

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2000**

**NOTE 6. AGENCY FUNDS**

The changes in assets and liabilities for the agency funds are as follows:

	Balances 6/30/99	Additions	Deductions	Balances 6/30/00
<b><u>Horry County Loan Servicing</u></b>				
Cash and cash equivalents	\$ -0-	\$ 30,632,848	\$ 29,028,681 <sup>(1)</sup>	\$ 1,604,167
Intergovernmental receivable - County government	\$ -0-	\$ 22,578,821	\$ 20,604,167	\$ 1,974,654
Funds held for others	\$ -0-	\$ 22,578,821	\$ 19,000,000 <sup>(1)</sup>	\$ 3,578,821
<b><u>Horry County Loan Reserve</u></b>				
Cash and cash equivalents	\$ -0-	\$ 14,455,038 <sup>(1)</sup>	\$ 1,621,000 <sup>(2)</sup>	\$ 12,834,038
Intergovernmental receivable - County government	\$ -0-	\$ 14,456,038	\$ 14,456,038	\$ -0-
Funds held for others	\$ -0-	\$ 14,455,038 <sup>(1)</sup>	\$ 1,621,000	\$ 12,834,038
<b><u>Totals</u></b>				
Cash and cash equivalents	\$ -0-	\$ 45,087,886	\$ 30,649,681	\$ 14,438,205
Intergovernmental receivable - County government	\$ -0-	\$ 37,034,859	\$ 35,060,205	\$ 1,974,654
Funds held for others	\$ -0-	\$ 37,033,859	\$ 20,621,000	\$ 16,412,859

<sup>(1)</sup> Includes a \$10,028,681 transfer from the Loan Servicing fund to the Loan Reserve fund for additions to Loan Reserve fund deposited in the Loan Servicing fund in error.

<sup>(2)</sup> Municipal bond insurance premium for coverage purchased by County to insure the payment of the loans under the intergovernmental agreement.

**NOTE 7. TRANSACTIONS WITH STATE ENTITIES:**

The Bank has significant transactions with the State of South Carolina and various State agencies.

Services received at no cost from State agencies include maintenance of certain records by the Comptroller General; check preparation, banking, bond trustee and investment services from the State Treasurer; and legal services from the Attorney General. Other services received at no cost from various divisions of the State Budget and Control Board include: insurance plans administration, procurement services, audit services, assistance in the preparation of the State Budget, review and approval of certain budget amendments, and other centralized functions.

The Bank had financial transactions with various State agencies during the fiscal year. Payments were made to divisions of the State Budget and Control Board for telephone and insurance plans premiums.

Payments were also made to other agencies for workers' compensation coverage for per diem employees. The amounts of expenditures applicable to these transactions are not readily available.