

SOUTH CAROLINA STATE TREASURER'S OFFICE
SOUTH CAROLINA LOCAL GOVERNMENT INVESTMENT POOL
COLUMBIA, SOUTH CAROLINA
FINANCIAL STATEMENTS
JUNE 30, 2010

State of South Carolina



Office of the State Auditor

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September 20, 2010

The Honorable Converse Chellis
State Treasurer
State of South Carolina
Columbia, South Carolina

This report on the audit of the financial statements of the South Carolina Local Government Investment Pool for the fiscal year ended June 30, 2010, was issued by The Hobbs Group, PA, Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard H. Gilbert, Jr.", written over a horizontal line.

Richard H. Gilbert, Jr., CPA
Deputy State Auditor

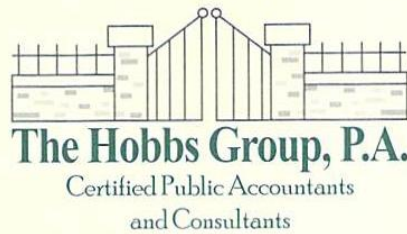
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SOUTH CAROLINA STATE TREASURER'S OFFICE
SOUTH CAROLINA LOCAL GOVERNMENT INVESTMENT POOL
JUNE 30, 2010

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INDEPENDENT AUDITORS' REPORT

Mr. Richard H. Gilbert, Jr., CPA,
Deputy State Auditor
State of South Carolina
Columbia, South Carolina

We have audited the accompanying financial statements of the South Carolina State Treasurer's Office South Carolina Local Government Investment Pool ("the Pool"), an investment trust fund of the State of South Carolina, as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the Pool's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 opinion.

As discussed in Note 1, the financial statements present only the Pool and do not purport to, and do not, present fairly the financial position of the State of South Carolina, as of June 30, 2010, and the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the Pool as of June 30, 2010, and its changes in net assets 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 September 27, 2010, on our consideration of the Pool'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pool's financial statements as a whole. The schedule of net assets in pool participants' accounts is presented for the purpose of additional analysis and is not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Hobbs Group, P.A.

Columbia, South Carolina
September 27, 2010

Management's Discussion and Analysis

The South Carolina Local Government Investment Pool (the Pool) is an investment option for local governments of the State of South Carolina provided by the State Treasurer's Office as required by statute. The Pool invests in fixed income securities as provided by statute and is managed in a manner to preserve capital, provide needed liquidity while earning a prudent daily variable rate of return. A fixed rate option is also available. The attached financial statements present a financial "snapshot" of the Pool. The Statement of Fiduciary Net Assets presents information on the Pool's assets and liabilities at June 30, 2010 with the difference between the two reported as net assets. The Statement of Changes in Fiduciary Net Assets during the period from July 1, 2009 to June 30, 2010 presents information showing how the Pool's net assets changed during the 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.

During the fiscal year, Federal Reserve continued aggressive stimulus via its low "zero" interest rate policy. Our internal policy to control risk insulated the portfolio from many of the market pitfalls by maintaining a high degree of liquidity and a well diversified profile of credit risk. The Federal Reserve is expected to maintain its policy of low interest rates well into the 2011 fiscal year. Commercial Paper and LIBOR rates will remain low as a result.

Financial Analysis

Table 1: Summary Statement of Fiduciary Net Assets

	June 30, 2010	June 30, 2009	Difference
Assets			
Cash and Investments	\$ 2,445,266,805	\$ 2,590,077,023	\$ (144,810,218)
Interest receivable	\$ 4,474,341	\$ 3,922,793	\$ 551,548
Total Assets	\$ 2,449,741,146	\$ 2,593,999,816	\$ (144,258,670)
Liabilities			
Collateral for loaned securities	\$ 22,949,664	\$ 24,524,000	\$ (1,574,336)
Account Payable	\$ 12,000,000	\$ -	\$ 12,000,000
Due to participants	\$ 138	\$ 489,825	\$ (489,687)
Total Liabilities	\$ 34,949,802	\$ 25,013,825	\$ 9,935,977
Total Net Assets	\$ 2,414,791,344	\$ 2,568,985,991	\$ (154,194,647)

The Statement of Fiduciary Net Assets shows that the assets of the Pool are the cash and investments made by the State Treasurer as Custodian of the Pool plus accrued income receivable on those investments at June 30, 2010. The market conditions that existed during the year created a limited demand for loaned securities.

The liabilities of the Pool consist primarily of collateral held for loaned securities that are due back to the borrowers under securities lending transactions. The net assets of the Pool are held for the Pool participant's and are divided into amounts distributed to participant's accounts and undistributed amounts. Account payable is for an outstanding trade which was purchased in June but settled in early July.

The undistributed portion of net assets is primarily a statutorily permitted reserve for contingencies. The current reserve for contingencies is well below the allowable cap of 1% of fund assets.

Table 2: Summary Statement of Changes in Fiduciary Net Assets

	June 30, 2010	June 30, 2009	Difference
Investment Income	\$ 11,941,622	\$ 37,023,811	\$ (25,082,189)
Expenses	\$ (160,160)	\$ (258,069)	\$ 97,909
Other deductions and participants activity	\$ (165,976,109)	\$ (2,701,544)	\$ (163,274,565)
Changes in Net Assets	\$ (154,194,647)	\$ 34,064,198	\$ (188,258,845)
Net Assets - Beginning of Year	\$ 2,568,985,991	\$ 2,534,921,793	\$ 34,064,198
Net Assets - End of Year	\$ 2,414,791,344	\$ 2,568,985,991	\$ (154,194,647)

During the fiscal year (FY) 2010, The Federal Reserve Bank continued to keep the Federal Funds rate very low between .00 - .25%. The average investment rate earned by the Pool dropped from 1.22% in FY 09 to 0.48% for FY 10. For this fiscal year, the Pool outperformed its benchmark, the 90 day Treasury Bills, which returned .12%. The pool earned \$27,356,633 less in investment income than the prior fiscal year due to the lowered interest rate environment. During fy10 there were more withdrawals to the Pool than deposits. The table below provides the investment return rates for the current and prior years by month.

Table 3: Investment returns rate comparison for last two fiscal years

	<u>FY 08-09</u>	<u>FY 09-10</u>
July	2.28%	0.72%
August	2.26%	0.65%
September	2.31%	0.55%
October	1.80%	0.46%
November	1.41%	0.49%
December	0.93%	0.68%
January	0.73%	0.37%
February	0.58%	0.35%
March	0.57%	0.32%
April	0.53%	0.39%
May	0.57%	0.36%
June	0.69%	0.40%
Average	1.22%	0.48%

While earning this higher rate compared to the benchmark, the funds remain available for withdrawal on a 24 hour notice.

The expenses of the Pool are limited to the actual expenses incurred by the State Treasurer's Office to operate the Pool, which by law must be offered at no cost to the State.

At June 30, 2010 there were 565 participating accounts in the pool as compared to 528 at the previous year end.

Contacting the Pool

Persons needing additional information concerning this report may do so by writing or telephoning Shakun Tahiliani, Senior Assistant State Treasurer, State of South Carolina, P.O. Box 11778, Columbia, South Carolina 29211; telephone (803) 734-2641; facsimile (803) 734-2697; e-mail shakun.tahiliani@sto.sc.gov .

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**STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2010**

ASSETS

Cash and cash equivalents	\$ 925,420,291
Invested securities lending collateral	22,951,779
Accrued interest receivable	4,474,341
Investments, at fair value	<u>1,496,894,735</u>
 Total assets	 <u>2,449,741,146</u>

LIABILITIES

Collateral for loaned securities	22,949,664
Account Payable	12,000,000
Due to participants	<u>138</u>
 Total liabilities	 <u>34,949,802</u>

NET ASSETS

Restricted for pool participants' accounts	2,394,596,023
Restricted for pool participants - undistributed	<u>20,195,321</u>
 Total net assets	 <u><u>\$ 2,414,791,344</u></u>

See accompanying Notes to Financial Statements.

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**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
YEAR ENDED JUNE 30, 2010**

ADDITIONS:

Investment income	\$ 11,941,622
Securities lending income	34,876
Less securities lending expense	<u>5,852</u>
Net securities lending income	<u>29,024</u>
Total revenue	11,970,646

DEDUCTIONS:

Administrative expenses	<u>160,160</u>
Net increase in net assets resulting from operations	<u>11,810,486</u>

INCOME DISTRIBUTED TO PARTICIPANTS

(11,462,973)

PARTICIPANTS TRANSACTIONS:

Deposits & Income Reinvested	6,086,856,374
Less withdrawals	<u>(6,241,398,534)</u>
Net decrease in net assets resulting from participant transactions	<u>(154,542,160)</u>
Total decrease in net assets	(154,194,647)

NET ASSETS:

Beginning of year	<u>2,568,985,991</u>
End of year	<u><u>\$ 2,414,791,344</u></u>

See accompanying Notes to Financial Statements.

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**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity

The South Carolina State Treasurer's Office (Treasurer's Office) is an agency of the State of South Carolina established by Article III, Section 7 of the Constitution of South Carolina. Pursuant to Section 6-6-10 of the State of South Carolina Code of Laws, the State Treasurer established, in May 1983, the South Carolina Local Government Investment Pool (the Pool), an investment trust fund, in which public monies in excess of current needs, which are under the custody of any county treasurer or the governing body of any municipality, county, school district, regional council of government or any other political subdivision of the State, may be deposited.

The accompanying financial statements present the financial position and results of operations solely of the Pool and do not include any other agencies or component units of the State of South Carolina (the State) or any other funds of the Treasurer's Office. The Pool is a 2a7-like pool, which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The Pool is included as an investment trust fund in the State of South Carolina Comprehensive Annual Financial Report. There is no regulatory oversight of the Pool. For purposes of separate fund financial statements, the Pool is treated as an external investment pool.

Basis of Accounting and Measurement Focus

The Pool is reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The Fund applies all applicable Governmental Accounting Standards Board (GASB) pronouncements and has elected to apply only those standards issued by the Financial Accounting Standards Board (FASB) on or before November 30, 1989 unless those pronouncements conflict or contradict GASB pronouncements.

Pool Accounting

The Pool accounts for assets held by a governmental unit in a trustee capacity as an agent for individuals, private organizations, other governmental units, or other funds (the participants). An external investment pool is used when an arrangement exists that commingles the monies of more than one legally separate entity and invests, on the participants' behalf, in an investment portfolio. An external investment pool can be sponsored by an individual government, jointly by more than one government, or by a nongovernmental entity. The Pool, which is an investment trust fund of the State of South Carolina, records participant unit issues and related interest income for which the resources are restricted for participant unit redemptions, distributions, and related interest expense.

Cash and Cash Equivalents

For purposes of the financial statements, the Pool considered all highly liquid investments with an original maturity of three months or less from the date of purchase to be cash equivalents.

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**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

Investments

In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments are carried at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than forced liquidation. Fair value for all investments of the Pool is determined annually based upon quoted market prices.

Section 11-9-660 of the State of South Carolina Code of Laws authorizes the Treasurer's Office to invest and reinvest the monies of the Pool in the following types of investments:

- (1) obligations of the United States, its agencies and instrumentalities;
- (2) obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, the African Development Bank, and the Asian Development Bank;
- (3) obligations of a corporation, state, or political subdivision denominated in United States dollars, if the obligations bear an investment grade rating of at least two nationally recognized rating services;
- (4) certificates of deposit, if the certificates are secured collaterally by securities of the types described in items (1) and (3) of this section and held by a third party as escrow agent or custodian and are of a market value not less than the amount of the certificates of deposit so secured, including interest; except that this collateral is not required to the extent the certificates of deposit are insured by an agency of the federal government;
- (5) repurchase agreements, if collateralized by securities of the types described in items (1) and (3) of this section and held by a third party as escrow agent or custodian and of a market value not less than the amount of the repurchase agreement so collateralized, including interest; and
- (6) guaranteed investment contracts issued by a domestic or foreign insurance company or other financial institution, whose long-term unsecured debt rating bears the two highest ratings of at least two nationally recognized rating services.

Due to Participants

Income earned but not distributed at June 30, 2010, expected to be distributed within the first quarter of the next fiscal year, is reflected as a liability on the Statement of Fiduciary Net Assets as Due to participants.

Investment Income

Investment income consists of interest revenue, amortization of premium/discount and realized/unrealized gains and losses.

Administrative Expenses

Proviso 76.4 of the State's 2009-2010 Appropriations Act authorized the Treasurer's Office to charge a fee for the operations and management costs associated with the Pool. The Act further authorized the Treasurer's Office to retain and expend the fees to provide the services. The fees assessed may not exceed the costs of the provision of services. There is no legal requirement for the Pool to adopt a budget.

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**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

Participant Unit Issues, Redemptions, and Distributions

The Treasurer's Office may sell participation units to all political subdivisions of the State. Funds may be deposited at any time and may be withdrawn upon 24 hours notice. At the option of the participant, such funds can be invested for a fixed period of time for a guaranteed rate of return. Both the conditions, period and rate, are determined at the time of investment. Participant shares in the pool are dollar denominated; therefore the number of shares sold and redeemed is equal to the dollars withdrawn. Monthly investment income is distributed to participants in the form of additional units in the pool and is calculated on the accrual basis of accounting, including accrued interest and amortization of premium or discount. Unrealized gains and losses on investments are not distributed to participants until realized, however they are recognized in the financial statements in accordance with generally accepted accounting principle requirements for fair value accounting of investments. The Pool does not carry any legally binding guarantees to protect participants against potential loss of investment value.

Interest earnings are accrued daily based on participation units valued at \$1.00 and distributed to the participants at the end of each month. Interest accruals are computed first for those fixed rate participation units, with the balance distributed equitably among the other participant accounts.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2: DEPOSITS, INVESTMENTS, AND SECURITIES LENDING TRANSACTIONS

All deposits, investments, and securities lending transactions of the Pool are under the control of the Treasurer's Office who, by law, has sole authority for the investment of such funds.

The following schedule reconciles the amounts reported in the Statement of Fiduciary Net Assets to the notes.

Statements		Notes	
Cash and cash equivalents	\$ 925,420,291	Deposits	\$ 400,036
Invested securities lending collateral	22,951,779		
Investments	<u>1,496,894,735</u>	Investments	<u>2,444,866,769</u>
Totals	<u>\$ 2,445,266,805</u>		<u>\$ 2,445,266,805</u>

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Pool's deposits may not be recovered. As prescribed by statute, the State Treasurer is the Custodian of all deposits and is responsible for securing all deposits held by banks or savings and loan associations. These deposits must be secured by deposit insurance, surety bonds, collateral securities, or letters of credit to protect the State against loss in the event of insolvency or

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**NOTES TO FINANCIAL STATEMENTS
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liquidation of the institution or for any other cause. All deposits are required to be and were insured by the Federal Deposit Insurance Corporation up to \$250,000 or were fully collateralized with securities held by the State or its agent in the State Treasurer's name as Custodian.

The Pool does not maintain any deposits denominated in a foreign currency.

Investments

Investments including invested securities lending collateral consist of the following as of June 30, 2010

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Maturity Dates</u>	<u>Interest Rates</u>
<u>U.S. Government</u>			
U. S. Government Agency	\$ 25,023,850	2/28/11-9/28/11	.637-1.00%
<u>Corporate</u>			
FDIC Insured Corporate Bonds	105,244,100	7/8/10-6/22/12	.345-0.918%
Corporate Bonds	835,954,794	7/1/10-3/16/12	.305-7.875%
Municipal Bonds	12,000,000	7/15/2011	0.596%
<u>Short Term Investments</u>			
Commercial Paper	764,781,246	7/1/10-3/28/11	.200-.920%
Repurchase Agreements	<u>701,862,779</u>	7/1/10	0.04%
Total	<u>\$ 2,444,866,769</u>		

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the Pool will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. At June 30, 2010, all of the Pools' investments were insured and registered.

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**NOTES TO FINANCIAL STATEMENTS
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Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. This risk is managed within the portfolio using effective duration. Effective duration is a measure of the price sensitivity of a bond or a portfolio of bonds to interest rate movements given a 50 basis point change in interest rates. It takes into account that expected cash flows will fluctuate as interest rates change and provides a measure of risk that changes proportionately with market rates. The Pool's investment policy requires that the weighted average maturity and weighted average duration of the actively managed fixed income portfolio should be consistent with SEC Rule 2a-7 guidelines for short term "2a-7 like" funds. The following schedule presents the Pool's interest rate risk.

Investment Type	Fair Value	Effective Duration
<u>U.S. Government</u>		
U.S. Government Agency	\$ 25,023,850	0.50
<u>Corporate</u>		
Corporate Bonds	835,954,794	0.17
FDIC insured Corporate Bonds	105,244,100	0.10
Municipal Bonds	12,000,000	1.02
<u>Short Term Investments</u>		
Commercial Paper	764,781,246	0.16
Repurchase Agreements	701,862,779	0.00
Total Invested Assets	\$ 2,444,866,769	0.13

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Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Pool. The investment policy for credit quality of debt securities states that securities must bear an investment grade rating from at least two of the national rating agencies. Credit quality of cash reserves must carry a rating of A1/P1/F1 or D1 from at least two nationally recognized rating services. In the event that the rating of a security falls below investment grade, that security may continue to be held contingent upon an evaluation of the longer term investment merits of the security. Credit risk ratings are not required for obligations of the U.S. government or those obligations explicitly guaranteed by the U.S. government. As of June 30, 2010, the Pool's rated debt investments were rated by Standard & Poor's and is as follows:

Investment Type	Fair Value	(Dollars in thousands)					
		AAA	AA	A	BBB	A-1	NR
<u>U.S. Government</u>							
U. S. Agency and other Government	\$ 25,023,850						
<u>Corporate</u>							
Corporate Bonds	835,954,794	49,969	173,514	413,899	173,578		24,995 *
FDIC InsuredCorporate Bonds	105,244,100	105,244	-			-	
Municipal Bonds	12,000,000	-	12,000	-			
<u>Short Term Investments</u>							
Commercial Paper	764,781,246		49,986	139,710		575,085	
Repurchase Agreements	701,862,779					701,863	
Total Invested Assets	\$ 2,444,866,769	\$ 155,213	\$ 235,500	\$ 553,609	\$ 173,578	\$ 1,276,948	\$ 24,995

*Rated BAA2 by Moody's

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Pool's policy for reducing this risk states that "Except for United States Treasury and Agency obligations, the fixed income portfolio shall contain no more than 5% exposure to any single issuer." At June 30, 2010, the Pool had approximately 28.03% of its investments in an overnight repurchase agreement with Bank of America that was fully collateralized by United States Treasury and Agency obligations.

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. At June 30, 2010, the Pool did not have any investments denominated in foreign currencies so this risk does not apply.

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**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

Securities Lending Transactions

Through a custodial agent, the Pool participates in a securities lending program whereby securities are loaned for the purpose of generating additional income. The Pool lends securities from its investment portfolios on a collateralized basis to third parties, primarily financial institutions. The market value of the required collateral must initially meet or exceed 102 percent of the market value of the securities loaned, providing a margin against a decline in the market value of the collateral, and requires additional collateral if the collateral value falls below 100 percent. At June 30, 2010 collateral exceeded 100% of the market value of securities out on loan. There are no restrictions on the amount of securities that may be loaned. The types of securities available for loan during the year ended June 30, 2010, included U. S. Government securities, U. S. Government agencies, and corporate bonds. The contractual agreement with the Pool's Custodian provides indemnification in the event the borrower fails to return the securities lent or fails to pay the Pool income distribution by the securities' issuers while the securities are on loan. Cash was received as collateral for these loans. The Pool cannot pledge or sell collateral securities without a borrower default. The Pool invests cash collateral received; accordingly, securities purchased with cash collateral appear as an asset. A corresponding liability is recorded as the Pool must return the cash collateral to the borrower upon the expiration of the loan. All securities loaned can be terminated on demand by either the Pool or the borrower. At year end the average number of days the loans were outstanding was one day and the average weighted maturity of investments made with cash collateral was one day. At June 30, 2010, there had been no losses resulting from borrower defaults and the Pool had no credit risk exposure to borrowers because the amounts the Pool owed the borrowers exceeded the amounts the borrowers owed the Pool.

NOTE 3: NET ASSETS RESTRICTED FOR POOL PARTICIPANTS

Monies are accumulated to meet administrative expenses related to the management of the Pool and to cover losses resulting from fluctuations in the investment market. The administrative fee is set and reviewed quarterly by the Treasurer's Office and may be increased or decreased, as needed, to maintain this account at an amount of no more than 1% of the net assets held for participant accounts. These accounts are considered held on behalf of the participants but are not considered distributed to their accounts. Other undistributed amounts held on behalf of the participants include the differences between the fair value of the investment and the amortized cost of the investments.

NOTE 4: RELATED PARTY TRANSACTIONS:

The Pool reimbursed the Treasurer's Office \$160,160 for various expenses including banking and investment functions.

The Pool provided no services to other state agencies during the fiscal year.

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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

ACCOUNT #	ACCOUNT NAME	BALANCE
1000	TOWN OF PROSPERITY	\$ 222,912
1001	CITY OF SUMTER	3,429,691
1002	TOWN OF WINNSBORO	704,995
1003	CITY OF MYRTLE BEACH	10,329,936
1004	CITY OF AIKEN	23,054,532
1005	CITY OF NORTH CHARLESTON	62,240,251
1006	CITY OF CAYCE	3,812
1007	TOWN OF PELION	526,974
1008	CITY OF CAYCE	8,781
1009	CITY OF MYRTLE BEACH	410,202
1014	CITY OF NORTH MYRTLE BEACH	646,117
1015	CITY OF NORTH MYRTLE BEACH	49,436
1016	CITY OF NORTH MYRTLE BEACH	888,078
1017	TOWN OF EDGEFIELD	206,403
1019	TOWN OF PELION	303,942
1021	CITY OF GEORGETOWN	9,123,631
1022	CITY OF LAKE CITY	294,274
1023	TOWN OF SOUTH CONGAREE	106,433
1024	TOWN OF PINE RIDGE	45,400
1025	CITY OF SIMPSONVILLE	1,002
1026	TOWN OF JACKSON	351,340
1027	CITY OF SENECA	1,123,647
1028	CITY OF SENECA	3,513,736
1029	TOWN OF WINNSBORO	17,642
1031	TOWN OF NORTH	42,492
1032	RICHLAND CO. S/D 2	62,517
1033	GRAND STRAND WATER AND SEWER	4,657
1034	GRAND STRAND WATER AND SEWER	16,756
1035	CITY OF ISLE OF PALMS	796,249
1036	CITY OF HANAHAN	1,907,171
1038	CITY OF HANAHAN	1,281,985
1039	AIKEN COUNTY TREASURER	64,475
1040	LOWER SAVANNAH COG	198,541
1041	TOWN OF WINNSBORO	135,046
1042	CITY OF GREENVILLE	46,452,714
1043	NEWBERRY COUNTY WATER & SEWER	76,297

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANS' ACCOUNTS
JUNE 30, 2010**

ACCOUNT #	ACCOUNT NAME	BALANCE
1044	NEWBERRY COUNTY WATER AND SEWER	230,693
1049	CITY OF FLORENCE	20,592,401
1057	UPPER SAVANNAH COG	1,231,019
1058	TOWN OF TRENTON	345,696
1059	TOWN OF JOHNSTON	7,465
1060	CITY OF ORANGEBURG	10,136,389
1061	TOWN OF MCCORMICK	317,654
1062	CITY OF BAMBERG	579
1063	CITY OF BAMBERG	3,447,459
1066	AIKEN CO. CONSOLIDATED SCHOOL	9,616
1067	AIKEN CO. CONSOLIDATED SCHOOL	10,139,312
1068	AIKEN CO. CONSOLIDATED SCHOOL	23,813
1069	RICHLAND CO. S/D 2	89,121
1071	ANDERSON CO S/D 2	2,877,234
1072	ANDERSON CO S/D 2	9,130
1073	SPARTANBURG CO. S/D 7	2,875,079
1074	SPARTANBURG CO. S/D 6	5,994,806
1080	CITY OF ISLE OF PALMS	753,131
1081	CITY OF NEWBERRY	991,481
1082	CITY OF NEWBERRY	407,137
1084	UNION COUNTY SCHOOLS	3,257,145
1085	TOWN OF JOHNSTON	1,766
1086	CITY OF ABBEVILLE	402,727
1087	CITY OF ABBEVILLE	167,803
1088	UPPER SAVANNAH COG	89,396
1089	DARLINGTON COUNTY TREASURER	37,987,655
1090	OCONEE COUNTY SCHOOL DISTRICT	21,349,804
1091	OCONEE COUNTY SCHOOL DISTRICT	803,145
1092	UNION COUNTY SCHOOLS	4,563
1093	CHARLESTON CO S/D	131,636
1094	CITY OF BISHOPVILLE	878,156
1095	CITY OF BISHOPVILLE	570,597
1096	GREENVILLE WATER SYSTEM	5,131,780
1097	GREENVILLE WATER SYSTEM	18,474,411
1098	TOWN OF RIDGE SPRING	12,880
1100	CHARLESTON CO S/D	10,166,921

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

ACCOUNT #	ACCOUNT NAME	BALANCE
1101	TOWN OF RIDGE SPRING	66,283
1105	CITY OF NORTH AUGUSTA	460,215
1106	CITY OF NORTH AUGUSTA	1,102,428
1109	TOWN OF WALHALLA	143,383
1110	TOWN OF RIDGE SPRING	2,045
1111	CHARLESTON COUNTY TREASURER	651,723
1113	CATAWBA REG. PLANNING COUNCIL	392,328
1114	FAIRFIELD COUNTY TREASURER	1,790,392
1115	CITY OF SUMTER	5,521,868
1124	NEWBERRY COUNTY TREASURER	713,070
1125	NEWBERRY COUNTY TREASURER	88,984
1126	NEWBERRY COUNTY TREASURER	4,501,679
1128	CITY OF ROCK HILL	10,978,492
1131	TOWN OF EDGEFIELD	315,827
1132	SPARTANBURG CO. S/D 4	4,142,216
1133	SPARTANBURG CO. S/D 4	349,397
1134	DORCHESTER COUNTY S/D 2	13,273,406
1135	DORCHESTER COUNTY S/D 2	7,618,602
1136	MOUNT PLEASANT WATERWORK & SEW	6,571,888
1137	TOWN OF SUMMERVILLE	4,929,051
1139	CITY OF CHESTER	232,136
1140	CITY OF CHESTER	22,305
1141	CITY OF CHESTER	79,100
1142	CITY OF LANCASTER	5,437,163
1143	CENTRAL MIDLANDS COG	12,643
1150	LEXINGTON CO S/D #5	18,672,803
1152	TOWN OF WOODRUFF	443,410
1154	MOUNT PLEASANT WATER & SEWER	1,420
1155	MOUNT PLEASANT WATER & SEWER	1,245
1157	SPARTANBURG CO. S/D 4	1,598,454
1158	TOWN OF PELION	20,220
1159	TOWN OF PELION	228,376
1160	TOWN OF RICHBURG	269,650
1162	TOWN OF WINNSBORO	1,129,974
1163	S.C. APPALACHIAN COG	642,800
1164	TOWN OF WINNSBORO	264,359

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

ACCOUNT #	ACCOUNT NAME	BALANCE
1165	CITY OF CHARLESTON HOUSING AUTHO	1,099,202
1166	CITY OF CHARLESTON HOUSING AUTHO	497,021
1167	AIKEN COUNTY TREASURER	4,048
1170	LEXINGTON CO S/D #5	1,360,882
1172	TOWN OF LEXINGTON	10,891,007
1173	CHESTERFIELD CO S/D	9,320,058
1174	CITY OF SUMTER	6,082
1175	TOWN OF WINNSBORO	1,150,949
1177	SPARTANBURG WATER SYSTEM	5,156
1178	CITY OF CLEMSON	1,019,045
1181	TOWN OF JACKSON	1,195
1182	RICHLAND CO S/D 1	34,162,909
1183	TOWN OF JACKSON	303,819
1186	TOWN OF JACKSON	146,990
1187	CITY OF FOREST ACRES	502,703
1190	UPPER SAVANNAH COG	198,978
1191	TOWN OF SUMMERVILLE	205,115
1192	TOWN OF IRMO	697,222
1193	TOWN OF IRMO	4,596,842
1194	NEWBERRY COUNTY TREASURER	898,589
1195	CATAWBA REG. COUNCIL OF GOV'T.	426,362
1197	TOWN OF BLYTHEWOOD	853,261
1199	TOWN OF WINNSBORO	687,478
1200	CITY OF ORANGEBURG	185,064
1204	GREENVILLE COUNTY TREASURER	51,795,963
1205	PARKER SEWER & FIRE SUBDISTRICT	3,831,700
1206	TOWN OF IRMO	41,478
1207	LOWCOUNTRY COG	368,371
1210	CITY OF CHESTER	25,312
1211	NEWBERRY COUNTY WATER & SEWER	63,764
1212	FLORENCE SCHOOL DISTRICT 3	4,550,076
1214	CITY OF CHESTER	250,873
1215	LOWCOUNTRY COG	197,735
1218	YORK COUNTY TREASURER	284,164,265
1220	OCONEE COUNTY SCHOOL DISTRICT	309,514
1222	CITY OF ABBEVILLE	21,225

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

ACCOUNT #	ACCOUNT NAME	BALANCE
1223	COMM OF PUB WKS OF CITY OF ISLE	3,322,011
1224	CITY OF UNION	24,608
1227	LEXINGTON COUNTY S/D #4	5,382,117
1228	CITY OF GREENWOOD	2,807,364
1230	UNION COUNTY TREASURER	3,578,521
1235	CLARENDON COUNTY S/D 3	7,203
1236	SPARTANBURG CO. S/D 3	81,478
1238	METROPOLITAN SEWER SUBDISTRICT	917,988
1240	TOWN OF SOUTH CONGAREE	6,401
1242	TOWN OF EDGEFIELD	72,708
1243	TOWN OF EDGEFIELD	201,057
1244	TOWN OF EDGEFIELD	264,695
1245	TOWN OF SEABROOK ISLAND	896,123
1246	SPARTANBURG SANITARY SEWER DIS	7,389,382
1248	ORANGEBURG CO S/D #4	456,892
1249	CITY OF ABBEVILLE	1,138
1251	CITY OF SPARTANBURG	10,290,938
1253	CITY OF ABBEVILLE	128,088
1254	ST. ANDREWS PUBLIC SRVC	1,260,155
1256	TOWN OF WINNSBORO	450,085
1257	TOWN OF WINNSBORO	192,343
1258	CHESTER METROPOLITAN DISTRICT	1,279,338
1259	CHESTER SEWER DISTRICT	274,807
1260	KERSHAW COUNTY MEDICAL CENTER	4,559,171
1262	MOUNT PLEASANT WATER & SEWER	4,519
1263	MOUNT PLEASANT WATER & SEWER	351,285
1264	MOUNT PLEASANT WATER & SEWER	258,854
1270	CLARENDON COUNTY TREASURER	36,296
1271	CITY OF LANCASTER	1,816,073
1273	LEXINGTON COUNTY S/D #2	5,996,231
1275	LEXINGTON COUNTY TREASURER	58,093,261
1276	LEXINGTON COUNTY S/D #1	9,586,607
1277	COMM OF PUB WKS OF CITY OF ISLE	217,616
1279	GREENVILLE COUNTY SCHOOLS	70,999,352
1280	LEXINGTON COUNTY S/D #3	2,675,110
1284	CHARLESTON COUNTY TREASURER	1,714,079

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ACCOUNT #	ACCOUNT NAME	BALANCE
1289	BERKELEY CHARLESTON DORCHESTER	299,460
1290	BERKELEY CHARLESTON DORCHESTER	450,550
1291	CITY OF GREENWOOD	1,353,108
1292	CITY OF GREENWOOD	26,652
1295	MT. PLEASANT WATER & SEWER COM	4,200
1296	ANDERSON COUNTY	2,134,494
1297	MCCORMICK COMM OF PUBLIC WORKS	330,376
1298	MCCORMICK COMM OF PUBLIC WORKS	32,288
1305	YORK COUNTY TREASURER	3,228,839
1307	BEAUFORT COUNTY TREASURER	2,851,267
1308	LEXINGTON COUNTY TREASURER	164,885
1309	LEXINGTON COUNTY TREASURER	1,474,981
1312	LEXINGTON COUNTY TREASURER	9,680,641
1314	CITY OF NORTH AUGUSTA	1,922,848
1315	CITY OF NORTH AUGUSTA	4,320,276
1318	FAIRFIELD COUNTY TREASURER	2,431,808
1323	TOWN OF CLOVER	295,388
1331	TOWN OF SPRINGDALE	109,277
1332	TOWN OF RIDGE SPRING	16,524
1333	NEWBERRY COUNTY TREASURER	7,019,807
1334	NEWBERRY COUNTY TREASURER	8,648,058
1339	SUMTER CO COUNCIL/TREASURER	310,463
1340	CITY OF ISLE OF PALMS	692,626
1341	SEABROOK ISLAND WATER & SEWER	1,951,229
1346	LEXINGTON CO S/D #5	20,964
1347	EDGEFIELD COUNTY SCHOOL DISTRICT	5,509,139
1349	ST. PAUL'S FIRE DISTRICT	72,136
1352	CITY OF CAMDEN	3,633,976
1353	TOWN OF CLOVER	199,218
1357	LEXINGTON COUNTY S/D #4	6,179
1359	CITY OF HANAHAN	372,116
1365	CITY OF HANAHAN	1,152,649
1367	TOWN OF CORDOVA	130,745
1370	TOWN OF TRENTON	1,913
1371	TOWN OF TRENTON	22,311
1372	LANCASTER COUNTY S/D	2,278,618

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
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ACCOUNT #	ACCOUNT NAME	BALANCE
1374	CLARENDON COUNTY TREASURER	133,122
1377	CITY OF UNION	22,452
1378	DSFR-CITY OF BAMBERG	82,349
1379	CITY OF GEORGETOWN	4,705,852
1380	CITY OF GEORGETOWN	2,262,683
1381	DSFR-CITY OF GOOSE CREEK	88,639
1382	TOWN OF JOHNSTON	16,801
1385	TOWN OF EDISTO BEACH	1,312,055
1386	TOWN OF EDISTO BEACH	337,441
1387	TOWN OF EDISTO BEACH	533,820
1388	TOWN OF EDISTO BEACH	145,711
1389	TOWN OF EDISTO BEACH	876,361
1390	TOWN OF EDISTO BEACH	21,809
1392	CITY OF CLINTON	28,620
1393	EDGEFIELD COUNTY TREASURER	8,909,329
1395	SPARTANBURG CO. S/D 4	504,360
1396	CITY OF YORK	13,519
1397	CITY OF YORK	9,699
1398	CITY OF LANCASTER	290,360
1399	CITY OF LANCASTER	290,360
1401	CITY OF BAMBERG	54,066
1405	TOWN OF PROSPERITY	42,211
1407	DSRF-PIONEER RURAL WATER DISTRIC	107,602
1408	SUMTER CO. S/D 17	3,634,181
1411	TOWN OF SURFSIDE BEACH	234,498
1412	TOWN OF SURFSIDE BEACH	521,422
1413	TOWN OF SURFSIDE BEACH	9,435
1421	CITY OF ISLE OF PALMS	1,456,003
1422	RICHLAND CO. S/D 2	11,790,921
1426	RICHLAND CO. S/D 2	36,872,163
1428	CITY OF CLINTON	19,367
1429	DSFR-CHESTER SEWER DISTRICT	93,779
1430	TOWN OF SURFSIDE BEACH	455,633
1433	WADE HAMPTON	2,822
1437	R.D. ANDERSON APPLIED TECH	8,488
1438	FLORENCE COUNTY TREASURER	145,329

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
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ACCOUNT #	ACCOUNT NAME	BALANCE
1439	CITY OF LANCASTER	644,068
1440	CITY OF LANCASTER COMMERCIAL GAR	1,153,201
1441	FLORENCE CO S/D 2	686,759
1442	FLORENCE CO S/D 4	154,184
1443	FLORENCE CO S/D 5	2,105,673
1445	FLORENCE COUNTY S/D 1	22,743,433
1446	CLARENDON COUNTY TREASURER	313,108
1447	RICHLAND COUNTY TREASURER	115,067,061
1448	TOWN OF ARCADIA LAKES	697,381
1451	TOWN OF EDISTO BEACH	348,776
1452	LAURENS COUNTY TREASURER	15,306,219
1453	CITY OF GEORGETOWN	30,787
1456	CITY OF GREENWOOD	8,947
1457	TOWN OF EDISTO BEACH	460,682
1463	WESTERN PIEDMONT	330,889
1465	CLARENDON COUNTY TREASURER	503,755
1466	SPARTANBURG CO. S/D 4	1,026
1471	YORK COUNTY TREASURER	343,004
1472	CITY OF SUMTER	42,527
1473	TOWN OF SURFSIDE BEACH	25,842
1489	DILLON COUNTY BOARD OF EDUCATION	1,568
1493	CITY OF WESTMINSTER	156,769
1494	TAYLORS FIRE & SEWER DISTRICT	3,738
1499	FORT MILL SCHOOL DISTRICT 4	14,475,363
1500	CHESTER COUNTY TREASURER	2,830,457
1501	CHESTER COUNTY TREASURER COUNTY	698,843
1502	CHESTER COUNTY TREASURER	1,728,008
1509	DSRF - TOWN OF LATTA	33,088
1510	YORK COUNTY S/D 1	5,145,986
1512	CITY OF GREENWOOD	112,434
1514	GREENVILLE COUNTY SCHOOLS	3,109,700
1515	CHESTER COUNTY TREASURER	4,356,721
1519	ROCK HILL S/D 3 OF YORK CO.	18,868,481
1520	CITY OF NORTH AUGUSTA	647,328
1521	CITY OF NORTH AUGUSTA	4,487,438
1525	DSRF - CITY OF BELTON	26,162

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

ACCOUNT #	ACCOUNT NAME	BALANCE
1526	MT. PLEASANT WATERWORKS ESCROW	912,779
1527	CHARLESTON CO. S/D	247,528
1531	GREENWOOD COUNTY TREASURER	422,588
1535	PIONEER RURAL WATER DISTRICT	387,046
1536	PIONEER RURAL WATER DISTRICT	130,612
1538	PIONEER RURAL WATER DISTRICT	141,029
1539	YORK COUNTY TREASURER	5,511,102
1541	TOWN OF PORT ROYAL	1,200,411
1543	BAMBERG SCHOOL DISTRICT ONE	135,054
1544	LANCASTER CO. NATURAL GAS AUTHOR	2,502,135
1545	LANCASTER CO. NATURAL GAS AUTHOR	2,075,061
1552	CITY OF MAULDIN	1,152,767
1554	TOWN OF SULLIVAN'S ISLAND	451,229
1562	FAIRFIELD COUNTY TREASURER	113,653
1563	TAYLORS FIRE AND SEWER DISTRICT	2,884
1565	SUMTER CO S/D 17	529,029
1569	LEXINGTON COUNTY S/D #5	185,180
1571	DSRF-BELTON-HONEA PATH	34,872
1574	CHARLESTON COUNTY TREASURER	5,035,432
1575	LANCASTER COUNTY NATURAL GAS AUT	144,773
1576	DSRF - TOWN OF JACKSON DSRF	3,867
1580	SPARTANBURG CO. S/D 4	28,771
1581	DSRF - CITY OF TRAVELERS REST	18,154
1595	CHESTER COUNTY SCHOOL DISTRICT	1,058,160
1596	CITY OF ISLE OF PALMS	865,228
1599	GREENVILLE COUNTY SCHOOLS	4,746,491
1601	GREENVILLE WATER SYSTEM	1,243,689
1602	LAKE MARION REGIONAL WATER AGENC	710,425
1603	ORANGEBURG SCHOOL DISTRICT 5	16,565,270
1605	CLOVER SCHOOL DISTRICT TWO	13,532,012
1609	GREENVILLE HOSPITAL SYSTEM	60,413,256
1610	GREENVILLE HOSPITAL SYSTEM	4,089,674
1613	CITY OF MYRTLE BEACH	336,313
1616	RICHLAND COUNTY TREASURER	5,206,928
1617	CITY OF NORTH AUGUSTA	5,658,149
1618	CITY OF NORTH AUGUSTA	1,264,501

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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
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ACCOUNT #	ACCOUNT NAME	BALANCE
1619	CITY OF NORTH AUGUSTA	3,880,832
1622	RIVERBANKS PARK COMMISSION	1,259,850
1630	ORANGEBURG CO. S/D THREE	3,142,566
1633	SUMTER COUNTY S/D 2	2,774,723
1635	UPPER SAVANNAH COG	1,431,055
1642	ST. ANDREWS PUBLIC SRVC	701,230
1646	GREENVILLE WATER SYSTEM	1,057,659
1651	YORK COUNTY S/DISTRICT #1	61,798
1652	CITY OF MAULDIN	4,026,903
1654	CHESTER COUNTY SCHOOL DISTRICT	4,040,759
1656	RIVERBANKS ZOO & GARDEN	44,443
1658	JOINT MUNICIPAL WATER & SEWER	6,197,609
1659	JOINT MUNICIPAL WATER & SEWER	1,177
1661	JOINT MUNICIPAL WATER & SEWER	1,377,942
1662	TOWN OF MCCORMICK	266,382
1663	TOWN OF MCCORMICK	266,382
1664	TOWN OF MCCORMICK	112,735
1665	TOWN OF MCCORMICK	175,304
1668	CITY OF GREENVILLE	155,744
1671	CITY OF ISLE OF PALMS	698,391
1672	CITY OF GEORGETOWN	1,476,905
1673	TOWN OF BLYTHEWOOD	634,218
1674	TOWN OF BLYTHEWOOD	2,377
1675	TOWN OF BLYTHEWOOD	798,466
1680	CITY OF HANAHAN	1,114,542
1689	CHESTER CO. NATURAL GAS AUTHORIT	102,834
1691	CITY OF NORTH CHARLESTON	1,555
1694	CITY OF NORTH CHARLESTON	7,508,358
1699	CITY OF FOUNTAIN INN	510,169
1700	CITY OF FOUNTAIN INN	163,773
1702	LANCASTER COUNTY	11,491,509
1703	GREENVILLE HOSPITAL SYSTEM	576,576
1708	MUNICIPAL ASSOCIATION OF SC	7,927
1709	MUNICIPAL ASSOCIATION OF SC	6,520
1710	MUNICIPAL ASSOCIATION OF SC	16,717
1711	CITY OF BENNETTSVILLE	56,258

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
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ACCOUNT #	ACCOUNT NAME	BALANCE
1712	CITY OF BENNETTSVILLE	83,448
1713	CITY OF ISLE OF PALMS	934,870
1714	CITY OF GEORGETOWN	247,360
1715	YORK COUNTY TREASURER	460,933
1716	ST. JOHN'S FIRE DISTRICT	3,511,673
1717	CATAWBA REG COUNCIL OF GOV'T.	37,558
1718	LEXINGTON MED CENTER OPERATING	11,308,481
1726	CITY OF FOREST ACRES	319,034
1730	CITY OF MYRTLE BEACH	709,025
1731	CITY OF NEW ELLENTON	313,254
1733	TOWN OF LOWRYS	151,632
1736	GREENVILLE WATER SYSTEM	3,138,352
1740	CITY OF ROCK HILL	7,288,881
1741	CITY OF ROCK HILL	604,611
1744	TOWN OF LYMAN	1,319,419
1745	TOWN OF LYMAN	1,241,169
1754	CITY OF NORTH AUGUSTA	1,140,370
1755	CITY OF NORTH AUGUSTA	1,678,076
1759	SUMTER CO COUNCIL/TREASURER	2,099,172
1760	CITY OF SUMTER	1,194,902
1762	CITY OF HANAHAN	73,873
1763	NEWBERRY COUNTY TREASURER	957,101
1767	CITY OF SPARTANBURG	326,375
1775	ELEVENTH CIRCUIT SOLICITOR	83,816
1779	TOWN OF ROCKVILLE COUNCIL	120,610
1784	CITY OF CONWAY	196,457
1785	GREENVILLE COUNTY SCHOOLS	17,380
1786	GREENVILLE COUNTY SCHOOLS	1,037,413
1787	GREENVILLE COUNTY SCHOOLS	152,705
1790	NEWBERRY COUNTY TREASURER	119,021
1792	NEWBERRY COUNTY TREASURER	537,004
1793	TOWN OF WINNSBORO	404,883
1794	CITY OF CLINTON	22,190
1797	NEWBERRY COUNTY TREASURER	1,494,834
1798	TOWN OF WINNSBORO	98,092
1799	NEWBERRY COUNTY TREASURER	89,858

**SOUTH CAROLINA STATE TREASURER'S OFFICE
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**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
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ACCOUNT #	ACCOUNT NAME	BALANCE
1800	LAURENS COUNTY WATER SEWER COMM	407,498
1804	CITY OF MYRTLE BEACH	35,967
1805	CITY OF WALTERBORO	148,183
1806	CITY OF WALTERBORO	328,487
1807	CITY OF WALTERBORO	602,772
1808	CITY OF WALTERBORO	114,615
1809	PIONEER RURAL WATER DISTRICT	133,249
1810	TOWN OF JACKSON	36,407
1811	SUMTER COUNTY S/D 2	306,601
1812	CITY OF GREENVILLE	1,005,452
1817	WILLIAMSBURG COUNTY S/D	3,037,616
1819	CHARLESTON COUNTY S/D	283,565
1821	TOWN OF WINNSBORO	17,727
1824	NEWBERRY COUNTY TREASURER	1,409
1826	CHESTER COUNTY SCHOOL DISTRICT	340,958
1827	WILLIAMSBURG COUNTY TREASURER	3,431,206
1828	DORCHESTER COUNTY TREASURER	18,548,249
1830	DORCHESTER COUNTY TREASURER	27,542,740
1831	DORCHESTER COUNTY TREASURER	4,496,054
1832	DORCHESTER COUNTY TREASURER	21,406,245
1833	DORCHESTER COUNTY TREASURER	3,096,718
1834	DORCHESTER COUNTY TREASURER	7,241,306
1835	DORCHESTER COUNTY TREASURER	18,589,720
1837	BCD COUNCIL OF GOVERNMENTS	360,315
1838	DARLINGTON COUNTY	270,748
1840	YORK COUNTY TREASURER	9,370,490
1842	CITY OF MAULDIN	1,362,657
1843	CITY OF ABBEVILLE	542,810
1845	DSRF-BIG CREEK WTR & SWR DIST	204,248
1846	DILLON COUNTY BOARD OF EDUCATION	35,268
1847	DILLON COUNTY BOARD OF EDUCATION	8,557
1848	DILLON COUNTY BOARD OF EDUCATION	14,464
1849	DILLON COUNTY BOARD OF EDUCATION	16,304
1850	RICHLAND COUNTY TREASURER	12,154,706
1852	DSRF CITY OF TRAVELER'S REST	29,888
1853	CITY OF WALTERBORO	248,831

**SOUTH CAROLINA STATE TREASURER'S OFFICE
SOUTH CAROLINA LOCAL GOVERNMENT INVESTMENT POOL**

**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

ACCOUNT #	ACCOUNT NAME	BALANCE
1854	DSRF MONCKS CORNER PUBLIC WKS	405,291
1855	LEXINGTON COUNTY TREASURER	838,879
1856	SPARTANBURG WATER SYSTEM	4,629,869
1857	CITY OF NORTH AUGUSTA	1,010,285
1861	RICHLAND COUNTY TREASURER	3,143,417
1863	GREENVILLE COUNTY SCHOOLS	33,580
1864	OCONEE COUNTY SCHOOL DISTRICT	9,337,610
1865	CITY OF SUMTER	2,647,162
1867	BCD COUNCIL OF GOVERNMENTS	215,191
1868	TOWN OF FORT LAWN	4,588
1869	BDC RURAL TRANS MGMT ASSOC	33,104
1870	CHARLESTON COUNTY S/D	21,404
1871	CITY OF MAULDIN	62,122
1873	CITY OF CLINTON	94,038
1874	TOWN OF WALHALLA	1,279,321
1875	YORK COUNTY TREASURER	25,945,226
1876	YORK COUNTY TREASURER	29,416,618
1877	CITY OF YORK	1,293,935
1880	RICHLAND COUNTY TREASURER	8,805,607
1881	LEXINGTON COUNTY TREASURER	3,290,545
1882	CITY OF NORTH AUGUSTA	1,313,192
1883	NEWBERRY COUNTY TREASURER	475,942
1885	GREENWOOD COUNTY TREASURER	3,636,490
1887	NEWBERRY COUNTY TREASURER	840,649
1888	LEXINGTON CO S/D 3	772,409
1889	CITY OF CAMDEN	2,597,001
1890	CHARLESTON COUNTY TREASURER	114,884
1891	CHARLESTON COUNTY TREASURER	113,756
1892	NEWBERRY COUNTY TREASURER	113,269
1893	FLORENCE COUNTY TREASURER	11,571,206
1895	CLARENDON COUNTY S/D 3	8,191
1897	NEWBERRY COUNTY TREASURER	308,651
1898	GREENWOOD COUNTY TREASURER	16,972,225
1900	CITY OF ISLE OF PALMS	22,527
1901	CITY OF ISLE OF PALMS	273,900
1903	TOWN OF SURFSIDE BEACH	220,234

**SOUTH CAROLINA STATE TREASURER'S OFFICE
SOUTH CAROLINA LOCAL GOVERNMENT INVESTMENT POOL**

**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

ACCOUNT #	ACCOUNT NAME	BALANCE
1905	CITY OF NORTH AUGUSTA	1,059,972
1906	NEWBERRY COUNTY TREASURER	1,267,315
1907	GREENVILLE WATER SYSTEM	6,062,108
1909	OCONEE COUNTY TREASURER	1,065
1911	CITY OF NORTH AUGUSTA	757,717
1912	DSRF MCCORMICK COUNTY	2,521
1913	GREENVILLE COUNTY SCHOOLS	70,091
1914	CITY OF ISLE OF PALMS	3,111
1915	YORK COUNTY TREASURER	7,128,582
1916	CITY OF NEWBERRY	1,024,698
1917	CITY OF NEWBERRY	1,435,251
1918	SPARTANBURG WATER SYSTEM	10,800,439
1919	CHARLESTON CO SCHOOL DISTRICT	58,874
1922	DSRF CITY OF DARLINGTON	16,961
1923	LAURENS COUNTY TREASURER	2,826,233
1924	LANCASTER COUNTY WATER & SEWER	2,045,414
1925	LANCASTER COUNTY WATER & SEWER	3,068,120
1927	YORK COUNTY TREASURER	19,578,988
1928	LEXINGTON COUNTY TREASURER	202,374
1929	NEWBERRY COUNTY TREASURER	134,671
1930	RICHLAND COUNTY TREASURER	750,182
1931	RICHLAND COUNTY TREASURER	311,545
1932	LEXINGTON COUNTY TREASURER	39,174
1933	LEXINGTON COUNTY TREASURER	1,322,017
1934	LEXINGTON COUNTY TREASURER	3,904,220
1936	GREENVILLE HOSPITAL SYSTEM	4,228,983
1939	LOWCOUNTRY COUNCIL OF GOVERNMENT	251,431
1941	POWDERSVILLE WATER DISTRICT	10,924
1943	DSRF CITY OF ANDERSON	30,011
1944	DSRF CITY OF ANDERSON	107,071
1946	LEXINGTON COUNTY TREASURER	14,934,422
1947	CITY OF ISLE OF PALMS	100,494
1948	SUMTER COUNTY COUNCIL/TREASURER	4,028,200
1949	LEXINGTON COUNTY TREASURER	24,070,697
1950	CITY OF GREENVILLE	617,622
1951	LEXINGTON COUNTY S/D 2	419,160

**SOUTH CAROLINA STATE TREASURER'S OFFICE
SOUTH CAROLINA LOCAL GOVERNMENT INVESTMENT POOL**

**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

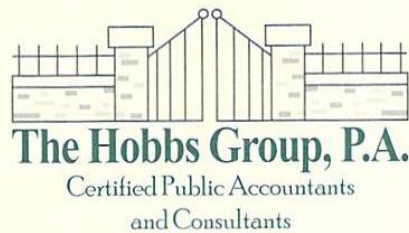
ACCOUNT #	ACCOUNT NAME	BALANCE
1953	CHARLESTON COUNTY TREASURER	6,041,734
1954	DORCHESTER COUNTY S/D 2	1,316,464
1955	LEXINGTON COUNTY TREASURER	62,638,182
1956	CITY OF COLUMBIA	24,080,808
1960	DS-MOUNT PLEASANT WATERWORKS	729,823
1962	DORCHESTER COUNTY TREASURER	57,217,201
1963	LEXINGTON COUNTY TREASURER	852,817
1964	DS-JOINT MUNICIPAL WATER & SEWER	61,551
1965	DS-JOINT MUNICIPAL WATER & SEWER	3,132,499
1966	DS-TOWN OF LEXINGTON	23,397,505
1967	DS-JOINT MUNICIPAL WATER & SEWER	48,366
1972	DSRF-GREER COMM PUBLIC WORKS	246,108
1973	GREER COMM PUBLIC WORKS	3,005,497
1974	GREER COMM PUBLIC WORKS	4,295,957
1977	DSRF-SOUTHSIDE RURAL COMM WATER	169,398
1978	YORK COUNTY TREASURER	40,112,737
1979	RICHLAND COUNTY TREASURER	2,497,712
1980	DSRF-JAMES ISLAND PSD	50,101
1981	SUMTER S/D 17	4,253,453
1982	GREENVILLE COUNTY SCHOOLS	14,892,766
1983	RICHLAND COUNTY TREASURER	7,369,795
1984	DORCHESTER COUNTY TREASURER	7,052,644
1985	LEXINGTON COUNTY TREASURER	67,344
1986	LEXINGTON COUNTY TREASURER	2,499,971
1987	CHARLESTON CO S/D	11,010,089
1988	DSRF-TOWN OF PENDLETON	113,306
1989	CALHOUN COUNTY TREASURER	501,237
1990	LEXINGTON COUNTY TREASURER	5,054,112
1991	DSRF-PIONEER RURAL WATER DISTRIC	189,615
1992	GREENWOOD COUNTY TREASURER	3,238,513
1993	CHARLESTON CO S/D	13,030,636
1995	RICHLAND CO. REC COMM 2009B	26,904,022
1996	PIONEER RURAL WATER DISTRICT	888,798
1997	DSRF-GRAND STRAND WSA	1,139,269
1998	DSRF-GRAND STRAND WSA	187,089
1999	DSRF-GRAND STRAND WSA	843,727

**SOUTH CAROLINA STATE TREASURER'S OFFICE
SOUTH CAROLINA LOCAL GOVERNMENT INVESTMENT POOL**

**SCHEDULE OF NET ASSETS IN POOL PARTICIPANTS' ACCOUNTS
JUNE 30, 2010**

<u>ACCOUNT #</u>	<u>ACCOUNT NAME</u>	<u>BALANCE</u>
2000	DSRF-GRAND STRAND WSA	653,923
2001	DSRF-GRAND STRAND WSA	232,776
2002	DSRF-GRAND STRAND WSA	104,591
2003	DSRF-CITY OF ABBEVILLE	128,316
2004	CITY OF COLUMBIA	8,563,230
2005	CENTRAL CAROLINA TECH. COLLEGE	8,107,234
2006	ANDERSON COUNTY S/D 3	65,287
2007	OLD FORT FIRE DISTRICT	283,353
2008	DORCHESTER COUNTY TREASURER	1,051,057
2009	ANDERSON COUNTY S/D 4	1,061
2010	ANDERSON COUNTY S/D 5	9,841,941
2011	ANDERSON COUNTY S/D 1	31,413
2012	ANDERSON 1 & 2 CAREER & TECH CTR	432,552
2013	ANDERSON COUNTY BOARD OF ED.	33,726
2015	CITY OF SUMTER	2,001,641
2016	NORTH CHARLESTON SEWER DISTRICT	500,331
2017	NORTH CHARLESTON SEWER DISTRICT	2,001,361
2018	DS-CITY OF BARNWELL	243,222
2019	CHARLESTON COUNTY S/D	2,118,506
2021	RICHLAND COUNTY TREASURER	8,179,177
2022	RICHLAND COUNTY TREASURER	5,872,287
2023	CITY OF COLUMBIA	9,231,571
2024	CHARLESTON COUNTY S/D	209,455
2025	NEWBERRY COUNTY TREASURER	1,842
2026	TOWN OF RIDGE SPRING	70,419
		<u>\$ 2,394,596,023</u>

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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

Mr. Richard H. Gilbert, Jr., CPA,
Deputy State Auditor
State of South Carolina
Columbia, South Carolina

We have audited the financial statements of South Carolina Investment Pool ("the Pool"), an investment trust fund of the State of South Carolina, as of and for the year ended June 30, 2010, and have issued our report thereon dated September 27, 2010. 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 Pool'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 Pool's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Pool's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pool's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the State Auditor, Pool participants, and management of the Pool and is not intended to be and should not be used by anyone other than these specified parties.

The Hobbs Group, P.A.

Columbia, South Carolina
September 27, 2010