

2023

POPULAR ANNUAL FINANCIAL REPORT

Horry County Government South Carolina



HC Government

Fiscal Year Ended June 30, 2023

Welcome from the Chairman



JOHNNY GARDNER
CHAIRMAN
HORRY COUNTY COUNCIL

Horry County Government is pleased to present the Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2023. This report aims to provide readers an easy to read and condensed version of our FY2023 Annual Comprehensive Financial Report. Horry County strives to inform in a transparent manner with these highlights of our financial status.

Overall, County revenues for the primary government (excluding discretely presented component units) were up approximately 12.4% compared to previous year actuals. We increased our net position by approximately \$288 million. The total net position of approximately \$2.25 billion consists of \$1.33 billion in net investment in capital assets, \$762.2 million in restricted, and \$163.85 million in unrestricted.

As we move into FY2024, we continue to prioritize investments in necessary infrastructure, personnel, and services to support our growing County. We remain committed to our mission of providing the highest possible quality of life for long-time residents, seasonal visitors, and new community members.

From Team Horry, I thank you for your continued support and commitment to our community. We achieved a great deal in FY2023 and further improvements remain on the horizon.

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Horry County

County Council



Jenna Dukes
District 1



Bill Howard
District 2



Dennis DiSabato
District 3



Gary Loftus
District 4
Vice Chair



Tyler Servant
District 5



Cam Crawford
District 6



Tom Anderson
District 7



Michael
Masciarelli
District 8



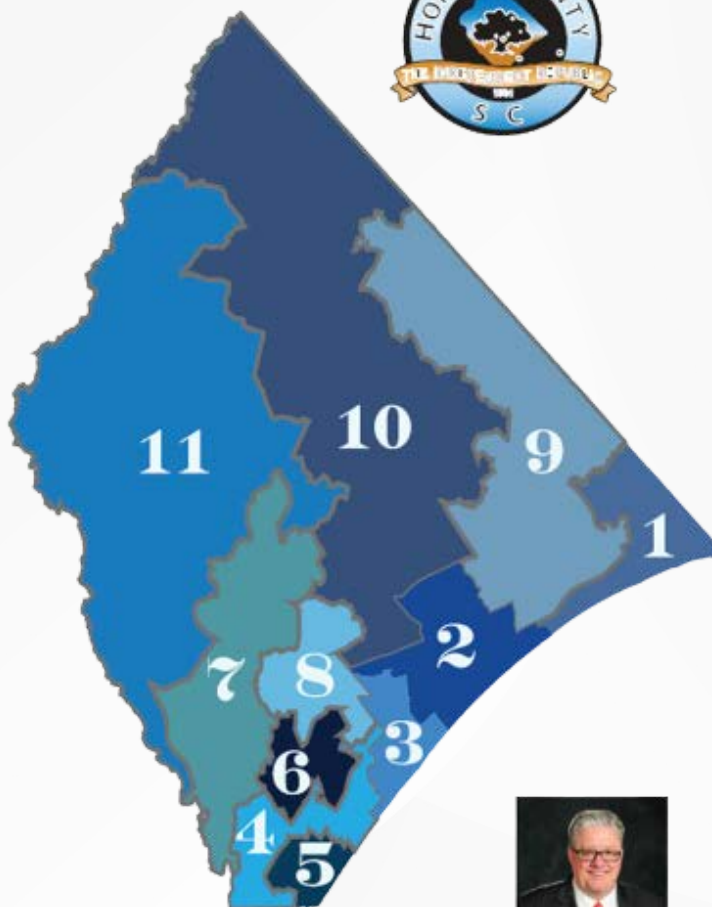
Mark Causey
District 9



Danny Hardee
District 10



Al Allen
District 11



Johnny Gardner
Chairman

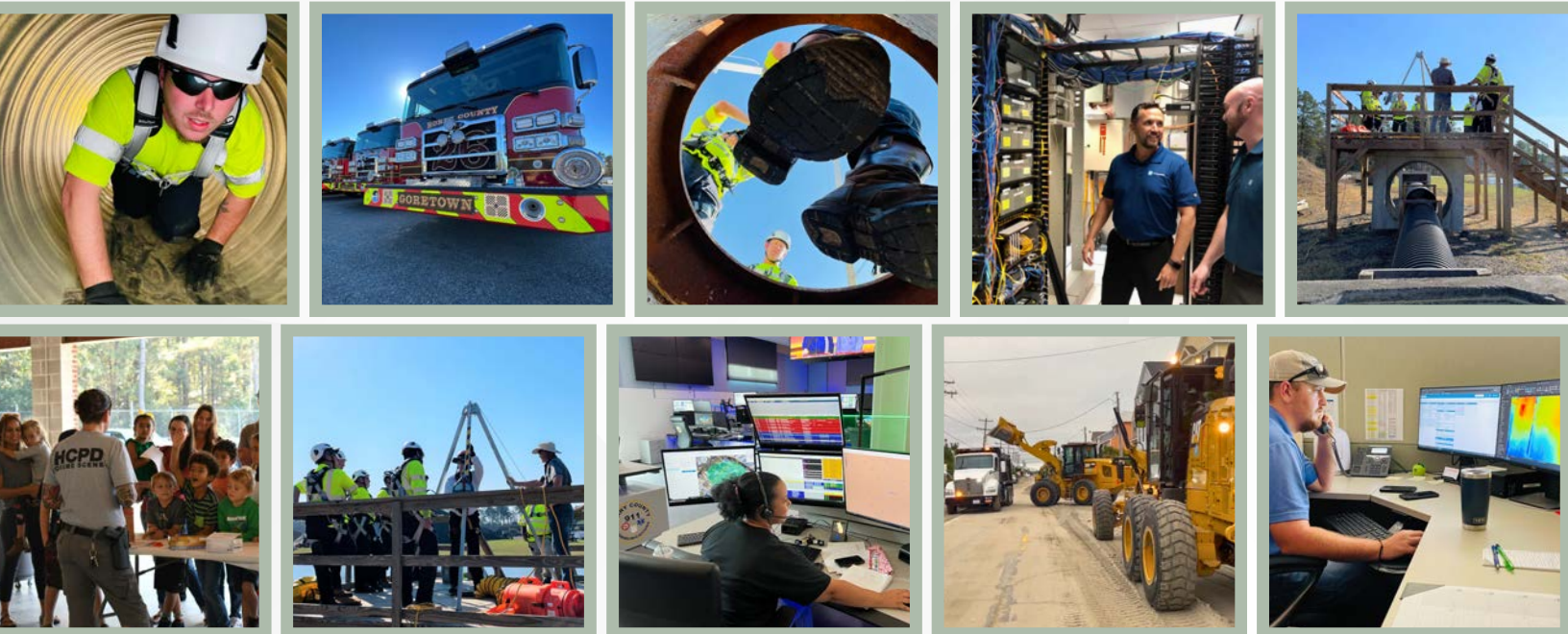
Elected Officials

Beth Calhoun, Auditor
 Renee Elvis, Clerk of Court
 Robert Edge, Jr., Coroner
 R. Allen Beverly, Jr., Judge of Probate
 Phillip E. Thompson, Sheriff
 Jimmy A. Richardson II, 15th Circuit Solicitor
 Angie Jones, Treasurer

Administrative Officials

Steve Gosnell, County Administrator
 Barry Spivey, Assistant County Administrator,
 Administration Division
 Randy Webster, Assistant County Administrator,
 Public Safety Division
 David Gilreath, Assistant County Administrator,
 Infrastructure & Regulation Division
 David P. Jordan, County Attorney

“COMMITTED TO EXCELLENCE”



MISSION STATEMENT

The mission of the government of Horry County, South Carolina is to provide a community environment in which the citizens and visitors of Horry County can enjoy the highest quality of life.

ORGANIZATIONAL VISION

“Horry County will sustain and enhance the quality of life for our residents and visitors by fostering healthy and safe communities, preserving our natural assets and rural heritage, encouraging business growth and economic diversification, and providing services and public facilities that will protect and strengthen our future.”

CORE VALUES

- Openness & Honesty
 - Responsiveness
 - Common Sense
 - Stewardship
 - Customer Service
 - Fairness & Consistency
 - Integrity & Ethics
 - Goal Orientation
 - Teamwork
 - Innovation
-

ORGANIZATIONAL STRUCTURE

40+ DEPARTMENTS

Administration Division – 469 Budgeted Positions



Assessor
Auditor
Business License &
Hospitality
Clerk of Court
Community Development
County Council
Delegation
Finance
Human Resources
Information Technology
Legal

Library
Master-In-Equity
Medically Indigent
Assistance
Museum
Probate Judge
Procurement
Public Information
Register of Deeds
Registration & Elections
Treasurer
Veteran's Affairs

Public Safety Division – 1,619 Budgeted Positions



911 Communications
Animal Care Center
Central Jury Court
Central Processing (DSS)
Central Summary Court
Clerk of Court
Coroner
Detention

Emergency Management
Fire/Rescue
Magistrates
Police
Public Defender
Sheriff
Solicitor

Infrastructure & Regulation Division – 877 Budgeted Positions



Airport
Code Enforcement
Engineering
Fleet Maintenance
Maintenance
Parks & Recreation
Planning & Zoning
Public Works
Solid Waste Authority
Stormwater

**2,965
BUDGETED
POSITIONS**

COUNTY DEMOGRAPHICS

Horry County is the 4th largest county in South Carolina by population size and the largest in square miles.

Total Population

(Based upon 2020 Census)

351,029

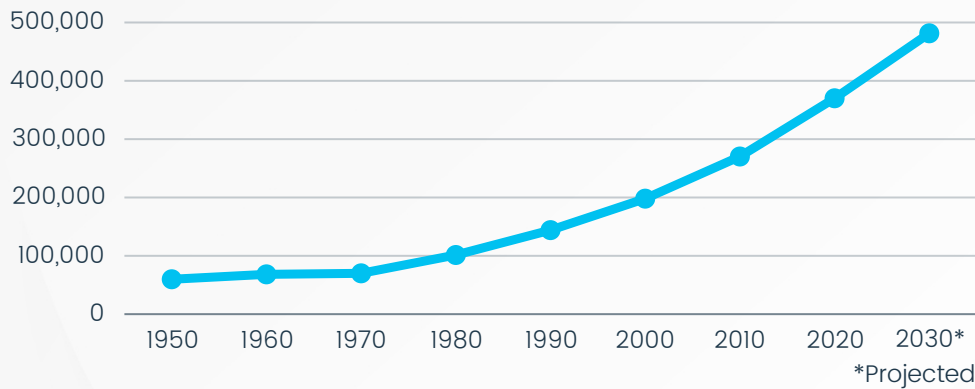


30.4% increase from the 2010 Census

More than 20 million visitors also come to the area annually.

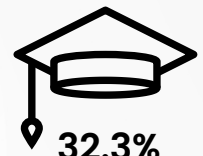


POPULATION TRENDS



TOP EMPLOYERS

TOP EMPLOYERS	EMPLOYEES
Horry County Schools	5,890
Walmart	3,497
Horry County Government	2,598
Conway Medical Center	1,830
Food Lion	1,684
Coastal Carolina University	1,632
Grand Strand Regional Medical	1,450
McLeod	1,270
City of Myrtle Beach	1,106
Lowes Home Centers, LLC	710



32.3%

% with Associate's degree or higher.



\$45,968

Per Capita Personal Income



163,574

Labor Work Force

3.7%

Horry County Unemployment Rate

DRIVING ECONOMIC OPPORTUNITY

MYRTLE BEACH REGIONAL ECONOMIC DEVELOPMENT CORP.

The FY23 Budget includes the County Council's priority of increased investment in diversifying employment opportunities by promoting the relocation of industry and other non-tourism-based employers to Horry County. County Council included \$1.1 million for the Myrtle Beach Regional Economic Development Corporation to promote the relocation and retention of industry as well as funding for product development.

DC BLOX, INC. – SUBSEA CABLE LANDING STATION

In May 2023, DC Blox, Inc. announced a second subsea cable to connect to the cable landing station in the Horry County International Technology and Aerospace Park (iTAP) located in Myrtle Beach, SC, providing the necessary infrastructure for telecommunications industry development.

MYRTLE BEACH INTERNATIONAL AIRPORT

Horry County owns and operates the largest airport system in South Carolina with one commercial service airport serving the greater Myrtle Beach Region and three general aviation airports.

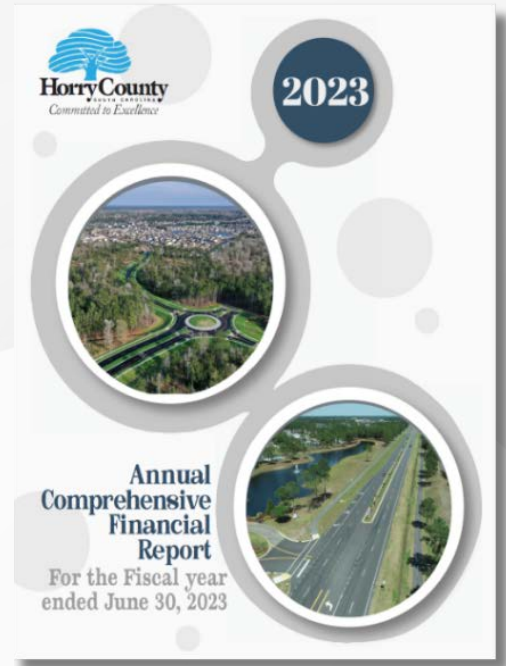
Myrtle Beach International Airport (MYR) is a county facility located within the City of Myrtle Beach and provides air service for the Grand Strand and surrounding counties. During FY2023, 10 airlines operating at MYR offered nonstop air service to 50+ markets. Passenger enplanements were 1,721,912.



COUNTY PUBLICATIONS, AWARDS & RATINGS

For additional information, community members can review the FY2023 Annual Comprehensive Financial Report (ACFR), which contains all relevant facts and figures associated with the overall County budget and operations.

The FY2023 Popular Report aims to distill the most relevant information into an easy-to-understand guide that serves as a summary of the financial information provided in the ACFR. Community members are invited to offer feedback on the Popular Report via hcg.Finance@horrycountysc.gov



AWARDS

Government Finance Officers Association:

- Certificate of Achievement for Excellence in Financial Reporting: 36 years
- Distinguished Budget Presentation Award Program: 34 years

RATINGS

S&P Global Ratings: AA+

Fitch: AA+

Moody's: Aaa

Comparable to credit scores for individuals, the higher the bond rating, the better the interest rates Horry County can access to fund major capital infrastructure projects.

The rating is a report card on how well the County is managing its debt to achieve long-term goals. The County was able to achieve the coveted 'Aaa' rating, the highest possible rating, in January of 2024.

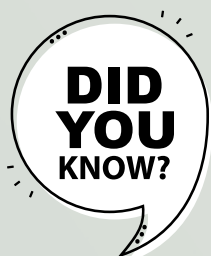


FAST FISCAL FACTS – NET POSITION

(excluding discretely presented component units)

Formally referred to as the 'statement of net position', the County balance sheet reflects Horry County's strong financial position. In essence, the sheet answers the question of whether the County is better or worse off as a result of the year's activities. On a government-wide basis, the County ended FY23 with a positive net position of **\$2.25 billion**.

	Governmental Activities		Business-type Activities		Total Activities	
	2023	2022	2023	2022	2023	2022
Assets						
Current & Other Assets	\$1,316,527	\$1,079,762	\$159,717	\$165,442	\$1,486,244	\$1,245,204
Capital Assets	\$1,091,247	\$1,011,615	\$339,671	\$319,642	\$1,430,918	\$1,331,257
Deferred Outflows of Resources	\$43,987	\$54,236	\$3,538	\$3,718	\$47,525	\$57,954
Total Assets & Deferred Outflows	\$2,461,761	\$2,145,613	\$502,926	\$488,802	\$2,964,687	\$2,634,415
Liabilities						
Current Liabilities	\$182,571	\$206,154	\$12,554	\$16,582	\$195,125	\$222,736
Long-term Liabilities	\$427,482	\$319,907	\$61,111	\$60,582	\$488,593	\$380,489
Deferred Inflows of Resources	\$8,098	\$37,518	\$17,874	\$26,751	\$25,972	\$64,269
Total Liabilities & Deferred Inflows	\$618,151	\$563,579	\$91,539	\$103,915	\$709,690	\$667,494
Net Position	\$1,843,610	\$1,582,034	\$411,387	\$384,887	\$2,254,997	\$1,966,921
<i>Please note, in the balance sheet, all amounts are expressed in the thousands.</i>						



Deferred outflows of resources: These are spending costs that have occurred, but won't be recorded as expense until some point in the future.

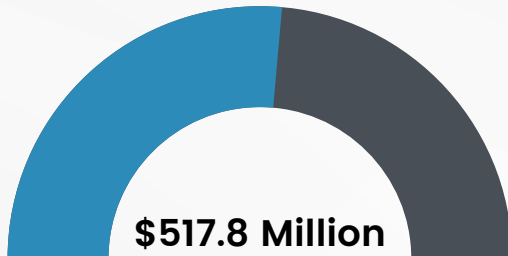
Deferred inflows of resources: These are benefits that have occurred, but won't be recorded as income until some point in the future.

GOVERNMENTAL FUNDS

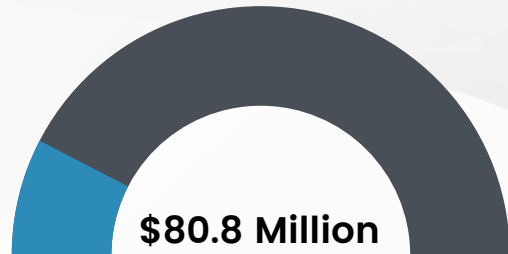
(excluding discretely presented component units)

\$ 1.1 Billion

Fund balance is the financial resources available to the County. Some funds are unrestricted, but many of these dollars are restricted or committed.



RIDE Capital Project Sales Tax
A One-Cent Capital Projects Sales Tax for roads. By law, these funds are restricted only to upgrade certain county and state roads.



Fiscal Reserves
This portion of the fund balance is set aside as a buffer against future risk. For example, a natural disaster or economic downturn.



Other Restricted Programs
This includes special revenue funds, grant funds, & other sources of revenue that are restricted to certain uses.



Capital Projects
These funds are allocated by County Council and restricted for projects that improve services like new facilities, vehicles, heavy and technological equipment.



Unassigned Fund Balance
These are funds that have not been assigned. County Council will allocate these funds as a part of the budget process.



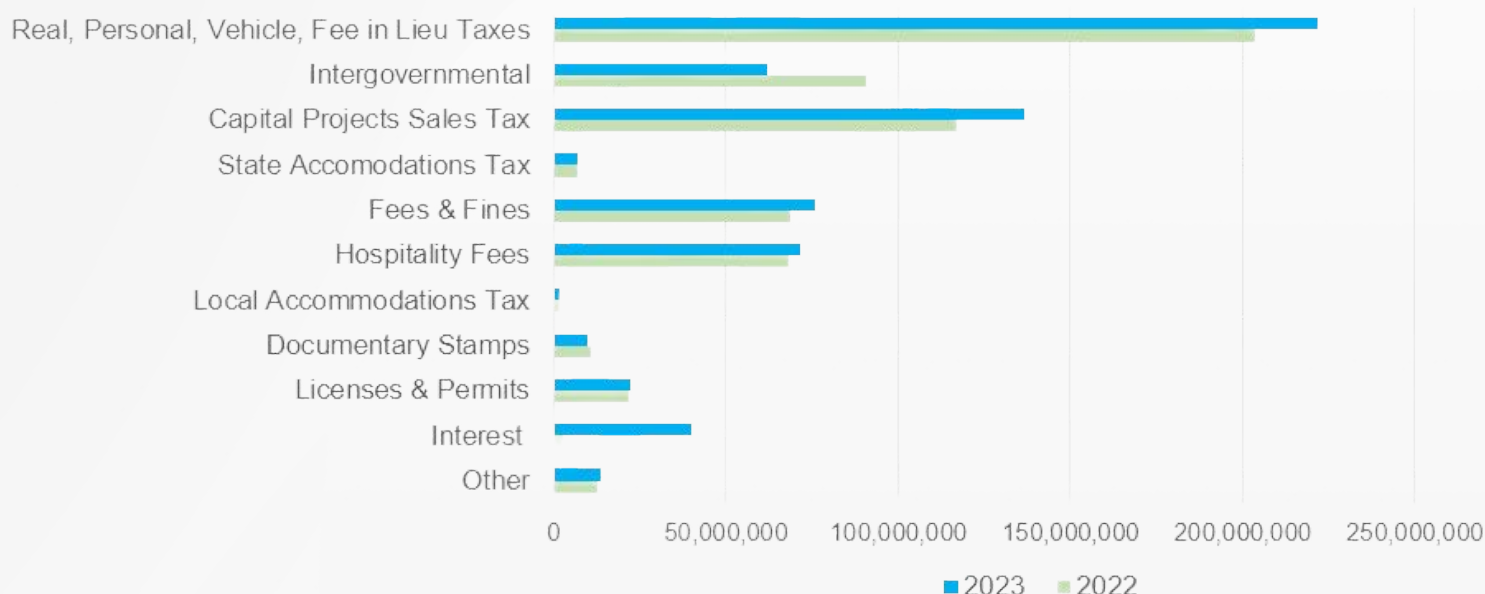
Committed and Other
These funds are allocated through formal action by County Council for specific purposes.

GOVERNMENTAL REVENUES & EXPENDITURES

(excluding discretely presented component units)

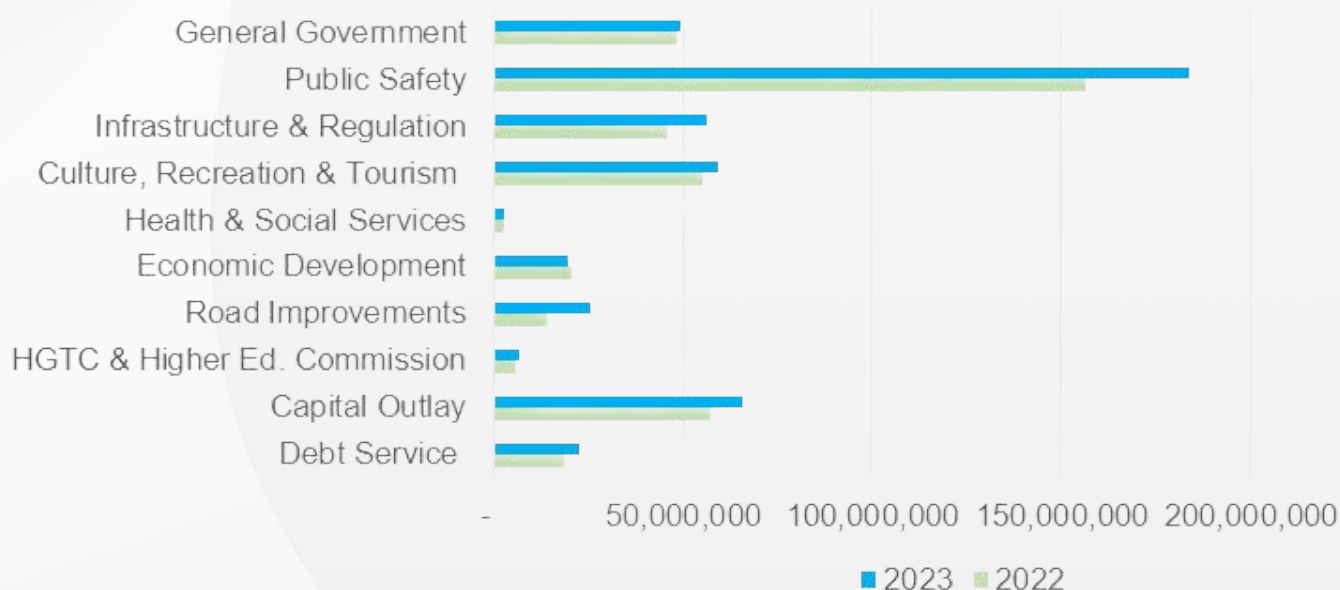
TOTAL FY23 REVENUES: \$662,345,675

Local Government entities are provided by law with a variety of mechanisms to collect revenue in order to provide critical services to the community.



TOTAL FY23 EXPENDITURES: \$492,243,968

Horry County provides direct services to all residents and our visitors. The largest expenditure is personnel. Many of those services are mandated by law.



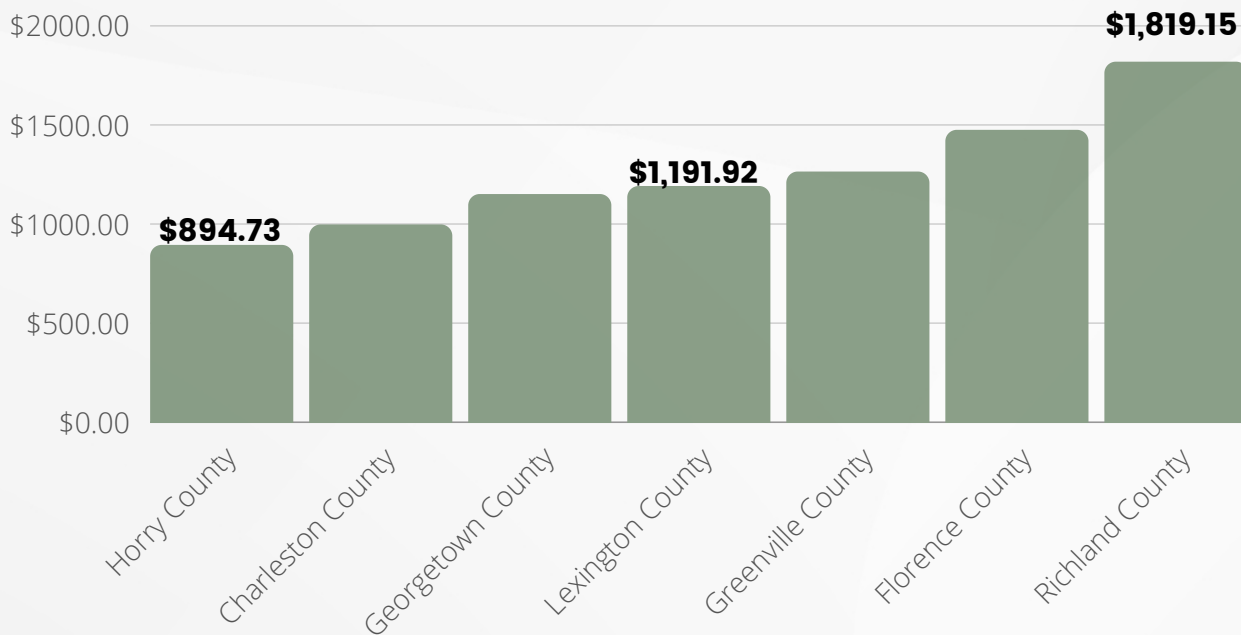
PROPERTY TAX REVENUES

The main source of the County's revenues is the real, personal, vehicle and fee in lieu of taxes levied against the citizens. Tax revenues totaled approx. \$222 million, making up 33.5% of the total Governmental Funds revenues.

Taxes levied are based on the assessed value of property owned by the citizens. The County's estimated assessed value for all real property, personal property and vehicles as of June 30, 2023 was **\$3.1 billion**.

HOW DOES HORRY COUNTY COMPARE?

Property Taxes on a \$264,400 home in other S.C. Counties



BY THE NUMBERS

Total Number of Parcels

283,843

Rentals & Second Homes

173,214

Primary Residence

110,629

Vehicles and Personal Property

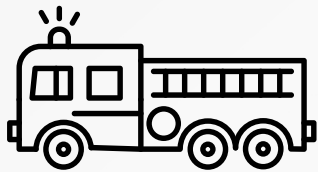
415,949

WHAT DO MY PROPERTY TAXES PAY FOR?



\$66.24

Invested in solid waste disposal, including waste and recycling collection.



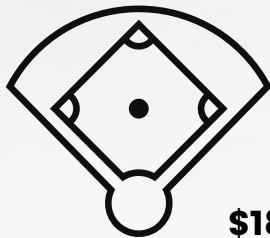
\$239.36

Invested in rural fire protection, safety education, & the care and keeping of 41 stations, 75 fire trucks, and other apparatus.



\$27.89

Invested in education for the Higher Education Commission and Horry-Georgetown Tech Education Center.



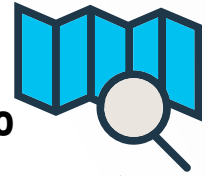
\$18.59

Invested in the operations and maintenance of 39 ballfields, 29 boat landings, 31 multipurpose fields, 23 playgrounds, 14 tennis courts, 6 recreation centers, and service to 60,000 rec participants.

Invested in health and human services including Veteran Affairs, MIAP, community development grants and senior care services through Horry County Council on Aging.



\$10.17



\$16.00

Invested in operations and maintenance of 10 libraries and a bookmobile, the Horry County museum and L.W. Paul Living History Farm.



\$54.62

Invested in debt service to repay general obligation bonds used to build facilities and fire stations.



\$289.39

Invested in public safety operations, court processes, and County animal/environmental services over 1,134 sq. mi.



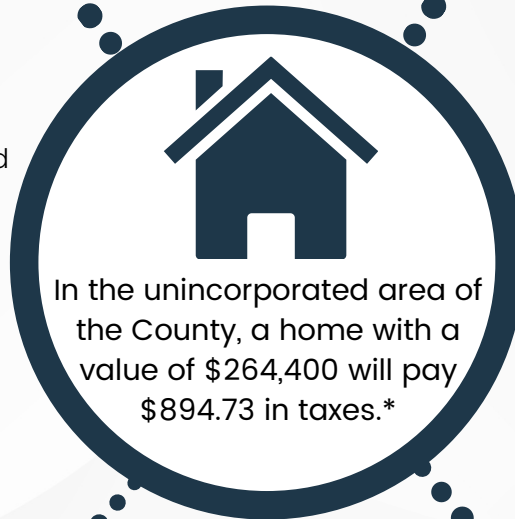
\$102.54

Invested in general government services across 6 physical locations served by more than 2,500 employees and utilized by 375,000+ citizens.



\$69.93

Invested in infrastructure and regulation road maintenance of 1,507 miles, upkeep of 200+ items of heavy equipment, and maintenance of 67 County facilities.



In the unincorporated area of the County, a home with a value of \$264,400 will pay \$894.73 in taxes.*

*This figure represents total County Taxes on a primary residence for the unincorporated area (excluding properties in Murrells Inlet/Garden City Fire District and other Special Tax Districts).

TOURISM RELATED REVENUES

The County's economy relies heavily upon tourism. With approximately 30 miles of coastline, over 425 hotels and 2,000 full-service restaurants, 90 championship golf courses, various shopping venues and entertainment theatres, there is something of interest for all visitors. This source of revenue totaled \$80.7 million, which makes up 12.2% of total Governmental Funds revenues. Below are the various fees and taxes associated with tourism.

Hospitality Fees

A 1.5% hospitality fee and a 1% local hospitality fee is collected within the unincorporated area of the County on the sale of food and beverages, admissions and accommodations.

Local Accommodations Tax

A 0.5% local accommodation fee is collected on all accommodations in the unincorporated portion of Horry County.

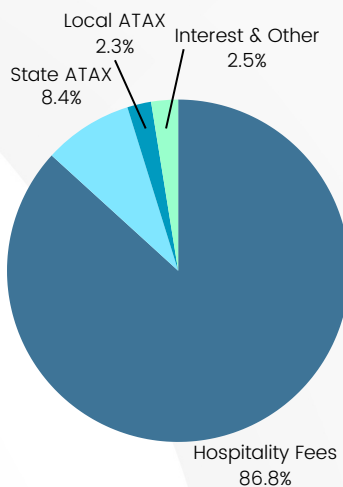
Other

Other tourism revenues include a \$10 per passenger surcharge fee from casino cruises, seasonal parking meters, and license revenues to permit alcohol sales on Sundays.

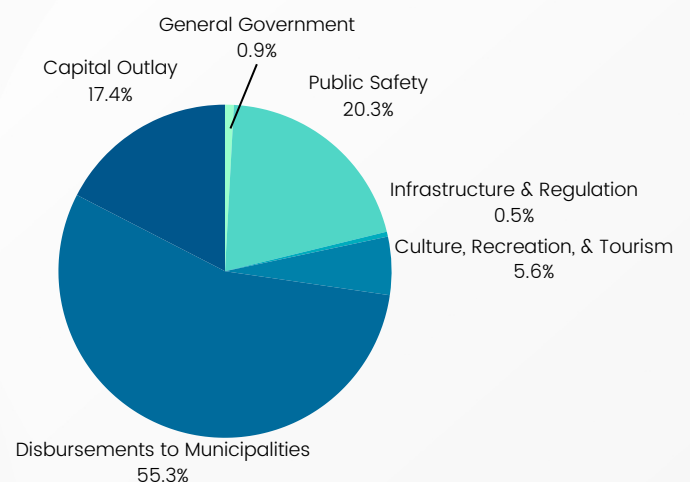
State Accommodations Tax

A 2% state accommodation fee is collected on accommodations in the unincorporated portion of Horry County.

Tourism Related Revenues: \$82,529,073



Tourism Related Expenditures: \$76,998,959



#1 in South Carolina for Tourism

RIDE 2 & RIDE 3 PROGRAMS

Another main source of the County's revenues is the 1% capital projects sales tax, which totaled approximately \$156.3 million, making up 23.6 percent of the total Governmental Funds revenues. RIDE Improvement & Development Effort (RIDE) II projects are nearing the end of completion with a budget of \$462.5 million. RIDE III collections of the penny sales tax began on May 1, 2017 and through June 30, 2023, total collections are \$595 million. The collection of RIDE III sales tax will end April 30, 2025. Total spending thus far is \$157.5 million.

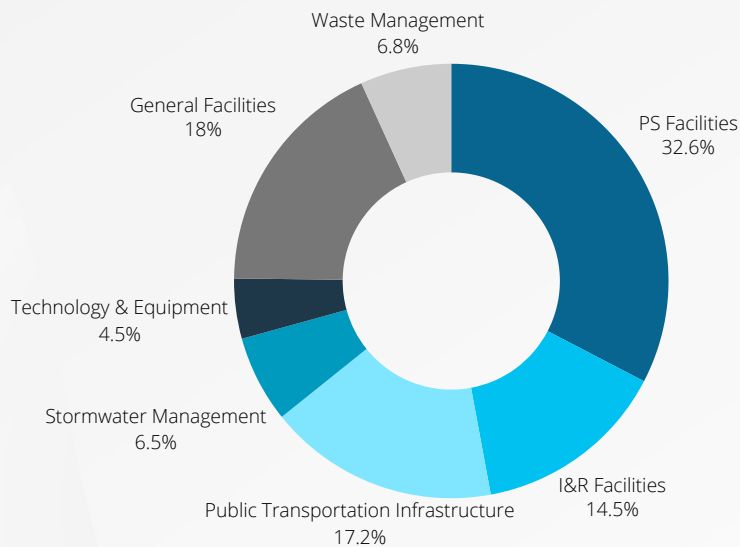
Estimated completion of the road projects shown below is 2035.

- \$9,532,829 Resurface 33.87 miles of County roads
- \$5,024,553 Resurface 33.13 miles of City roads
- \$4,355,019 Resurface 33.0 miles of County roads
- \$19,917,502 US Hwy. 701 Widening – North to Loris
- \$13,878,300 US Hwy. 501 Realignment from Broadway Street to 7th Avenue North
- \$81,122,272 Pave 100 miles of County dirt roads
- \$18,434,130 Conway Perimeter Road Phase II
- \$44,392,990 Fred Nash Blvd. connection to Harrelson Blvd. – Myrtle Beach
- \$19,857,800 US Hwy. 17 Business Intersection Improvements – Garden City
- \$21,687,900 SC Hwy. 9 East Widening (Loris)
- \$25,000,000 Southern Evacuation Lifeline (SELL)
- \$64,655,328 U.S. Hwy. 501 Corridor improvements – SC Hwy. 31 to SC 544
- \$41,237,544 Carolina Forest Boulevard Widening
- \$65,149,868 US Hwy. 701 N Widening (North Conway)
- \$89,134,504 Forestbrook Road Widening
- \$125,000,000 SC Hwy. 31 (Carolina Bays Parkway) Extension To SC/NC State line
- \$3,891,202 Palmetto Pointe Blvd. Ext to SC Hwy 544
- \$90,073,509 Project management & financing

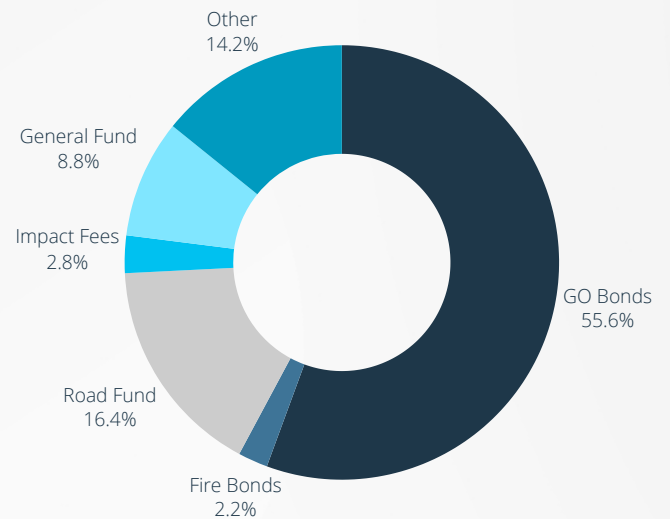


ENHANCEMENTS: CAPITAL IMPROVEMENTS

WHERE IS THE COUNTY MAKING CAPITAL IMPROVEMENTS?



HOW DOES THE COUNTY PAY FOR CAPITAL ASSETS?



Note: The above does not include Airport funding





IMPROVEMENTS THROUGH GRANT FUNDS

Following Hurricane Florence, the County was awarded funds to develop a Resilience Plan under the FEMA Hazard Mitigation Grant Program. The purpose of the plan was to study and recommend projects and policies to better prepare the County for possible future severe weather events.

Several initiatives resulted from this plan, which was approved by FEMA, SC EMD, and Horry County Council, including, but not limited to the following:

- Increased the free board requirement for new construction and enacted a supplemental flood zone to regulate building in developed and undeveloped areas that flooded in Hurricane Florence.
- Created [Map Your Move](#) tool on the County website designed to allow individuals relocating to or within Horry County to determine if a property was previously impacted by flooding. This important communications tool provides transparency to Horry County residents regarding flood risks.
- Initiated a CDBG-MIT funded Buyout program for homes in the Rosewood, Bridge Creek and Lawson's Landing neighborhoods of Socastee that experienced severe repetitive loss in Hurricanes Joaquin, Matthew and/or Florence, many of whom are also impacted by severe storms and/or upstream flooding.
 - To date, a total of 45 homes in the area have been acquired, with the final number expected to total approximately 60.
- Additional studies conducted on the County watersheds so that mitigation solutions can be identified and effectiveness of alternatives could be modeled. The following are in progress:
 - [Waccamaw River Study](#): The County is participating in a US Army Corps of Engineers study of the Waccamaw River Basin to determine what, if any, opportunities there might be to mitigate riverine flooding and reduce its impacts on County communities. This is a 3-year project at a cost of \$3 million which received Congressional budget authority and initial federal funding. The local match requirement is \$1.5 million and is fully funded by the County with participation by the City of Conway.
 - [Buck Creek and Simpson Creek Studies](#): obtained CDBG-MIT funding in the amount of \$750,000 for a combined study of the Buck Creek and Simpson Creek Watersheds.
 - [USDA Preliminary Investigation Feasibility Report \(PIFR\)](#): The USDA has approved and initiated studies for 8 watersheds in Horry County.
- Eight (8) grant-based mitigation projects are being undertaken to reduce the risk of localized flooding. Approximate total funding for these projects is \$11 million.

As a result of the County's efforts through these and other initiatives, the County moved from a Community Rating System (CRS) class 7 to class 5, which will positively impact flood insurance rates in the County. The designation also constitutes external verification of the progress the County has made in addressing flood resiliency.



Horry County residents will receive a 25% discount on flood insurance premiums for National Flood Insurance Program policies issued or renewed on or after April 1, 2024.

AMERICAN RESCUE PLAN ACT

Horry County received approximately \$68.7 million in funding under the American Rescue Plan Act (ARPA) of 2021. The County uses these funds for, among other things, responding to and mitigating the public health emergency caused by COVID-19 and the resulting economic impacts. These funds are primarily related to affordable housing and waterline and sewer improvements.

Through June 30, 2023, ARPA spending was \$40.3 million. Majority of the County's allocated ARPA funds are allocated to community investments (67.7%), services to disproportionately impacted communities (18.1%), and provision of governmental services (14.2%). Highlights of current spending include:

- An additional 17 homes have been rehabilitated through the County's partnership with the Waccamaw EOC
- In partnership with RJ Corman, completion of a project to rehabilitate 11.5 miles of railway between Conway and the Intracoastal Waterway
- In partnership with Myrtle Beach Regional Economic Development Corporation, completed acquisition of a parcel to expand the Ascott Valley Industrial Park
- Land purchased for multi-use sports & recreation (\$1.6 million) and VA Nursing Center (\$0.8 million)
- Transportation improvements in partnership with Coast RTA (\$1.2 million) are currently in progress
- Multiple water and sewer improvements in conjunction with local water and sewer systems (\$7.8 million) in progress

THE ROAD AHEAD...

CENTRAL COAST COMPLEX

The Central Coast Complex will be a one-story multi-use facility in Carolina Forest with several types of administrative and court spaces, to include tax services, courtrooms, and a police precinct. Total project cost is estimated at \$20 million. The groundbreaking is set for November 2023.

AUGUSTA PLANTATION

This new interchange along Carolina Bays Parkway (SC 31) connecting Augusta Plantation to Revolutionary War Way is expected to help alleviate congestion and improve traffic in the area. In December of 2021, the County purchased approximately 23.36 acres of land for the roadway at \$1.15 million. The design phase is in progress with permitting and right-of-way planned completion in Fall of 2025.

HORRY COUNTY MULTI-USE SPORTS COMPLEX

Horry County is working to build a multi-use sports complex/Rural Civic Center that will drive economic development and recreational opportunities in a rural part of the county. The project is supported in part by \$2 million in one-time funds and \$400,000 annually in Economic Development funds from Horry Electric. County Council has committed \$34 million from hospitality fees to the first phase of the project. The land purchase occurred in September 2022.

Future Site of the Rural Civic Center, located off of Hardwick Road, outside of Conway, SC



VETERANS NURSING HOME

Horry County has engaged with federal partners to bring a Veterans Affairs nursing facility to the area, which will provide a needed resource for our robust veteran community. Following final federal approvals, the approximately 100-bed facility is expected to be constructed on county-provided property off of Highway 90 near International Drive.

FIRE STATIONS

Groundbreaking ceremonies were held in late 2022 for three future Horry County Fire Rescue stations:

- Station 4 (Forestbrook)
- Station 5 (Nixonville/Wampee)
- Station 14 (Shell)

Land is expected to be acquired in late 2023 for Station 6 (Finklea).

Each station will come at a cost of approximately \$4 to \$5 million, varying cost based on size.



RECREATION CENTERS

Horry County is working to add three additional recreation centers in the western portion of the county. These state-of-the-art facilities will be located in Aynor, Green Sea, and Loris. Existing land will be utilized for the Aynor and Green Sea locations. Land acquisition options are under consideration for the Loris location. All three facilities are in the design phase. Total cost will be approximately \$33 million.



In FY2023, Horry County initiated a sales tax advisory committee to consider future road improvement and development efforts that could be added to the November 2024 general election ballot for a vote.

PAVING THE WAY FOR A BRIGHT FUTURE





Thank you to all those who have made
Horry County's progress possible.

CONNECT WITH US

HorryCountySC.gov

