

Fiduciary Funds

Fiduciary Funds account for resources the State holds as trustee or agent for individuals, private organizations, or other governmental units.

EXPENDABLE TRUST FUNDS

Expendable Trust Funds account for resources the State holds as trustee. Both the principal and earnings of Expendable Trust Funds may be used for purposes allowed under the trust agreements. The State uses the following Expendable Trust Funds:

Radioactive Waste Contingency Fund. A private company operates a low-level radioactive waste disposal facility within the State. The State and the company have entered into a trust agreement with the State Treasurer as trustee. The company has deposited monies into the trust fund to provide for site cleanup in the event that there is seepage into the groundwater or the site is abandoned.

Unemployment Compensation Benefits Fund. This fund accounts for the State's unemployment compensation benefits. Revenues consist of taxes assessed on employers to pay benefits to qualified unemployed persons.

Tuition Prepayment Program Fund. The South Carolina Tuition Prepayment Program, also known as the PACE (Prepaid Affordable College Education) Program, allows contributors to make affordable payments, under the terms of a tuition prepayment contract, to cover future undergraduate tuition expenses of a designated beneficiary at a South Carolina public college or university.

Other Expendable Trust Funds. These funds, aggregated for presentation purposes, account for other miscellaneous expendable trust funds. These are generally resources given to the State through trust agreements and provide for such items as scholarship funds, maintenance and operation of specific properties, and construction of monuments.

NONEXPENDABLE TRUST FUNDS

These funds account for resources the State holds as trustee. The principal of these funds must be preserved and only the earnings may be used for the purposes allowed under the trust agreement. Most of the resources in these funds were bequeathed to the State via wills of deceased persons.

PENSION TRUST FUNDS

Pension Trust Funds account for the following five public employee retirement systems that the State administers:

South Carolina Retirement System. This is a multiple-employer pension system that benefits employees of the State, public schools, and political subdivisions of the State.

Police Officers' Retirement System. This is a multiple-employer pension system that benefits police officers and fire fighters employed by the State or its political subdivisions.

General Assembly Retirement System. This is a single-employer pension system that benefits members of the South Carolina General Assembly.

Judges' and Solicitors' Retirement System. This is a single-employer pension system that benefits the judges of the State's Supreme Court, Court of Appeals, circuit courts, family courts, and the State's circuit solicitors.

National Guard Pension System. The State administers this single-employer pension system that provides a supplemental retirement benefit to members of the South Carolina National Guard. The State is a nonemployer contributor to the system.

INVESTMENT TRUST FUND

Local Government Investment Pool. Excess public monies are deposited into this fund by various local governmental units and other political subdivisions of the State. The State Treasurer invests these monies in order to allow these participating governmental units to realize a higher income on their investments by pooling their investments.

AGENCY FUNDS

Agency Funds are custodial in nature. They generally represent amounts held by the State on behalf of third parties. The State uses the following Agency Funds:

Insurance Company Deposits Fund. This fund accounts for deposits which are required to be made by insurance companies in lieu of surety bonds.

Federal Interfund Activity Fund. This fund accounts for Federal grants and entitlements that are first received by one State agency and eventually will be distributed to another State agency.

Payroll Clearing Fund. This fund accounts for employee deductions and contributions for the short period of time between the issuance of payroll checks and payment to the proper recipient.

Other Agency Funds. Balances in these funds, aggregated for presentation purposes, represent amounts held for prisoners and patients of State institutions, cash bonds, miscellaneous clearing accounts, and other deposits.

Combining Balance Sheet

FIDUCIARY FUNDS

June 30, 2001

(Expressed in Thousands)

EXPENDABLE TRUST

	Radioactive Waste Contingency	Unemployment Compensation Benefits	Tuition Prepayment Program	Other Expendable Trust
ASSETS				
Cash and cash equivalents.....	\$ 107,613	\$ 9,433	\$ 32,953	\$ 33,807
Cash on deposit with fiscal agents.....	—	759,403	—	—
Investments.....	—	—	—	—
Securities held in lieu of surety bonds.....	—	—	—	—
Invested securities lending collateral	8,236	688	2,528	3,024
Receivables, net:				
Accounts.....	1,244	1,684	343	363
Taxes.....	—	33,988	—	—
Loans and notes.....	—	—	—	—
Due from Federal government.....	—	146	—	—
Due from other funds.....	—	6	—	—
Due from component units.....	—	—	—	—
Property, plant, and equipment:				
Land and improvements.....	—	—	—	—
Buildings and improvements.....	—	—	—	—
Machinery, equipment, and other.....	—	—	—	—
Less: accumulated depreciation.....	—	—	—	—
Total assets.....	\$ 117,093	\$ 805,348	\$ 35,824	\$ 37,194
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities.....	\$ —	\$ 3,018	\$ —	\$ 40
Tax refunds payable.....	—	4,178	—	—
Intergovernmental payables.....	—	—	—	—
Due to other funds.....	—	454	—	—
Deferred revenues.....	—	870	—	—
Deposits.....	—	—	—	—
Amounts held in custody for others.....	—	—	—	—
Deferred retirement benefits.....	—	—	—	—
Securities lending collateral.....	8,236	688	2,528	3,024
Total liabilities.....	8,236	9,208	2,528	3,064
Fund Balances:				
Reserved for:				
Pension and other benefits.....	—	796,140	—	—
External investment pool participants.....	—	—	—	—
Endowment and similar funds.....	—	—	—	—
Unreserved, undesignated.....	108,857	—	33,296	34,130
Total fund balances.....	108,857	796,140	33,296	34,130
Total liabilities and fund balances.....	\$ 117,093	\$ 805,348	\$ 35,824	\$ 37,194

PENSION TRUST

NONEXPENDABLE TRUST	South Carolina Retirement System	Police Officers' Retirement System	General Assembly Retirement System	Judges' and Solicitors' Retirement System	National Guard Pension System
\$ 1,906	\$ 2,208,168	\$ 369,912	\$ 1,517	\$ 11,932	\$ 9,801
—	—	—	—	—	—
—	16,276,643	1,832,192	40,981	82,496	—
—	—	—	—	—	—
175	1,505,119	171,390	9,437	6,031	—
20	339,059	33,717	539	1,419	154
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	16,696	3,912	2	64	—
—	—	—	—	—	—
—	524	54	1	3	—
—	4,279	437	13	20	—
—	—	—	—	—	4
—	(938)	(96)	(3)	(5)	(4)
\$ 2,101	\$ 20,349,550	\$ 2,411,518	\$ 52,487	\$ 101,960	\$ 9,955
\$ —	\$ 79,067	\$ 5,201	\$ 97	\$ 211	\$ —
—	—	—	—	—	—
—	—	—	—	—	—
—	20,879	738	—	—	25
—	—	—	—	—	—
—	—	—	—	—	—
—	54,644	—	—	—	—
175	1,505,119	171,390	9,437	6,031	—
175	1,659,709	177,329	9,534	6,242	25
—	18,689,841	2,234,189	42,953	95,718	9,930
—	—	—	—	—	—
1,766	—	—	—	—	—
160	—	—	—	—	—
1,926	18,689,841	2,234,189	42,953	95,718	9,930
\$ 2,101	\$ 20,349,550	\$ 2,411,518	\$ 52,487	\$ 101,960	\$ 9,955

Continued on Next Page

Combining Balance Sheet

FIDUCIARY FUNDS (Continued)

June 30, 2001

(Expressed in Thousands)

	INVESTMENT TRUST	
	Local Government Investment Pool	Insurance Company Deposits
ASSETS		
Cash and cash equivalents.....	\$ 1,182,677	\$ —
Cash on deposit with fiscal agents.....	—	—
Investments.....	26,085	—
Securities held in lieu of surety bonds.....	—	368,346
Invested securities lending collateral	5,080	—
Receivables, net:		
Accounts.....	280	—
Taxes.....	—	—
Loans and notes.....	—	—
Due from Federal government.....	—	—
Due from other funds.....	—	—
Due from component units.....	—	—
Property, plant, and equipment:		
Land and improvements.....	—	—
Buildings and improvements.....	—	—
Machinery, equipment, and other.....	—	—
Less: accumulated depreciation.....	—	—
Total assets	\$ 1,214,122	\$ 368,346
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued liabilities.....	\$ 7,258	\$ —
Tax refunds payable.....	—	—
Intergovernmental payables.....	—	—
Due to other funds.....	—	—
Deferred revenues.....	—	—
Deposits.....	—	—
Amounts held in custody for others.....	—	368,346
Deferred retirement benefits.....	—	—
Securities lending collateral.....	5,080	—
Total liabilities	12,338	368,346
Fund Balances:		
Reserved for:		
Pension and other benefits.....	—	—
External investment pool participants.....	1,201,784	—
Endowment and similar funds.....	—	—
Unreserved, undesignated.....	—	—
Total fund balances	1,201,784	—
Total liabilities and fund balances	\$ 1,214,122	\$ 368,346

AGENCY

<u>Federal Interfund Activity</u>	<u>Payroll Clearing</u>	<u>Other Agency</u>	<u>Eliminations</u>	<u>Totals</u>
\$ 484	\$ 11,324	\$ 211,038	\$ —	\$ 4,192,565
—	—	—	—	759,403
—	—	21,965	—	18,280,362
—	—	—	—	368,346
—	—	10,114	—	1,721,822
—	—	7,224	—	386,046
—	—	8,245	—	42,233
—	—	82	—	82
4,201	—	—	—	4,347
8	51,781	5,033	(54,577)	22,925
—	23	—	—	23
—	—	—	—	582
—	—	—	—	4,749
—	—	—	—	4
—	—	—	—	(1,046)
<u>\$ 4,693</u>	<u>\$ 63,128</u>	<u>\$ 263,701</u>	<u>\$ (54,577)</u>	<u>\$ 25,782,443</u>
\$ 43	\$ 120	\$ 4,518	\$ —	\$ 99,573
—	—	411	—	4,589
—	—	2,435	—	2,435
1,952	11,214	73,842	(54,577)	54,527
—	—	—	—	870
—	—	472	—	472
2,698	51,794	171,909	—	594,747
—	—	—	—	54,644
—	—	10,114	—	1,721,822
<u>4,693</u>	<u>63,128</u>	<u>263,701</u>	<u>(54,577)</u>	<u>2,533,679</u>
—	—	—	—	21,868,771
—	—	—	—	1,201,784
—	—	—	—	1,766
—	—	—	—	176,443
—	—	—	—	<u>23,248,764</u>
<u>\$ 4,693</u>	<u>\$ 63,128</u>	<u>\$ 263,701</u>	<u>\$ (54,577)</u>	<u>\$ 25,782,443</u>

Combining Statement of Plan Net Assets

PENSION TRUST FUNDS

June 30, 2001

(Expressed in Thousands)

	South Carolina Retirement System	Police Officers' Retirement System	General Assembly Retirement System	Judges' and Solicitors' Retirement System	National Guard Pension System	Totals
ASSETS						
Cash and cash equivalents.....	\$ 2,208,168	\$ 369,912	\$ 1,517	\$ 11,932	\$ 9,801	\$ 2,601,330
Receivables:						
Contributions.....	107,192	12,005	52	372	—	119,621
Employer long-term.....	2,613	106	—	—	—	2,719
Accrued interest.....	177,580	19,257	440	947	154	198,378
Unsettled investment sales.....	51,674	2,349	47	100	—	54,170
Due from other funds.....	16,696	3,912	2	64	—	20,674
Total receivables.....	<u>355,755</u>	<u>37,629</u>	<u>541</u>	<u>1,483</u>	<u>154</u>	<u>395,562</u>
Investments, at fair value:						
United States government securities.....	2,461,850	262,434	8,748	3,850	—	2,736,882
United States government agencies and government-insured securities.....	2,704,043	317,581	6,333	23,333	—	3,051,290
Corporate bonds.....	4,434,319	478,638	11,644	24,895	—	4,949,496
Financial and other.....	2,558,734	295,621	4,602	9,706	—	2,868,663
Equities.....	4,117,697	477,918	9,654	20,712	—	4,625,981
Total investments.....	<u>16,276,643</u>	<u>1,832,192</u>	<u>40,981</u>	<u>82,496</u>	<u>—</u>	<u>18,232,312</u>
Invested securities lending collateral.....	<u>1,505,119</u>	<u>171,390</u>	<u>9,437</u>	<u>6,031</u>	<u>—</u>	<u>1,691,977</u>
Property, plant, and equipment, net of accumulated depreciation.....	<u>3,865</u>	<u>395</u>	<u>11</u>	<u>18</u>	<u>—</u>	<u>4,289</u>
Total assets.....	<u>20,349,550</u>	<u>2,411,518</u>	<u>52,487</u>	<u>101,960</u>	<u>9,955</u>	<u>22,925,470</u>
LIABILITIES						
Accounts payable—unsettled investment purchases.....	71,538	4,549	91	197	—	76,375
Due to other funds.....	20,879	738	—	—	25	21,642
Accounts payable and accrued liabilities.....	7,529	652	6	14	—	8,201
Deferred retirement benefits.....	54,644	—	—	—	—	54,644
Securities lending collateral.....	<u>1,505,119</u>	<u>171,390</u>	<u>9,437</u>	<u>6,031</u>	<u>—</u>	<u>1,691,977</u>
Total liabilities.....	<u>1,659,709</u>	<u>177,329</u>	<u>9,534</u>	<u>6,242</u>	<u>25</u>	<u>1,852,839</u>
Net assets held in trust for pension benefits.....	<u>\$ 18,689,841</u>	<u>\$ 2,234,189</u>	<u>\$ 42,953</u>	<u>\$ 95,718</u>	<u>\$ 9,930</u>	<u>\$ 21,072,631</u>

Statement of Net Assets

INVESTMENT TRUST FUND

June 30, 2001

(Expressed in Thousands)

**Local Government
Investment Pool**

ASSETS

Cash and cash equivalents.....	\$ 1,182,677
Accounts (interest) receivable.....	280
Investments.....	26,085
Invested securities lending collateral.....	<u>5,080</u>
Total assets.....	<u>1,214,122</u>

LIABILITIES

Accounts payable and accrued liabilities.....	7,258
Securities lending collateral.....	<u>5,080</u>
Total liabilities.....	<u>12,338</u>

Net assets held in trust

for pool participants.....	<u><u>\$ 1,201,784</u></u>
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Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

EXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

	<u>Radioactive Waste Contingency</u>	<u>Unemployment Compensation Benefits</u>	<u>Tuition Prepayment Program</u>	<u>Other Expendable Trust</u>	<u>Totals</u>
Revenues:					
Taxes, other.....	\$ —	\$ 180,418	\$ —	\$ —	\$ 180,418
Licenses, fees, and permits.....	321	—	—	467	788
Interest and other investment income.....	8,716	52,804	2,206	2,858	66,584
Federal.....	—	7,798	—	—	7,798
Departmental services.....	—	—	40	—	40
Contributions.....	—	449	11,832	—	12,281
Other.....	—	1,550	—	1	1,551
Total revenues.....	<u>9,037</u>	<u>243,019</u>	<u>14,078</u>	<u>3,326</u>	<u>269,460</u>
Expenditures:					
Current:					
General government.....	—	284,278	4	367	284,649
Health and environment.....	—	—	—	44	44
Social services.....	—	—	—	19	19
Administration of justice.....	—	—	—	25	25
Resources and economic development..	—	—	—	139	139
Intergovernmental.....	—	—	—	2,557	2,557
Total expenditures.....	<u>—</u>	<u>284,278</u>	<u>4</u>	<u>3,151</u>	<u>287,433</u>
Revenues over (under) expenditures.....	<u>9,037</u>	<u>(41,259)</u>	<u>14,074</u>	<u>175</u>	<u>(17,973)</u>
Other financing uses:					
Operating transfers out.....	—	(915)	(374)	—	(1,289)
Total other financing uses.....	<u>—</u>	<u>(915)</u>	<u>(374)</u>	<u>—</u>	<u>(1,289)</u>
Revenues over (under) expenditures and other uses.....	<u>9,037</u>	<u>(42,174)</u>	<u>13,700</u>	<u>175</u>	<u>(19,262)</u>
Fund balances at beginning of year	<u>99,820</u>	<u>838,314</u>	<u>19,596</u>	<u>33,955</u>	<u>991,685</u>
Fund balances at end of year.....	<u>\$ 108,857</u>	<u>\$ 796,140</u>	<u>\$ 33,296</u>	<u>\$ 34,130</u>	<u>\$ 972,423</u>

Combining Statement of Changes in Assets and Liabilities

AGENCY FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Balance July 1, 2000 (Restated)	Additions	Deductions	Balance June 30, 2001
INSURANCE COMPANY DEPOSITS				
Assets:				
Cash and cash equivalents.....	\$ —	\$ 382,471	\$ 382,471	\$ —
Securities held in lieu of surety bonds.....	354,221	94,627	80,502	368,346
Total assets.....	\$ 354,221	\$ 477,098	\$ 462,973	\$ 368,346
Liabilities:				
Amounts held in custody for others.....	\$ 354,221	\$ 94,627	\$ 80,502	\$ 368,346
Total liabilities.....	\$ 354,221	\$ 94,627	\$ 80,502	\$ 368,346
FEDERAL INTERFUND ACTIVITY				
Assets:				
Cash and cash equivalents.....	\$ 1,402	\$ 37,818	\$ 38,736	\$ 484
Due from Federal government.....	2,559	4,201	2,559	4,201
Due from other funds.....	1	8	1	8
Total assets.....	\$ 3,962	\$ 42,027	\$ 41,296	\$ 4,693
Liabilities:				
Accounts payable and accrued liabilities.....	\$ —	\$ 44	\$ 1	\$ 43
Intergovernmental payables.....	10	—	10	—
Due to other funds.....	2,835	1,951	2,834	1,952
Interfund payables.....	—	—	—	—
Amounts held in custody for others.....	1,117	33,222	31,641	2,698
Total liabilities.....	\$ 3,962	\$ 35,217	\$ 34,486	\$ 4,693
PAYROLL CLEARING				
Assets:				
Cash and cash equivalents.....	\$ 10,837	\$ 1,125,830	\$ 1,125,343	\$ 11,324
Due from other funds.....	49,179	51,781	49,179	51,781
Due from component units.....	17	40	34	23
Total assets.....	\$ 60,033	\$ 1,177,651	\$ 1,174,556	\$ 63,128
Liabilities:				
Accounts payable and accrued liabilities.....	\$ 139	\$ 142	\$ 161	\$ 120
Due to other funds.....	10,737	11,214	10,737	11,214
Amounts held in custody for others.....	49,157	964,535	961,898	51,794
Total liabilities.....	\$ 60,033	\$ 975,891	\$ 972,796	\$ 63,128

Continued on Next Page

Combining Statement of Changes in Assets and Liabilities

AGENCY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Balance July 1, 2000 (Restated)	Additions	Deductions	Balance June 30, 2001
OTHER AGENCY				
Assets:				
Cash and cash equivalents.....	\$ 215,384	\$ 1,980,743	\$ 1,985,089	\$ 211,038
Investments.....	21,236	729	—	21,965
Invested securities lending collateral.....	1,852	10,114	1,852	10,114
Accounts receivable.....	5,288	8,877	6,941	7,224
Taxes receivable.....	4,940	96,154	92,849	8,245
Loans and notes receivable.....	92	82	92	82
Due from other funds.....	8,258	5,033	8,258	5,033
Total assets.....	\$ 257,050	\$ 2,101,732	\$ 2,095,081	\$ 263,701
Liabilities:				
Accounts payable and accrued liabilities.....	\$ 13,063	\$ 7,479	\$ 16,024	\$ 4,518
Tax refunds payable.....	438	411	438	411
Intergovernmental payables.....	507	2,434	506	2,435
Due to other funds.....	82,801	73,842	82,801	73,842
Deposits.....	517	472	517	472
Amounts held in custody for others.....	157,872	1,492,427	1,478,390	171,909
Securities lending collateral.....	1,852	10,114	1,852	10,114
Total liabilities.....	\$ 257,050	\$ 1,587,179	\$ 1,580,528	\$ 263,701
TOTALS--ALL AGENCY FUNDS				
Assets:				
Cash and cash equivalents.....	\$ 227,623	\$ 3,526,862	\$ 3,531,639	\$ 222,846
Investments.....	21,236	729	—	21,965
Securities held in lieu of surety bonds.....	354,221	94,627	80,502	368,346
Invested securities lending collateral.....	1,852	10,114	1,852	10,114
Accounts receivable.....	5,288	8,877	6,941	7,224
Taxes receivable.....	4,940	96,154	92,849	8,245
Loans and notes receivable.....	92	82	92	82
Due from Federal government.....	2,559	4,201	2,559	4,201
Due from other funds.....	57,438	56,822	57,438	56,822
Due from component units.....	17	40	34	23
Total assets.....	\$ 675,266	\$ 3,798,508	\$ 3,773,906	\$ 699,868
Liabilities:				
Accounts payable and accrued liabilities.....	\$ 13,202	\$ 7,665	\$ 16,186	\$ 4,681
Tax refunds payable.....	438	411	438	411
Intergovernmental payables.....	517	2,434	516	2,435
Due to other funds.....	96,373	87,007	96,372	87,008
Deposits.....	517	472	517	472
Amounts held in custody for others.....	562,367	2,584,811	2,552,431	594,747
Securities lending collateral.....	1,852	10,114	1,852	10,114
Total liabilities.....	\$ 675,266	\$ 2,692,914	\$ 2,668,312	\$ 699,868