, "*Accounting and Financial Reporting for Nonexchange Transactions*", provide accounting and reporting for the following four categories of nonexchange transactions: 1) Derived tax revenues, 2) Imposed nonexchange revenues, 3) Government-mandated nonexchange transactions, and 4) Voluntary nonexchange transactions. Nonexchange transactions involve financial or capital resources in which the government either gives value to another party without directly receiving equal value in exchange or receives value from another party without directly giving equal value in exchange.

Assets from derived tax revenues are recognized when the underlying exchange has occurred or when the resources are received, whichever first. Revenues are recognized when the underlying exchange has occurred and resources are available to the government.

Assets from imposed nonexchange revenues are recognized when an enforceable legal claim has arisen or when resources are received, whichever occurs first. Revenues are recognized when resources are required to be used or the first period that use is permitted. Resources must also be available to the government.

Assets, liabilities, revenues, and expenditures from government-mandated and voluntary nonexchange transactions are generally recognized when all eligibility requirements have been met. Resources received before the eligibility requirements are fulfilled are reported as deferred revenues. Eligibility requirements can include one or more of the following:

1. The recipient has the characteristics specified by the provider.
2. Time requirements specified by the provider have been met.
3. The provider offers resources on a reimbursement basis and allowable costs have been incurred under the applicable program.
4. The provider's offer of resources is contingent upon a specified action of the recipient and that action has occurred.

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 1. Summary of Significant Accounting Policies (Continued)

N. Net Assets/Fund Balances

The County'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 County's total investment 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: Restricted expendable net assets include resources in which the County is legally or contractually obligated to spend in accordance with restrictions imposed by third parties.

Unrestricted Net Assets: Unrestricted net assets represent resources derived from ad valorem taxes, earnings on investments, state/local grants, fees, and shared revenues.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Note 2. Deposits and Investments

At year end, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>
Repurchase Agreement	\$ 950,000	7/1/08
	<u>\$ 950,000</u>	

Interest rate risk is the risk that a change in interest rate will cause the fair value of a government's financial instruments to drop or will negatively affect the government's cash flows. The County's investment policy does not address interest rate risk.

Credit risk is the risk that the counterparty will not meet its obligations. The County's investment policy does not address credit risk but limits its investments to obligations of the United States and its agencies, general obligations of South Carolina and its political subdivisions, savings and loan associations if their deposits are insured by an agency of the federal government, certificates of deposits insured by obligations of the United States or general obligation bonds of the State of South Carolina or its political subdivisions, and repurchase agreements when collateralized by United States obligations.

Concentration of credit risk - the County's investment policy does not address concentration of credit risk.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to the County. The County's investment policy requires deposits to be insured by the federal government or its agencies or collateralized by the federal government or its agencies. As of June 30, 2008, the County's bank balance was \$80,583,818 and the carrying value was \$77,103,761. At June 30, 2008, Georgetown County had no deposits that were exposed to custodial credit risk.

**County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008**

Note 2. Deposits and Investments (Continued)

Custodial credit risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investment balance of \$950,000 for a repurchase agreement as of June 30, 2008 was not exposed to custodial credit risk.

The deposit and investment policy of the County adheres to State statutes and prudent business practice. Deposits of the governmental funds are either maintained in demand deposits or savings accounts, certificates of deposits, money market accounts or repurchase agreements. There were no deposit or investment transactions during the year that were in violation of either the State statutes or the policy of the County.

Reconciliation of Cash and Investments to Fund Financial Statements

Cash and Investments		
Cash and Investments	\$	47,154,345
Restricted Cash and Investments		28,814,438
Cash Lease Escrow		2,091,304
Total Cash and Investments	\$	<u>78,060,087</u>
Petty Cash		\$ 6,326
Deposits Carrying Value		77,103,761
Investments		950,000
Total Cash and Investments	\$	<u>78,060,087</u>

Note 3. Receivables

Receivables at June 30, 2008 consist of the following:

	Governmental Activities	Business-Type Activities	Total
Taxes Receivable, Net	\$ 581,240	\$ 35,621	\$ 616,861
Landfill Fees Receivable, Net	0	117,334	117,334
Due From State Government	884,640	0	884,640
Court Fines Receivable, Net	387,225	0	387,225
Other Receivables, Net			
Grants	1,624,166	0	1,624,166
C-Funds	1,261,671	0	1,261,671
Accommodations Tax	239,012	0	239,012
Local Accommodations & Hospitality Fees	584,343	0	584,343
EMS Billings	589,747	0	589,747
Miscellaneous	685,903	17,950	703,853
Total Receivables	<u>\$ 6,837,947</u>	<u>\$ 170,905</u>	<u>\$ 7,008,852</u>

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 3. Receivables (Continued)

Property taxes receivable that do not meet the availability requirement have been recorded as deferred revenue. Allowances for uncollectible property taxes have been recorded in the governmental activities in the amount of \$581,240 and \$35,621 in the business type activities.

An allowance for uncollectible court fines of \$139,071 and an allowance for uncollectible other receivables of \$2,179,805 have been recorded in the governmental activities.

An allowance for uncollectible accounts receivable has been recorded in the business-type activities in the amount of \$6,641.

Note 4. Restricted Assets

The County has recorded restricted cash and investments totaling \$23,730,762 in the governmental funds for the following:

Fire District Number 1 Fund - Impact Fees	\$	34,931
Murrells Inlet Revitalization - MI 2008		27,008
Deposits Held for Condemnation		160,000
Debt Service Reserve Funds		1,943,612
Restricted Bond Proceeds		21,565,211
	\$	<u>23,730,762</u>

The County has recorded cash as restricted in the amount of \$5,083,676 in the Environmental Services Fund, as these funds are restricted for landfill closure and post closure cost.

Note 5. Interfund Receivables and Payables

Interfund receivables and payables result from the pooling of cash. The balances reflect current operations of funds which routinely require the reimbursement of grant funds. Individual fund interfund receivable and payable balances at June 30, 2008 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 12,001	\$ 0
Nonmajor Special Revenue Funds	<u>0</u>	<u>12,001</u>
Totals	<u>\$ 12,001</u>	<u>\$ 12,001</u>

**County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008**

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows:

Governmental Activities:	Beginning Balance <u>(As Restated)</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance
Capital Assets, not being Depreciated:				
Land	\$ 4,366,467	\$ 2,484,640	\$ (616)	\$ 6,850,491
Construction in Progress	<u>4,935,965</u>	<u>14,975,244</u>	<u>(2,623,966)</u>	<u>17,287,243</u>
Total, not being Depreciated	<u>\$ 9,302,432</u>	<u>\$ 17,459,884</u>	<u>\$ (2,624,582)</u>	<u>\$ 24,137,734</u>
Capital Assets, being Depreciated:				
Buildings	\$ 25,480,933	\$ 1,301,467	\$ 0	\$ 26,782,400
Improvements	14,177,313	311,524	(819,987)	13,668,850
Infrastructure	12,919,455	2,290,859	0	15,210,314
Equipment	13,382,271	736,515	(20,000)	14,098,786
Furniture & Fixtures	268,644	0	0	268,644
Automotive Equipment	<u>14,297,765</u>	<u>1,433,764</u>	<u>(505,278)</u>	<u>15,226,251</u>
Total, being Depreciated	<u>\$ 80,526,381</u>	<u>\$ 6,074,129</u>	<u>\$ (1,345,265)</u>	<u>\$ 85,255,245</u>
Less Accumulated Depreciation for:				
Buildings	\$ (14,795,437)	\$ (993,908)	\$ 0	\$ (15,789,345)
Improvements	(7,174,266)	(793,900)	130,280	(7,837,886)
Infrastructure	(2,599,751)	(387,253)	0	(2,987,004)
Equipment	(8,388,612)	(1,283,364)	20,000	(9,651,976)
Furniture & Fixtures	(268,644)	0	0	(268,644)
Automotive Equipment	<u>(10,686,837)</u>	<u>(1,138,238)</u>	<u>498,459</u>	<u>(11,326,616)</u>
Total Accumulated Depreciation	<u>\$ (43,913,547)</u>	<u>\$ (4,596,663)</u>	<u>\$ 648,739</u>	<u>\$ (47,861,471)</u>
Total, being Depreciated, Net	<u>\$ 36,612,834</u>	<u>\$ 1,477,466</u>	<u>\$ (696,526)</u>	<u>\$ 37,393,774</u>
Total Governmental Activities, Net	<u>\$ 45,915,266</u>	<u>\$ 18,937,350</u>	<u>\$ (3,321,108)</u>	<u>\$ 61,531,508</u>

Construction in progress totaling \$2,300,458 has been reclassified to buildings in the amount of \$1,207,531, improvements in the amount of \$35,645, and infrastructure in the amount of \$1,057,282. Assets having a net book value of \$616 were sold during the year resulting in a gain on disposal of fixed assets of \$336,489. Assets donated by school district totaled \$853,575. Assets totaling \$1,020,034, including construction in progress of \$323,508, have been transferred to the business-type activities.

**County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008**

Note 6. Capital Assets (Continued)

Business-Type Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, not being Depreciated:				
Land	\$ 740,718	\$ 0	\$ 0	\$ 740,718
Construction in Progress	<u>73,550</u>	<u>377,392</u>	<u>(73,550)</u>	<u>377,392</u>
Total, not being Depreciated	\$ <u>814,268</u>	\$ <u>377,392</u>	\$ <u>(73,550)</u>	\$ <u>1,118,110</u>
Capital Assets, being Depreciated:				
Buildings	\$ 327,721	\$ 73,550	\$ 0	\$ 401,271
Improvements	8,966,205	702,107	0	9,668,312
Machinery & Equipment	4,135,612	193,613	0	4,329,225
Motor Vehicles	<u>1,599,334</u>	<u>203,763</u>	<u>(12,000)</u>	<u>1,791,097</u>
Total, being Depreciated	\$ <u>15,028,872</u>	\$ <u>1,173,033</u>	\$ <u>(12,000)</u>	\$ <u>16,189,905</u>
Less Accumulated Depreciation for:				
Buildings	\$ (93,116)	\$ (17,253)	\$ 0	\$ (110,369)
Improvements	(2,396,110)	(403,770)	0	(2,799,880)
Machinery & Equipment	(2,211,006)	(409,724)	0	(2,620,730)
Motor Vehicles	<u>(1,223,126)</u>	<u>(129,756)</u>	<u>12,000</u>	<u>(1,340,882)</u>
Total Accumulated Depreciation	\$ <u>(5,923,358)</u>	\$ <u>(960,503)</u>	\$ <u>12,000</u>	\$ <u>(6,871,861)</u>
Total, being Depreciated, Net	\$ <u>9,105,514</u>	\$ <u>212,530</u>	\$ <u>0</u>	\$ <u>9,318,044</u>
Total Business-Type Activities, Net	\$ <u>9,919,782</u>	\$ <u>589,922</u>	\$ <u>(73,550)</u>	\$ <u>10,436,154</u>

Depreciation expense of business-type activities totaled \$960,503. Assets totaling \$12,000 that were fully depreciated were sold, resulting in a gain on disposal of assets of \$9,351. Assets totaling \$1,020,034, including \$323,508 of construction in progress, were transferred to the business-type activities from the governmental activities.

Depreciation expense was charged to the following functions:

Governmental Activities:

General Government	\$ 526,460
Public Safety	2,266,922
Public Works	615,648
Health and Welfare	277,871
Economic Development	503,066
Cultural and Recreation	<u>406,696</u>
Total Depreciation expense - Governmental Activities	\$ <u>4,596,663</u>

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 6. Capital Assets (Continued)

Total Depreciation expense for the Environmental Services fund of the business-type activities was \$910,994 and for the Public Works fund of the business-type activities was \$49,509, totaling \$960,503.

Total assets purchased under capital leases with remaining liens are as follows:

	Governmental Activities	Business-Type Activities
Asset Cost	\$ 5,176,167	\$ 2,398,331
Accumulated Depreciation	<u>(1,491,746)</u>	<u>(696,106)</u>
Totals	<u>\$ 3,684,421</u>	<u>\$ 1,702,225</u>

Note 7. Capital Leases

The County's governmental activities have thirteen (13) lease purchase agreements and its business-type activities have ten (10) lease purchase agreements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

Future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2008, are as follows:

	Governmental Activities	Business-Type Activities	Total
2009	\$ 949,469	\$ 455,015	\$ 1,404,484
2010	931,573	431,701	1,363,274
2011	761,617	428,392	1,190,009
2012	692,609	389,406	1,082,015
2013	557,815	287,070	844,885
2014 - 2018	<u>535,513</u>	<u>270,753</u>	<u>806,266</u>
Total Minimum Lease Payments	\$ 4,428,596	\$ 2,262,337	\$ 6,690,933
Less Amount Representing Interest	<u>(505,400)</u>	<u>(270,042)</u>	<u>(775,442)</u>
Totals	<u>\$ 3,923,196</u>	<u>\$ 1,992,295</u>	<u>\$ 5,915,491</u>

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 8. Long-Term Debt

Following is a summary of changes in long-term liabilities during the year ended June 30, 2008:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 17,620,000	\$ 0	\$ (1,265,000)	\$ 16,355,000	\$ 1,040,000
Installment Purchase Revenue Bonds	0	26,000,000	0	26,000,000	840,000
Plus Unamortized Premium	45,990	0	(7,758)	38,232	0
Total Bonds Payable	\$ 17,665,990	\$ 26,000,000	\$ (1,272,758)	\$ 42,393,232	\$ 1,880,000
Bond Anticipation Note	0	2,400,000	0	2,400,000	2,400,000
Capital Leases	4,207,202	781,746	(1,065,752)	3,923,196	795,754
Compensated Absences	1,250,047	1,275,125	(1,250,047)	1,275,125	1,211,368
Totals	\$ 23,123,239	\$ 30,456,871	\$ (3,588,557)	\$ 49,991,553	\$ 6,287,122

Business-Type Activities:	Beginning Balance (As Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Capital Leases	\$ 1,884,127	\$ 462,578	\$ (354,410)	\$ 1,992,295	\$ 373,930
Compensated Absences	68,292	80,932	(68,292)	80,932	76,885
Landfill Closure, Post Closure	4,070,664	397,662	(44,305)	4,424,021	53,200
C&D Closure	578,671	80,984	0	659,655	0
Totals	\$ 6,601,754	\$ 1,022,156	\$ (467,007)	\$ 7,156,903	\$ 504,015

During the fiscal year ended June 30, 2008, the County elected to record closure cost for its C&D landfill consistent with the accounting pronouncements for municipal solid waste landfills. This required a restatement of the beginning balance to recognize costs of prior periods.

On September 1, 2003, the County issued General Obligation Bonds, Series 2003A in the amount of \$18,000,000, of which \$2,595,000 was recorded in the environmental services fund for the expansion costs of the landfill, and the remaining \$15,405,000 was recorded in the Capital Projects funds for County capital projects.

On April 15, 2008, the SCAGO Public Facilities Corporation for Georgetown County (the Corporation) issued Installment Purchase Revenue Bonds in the amount of \$26,000,000 pursuant to a County Facilities Purchase and Use Agreement and which details proportionate interests of the owners in certain rental payments to be made by the County under the terms of a Base Lease Agreement between the County and the Corporation dated April 15, 2008. The County will purchase the Capital Projects from the Corporation pursuant to the Purchase and Use Agreement, which will obligate the County to make semiannual installment payments of the purchase price to the Corporation in amounts calculated to be sufficient to enable the Corporation to pay the principal and interest on the outstanding bonds; amounts budgeted as reserves for the repair and replacement of the facilities and program administration fees. The County's obligations under the Purchase and Use Agreement are from year to year only and do not constitute a mandatory payment obligation of the County in any fiscal year in which funds are not appropriated by County Council to pay the installment payments due in such fiscal year. However, the County would forfeit possession of the facilities for the remainder of the lease term.

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 8. Long-Term Debt (Continued)

The bonds were issued to fund various capital projects, including a portion of the new County Judicial Center and the new marine complex on the Sampit River, and are secured with liens on the Judicial Center and the existing courthouse and administration facility. The bonds carry a 4.29% interest rate and require semi-annual interest payments on June 1 and December 1 each year, along with an annual principal payment on December 1 each year. Final maturity on the bonds is on December 1, 2027.

The SCAGO Public Facilities Corporation for Georgetown County installment purchase bonds are not a debt of the County, however, as the Corporation is blended with the operations of the County, the debt of the Corporation is included with the County's other obligations as required by generally accepted accounting principles.

On May 2, 2008, the County issued a Bond Anticipation Note totaling \$2,400,000 at an interest rate of 3.27% and a maturity date of November 3, 2008. In fiscal year 2009, the County will pay principal and interest in the amounts of \$2,400,000 and \$25,506, respectively, totaling \$2,425,506.

The general, special revenue, and enterprise funds generally liquidate other long-term liabilities, such as compensated absences.

Annual debt service requirements to maturity for obligations outstanding at June 30, 2008 are as follows:

General Obligation Bonds of 1997 (Issued 08/05/97)

Fiscal Year	Interest Rate	Balance	Principal	Interest Sept. 1	Interest March 1	Total Annual Payments
2009	4.80%	\$ 1,290,000	\$ 300,000	\$ 31,455	\$ 31,455	\$ 362,910
2010	4.90%	990,000	315,000	24,255	24,255	363,510
2011	4.90%	675,000	330,000	16,537	16,538	363,075
2012	4.90%	345,000	345,000	8,452	8,453	361,905
Totals			\$ 1,290,000	\$ 80,699	\$ 80,701	\$ 1,451,400

General Obligation Bonds of 2003A (Issued 9/01/03)
Issued for Building Projects

Fiscal Year	Interest Rate	Balance	Principal	Interest Sept. 1	Interest March 1	Total Annual Payments
2009	3.00%	\$ 15,065,000	\$ 740,000	\$ 327,147	\$ 327,147	\$ 1,394,294
2010	4.00%	14,325,000	770,000	316,047	316,047	1,402,094
2011	4.00%	13,555,000	800,000	300,647	300,647	1,401,294
2012	4.00%	12,755,000	835,000	284,647	284,647	1,404,294
2013	4.00%	11,920,000	865,000	267,947	267,947	1,400,894
2014-18	4.00%-4.50%	11,055,000	4,905,000	1,061,510	1,061,510	7,028,020
2019-23	4.50%-5.00%	6,150,000	6,150,000	467,763	467,762	7,085,525
Totals			\$ 15,065,000	\$ 3,025,708	\$ 3,025,707	\$ 21,116,415

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 8. Long-Term Debt (Continued)

Installment Purchase Revenue Bonds (Issued 04/15/08)

Fiscal Year	Interest Rate	Balance	Principal	Interest June 1	Interest December 1	Total Annual Payments
2009	4.29%	\$ 26,000,000	\$ 840,000	\$ 548,691	\$ 548,691	\$ 1,937,382
2010	4.29%	25,160,000	875,000	530,298	530,297	1,935,595
2011	4.29%	24,285,000	915,000	511,100	511,100	1,937,200
2012	4.29%	23,370,000	955,000	491,044	491,044	1,937,088
2013	4.29%	22,415,000	995,000	470,130	470,131	1,935,261
2014-18	4.29%	21,420,000	5,675,000	2,003,377	2,003,376	9,681,753
2019-23	4.29%	15,745,000	7,035,000	1,324,269	1,324,270	9,683,539
2024-28	4.29%	8,710,000	8,710,000	483,161	483,161	9,676,322
Totals			<u>\$ 26,000,000</u>	<u>\$ 6,362,070</u>	<u>\$ 6,362,070</u>	<u>\$ 38,724,140</u>

The legal debt limit for the County is eight per centum of the assessed valuation of the taxable property in the County less outstanding general obligation debt issued without referendum. Based on the 2008 assessed valuation of \$548,899,759 and outstanding general obligation debt at June 30, 2008 of \$16,355,000, the legal debt limit is approximately \$27,556,981.

The annual requirements to amortize all debt outstanding, including capital leases, as of June 30, 2008 are as follows:

	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2009	5,075,754	1,993,807	7,069,561	373,930	81,086	455,016
2010	2,769,216	1,863,556	4,632,772	365,441	66,258	431,699
2011	2,716,093	1,747,093	4,463,186	376,821	51,571	428,392
2012	2,763,690	1,632,206	4,395,896	353,009	36,397	389,406
2013	2,378,540	1,515,430	3,893,970	265,020	22,050	287,070
2014-18	11,079,903	6,165,386	17,245,289	258,074	12,679	270,753
2019-23	13,185,000	3,584,064	16,769,064	0	0	0
2024-28	8,710,000	966,322	9,676,322	0	0	0
Totals	<u>\$ 48,678,196</u>	<u>\$ 19,467,864</u>	<u>\$ 68,146,060</u>	<u>\$ 1,992,295</u>	<u>\$ 270,041</u>	<u>\$ 2,262,336</u>

Note 9. Contingencies

As of June 30, 2008, actions have been alleged against the County in which it has denied liability. Any liability would be covered by the Insurance Reserve Fund up to the policy limit. The outcome or the amount of recovery, if any, cannot be predicted with certainty. Accordingly, no liability has been recorded.

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 10. Deferred Compensation Plan

Georgetown County offers its employees two deferred compensation plans complying with IRC 457 and IRC 401(k). These plans are available to all County employees through the South Carolina State Treasurer's Office. The plans offer a variety of investment choices to the participant. The deferred compensation cannot be withdrawn by the participant until separation of employment, retirement, death, disability or an approved hardship.

In 1996, Congress passed new legislation to govern IRC Section 457 plans. Specifically, the new legislation concludes that a plan shall not be treated as an eligible deferred compensation plan unless all assets and income of the plan are held in trust for the exclusive benefit of participants and their beneficiaries. During the year ended June 30, 1999, the South Carolina Deferred Compensation Commission modified their plan to comply with the new legislative requirements.

Governmental Accounting Standards Board's Statement No. 32 was issued to address the financial reporting ramifications of the new federal legislation and states that a fiduciary relationship must exist for a governmental entity to report the balances and transactions related to the plan in its financial statements. According to the provisions of the statement, it was determined that a fiduciary relationship did not exist for the County's IRC Section 457 plan, and likewise, its balance has not been recorded in the County's financial statements.

Note 11. Interfund Transfer Reconciliation

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,172,057	\$ 1,455,775
Law Enforcement Fund	1,610,000	735,000
Debt Service Fund	300,000	0
Judicial Center Construction Fund	12,091,885	0
CIP Reserve Fund	617,275	2,844,914
Nonmajor Special Revenue Funds	3,148,242	5,522,713
Nonmajor Capital Projects Funds	5,998,564	14,269,621
Solid Waste Fund	0	40,000
Stormwater Management Fund	0	70,000
Totals	<u>\$ 24,938,023</u>	<u>\$ 24,938,023</u>

Operating transfers between the County's various funds are generally made to fund Council approved projects. Note that transfers in the governmental activity statements includes transfers out of \$1,020,034 for capital assets transferred to business type activities. This was recorded as a contribution in the proprietary fund statements and reclassified as a transfer in the government wide statement of activities.

Note 12. Economic Dependency

Georgetown County collects property taxes from five taxpayers which represents 5.25% of total assessed valuation.

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Value</u>
International Paper Co.	Paper Products	19,411,114
Verizon South Inc.	Telecommunications	2,993,650
Santee Electric Coop Inc.	Electric Utility	2,787,840

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 12. Economic Dependency (Continued)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Value</u>
Mittal Steel USA (formerly ISG Georgetown Inc)	Steel Wire	2,137,680
Myrtle Beach National Golf, Inc.	Hospitality & Golf	1,517,448

Note 13. Employee Retirement Systems

Georgetown County contributes to the South Carolina Retirement System (SCRS) and to the Police Officers Retirement System (PORS). Title 9-1-480 Code of Laws of South Carolina, 1976 (as amended), states that all eligible persons, except those specifically excluded, shall become members of SCRS or PORS as a condition of their employment. The responsibility for administration of the system is assigned by law to the State Budget & Control Board. SCRS and PORS are both maintained as a cost-sharing multiple-employer Public Employees Retirement System (PERS).

Generally all full-time employees who are responsible for the preservation of the public order are members of the PORS; the remaining County employees are members of the SCRS.

South Carolina Retirement System (SCRS): Covered general County employees participate in the SCRS, a cost-sharing, multiple-employer, defined benefit pension plan. The SCRS provides retirement and disability benefits, with cost of living adjustments on an ad hoc basis, life insurance benefits, and survivor benefits. Member employees currently contribute 6.50% of their annual compensation. The employer contribution is 9.21% of the total membership's annual compensation; included is the entire cost of group life insurance for covered employees at the rate of .15%.

Employees attaining the age of 65 or having 28 years of credited service are entitled to full retirement benefits of 1.82% of an employee's average final compensation multiplied by the number of years of credited service. Other available benefits include group life insurance coverage after one year's membership, (immediate coverage if death is job related), disability coverage after five year's membership (immediate coverage if job related), vesting rights after five year's membership (with survivor allowance after 15 years creditable service or age 65). Benefit provisions are established under the authority of Title 9 of the SC Code of Laws.

Police Officers Retirement System (PORS): Covered County employees (i.e. whose principle duties are the preservation of public order) are required to participate in the PORS, a cost-sharing, multiple-employer, defined benefit pension plan. The PORS provides both retirement and death benefits on an employee and employer contribution basis. Member employees currently contribute 6.5% of their annual compensation. The employer contribution is 10.7% of the total membership's annual compensation; included is the entire cost of group life insurance for covered employees at the rate of .20% and the entire cost of accidental death for covered employees at the rate of .20%. As a member of the PORS an employee can elect to retire after reaching age 55 with at least five years of credited service, or 25 years of service credit regardless of age. Another option available is when an employee has completed five years of credited service prior to age 55, they can retire yet defer their retirement allowance until they reach age 55. Other benefits include disability coverage after five year's membership (immediate coverage if job related), group life insurance coverage after one year of credited service (immediate coverage if job related), accidental death program allowing a monthly pension equal to 50% of the member's budgeted compensation at the time of death, and vesting rights after five year's membership. Benefit provisions are established under the authority of Title 9 of the SC Code of Laws.

The benefits at retirement are determined by the following formula: 2.14% of an employee's average final compensation multiplied by the number of years of credited service.

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 13. Employee Retirement Systems (Continued)

For fiscal year ended June 30, 2008:

	Payroll Covered	Contributions		
		Employee	Employer	Total
SCRS	\$ 10,744,650	\$ 698,402	\$ 989,582	\$ 1,687,984
PORS	8,662,348	563,054	926,871	1,489,925
Totals	\$ 19,406,998	\$ 1,261,456	\$ 1,916,453	\$ 3,177,909

Funding Policy: Both employers and employees are required to contribute to the plans under authority of Title 9 of the South Carolina Code of Laws. Employee required contributions to the plans are as follows:

SCRS	6.50% of salary
PORS Class II	6.50% of salary

Employers are required to contribute at the following actuarially determined rates:

SCRS	9.06% of salary
PORS Class II	10.30% of salary

In addition to the above rates participating employers of the South Carolina Retirement System contribute .15% of payroll to provide a group life insurance benefit for their participants.

Participating employers under the Police Officer Retirement System also contribute .2% of payroll to provide a group life insurance benefit and .2% of payroll to provide an accidental death benefit for their participants. All employers contribute at the actuarially required contribution rates.

Three Year Trend Information:

Fiscal Year Ended	SCRS Annual Employer Contribution	PORS Annual Employer Contribution	Percentage Contributed For Current Year
06/30/08	\$989,582	\$926,871	100%
06/30/07	\$819,606	\$868,223	100%
06/30/06	\$752,819	\$855,775	100%

All contributions were equal to the required contributions for each year.

Ten-year historical trend information presenting the SCRS and PORS progress in accumulating sufficient assets to pay benefits when due is presented in the Component Unit Financial Report issued annually by the South Carolina Retirement Systems. A Comprehensive Annual Financial Report containing financial statements and required supplemental information for the South Carolina Retirement System and Police Officer Retirement System is issued and publicly available by writing the South Carolina Retirement System, P.O. Box 11960, Columbia, SC 29211-1960.

Effective January 1, 2001, Section 9-1-2210 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

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 13. Employee Retirement Systems (Continued)

benefits which will include any cost of living adjustments granted during the TERI period. Because participants are considered retired during the TERI period, they do not earn additional SCRS service credit and are ineligible to receive SCRS group life insurance benefits or disability retirement benefits.

Note 14. Post Employment Health Care Benefits

In addition to the pension benefits described in Note 13, the County provides postemployment healthcare benefits, in accordance with County ordinances, to all employees who retire from the County in accordance with criteria listed in Note 13. Currently, 66 retirees and beneficiaries meet those eligibility requirements.

For those employees who terminate without retirement, healthcare benefits continue for 30 days after termination. At that time the former employee has continuation rights to health insurance coverage under the COBRA law of 1985.

During the fiscal year 2008, retirees were offered health insurance through a combination of HM and indemnity providers with the retiree selecting the type of coverage. The County paid approximately 75% of the total health insurance cost for retirees qualifying for employer premium subsidies based on years of service. The County paid approximately 66% of the cost for coverage for spouses of retirees with qualifying years of service. The remainder of the premiums was paid by the retiree. Expenditures for post employment healthcare are recognized as premiums are paid. During fiscal year 2008, the cost to the County for healthcare benefits for retirees and spouses, qualifying for employer premium subsidies based on the retiree's year of service, was \$243,359.

Note 15. Commitments

The County had the following projects with significant remaining construction and contractual commitments at June 30, 2008:

Governmental Activities

At June 30, 2008, construction in progress represents the accumulated expenditures on the new County Judicial Center. Total estimated costs of the project, including land acquisition and relocations are approximately \$22,400,000. Of that total, approximately \$13,227,000 has been incurred as of year-end. The project is scheduled for completion in the spring of 2009. Bonds have been issued and are the primary funding source for this project.

During the fiscal year ended June 30, 2008, the County began construction of a new airport terminal at the Georgetown County Airport in Georgetown. The total project cost is estimated to be approximately \$3,000,000 and approximately \$1,200,000 has been expended as of year-end. The project, which is being funded with a combination of grant funds and bond funds, is expected to be complete late in calendar year 2008. In addition to the terminal project there were various other airport projects in progress during the year and at year-end including a corporate hangar, t-hangars and runway extension, for which substantial grant funding was obtained.

Also during the fiscal year ended June 30, 2008, construction began on the Carroll A. Campbell marine Complex. This project was in the making for many years and is being funded by various federal and state grants as well as County bond funds. Costs incurred as of June 30, 2008, totaled approximately \$645,000. Total project costs are expected to be approximately \$7,000,000 when complete sometime in calendar year 2009.

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 16. Deficit Fund Balances and Net Assets

The following funds had negative fund balances at June 30, 2008, but revenues are expected during 2008-2009 to resolve these deficiencies:

Special Revenue Funds:	Public Safety Grants	(\$3,700)
	Culture and Recreation Grants	(\$335,284)
Capital Project Funds:	Capital Projects Fund	(\$18,403)

Note 17. Solid Waste Municipal Landfill

The Resource Conservation And Recovery Act ("RCRA"), the federal regulations which address solid waste landfill closure, was amended with more stringent closure requirements for landfills that operate beyond October, 1993. The South Carolina Solid Waste Policy and Management Act of 1991 set forth certain requirements for landfills. Pursuant to the Act, South Carolina Department of Health and Environmental Control promulgated regulations establishing performance standards for the closure and post closure care of landfills. Chapter 61-107.258.60 Subpart F establishes the criteria for closure and post-closure care of landfills in South Carolina.

State and federal laws and regulations require that the County of Georgetown place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of the landfill closure and post closure care costs is based on the amount of landfill used during the year. The estimated liability for landfill closure and post closure care costs has a balance of \$4,424,021 as of June 30, 2008 which is based on 100% usage of the old landfill and 31% usage of the landfill expansion.

In conjunction with new regulations regarding closure requirements for C&D landfills, the County elected to account for C&D closure costs over the active life of the landfill, similar to the costs recognition principles for municipal solid waste landfills. Accordingly a prior period adjustment of \$578,671 has been recorded for the estimated liability for closure cost at the beginning of the year. The current addition of \$80,984 represents the current year increase based on the percentage of usage during the current year. The total estimated closure cost of the C&D landfill is \$1,314,991 of which \$659,655 has been recorded as a liability which represents 50% usage of the landfill expansion.

Estimated Liability for Closure & Post Closure	Beginning			Ending
	Balance	Additions	Retirements	Balance
Landfill (Closed)	\$ 1,239,133	\$ 0	\$ (44,305)	\$ 1,194,828
Landfill Expansion	2,831,531	397,662	0	3,229,193
C&D Landfill	578,671	80,984	0	659,655
Totals	<u>\$ 4,649,335</u>	<u>\$ 478,646</u>	<u>\$ (44,305)</u>	<u>\$ 5,083,676</u>

The estimated post closure cost of the old landfill of \$1,194,828 and the estimated closure and post closure cost of the landfill expansion of \$10,300,271 are based on the amount that would be paid if all equipment, facilities, and service required to close, monitor, and maintain the landfill were acquired as of June 30, 2008. However, the actual cost of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The South Carolina Department of Health and Environmental Control (SCDHEC) has issued a permit to operate a sanitary landfill.

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 17. Solid Waste Municipal Landfill (Continued)

The County of Georgetown is required by State and federal laws and regulations to make annual contributions to finance closure and post closure care. The County is in compliance with those requirements, and at June 30, 2008, cash and investments of \$5,083,676 (fair value) are held for these purposes.

It is anticipated that future inflation costs will be financed in part from earnings on investments. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that might arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both. The County has restricted cash in the amount of \$5,083,676 to cover the cost of landfill closure.

Note 18. Deferred Revenue

Deferred revenue in the general fund represents current year taxes which do not meet the availability criteria for recognition of \$218,309 and deferred ambulance fees of \$304,637, deferred installment tax payment of \$101,617, and unearned grant funds of \$339,286.

Deferred revenue in the law enforcement fund represents current year taxes which do not meet the availability criteria for recognition of \$66,766 and deferred court fines of \$340,483.

Deferred revenue in the debt service fund of \$54,233 represents taxes receivable which do not meet the availability criteria for revenue recognition.

Deferred revenue in the nonmajor special revenue funds represents current year taxes which do not meet the availability criteria for revenue recognition of \$59,900, and unearned grant funds of \$517,711.

Deferred revenue in the nonmajor capital projects funds represents unearned grant funds of \$47,413.

Note 19. Risk Management

The County is exposed to various risks of loss and pays insurance premiums to certain State agencies and commercial insurers to cover risks that may occur in normal operations. Management believes such coverage is sufficient to preclude any significant losses for the covered risk. The County has not had a significant reduction in insurance in the last three years and has not had claims in excess of coverage in the last three years.

Several State funds accumulate assets and the State itself assumes substantially all risks for the following:

1. Claims of State employees for unemployment compensation benefits (Employment Security Commission).
2. Claims of covered employees for workers compensation benefits for job-related illnesses or injuries (State Accident Fund).
3. Claims of covered public employees for long-term disability and group-life insurance benefits (Retirement Systems).

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 20. Related Party Transactions

The County paid Hemingway Motor Company \$588,051 for vehicles and services provided to the County. County Administrator H.E. Hemingway, Jr. owns an interest in Hemingway Motor Company. H.E. Hemingway, Jr. abstained from voting on these transactions.

Note 21. Fund Balance Reservations and Designations

The following is a list of all reserves by the County and a brief description of each:

Reserve for Inventory - an account used to separate a portion of fund balance to indicate inventory does not represent available, spendable resources even though it is a component of current assets.

Reserve for Prepaid Items - an account used to segregate a portion of fund balance to indicate prepaid insurance does not represent available, spendable resources even though it is a component of current assets.

Reserve for Encumbrances - a fund balance reservation account used to indicate purchase commitment amounts at year-end, to be honored in the subsequent fiscal year, are not available for appropriation or expenditure.

Reserve for Impact Fees - an account used to segregate a portion of fund balance to indicate funds received for impact fees do not represent available, spendable resources but for specified improvements even though the restricted cash is a component of current assets.

Reserve for Capital Projects - an account used to segregate the fund balance of capital projects funds for specific capital projects.

Reserve for Murrells Inlet 2008 - An account used to segregate a portion of funds that do not represent available spendable resources but for specific improvements even though the restricted cash is a component of current assets.

Reserve for Investment Property - An account used to segregate a portion of fund balance to indicate investment property does not represent available, spendable resources even though it is reported as an asset.

Reserve for Bond Debt Service - An account used to segregate a portion of fund balance to indicate that amount does not represent available, spendable resources as a result of a legal restriction on a portion of bond proceeds that are required to be maintained as a reserve to ensure payment of debt service on the 2008 IPR Bond Issue.

The following net assets have been restricted as a result of enabling legislation in the government-wide statements:

Victim's Services	\$	159,990
Clerk of Court IVD Incentive		4,049
State Accommodations Tax		770,347
Sheriff Special Narcotics		1,303
State C Road Improvement Fund and Road Improvement User Fees		2,437,210
Admissions Tax		218,343
Local Hospitality & Accommodation Tax		4,192,648
Sunday Sales		213,009
Emergency Telephone Fund		193,201

**County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008**

Note 22. Recently Issued Accounting Pronouncements

The GASB has issued Statement No. 45 "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions", which provides guidance on reporting other postemployment benefits in the financial statements of employers. The requirements of this statement are effective for the County for the fiscal year beginning July 1, 2008. The County has not received a preliminary estimate of its liability under requirements of this statement.

Note 23. Segment Information for Enterprise Funds

The following Enterprise Funds have been created to provide various services to the general public:

Environmental Services Fund - established to account for the operations of the County landfill along with related solid waste management functions such as waste collection, recycling, and composting. Also includes mosquito control activities.

Stormwater Management Fund - established to account for the operations of the County's stormwater management.

Segment information for these Enterprise Funds is summarized below for the year ended June 30, 2008:

	Environmental Services Fund	Stormwater Management Fund
Operating Revenues	\$ 5,653,556	\$ 1,718,716
Depreciation	910,994	49,509
Operating Income (Loss)	(398,771)	1,262,632
Interfund Transfers	(40,000)	(70,000)
Non-Operating Revenues (Expenses)	191,019	1,020,846
Net Income (Loss)	589,790	2,283,478
Property, Plant and Equipment		
Net Additions	(474,417)	990,789
Net Working Capital	6,371,835	2,327,309
Total Assets	16,577,826	3,336,865
Bonds and Other Long-Term Liabilities Payable		
from Revenues	6,652,697	191
Total Net Assets	9,164,504	3,317,906

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 24. Restatement of Prior Year Fund Equities/Fund Balances

Fund Balance Governmental funds, as originally reported	\$	38,158,208
Special Revenue fund recharacterized as an enterprise fund (Stormwater Management Fund)		<u>(1,034,428)</u>
Fund Balance, Governmental Funds, as restated	\$	<u>37,123,780</u>
		Governmental Activities
Net Assets, as originally reported	\$	61,821,547
Special Revenue fund recharacterized as enterprise fund		(1,034,428)
Correction of an error - Prior period adjustment to correct accumulated depreciation		<u>468,183</u>
Net assets, As June 30, 2007, as restated	\$	<u>61,255,302</u>
		Environmental Services Fund
Net Assets, as originally reported	\$	9,153,385
Prior period adjustment to record estimated liability for closure		<u>(578,671)</u>
Net assets, As June 30, 2007, as restated	\$	<u>8,574,714</u>
		Stormwater Management Fund
Net Assets, as originally reported	\$	0
Special Revenue fund recharacterized as an enterprise fund		<u>1,034,428</u>
Net assets, As June 30, 2007, as restated	\$	<u>1,034,428</u>

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 24. Restatement of Prior Year Fund Equities/Fund Balances (Continued)

	Business Type Activities
Net Assets, as originally reported	\$ 9,153,385
Prior period adjustment to record estimated liability for closure cost of C&D landfill due to new regulations	(578,671)
Special Revenue fund recharacterized as enterprise fund	1,034,428
Net assets, As June 30, 2007, as restated	<u>\$ 9,609,142</u>

Note 25. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds." The details of this \$61,531,508 is as follows:

Capital Assets	\$ 109,392,979
Accumulated Depreciation	<u>(47,861,471)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 61,531,508</u>

Another element of that reconciliation is the "other long-term assets, such as property taxes, court fines, and ambulance fees are not available to pay for current period expenditures and, therefore, are deferred in the fund financial statements." The details of this \$1,044,328 is as follows:

Property Taxes deferred in Governmental Fund Statement	\$ 399,208
Court Fines deferred in Governmental Fund Statement	340,483
Ambulance Fees deferred in Governmental Fund Statement	<u>304,637</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 1,044,328</u>

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 25. Reconciliation of Government-wide and Fund Financial Statements (Continued)

Another element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details of the (\$49,760,465) is as follows:

Bonds Payable	\$	(16,355,000)
Installment Purchase Revenue Bond		(26,000,000)
Bond Anticipation Note		(2,400,000)
Less: Deferred charge for issuance cost (to be amortized over life of debt)		454,702
Plus: Issuance premium (to be amortized as interest expense)		(38,232)
Accrued Interest Payable		(223,614)
Capital Leases Payable		(3,923,196)
Compensated Absences		<u>(1,275,125)</u>
Net adjustment to decrease fund balance - total governmental funds to arrive at net assets - governmental activities	\$	<u><u>(49,760,465)</u></u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$15,783,319 difference are as follows:

Capital Outlay	\$	20,379,980
Depreciation Expense		<u>(4,496,663)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	\$	<u><u>15,783,319</u></u>

Another element of that reconciliation explains that "Revenues in the statement of activities, such as property taxes, ambulance fees, and police fines that will not be collected for several months after year-end and do not provide for current financial resources, are not reported as revenues in the funds." The details of that element are as follows:

Police Fines	\$	151,658
Ambulance Fees		156,691
Property Taxes		<u>(10,035)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	\$	<u><u>298,314</u></u>

County of Georgetown
Georgetown, South Carolina
Notes To Financial Statements
For The Year Ended June 30, 2008

Note 25. Reconciliation of Government-wide and Fund Financial Statements (Continued)

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) 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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this (\$26,510,994) are as follows:

Debt issued or incurred:	
Installment Purchase Revenue Bond	\$ (26,000,000)
Bond Anticipation Note	(2,400,000)
Issuance of lease purchase	(781,746)
Bond Issuance Costs	340,000
Principal repayments:	
General obligation debt	1,265,000
Capital lease	<u>1,065,752</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$ <u>(26,510,994)</u>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this (\$146,517) difference are as follows:

Compensated absences	\$ (25,078)
Accrued interest	(65,684)
Amortization of issuance costs	(63,513)
Amortization of bond premium	<u>7,758</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$ <u>(146,517)</u>

REQUIRED SUPPLEMENTARY INFORMATION

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes				
Current Property Taxes	\$ 9,445,000	\$ 9,590,000	\$ 9,558,312	\$ (31,688)
Vehicle Taxes	647,000	640,000	597,076	(42,924)
Delinquent Property Taxes	100,000	80,000	76,524	(3,476)
Payments in Lieu of Taxes	58,000	43,000	38,512	(4,488)
Homestead Reimbursement	204,000	210,000	219,756	9,756
Inventory Replacement	86,000	86,000	85,461	(539)
Motor Carrier	33,000	33,000	31,460	(1,540)
Tax Penalties	55,000	75,000	81,212	6,212
Manufacturer Reimbursements	151,000	151,000	151,237	237
Total Taxes	\$ 10,779,000	\$ 10,908,000	\$ 10,839,550	\$ (68,450)
Fees, Licenses, & Permits				
Building Department - Building Permits	1,600,000	1,100,000	1,048,910	(51,090)
Temporary Zoning Compliance Fee	700	500	200	(300)
Vendor Permit	1,000	1,000	1,575	575
Contractor Registration	160,000	160,000	159,827	(173)
Temporary License Tag Fees	100	100	0	(100)
Street Signage Fee	12,000	14,000	18,673	4,673
EmerPrep-HazChem File Fee	0	0	1,675	1,675
Mobile Home Title Retirement	1,000	1,000	1,300	300
Mobile Home License	2,000	2,000	2,860	860
Recording Fees	520,000	340,000	311,126	(28,874)
Ambulance Fees	1,450,000	1,550,000	1,699,117	149,117
Health Department Fees	25,000	30,000	27,974	(2,026)
Fees	70,000	105,000	103,720	(1,280)
Court Fees	280,000	270,000	282,530	12,530
Documentary Stamps	1,250,000	900,000	794,623	(105,377)
Bond Escheatments	5,000	5,000	225	(4,775)
Delinquent Tax Fees	260,000	260,000	192,806	(67,194)
Community Alert Network	8,000	8,000	6,767	(1,233)
Civil Fees	80,000	80,000	97,275	17,275
Coroner Fees	700	500	33	(467)
Magistrate Costs	30,000	25,000	27,607	2,607
Estate Fees	130,000	130,000	120,584	(9,416)
Probate Court Miscellaneous	8,000	10,000	12,985	2,985
Marriage Licences	12,000	12,000	14,780	2,780
Bad Check Fee Prog-Horry	0	0	1,599	1,599
Crim Dom Viol Prog-Horry	0	0	51,563	51,563
Photocopy	10,000	45,000	47,223	2,223
Certifications	6,000	6,000	6,635	635
Probate Publications	10,000	10,000	9,595	(405)
Fees & Commissions	85,000	22,915	4,915	(18,000)

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues - Continued				
Encroachment Permit Fees	\$ 0	\$ 2,000	\$ 2,800	\$ 800
Pawleys Island Board of Appeals	2,000	2,000	(1,101)	(3,101)
Pawleys Island Building/Zoning	17,000	25,000	19,949	(5,051)
PR Rent Facilities	7,000	8,000	10,090	2,090
PR - Program Fees	15,000	25,000	51,059	26,059
Late Fee	1,000	1,000	725	(275)
Gas Flowage	20,000	20,000	23,016	3,016
EMS Franchise Fee	100	100	0	(100)
Cable Franchise Fee	270,000	290,000	302,088	12,088
Utility Franchise Fee	745,000	666,150	666,148	(2)
Multi County Parks	1,300	2,000	1,537	(463)
GIS Map Sales	3,000	20,000	15,637	(4,363)
Pawleys Island Magistrate	4,800	4,800	4,800	0
Andrews Magistrate	13,500	13,500	12,725	(775)
Total Fees, Licenses & Permits	\$ 7,116,200	\$ 6,167,565	\$ 6,158,175	\$ (9,390)
Fines & Forfeitures				
Magistrate Fines	75,000	110,000	106,935	(3,065)
Library Fines	20,000	25,000	27,818	2,818
Total Fines & Forfeitures	\$ 95,000	\$ 135,000	\$ 134,753	\$ (247)
Use of Money and Property				
Property Rent	63,000	70,000	68,832	(1,168)
Airport Misc Sales & Ren	0	0	578	578
Hangar Rent	65,000	69,000	69,110	110
Garage Rent	0	0	4,940	4,940
Interest on Investments	410,000	500,000	437,433	(62,567)
Total Use of Money and Property	\$ 538,000	\$ 639,000	\$ 580,893	\$ (58,107)
Intergovernmental Revenue				
Local Government Fund	3,200,000	3,200,000	3,215,822	15,822
Mini Bottle Tax	75,000	80,000	97,731	17,731
DSS - SRV/Maintenance	55,000	55,000	69,638	14,638
Fuel Tax	2,000	2,000	1,885	(115)
Veterans Affairs	7,000	7,000	7,283	283
Tax Supplies	1,500	1,700	1,684	(16)
Voter Registration	1,300	1,320	1,320	0
Election Commission	10,400	12,500	12,500	0
Reimb-Election Expenditures	58,000	100,900	41,979	(58,921)
Refuge Revenue Sharing	25,000	13,500	13,130	(370)

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues - Continued				
Library Support	\$ 111,600	\$ 125,543	\$ 125,543	\$ 0
Accommodations Tax	16,000	16,000	24,775	8,775
Salary Supplement Elected Officials	7,900	6,300	6,300	0
Other State Revenue	5,000	3,000	320	(2,680)
Total Intergovernmental Revenue	\$ 3,575,700	\$ 3,624,763	\$ 3,619,910	\$ (4,853)
Other Revenues				
PR - Food Sales Howard	1,000	1,200	765	(435)
Park Passes	0	5,000	5,138	138
Forfeited Land	0	0	2,918	2,918
Worker's Compensation Receipts	0	0	1,461	1,461
Escheated Taxes	15,000	30,000	17,335	(12,665)
Miscellaneous	100,000	49,397	143,798	94,401
Insurance Claims Reimbursement	0	4,025	7,090	3,065
Salary Supplement Library	9,000	10,000	9,486	(514)
Contributions & Donations	0	90,000	90,000	0
Sale-Yauhannah Tract Lum	0	200	173	(27)
Bob Cat League	3,600	3,000	0	(3,000)
Total Other Revenue	\$ 128,600	\$ 192,822	\$ 278,164	\$ 85,342
Grants				
Emergency Preparedness Grant	18,000	18,000	12,858	(5,142)
FAA Airport Grant Div	0	0	62,817	62,817
Lottery Funds	118,500	30,000	21,739	(8,261)
Private Grant	0	9,000	0	(9,000)
Total Grants	\$ 136,500	\$ 57,000	\$ 97,414	\$ 40,414
Total Revenue	\$ 22,369,000	\$ 21,724,150	\$ 21,708,859	\$ (15,291)
Expenditures				
County Council				
Personal Services	\$ 155,950	\$ 158,726	\$ 158,724	\$ 2
Operations & Maintenance	44,770	47,824	43,385	4,439
	\$ 200,720	\$ 206,550	\$ 202,109	\$ 4,441
Administrator				
Personal Services	267,040	294,977	288,639	6,338
Operations & Maintenance	21,220	24,420	24,255	165
	\$ 288,260	\$ 319,397	\$ 312,894	\$ 6,503

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Expenditures - continued</u>				
Contribution Agencies				
Operations & Maintenance	\$ 218,700	\$ 218,700	\$ 218,700	\$ 0
	\$ 218,700	\$ 218,700	\$ 218,700	\$ 0
Finance				
Personal Services	449,150	415,500	410,590	4,910
Operations & Maintenance	27,190	30,390	29,208	1,182
	\$ 476,340	\$ 445,890	\$ 439,798	\$ 6,092
Purchasing				
Personal Services	144,000	124,000	123,644	356
Operations & Maintenance	13,290	25,170	20,112	5,058
	\$ 157,290	\$ 149,170	\$ 143,756	\$ 5,414
Personnel				
Personal Services	218,350	261,159	258,082	3,077
Operations & Maintenance	26,690	29,362	23,794	5,568
	\$ 245,040	\$ 290,521	\$ 281,876	\$ 8,645
Master-In-Equity				
Personal Services	53,825	1,549	1,531	18
Operations & Maintenance	1,295	94	15	79
	\$ 55,120	\$ 1,643	\$ 1,546	\$ 97
Management Information Systems				
Personal Services	582,040	581,000	576,893	4,107
Operations & Maintenance	571,440	573,711	547,355	26,356
Capital Outlay	39,000	19,029	5,738	13,291
	\$ 1,192,480	\$ 1,173,740	\$ 1,129,986	\$ 43,754
CIP Administration				
Operations & Maintenance	0	588,064	307,001	281,063
	\$ 0	\$ 588,064	\$ 307,001	\$ 281,063
Courts				
Personal Services	59,300	59,300	54,721	4,579
Operations & Maintenance	76,800	74,820	74,357	463
	\$ 136,100	\$ 134,120	\$ 129,078	\$ 5,042
Solicitor				
Operations & Maintenance	850,000	850,058	850,057	1
	\$ 850,000	\$ 850,058	\$ 850,057	\$ 1

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Expenditures - Continued</u>				
Probate Court				
Personal Services	\$ 223,840	\$ 222,500	\$ 218,700	\$ 3,800
Operations & Maintenance	42,730	42,730	40,765	1,965
	<u>\$ 266,570</u>	<u>\$ 265,230</u>	<u>\$ 259,465</u>	<u>\$ 5,765</u>
Summary Court				
Personal Services	769,050	788,620	784,651	3,969
Operations & Maintenance	166,180	157,180	155,360	1,820
	<u>\$ 935,230</u>	<u>\$ 945,800</u>	<u>\$ 940,011</u>	<u>\$ 5,789</u>
Auditor Field Appraisers				
Personal Services	67,415	67,649	66,047	1,602
Operations & Maintenance	2,305	2,471	2,470	1
	<u>\$ 69,720</u>	<u>\$ 70,120</u>	<u>\$ 68,517</u>	<u>\$ 1,603</u>
Auditor				
Personal Services	206,925	198,874	196,495	2,379
Operations & Maintenance	28,895	28,895	20,127	8,768
	<u>\$ 235,820</u>	<u>\$ 227,769</u>	<u>\$ 216,622</u>	<u>\$ 11,147</u>
GIS Department				
Personal Services	105,285	106,550	106,346	204
Operations & Maintenance	9,600	8,600	4,754	3,846
	<u>\$ 114,885</u>	<u>\$ 115,150</u>	<u>\$ 111,100</u>	<u>\$ 4,050</u>
Assessor				
Personal Services	521,200	510,300	509,671	629
Operations & Maintenance	71,880	66,480	53,740	12,740
	<u>\$ 593,080</u>	<u>\$ 576,780</u>	<u>\$ 563,411</u>	<u>\$ 13,369</u>
Treasurer				
Personal Services	258,510	257,100	254,764	2,336
Operations & Maintenance	126,030	128,530	122,852	5,678
	<u>\$ 384,540</u>	<u>\$ 385,630</u>	<u>\$ 377,616</u>	<u>\$ 8,014</u>
Tax Collector				
Personal Services	100,090	103,779	103,770	9
Operations & Maintenance	91,350	73,231	54,849	18,382
	<u>\$ 191,440</u>	<u>\$ 177,010</u>	<u>\$ 158,619</u>	<u>\$ 18,391</u>
Planning & Development				
Personal Services	417,995	366,512	365,214	1,298
Operations & Maintenance	23,275	27,743	27,552	191
	<u>\$ 441,270</u>	<u>\$ 394,255</u>	<u>\$ 392,766</u>	<u>\$ 1,489</u>

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Expenditures - Continued</u>				
<u>Building Department</u>				
Personal Services	\$ 450,390	\$ 453,453	\$ 450,811	\$ 2,642
Operations & Maintenance	46,830	49,671	48,862	809
Capital Outlay	70,000	67,700	21,603	46,097
	<u>\$ 567,220</u>	<u>\$ 570,824</u>	<u>\$ 521,276</u>	<u>\$ 49,548</u>
<u>Zoning</u>				
Personal Services	79,965	80,075	79,111	964
Operations & Maintenance	9,775	10,745	10,099	646
	<u>\$ 89,740</u>	<u>\$ 90,820</u>	<u>\$ 89,210</u>	<u>\$ 1,610</u>
<u>Registration & Elections</u>				
Personal Services	95,190	106,753	106,744	9
Operations & Maintenance	129,510	175,556	152,613	22,943
	<u>\$ 224,700</u>	<u>\$ 282,309</u>	<u>\$ 259,357</u>	<u>\$ 22,952</u>
<u>Grants</u>				
Personal Services	57,810	57,200	56,955	245
Operations & Maintenance	11,360	9,518	8,915	603
	<u>\$ 69,170</u>	<u>\$ 66,718</u>	<u>\$ 65,870</u>	<u>\$ 848</u>
<u>Facilities Services</u>				
Personal Services	360,975	321,963	311,848	10,115
Operations & Maintenance	307,395	382,103	381,998	105
Capital Outlay	44,000	40,251	23,566	16,685
	<u>\$ 712,370</u>	<u>\$ 744,317</u>	<u>\$ 717,412</u>	<u>\$ 26,905</u>
<u>Clerk of Court Administrative</u>				
Personal Services	429,460	379,420	360,049	19,371
Operations & Maintenance	35,040	36,840	35,106	1,734
	<u>\$ 464,500</u>	<u>\$ 416,260</u>	<u>\$ 395,155</u>	<u>\$ 21,105</u>
<u>Legal Department</u>				
Personal Services	0	66,947	66,945	2
Operations & Maintenance	200,000	99,609	99,606	3
	<u>\$ 200,000</u>	<u>\$ 166,556</u>	<u>\$ 166,551</u>	<u>\$ 5</u>
<u>Clk of Court-Family Court</u>				
Personal Services	190,720	188,400	180,879	7,521
Operations & Maintenance	41,000	41,000	36,775	4,225
	<u>\$ 231,720</u>	<u>\$ 229,400</u>	<u>\$ 217,654</u>	<u>\$ 11,746</u>

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Expenditures - Continued</u>				
Register of Deeds				
Personal Services	\$ 196,200	\$ 197,300	\$ 196,519	\$ 781
Operations & Maintenance	100,300	98,100	93,064	5,036
	<u>\$ 296,500</u>	<u>\$ 295,400</u>	<u>\$ 289,583</u>	<u>\$ 5,817</u>
Vehicle Maintenance				
Operations & Maintenance	47,750	50,461	50,029	432
Capital Outlay	0	33,599	7,367	26,232
	<u>\$ 47,750</u>	<u>\$ 84,060</u>	<u>\$ 57,396</u>	<u>\$ 26,664</u>
Communications 911				
Personal Services	648,845	642,000	635,082	6,918
Operations & Maintenance	35,465	37,815	22,107	15,708
	<u>\$ 684,310</u>	<u>\$ 679,815</u>	<u>\$ 657,189</u>	<u>\$ 22,626</u>
Coroner				
Personal Services	68,090	68,090	67,923	167
Operations & Maintenance	66,320	92,757	92,739	18
	<u>\$ 134,410</u>	<u>\$ 160,847</u>	<u>\$ 160,662</u>	<u>\$ 185</u>
Emergency Preparedness				
Personal Services	132,800	132,800	132,179	621
Operations & Maintenance	25,470	24,310	23,502	808
	<u>\$ 158,270</u>	<u>\$ 157,110</u>	<u>\$ 155,681</u>	<u>\$ 1,429</u>
Emergency Deep Creek Facility				
Operations & Maintenance	19,600	19,200	18,792	408
	<u>\$ 19,600</u>	<u>\$ 19,200</u>	<u>\$ 18,792</u>	<u>\$ 408</u>
Emergency Service Admin				
Personal Services	139,740	141,400	141,199	201
Operations & Maintenance	35,060	33,850	29,443	4,407
	<u>\$ 174,800</u>	<u>\$ 175,250</u>	<u>\$ 170,642</u>	<u>\$ 4,608</u>
Public Works				
Personal Services	988,300	1,014,505	1,014,502	3
Operations & Maintenance	604,930	657,230	655,124	2,106
	<u>\$ 1,593,230</u>	<u>\$ 1,671,735</u>	<u>\$ 1,669,626</u>	<u>\$ 2,109</u>
Public Service Admin				
Personal Services	254,750	252,086	251,528	558
Operations & Maintenance	33,190	63,676	62,322	1,354
	<u>\$ 287,940</u>	<u>\$ 315,762</u>	<u>\$ 313,850</u>	<u>\$ 1,912</u>

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Expenditures - Continued</u>				
SC Department of Social Services				
Operations & Maintenance	\$ 78,470	\$ 78,320	\$ 54,542	\$ 23,778
	\$ 78,470	\$ 78,320	\$ 54,542	\$ 23,778
SC Health Department				
Operations & Maintenance	58,750	64,017	64,014	3
	\$ 58,750	\$ 64,017	\$ 64,014	\$ 3
Emergency Medical Services				
Personal Services	1,584,000	1,489,000	1,417,684	71,316
Operations & Maintenance	539,780	606,536	601,629	4,907
Capital Outlay	27,000	112,544	1,125	111,419
	\$ 2,150,780	\$ 2,208,080	\$ 2,020,438	\$ 187,642
Veterans Affairs Office				
Personal Services	73,330	73,900	73,211	689
Operations & Maintenance	15,370	14,275	13,207	1,068
	\$ 88,700	\$ 88,175	\$ 86,418	\$ 1,757
Indigent Hospital Care				
Operations & Maintenance	211,000	211,120	211,117	3
	\$ 211,000	\$ 211,120	\$ 211,117	\$ 3
Alcohol & Drug Abuse				
Operations & Maintenance	117,000	134,732	134,731	1
	\$ 117,000	\$ 134,732	\$ 134,731	\$ 1
Library				
Personal Services	842,250	846,265	846,258	7
Operations & Maintenance	298,450	302,928	302,917	11
	\$ 1,140,700	\$ 1,149,193	\$ 1,149,175	\$ 18
Recreation & Leisure				
Personal Services	620,430	564,966	529,208	35,758
Operations & Maintenance	575,720	620,615	600,713	19,902
Capital Outlay	11,500	54,534	18,167	36,367
	\$ 1,207,650	\$ 1,240,115	\$ 1,148,088	\$ 92,027
Park Maintenance				
Personal Services	274,945	272,093	272,092	1
Operations & Maintenance	312,925	324,942	324,926	16
Capital Outlay	8,250	7,750	7,749	1
	\$ 596,120	\$ 604,785	\$ 604,767	\$ 18

County of Georgetown
Georgetown, South Carolina
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Expenditures - Continued</u>				
Waccamaw Regional Planning Operations & Maintenance	\$ 67,805	\$ 67,805	\$ 67,804	\$ 1
	\$ 67,805	\$ 67,805	\$ 67,804	\$ 1
Airport Commission				
Personal Services	17,675	30,383	30,381	2
Operations & Maintenance	125,875	120,970	120,651	319
Capital Outlay	15,000	67,222	67,222	0
	\$ 158,550	\$ 218,575	\$ 218,254	\$ 321
Clemson Extension Services				
Operations & Maintenance	8,150	8,150	6,747	1,403
	\$ 8,150	\$ 8,150	\$ 6,747	\$ 1,403
Delegation				
Personal Services	13,400	13,520	13,436	84
Operations & Maintenance	1,900	1,900	571	1,329
	\$ 15,300	\$ 15,420	\$ 14,007	\$ 1,413
Library State Aid				
Personal Services	34,040	40,005	40,005	0
Operations & Maintenance	77,560	86,684	86,683	1
	\$ 111,600	\$ 126,689	\$ 126,688	\$ 1
Library Lottery Funds				
Personal Services	6,030	0	0	0
Operations & Maintenance	75,720	36,851	17,363	19,488
Capital Outlay	36,800	38,271	37,059	1,212
	\$ 118,550	\$ 75,122	\$ 54,422	\$ 20,700
Non Departmental				
Personal Services	1,229,000	1,228,055	1,228,054	1
Operations & Maintenance	788,500	712,366	697,901	14,465
Capital Outlay	0	92,424	92,243	181
	\$ 2,017,500	\$ 2,032,845	\$ 2,018,198	\$ 14,647
Choppee Cost-County				
Operations & Maintenance	75,000	90,069	90,066	3
	\$ 75,000	\$ 90,069	\$ 90,066	\$ 3

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Expenditures - Continued</u>				
Midway EMS				
Personal Services	\$ 356,920	\$ 365,700	\$ 350,319	\$ 15,381
Operations & Maintenance	106,620	115,260	101,685	13,575
Capital Outlay	0	18,900	0	18,900
	<u>\$ 463,540</u>	<u>\$ 499,860</u>	<u>\$ 452,004</u>	<u>\$ 47,856</u>
Planning/Capital Projects				
Operations & Maintenance	0	16,369	12,099	4,270
Capital Outlay	0	40,664	33,647	7,017
	<u>\$ 0</u>	<u>\$ 57,033</u>	<u>\$ 45,746</u>	<u>\$ 11,287</u>
Total Expenditures	<u>\$ 21,694,000</u>	<u>\$ 22,632,085</u>	<u>\$ 21,598,060</u>	<u>\$ 1,034,025</u>
Excess Revenues Over Expenditures	<u>\$ 675,000</u>	<u>\$ (907,935)</u>	<u>\$ 110,799</u>	<u>\$ 1,018,734</u>
Other Financing Sources (Uses)				
Operating Transfers Out	\$ (1,290,000)	\$ (1,455,775)	\$ (1,455,775)	\$ 0
Operating Transfers In	565,000	1,158,957	1,172,057	13,100
Sale of Capital Assets	50,000	70,000	60,050	(9,950)
Fund Balance Reservation	0	1,134,753	0	(1,134,753)
Total Other Financing Sources (Uses)	<u>\$ (675,000)</u>	<u>\$ 907,935</u>	<u>\$ (223,668)</u>	<u>\$ (1,131,603)</u>
Excess Revenues over Expenditures and Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (112,869)</u>	<u>\$ (112,869)</u>
Fund Balance, July 1, 2007			<u>10,427,218</u>	
Fund Balance, June 30, 2008			<u>\$ 10,314,349</u>	

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
Law Enforcement Special Revenue Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes				
Current Property Taxes	\$ 5,975,000	\$ 5,975,000	\$ 6,016,422	\$ 41,422
Vehicle Taxes	430,000	430,000	391,378	(38,622)
Delinquent Property Taxes	65,000	65,000	49,486	(15,514)
Payments in Lieu of Taxes	30,000	30,000	23,994	(6,006)
Homestead Reimbursement	128,000	128,000	138,498	10,498
Motor Carrier	22,000	22,000	20,948	(1,052)
Manufacturer Reimbursements	95,000	95,000	95,195	195
Tax Penalties	40,000	40,000	51,501	11,501
Total Taxes	\$ 6,785,000	\$ 6,785,000	\$ 6,787,422	\$ 2,422
Fees, Licenses, & Permits				
Fees	20,000	20,000	18,296	(1,704)
Photocopies	0	0	1,655	1,655
Multi County Parks	800	800	974	174
Municipal	260,000	260,000	266,913	6,913
Andrews/Pawleys Island	40,000	40,000	90,810	50,810
Total Fees, Licenses & Permits	\$ 320,800	\$ 320,800	\$ 378,648	\$ 57,848
Fines & Forfeitures				
Sex Offenses	3,600	3,600	4,100	500
Traffic Fines	550,000	550,000	608,008	58,008
Total Fines & Forfeitures	\$ 553,600	\$ 553,600	\$ 612,108	\$ 58,508
Use of Money and Property				
Interest on Investments	16,000	16,000	36,927	20,927
Total Use of Money and Property	\$ 16,000	\$ 16,000	\$ 36,927	\$ 20,927
Intergovernmental Revenue				
Salary Supplement Elected Officials	1,575	1,575	1,575	0
Housing Federal Prisoners	164,250	164,250	189,442	25,192
Total Intergovernmental Revenue	\$ 165,825	\$ 165,825	\$ 191,017	\$ 25,192
Other Revenues				
Telephone	55,000	55,000	49,382	(5,618)
Worker's Comp Receipts	0	0	1,156	1,156
Insurance Claims	1,000	1,000	11,879	10,879
Crime Prevention	100	100	0	(100)
Inmate Per Diem	2,500	2,500	4,444	1,944

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
Law Enforcement Special Revenue Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues - continued</u>				
Other Revenues				
Inmate Work Release Program	\$ 500	\$ 500	\$ 135	\$ (365)
Sheriff Sleigh	0	0	1,090	1,090
Miscellaneous	3,935	3,935	2,771	(1,164)
Contribution and Donation	500	500	75	(425)
Total Other Revenue	\$ 63,535	\$ 63,535	\$ 70,932	\$ 7,397
Grants				
SRO School District	134,240	195,240	187,808	(7,432)
Grants - Miscellaneous	0	0	2,100	2,100
LLE Grant	16,000	16,000	22,679	6,679
Federal Grant Revenue	0	0	25,942	25,942
Total Grants	\$ 150,240	\$ 211,240	\$ 238,529	\$ 27,289
Total Revenue	\$ 8,055,000	\$ 8,116,000	\$ 8,315,583	\$ 199,583
<u>Expenditures</u>				
Sheriff Department				
Personal Services	\$ 3,796,175	\$ 3,777,475	\$ 3,720,522	\$ 56,953
Operations & Maintenance	1,489,705	1,522,730	1,476,318	46,412
Capital Outlay	0	390,689	158,562	232,127
	\$ 5,285,880	\$ 5,690,894	\$ 5,355,402	\$ 335,492
Detention Center				
Personal Services	1,929,440	1,864,000	1,818,688	45,312
Operations & Maintenance	1,172,200	1,187,640	1,151,132	36,508
Capital Outlay	10,000	10,000	0	10,000
	\$ 3,111,640	\$ 3,061,640	\$ 2,969,820	\$ 91,820
Georgetown SRO				
Personal Services	128,440	192,540	182,049	10,491
Operations & Maintenance	5,800	7,600	5,758	1,842
	\$ 134,240	\$ 200,140	\$ 187,807	\$ 12,333
Animal Control				
Personal Services	71,450	74,625	74,230	395
Operations & Maintenance	96,790	95,165	91,429	3,736
	\$ 168,240	\$ 169,790	\$ 165,659	\$ 4,131
Total Expenditures	\$ 8,700,000	\$ 9,122,464	\$ 8,678,688	\$ 443,776
Excess Revenues Over Expenditures	\$ (645,000)	\$ (1,006,464)	\$ (363,105)	\$ 643,359

County of Georgetown
Georgetown, South Carolina
Budgetary Comparison Schedule
Law Enforcement Special Revenue Fund
For the Year Ended June 30, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Other Financing Sources (Uses)				
Operating Transfers In (Out)	\$ 625,000	\$ 875,000	\$ 875,000	\$ 0
Sale and Auction	20,000	20,000	50,208	30,208
Fund Balance Reservation	0	111,464	0	(111,464)
Total Other Financing Sources (Uses)	\$ 645,000	\$ 1,006,464	\$ 925,208	\$ (81,256)
Excess Revenues over Expenditures and Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 562,103	\$ 562,103
Fund Balance, July 1, 2007			619,544	
Fund Balance, June 30, 2008			\$ 1,181,647	

County of Georgetown, South Carolina
Georgetown, South Carolina
Notes to Required Supplementary Information
For the Year Ended June 30, 2008

Note 1. Summary of Significant Accounting Policies

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Legal budgets are adopted for the following major governmental funds: General Fund and the Law Enforcement Special Revenue Fund.

The budget is prepared by the County Administrator and approved by the County Council. The appropriated budget is prepared by fund, function, department, activity and object and can be amended throughout the year by County Council approval. The County Administrator may make transfers of appropriations within a function. Transfers of appropriations between funds require the approval of the County Council. The legal level of budgetary control is the fund level.

The budgetary calendar is as follows:

January 18 - Packets distributed to elected officials, department heads, agency directors, and contribution agencies.

February 6 - All packets returned to finance department.

February 16 - Finance department compiles data and submits budget draft to County Administrator.

February 19 - February 23 - Administrator meets with elected officials, department heads, agency directors, and contribution agencies to discuss budget requests.

March 2 - Finance Department prepares first draft of budget.

March 16 - March 23 - Administrator finalizes budget draft.

April 9 - Budget Advertisement run in Georgetown Times.

April 10 - Recommended budget presentation to County Council and First Reading.

April 17 - Budget Work Session.

May 1 - Budget Work Session.

May 8 - Public Hearing and Second Reading.

May 11 - Proposed budget to be in all three Georgetown County Libraries.

May 22 - Third and Final Reading.

June 15 - Print and publish budget document.

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OTHER SUPPLEMENTARY INFORMATION

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**COMBINING NONMAJOR GOVERNMENTAL FUND
FINANCIAL STATEMENTS**

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are established to account for the proceeds of specific revenue sources that are restricted by law and administrative action to expenditures for specified purposes.

Economic Development Grant Funds - To account for grants obtained by the County of Georgetown which provide for expenditures and improvements designed to stimulate economic development of the County.

Accommodation Tax Fund - To account for monies acquired from the State of South Carolina derived from taxes on rental accommodations and to be used for the advertising and promotion of tourism within Georgetown County.

Prince George Tract Fund - To account for monies received from the Prince George Tract Settlement to be used for recreational and/or beach access purposes.

Admissions Tax - To account for admission taxes collected.

Victim's Services Fund - Assessments imposed on fines in General Sessions Court that are retained by the County for the provision of services to victims of crimes.

Murrells Inlet Revitalization - To account for funds received to revitalize Murrells Inlet.

Choppee Regional Center - To account for funds received from federal, state and local funds for the Choppee Regional Center.

Economic Development Fund - To account for funds received that are restricted in use for Economic Development expenditures.

Higher Education Fund - To account for revenues to be used to provide local support for Horry/Georgetown Technical College and the Georgetown Branch of Coastal Carolina University.

Local Hospitality Accommodations Tax Fund - To account for local accommodations tax revenues.

Recreation Aging Services Funds - To account for revenues to be used to provide services to the aging population of Georgetown County.

Sheriff's Special Narcotics - To account for monies seized in drug enforcement activities but not yet legally forfeited by the offender.

Fire Protection District #1 Operating Fund - To account for revenues to be used for fire prevention in the community and to limit the danger to persons and damage to property.

Emergency Telephone System Fund - To account for phone tariffs charged to residents of Georgetown County to be used to implement an Emergency 911 system.

Clerk of Court Incentive Fund - The reimbursement of local entities for costs of child support collection and paternity determination program. These funds are for the exclusive use for all activities related to the establishment, collection, and enforcement of child support obligations

Landbank Commission - A fee of one quarter of one percent of all real estate sales in Georgetown County is charged for the acquisition of public property for beach access.

County Sunday Sales Fund - To account for funds received from Sunday alcoholic beverage licenses designated for specific projects.

Bike The Neck - To account for donations and grants obtained to construct a bicycle path from Pawleys Island to Murrells Inlet.

Economic Development Marketing Fund - To account for funds associated with marketing Georgetown County to businesses which may consider relocating to Georgetown County.

Midway Fire District II - To account for revenues received to provide fire protection services to the Waccamaw Neck area.

Special Economic Development Fund - To account for fee-in-lieu and other revenues restricted for use in economic development

activities in accordance with agreements entered into by Georgetown County and the Georgetown County School District.

General Government Grants - To account for grants obtained for the County of Georgetown to provide services to its residents.

Public Safety Grants - To account for grants obtained by the County of Georgetown to provide public safety services to its residents.

Public Works Grants - To account for grants obtained by the County of Georgetown to provide water and sewer utilities to its residents.

Health and Welfare Grants - To account for grants obtained by the County of Georgetown to help provide health services to the residents of the county.

Culture and Recreation Grants - To account for grants obtained by the County of Georgetown to help provide funding for recreational parks within the county and to also provide opportunities to enhance the cultural experience of the residents of the county.

Environmental Services Grants - To account for grants obtained by the County of Georgetown to help provide landfill needs to the residents of the county.

Road Improvement Fund - To account for the proceeds and expenditure of State "C Funds" and County road user fees.

Pass Thru Grants Fund - To account for grants passed through the County to various local governments and community organizations in Georgetown County as designated by the grantor.

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Projects Fund - To account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. It accounts for bond proceeds received to finance capital improvement projects approved by county council.

Murrells Inlet Dredging Fund - To account for the costs of the Murrells Inlet dredging project.

Technology Upgrade Fund - To account for the cost of the Technology Upgrade Funds.

Visions Capital Improvement Plan Fund - To account for the costs of capital asset management and administration.

Capital Equipment Replacement Fund - To account for the replacement cost of capital equipment owned and used by the county in order to better serve the community.

Strategic Plan Fund - To account for the funding of the objectives of the County's Strategic Plan.

Parks & Recreation Capital Projects Fund - To account for the proceeds and expenditures of funds earmarked for various parks and recreation improvement projects.

CIP - Murrells Inlet CDF Dredging Project Fund - To account for the proceeds of funds earmarked for a now completed Murrells Inlet dredging project.

Community Parks Project Fund - To account for the proceeds and expenditure of funds earmarked for the creation and/or improvement of various community parks in Georgetown County.

Corporate Hangar Project Fund - To account for the proceeds and expenditure of funds earmarked for construction of a corporate hangar at the Georgetown County Airport in Georgetown.

Carroll Campbell Boat Landing Project Fund - To account for the proceeds and expenditure of funds earmarked for construction of a boat landing and marine facility on the Sampit River in Georgetown.

Airport T-Hangar Project Fund - To account for the proceeds and expenditure of funds earmarked for construction of an additional t-hangar at the Georgetown County Airport in Georgetown.

County of Georgetown
Georgetown, South Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Special Revenue Funds			
	Economic Development Grants	Accommodation Tax Fund	Prince George Tract Fund	Admissions Tax Fund
<u>Assets</u>				
Cash	\$ 2,280,049	\$ 741,644	\$ 42,000	\$ 193,056
Cash Restricted	0	0	0	0
Cash Lease Escrow	0	0	0	0
Taxes Receivable (Net)	0	0	0	0
Other Receivables (Net)	701,331	239,012	0	25,287
Due from State Government	0	0	0	0
Assets Held for Resale	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 2,981,380	\$ 980,656	\$ 42,000	\$ 218,343
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 743,340	\$ 198,358	\$ 0	\$ 0
Due to Other Funds	50	11,951	0	0
Accrued Wages	0	0	0	0
Employee Benefits Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	\$ 743,390	\$ 210,309	\$ 0	\$ 0
<u>Fund Balance</u>				
Reserved for Prepaid Items	\$ 0	\$ 0	\$ 0	\$ 0
Reserved for Impact Fees	0	0	0	0
Reserved for Capital Projects	0	0	0	0
Reserved for MI 2008	0	0	0	0
Reserved for Encumbrances	0	0	0	0
Reserved for Investment Property	0	0	0	0
Unreserved				
Undesignated	2,237,990	770,347	42,000	218,343
Total Fund Balance	\$ 2,237,990	\$ 770,347	\$ 42,000	\$ 218,343
Total Liabilities and Fund Balance	\$ 2,981,380	\$ 980,656	\$ 42,000	\$ 218,343

Special Revenue Funds

Victim's Services Fund	Murrell's Inlet Revitalization	Choppee Regional Center	Economic Development Fund	Higher Education Fund	Local Hospitality Accommodations Tax Fund
\$ 149,406	\$ 63,693	\$ 64,581	\$ 393,754	\$ 266	\$ 3,608,305
0	27,008	0	0	0	0
0	0	0	0	0	0
0	0	0	3,632	9,868	0
14,465	18,300	8,446	0	0	584,343
0	0	0	0	843	0
0	0	0	0	0	0
694	0	3,934	1,450	0	0
<u>\$ 164,565</u>	<u>\$ 109,001</u>	<u>\$ 76,961</u>	<u>\$ 398,836</u>	<u>\$ 10,977</u>	<u>\$ 4,192,648</u>
\$ 1,530	\$ 0	\$ 12,509	\$ 4,925	\$ 0	\$ 0
0	0	0	0	0	0
2,602	0	0	3,425	0	0
443	0	0	584	0	0
0	0	0	2,007	6,282	0
<u>\$ 4,575</u>	<u>\$ 0</u>	<u>\$ 12,509</u>	<u>\$ 10,941</u>	<u>\$ 6,282</u>	<u>\$ 0</u>
\$ 694	\$ 0	\$ 3,934	\$ 1,450	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	27,008	0	0	0	0
0	0	60,518	0	0	0
0	0	0	0	0	0
<u>159,296</u>	<u>81,993</u>	<u>0</u>	<u>386,445</u>	<u>4,695</u>	<u>4,192,648</u>
<u>\$ 159,990</u>	<u>\$ 109,001</u>	<u>\$ 64,452</u>	<u>\$ 387,895</u>	<u>\$ 4,695</u>	<u>\$ 4,192,648</u>
<u>\$ 164,565</u>	<u>\$ 109,001</u>	<u>\$ 76,961</u>	<u>\$ 398,836</u>	<u>\$ 10,977</u>	<u>\$ 4,192,648</u>

County of Georgetown
Georgetown, South Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Special Revenue Funds			
	Recreation Aging Services Fund	Sheriff's Special Narcotics Fund	Fire Protection District 1 Op. Fund	Emergency Telephone System Fund
<u>Assets</u>				
Cash	\$ 319,319	\$ 1,303	\$ 453,593	\$ 185,559
Cash Restricted	0	0	34,931	0
Cash Lease Escrow	0	0	0	0
Taxes Receivable (Net)	2,903	0	55,417	0
Other Receivables (Net)	75,251	0	5,777	30,450
Due from State Government	0	0	358	0
Assets Held for Resale	0	0	0	0
Prepaid Items	4,322	0	25,688	657
Total Assets	\$ 401,795	\$ 1,303	\$ 575,764	\$ 216,666
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 18,093	\$ 0	\$ 40,475	\$ 23,465
Due to Other Funds	0	0	0	0
Accrued Wages	6,144	0	28,150	0
Employee Benefits Payable	704	0	5,252	0
Deferred Revenue	1,603	0	33,931	0
Total Liabilities	\$ 26,544	\$ 0	\$ 107,808	\$ 23,465
<u>Fund Balance</u>				
Reserved for Prepaid Items	\$ 4,322	\$ 0	\$ 25,688	\$ 657
Reserved for Impact Fees	0	0	34,931	0
Reserved for Capital Projects	0	0	0	0
Reserved for MI 2008	0	0	0	0
Reserved for Encumbrances	0	0	87,389	185,725
Reserved for Investment Property	0	0	0	0
Unreserved				
Undesignated	370,929	1,303	319,948	6,819
Total Fund Balance	\$ 375,251	\$ 1,303	\$ 467,956	\$ 193,201
Total Liabilities and Fund Balance	\$ 401,795	\$ 1,303	\$ 575,764	\$ 216,666

Special Revenue Funds						
Clerk of Court Incentive Fund	Landbank Commission Fund	County Sunday Sales Fund	Bike the Neck Fund	Economic Development Marketing Fund	Midway Fire District II Fund	
\$ (119)	\$ 147,515	\$ 201,459	\$ 241,034	\$ 93,785	\$ 1,308,777	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	25,642	
0	0	11,550	0	0	6,489	
17,006	0	0	0	0	699	
0	0	0	0	0	0	
592	0	0	0	0	19,444	
<u>\$ 17,479</u>	<u>\$ 147,515</u>	<u>\$ 213,009</u>	<u>\$ 241,034</u>	<u>\$ 93,785</u>	<u>\$ 1,361,051</u>	
\$ 10,761	\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,381	
0	0	0	0	0	0	
2,284	0	0	0	0	38,233	
385	0	0	0	0	7,313	
0	0	0	0	0	16,076	
<u>\$ 13,430</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 103,003</u>	
\$ 592	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,444	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	19,999	
0	0	0	0	0	0	
<u>3,457</u>	<u>147,515</u>	<u>213,009</u>	<u>241,034</u>	<u>93,785</u>	<u>1,218,605</u>	
<u>\$ 4,049</u>	<u>\$ 147,515</u>	<u>\$ 213,009</u>	<u>\$ 241,034</u>	<u>\$ 93,785</u>	<u>\$ 1,258,048</u>	
<u>\$ 17,479</u>	<u>\$ 147,515</u>	<u>\$ 213,009</u>	<u>\$ 241,034</u>	<u>\$ 93,785</u>	<u>\$ 1,361,051</u>	

County of Georgetown
Georgetown, South Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Special Revenue Funds			
	Special Economic Development Fund	General Government Grants	Public Safety Grants	Public Works Grants
<u>Assets</u>				
Cash	\$ 1,342,301	\$ (471)	\$ (42,233)	\$ 0
Cash Restricted	0	0	0	0
Cash Lease Escrow	0	0	0	0
Taxes Receivable (Net)	0	0	0	0
Other Receivables (Net)	0	471	44,305	0
Due from State Government	0	0	0	0
Assets Held for Resale	128,011	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 1,470,312	\$ 0	\$ 2,072	\$ 0
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 30,000	\$ 0	\$ 2,072	\$ 0
Due to Other Funds	0	0	0	0
Accrued Wages	0	0	0	0
Employee Benefits Payable	0	0	0	0
Deferred Revenue	50,000	0	3,700	0
Total Liabilities	\$ 80,000	\$ 0	\$ 5,772	\$ 0
<u>Fund Balance</u>				
Reserved for Prepaid Items	\$ 0	\$ 0	\$ 0	\$ 0
Reserved for Impact Fees	0	0	0	0
Reserved for Capital Projects	0	0	0	0
Reserved for MI 2008	0	0	0	0
Reserved for Encumbrances	1,084,195	0	0	0
Reserved for Investment Property	128,011	0	0	0
Unreserved Undesignated	178,106	0	(3,700)	0
Total Fund Balance	\$ 1,390,312	\$ 0	\$ (3,700)	\$ 0
Total Liabilities and Fund Balance	\$ 1,470,312	\$ 0	\$ 2,072	\$ 0

Special Revenue Funds

Health and Welfare Grants	Culture and Recreation Grants	Environmental Services Grants	Road Improvement Fund	Pass Thru Grants Fund	Total
\$ 26,593	\$ (238,115)	\$ (18,620)	\$ 1,949,191	\$ 0	\$ 13,507,625
0	0	0	0	0	61,939
0	0	0	0	0	0
0	0	0	0	0	97,462
0	511,589	45,028	1,261,671	0	3,583,765
0	0	0	0	0	18,906
0	0	0	0	0	128,011
0	0	0	10	0	56,791
<u>\$ 26,593</u>	<u>\$ 273,474</u>	<u>\$ 26,408</u>	<u>\$ 3,210,872</u>	<u>\$ 0</u>	<u>\$ 17,454,499</u>
\$ 0	\$ 144,746	\$ 26,408	\$ 773,662	\$ 0	\$ 2,071,725
0	0	0	0	0	12,001
0	0	0	0	0	80,838
0	0	0	0	0	14,681
0	464,012	0	0	0	577,611
<u>\$ 0</u>	<u>\$ 608,758</u>	<u>\$ 26,408</u>	<u>\$ 773,662</u>	<u>\$ 0</u>	<u>\$ 2,756,856</u>
\$ 0	\$ 0	\$ 0	\$ 10	\$ 0	\$ 56,791
0	0	0	0	0	34,931
0	0	0	0	0	0
0	0	0	0	0	27,008
0	0	0	592,034	0	2,029,860
0	0	0	0	0	128,011
26,593	(335,284)	0	1,845,166	0	12,421,042
<u>\$ 26,593</u>	<u>\$ (335,284)</u>	<u>\$ 0</u>	<u>\$ 2,437,210</u>	<u>\$ 0</u>	<u>\$ 14,697,643</u>
<u>\$ 26,593</u>	<u>\$ 273,474</u>	<u>\$ 26,408</u>	<u>\$ 3,210,872</u>	<u>\$ 0</u>	<u>\$ 17,454,499</u>

County of Georgetown
Georgetown, South Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Capital Projects Funds			
	Capital Projects Fund	Murrell's Inlet Dredging Fund	Technology Upgrade Fund	Visions Capital Improvement Plan Fund
Assets				
Cash	\$ 4,582	\$ 31,382	\$ 136,699	\$ 0
Cash Restricted	0	0	0	0
Cash Lease Escrow	0	0	0	0
Taxes Receivable (Net)	0	0	0	0
Other Receivables (Net)	0	0	0	0
Due from State Government	0	0	0	0
Assets Held for Resale	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 4,582	\$ 31,382	\$ 136,699	\$ 0
Liabilities and Fund Balance				
Liabilities				
Accounts Payable	\$ 22,985	\$ 0	\$ 0	\$ 0
Due to Other Funds	0	0	0	0
Accrued Wages	0	0	0	0
Employee Benefits Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	\$ 22,985	\$ 0	\$ 0	\$ 0
Fund Balance				
Reserved for Prepaid Items	\$ 0	\$ 0	\$ 0	\$ 0
Reserved for Impact Fees	0	0	0	0
Reserved for Capital Projects	(18,403)	31,382	136,699	0
Reserved for MI 2008	0	0	0	0
Reserved for Encumbrances	0	0	0	0
Reserved for Investment Property	0	0	0	0
Unreserved				
Undesignated	0	0	0	0
Total Fund Balance	\$ (18,403)	\$ 31,382	\$ 136,699	\$ 0
Total Liabilities and Fund Balance	\$ 4,582	\$ 31,382	\$ 136,699	\$ 0

Capital Projects Funds

Capital Equipment Replacement Fund	Strategic Plan Fund	Parks & Recreation Capital Projects Fund	CIP - Murrells Inlet CDF Dredging Project Fund	Community Parks Project Fund	Corporate Hangar Project Fund
\$ 634,871	\$ 101,361	\$ 862,676	\$ 0	\$ 26,696	\$ 270,534
0	0	0	0	0	0
1,542,827	0	0	0	0	0
0	0	0	0	0	0
7,491	47,413	32,295	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 2,185,189</u>	<u>\$ 148,774</u>	<u>\$ 894,971</u>	<u>\$ 0</u>	<u>\$ 26,696</u>	<u>\$ 270,534</u>
\$ 8,289	\$ 0	\$ 0	\$ 0	\$ 26,696	\$ 270,534
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	47,413	0	0	0	0
<u>\$ 8,289</u>	<u>\$ 47,413</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 26,696</u>	<u>\$ 270,534</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
1,213,495	101,361	894,971	0	0	0
0	0	0	0	0	0
963,405	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 2,176,900</u>	<u>\$ 101,361</u>	<u>\$ 894,971</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>\$ 2,185,189</u>	<u>\$ 148,774</u>	<u>\$ 894,971</u>	<u>\$ 0</u>	<u>\$ 26,696</u>	<u>\$ 270,534</u>

County of Georgetown
Georgetown, South Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Carroll Campbell Boat Landing Project Fund	Airport T-Hangar Project Fund	Total	
Assets				
Cash	\$ 1,061,257	\$ 37,297	\$ 3,167,355	\$ 16,674,980
Cash Restricted	0	0	0	61,939
Cash Lease Escrow	0	0	1,542,827	1,542,827
Taxes Receivable (Net)	0	0	0	97,462
Other Receivables (Net)	260,822	0	348,021	3,931,786
Due from State Government	0	0	0	18,906
Assets Held for Resale	0	0	0	128,011
Prepaid Items	0	0	0	56,791
Total Assets	\$ 1,322,079	\$ 37,297	\$ 5,058,203	\$ 22,512,702
Liabilities and Fund Balance				
Liabilities				
Accounts Payable	\$ 380,016	\$ 37,297	\$ 745,817	\$ 2,817,542
Due to Other Funds	0	0	0	12,001
Accrued Wages	0	0	0	80,838
Employee Benefits Payable	0	0	0	14,681
Deferred Revenue	0	0	47,413	625,024
Total Liabilities	\$ 380,016	\$ 37,297	\$ 793,230	\$ 3,550,086
Fund Balance				
Reserved for Prepaid Items	\$ 0	\$ 0	\$ 0	\$ 56,791
Reserved for Impact Fees	0	0	0	34,931
Reserved for Capital Projects	942,063	0	3,301,568	3,301,568
Reserved for MI 2008	0	0	0	27,008
Reserved for Encumbrances	0	0	963,405	2,993,265
Reserved for Investment Property	0	0	0	128,011
Unreserved				
Undesignated	0	0	0	12,421,042
Total Fund Balance	\$ 942,063	\$ 0	\$ 4,264,973	\$ 18,962,616
Total Liabilities and Fund Balance	\$ 1,322,079	\$ 37,297	\$ 5,058,203	\$ 22,512,702

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County of Georgetown
Georgetown, South Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2008

	Special Revenue Funds			
	Economic Development Grant Funds	Accomodation Tax Fund	Prince George Tract Fund	Admissions Tax Fund
<u>Revenue</u>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Local Accomodation/Hospitality Tax	0	0	0	0
Fees, Licenses & Permits	0	0	0	0
State Aid & Shared Taxes	0	990,060	0	90,339
Intergovernmental Revenue	0	0	0	0
Grants	1,336,723	0	0	0
C Funds	0	0	0	0
Interest	0	35,100	1,417	6,126
Donations	0	0	0	0
Miscellaneous Revenue	0	0	0	0
Total Revenues	\$ 1,336,723	\$ 1,025,160	\$ 1,417	\$ 96,465
<u>Expenditures</u>				
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0
Operations & Maintenance	504,008	840,821	0	0
Capital Outlay	1,418,092	0	0	0
Debt Service				
Principal Retirement	0	0	0	0
Interest	0	0	0	0
Bond Issuance Cost	7,500	0	0	0
Total Expenditures	\$ 1,929,600	\$ 840,821	\$ 0	\$ 0
Excess Revenues Over Expenditures	(592,877)	184,339	1,417	96,465
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In (Out)	\$ (1,286,314)	\$ (73,253)	\$ 0	\$ 0
Bond Purchase Proceeds	2,400,000	0	0	0
Lease Purchase Proceeds	0	0	0	0
Sale of Capital Assets	39,774	0	0	0
Total Other Financing Sources (Uses)	\$ 1,153,460	\$ (73,253)	\$ 0	\$ 0
Excess Revenues & Other Financing Sources Over Expenditures & Other Financing Uses	\$ 560,583	\$ 111,086	\$ 1,417	\$ 96,465
Restated Fund Balance, July 1, 2007	1,677,407	659,261	40,583	121,878
Fund Balance, June 30, 2008	\$ 2,237,990	\$ 770,347	\$ 42,000	\$ 218,343

Special Revenue Funds						
Victim's Services Fund	Murrell's Inlet Revitalization Fund	Choppee Regional Center Fund	Economic Development Fund	Higher Education Fund	Local Hospitality Accommodations Tax Fund	
\$ 0	\$ 0	\$ 0	\$ 273,467	\$ 605,789	\$ 0	
0	0	0	0	0	3,600,514	
160,312	69,300	0	39	86	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
7,872	0	0	14,820	5,088	113,004	
0	0	12,125	112,499	0	0	
0	0	61,398	27,594	0	0	
<u>\$ 168,184</u>	<u>\$ 69,300</u>	<u>\$ 73,523</u>	<u>\$ 428,419</u>	<u>\$ 610,963</u>	<u>\$ 3,713,518</u>	
\$ 148,593	\$ 0	\$ 0	\$ 185,014	\$ 0	\$ 0	
100,127	0	44,638	151,967	762,000	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
<u>\$ 248,720</u>	<u>\$ 0</u>	<u>\$ 44,638</u>	<u>\$ 336,981</u>	<u>\$ 762,000</u>	<u>\$ 0</u>	
(80,536)	69,300	28,885	91,438	(151,037)	3,713,518	
\$ 0	\$ 0	\$ 0	\$ (1,175,503)	\$ 0	\$ 135,000	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,175,503)</u>	<u>\$ 0</u>	<u>\$ 135,000</u>	
\$ (80,536)	\$ 69,300	\$ 28,885	\$ (1,084,065)	\$ (151,037)	\$ 3,848,518	
240,526	39,701	35,567	1,471,960	155,732	344,130	
<u>\$ 159,990</u>	<u>\$ 109,001</u>	<u>\$ 64,452</u>	<u>\$ 387,895</u>	<u>\$ 4,695</u>	<u>\$ 4,192,648</u>	

County of Georgetown
Georgetown, South Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2008

	Special Revenue Funds			
	Recreation Aging Services Fund	Sheriff's Special Narcotics Fund	Fire Protection District 1 Op. Fund	Emergency Telephone System Fund
Revenue				
Taxes	\$ 218,643	\$ 0	\$ 2,232,955	\$ 0
Local Hospitality Tax	0	0	0	0
Fees, Licenses & Permits	629,687	0	152,800	416,086
State Aid & Shared Taxes	0	0	0	0
Intergovernmental Revenue	0	0	0	0
Grants	0	0	0	0
C Funds	0	0	0	0
Interest	12,428	0	25,697	9,649
Donations	44,424	0	935	0
Miscellaneous Revenue	9,570	28,521	51,808	0
Total Revenues	\$ 914,752	\$ 28,521	\$ 2,464,195	\$ 425,735
Expenditures				
Personal Services	\$ 332,265	\$ 0	\$ 1,697,307	\$ 0
Operations & Maintenance	439,062	37,665	787,773	236,430
Capital Outlay	0	0	77,160	87,989
Debt Service				
Principal Retirement	0	0	0	177,533
Interest	0	0	0	47,561
Bond Issuance Cost	0	0	0	0
Total Expenditures	\$ 771,327	\$ 37,665	\$ 2,562,240	\$ 549,513
Excess Revenues Over Expenditures	143,425	(9,144)	(98,045)	(123,778)
Other Financing Sources (Uses)				
Operating Transfers In (Out)	\$ (57,000)	\$ 0	\$ (102,500)	\$ 0
Bond Purchase Proceeds	0	0	0	0
Lease Purchase Proceeds	0	0	0	0
Sale of Capital Assets	0	0	18,031	0
Total Other Financing Sources (Uses)	\$ (57,000)	\$ 0	\$ (84,469)	\$ 0
Excess Revenues & Other Financing Sources Over Expenditures & Other Financing Uses	\$ 86,425	\$ (9,144)	\$ (182,514)	\$ (123,778)
Restated Fund Balance, July 1, 2007	288,826	10,447	650,470	316,979
Fund Balance, June 30, 2008	\$ 375,251	\$ 1,303	\$ 467,956	\$ 193,201

Special Revenue Funds						
Clerk of Court Incentive Fund	Landbank Commission Fund	County Sunday Sales Fund	Bike the Neck Fund	Economic Development Marketing Fund	Midway Fire District II Fund	
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,912,429	
0	0	0	0	0	0	
0	0	86,300	0	24,988	230,466	
0	0	0	0	0	0	
195,119	0	0	0	0	4,000	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	11,277	6,507	5,057	3,287	60,642	
0	0	0	8,000	0	918	
0	0	0	0	0	13,835	
<u>\$ 195,119</u>	<u>\$ 11,277</u>	<u>\$ 92,807</u>	<u>\$ 13,057</u>	<u>\$ 28,275</u>	<u>\$ 3,222,290</u>	
\$ 131,730	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,356,980	
30,909	0	0	997	0	649,844	
17,871	37,591	0	0	0	60,185	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	0	
<u>\$ 180,510</u>	<u>\$ 37,591</u>	<u>\$ 0</u>	<u>\$ 997</u>	<u>\$ 0</u>	<u>\$ 3,067,009</u>	
14,609	(26,314)	92,807	12,060	28,275	155,281	
\$ (11,197)	\$ (225,000)	\$ 0	\$ 225,000	\$ 0	\$ (258,000)	
0	0	0	0	0	0	
0	0	0	0	0	0	
0	0	0	0	0	21,478	
<u>\$ (11,197)</u>	<u>\$ (225,000)</u>	<u>\$ 0</u>	<u>\$ 225,000</u>	<u>\$ 0</u>	<u>\$ (236,522)</u>	
\$ 3,412	\$ (251,314)	\$ 92,807	\$ 237,060	\$ 28,275	\$ (81,241)	
637	398,829	120,202	3,974	65,510	1,339,289	
<u>\$ 4,049</u>	<u>\$ 147,515</u>	<u>\$ 213,009</u>	<u>\$ 241,034</u>	<u>\$ 93,785</u>	<u>\$ 1,258,048</u>	

County of Georgetown
Georgetown, South Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2008

	Special Revenue Funds			
	Special Economic Development Fund	General Government Grants Funds	Public Safety Grants Funds	Public Works Grants Funds
<u>Revenue</u>				
Taxes	\$ 164,810	\$ 0	\$ 0	\$ 0
Local Hospitality Tax	0	0	0	0
Fees, Licenses & Permits	0	0	0	0
State Aid & Shared Taxes	0	0	0	0
Intergovernmental Revenue	0	0	0	28,250
Grants	0	471	152,112	86,339
C Funds	0	0	0	0
Interest	0	0	0	0
Donations	50,000	0	0	0
Miscellaneous Revenue	0	0	0	0
Total Revenues	\$ 214,810	\$ 471	\$ 152,112	\$ 114,589
<u>Expenditures</u>				
Personal Services	\$ 0	\$ 0	\$ 69,548	\$ 0
Operations & Maintenance	0	471	23,750	40,187
Capital Outlay	0	0	56,407	104,119
Debt Service				
Principal Retirement	0	0	0	0
Interest	0	0	0	0
Bond Issuance Cost	0	0	0	0
Total Expenditures	\$ 0	\$ 471	\$ 149,705	\$ 144,306
Excess Revenues Over Expenditures	214,810	0	2,407	(29,717)
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In (Out)	\$ 454,742	\$ 0	\$ 0	\$ (446)
Bond Purchase Proceeds	0	0	0	0
Lease Purchase Proceeds	0	0	0	0
Sale of Capital Assets	720,760	0	0	0
Total Other Financing Sources (Uses)	\$ 1,175,502	\$ 0	\$ 0	\$ (446)
Excess Revenues & Other Financing Sources Over Expenditures & Other Financing Uses	\$ 1,390,312	\$ 0	\$ 2,407	\$ (30,163)
Restated Fund Balance, July 1, 2007	0	0	(6,107)	30,163
Fund Balance, June 30, 2008	\$ 1,390,312	\$ 0	\$ (3,700)	\$ 0

Special Revenue Funds						
Health and Welfare Grants Funds	Culture and Recreation Grants Funds	Environmental Services Grants Funds	Road Improvement Fund	Pass Thru Grants Fund		Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	6,408,093
0	0	0	0	0	0	3,600,514
0	0	0	1,684,725	0	0	3,454,789
0	0	0	0	0	0	1,080,399
0	23,644	0	0	0	0	251,013
98,997	565,238	68,468	0	100,000	0	2,408,348
0	0	0	1,644,786	0	0	1,644,786
0	0	0	69,803	0	0	387,774
0	0	0	0	0	0	228,901
0	0	0	0	0	0	192,726
<u>\$ 98,997</u>	<u>\$ 588,882</u>	<u>\$ 68,468</u>	<u>\$ 3,399,314</u>	<u>\$ 100,000</u>	<u>\$ 0</u>	<u>19,657,343</u>
\$ 0	\$ 149,131	\$ 0	\$ 29,067	\$ 0	\$ 0	5,099,635
67,988	206,499	68,468	245,740	100,000	0	5,339,344
0	554,406	0	2,375,347	0	0	4,789,167
0	0	0	0	0	0	177,533
0	0	0	0	0	0	47,561
0	0	0	0	0	0	7,500
<u>\$ 67,988</u>	<u>\$ 910,036</u>	<u>\$ 68,468</u>	<u>\$ 2,650,154</u>	<u>\$ 100,000</u>	<u>\$ 0</u>	<u>15,460,740</u>
31,009	(321,154)	0	749,160	0	0	4,196,603
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	(2,374,471)
0	0	0	0	0	0	2,400,000
0	0	0	0	0	0	0
0	0	0	0	0	0	800,043
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>825,572</u>
\$ 31,009	\$ (321,154)	\$ 0	\$ 749,160	\$ 0	\$ 0	5,022,175
(4,416)	(14,130)	0	1,688,050	0	0	9,675,468
<u>\$ 26,593</u>	<u>\$ (335,284)</u>	<u>\$ 0</u>	<u>\$ 2,437,210</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>14,697,643</u>

County of Georgetown
Georgetown, South Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2008

	Capital Projects Funds			
	Capital Projects Fund	Murrell's Inlet Dredging Fund	Technology Upgrade Fund	Visions Capital Improvement Plan Fund
Revenue				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Local Hospitality Tax	0	0	0	0
Fees, Licenses & Permits	0	0	0	0
State Aid & Shared Taxes	0	0	0	0
Intergovernmental Revenue	0	0	0	0
Grants	0	0	0	0
C Funds	0	0	0	0
Interest	187,370	0	0	0
Donations	0	0	0	0
Miscellaneous Revenue	0	0	0	0
Total Revenues	\$ 187,370	\$ 0	\$ 0	\$ 0
Expenditures				
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0
Operations & Maintenance	107,136	0	0	0
Capital Outlay	0	0	0	0
Debt Service				
Principal Retirement	0	0	0	0
Interest	0	0	0	0
Bond Issuance Cost	0	0	0	0
Total Expenditures	\$ 107,136	\$ 0	\$ 0	\$ 0
Excess Revenues Over Expenditures	80,234	0	0	0
Other Financing Sources (Uses)				
Operating Transfers In (Out)	\$ (7,985,294)	\$ 0	\$ 0	\$ (417,207)
Bond Purchase Proceeds	0	0	0	0
Lease Purchase Proceeds	0	0	0	0
Sale of Capital Assets	0	0	0	0
Total Other Financing Sources (Uses)	\$ (7,985,294)	\$ 0	\$ 0	\$ (417,207)
Excess Revenues & Other Financing Sources Over Expenditures & Other Financing Uses	\$ (7,905,060)	\$ 0	\$ 0	\$ (417,207)
Restated Fund Balance, July 1, 2007	7,886,657	31,382	136,699	417,207
Fund Balance, June 30, 2008	\$ (18,403)	\$ 31,382	\$ 136,699	\$ 0

Capital Projects Fund					
Capital Equipment Replacement Fund	Strategic Plan Fund	Parks & Recreation Capital Projects Fund	CIP - Murrells Inlet CDF Dredging Project Fund	Community Parks Project Fund	Corporate Hangar Project Fund
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
47,368	0	0	0	0	0
0	58,582	0	0	0	0
224,648	0	0	0	0	0
<u>\$ 272,016</u>	<u>\$ 58,582</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	3,199	0	0
1,760,988	0	8,150	0	77,272	446,834
856,262	0	0	0	0	0
117,876	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 2,735,126</u>	<u>\$ 0</u>	<u>\$ 8,150</u>	<u>\$ 3,199</u>	<u>\$ 77,272</u>	<u>\$ 446,834</u>
(2,463,110)	58,582	(8,150)	(3,199)	(77,272)	(446,834)
\$ 1,786,000	\$ 0	\$ (3,480,000)	\$ 3,199	\$ 77,272	\$ 446,834
0	0	0	0	0	0
781,746	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 2,567,746</u>	<u>\$ 0</u>	<u>\$ (3,480,000)</u>	<u>\$ 3,199</u>	<u>\$ 77,272</u>	<u>\$ 446,834</u>
\$ 104,636	\$ 58,582	\$ (3,488,150)	\$ 0	\$ 0	\$ 0
2,072,264	42,779	4,383,121	0	0	0
<u>\$ 2,176,900</u>	<u>\$ 101,361</u>	<u>\$ 894,971</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

County of Georgetown
Georgetown, South Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2008

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Carroll Campbell Boat Landing Project Fund	Airport T-Hangar Project Fund	Total	
<u>Revenue</u>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 6,408,093
Local Hospitality Tax	0	0	0	3,600,514
Fees, Licenses & Permits	0	0	0	3,454,789
State Aid & Shared Taxes	0	0	0	1,080,399
Intergovernmental Revenue	0	0	0	251,013
Grants	260,822	0	260,822	2,669,170
C Funds	0	0	0	1,644,786
Interest	0	0	234,738	622,512
Donations	0	0	58,582	287,483
Miscellaneous Revenue	0	0	224,648	417,374
Total Revenues	\$ 260,822	\$ 0	\$ 778,790	\$ 20,436,133
<u>Expenditures</u>				
Personal Services	\$ 0	\$ 0	\$ 0	\$ 5,099,635
Operations & Maintenance	0	0	110,335	5,449,679
Capital Outlay	579,601	37,297	2,910,142	7,699,309
Debt Service				
Principal Retirement	0	0	856,262	1,033,795
Interest	0	0	117,876	165,437
Bond Issuance Cost	0	0	0	7,500
Total Expenditures	\$ 579,601	\$ 37,297	\$ 3,994,615	\$ 19,455,355
Excess Revenues Over Expenditures	(318,779)	(37,297)	(3,215,825)	980,778
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In (Out)	\$ 1,260,842	\$ 37,297	\$ (8,271,057)	\$ (10,645,528)
Bond Purchase Proceeds	0	0	0	2,400,000
Lease Purchase Proceeds	0	0	781,746	781,746
Sale of Capital Assets	0	0	0	800,043
Total Other Financing Sources (Uses)	\$ 1,260,842	\$ 37,297	\$ (7,489,311)	\$ (6,663,739)
Excess Revenues & Other Financing Sources Over Expenditures & Other Financing Uses	\$ 942,063	\$ 0	\$ (10,705,136)	\$ (5,682,961)
Restated Fund Balance, July 1, 2007	0	0	14,970,109	24,645,577
Fund Balance, June 30, 2008	\$ 942,063	\$ 0	\$ 4,264,973	\$ 18,962,616

SCHEDULE OF FINES, ASSESSMENTS AND SURCHARGES

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**County of Georgetown
Georgetown, South Carolina
Schedule of Fines, Assessments & Surcharges
For the Year Ended June 30, 2008**

Fines & Fees State Portion

Public Defender Application Fees	\$	8,760
Marriage License Fees		14,920
Bond Estreatment		225
Circuit/Family Court Motion Fees		41,800
Family Alimony/Child Support Fees		121,855
Circuit/Family Court Fines & Other		32,805
Circuit Family Filing Fees		190,540
Magistrate Court Filing Assessments		31,695
Total State Portion Fines & Fees	\$	<u>442,600</u>

DUI Assessments & Surcharges State Portion

Boating Under the Influence	\$	650
General Sessions DUI		158
Magistrates' Court DUI		866
Magistrates' DUI, DPS Pullout		14,990
General Sessions DUI Surcharge		21
Magistrates' DUI Surcharge		8,399
General Sessions DUI DPS Pullout		21
Magistrates' DUI DPS Pullout		8,260
Total DUI Assessments State Portion	\$	<u>33,365</u>

Other Surcharges State Portion

General Sessions Drug Surcharge	\$	7,964
Magistrates' Court Drug Surcharge		9,661
General Sessions Law Enforcement Surcharge		6,214
Magistrates' Court Law Enforcement Surcharge		246,622
Total Other Surcharges State Portion	\$	<u>270,461</u>

Other Assessments State Portion

General Sessions Court	\$	16,666
Magistrates' Court		638,424
Total Other Assessments State Portion	\$	<u>655,090</u>

Victim's Assessments County Portion

General Sessions Court	\$	59,596
Magistrates' Court		28,677
Total Victim's Assessments County Portion	\$	<u>88,273</u>

Victim's Surcharges County Portion

General Sessions Court	\$	21,019
Magistrates' Court		51,020
Total Victim's Surcharges County Portion	\$	<u>72,039</u>

Summary of Changes in Victim's Service Fund Balance

Victim's Service Assessments and Surcharges	\$	160,312
Assessments and Surcharges Accrued on Financial Statements		0
Victim's Service Interest Earnings		7,872
Current Year Victim's Service Expenditures		<u>(248,720)</u>
Increase (Decrease) in Victim's Service Fund Balance		(80,536)
Victim's Service Fund Balance - Beginning of Year		240,526
Victim's Service Fund Balance - End of Year	\$	<u>159,990</u>

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Single Audit Section

County of Georgetown
Georgetown, South Carolina
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

	Federal CFDA Number	Pass Through/Direct Grantor/Agency Award Number	Expenditures
<u>Health & Human Services</u>			
Passed Through S.C. Department of Social Services			
Child Support Enforcement IVD Reimbursement	93.563	N/A	\$ 129,709
Child Support Incentive Payments IVD	93.563	N/A	44,389
Child Support Court Filing Fees IVD	93.563	N/A	41,400
Child Support Service of Process Payments	93.563	N/A	21,021
Family Preservation	93.556	N/A	208
Temporary Assistance of Needy Families	93.558	N/A	18,205
Child Support Enforcement IVD	93.563	N/A	5
Child Welfare Services - State Grant	93.645	N/A	560
Title IV-E Foster Care	93.658	N/A	4,118
Social Services Block Grant	93.667	N/A	5,734
Child Care Development Grant	93.575	N/A	272
Passed Through S.C. Election Commission			
HAVA VOTE	93.617	EAID08	471
Passed Through Centers for Medicare & Medicaid			
Medicaid Programs	93.778	N/A	9,009
<u>Housing & Urban Development</u>			
Direct Programs			
Choppee Center Special	14.251	B-06-SP-SC-0924	67,988
Passed Through S.C. Department of Commerce			
CDBG Planning Grant	14.228	4-RP-05-008	50,000
CDBG Water & Sewer Study	14.228	4-ED-05-012	37,278
CDBG CATT Building	14.228	4-CC-06-004	72,007
<u>Department of the Interior</u>			
Passed Through S.C. Department of Natural Resources - Sportfish Program			
Sampit River Boat Landing	15.916	45-01059	260,822
Pea House Boat Landing	15.605	F-97-D	112,526
<u>Department of Justice</u>			
Direct Programs			
Byrne Grant	16.580	2007-DJ-BX-1307	22,679
BVP	16.607	N/A	3,700

County of Georgetown
Georgetown, South Carolina
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

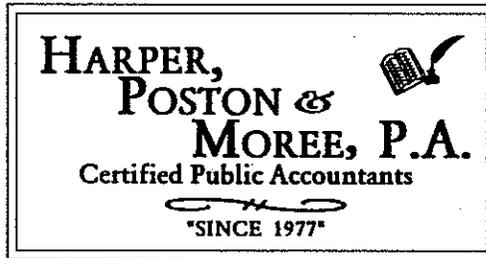
	Federal CFDA Number	Pass Through Grantor/Agency Number	Expenditures
<u>Homeland Security</u>			
Passed Through S.C. Emergency Preparedness Division Office of the Governor			
CERT '07	97.067	6CCP01	6,772
Emergency Management Grant	97.042	7EMPG01	22,648
<u>Department of Transportation</u>			
Direct Programs			
Airport Improvement Program	20.106	3-45-0025-08	79,100
Airport Improvement Program	20.106	3-45-0005-04	56,311
Airport Improvement Program	20.106	3-45-0025-09	108,895
Airport Improvement Program	20.106	3-45-0025-10	130,615
Passed Through S.C. Department of Transportation			
Federal Aid Highway Program	20.205	22Q22RUL4102	76,790
Federal Aid Highway Program	20.205	88Q22EH88004	11,536
Federal Aid Highway Program	20.205	22Q22RUL6006	168,959
Federal Aid Highway Program	20.205	OCRM-06-541	144,479
<u>Environmental Protection Agency</u>			
Passed Through S.C. Department of Health and Environmental Control			
Beach Water Monitoring	66.472	EQ-7-1177	5,800
<u>Department of Agriculture</u>			
Passed Through S.C. Department of Social Services			
USDA Food Nutrition Services - Food Stamps	10.561	N/A	9,553
<u>National Endowment for the Humanities</u>			
Direct Programs			
National Library Service Award	45.312	AL-00-07-0004-07	5,331
NEH - Ben Franklin Exhibit	45.164	LS-50043-07	1,000
Passed Through S.C. State Library			
LSTA Funds	45.310	IE-07-22	12,307
<u>Department of Labor</u>			
Passed Through Waccamaw Regional Council of Governments			
Workforce Investment Act - Detention Center	17.269	N/A	38,691
Workforce Investment Act	17.269	7369B16	54,907
Total			\$ 1,835,795

County of Georgetown
Georgetown, South Carolina
Notes To Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2008

Note A: Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the grant activity of the County of Georgetown, South Carolina and is presented on the modified accrual basis of accounting. The information is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts present on, or used in the preparation of, the basic financial statements.

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INDEPENDENT AUDITOR'S 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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Georgetown, South Carolina as of and for the year ended June 30, 2008, which collectively comprise the County of Georgetown's basic financial statements and have issued our report thereon dated February 5, 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 the County'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 the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

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 the County's internal control.

Our consideration of the internal control over financial reporting 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 financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

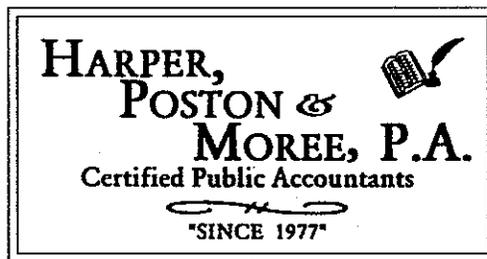
However, we noted other matters involving the internal control over financial reporting that we have reported to management of the County of Georgetown, South Carolina in a separate letter dated February 5, 2009.

This report is intended solely for the information and use of the audit committee, management, others within the organization, County Council, 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.

Harper, Poston & Moree, P.A.

Harper, Poston & Moree, P.A.
Certified Public Accountants

Georgetown, South Carolina
February 5, 2009



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

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

Compliance

We have audited the compliance of the County of Georgetown 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, 2008. The County's major federal programs are identified in the summary of auditor's 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 the County of Georgetown, South Carolina's management. Our responsibility is to express an opinion on the County's 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 the County of Georgetown's 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 of the County of Georgetown's compliance with those requirements.

In our opinion, the County of Georgetown 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, 2008.

Internal Control Over Compliance

The management of the County of Georgetown, South Carolina is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's 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 the County's 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 the audit committee, management, others within the organization, County Council, 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.

Harper, Poston & Moree, P.A.

Harper, Poston & Moree, P.A.
Certified Public Accountants

Georgetown, South Carolina
February 5, 2009

County of Georgetown
Georgetown, South Carolina
Schedule of Findings And Questioned Costs
For The Year Ended June 30, 2008

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the County of Georgetown, Georgetown, South Carolina.
2. No significant deficiencies were disclosed during the audit of the basic financial statements as reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters.
3. No instances of noncompliance material to the financial statements of the County of Georgetown were disclosed during the audit.
4. No significant deficiencies were disclosed during the audit of the major federal award programs as reported in the Independent Auditor's Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the County of Georgetown expresses an unqualified opinion.
6. Audit findings relative to major federal award programs for the County of Georgetown are reported in part C of this schedule.
7. The programs tested as major programs included:

<u>Program</u>	<u>CDFA Number</u>
Federal Aid Highway Program	20.205
Airport Improvement Program	20.106
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The County of Georgetown was determined to be a low risk auditee.

B. Findings - Financial Statement Audit

No Findings.

C. Findings and Questioned Costs - Major Federal Award Programs

No Findings.

**County of Georgetown
Georgetown, South Carolina
Summary Schedule of Prior Year Audit Findings
For The Year Ended June 30, 2008**

There are no prior year audit findings relating to federal award programs that are required by Circular A-133 to be reported in the Summary Schedule of Prior Year Audit Findings.