

MINUTES OF  
BUDGET AND CONTROL BOARD  
MEETING

November 18, 1986

04900

State of South Carolina  
**State Budget and Control Board**

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

November 18, 1986

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

MEMORANDUM

TO: Budget and Control Board Division Directors  
FROM: William A. McInnis, Deputy Executive Director *WAM*  
SUBJECT: Summary of Board Actions at November 18, 1986, Meeting

This listing of actions is not the minutes of the referenced meeting. It is an unofficial (meaning it has not been approved by the Board) summary of the Board actions taken at that meeting. The minutes of the meeting are presented in a separate, much more detailed document which becomes official when approved by the Board at a subsequent meeting.

1. Approved the minutes of the November 5, 1986, meeting;
2. Received as information the 1985-86 Arson Advisory Committee activity report;
3. Received as information the Local Government report on rural improvement funds expended by the Senate during October 1986 which includes 13 projects totalling \$195,500 in State grant funds and which indicates that 64 applications involving \$972,498 have been approved during the current fiscal year, that 4 applications totalling \$123,000 are pending, and that the grant funds balance available is \$1,904,502;
4. Received as information the Local Government report on rural improvement funds expended by the House of Representatives during October 1986 which includes 16 projects totalling \$188,400 in State grant funds and which indicates that 69 applications involving \$922,475 have been approved during the current fiscal year, that 4 applications totalling \$95,000 are pending, and that the grant funds balance available is \$1,982,525;
5. Granted a right-of-way easement to the City of Columbia to allow the City to complete water system improvements along Bull Street (Department of Social Services) on the condition that the State Government is allowed unlimited tap-ons within the easement area at not cost to the State Government;

**C4901**



Summary of BCB Actions  
November 18, 1986, Meeting  
Page 2

6. Received as information a General Services Division report that the S. C. Department of Agriculture received two seedlings of the London Plane Tree that grows on Ellis and Liberty Islands and that these trees have now been planted on the State House grounds;
7. Received as information the Budget Division report to the Joint Legislative Committee on Personal Service Financing and Budgeting on a study of the issues surrounding the growth in the number of State employees and the impact upon the Constitutional limitation which controls the growth of State employees;
8. Received as information the FTE position operating report for the month of October 1986 which shows a net reduction of 97 positions during the month, resulting in the total authorized position base at October 31, 1986, of 64,934.48 of which 59,120.36 positions were filled and 5,814.12 were vacant;
9. Received as information a Budget Division report that 4 transfers of State personal service funds to other operating expenses totalling \$1,252,159 were authorized during October and that a total of 10 transfers totalling \$1,490,775 (\$1,139,489 State, \$16,193 federal, and \$335,093 other) of 1986-87 personal service funds have been authorized;
10. Received as information a report on the receipt and disbursement of funds received pursuant to the provisions of Act 540 of 1986, Part II, Section 15 (Low Level Radioactive Waste Surcharge) as of September 30, 1986;
11. Received as information a report that the private activity bond State Ceiling, under the Tax Reform Act of 1986, for issues between August 16 and December 31, 1986, is \$251,025,000;
12. Received as information reports on the reimbursement of interviewee travel expenses by Archives and History (3);
13. Received as information a report that the following permanent improvement project actions had been reviewed favorably by the Joint Bond Review Committee and approved by staff:
  - (a) On Summary 9-87: Items 1 through 10, 14 and 15 (involving B&C Bd-General Services and Motor Vehicle Management, Clemson, Medical University, Technical & Comprehensive Education, Mental Retardation, Parks, Recreation & Tourism, Employment Security Commission and Highway & Public Transportation);
  - (b) On Summary 10-87: Items 1 through 3, 5 through 15, 18 and 19 (involving B&C Bd-General Services, Citadel, Clemson, State College, Winthrop, Tech & Comp Education, Wil Lou Gray Opportunity School,

04902

Vocational Rehabilitation, School for Deaf & Blind, Mental Health,  
John de la Howe, Youth Services and Wildlife & Marine Resources);

14. Received as information a report that the following permanent improvement project actions had been approved by staff and Joint Bond Review Committee review is not required:
  - (a) On Summary 10-87: Items 21 through 47 (involving Francis Marion, Winthrop, Medical University, Tech & Comp Education, Mental Health, John de la Howe, Corrections, Agriculture, PRT and Highway & Public Transportation);
15. Approved the Executive Salary and Performance Evaluation Commission's recommendations for agency head performance and other salary increases for 1986-87 and agreed to approve the funding transfers necessary to implement them; and accepted that Commission's proviso recommendations and directed staff to include them in the complete proviso package to be submitted to the Board at the next meeting;
16. Received as information a report by Retirement System consultants (Towers, Perrin, Forster and Crosby) on (a) the status of the State Health and Dental Insurance Reserve Fund; (b) possible insurance rate increases for 1987-88; and (c) alternatives for insurance coverage for 1987-88;
17. Received as information the Division of Human Resource Management recommendations for employee pay for 1987-88;
18. Reaffirmed and clarified its action at the November 5, 1986, meeting in which the Board agreed to explore all possible means of providing the funds needed to make the State employee pay increase of 3% recommended for 1987-88 effective July 1, 1987, rather than January 1, 1988, after agreeing that the first additional general fund revenue available should be used for this purpose;
19. Directed staff to include the provisos needed to carry out the employee pay policies recommended in the proviso package to be considered at the next meeting;
20. Approved seven final adjustments to the 1987-88 recommended budget as proposed by the Budget Division which involved \$500,475 of funds and 12 additional FTE positions, and directed staff to examine the impacts on 1986-87 of adjustments involving the Board of Financial Institutions and the Judicial Department and to make appropriate adjustments;
21. Carried over to the next meeting consideration of the 1987-88 appropriation bill proviso package;

04903

22. Allocated \$30,000 to the Governor's Office from the Civil Contingent Fund to help pay expenses incurred at the National Governors Association meeting at Hilton Head;
23. Allocated not to exceed \$80,000 to the Tax Study Committee from the Civil Contingent Fund to finance a consultant study to assess the impacts of federal tax reform on South Carolina, after agreeing that efforts be made to replace these funds with funds from the Tax Commission or from Approved Accounts of the General Assembly;
24. Approved the following Local Government grants: (a) Berkeley County, \$60,000; (b) Town of Duncan, \$38,000; (c) City of Mauldin, \$50,000; and (d) Town of Pinewood, \$50,000;
25. Agreed to consider staff recommendations on the Building Energy Standards proposed by the S. C. Energy Office at the December 2 meeting;
26. Approved tuition fees for Institution Bond purposes at S. C. State College as follows: (a) zero for 1986-87 and \$100 per student for 1987-88; and (b) agreed that diverted tuition fee revenue may be used to finance the programs recommended by CHE and for general operating purposes;
27. Adopted resolutions approving proposals to issue revenue bonds for items (a) through (f), on the condition that the required reviews are completed with satisfactory results; after agreeing to shift \$12,655,000 from the State Government Pool to the Local Pool with review and comment on the shift by the Joint Bond Review Committee, allocated a portion of the State Ceiling to each project except (f); and reinstated the Cherokee County Clarkson Associates ceiling allocation of \$1,800,000; extended the following ceiling allocations to December 31, 1986: (1) JEDA \$600,000, Rainbow Oil Company, Inc.; (2) \$1,000,000, JEDA Palmetto Tile Distributors, Inc.; and (3) \$5,000,000 Charleston County Coburg Dairy; and received as information the status report on the State Ceiling:
  - (a) Issuing Authority: Greenville County  
Amount of Issue: \$900,000 Industrial Revenue Bond  
Name of Project: Random Associates  
Employment Impact: 15  
Project Description: Warehouse/distribution facility for construction and industrial maintenance products
  - (b) Issuing Authority: North Charleston Redevelopment Commission  
Amount of Issue: \$9,500,000 Multifamily Housing Revenue Bonds  
Name of Project: Ben Tillman Homes  
Project Description: REINSTATEMENT OF ALLOCATION WHICH LAPSED 10/27/86

04904

- (c) Issuing Authority: JEDA  
Amount of Issue: \$8,500,000 Industrial Development Revenue Note  
Name of Project: Charleston Waterfront Project I  
Employment Impact: 283  
Project Description: Passenger terminal, port reception and related activity facility
- (d) Issuing Authority: JEDA  
Amount of Issue: \$8,500,000 Industrial Development Revenue Note  
Name of Project: Charleston Waterfront Project II  
Employment Impact: 283  
Project Description: Passenger terminal, port reception and related activity facility
- (e) Issuing Authority: Family Farm Development Authority  
Amount of Issue: \$150,000 Agricultural Development Revenue Bonds  
Name of Project: Jack Denver Powell  
Project Description: Construct 3 broiler houses and install appropriate equipment  
Maturity Schedule: 40 equal payments of \$5,081.43, payable every 73 days over a period of 8 years plus interest at a rate not exceeding 12%  
Bond Purchaser: Bank of Westminster
- (f) Issuing Authority: Chesterfield County  
Amount of Issue: \$8,925,000 Subordinated Revenue Bonds  
Name of Project: Hospital Corporation of America  
Project Description: REFUNDING
- (g) Issuing Authority: Piedmont Municipal Power Agency  
Amount of Issue: \$325,000,000 Electric Revenue Bonds  
Name of Project: 1986 Bonds  
Project Description: \$69,000,000 ALLOCATION REQUESTED
28. Was advised that the bond attorneys have reported they expect \$189.5 million of private activity bond ceiling allocations during the remainder of the calendar year and that a balance of \$17,320,000 remains;
29. Approved the submission of drafting period notice on private activity bond state ceiling allocation regulations revisions for publication in the State Register;
30. Approved the following permanent improvement project establishment requests and budget revisions which had been reviewed favorably by the Joint Bond Review Committee:

04905



Summary of BCB Actions  
November 18, 1986, Meeting  
Page 6

On Summary 9-87:

Item 17: Agency: Highway & Public Transportation  
Project: Kingstree Maintenance Complex  
Request: Establish project and budget  
Amount: \$2,350,000  
Source: Other (S.C.D.H. & P.T.) funds  
Purpose: To construct a 35,060 square foot vehicle repair shop, truck shed and engineering office building.

On Summary 10-87:

Item 4: Agency: Clemson University  
Project: 8772, Varsity Tennis Court Shelter  
Request: Increase budget to \$1,038,500  
Amount: \$488,500  
Source: Athletic and Other (Private Donations) funds  
Purpose: To incorporate approximately 500 feet of underground high voltage/comm. duct bank with related construction, reworking existing transformer, installation. Required because existing electrical system in area was inadequate to serve proposed facilities and to meet code requirements.

Item 20: Agency: Parks, Recreation & Tourism  
Project: 7157, Lake Hartwell State Park  
Request: Increase budget to \$3,710,296.42  
Amount: \$500,000  
Source: Capital Improvement Bond and Federal funds  
Purpose: To match Group 9 bond funds as approved by the Budget and Control Board (9/23/86) with Federal funds provided by the U.S. Army Corps of Engineers;

31. Agreed to hold a regular meeting at 10 a.m. on Tuesday, December 2, 1986, in the Governor's conference room in the State House;

32. Agreed to hold regular meetings on the following dates in 1987:

January	6	16	27	July	14	28
February		10	24	August	11	25
March		10	24	September	8	22
April		14	28	October	13	27
May		12	26	November	10	24
June		9	23	December	8	22

33. Approved South Carolina State College salary increases ranging from 10.1% to 27.5% awarded to 13 unclassified faculty members effective as of November 18, 1986;

04906



34. Approved the following adjustments to the organization of the Board divisions and the Office of Executive Director:
  - (a) Separated the planning and regulatory functions from the Division of Information Resource Management and placed them under the supervision of the Research and Statistical Services Division (Bowers);
  - (b) Placed under the supervision of Deputy Executive Director Griswold the following divisions: Information Resource Management; General Services; and Motor Vehicle Management;
  - (c) Placed under the supervision of Deputy Executive Director Laurent the following divisions: Budget; Human Resource Management; Research and Statistical Services; Local Government; and Fire Marshal;
35. Named Acting Director John A. Martin, Jr., as Director of the Confederate Relic Room, and directed staff to submit to the General Assembly proposed legislation clarifying authority over the operation of the Confederate Relic Room; and
36. Ratified actions taken during executive session.

MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

NOVEMBER 18, 1986

10:00 A. M.

The Budget and Control Board met at 10:00 a.m. on Tuesday, November 18, 1986, in the Governor's conference room in the State House with the following members in attendance:

Governor Richard W. Riley, Chairman;  
Mr. Grady L. Patterson, Jr., State Treasurer;  
Mr. Earle E. Morris, Jr., Comptroller General;  
Senator Rembert C. Dennis, Chairman, Senate Finance Committee;  
Representative T. W. Edwards, Jr., Acting Chairman,  
House Ways and Means Committee.

Also attending were:

Jesse A. Coles, Jr., Ph.D.	Executive Director
William A. McInnis	Secretary
E. A. Laurent, Ph.D.	Deputy Executive Director
J. Samuel Griswold, Ph.D.	Deputy Executive Director
William T. Putnam	Governor's Office Consultant
Joseph A. Wilson, II	Chief Deputy Attorney General
Charles H. Smith	Special Projects Administrator
Donna K. Williams	Assistant to Board Secretary
Other Board staff	

**Minutes of Previous Meeting (Regular #1)**

Board members previously had been furnished a draft version of the minutes of the November 5, 1986, meeting.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved the referenced minutes as written.

**Blue Agenda**

Following a review by Dr. Coles of the items included, upon a motion by Mr. Patterson, seconded by Senator Dennis, the Board approved all items on the blue agenda.

Blue agenda items are identified as such in these minutes.

**Fire Marshal: Arson Advisory Committee Report (Blue Agenda #1)**

The Board was advised that, in accord with Code §23-9-210, the Arson Advisory Committee has submitted its report on the activities of the Arson Control Team of the Fire Marshal's Office during 1985-86.

The Team was involved in investigating 382 structural fires; 56 mobile home fire; 44 vehicle fires; and 11 bombings (or related devices).

04908

It cleared 103 cases by arrest and 209 by determining that no crime was involved.

The Board received as information the 1985-86 Arson Advisory Committee activity report.

Information relating to this matter has been retained in these files and is identified as Exhibit 1.

**Local Government: Expenditures during October 1986 (Senate) (Blue #2)**

The Board received as information the Local Government report on rural improvement funds expended by the Senate during October 1986 which includes 13 projects totalling \$195,500 in State grant funds and which indicates that 64 applications involving \$972,498 have been approved during the current fiscal year, that 4 applications totalling \$123,000 are pending, and that the grant funds balance available is \$1,904,502.

Information relating to this matter has been retained in these files and is identified as Exhibit 2.

**Local Government: Expenditures during October 1986 (House) (Blue #3)**

The Board received as information the Local Government report on rural improvement funds expended by the House of Representatives during October 1986 which includes 16 projects totalling \$188,400 in State grant funds and which indicates that 69 applications involving \$922,475 have been approved during the current fiscal year, that 4 applications totalling \$95,000 are pending, and that the grant funds balance available is \$1,982,525.

Information relating to this matter has been retained in these files and is identified as Exhibit 3.

**General Services: Right-of-way Easement (Blue #4)**

The Division of General Services recommended approval of an easement to the City of Columbia to allow the City to complete water system improvements along Bull Street (Department of Social Services).

Staff further recommended that the easement be granted on the condition that the State government be allowed unlimited tap-ons at no cost to the State government within the easement area.

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 3**

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Upon a motion by Mr. Patterson, seconded by Senator Dennis, the Board granted a right-of-way easement to the City of Columbia to allow the City to complete water system improvements along Bull Street (Department of Social Services) on the condition that the State Government is allowed unlimited tap-ons within the easement area at no cost to the State Government.

Information relating to this matter has been retained in these files and is identified as Exhibit 4.

**General Services: Trees from Liberty and Ellis Islands (Blue #5)**

The Board received as information a General Services Division report that the S. C. Department of Agriculture received two seedlings of the London Plane Tree that grows on Ellis and Liberty Islands and that these trees have now been planted on the State House grounds.

Information relating to this matter has been retained in these files and is identified as Exhibit 5.

**Budget Division: Growth in Number of State Employees (Blue #6)**

The Budget Division advised that the Joint Legislative Committee on Personal Service Financing and Budgeting, after expressing continued concern over the growth in the number of net new FTE positions, requested that a review of both past and future projected growth be made and reported to the Committee by October 15.

The Budget Division has submitted to the Committee a study of the issues surrounding the growth in the number of State employees and the impact upon the Constitutional limitation which controls the growth of State employees.

The Board received as information the Budget Division report to the Joint Legislative Committee on Personal Service Financing and Budgeting on a study of the issues surrounding the growth in the number of State employees and the impact upon the Constitutional limitation which controls the growth of State employees.

Information relating to this matter has been retained in these files and is identified as Exhibit 6.

**04910**



**Minutes of State Budget and Control Board Meeting  
Regular Session -- November 18, 1986 -- Page 4**

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**Budget Division: FTE Operating Report, October 1986 (Blue Agenda #7)**

The Board received as information the FTE position operating report for the month of October 1986 which shows a net reduction of 97 positions during the month, resulting in the total authorized position base at October 31, 1986, of 64,934.48 of which 59,120.36 positions were filled and 5,814.12 were vacant.

Information relating to this matter has been retained in these files and is identified as Exhibit 7.

**Budget Division: 1986-87 Authorized Transfers Report, October 1986 (B#8)**

The Board received as information a Budget Division report that 4 transfers of State personal service funds to other operating expenses totalling \$1,252,159 were authorized during October and that a total of 10 transfers totalling \$1,490,775 (\$1,139,489 State, \$16,193 federal, and \$335,093 other) of 1986-87 personal service funds have been authorized.

Information relating to this matter has been retained in these files and is identified as Exhibit 8.

**State Treasurer: Low Level Radioactive Waste Surcharge Funds (Blue #9)**

The Board received as information a report on the receipt and disbursement of funds received pursuant to the provisions of Act 540 of 1986, Part II, Section 15 (Low Level Radioactive Waste Surcharge) as of September 30, 1986.

Information relating to this matter has been retained in these files and is identified as Exhibit 9.

**Executive Director: 1986 State Ceiling on Private Activity Bonds (B #10)**

The Board was advised that Board Secretary McInnis, in accord with requirements in the regulations on the allocation of the State Ceiling on private activity bonds, has certified the amount of the ceiling using U.S. Bureau of the Census population figures as the base.

The Board was advised that the State actually has two ceiling amounts for 1986. The first, which was established in the federal Deficit Reduction Act of 1984, was \$502,050,000 which was determined by multiplying the \$150 per resident times the 3,347,000 State population. S.C. issuers issued only



**Minutes of State Budget and Control Board Meeting**  
**Regular Session — November 18, 1986 — Page 5**

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\$49,842,670 against that Ceiling which was replaced by the passage of the Tax Reform Act of 1986.

The Board also was advised that the Tax Reform Act of 1986 Ceiling, again using the 3,347,000 population figure as a base, for issues after August 15, 1986 and through December 31, 1986, is \$251,025,000. That Ceiling is at the rate of \$75 per resident.

The Board received as information the report that the private activity bond State Ceiling, under the Tax Reform Act of 1986, for issues between August 16 and December 31, 1986, is \$251,025,000.

Information relating to this matter has been retained in these files and is identified as Exhibit 10.

**Executive Director: Interviewee Travel Expense Reimbursement (Blue #11)**

The Board received as information reports on the reimbursement of interviewee travel expenses by Archives and History (3).

Information relating to this matter has been retained in these files and is identified as Exhibit 11.

**Executive Director: Permanent Improvement Projects (Blue #12)**

The Board received a information a report that the following permanent improvement project actions had been reviewed favorably by the Joint Bond Review Committee and approved by staff:

- (a) On Summary 9-87: Items 1 through 10, 14 and 15 (involving B&C Bd-General Services and Motor Vehicle Management, Clemson, Medical University, Technical & Comprehensive Education, Mental Retardation, Parks, Recreation & Tourism, Employment Security Commission and Highway & Public Transportation); and
- (b) On Summary 10-87: Items 1 through 3, 5 through 15, 18 and 19 (involving B&C Bd-General Services, Citadel, Clemson, State College, Winthrop, Technical & Comprehensive Education, Wil Lou Gray Opportunity School, Vocational Rehabilitation, School for Deaf & Blind, Mental Health, John de la Howe, Youth Services and Wildlife & Marine Resources).

The Board received as information a report that the following permanent improvement project actions had been approved by staff and Joint Bond Review Committee review is not required:

**04912**

**Minutes of State Budget and Control Board Meeting**  
**Regular Session — November 18, 1986 — Page 6**

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On Summary 10-87: Items 21 through 47 (involving Francis Marion, Winthrop, Medical University, Technical & Comprehensive Education, Mental Health, John de la Howe, Corrections, Agriculture, PRT and Highway & Public Transportation).

Information relating to this matter has been retained in these files and is identified as Exhibit 12.

**Human Resource Management: Agency Head Salary Increases (Regular #3)**

At Mr. Patterson's request, the Board agreed to consider this item next.

Representative Robert N. McLellan, Chairman of the Executive Salary and Performance Evaluation Commission, appeared before the Board on this matter. He noted that the Commission membership also includes Senators Leatherman, Verne Smith and McLeod; Representatives McAbee, Holt, and Evatt; and from the private sector, Ms. Cynthia Gilliam, Moses Clarkson and Bill Pherigo.

Mr. McLellan then reviewed the actions taken by the Commission at its September 17 meeting, noting that the Commission then had (1) adopted the salary ranges recommended in the Hay Study, to be effective October 1, 1986, which were based on prevailing market conditions in comparable occupations; (2) awarded the 3% general increase to all agency heads effective as of October 1, 1986; (3) adopted the average 5% performance increase plan but, at the Board's request, deferred awarding these increases until more information on revenues was available; and (4) adopted the "to minimum" increase plan which brings all salaries of agency heads to the minimum of the respective salary ranges but, again at the Board's request, had deferred awarding these increases pending the availability of more information on the revenue situation.

Mr. McLellan then advised that the Commission had met again on November 14 at which time it had voted to implement the average 5% performance increases as of December 1 and to adjust to minimum the salaries of 17 agency heads which were below the minimums assigned to those positions. He stated that the payout cost for the performance increases is \$111,000 (\$194,309 annualized) and \$30,032 for the to minimum adjustments (\$51,484 annualized). Mr. McLellan pointed out that these adjustments do not require additional appropriations but are instead to come from existing funds within the budgets of the agencies

**04913**

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 7**

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involved. In that regard, Mr. McLellan respectfully asked that the Board approve the transfer of funds within agency budgets to effect these changes as it is authorized to do in the appropriations act.

Mr. McLellan also stated that the Commission had voted to change its name to the Agency Head Salary Commission. He noted that this change was initiated not to more accurately reflect the group's mission but to recognize the name given to the Commission by agency heads and others who have occasion to refer to it. He said that a bill will be introduced to effect this change.

Mr. McLellan further advised that the Commission had adopted four provisos for inclusion in the 1987-88 appropriations bill.

The first of these provides that the Commission would determine the salary increases for agency heads and that funding for general pay increases would be at the same percentage as for State employees, with the funds appropriated to the Board for allocation. He noted that any additional increases recommended by the Commission up to the midpoint of the salary range would be funded out of the individual agency budgets with the transfer of those funds being subject to Board approval.

The second proviso presented by Mr. McLellan provided that agency chief executive officers not reviewed by the Commission would receive the general pay increase effective on the first pay date on or after October 1, 1987.

Mr. McLellan then presented the third proviso which would stipulate that no employee would receive in excess of 96% of the agency head salary except upon Board approval. He noted that this provision would not apply to agencies headed by Constitutional officers.

The third proviso proposed by the Commission would require that all new members of boards and commissions whose agency head is reviewed and ranked by the Commission attend training in agency head performance appraisal provided by the Commission within one year of appointment unless excused by the Commission chairman.

In response to Governor Riley's inquiry, Mr. McLellan stated that the Commission was unanimous in actions to approve all of the recommendations presented. Governor Riley also noted that some question exists on what action if any is required of the Board other than to approve the funding transfers involved. Mr. McLellan indicated his understanding is that the Commission makes recommendations to the Board.

**04914**

**Minutes of State Budget and Control Board Meeting  
Regular Session -- November 18, 1986 -- Page 8**

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Ms. Phyllis Mayes noted that everything proposed appears to be in order and Mr. McLellan expressed his appreciation for the support of the Commission. Governor Riley observed that the system which produced these recommendations is a good one and he said he appreciated the orderly handling of agency head salaries it helped to make possible.

Following further discussion, upon a motion by Mr. Edwards, seconded by Mr. Patterson, the Board approved the Executive Salary and Performance Evaluation Commission's recommendations for agency head performance and other salary increases for 1986-87 and agreed to approve the funding transfers necessary to implement them.

Dr. Coles then recommended acceptance of the recommended provisos by the Board and suggested that the Board direct staff to include them in the total proviso package to be considered by the Board at the next meeting.

Upon a motion by Mr. Patterson, seconded by Mr. Morris and Mr. Edwards, the Board accepted the Commission's proviso recommendations and directed staff to include them in the complete proviso package to be submitted to the Board at the next meeting.

In response to Mr. Morris' invitation, Ms. Mayes reviewed the background of the actions on agency head salaries. Mr. McLellan emphasized that positions rather than individuals were first analyzed to set ranges and that then the performance of the individuals in the positions was assessed.

Information relating to this matter has been retained in these files and is identified as Exhibit 13.

**Retirement Systems: State Health Insurance Program (Regular #2)**

Appearing before the Board on this matter were Retirement System Director Purvis W. Collins and actuaries William Perry and Mark Peevy. Retirement Systems staff members Joe Mack and Phyllis Beighley also were present.

The agenda materials indicated that Retirement System staff and consultants Towers, Perrin, Forster and Crosby would report on:

- (a) the status of the State Health and Dental Insurance Reserve Fund;
- (b) proposed insurance rate increases for 1987-88; and
- (c) an alternative proposal for health insurance coverage for 1987-88.



Minutes of State Budget and Control Board Meeting  
Regular Session -- November 18, 1986 -- Page 9

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Consultant Perry indicated that his comments would be centered around the adequacy of the insurance program's reserve account. He observed that a reserve equal to about one and a half months of claims had been set as a goal or a benchmark for the program. He said that a reserve at that level falls short of the two to two and a quarter months of claims as reserves which actuaries would say is needed and what would be recommended in the private sector. Mr. Perry did express the view, however, that, as a matter of fiscal policy, the one and a half month level is a very satisfactory goal. He observed that most states do not fund their programs as well as South Carolina does.

Mr. Perry then reviewed a two-page handout which included projections of activity during 1986-87 and 1987-88 under certain assumptions. With regard to 1986-87, Mr. Perry assumed that the current plan and contributions would be continued along with a 10% adverse trend in prices and useage. The projections for 1986-87 showed an enrollment of 110,000 with total contributions of \$118,559,000 and total expenses, including incurred claims of \$128,046,000 (which included a projected \$68,000 increase in unpaid liability), of \$132,644,000. He noted that these projections would produce a \$14,017,000 reduction in the reserve balance which would bring that balance to a projected figure of \$2,054,000 (from \$16,071,000 at the end of 1985-86). He pointed out that investment earnings of \$5.5 million offset some of the projected losses and that a one-time \$3 million refund from the Metropolitan Life Insurance Company would leave about \$5 million in the reserve at the end of 1986-87. That balance, he noted, is about one-third of the objective for the reserve of one and a half months of claims.

Mr. Perry's figures showed a projected loss of some \$26.8 million in 1987-88, under the same assumptions, which would leave the reserve at about \$21 million in deficit.

Mr. Perry said that a contribution increase of 22.6% is needed to maintain the June 30, 1987 reserve or to break even; that an increase of 35.8% would be required to restore the one and a half months claims reserve; and that an increase of 44.4% would be required to meet actuarial requirements and have extended liability on hand.

04916



With regard to the dental program, Mr. Perry strongly urged the Board to look at the participation rules to avoid selection against the program.

Mr. Perry also advised Mr. Patterson that a 10% increase in program cost likely will be experienced even with various cost containment measures in place.

Following this discussion, Mr. Collins said that he hoped to present recommendations to the Board within a month. Mr. Patterson urged that the Board not accept as inevitable the projected increases of 10% or 12% and that it should continue pursuit of various cost containment measures.

Following this discussion, the Board received as information the report by Retirement System consultants (Towers, Perrin, Forster and Crosby) on (a) the status of the State Health and Dental Insurance Reserve Fund; (b) possible insurance rate increases for 1987-88; and (c) alternatives for insurance coverage for 1987-88.

Information relating to this matter has been retained in these files and is identified as Exhibit 14.

**Human Resource Management: Employee Pay Proposals, 1987-88 (Regular #4)**

Appearing before the Board on this matter was Human Resource Management Division Director Phyllis Mayes and staff member Ken Harrill.

Mr. Harrill said that the Division is recommending two general things, i.e., keeping employee pay competitive and providing a means for employees to move within their respective salary ranges. He also said that merit pay equal to any general increase is recommended.

Mr. Harrill then described recommended pay options for employees at grade 40 and below which included a general base pay increase and a merit increase funded at a level greater than the general increase for distribution based on a plan approved by his Division. He also described proposed options for classified employees above grade 40, unclassified academic employees and executive compensation system which proposed an annual increase to be distributed in variable increases based on a plan approved by his Division.

Mr. Morris then suggested that the Board revisit the employee pay increase proposal for 1987-88 which, as it stood, was for a 1½% increase which he described as most depressing. He urged the Board to do something to increase

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 11**

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that recommendation to 3% for the entire 1987-88 year. He urged that the Board agree to commit the first additional funds available for this purpose.

Upon a motion by Mr. Morris, seconded by Mr. Edwards, the Board reaffirmed and clarified its action at the November 5, 1986, meeting in which the Board agreed to explore all possible means of providing the funds needed to make the State employee pay increase of 3% recommended for 1987-88 effective July 1, 1987, rather than January 1, 1988, after agreeing that the first additional general fund revenue available should be used for this purpose.

In the discussion relating to this action, Senator Dennis emphasized that the Board is reaffirming and clarifying the action it took at the November 5 meeting.

The Board directed staff to include the provisos needed to carry out the employee pay policies recommended in the proviso package to be considered at the next meeting.

The Board received as information the Division of Human Resource Management recommendations for employee pay for 1987-88.

Information relating to this matter has been retained in these files and is identified as Exhibit 15.

**Budget Division: 1987-88 Budget Recommendations (Regular #5)**

Budget Division Director A. Baron Holmes appeared before the Board on this matter.

He described the adjustments recommended to the action of the Board on November 5 which had left a balance of \$545,004.

Adjustment 1 involved the shift of \$1,445,862 from the Comptroller General's Office to the Aid to Subdivisions and an additional 2 FTE positions.

Adjustment 2 was for an additional 10 FTE positions for the Fire Marshal Division to be paid from other funds.

Adjustment 3 reflected no appropriation for the Patriots Point Development Authority for a reduction of \$320,802. Adjustment 4 reflected a \$240,000 increase in Debt Service to pay off the internal indebtedness of the Patriots Point Authority.

Adjustments 5 and 6 were increases of \$51,068 and \$17,116 for the Bank Examiners and Consumer Finance divisions of the Board of Financial Institutions

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 12**

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to reflect exemption from the 4.8% base reduction in the 1987-88 recommendation.

Adjustment 7, as presented by Dr. Holmes, was an increase of \$513,093 for the Judicial Department to reflect exemption from the 4.8% reduction in the 1987-88 recommendation.

Dr. Holmes stated that a net balance of \$44,529 would be left if these seven adjustments were approved.

Dr. Coles noted that staff should be authorized to examine the impacts of these adjustments on 1986-87 and to make adjustments there as appropriate.

Following this discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved seven final adjustments to the 1987-88 recommended budget as proposed by the Budget Division which involved \$500,475 of funds and 12 additional FTE positions and directed staff to examine the impacts on 1986-87 of the adjustments involving the Board of Financial Institutions and the Judicial Department and to make appropriate adjustments in that year.

[Secretary's Note: Governor Riley excused himself from the meeting and Mr. Patterson chaired until Governor Riley's return. After Governor Riley left the meeting, this same motion was made by Mr. Morris, seconded by Senator Dennis and adopted.]

Dr. Holmes said that his greatest concern about the situation is that the Board of Economic Advisors did not assume that a recession would occur. He said if a recession does occur across-the-board cuts would be required in addition to those already imposed for 1986-87 and for 1987-88. He noted that the net increase recommended for 1987-88 is only \$73,311,447 of which about \$25 million was to restore the general reserve fund which left a net increase of about \$48 million total for program purposes.

Mr. Edwards stated that the House still feels very strongly about the Capital Expenditure Fund. He observed he would be remiss if he did not let the Board know of the very strong feelings of the House on this matter.

Senator Dennis asked Mr. Edwards what the House would propose to cut if the Capital Expenditure Fund were to be funded. He said that he would accept service on how the House feels but he observed that there ought to be some suggestions on where to find the funds if the Capital Expenditure Fund is to be put back in.

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 13**

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Information relating to this matter has been retained in these files and is identified as Exhibit 16.

**Budget Division: 1987-88 Appropriations Bill Provisos (Regular #6)**

The Board agreed to carry over to the next meeting consideration of the 1987-88 appropriation bill proviso package.

Information relating to this matter has been retained in these files and is identified as Exhibit 17.

**Governor's Office: Civil Contingent Fund Allocation (Regular #7)**

The Governor's Office asked for an allocation of \$30,000 from the Civil Contingent Fund to help cover expenses incurred at the recent National Governor's Association meeting at Hilton Head.

The Board was advised that private donations are being sought to repay the requested allocation which is needed to pay outstanding bills.

Upon a motion by Mr. Morris, seconded by Senator Dennis, the Board allocated \$30,000 to the Governor's Office from the Civil Contingent Fund to help pay expenses incurred at the National Governors Association meeting at Hilton Head.

Information relating to this matter has been retained in these files and is identified as Exhibit 18.

**Tax Study Committee: Civil Contingent Fund Allocation Request (Reg. #8)**

At the November 5 meeting, the Board asked staff to work with Senator Waddell, the Tax Study Committee and others on the possibility of contracting with the Policy Economic Group consultants to assess the impacts of federal tax reform on South Carolina and the means of financing such a study.

The Board then indicated a general intention to support the effort, after asking staff and Senator Waddell to present recommendations at the November 18 meeting.

Staff advised that the Board may want to consider allocating the funds required from the Civil Contingent Fund on the understanding that they would be replaced by funds from the Tax Commission's warrant fund or, perhaps, from approved accounts of the General Assembly.

**04920**



**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 14**

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[Secretary's Note: Governor Riley returned to the meeting at this point.]

At the meeting, Dr. Coles recommended that the Board approve an allocation from the Civil Contingent Fund of not to exceed \$80,000 on the understanding that the Fund would be repaid from Tax Commission funds or from approved accounts of the General Assembly.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board allocated not to exceed \$80,000 to the Tax Study Committee from the Civil Contingent Fund to finance a consultant study to assess the impacts of federal tax reform on South Carolina, after agreeing that efforts be made to replace these funds with funds from the Tax Commission or from Approved Accounts of the General Assembly.

In response to Mr. Morris, Dr. Coles indicated that the work would be completed prior to January.

Information relating to this matter has been retained in these files and is identified as Exhibit 19.

**Local Government: Rural Improvement Fund Grant Requests (Regular #9)**

The Division of Local Government advised of the following requests for rural improvement fund grants:

- (a) Berkeley County, \$60,000 on behalf of Berkeley County Water and Sewer Authority to assist in the construction of a sewer line to serve approximately 25 residents in a minority, low-income area currently using malfunctioning septic tanks.

Total project cost is \$101,076; Berkeley County Water and Sewer Authority is contributing \$41,076.

It was agreed at the meeting that these funds would come from either the House or the Senate accounts depending upon where the funds are available.

- (b) Town of Duncan, \$38,000 to complete improvements to the South Tyger River Waste Treatment System (currently under a DHEC Consent Order).

Division of funds: \$18,000 Senate; \$20,000 House.

- (c) City of Mauldin, \$50,000 to construct a sewer line to serve an area currently under a sewer moratorium.

The construction of the proposed relief line will benefit the Easlan Corporation, one other corporate user and the Southside Baptist Church

**04921**



**Minutes of State Budget and Control Board Meeting  
Regular Session — November 18, 1986 — Page 15**

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Complex. The moratorium affecting the east side of Mauldin has stifled industrial and commercial development on the I-385 corridor.

Division of funds:  $\frac{1}{2}$  Senate;  $\frac{1}{2}$  House.

- (d) Town of Pinewood, \$50,000 to construct Phase I of a municipal sanitary sewer system.

The total project cost is \$326,000 (\$75,000 DHEC; \$150,855 CDBG; \$29,500 Local Government, Fall 1985; \$20,645 Town of Pinewood; \$50,000 Local Government.

This grant will be 100% Senate funds.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved the following Local Government grants: (a) Berkeley County, \$60,000; (b) Town of Duncan, \$38,000; (c) City of Mauldin, \$50,000; and (d) Town of Pinewood, \$50,000.

Information relating to this matter has been retained in these files and is identified as Exhibit 20.

**Executive Director: Building Energy Standards (Regular #10)**

At the meeting on October 21, the Board adopted in principle the Building Energy Standards proposed by the S.C. Energy Office. The Board also referred the Standards to the Executive Director's Office for study and recommendations by the November 18 meeting.

Staff asked that the Board carry this matter over to the December 2 meeting.

The Board agreed to consider staff recommendations on the Building Energy Standards proposed by the S. C. Energy Office at the December 2 meeting.

Information relating to this matter has been retained in these files and is identified as Exhibit 21.

**Higher Education: Tuition Fee Adjustment (S. C. State College) (Reg #11)**

Commission on Higher Education Executive Director Charles Brooks appeared before the Board on this matter. He introduced S. C. State College President Albert Smith.

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 16**

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On behalf of S. C. State College, the Commission on Higher Education (CHE) asked that the Board approve a tuition fee of zero for State Institution Bond purposes during 1986-87. State College now levies a tuition fee of \$200 per student and deposits the proceeds, amounting to \$650,000 to \$700,000 per year, into its Institution Bond Debt Service Account.

CHE indicated that the Institution Bond Debt Service Account balance now is \$3,000,000 (staff determined later that it was actually nearer \$1 million). State College has no institution bonds outstanding which means that there is no debt service obligation. Some of the funds now in the account have been approved for use on various permanent improvement projects.

CHE also recommended that the State College tuition be set at \$100 per student for 1987-88 with the balance going into operations.

The proposal is that the diverted tuition fee revenue be used to finance a program of "image enhancement and student recruitment," estimated to cost \$310,000, and to establish a division of development and institutional relations at a cost of \$218,228. Details on these proposals were provided in an attachment to the agenda materials.

The Board was reminded that, once the fees are deposited into the debt service account, the law (59-107-40) requires that any surplus debt service funds be used only for specified purposes which do not include the payment of operating costs.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved tuition fees for Institution Bond purposes at S. C. State College as follows: (a) zero for 1986-87 and \$100 per student for 1987-88; and (b) agreed that diverted tuition fee revenue may be used to finance the programs recommended by CHE and for general operating purposes.

Information relating to this matter has been retained in these files and is identified as Exhibit 22.

**Executive Director: Private Activity Bonds; Ceiling Allocations (Reg #12)**

Board Secretary/Deputy Executive Director William A. McInnis appeared before the Board on this matter.

The Board was advised that the required reviews (for State law approval purposes) on the proposals to issue revenue bonds had not yet been completed and Mr. McInnis asked that they be given conditional approval.

**04923**

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 17**

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He observed that, contrary to what bond attorneys and others had been expecting, a competitive situation suddenly has developed in the State Ceiling area. He emphasized that the requests presented to the Board today are in strict order of receipt of completed requests which is the first-come, first-served approach the allocation process has operated under from the beginning. He pointed out that the shift of ceiling amounts from one Pool to another, as would be needed to do what is requested, requires review and comment by the Bond Committee under the allocation regulations in effect. He recommended that the Board approve the allocations as requested.

The Board was advised that all projects except (g) require approval under State law. The JEDA private placements require Board approval under State law. An allocation of a portion of the Ceiling is requested all projects except (f).

The Board also was advised that bond counsel for the Jobs-Economic Development Authority requests that the following ceiling allocations be extended to December 31, 1986: (a) \$600,000, Rainbow Oil Company, Inc.; and (b) \$1,000,000, Palmetto Tile Distributors, Inc.

The Board also was advised that bond counsel for Charleston County has requested an extension to December 31, 1986, of the \$5,000,000 allocation for Coburg Dairy.

In addition, Mr. McInnis noted that bond counsel for the Cherokee County Clarkson Associates project had asked that the \$1,800,000 allocation for the project, approved July 29, be reinstated.

The Board was provided with a status report on the State Ceiling as of November 13, 1986 and a report which showed the effects on the State Ceiling balance of the approvals recommended at this meeting.

Governor Riley observed that JEDA apparently has about \$15 million of projects which are certain with the likelihood of another \$15 million by the end of the year. He asked that the Board think out this situation, after noting that JEDA Director Elliott Franks was present. It was noted that JEDA has \$17 million in ceiling allocation requests in the list recommended for approval. Governor Riley noted that the JEDA projects for which ceiling allocations would be needed would create almost 1,000 jobs around the State. He noted that the first-come, first-served philosophy is simplistic and that job creation ought to be a first consideration.

**04924**

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 18**

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Mr. McInnis advised Mr. Morris that we cannot yet know if any of the State Ceiling would not be used although he expressed doubt that that would be the case. He also reminded the Board that earlier it had agreed to allocate to the State Housing Authority for carry forward any State Ceiling amount not asked for by any other issuing authority.

Mr. Morris then noted the \$69 million allocation requested by the Piedmont Municipal Power Agency (PMPA), an organization of ten municipalities, for refunding bonds. Attorney Wayne Corley, counsel for PMPA, noted that, as a result of the refunding, its rate payers are expected to realize gross savings of about \$45 million over the life of the bonds. He advised Governor Riley that if the \$69 million allocation requested were reduced it would complicate the matter and put it in some jeopardy.

Following this further discussion, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board adopted resolutions approving the following proposals to issue revenue bonds for items (a) through (f), on the condition that the required reviews are completed with satisfactory results; after agreeing to shift \$12,655,000 (later corrected to \$12,705,000 to reflect the \$950,000 amount on the Greenville Random Associates project rather than the \$900,000 shown in the agenda materials) from the State Government Pool to the Local Pool with review and comment on the shift by the Joint Bond Review Committee, allocated a portion of the State Ceiling to each project listed below except (f); and reinstated the Cherokee County Clarkson Associates ceiling allocation of \$1,800,000; extended the following ceiling allocations (Exhibit 23) to December 31, 1986: (1) JEDA \$600,000, Rainbow Oil Company, Inc.; (2) \$1,000,000, JEDA Palmetto Tile Distributors, Inc.; and (3) \$5,000,000 Charleston County Coburg Dairy; and received as information the status report on the State Ceiling (Exhibit 23):

- (a) Issuing Authority: Greenville County  
Amount of Issue: \$950,000 Industrial Revenue Bond  
Name of Project: Random Associates  
Employment Impact: 15  
Project Description: Warehouse/distribution facility for  
construction and industrial maintenance products  
(Exhibit 23A)

[Secretary's Note: This project amount was incorrectly shown in the agenda materials as \$900,000 rather than \$950,000. Bond counsel regretted



**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 19**

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having shown the \$900,000 at two places on the Board's transmittal form. Board staff determined that the supporting documents, including the petition to the Board, did request \$950,000. The error was corrected after the meeting.]

- (b) Issuing Authority: North Charleston Redevelopment Commission  
Amount of Issue: \$9,500,000 Multifamily Housing Revenue Bonds  
Name of Project: Ben Tillman Homes  
Project Description: REINSTATEMENT OF ALLOCATION WHICH LAPSED  
10/27/86  
(Exhibit 24)
- (c) Issuing Authority: JEDA  
Amount of Issue: \$8,500,000 Industrial Development Revenue Note  
Name of Project: Charleston Waterfront Project I  
Employment Impact: 283  
Project Description: Passenger terminal, port reception and  
related activity facility  
(Exhibit 25)
- (d) Issuing Authority: JEDA  
Amount of Issue: \$8,500,000 Industrial Development Revenue Note  
Name of Project: Charleston Waterfront Project II  
Employment Impact: 283  
Project Description: Passenger terminal, port reception and related  
activity facility  
(Exhibit 26)
- (e) Issuing Authority: Family Farm Development Authority  
Amount of Issue: \$150,000 Agricultural Development Revenue Bonds  
Name of Project: Jack Denver Powell  
Project Description: Construct 3 broiler houses and install  
appropriate equipment  
Maturity Schedule: 40 equal payments of \$5,081.43, payable every  
73 days over a period of 8 years plus interest  
at a rate not exceeding 12%  
Bond Purchaser: Bank of Westminster  
(Exhibit 27)
- (f) Issuing Authority: Chesterfield County  
Amount of Issue: \$8,925,000 Subordinated Revenue Bonds  
Name of Project: Hospital Corporation of America  
Project Description: REFUNDING (No allocation)  
(Exhibit 28)
- (g) Issuing Authority: Piedmont Municipal Power Agency  
Amount of Issue: \$325,000,000 Electric Revenue Refunding Bonds  
Name of Project: 1986 Bonds  
Project Description: \$69,000,000 ALLOCATION REQUESTED  
(Exhibit 29)

**04926**

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 20**

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Information relating to this matter has been retained in these files and is identified as Exhibits 23 through 29, respectively.

**Executive Director: Ceiling Allocation Outlook (Regular #13)**

Board Secretary/Executive Director William A. McInnis appeared before the Board on this matter.

He advised that responses received from bond attorneys active with South Carolina issuing authorities to a questionnaire which asked them to report on any ceiling allocations expected between now and year end indicated that about \$189.5 million of allocations are expected. He reminded the Board that \$100 million of that total is the State Housing Authority request for carry forward purposes.

The Board received as information a report that the bond attorneys have reported they expect \$189.5 million of private activity bond ceiling allocations during the remainder of the calendar year and that a balance of \$17,320,000 (revised to \$17,270,000 to reflect the \$50,000 adjustment for the Greenville Random Associates project) remains.

Information relating to this matter has been retained in these files and is identified as Exhibit 30.

**Executive Director: Drafting Period Notice (State Ceiling Regs) (Reg #14)**

Board Secretary/Deputy Executive Director William A. McInnis appeared before the Board on this matter.

The Board was advised that the State Ceiling allocation process now operates under Executive Order 86-20, issued by Governor Riley on October 22, 1986.

Mr. McInnis observed that this Executive Order was intended only to bring the South Carolina procedures into compliance with the Tax Reform Act of 1986. He pointed out that it did not address the sticky policy questions posed by that Act which arise mostly out of the fact that the volume cap is reduced by 50% for calendar year 1987 from \$150 per resident to \$75 and more potential claimants (mostly for housing bonds) were added. The volume cap will drop to \$50 per resident in 1988.

04927

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 21**

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He noted that the drafting period notice is the required first step in the formal process of revising these regulations and that it merely gives notice that the revision drafting process is underway. Whatever regulations come out of this step would go through the required review and comment process before the Board would be asked to approve them for submission to the General Assembly.

Mr. McInnis noted that the Board may have to issue regulations on an emergency basis to ensure continuity in our processes. This could be necessary if it were determined that Governor Riley's Executive Order of October 22 is not effective after January 14, 1987, when he leaves office.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved the submission of drafting period notice on private activity bond state ceiling allocation regulations revisions for publication in the State Register.

Information relating to this matter has been retained in these files and is identified as Exhibit 31.

**Executive Director: Permanent Improvement Projects (Regular #14)**

Board Secretary/Deputy Executive Director William A. McInnis appeared before the Board on this matter.

Budget and Control Board approval was requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

On Summary 9-87:

Item 17: Agency: Highway & Public Transportation  
Project: Kingstree Maintenance Complex  
Request: Establish project and budget  
Amount: \$2,350,000  
Source: Other (S.C.D.H. & P.T.) funds  
Purpose: To construct a 35,060 square foot vehicle repair shop, truck shed and engineering office building.

On Summary 10-87:

Item 4: Agency: Clemson University  
Project: 8772, Varsity Tennis Court Shelter  
Request: Increase budget to \$1,038,500  
Amount: \$488,500  
Source: Athletic and Other (Private Donations) funds

04928

**Minutes of State Budget and Control Board Meeting**  
**Regular Session — November 18, 1986 — Page 22**

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Purpose: To incorporate approximately 500 feet of underground high voltage/comm. duct bank with related construction, reworking existing transformer, installation. Required because existing electrical system in area was inadequate to serve proposed facilities and to meet code requirements.

Item 20: Agency: Parks, Recreation & Tourism  
Project: 7157, Lake Hartwell State Park  
Request: Increase budget to \$3,710,296.42  
Amount: \$500,000  
Source: Capital Improvement Bond and Federal funds  
Purpose: To match Group 9 bond funds as approved by the Budget and Control Board (9/23/86) with Federal funds provided by the U.S. Army Corps of Engineers.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved the referenced permanent improvement project establishment requests and budget revisions which had been reviewed favorably by the Joint Bond Review Committee.

Information relating to this matter has been retained in these files and is identified as Exhibit 32.

**Budget and Control Board: Future Meeting (Regular #16)**

The Board agreed to hold a regular meeting at 10 a.m. on Tuesday, December 2, 1986, in the Governor's conference room in the State House.

**Budget and Control Board: Meeting Schedule 1987 (Regular #17)**

The Board was reminded that, at this time each year, it sets its regular business meeting schedule for the following year, as required by the Freedom of Information Act (Code Section 30-4-80).

The Board directed Dr. Coles to contact Governor-elect Campbell's transition team to coordinate meeting dates and to review pending situations.

The Board agreed to hold regular meetings on the following dates in 1987:

January	6	16	27	July	14	28
February		10	24	August	11	25
March		10	24	September	8	22
April		14	28	October	13	27
May		12	26	November	10	24
June		9	23	December	8	22

**04929**



#### Executive Session

Dr. Coles advised that two personnel items had been proposed for consideration during executive session.

Senator Dennis asked that the Board add one personnel item to the proposed executive session agenda.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board agreed to consider these items in executive session whereupon Governor Riley declared the meeting to be in executive session.

#### Ratification of Executive Session Actions

Following consideration of executive session actions, the meeting was opened and, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board ratified the following actions which were taken during executive session:

- (1) Approved South Carolina State College salary increases ranging from 10.1% to 27.5% awarded to 13 unclassified faculty members effective as of November 18, 1986;
- (2) Approved the following adjustments to the organization of the Board divisions and the Office of Executive Director:
  - (a) Separated the planning and regulatory functions from the Division of Information Resource Management and placed them under the supervision of the Research and Statistical Services Division (Bowers);
  - (b) Placed under the supervision of Deputy Executive Director Griswold the following divisions: Information Resource Management; General Services; and Motor Vehicle Management;
  - (c) Placed under the supervision of Deputy Executive Director Laurent the following divisions: Budget; Human Resource Management; Research and Statistical Services; Local Government; and Fire Marshal; and
- (3) Named Acting Director John A. Martin, Jr., as Director of the Confederate Relic Room, and directed staff to submit to the General Assembly proposed legislation clarifying authority over the operation of the Confederate Relic Room.

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- November 18, 1986 -- Page 24**

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**Adjournment**

Upon a motion by Mr. Patterson, seconded by Senator Dennis, the meeting was adjourned at 12:30 p.m.

[Secretary's Note: In compliance with Code §30-4-80, public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Press Secretary and in the Press Room in the State House, near the Board Secretary's office in the Wade Hampton Building, and in the lobby of the Wade Hampton Office Building at 9 a.m. on Monday, November 17, 1986.]

**C4931**

# EXHIBIT

NOV 18 1986

NO. 1

STATE BUDGET AND CONTROL BOARD  
STATE BUDGET AND CONTROL BOARD BLUE AGENDA  
MEETING OF November 18, 1986 ITEM NUMBER 1

AGENCY: Fire Marshal

SUBJECT: Arson Advisory Committee Report

In accord with Code §23-9-210, the Arson Advisory Committee has submitted its report on the activities of the Arson Control Team from the Fire Marshal's Office during 1985-86.

The Team was involved in investigating:

- (a) 382 structural fires;
- (b) 56 mobile home fire;
- (c) 44 vehicle fires; and
- (d) 11 bombings (or related devices).

It cleared 103 cases by arrest and 209 by determining that no crime was involved.

BOARD ACTION REQUESTED:

Receive as information the 1985-86 Arson Advisory Committee activity report.

ATTACHMENTS:

Chairman Chambers November 7 letter to Coles plus attachment.

04932

State of South Carolina  
Division of State Fire Marshal  
Budget and Control Board

RECEIVED

NOV 12 1986

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

800 DUTCH SQUARE BLVD., SUITE 201  
COLUMBIA, S.C. 29210  
(803) 758-6612

REMBERT C. DENNIS, CHAIRMAN  
SENATE FINANCE COMMITTEE

TOM G. MANGUM, CHAIRMAN  
WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

RICHARD S. CAMPBELL, P.E.  
STATE FIRE MARSHAL

EXHIBIT

November 7, 1986

NOV 18 1986 NO. 1

Dr. Jesse A. Coles, Jr.  
Executive Director  
Budget and Control Board  
612 Wade Hampton Building  
Columbia, SC 29201

STATE BUDGET & CONTROL BOARD

Dear Dr. Coles:

Pursuant to Chapter 9, Title 23, Section 23-9-210, South Carolina Code of Laws, as amended, the Arson Advisory Committee respectfully submits the attached statistical report. This report reflects the activities of the Arson Control Team of the Division of State Fire Marshal for the 1985-86 fiscal year. This was the first complete fiscal year the team was operational since the appointment of the Arson Advisory Committee.

The Arson Control Team was not fully staffed for the entire time period of this report, but they still performed an admirable job. As the statistics show, the Arson Control Team is making great gains toward curbing the arson problem in the State with a 37 percent arrest rate. An effective case management information system to effectively track the progress of each case has been recently implemented. Vacancies, as they occur, are being filled on a regional basis to contain travel costs and to lower response time below the stated objective of two hours.

The Committee feels that the Arson Control Team is operating effectively and that they are making positive improvements to better serve the citizens of South Carolina.

Sincerely,

*Gary L. Chambers*  
Gary Chambers, Chairman  
Arson Advisory Committee

GC:m

attachment

04933



ARSON CONTROL TEAM  
1 July, 1985 through 30 June, 1986

The following statistics represent the activities of the Arson Control Team from July 1, 1985, through June 30, 1986. The below-listed abbreviations will be used throughout the report:

Struct.--Structure Fires	CNC--Cleared Non-Criminal
Fat.--Fatalities due to fire	AI--Active Investigations
M.H.--Mobile Home Fires	IA--Inactive Investigations
Veh.--Vehicle Fires	Other--Non-fire related calls
Bomb--Bombing or related devices	CSO--Crime Scene Only
CA--Cleared by arrest	

	<u>Struct</u>	<u>Fat.</u>	<u>M.H.</u>	<u>Veh.</u>	<u>Bomb</u>	<u>CA</u>	<u>CNC</u>	<u>AI</u>	<u>IA</u>	<u>Other</u>	<u>CSO</u>
Abbeville	3	1		1		1	1	1			1
Aiken	1							1			
Allendale	2					1	1				
Anderson	10				1	3	7	1			
Bamberg	10		2	1		4	3	5	1		
Barnwell	7	1	1			1	4	3			
Beaufort	2					1		1			
Berkeley	14		4	2	1	7	8	2	2		2
Calhoun	3						2	2		1	
Charleston	13		1			5		5	4		
Cherokee	1						1				
Chester	4				1		4	1			
Chesterfield	7		2	3		4	4		4		
Clarendon	18			7		7	7	6	5		
Colleton	6		2	1		2	3	3	1		
Darlington	28		8		1	14	17	1	5		
Dillon	10	1	2				4	6	2		
Dorchester	5			1		1	1	2	1		1
Edgefield	3			1		1	1	1			1
Fairfield	2		1	1			2	2			
Florence	8			2		1	5		4		
Georgetown	18	1	1			10	8		2	1	
Greenville	1		3				1	2	1		
Greenwood	6	1	1	1		1	5	1			1

04934

EXHIBIT  
NOV 18 1986  
NO. 1  
STATE BUDGET & CONTROL BOARD

	<u>Struct.</u>	<u>Fat.</u>	<u>M.H.</u>	<u>Veh.</u>	<u>Bomb</u>	<u>CA</u>	<u>CNC</u>	<u>AI</u>	<u>IA</u>	<u>Other</u>	<u>CSO</u>
Hampton	4		1				3	2			
Horry	34	2	2	7		3	20	10	9		1
Jasper	9	1	3				7	1	3		1
Kershaw	4		1			1	2	1	1		
Lancaster	3		3				5	1			
Laurens	15	2	1	1		6	9	1	1		
Lee	3		1	3		1	2	4			
Lexington	4		2		2	2	5	1			
McCormick			1	1		1	1				
Marion	7					1	5		1		
Marlboro	16		1			3	6	5	3		
Newberry	9			2	1	1	7	3	1		
Oconee	5		1				3	3			
Orangeburg	21	1	6	1	2	4	6	20			
Pickens	3					1	1				1
Richland	21		3	2	1	3	10	9	2	1	4
Saluda	1	1		1			2				
Spartanburg	4					3	1	2		3	1
Sumter											
Union	11			2			10	2			1
Williamsburg	17		2	2		8	7	3	3		
York	9			1	1	1	8	2			
Totals	382	12	56	44	11	103	209	116	56	6	15
Total Responses	499					103	209	116	56		15

The above figures reflect a 37.5% arrest rate.

04935

EXHIBIT  
NOV 18 1986 NO. 1  
STAT BUDGET & CONTROL BOARD

# EXHIBIT

NOV 18 1986

NO. 2

STATE BUDGET & CONTROL BOARD  
STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

BLUE AGENDA  
ITEM NUMBER

2

AGENCY: Division of Local Government

SUBJECT: Rural Improvement Funds Expenditures during October 1986 (Senate)

Projects included:	13
Total expenditure	
State grant funds:	\$195,500
Applications approved	
during current fiscal year:	64 involving \$972,498
Applications pending:	4 involving \$123,000
Grant fund balance available:	\$1,904,502

BOARD ACTION REQUESTED:

Receive as information the Local Government report on rural improvement funds expended by the Senate during October 1986 which includes 13 projects totalling \$195,500 in State grant funds and which indicates that 64 applications involving \$972,498 have been approved during the current fiscal year, that 4 applications totalling \$123,000 are pending, and that the grant funds balance available is \$1,904,502.

ATTACHMENTS:

Agenda item worksheet plus attachments.

04936

NOV 12 1986

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

November 18, 1986

☒ Blue Agenda

☐ Regular Session Agenda

☐ Executive Session Agenda

1. Submitted By:

(a) Agency: B&C BD--Local Government

(b) Authorized Official Signature:

*M. A. Dullidge*

2. Subject: Rural Improvement expenditures by the Senate during  
October 1986

3. Summary Background Information:

The referenced report includes 13 projects involving a total expenditure of \$195,500 in Rural Improvement Funds. This report shows that 64 applications involving \$972,498 have been approved during the current fiscal year and that 4 applications totaling \$123,000 are pending. At this point there is a balance of \$1,904,502 available in grant funds.

EXHIBIT

NOV 18 1986

NO. 2

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Receive as information

5. What is recommendation of the Board Division involved?

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

Attached report

04937



BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

RURAL IMPROVEMENT FUNDS

REPORT OF November 18, 1986

Balance Available for Grants	///	\$1,904,502
Approved To Date	64	972,498
Disapproved To Date		
Pending	4	123,000

(Above Figures Include Items In This Report)

Expenditures by the Senate for the period October 1 through October 31

Name & Address of Applicant	Date Of Application	State Funds Requested	Other Funds		Date Approved Or Disapproved	Amount Approved	Brief Description of Project
			Federal	Local			
1. City of Walterboro P.O. Box 709 Walterboro, SC 29488	8/25/86	8,000	----	----	10/3/86	4,000	Extension of sewer service to N. N. Ball and Roller (25 jobs)
2. Anderson County P.O. Box 4046 Anderson, SC 29621	6/18/86	49,000	----	71,000	10/8/86	29,500	Construction of a building to house offices of the Sandy Spring Water Company
3. Oconee County County Mail Room Walhalla, SC 29691	10/6/86	14,800	----	----	10/8/86	7,250	Extension of sewer service to Zupan-Smith Concrete Company and Rhodes Janitorial Supply (18 new jobs)
4. Greenville County Courthouse Annex Greenville, SC 29601	9/30/86	50,000	----	----	10/8/86	12,500	Completion of relocation of gas lines in order to establish a wholesale and farmer/trucker facility at the Greenville Farmers Market
5. Anderson County P.O. Box 4046 Anderson, SC 29621	9/26/86	10,000	----	----	10/8/86	5,000	Installation of water lines by the Starr-Iva Water and Sewer Company to serve the Good Hope community
6. Cherokee County 210 North Limestone Street Gaffney, SC 29342	10/8/86	4,000	----	----	10/14/86	2,000	Purchase of a vehicle for use as an Emergency Preparedness Mobile Command Post

EXHIBIT

NOV 18 1986

NO. 2

STATE BUDGET & CONTROL BOARD

04938

BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

RURAL DEVELOPMENT FUNDS

REPORT OF November 18, 1986 Cont'd

Balance Available for Grants		
Approved To Date		
Disapproved To Date		
Pending		

(Above Figures Include Items In This Report)

2

Name & Address of Applicant	Date Of Application	State Funds Requested	Other Funds		Date Approved Or Disapproved	Amount Approved	Brief Description of Project
			Federal	Local			
7. City of Sumter P.O. Box 1449 Sumter, SC 29151	12/6/85	27,500	----	20,500	10/16/86	12,500	Construction of a visitors welcome center at Swan Lake--Iris Gardens
8. City of Belton 306 Anderson Street Belton, SC 29627	7/25/86	28,160	----	----	10/16/86	14,000	Engineering study to evaluate the condition of the old elevated water storage tank
9. City of Cayce 1800 12th Street Cayce, SC 29033	8/29/86	30,000	----	30,000	10/24/86	25,000	Installation of a sewer line on Oak Street in order to eliminate malfunctioning septic tanks
10. Town of Pelion 960 Magnolia Street Pelion, SC 29123	10/22/86	12,000	----	18,000	10/24/86	10,000	Extension of water lines
11. Town of Lincolnville P.O. Box 536 Lincolnville, SC 29484	7/22/86	39,000	486,000 <sup>a</sup> 368,100 <sup>b</sup>	----	10/21/86*	39,000	Construction of a wastewater collection system
12. Spartanburg County 180 Magnolia Street Spartanburg, SC 29301	10/8/86	40,000	----	144,555	10/21/86*	20,000	Extension of water lines by the Meansville-Riley Road Water Company to serve the Whispering Pines area
13. Kershaw County Courthouse Camden, SC 29020	10/28/86	50,000	----	50,000	10/30/86	14,750	Drilling of a deep well for the Bethune Rural Water Company

\* Approved by B&C Board  
a EDA  
b CDBG

04939

EXHIBIT

NOV 18 1986

NO. 2

STATE BUDGET & CONTROL BOARD

# EXHIBIT

NOV 18 1986

NO. 3

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

BLUE AGENDA  
ITEM NUMBER

3

AGENCY: Division of Local Government

SUBJECT: Rural Improvement Funds Expenditures during October 1986 (House)

Projects included:	16
Total expenditure	
State grant funds:	\$188,400
Applications approved	
during current fiscal year:	69 involving \$922,475
Applications pending:	4 involving \$95,000
Grant fund balance available:	\$1,982,525

BOARD ACTION REQUESTED:

Receive as information the Local Government report on rural improvement funds expended by the House of Representatives during October 1986 which includes 16 projects totalling \$188,400 in State grant funds and which indicates that 69 applications involving \$922,475 have been approved during the current fiscal year, that 4 applications totalling \$95,000 are pending, and that the grant funds balance available is \$1,982,525.

ATTACHMENTS:

Agenda item worksheet plus attachments.

04940

NOV 12 1986

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

November 18, 1986

☒ Blue Agenda

☐ Regular Session Agenda

☐ Executive Session Agenda

1. Submitted By:

(a) Agency: B&C BD--Local Government

(b) Authorized Official Signature:

*M. S. Dilledy*

2. Subject: Rural Improvement expenditures by the House during  
October 1986

3. Summary Background Information:

The referenced report includes 16 projects involving a total expenditure of \$188,400 in Rural Improvement Funds. This report shows that 69 applications involving \$922,475 have been approved during the current fiscal year and that 4 applications totaling \$95,000 are pending. At this point there is a balance of \$1,982,525.

EXHIBIT

NOV 18 1986

NO. 3

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Receive as information

5. What is recommendation of the Board Division involved?

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

Attached report

04941



BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

RURAL IMPROVEMENT FUNDS

REPORT OF November 18, 1986

Balance Available for Grants	///	\$ 1,982,525
Approved To Date	69	922,475
Disapproved To Date		
Pending	4	95,000

(Above Figures Include Items In This Report)

Expenditures by the House for the period October 1 through October 31

Name & Address of Applicant	Date Of Application	State Funds Requested	Other Funds		Date Approved Or Disapproved	Amount Approved	Brief Description of Project
			Federal	Local			
1. Anderson County P.O. Box 4046 Anderson, SC 29621	10/1/86	10,000	----	26,000	10/1/86	10,000	Installation of 4 inch water main along S-4-65 to Vandale Place Subdivision
2. City of Walterboro P.O. Box 709 Walterboro, SC 29488	8/25/86	8,000	----	----	10/3/86	4,000	Extension of sewer service to N. N. Ball and Roller (25 jobs)
3. Oconee County County Mail Room Walhalla, SC 29691	10/6/86	14,800	----	----	10/8/86	7,250	Extension of sewer service to Zupan-Smith Concrete Company and Rhodes Janitorial Supply (18 new jobs)
4. Greenville County Courthouse Annex Greenville, SC 29601	9/30/86	50,000	----	----	10/8/86	12,500	Completion of relocation of gas lines in order to establish a wholesale and farmer/trucker facility at the Greenville Farmers Market
5. Anderson County P.O. Box 4046 Anderson, SC 29621	9/26/86	10,000	----	----	10/8/86	5,000	Installation of water lines by the Starr-Iva Water and Sewer Company to serve the Good Hope community
6. Cherokee County 210 North Limestone Street Gaffney, SC 29342	10/8/86	4,000	----	----	10/14/86	2,000	Purchase of a vehicle for use as an Emergency Preparedness Mobile Command Post

EXHIBIT

NOV 18 1986

NO. 3

STATE BUDGET & CONTROL BOARD

34942

BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

RURAL IMPROVEMENT FUNDS

REPORT OF November 19, 1986 Cont'd

Balance Available for Grants		
Approved to Date		
Disapproved to Date		
Pending		

(Above Figures Include Items in This Report)

Name & Address of Applicant	Date of Application	State Funds Requested	Other Funds		Date Approved Or Disapproved	Amount Approved	Brief Description of Project
			Federal	Local			
7. City of Sumter P.O. Box 1449 Sumter, SC 29151	12/6/86	27,500	----	20,500	10/16/86	12,500	Construction of a visitors welcome center at Swan Lake--Iris Gardens
8. City of Belton 306 Anderson Street Belton, SC 29627	7/25/86	28,160	----	----	10/16/86	14,000	Engineering study to evaluate the condition of the old elevated water storage tank
9. Laurens County West Main Street Laurens, SC 29360	9/25/86	10,000	----	50,000	10/24/86	10,000	Increase of the green box program
10. Town of Norris P.O. Drawer N Norris, SC 29667	10/20/86	1,000	----	----	10/24/86	1,000	Repair of heating system in municipal building
11. City of Forest Acres 5205 Trenholm Road Columbia, SC 29206	9/17/86	29,750	----	----	10/24/86	29,500	Upgrading of water line to provide adequate pressure and fire protection
12. Spartanburg County 180 Magnolia Street Spartanburg, SC 29301	10/8/86	40,000	----	144,555	10/21/86	20,000	Extension of water lines by the Meansville-Riley Road Water Company to serve the Whispering Pines area

04943

# EXHIBIT

NOV 18 1986 NO. 3

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

RURAL DEVELOPMENT FUNDS

REPORT OF November 18, 1986 Cont'd

Balance Available For Grants		
Approved To Date		
Disapproved To Date		
Pending		

(Above Figures Include Items In This Report)

Name & Address of Applicant	Date Of Application	State Funds Requested	Other Funds		Date Approved Or Disapproved	Amount Approved	Brief Description of Project
			Federal	Local			
13. Lancaster County P.O. Box 730 Lancaster, SC 29720	10/8/86	29,900	----	32,892	10/30/86	29,000	Installation of water lines in the Flint Ridge system
14. Anderson County P.O. Box 4046 Anderson, SC 29621	10/20/86	7,500	----	----	10/30/86	6,900	Installation of water lines and appurtenances on Fant Road
15. Kershaw County Courthouse Camden, SC 29020	10/28/86	50,000	----	50,000	10/30/86	14,750	Drilling of a deep well for the Bethune Rural Water Company
16. Florence County P.O. Box G City/County Complex Florence, SC 29501	10/20/86	10,000	----	----	10/30/86	10,000	Construction of billboards to advertise the Pee Dee Farmers Market

04944

# EXHIBIT

NOV 18 1986

NO. 4

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

BLUE AGENDA

ITEM NUMBER

4

AGENCY: General Services

SUBJECT: Right-of-way Easement

The Division of General Services recommends approval of an easement to the City of Columbia to allow the City to complete water system improvements along Bull Street (Department of Social Services).

Staff further recommends that the easement be granted on the condition that the State government be allowed unlimited tap-ons at no cost to the State government within the easement area.

BOARD ACTION REQUESTED:

Grant a right-of-way easement to the City of Columbia to allow the City to complete water system improvements along Bull Street (Department of Social Services).

ATTACHMENTS:

Agenda item worksheet and attachment

04945



BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

☒ Blue Agenda  
☐ Regular Session Agenda  
☐ Executive Session Agenda

November 18, 1986

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly, Director

2. Subject:

Right-of-Way Easement

3. Summary Background Information:

This is an easement from the State to the City of Columbia for the purpose of allowing the City to complete water system improvements along Bull Street on the property of the State of South Carolina (S.C. Department of Social Services).

This Easement is being presented to the Board for approval pursuant to Code Section 10-1-130.

**EXHIBIT**

NOV 18 1986 NO. 4

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Approve the proposed easement.

5. What is recommendation of the Board Division involved?

That the proposed easement be approved.

6. Recommendation of other office (as required)?

(a) Office Name \_\_\_\_\_ Authorized  
(b) Signature \_\_\_\_\_

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

1. Original Easement (2 pages)
2. Original Plat/Drawing
3. Letter dated November 3, 1986,  
from the City to Jack Spratt

04946



# EXHIBIT

NOV 18 1986

NO. 4

CITY OF COLUMBIA  
SOUTH CAROLINA

STATE BUDGET & CONTROL BOARD

UTILITIES & ENGINEERING DEPARTMENT 1227 J AUREL ST. P.O. BOX 147 COLUMBIA, SC 29201 (803) 733-8212

November 3, 1986



Re: Easement Acquisition,  
Project #WA487-5/6-H6

Mr. Jack Sprott  
Office of Property Management  
300 Gervais Street  
Columbia, SC 29201

Dear Mr. Sprott:

In keeping with the growth of the Columbia area, the City of Columbia is working to maintain adequate supplies of water for domestic, recreational and fire protection purposes.

In order to meet current demands, the City is planning improvements to the water system in your area. This is a high priority project which must be completed as soon as possible in order to meet current demands on the water system.

Our records show that you are the owner of lot 1, block 4, tax map sheet 9114, that was last revised December, 1983. In order to complete water system improvements in your neighborhood, we are requesting an easement for a water main connection on a portion of your property.

The Engineering Division has studied the route and location of the water main in order to obtain maximum benefit to the system with the least inconvenience to you, the property owner.

Enclosed you will find a plat map depicting part of your property and the placement of the water main. Where a construction easement is shown, this would be only a temporary easement. If there are fences, shrubs, trees, etc., within the permanent or construction easements, every effort will be made to avoid damage or removal. If items must be removed or are damaged during construction, the City will restore the area, as nearly as practical, to its original condition. Fences will be replaced and shrubbery will be replaced with nursery stock of the same variety. The City has a legal obligation to provide these services as a result of the enclosed easement.

04947

Mr. Jack Sprott

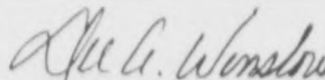
- 2 -

November 3, 1986

We have enclosed an easement document (original and one copy), a sample easement and instructions showing how the easement should be completed and executed. We are also enclosing a plat depicting part of your property and the location and dimensions of the easement you are requested to grant. We would greatly appreciate it if you would sign and return the original easement as soon as possible. An envelope is provided for this purpose. You may keep the plat and copy of the easement for your files.

Thank you for your cooperation. Should you have questions or like to discuss this further, you may call B. Gale Bowers at 733-8232.

Yours very truly,



Dee A. Winslow  
Administrator  
Operations Division

BGB:ojs F-D-142-II

Enclosures

04948

# EXHIBIT

NOV 18 1986

NO. 4

State of South Carolina

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 26, 1986

### MEMORANDUM

TO: Jack Sprott, Property Management

FROM: Bill McInnis *WJM*

SUBJECT: Easement to City of Columbia Approved 11/18/86: CONDITION

The Board approved the easement to the City of Columbia which was the only such request on the agenda of the November 18, 1986 meeting on the condition that the State government is allowed unlimited tap-ons within the easement area at no cost to the State government.

04949



# EXHIBIT

NOV 18 1986

NO. 4

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA )

)

EASEMENT

COUNTY OF RICHLAND )

In consideration of the sum of One (\$1) Dollar, each to the other paid,  
receipt of which is hereby acknowledged, It, State of South Carolina

do does hereby grant unto the said The City of Columbia, South Carolina, its  
successors or assigns, an easement and right-of-way 20 feet in width, with  
an additional width of 0 feet for construction purposes only, to  
construct, operate and maintain together with the right of ingress and egress at  
all times for the purpose of constructing, operating, and maintaining a  
water main and with the right to remove shrubbery, trees and  
other growth from the right-of-way and construction area provided that the  
property will be restored as nearly as practicable to its original condition upon  
completion of the construction and the damaged shrubbery and trees will be  
replaced with the same variety from nursery stock of a practicable size, said  
easement and right-of-way to run through the property which we/I/it own(s)  
or in which we/I/it has have an interest, situate, lying and being

In the State of South Carolina, County of Richland, in the City of Columbia,  
designated as 1535 Confederate Avenue (S.C. Department of Social Services), and  
being further identified as a portion of lot 1, block 4, sheet 9114 of tax maps  
prepared by the office of Richland County Tax Assessor, LR 12-83.

A permanent easement, twenty (20) feet in width, the centerline of said  
easement being on the eastern right-of-way of Bull Street (P-4001), four hundred  
eighty (480) feet north of the intersection of the centerline of Confederate Avenue  
(S-40-132) and the centerline of Bull Street (P-4001), extending therefrom in an  
easterly direction for a distance of twenty-five (25) feet; thence terminating. Be  
all measurements a little more or less.

This easement is more clearly delineated on a plat of right-of-way to be  
obtained for water main construction along Bull Street (P-4001) on property of the  
State of South Carolina (S.C. Department of Social Services), Project #WA487-5/6-  
H6, sheet 1 of 1, dated September 16, 1986, prepared by the Department of Utilities  
and Engineering, for the City of Columbia, South Carolina and being on file in the  
office of the City's Director of Utilities and Engineering under file reference  
#98-59.

E-11-17

04950

TO HAVE AND TO HOLD the aforesaid rights to the grantee, its successors and assigns, as aforesaid.

And the Grantor(s) agree(s) to warrant and forever defend the above grantee rights against himself or his heirs and against any other person lawfully claiming or to claim the same or any part thereof.

IN WITNESS WHEREOF, we/I/it has have hereunto set our/my/its hand(s) and seal(s) this 18 day of November, in the year of our Lord, One Thousand Nine Hundred and Eighty Six.

WITNESSES:

W. T. Putnam  
William A. McInnis

Richard W. Riley

STATE OF SOUTH CAROLINA )

PROBATE

COUNTY OF )

PERSONALLY APPEARED before me William A. McInnis and made oath that ~~we~~/he saw the within-named Richard W. Riley sign, seal, and as ~~we~~/his/~~we~~/its act and deed deliver the within written instrument for the uses and purposes therein mentioned and that ~~we~~/he with W. T. Putnam witnesses the execution thereof.

SWORN to before me this 26th day of November, 1986.

William A. McInnis

Bonnie K. Williams (L.S.)  
NOTARY PUBLIC FOR SOUTH CAROLINA  
MY COMMISSION EXPIRES 5/3/89.

EXHIBIT

NOV 18 1986

NO. 4

STATE BUDGET & CONTROL BOARD

04951

# EXHIBIT

NOV 18 1986 NO. 5

## STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF November 18, 1986

ITEM NUMBER

5

AGENCY: General Services

SUBJECT: Trees Donated to State from Liberty and Ellis Islands

The Division of General Services advises that, as a part of the rededication of Ellis and Liberty Islands, the S. C. Department of Agriculture was offered two seedlings of the London Plane Tree that grows on those islands. The Division advises that these trees have now been planted on the State House grounds.

### BOARD ACTION REQUESTED:

Receive as information a General Services Division report that the S. C. Department of Agriculture received two seedlings of the London Plane Tree that grows on Ellis and Liberty Islands and that these trees have now been planted on the State House grounds.

### ATTACHMENTS:

Agenda item worksheet and attachments

04952

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

☒ Blue Agenda  
☐ Regular Session Agenda  
☐ Executive Session Agenda

November 18, 1986

1. Submitted By: General Services  
 (a) Agency: \_\_\_\_\_  
 (b) Authorized Official Signature: \_\_\_\_\_

*Richard W. Kelly*

2. Subject: Trees donated to the State from Ellis and Liberty Islands

3. Summary Background Information:

The Division of General Services has received and planted on the State House grounds, two trees offered to the State of South Carolina from the United States Department of Interior, the United States Department of Agriculture and the F.A. Bartlett Tree Expert Co.. These trees were offered to the State of South Carolina as a part of the rededication of Ellis and Liberty Islands and through the State of South Carolina's Department of Agriculture, permission was requested and granted for planting these seedlings on our State House grounds.

EXHIBIT

NOV 18 1986 NO. 5

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Receive as information

5. What is recommendation of the Board Division involved?

N/A

6. Recommendation of other office (as required)?

(a) Office Name \_\_\_\_\_ Authorized  
 (b) Signature \_\_\_\_\_

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
 from Submitter

1. Letter to Commissioners, Secretaries, and Directors from James B. Grant, Exec. Sec. - all from NASDA
2. Letter to Robert A. Bartlett from Denis P. Galvin - US Dept. of Interior

04953



# The National Association of State Departments of Agriculture

1616 H Street, N.W. • Washington, D.C. 20006 • (202) 628-1566

James B. Grant, *Executive Secretary*

Robert Amato, *Assistant Executive Secretary*

Gordon C. Miller, *Administrative Assistant*

## MEMORANDUM

JUL 07 1986

TO: All Commissioners, Secretaries and Directors  
FROM: *JBG* James B. Grant, Executive Secretary  
SUBJ: Loudon Plane Seedlings from Liberty Island and  
Ellis Island, New York  
DATE: June 30, 1986

COMMISSIONER'S  
OFFICE

Bob Bartlett of the F.A. Bartlett Tree Expert Co., has offered to make available through NASDA, seedlings of the Loudon Plane Tree that grows on Liberty and Ellis Island in New York to all State Departments of Agriculture. The trees could be planted on State property in commemoration of the 100th Anniversary of our Statute of Liberty. You will note from the enclosed letter that Bob had to receive permission from the National Park Service, which he has done.

If you would like to take advantage of this very gracious offer, please contact the office or contact Mr. Bartlett directly.

Thanks.

## EXHIBIT

Enclosure

NOV 18 1986 NO. 5

JBG/wg

STATE BUDGET & CONTROL BOARD

cc: Mr. Bob Bartlett

### Officers & Directors

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04954



OFFICE OF THE DIRECTOR

# United States Department of the Interior

NATIONAL PARK SERVICE

P.O. BOX 37127

WASHINGTON, D.C. 20013-7127

JUN 2 1986

Mr. Robert A. Bartlett  
Chairman of the Board  
The F.A. Bartlett Tree Expert Co.  
P.O. Box 3067  
Stamford, Connecticut 06905

EXHIBIT

NOV 18 1986

NO. 5

STATE BUDGET & CONTROL BOARD

Dear Mr. Bartlett:

This letter is to express our appreciation to The F.A. Bartlett Tree Expert Co. for participating, as one of the twenty-three National Arborist Association member firms involved, in the pruning and care of the trees on Ellis Island and Liberty Island in New York Harbor on November 23rd and April 19th. It is important that the trees not be overlooked during the restoration and refurbishing of our national monuments.

We are aware that Robert A. Bartlett, Jr., president of your firm, picked up a handful of seed heads from the ground beneath the London planes (*Platanus acerifolia*) that grace the Statue of Liberty, as well as from Ellis Island. I understand that these seeds were later planted at the arboretum of The Bartlett Tree Research Laboratories near Charlotte, North Carolina and that a number of the seedlings are thriving.

You have permission from the National Park Service to distribute these London plane (*Platanus acerifolia*) seedlings, at no charge, to recipients, particularly on state and federal land. I realize that the number of seedlings is limited and that there will not be enough for any sort of mass distribution. It is also my understanding that this distribution will not be used to further the commercial interests of your company.

The planting of these seedlings is an especially appropriate gesture in this, the year of the one-hundredth anniversary of the Statue of Liberty. I understand that your limited supply of seedlings will be ready for transplanting in September and October of this anniversary year.

Thank you for conceiving this living memorial of the Statue of Liberty centennial.

Sincerely,

Denis P. Galvin  
Deputy Director

04955

# EXHIBIT

NOV 18 1986

NO. 6

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

6

AGENCY: Budget Division

SUBJECT: Study of Issues Surrounding Growth in Number of State Employees

The Budget Division advises that the Joint Legislative Committee on Personal Service Financing and Budgeting, after expressing continued concern over the growth in the number of net new FTE positions, requested that a review of both past and future projected growth be made and reported to the Committee by October 15.

The Budget Division has submitted to the Committee a study of the issues surrounding the growth in the number of State employees and the impact upon the Constitutional limitation which controls the growth of State employees.

BOARD ACTION REQUESTED:

Receive as information the Budget Division report to the Joint Legislative Committee on Personal Service Financing and Budgeting on a study of the issues surrounding the growth in the number of State employees and the impact upon the Constitutional limitation which controls the growth of State employees.

ATTACHMENTS:

Agenda item worksheet and attachment

04956

# EXHIBIT

NOV 18 1986

NO. 6

## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

STATE BUDGET & CONTROL BOARD

87-38

Meeting Scheduled for: November 18, 1986

Blue Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: A. Barron Holmes IV

2. Subject:

A study of the issues surrounding the growth in the number of state employees.

3. Summary Background Information:

The Joint Legislative Committee on Personal Service, Financing and Budgeting at its meeting of July 23, 1986, after expressing its continued concern over the growth in the number of net new FTE Positions (employees) requested that a review of both past and future projected growth be made and reported back to the Committee the findings and recommendation by October 15, 1986. Attached for the Budget and Control Board review is a copy of the State Budget Division's Report to the Committee.

4. What is Board asked to do?

For Information

5. What is recommendation of Board Division involved?

For Information

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: \_\_\_\_\_

(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:

(a) List Those Attached:

1. A study of the issues surrounding the growth in the number of state employees, and the impact upon the Constitutional limitation which controls the growth of state employees.

(b) List Those Not Attached But Available From Submitter:

04957



# EXHIBIT

NOV 18 1986 NO. 6

STATE BUDGET & CONTROL BOARD

A STUDY  
OF THE ISSUES SURROUNDING  
THE GROWTH IN THE NUMBER  
OF STATE EMPLOYEES, AND THE  
IMPACT UPON THE CONSTITUTIONAL  
LIMITATION WHICH CONTROLS  
THE GROWTH OF STATE EMPLOYEES

Prepared By:  
STATE BUDGET DIVISION

04958

## THE STATE OF SOUTH CAROLINA

This is a study of the issues surrounding the growth in the number of state employees and the impact upon the Constitutional limitation which controls the growth of State employees.

The General Assembly expressed its grave concern over the disturbing increase in the number of personnel employed by the State of South Carolina and placed Section 186 in Act 517 of 1981. Act 178 of 1982, Section 149 placed additional restriction on the number of state employees by requiring that all positions contained in the official record be converted to full time equivalency (FTE). Since 1981 each appropriation act has continued this section and many attempts have been made to control the growth in the number of state employees.

In 1984 the voters of South Carolina elected to amend the State Constitution to limit the growth in the number of state employees by providing that the annual growth may not exceed the ratio of the 1980-81 authorized FTE positions to the 1980-81 total state population ( $38,182.65 / 3,191,996 = 1.1962\%$ ).

## EXHIBIT

NQV 1 8 1986 NO. 6  
N.

STATE BUDGET & CONTROL BOARD  
S:

# CONSTITUTIONAL LIMITATION

The following schedule reflects the calculated annual FTE position limitations:

## SOUTH CAROLINA CALCULATION OF ANNUAL FTE POSITIONS LIMITATION Schedule A

<u>YEAR</u>	<u>STATE POPULATION</u>	<u>ANNUAL FTE POSITION LIMITATION</u>
1979	3,087,000	-
1980	3,121,833	-
1981	3,191,996	38,182.65
1982	3,250,666	38,884.46
1983	3,311,452	39,611.58
1984	3,374,900	40,370.55
1985	3,436,300	41,105.02
1986	3,417,610	40,881.45
1987	3,468,690	41,492.46
1988	3,519,770	42,103.48
1989	3,570,850	42,714.50
1990	3,621,940	43,325.64
1991	3,670,750	43,909.51
1992	3,719,600	44,493.85
1993	3,768,430	45,077.95
1994	3,817,270	45,662.18
1995	3,866,090	46,246.16

### NOTES:

- (1) State Population As Given By The Division of Research and Statistical Services June, 1986
- (2) Estimated 1986 - 1995
- (3) The Constitutional Limitation of FTE Positions was established in 1984 and is based on the ratio of the 1980-81 number of State Employees to the 1980-81 total state population.  
(38,182.65 / 3,191,996 = 1.1962%).

EXHIBIT

NOV 18 1986 NO. 6

STATE BUDGET & CONTROL BOARD

04960

Schedules B and C give us a historical picture of what impact the constitutional limitation has had on the State's budgeting process. Schedule C reflects the fact that the State funded FTE positions have grown by 4,714 net new positions over the five year period 1982-1987. We can also observe that the majority of this growth has taken place over the last two to three years. One important fact to note is the present rate of growth brings the total number of FTE positions closer to the constitutional limitation each year.

A review of Schedule C gives us a different picture of this data. While there has been a sizeable growth in the number of total authorized FTE positions over the five year period, the number of actual filled FTE positions has remained fairly constant at 92%, which gives the state an average vacancy factor of 8% over the same period.

In summary, while we have approached the constitutional limitation in terms of total authorized growth, the relative number of actual filled positions (employees) has remained well below the limitation.

## EXHIBIT

NOV 18 1986 NO. 6

STATE BUDGET & CONTROL BOARD

04951



## SCHEDULE B

STATE BUDGET DIVISION  
ANALYSIS OF FTE POSITIONS  
CONSTITUTIONAL LIMITATION  
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ACTION	STATE FTE POSITIONS
1987-88 CONSTITUTIONAL LIMITATION	42,103.00
LESS: APPROPRIATED 1981-82	34,402.00
GROWTH ALLOWABLE 1982-83	7,701.00
LESS: APPROPRIATED 1982-83	445.00
GROWTH ALLOWABLE 1983-84	7,256.00
LESS: APPROPRIATED 1983-84	114.00
GROWTH ALLOWABLE 1984-85	7,142.00
LESS: APPROPRIATED 1984-85	978.00
GROWTH ALLOWABLE 1985-86	6,164.00
LESS: APPROPRIATED 1985-86	1,522.00
GROWTH ALLOWABLE 1986-87	4,642.00
LESS: APPROPRIATED 1986-87	1,656.00
GROWTH ALLOWABLE 1987-88	2,986.00
	=====

## EXHIBIT

NOV 18 1986

NO. 6

STATE BUDGET &amp; CONTROL BOARD

5 YEAR GROWTH CALCULATION  
-----

1981-82 APPROPRIATED FTE POSITIONS

34,402.00

=====

ANNUAL APPROPRIATION	STATE	GROWTH
1982-83	34,846.69	444.69
1983-84	34,961.14	114.45
1984-85	35,938.85	977.71
1985-86	37,460.49	1,521.64
1986-87	39,116.13	1,655.64
TOTAL 5 YEAR GROWTH		4,714.13
		=====

04962

STATE BUDGET DIVISION  
ANALYSIS OF ANNUAL FILLED VS VACANT  
FTE POSITIONS  
FOR THE YEARS 1982-86

	TOTAL AUTHORIZED FTE POSITIONS				TOTAL FILLED FTE POSITIONS				TOTAL VACANT FTE POSITIONS			
	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER
JUNE 30, 1982	58,905	34,393	8,936	15,576	53,385	31,760	7,418	14,207	5,520	2,633	1,518	1,369
JUNE 30, 1983	58,862	34,642	8,723	15,497	54,889	32,483	7,927	14,479	3,973	2,159	796	1,018
JUNE 30, 1984	59,429	34,652	8,371	16,406	54,885	32,479	7,284	15,122	4,544	2,173	1,087	1,284
JUNE 30, 1985	61,270	35,960	8,445	16,865	57,047	34,176	7,257	15,614	4,223	1,784	1,188	1,251
JUNE 30, 1986	64,083	37,986	8,221	17,876	58,944	35,422	7,219	16,303	5,139	2,564	1,002	1,573
SEPTEMBER 30, 1986 (CURRENT)	66,159	39,123	8,231	18,805	59,895	36,046	7,112	16,737	6,264	3,077	1,119	2,068
6 YEAR AVERAGE	61,451	36,126	8,488	16,837	56,508	33,728	7,370	15,410	4,944	2,398	1,118	1,427
PERCENT OF TOTAL	100%	59%	14%	27%	92%	55%	12%	25%	8%	4%	2%	2%

PREPARED  
10/18/86

EXHIBIT  
NOV 18 1986  
NO. 6  
STATE BUDGET & CONTROL BOARD

04953

#### PROJECTED NECESSARY GROWTH

The annual growth in the number of employees has increased each year from 445 in FY 1983 to 1656 in FY 1987 (see attached schedule). The Department of Corrections and the Department of Mental Health are two major agencies that have contributed to this growth. Both agencies have been parties to consent decrees which have required substantial amounts of funds and positions to be appropriated to comply with the settlements.

From FY 1985 through FY 1987, 1890 new positions have been added to the Department of Corrections budget due to the settlement. These positions represent staffing for new institutions and for additional security in existing institutions. With the passage of the bond bill which includes funding for three new institutions, there will be approximately 1,581 new positions required to staff the new institutions in the next two fiscal years. Of these 1,581 positions, 804 are requested for FY 1987-88. It is also anticipated that the Department of Corrections will request funding for two additional institutions to accommodate the expected growth in the inmate population through 1990. These two institutions will require approximately 1,038 new positions by 1991.

The consent decree for the Department of Mental Health required that community programs be enhanced in order to relieve the overcrowding at the State Hospital and to provide more treatment at the local level as opposed to institutionalization. Although overcrowding is to be relieved at the State Hospital, the decree required more personnel to reduce the patient to personnel ratios, thus requiring that new positions be added. With more emphasis on treatment at the local level, more resources are also being required in the community programs. From FY 1985 through FY 1987, 633 new state funded positions have been added to the agency's budget; 1,093 new positions being projected for FY 1988 through FY 1990.

The following schedules, D and E, reflect the projected growth and its impact on the constitutional limitation. The 1987-88 budget requests from agencies ask for 3,194 additional positions. If the entire request were appropriated we would exceed the constitutional limitation by 207 Positions. For projection purposes and based on previous growth trends of 1.9% three year average, we have assumed that 2,089 of the total request will be authorized. Projections for years after 1986-87 are based on a growth factor consistent with trends for the last three years.

## SCHEDULE D

STATE BUDGET DIVISION  
APPROPRIATED NEW FTE POSITIONS  
PROJECTION

	84-85	85-86	86-87	87-88	88-89	89-90
DEPARTMENT OF CORRECTIONS	444	837	609	804	777	261
DEPT OF MENTAL HEALTH	132	87	414	573	361	159
OTHER AGENCIES	402	598	633	712	743	782
NEW FTE POSITIONS	978	1,522	1,656	2,089	1,881	1,202
FTE POSITIONS AUTHORIZED BASE	34,960	35,938	37,460	39,116	41,205	43,086
TOTAL APPROPRIATED FTE POSITIONS	35,938	37,460	39,116	41,205	43,086	44,288

- NOTES: 1. ESTIMATED 1988 THROUGH 1990
2. CORRECTIONS AND MENTAL HEALTH - COURT MANDATED INCREASES
3. OTHER AGENCIES PROJECTED INCREASES AT 1.9% PER ANNUM

PREPARED BY  
STATE BUDGET DIVISION  
OCTOBER 20, 1986

04965



## SCHEDULE E

## CONSTITUTIONAL LIMITATION VS APPROPRIATED POSITION REPORT

(1)	(2)	(3)	(4)	(5)	(6)	(7)
YEAR	CONSTITUTIONAL LIMIT FOR FTE POSITIONS	ANNUAL CHANGE IN CONSTITUTIONAL LIMIT	STATE APPROPRIATED FTE POSITIONS	ANNUAL GROWTH APPROPRIATED FTE POSITIONS	CONSTITUTIONAL LIMIT FTE VS APPROPRIATED FTE COL 2 - COL 4	ALLOWABLE GROWTH FTE VS ANNUAL GROWTH COL 3 - COL 5
1981	38,182.65					
1982	38,884.46	660.77	34,402.00		4,442.46	
1983	39,611.58	767.12	34,846.69	444.69	4,764.89	322.43
1984	40,370.55	758.97	34,961.14	114.45	5,409.41	644.52
1985	41,105.02	734.47	35,938.85	977.71	5,166.17	(243.24)
1986	40,881.45	(223.57)	37,460.49	1,521.64	3,420.96	(1,745.21)
1987	41,492.46	611.01	39,116.13	1,655.64	2,376.33	(1,044.63)
1988	42,103.48	611.02	41,205.00	2,088.87	898.48	(1,477.85)
1989	42,714.50	611.02	43,086.00	1,881.00	(371.50)	(1,269.98)
1990	43,325.64	611.14	44,288.00	1,202.00	(962.36)	(590.86)

PREPARED BY  
STATE BUDGET DIVISION  
OCTOBER 10, 1986

04966

Schedules D and E reflect that projected growth will outstrip the annual constitutional limitation beginning in fiscal year 1988-89 and worsen each year thereafter unless steps are taken to reduce the number of authorized FTE positions. The accompanying report and Schedule F show the relative level of public employment between South Carolina and other comparable groups. Because of the higher rate of State employment in South Carolina as compared to the comparable groups, one can draw the conclusion that the state may not be using a common definition to identify its state employees.

## SUMMARY OF FINDINGS

South Carolina has a higher percentage of state government employees to total government employees in many functional areas than do most of the comparison group states where they are generally reported as county or local government employees. These areas are public health, welfare, corrections, highway maintenance/construction, and natural resources (including forest fire prevention). Typically, even in South Carolina, local government money is used to support services in some or all of these functional areas. Although it varies from state to state, many employees working in these areas are not reported as state employees. South Carolina reports them as state employees in all of these functional categories because they are payrolled through the state. Perhaps this could change to resemble other states' systems, but there would be many issues and problems to resolve, not the least of which would be maintaining parity with current state benefits if employees were transferred to county rolls.

Education is another major functional area where South Carolina has a higher percentage of state government employees to total government employees than the comparison group states. As a part of the total education function, higher education in South Carolina also shows a higher percentage of state employment to total government employment than the average of the southeastern states. In this functional category, South Carolina reports a state employment percentage of 100% to total government employment. The southeastern states have a state employment percentage of 85% to total government employment for higher education. Whereas some states report higher education employees as employees of local government, South Carolina reports 100% of these employees as state government employees. Actual employee numbers reflect, however, that South Carolina, with 18,910 full time employees, compares quite favorably with the average of the nine states, which is 17,958. The comparison group average of the fifteen southeastern states is 24,468 full time equivalent employees.

## INTRODUCTION

This report describes the variations in state and local public employment in October, 1984, for two subgroups of states. One subgroup is composed of the nine states that have a comparable total population with that of South Carolina. The other subgroup includes the fifteen states located within the same geographical region as South Carolina.

The data in this report were compiled from two sources. The South Carolina Statistical Abstract 1985 published by the Division of Research and Statistics of the Budget and Control Board provided the data on the state rankings (Resident Population Estimates July 1, 1984; Population Projections July 1, 1990; Per Capita Income, 1983; State Governments General Revenue Per Capita, 1982). Public Employment in 1984 published by the U. S. Census Bureau provided the State-by-State statistics from Table 10: Full-time Equivalent Employment of State and Local Governments, by Function and by States: October, 1984. The data provided in this table are based on a mail canvass survey that includes all state government agencies and a sample of approximately 22,000 local governments. For each functional group in Table 10, data are not limited solely to the personnel directly involved in providing the service described in the function's title, but include support personnel who are indirectly providing services or who are providing maintenance and support services for activities included in the functional category.

Although comparisons among states usually focus on levels and sources of tax revenues and government spending figures, analysis of the number of state employees can also point out major factors which have an effect on the perception of state government services. In this report we have concentrated our analysis on the comparison of the percentages of state employees to total public (state-local) employment in the states of the two subgroups.

## METHODOLOGY

In the past, South Carolina state employee figures have been compared and ranked nationally and regionally. While we have included an analysis of the fifteen states within our region, we have also included an analysis of the nine states which rank near South Carolina in total population size. South Carolina ranks 24th with a population of 3,300,000. The nine states with comparable population estimates range from Oregon with 2,674,000 (30th) to Minnesota with 4,162,000 (21st). These nine states fall within a 25% range of the population of South Carolina and have an average population of 3,418,000.



For the twenty-six states in our total sample, state government full-time equivalent employees (per the Census Bureau formula) were subtracted from state and local total figures to provide local employment data. The percentage of state employees of the total employment figure was computed and used to rank South Carolina's position in the sample group.

#### COMPARISONS BASED ON COMPARABLE POPULATION BY SIZE

These comparisons were made to determine how South Carolina compares with other states having similar population sizes. South Carolina's ranking was determined from the percentages of state employees to total government employees, by state, for each functional category. The average of these percentages for the comparison group states was compared to South Carolina's and differences noted. A summary chart of the comparison group for all functional categories is included. The data represent full-time equivalent employment of state and local governments by function for selected comparison group states.

(Source: Public Employment in 1984, U. S. Department of Commerce, Bureau of the Census, Governmental Division).

ANALYSIS OF PUBLIC SECTOR EMPLOYMENT  
BASED ON COMPARABLE STATE POPULATION SIZE

<u>STATE</u>	<u>POPULATION</u> <u>(000's) 7/1/84</u>	<u>STATE</u>	<u>ALL FUNCTIONS</u> <u>LOCAL</u>	<u>TOTAL</u>	<u>STATE AS A</u> <u>% OF TOTAL</u>
Mn	4,162	54,406	137,362	191,768	28.3%
Al	3,990	64,007	127,669	191,676	33.3%
Ky	3,723	59,247	99,045	158,292	37.4%
Ok	3,298	60,714	107,726	168,440	36.0%
Co	3,178	42,122	111,132	153,254	27.4%
Ct	3,154	48,461	90,553	139,014	34.8%
Ar	3,053	36,091	103,677	139,768	25.8%
Io	2,910	45,544	98,044	143,588	31.7%
Or	2,674	41,292	88,524	129,816	31.8%
Average	3,349	50,209	107,081	157,291	31.9%
SC	3,300	61,509	102,466	163,975	37.5%

#### ALL FUNCTIONS

	<u>STATE</u>	<u>LOCAL</u>	<u>STATE AS A % OF TOTAL</u>
Average	50,209	107,081	31.9%
S. C.	61,509	102,466	37.5%

South Carolina ranks first in the percentage of state employees to total government employees by state for this comparison group for all functions. In South Carolina 37.5% of all governmental functions are performed by state employees. This compares to the average of 31.9% for the other nine comparison group states. For all governmental functions this difference appears significant.

#### EDUCATION

	<u>STATE</u>	<u>LOCAL</u>	<u>STATE AS A % OF TOTAL</u>
Average	19,240	61,188	23.9%
S. C.	21,923	65,197	25.1%

South Carolina ranks fifth. The public education function includes K through 12, higher education and other educational functions. In South Carolina 25.1% of all public educational functions are performed by state employees. This compares to the average of 23.9% for the other nine comparison group states. For the public educational function this difference does not appear significant.

#### HOSPITALS

	<u>STATE</u>	<u>LOCAL</u>	<u>STATE AS A % OF TOTAL</u>
Average	7,558	6,388	54.2%
S.C.	10,286	9,151	52.9%

South Carolina ranks sixth. In South Carolina 52.9% of public hospital functions are performed by state employees. The average is 54.2% for the other nine states in the comparison group states.

#### HEALTH

	<u>STATE</u>	<u>LOCAL</u>	<u>STATE AS A % OF TOTAL</u>
Average	1,285	1,564	45.1%
S.C.	5,029	869	85.2%

South Carolina ranks first. In South Carolina 85.2% of public health functions are performed by state employees. The average is 45.1% for the other nine states in the comparison group. (County health clinics, mental health institutions and related functions are under state government while many of these functions are under local government in other states.)

#### PUBLIC WELFARE

	<u>STATE</u>	<u>LOCAL</u>	<u>STATE AS A % OF TOTAL</u>
Average	3,353	2,077	61.7%
S.C.	3,828	222	94.5%

South Carolina ranks second. In South Carolina 94.5% of public welfare functions are performed by state employees. The average is 61.7% for the other nine comparison group states. (Almost all county welfare functions are performed by state employees in South Carolina.)

#### NATURAL RESOURCES

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	2,230	404	84.6%
S.C.	1,984	12	99.3%

South Carolina ranks first. In South Carolina 99.3% of natural resource functions are performed by state employees. The average is 84.6% for the other nine comparison group states.



#### HIGHWAYS

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	3,945	4,516	46.6%
S.C.	4,578	2,006	69.5%

South Carolina ranks second. In South Carolina 69.5% of highway functions are performed by state employees. The average is 46.6% for the other nine comparison group states.

#### POLICE PROTECTION

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	1,198	6,545	15.5%
S.C.	1,478	5,772	20.3%

South Carolina ranks second. In South Carolina 20.3% of the police protection functions are performed by state employees. The average is 15.5% for the other nine comparison group states.

#### CORRECTIONS

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	2,614	1,094	70.5%
S.C.	3,886	715	84.4%

South Carolina ranks third. In South Carolina 84.4% of corrections functions are performed by state employees. The average is 70.5% for the other nine comparison group states.

#### \*FINANCIAL ADMINISTRATION

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	2,018	2,518	44.5%
S.C.	1,927	2,178	46.9%

South Carolina ranks fourth. In South Carolina 46.9% of financial administration functions are performed by state employees. The average is 44.5% for the other nine comparison group states.

#### \*GENERAL CONTROL

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	2,297	3,976	36.6%
S.C.	1,315	3,312	28.4%

South Carolina ranks eighth. In South Carolina 28.4% of general control functions are performed by state employees. The average is 36.6% for the other nine comparison group states.

\*Under Financial Administration and General Control are the legislative and executive functions and those functions under the Budget and Control Board that deal with fiscal matters.

#### ALL OTHERS

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	3,772	10,311	26.8%
S.C.	2,874	9,286	16.4%

South Carolina ranks sixth. In South Carolina 16.4% of all other public functions are performed by state employees. The average is 26.8% for the other nine comparison group states. (All other functional categories include: parks, recreation, public utilities, social insurance administration, liquor stores, libraries, fire protection, housing and urban renewal, sewage, sanitation.)

#### COMPARISONS WITH STATES IN THE SOUTHEASTERN REGION

These comparisons were made to determine how South Carolina compares with other states in the Southeastern region. South Carolina's ranking was determined from the percentages of state employees to total government employees by state for each functional category. The average of these percentages for the comparison group states was compared to South Carolina's and differences noted. A summary chart of the comparison group for all functional categories is included. The data represents full-time equivalent employment of state and local governments by function for selected comparison group states.

(Source: Public Employment in 1984, U.S. Department of Commerce, Bureau of the Census, Governmental Division.)

04975

ANALYSIS OF PUBLIC SECTOR EMPLOYMENT  
FOR THE  
SOUTHEASTERN REGION

<u>STATE</u>	<u>POPULATION</u> <u>(000's) 7/1/84</u>	<u>STATE</u>	<u>ALL FUNCTIONS</u> <u>LOCAL</u>	<u>TOTAL</u>	<u>STATE AS A</u> <u>% OF TOTAL</u>
AL	3,990	64,007	127,669	191,676	33.3%
AK	2,349	36,288	69,839	106,127	34.2%
FL	10,976	112,286	376,036	488,322	23.0%
GA	5,837	82,220	224,315	306,535	26.8%
KY	3,723	59,247	99,045	158,292	37.4%
LA	4,462	86,193	149,261	235,454	36.6%
MD	4,349	79,358	134,166	213,524	37.2%
MS	2,598	42,632	92,042	134,674	31.6%
MO	5,008	61,497	157,839	219,336	28.0%
NC	6,165	88,276	213,360	301,636	29.3%
OK	3,298	60,714	107,726	168,440	36.0%
TN	4,717	64,991	152,215	217,206	29.9%
TX	15,989	185,486	595,368	780,854	23.8%
VA	5,636	94,849	182,393	277,242	34.2%
WV	1,952	34,798	60,585	95,383	36.5%
Average	5,403	76,856	182,790	259,646	29.6%
SC	3,300	61,509	102,466	163,975	37.5%

#### ALL FUNCTIONS

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	76,856	182,790	29.6%
S.C.	61,509	102,466	37.5%

Of the sixteen southeastern states surveyed South Carolina ranks first in the percentage of state employees to total governmental employees for all functions. In South Carolina 37.5% of all functions generally performed by state or local government are performed by state employees. This compares to the average of 29.6% for the remaining fifteen southeastern states. While South Carolina has the highest percentage of state to total employees, it is not significantly different from the average for the fifteen remaining southeastern states.

#### EDUCATION

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	26,129	99,397	20.8%
S.C.	21,923	65,197	25.1%

South Carolina ranks fourth. In South Carolina 25.1% of public educational functions are performed by state employees. This compares to the average of 20.8% for the fifteen remaining southeastern states.

#### HOSPITALS

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	12,980	14,974	46.4%
S.C.	10,286	9,151	52.9%

South Carolina ranks sixth. In South Carolina 52.9% of public hospital functions are performed by state employees. This compares to the average of 46.4% for the fifteen remaining southeastern states.



### HEALTH

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	3,673	2,413	60.3%
S.C.	5,029	869	85.2%

South Carolina ranks third. In South Carolina 85.2% of public health functions are performed by state employees. This compares to the average of 60.3% for the fifteen remaining southeastern states. While this difference appears great, Mississippi's percentage of state to total employees in public health was 96.3% while North Carolina's percentage was 22.6%. Variances in this category were great and could be attributed to the designation of mental health and mental retardation, as well as health departments, as local rather than state functions.

### PUBLIC WELFARE

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	4,751	1,816	72.3%
S.C.	3,828	222	94.5%

South Carolina ranks third. In South Carolina 94.5% of public welfare functions are performed by state employees. The average is 72.3% for the remaining fifteen southeastern states. Variances ranged from 11.5% in North Carolina to 98.8% in West Virginia. This could be attributed to some states block-granting medicaid or other public assistance funds to counties for distribution. State employees in this function would average 86.5%, if North Carolina and West Virginia were excluded in the calculation.

### NATURAL RESOURCES

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	3,715	724	83.6%
S.C.	1,984	12	99.4%

South Carolina ranks first. In South Carolina 99.4% of public natural resource functions are performed by state employees. The average is 83.6% for the remaining fifteen southeastern states.

#### HIGHWAYS

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	6,550	6,029	52.0%
S.C.	4,578	2,006	69.5%

South Carolina ranks fifth. In South Carolina 69.5% of public highway functions are performed by state employees. The average is 52.0% for the remaining fifteen southeastern states. In some states highway patrol functions are not located in their public highway departments. This could partially account for the variance in South Carolina's percentage compared to the remaining states.

#### POLICE PROTECTION

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	1,660	11,445	12.6%
S.C.	1,478	5,772	20.3%

South Carolina ranks third. In South Carolina 20.3% of police protection functions are performed by state employees. The average is 12.6% for the fifteen other southeastern states.

#### CORRECTIONS

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	5,713	2,172	72.4%
S.C.	3,886	715	84.4%

South Carolina ranks third. In South Carolina 84.4% of corrections functions are performed by state employees. The average is 72.4% for the fifteen other southeastern states.

**\*FINANCIAL ADMINISTRATION**

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	2,711	3,715	42.1%
S.C.	1,927	2,178	46.9%

South Carolina ranks eighth. In South Carolina 46.9% of public financial administration functions are performed by state employees. The average is 42.1% for the fifteen other southeastern states.

**\*GENERAL CONTROL**

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	2,595	5,734	31.1%
S.C.	1,315	3,312	28.4%

South Carolina ranks tenth. In South Carolina 28.4% of public general control functions are performed by state employees. The average is 31.1% for the fifteen other southeastern states.

\*Under Financial Administration and General Control are the legislative and executive functions and those functions under the Budget and Control Board that deal with fiscal matters.

**ALL OTHER**

	<u>STATE</u>	<u>LOCAL</u>	<u>% OF TOTAL</u>
Average	5,152	34,759	12.9%
S.C.	2,874	17,513	16.4%

South Carolina ranks sixth. In South Carolina 16.4% of all remaining public service functions not included in the above categories are performed by state employees. The average is 12.9% for the fifteen other southeastern states. This category includes: parks and recreation, public utilities, social insurance administration, liquor stores, libraries, fire protection, housing and urban renewal, sewerage, sanitation, etc.

ANALYSIS OF SOUTH CAROLINA PUBLIC SECTOR EMPLOYMENT  
VS  
OTHER COMPARATIVE GROUPS BY FUNCTIONAL AREAS

-----

FUNCTIONAL AREAS	PERCENTAGE OF STATE TOTALS			
	SOUTH CAROLINA	SOUTH EASTERN	STATE POPULATION SIZE (3M)	NATIONAL
NATURAL RESOURCES	99.3	83.6	84.6	82.1
PUBLIC WELFARE	94.5	72.3	61.7	45.5
HEALTH	85.2	60.3	45.1	47.2
CORRECTIONS	84.4	72.4	70.5	65.6
HIGHWAYS	69.5	52.0	46.6	47.0
HOSPITAL	52.9	46.4	54.2	50.7
ADMINISTRATIVE (FINANCIAL)	46.9	42.1	44.5	43.4
ALL FUNCTIONS	37.5	29.6	31.9	28.5
GENERAL CONTROL	28.4	31.1	36.6	28.2
EDUCATION	25.1	20.8	23.9	20.2
POLICE PROTECTION	20.3	12.6	15.5	12.7
ALL OTHER	16.4	12.9	26.8	32.0

STATE BUDGET DIVISION  
OCTOBER 20, 1986



#### SOME SUGGESTED MEASURES TO REDUCE FTE POSITIONS

Steps not only to limit the growth but also to reduce the number of authorized FTE positions to allow room for those mandated by Federal requirement could include:

#### Suggestion:

1. Delete all unfunded and/or underfunded FTE positions.
2. Delete all FTE positions vacant for nine (9) months (655.00).
3. Use privatization for specific classes of FTE positions both existing and new requested.
4. Use contracting with non profit organizations
  - (a) Hospital
  - (b) Group Homes
  - (c) Day Care Centers
  - (d) Nursing Homes
  - (e) VNA (Home Health Care)
  - (f) Community Action Agencies
5. Use contracting with counties and municipalities (e.g. DSS, Mental Health, DHEC and Mental Retardation - 19,367 FTEs.).
6. Redefine methodology in a manner that aids in countering the unusual manner with which South Carolina deals with state employees.
  - a) Determining Limit (66,159 Total vs 39,123 State)
  - b) Higher Education Exclusion (20,436 Total and 12,579 State)
7. Others

## EXHIBIT

NOV 18 1986 NO. 6

STATE BUDGET & CONTROL BOARD

# EXHIBIT

NOV 18 1986 NO. 7

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

7

AGENCY: Budget Division

SUBJECT: FTE Operating Report, October 1986

Attached is the full-time-equivalent position operating report for October.  
Please refer to the report for details.

BOARD ACTION REQUESTED:

Receive as information the FTE position operating report for the month of October 1986 which shows a net reduction of 97.00 positions during the month, resulting in the total authorized position base at October 31, 1986, of 64,934.48 of which 59,120.36 positions were filled and 5,814.12 were vacant.

ATTACHMENTS:

Agenda item worksheet and referenced report.

04983

# EXHIBIT

NOV 18 1986

NO. 7

## STATE BUDGET & CONTROL BOARD BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

87-42

Meeting Scheduled for: November 18, 1986

Blue Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: \_\_\_\_\_

2. Subject:

1986-87 FTE Operating Report for the Month of October, 1986

3. Summary Background Information:

The attached report is submitted in accordance with Section 152 of the 1986-87 Appropriation Act. The report exempts all Legislative Employees (725.00) and Judicial Employees (403.22) which totals (1,128.22)

4. What is Board asked to do?

Information Only

5. What is recommendation of Board Division involved?

Information Only

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: \_\_\_\_\_

(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:

(a) List Those Attached:

1. Authorized FTE Position Operating Report

(b) List Those Not Attached But Available From Submitter:

04984

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD  
STATE BUDGET DIVISION  
406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



REMBERT C. DENNIS  
CHAIRMAN  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR. Ph.D.  
EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.  
DIVISION DIRECTOR

November 10, 1986

EXHIBIT

NOV 18 1986 NO. 7

STATE BUDGET & CONTROL BOARD

The Honorable James M. Waddell, Jr.  
Joint Legislative Committee on Personal  
Service Financing and Budgeting  
213 Gressette Building  
Columbia, South Carolina 29201

Dear Senator Waddell:

Attached please find a copy of the October, 1986-87 Authorized FTE  
Position Operating Report. I have approved and adjusted the  
Authorized FTE Position Base accordingly.

If you should have any questions please feel free to call.

Sincerely,

*A. Baron Holmes IV*

A. Baron Holmes, IV, Ph.D.

ABH/dc

Attachment

C4985



# EXHIBIT

NOV 18 1986

NO. 7

STATE BUDGET DIVISION  
FULL-TIME EQUIVALENT POSITION  
OPERATIONAL REPORT  
FOR THE MONTH OF OCTOBER, 1986

STATE BUDGET & CONTROL BOARD

SECTION NO.	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
Total Authorized FTE					
Positions Operational Base 9/30/86		65,031.48	37,997.93	8,231.28	18,802.27
OCTOBER					
Authorized Adjustments					
13	Adjutant General	-	-	(1.00)	1.00
43	Mental Retardation	(97.00)	(85.00)	-	(12.00)
Total Net Adjustment					
		(97.00)	(85.00)	(1.00)	(11.00)
Total Authorized FTE					
Positions Base 10/31/86		64,934.48	37,912.93	8,230.28	18,791.27
Total Filled FTE					
Positions 10/31/86		59,120.36	35,155.50	7,120.58	16,844.28
Total Vacant FTE					
Positions 10/31/86		5,814.12	2,757.43	1,109.70	1,946.99

Prepared:  
November 10, 1986

04986

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD  
STATE BUDGET DIVISION  
406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201

EXHIBIT

NOV 18 1986

NO. 7

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



A. BARON HOLMES, IV, Ph.D.  
DIVISION DIRECTOR

M E M O R A N D U M

REMBERT C. DENNIS  
CHAIRMAN  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR. Ph.D.  
EXECUTIVE DIRECTOR

TO: Mr. George Harris, Manager of Operations  
FROM: Curtis Holt, Jr., Assistant Director *Uth*  
DATE: October 22, 1986  
SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

       Action represents a net increase in authorized F.T.E. Positions

       Action represents a net decrease in authorized F.T.E. Positions

  X   Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Position follows:

Agency: E24 Adjutant General (13)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER F ADJUSTME
	Authorized FTE Position Base		10/15/86	162.00	55.75	97.50	8.75
	Adjusted FTE Position Base			162.00	55.75	96.50	9.75
	Authorized Adjustment			-	-	(1.00)	1.00

Authorization/Explanation:  
Requested by the agency.

C4987

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD EXHIBIT  
STATE BUDGET DIVISION  
406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201  
NOV 18 1986  
NO. 7

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



A. BARON HOLMES, IV, Ph.D.  
DIVISION DIRECTOR

STATE BUDGET & CONTROL BOARD

REMBERT C. DENNIS  
CHAIRMAN  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR. Ph.D.  
EXECUTIVE DIRECTOR

MEMORANDUM

TO: Mr. George Harris, Manager of Operations  
FROM: Curtis Holt, Jr., Assistant Director *C. Holt*  
DATE: October 22, 1986 REVISED 11/11/86  
SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

       Action represents a net increase in authorized F.T.E. Positions

  X   Action represents a net decrease in authorized F.T.E. Positions

       Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: J16 Department of Mental Retardation (43)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		10/15/86	4653.51	2950.68	37.00	1665.83
	Adjusted FTE Position Base			4556.51	2865.68	37.00	1653.83
	Authorized Adjustment			(97.00)	(85.00)	-	(12.00)

Authorization/Explanation:

Requested by the agency. Approved by the Budget and Control Board 10/21/86, Agenda Item #5. No reduction in force (RIF).

04988

# EXHIBIT

NOV 18 1986

NO. 8

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

8

AGENCY: Budget Division

SUBJECT: 1986-87 Authorized Transfers Report, October 1986

The Budget Division reports that 4 transfers of State personal service funds to other operating expenses totalling \$1,252,159 were authorized during October and that a total of 10 transfers totalling \$1,490,775 (\$1,139,489 State, \$16,193 federal, and \$335,093 other) of 1986-87 personal service funds have been authorized.

BOARD ACTION REQUESTED:

Receive as information a Budget Division report that 4 transfers of State personal service funds to other operating expenses totalling \$1,252,159 were authorized during October and that a total of 10 transfers totalling \$1,490,775 (\$1,139,489 State, \$16,193 federal, and \$335,093 other) of 1986-87 personal service funds have been authorized.

ATTACHMENTS:

Agenda item worksheet and attachment

C4989



# EXHIBIT

NOV 18 1986

NO. 8

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

87-41

Meeting Scheduled for: November 18, 1986

Blue Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: A Baron Holmes IV

2. Subject:

1986-87 Authorized Transfers Report for the Month of October 1986.

3. Summary Background Information:

The State Budget Division's Monthly Authorized Transfer Operating Report.

4. What is Board asked to do?

Information Only

5. What is recommendation of Board Division involved?

Information Only

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: \_\_\_\_\_

(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:

(a) List Those Attached:

1. Authorized Transfers Operating Report

(b) List Those Not Attached But Available From Submitter:

04990

STATE BUDGET DIVISION  
ANALYSIS OF 1986-87 AUTHORIZED PERSONAL SERVICE  
TRANSFER REQUESTS

<u>DATE</u>	<u>REQUEST NO.</u>	<u>AGENCY</u>	<u>SOURCE OF FUNDS</u>	<u>FROM PERSONAL SERVICE</u>	<u>TO OTHER OPERATING EXPENSES</u>	<u>EQUIPMENT</u>
Total Authorized Transfers 10/1/86 (6)				\$238,616	\$238,616	
<hr/>						
	October	<u>Authorized Transfers</u>				
10/21/86	87-29	Mental Retardation	State	\$1,002,481	\$1,002,481	
10/21/86	87-29	Mental Retardation	Other	219,093	219,093	
10/21/86	-	Human Affairs	State	17,964	17,964	
10/23/86	-	Technical Education	State	12,621	12,621	
<hr/>						
Total Authorized Transfers For October, 1986 (4)				\$1,252,159	\$1,252,159	
<hr/>						
Total Authorized Transfers Year-To-Date (10)				\$1,490,775	\$1,490,775	
<hr/>						

NOTE:	<u>Current Month</u>	<u>Year-To-Date</u>
State Funds	\$1,033,066	\$1,139,489
Federal Funds	-	16,193
Other Funds	219,093	335,093
TOTAL FUNDS	<u>\$1,252,159</u>	<u>\$1,490,775</u>

Prepared  
11/10/86

04991

EXHIBIT  
NOV 18 1986 NO. 8  
STATE BUDGET & CONTROL BOARD

AGENCY NUMBER: J16 AGENCY BATCH NUMBER: 092901 OBJECT CODE HASH TOTAL: 4332 TOTAL BATCH AMOUNT: 2,443,148.00 BATCH DATE: 9/29/86 BATCH NUMBER: CGCUT

AGENCY VOUCHER NUMBER

ATB-13-87

AGENCY TRANSFERRED TO (CRI)

NAME S. C. Dept. of Mental Retardation

ADDRESS

P. O. Box 4706

Columbia, SC 29240

# STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

## APPROPRIATION TRANSFER

TO REQUESTING AGENCY:

This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

CG WARRANT NUMBER

AGENCY TRANSFERRED FROM

NAME S. C. Dept. of Mental Retardation

ADDRESS

P. O. Box 4706

Columbia, SC 292

REASON FOR TRANSFER: See Attached

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
03	350	J16	0601	1001						0158	423,211.00	
03	350	J16	1446	1001						1300	84,642.00	
03	350	J16	0601	3000						0158	36,809.00	
03	350	J16	1446	3000						1300	7,362.00	
03	350	J16	0604	1001						0158	494,628.00	
03	350	J16	0604	3000						0158	174,922.00	
TOTAL										3232	1,221,574.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
03	300	J16	0601	1001						0200	507,853.00	
03	300	J16	0601	3000						0200	20,173.00	
03	300	J16	0601	3000						0300	23,998.00	
03	300	J16	0604	1001						0200	494,628.00	
03	300	J16	0604	3000						0200	174,922.00	
TOTAL										1100	1,221,574.00	

REQUESTED BY: Edith W. Balford DATE: 9/29/86 STATE BUDGET ANALYST: DATE:

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized.

SCDMR 229 Stk. 95990

Submit original and 3 copies

STATE AUDITOR: DATE:

04992

REQUEST TO DELETE AUTHORIZED FTE POSITIONS

FROM: S. C. Department of Mental Retardation

DATE 10/14/86  
CODE NO. J16

TO: Budget and Control Board  
State Budget Division

SUBJECT: Request to delete FTE positions authorized in the Appropriation Act.  
Request is to delete 103 FTE positions as follows:

NUMBER POSITIONS	POSITION TITLE	GRADE	CLASS CODE	ANNUAL SALARY	SOURCE OF FUNDS (PERCENT)		
					STATE	FEDERAL	OTHER
3	LPN I	19	4001	12,765	100%		
1	LPN II	21	4002	13,806	100%		
4	Com. Res. Mgr. I	22	5221	14,359	100%		
1	Com. Res. Mgr. II	25	5222	16,151	100%		
10	Ment. Retard. Spec. A	15	5472	10,911	100%		
7	Ment. Retard. Spec. A	15	5472	10,911			100%
26	Ment. Retard. Spec. B	17	5473	11,800	100%		
3	Ment. Retard. Spec. B	17	5473	11,800			100%
1	Linen Handler	10	7518	6,968	100%		
1	Laundry Wkr. I	10	7544	6,968	100%		
12	Laundry Wkr. II	11	7546	9,326	100%		
14	Laundry Wkr. III	12	7548	9,700	100%		

(CONTINUED)

REQUEST JUSTIFICATION: WILL THERE BE A RIF OF EMPLOYEES?

REQUESTED BY: Joe Clark  
Deputy Commissioner, Fiscal Affairs

DATE: 10/14/86

STATE BUDGET DIVISION:

RECOMMEND:

☒ APPROVAL  
☐ DISAPPROVAL

David H. Hub  
State Budget Analyst

10/16/86  
Date

Preston T. Cantley  
Assistant Director  
State Budget Division

10/16/86  
Date

Budget & Control Board Action:

04993



REQUEST TO DELETE AUTHORIZED FTE POSITIONS (Con't.)

NUMBER POSITIONS	POSITION TITLE	GRADE	CLASS CODE	ANNUAL SALARY	STATE	SOURCE OF FUNDS (PERCENT)	
						FEDERAL	OTHER
1	Laundry Wkr. III	12	7548	9,700			100%
1	Laundry Supv. II	14	7551	10,490	100%		
1	Laundry Supv. II	14	7551	10,490			100%
1	Asst. Laundry Mgr.	20	7558	13,276	100%		
2	Laundry Supv. I	13	7561	10,088	100%		
1	Laundry Mgr. II	25	7562	16,151	100%		
1	Dir. of Laundry Srvs.	32	7568	21,257	100%		
1	Cook I	12	7622	9,700	100%		
1	Food Svc. Aide I	10	7642	6,968	100%		
2	Food Svc. Aide II	11	7643	9,326	100%		
1	Food Svc. Dir. II	30	7662	19,652	100%		
1	Vehicle Oper. II	14	7827	10,490	100%		

The following are to be deleted 01/01/87:

1	LPN II	21	4002	13,806	100%		
1	LPN II	21	4002	13,806			100%
4	Ment. Retard. Spec. B	17	5473	11,800	100%		

Charles D. Barnett, Ph.D.  
Commissioner

Philip S. Massey, Ph.D.  
Deputy Commissioner  
Client Services

Lonnie A. Bowman, Jr.  
Deputy Commissioner  
Support Services

James E. Kirk  
Deputy Commissioner  
Fiscal Affairs



MENTAL RETARDATION  
COMMISSION

Clarence H. Buurman, Ph.D., Chairman  
Melvin L. Burton, Jr., Vice Chairman  
Mrs. Doris G. Woods, Secretary  
Mrs. Mary C. Ramsay  
William deB. Mebane  
Mrs. Ava M. Hope  
Herbert Rudnick

*South Carolina Department of Mental Retardation*

2712 Middleburg Drive  
P. O. Box 4706  
Columbia, South Carolina 29240

September 29, 1986

Mr. David Anderson  
State Budget Analyst  
State Budget Division  
Budget and Control Board  
406 Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Dave:

We are forwarding the attached Appropriation Transfer, ATB-13-87, for your review and approval. This transfer is the result of the agency's efforts to contract more of its services to private providers when this proves to be more efficient and cost effective.

The transfer of Services Support Program's (Mini Code 0601) State and Other Classified Positions funding, along with the resulting Employer Contributions, to Contractual Services and Supplies is required in order to cover food and laundry contracts at the Coastal Center and a laundry contract at Whitten. The two centers have been able to contract these services at reduced costs while achieving more efficient services. The food service contract at the Coastal Center is with Morrisons' which utilizes a reduced Coastal Food Service staff and performs the food preparation at the regional center.

The two laundry contracts have been let to National Linen, following appropriate purchasing procedures. The agency has been able to reduce the need for 43 FTE's (41 State, 2 Other) as a result of these changes in service delivery. The salary figures for the 27 FTE's related to the Whitten Laundry have been prorated for 10 months since the contract was effective September 1, 1986. No RIF has occurred, and all employees have been offered other comparable vacant positions within each region. The Supplies increase is needed to cover increased laundry supply needs within the dorms at Whitten Center where the clients' personal laundry will be cleaned now that the campus laundry has been closed.

04995

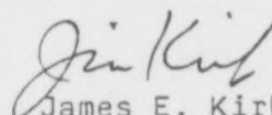
Mr. David Anderson  
September 29, 1986  
Page 2

The transfer of Community Program's (Mini Code 0604) State and Other Classified Positions funding to Contractual Services is required to fund contracts with providers for operation of 10 community residences this fiscal year. Nine of the 10 residences will remain DMR owned but operated by a contractor at lower costs than the agency's. The tenth is Timberlane which will be sold in accordance with a proviso in the current appropriations act. Timberlane will only require expenditure by DMR for state match since the new owner will contract directly with Health and Human Services Finance Commission for Medicaid reimbursement. This will result in DMR's being able to reduce 60 FTE's (48 State, 12 Other). Of these, 6 FTE's (5 State, 1 Other) will not be available for reduction until January 1, 1987, when the Timberlane sale is completed.

Every community residence employee has been offered a job with the contractor taking over a residence or, if this has presented a problem, has been offered a comparable position within the respective region. No RIF will occur as a result of these changes. Later this fiscal year the agency may be able to contract three additional residences in the Coastal Region.

If you should have any questions or you should need further information, please call.

Sincerely,



James E. Kirk  
Deputy Commissioner,  
Fiscal Affairs

JEK/dsc

Attachment

cc: Dr. Charles D. Barnett  
Mr. Robert W. Barfield  
Mr. Wayne Blanton

04996

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

Meeting Scheduled for: October 21, 1986

Regular Agenda 87-29

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: A. Barm Holmes IV

2. Subject:

Department of Mental Retardation's request to transfer Personal Service funds to Other Operating Expenses and to Delete the Associated FTEs.

3. Summary Background Information:

The Department of Mental Retardation requests authorization to transfer \$1,221,574 from Personal Service funds to Other Operating Expense and the deletion of (103.00) associated FTE positions. The Department has moved toward using contractual arrangement to provide Food Services and Laundry Services at Coastal Center, Laundry Services at Whitten Center and to convert Department operated Community Residences throughout the State. There will be no RIF associated with this request. The Department is requesting deletion of (97.00) FTEs immediately and (6.00) additional FTEs to be deleted January 1, 1987.

4. What is Board asked to do?

Approve the transfer of \$1,221,574 from Personal Service Funds to Other Operating Expense and the deletion of the one hundred and three (103.00) associated FTE positions. There will be no RIF of personnel.

5. What is recommendation of Board Division involved?

Specifically approve this request

Dan L. L.

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: \_\_\_\_\_

(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:

(a) List Those Attached:

1. Letter, DMR dated 9/29/86
2. Request to delete FTEs
3. Appropriation Transfer at 6/13/87

(b) List Those Not Attached But Available From Submitter:

04997



STATE BUDGET AND CONTROL BOARD  
MEETING OF October 21, 1986

REGULAR SESSION  
ITEM NUMBER

5

---

AGENCY: Budget Division

---

SUBJECT: Funds Transfer, Mental Retardation

The Budget Division recommends approval of the Department of Mental Retardation request to transfer \$1,221,574 from personal service funds to other operating expenses and to delete 103 associated FTE positions.

The Department is contracting for food services and laundry services at Coastal Center and laundry services at Whitten Center, and is contracting for the operation of community residences throughout the State.

The Division advises that there will be no reduction-in-force as a result of this action. The Department asks that it be authorized to delete 97 FTE positions immediately and 6 additional FTE positions January 1, 1987.

---

BOARD ACTION REQUESTED:

Approve the Department of Mental Retardation request to transfer \$1,221,574 from personal service funds to other operating expenses and to delete 103 associated FTE positions (97 immediately and 6 January 1, 1987).

---

ATTACHMENTS:

Agenda item worksheet and attachments

04998

AGENCY NUMBER L36 AGENCY BATCH NUMBER 04T OBJECT CODE HASH TOTAL 6516 TOTAL BATCH AMOUNT 38974 BATCH DATE BATCH NUMBER DOCUMENT 3

AGENCY VOUCHER NUMBER

04T

AGENCY TRANSFERRED TO (CRI)

NAME

Human Affairs Commission

ADDRESS

Post Office Drawer 11300

Columbia, S.C. 29211

## STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

## APPROPRIATION TRANSFER

## TO REQUESTING AGENCY:

This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

CG WARRANT NUMBER

AGENCY TRANSFERRED FROM (DRI)

NAME

Human Affairs Commission

ADDRESS

P.O. Drawer 11009

Columbia, S.C. 29211

REASON FOR TRANSFER: To bring our 86-87 budget lines into accord with 87-88 budget preparation.

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE	CGR
04	350	L36	0678	1001						0158	2,226.00		
04	350	L36	0679	1001						0158	15,738.00		
04	350	L36	0678	1001						2400	108.00		
04	350	L36	0679	1001						0200	865.00		
04	350	L36	0679	1001						0400	500.00		
04	350	L36	0680	1001						0500	50.00		
TOTAL										3816	19,487.00		

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE	CGR
04	300	L36	0678	1001						0200	4,411.00		
04	300	L36	0678	1001						0300	815.00		
04	300	L36	0678	1001						0400	810.00		
04	300	L36	0678	1001						0500	4,548.00		
04	300	L36	0679	1001						0300	1,308.00		
04	300	L36	0679	1001						0500	381.00		
04	300	L36	0680	1001						0200	435.00		
TOTAL													

REQUESTED BY: JCC/GCH DATE 10-16-84 STATE BUDGET ANALYST R. E. Lester DATE 10-21-86

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized.

STATE AUDITOR DATE



THIS CASE MAY HAVE SOME OR ALL OF THE FOLLOWING DEFECTS WHICH MAY BE QUESTIONABLE WHEN READING. IN SPECIAL PROBLEM AREAS, THIS ROLL NOTE MAY BE REFILMED BEFORE THE DOCUMENT OR DOCUMENTS IN QUESTION.

1. PHOTOCOPY NOT CENTERED PROPERLY CUTTING OFF SOME OF THE INFORMATION.
2. DOCUMENTS ARE OF POOR QUALITY AND MAY NOT PHOTOGRAPH WELL.
3. DOCUMENTS DAMAGED OR TORN BEFORE ARRIVING FOR FILMING.
4. DOCUMENTS CONTAIN A DOUBLE-COPY IMAGE, THE UNDERLYING IMAGE IS IRRELEVANT TO THE READABLE INFORMATION.
5. DOCUMENTS WITH GLUED INSERTS WHICH WERE OR COULD NOT BE REMOVED, INFORMATION MAY OR MAY NOT BE UNDER THE INSERT.
6. OVERSIZED DOCUMENTS THAT COMPRISE TWO OR MORE FRAMES.
7. EXTREMELY DARK COLORED DOCUMENTS THAT LACK CONTRAST BETWEEN WRITING AND BACKGROUND.
8. THE NUMBERED PAGES OF THESE FILES MAY APPEAR TO BE MISSING, OR NUMBERED WRONG.





SOUTH CAROLINA  
HUMAN AFFAIRS  
COMMISSION

James E. Clyburn  
Commissioner

MEMORANDUM

TO: Preston Cantrell  
Asst. Dir. of Budget Development  
FROM: James E. Clyburn *JEC/JS*  
Commissioner  
RE: Appropriation Transfer #04T  
DATE: October 20, 1986  
ATTN.: Robert Tester

The enclosed transfer #04T, is drawn to bring our 86-87 appropriations (state funds) in line with the manner in which we prepared the 87-88 budget detail.

Thank you for your cooperation.

JCH/pw

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMENT
H59	3025	1658	25,242.34			

AGENCY VOUCHER NUMBER

3025

AGENCY TRANSFERRED TO (CBI)

NAME \_\_\_\_\_

**SAME**

ADDRESS

## STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD • FINANCE DIVISION

## APPROPRIATION TRANSFER

TO REQUESTING AGENCY:

This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

CG WARRANT NUMBER

AGENCY TRANSFERRED FROM (DI)

NAME \_\_\_\_\_

Technical &amp; Comp Edu

ADDRESS \_\_\_\_\_

REASON FOR TRANSFER: Align for personal services contracted by Tech from Clemson to perform Data  
FROM: Processing Services

**FROM**

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	P R O J E C T C O D E	AGENCY REFERENCE NUMBER	OBJECT CODE	O B J E C T C O D E	TRANSACTION AMOUNT	MULTI PURPOSE CODE
04	350	H59	3826	1001							0158		10,951.10	
04	350	H59	1428	1001							1300		1,670.07	
TOTAL											1458		12,621.17	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
04	300	H59	3826	1001						0200	12,621.17	
TOTAL										200	12,621.17	

REQUESTED BY W. H. H. Williams DATE 10-21-86 STATE BUDGET ANALYST L. C. G. S. S. DATE 10-27-86

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized.

STATE AUDITOR \_\_\_\_\_ DATE \_\_\_\_\_



CLEMSON  
UNIVERSITY

DIVISION OF COMPUTING  
AND INFORMATION TECHNOLOGY  
Computer Center

September 24, 1986

Mr. Wyman D. Shealy  
Associate Executive Director  
State Board For Technical And  
Comprehensive Education  
111 Executive Center Drive  
Columbia, S.C. 29210

Dear Wyman:

Thanks for your timely response.

Todd Warnock's quarterly salary for July, August, and September is \$7,661.94 which includes fringes. His salary for May and June was \$4,959.23. Invoices will be prepared for reimbursement.

Should you have any questions, please do not hesitate to call me.

Have a great day!

Sincerely,

*William L. Weathers*

William L. Weathers  
Administrative Manager

cc: Dr. C. J. Duckenfield

*Correct, this per contract  
employee. Less than 10%  
raise*

SEP 24 1986 10/23/86

0012 000

0012 000  
0012 000  
0012 000

05003

# EXHIBIT

NOV 18 1986

NO. 9

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

BLUE AGENDA  
ITEM NUMBER

9

AGENCY: State Treasurer

SUBJECT: Low Level Radioactive Waste Surcharge Funds

Attached is a report from the State Treasurer's Office on the receipt and disbursement of funds received pursuant to the provisions of Act 540 of 1986, Part II, Section 15 (Low Level Radioactive Waste Surcharge) as of September 30, 1986.

BOARD ACTION REQUESTED:

Receive as information a report on the receipt and disbursement of funds received pursuant to the provisions of Act 540 of 1986, Part II, Section 15 (Low Level Radioactive Waste Surcharge) as of September 30, 1986.

ATTACHMENTS:

Patterson October 29, 1986, letter to Coles; referenced report

05004



RECEIVED

NOV 3 1986

STATE OF SOUTH CAROLINA  
OFFICE OF STATE TREASURER

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

GRADY L. PATTERSON, JR.  
TREASURER



COLUMBIA  
29211

P. O. DRAWER 11778

EXHIBIT

October 29, 1986

NOV 18 1986

NO. 9

STATE BUDGET & CONTROL BOARD

Honorable Jesse A. Coles, Jr.,  
Executive Director  
Budget and Control Board  
612 Wade Hampton Office Building  
Columbia, South Carolina 29211

Dear Dr. Coles:

I am enclosing for your information a report on the receipt and disbursement of funds received pursuant to the provisions of Section 15 of Part II of Act 540 of 1986 (Low Level Radioactive Waste Surcharge) as of September 30, 1986.

With kindest regards, I am

Very truly yours,

A handwritten signature in cursive script, reading "Grady L. Patterson, Jr.", written over a horizontal line.

Grady L. Patterson, Jr.  
State Treasurer

GLPJr:cbd

Enclosure

CC: Honorable William A. McInnis  
Deputy Executive Director

05005

# EXHIBIT

NOV 18 1986

NO. 9

## LOW LEVEL RADIOACTIVE WASTE SURCHARGE AND PENALTY SURCHARGE FOR THE MONTH OF SEPTEMBER 1986

STATE BUDGET & CONTROL BOARD

	<u>Penalty Surcharge</u>	<u>Surcharge</u>	<u>Total</u>
Received	\$ 1,700.00	\$ 279,520.00	\$ 281,220.00
Disbursed October 7-8, 1986:			
U. S. Dept. of Energy	- 0 -	69,880.00	69,880.00
Barnwell County	170.00	20,964.00	21,134.00
General Fund	1,530.00	188,676.00	190,206.00
Total Disbursed	<u>\$ 1,700.00</u>	<u>\$ 279,520.00</u>	<u>\$ 281,220.00</u>
Balance	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

## LOW LEVEL RADIOACTIVE WASTE SURCHARGE AND PENALTY SURCHARGE FOR THE FISCAL YEAR 1986-87

Received	\$ 1,700.00	\$1,215,685.00	\$1,217,385.00
Disbursed:			
U. S. Dept. of Energy	- 0 -	303,925.25	303,925.25
Barnwell County	170.00	91,176.30	91,346.30
General Fund	1,530.00	820,583.45	822,113.45
Total Disbursed	<u>\$ 1,700.00</u>	<u>\$1,215,685.00</u>	<u>\$1,217,385.00</u>
Balance	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

### Disbursement Formula:

Penalty Surcharge - 10% to Barnwell County; 90% to General Fund  
 Surcharge - 25% to the U. S. Department of Energy; 10% of balance  
 to Barnwell County; 90% of balance to General Fund

05006

# EXHIBIT

NOV 18 1986

NO. 10

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

10

AGENCY: Executive Director

SUBJECT: 1986 State Ceiling on Private Activity Bonds

Board Secretary McInnis, in accord with requirements in the regulations on the allocation of the State Ceiling on private activity bonds, certifies the amount of the ceiling using U.S. Bureau of the Census population figures as the base.

The State actually has two ceiling amounts for 1986. The first, which was established in the federal Deficit Reduction Act of 1984, was \$502,050,000. It was determined by multiplying the \$150 per resident times the 3,347,000 State population. S.C. issuers issued only \$49,842,670\* against that Ceiling which was replaced by the passage of the Tax Reform Act of 1986. \*

The Tax Reform Act of 1986 Ceiling, again using the 3,347,000 population figure as a base, for issues after August 15, 1986 and through December 31, 1986, is \$251,025,000. It is at the rate of \$75 per resident.

\* Revised to  
\$47,642,670  
WAM

## BOARD ACTION REQUESTED:

Receive as information a report that the private activity bond State Ceiling, under the Tax Reform Act of 1986, for issues between August 16 and December 31, 1986, is \$251,025,000.

## ATTACHMENTS:

McInnis certificate dated October 30, 1986.

05007

NOV 18 1986

NO. 10

State of South Carolina

## State Budget and Control Board

STATE BUDGET &amp; CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNORGRADY L. PATTERSON, JR.  
STATE TREASUREREARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444

Columbia  
29211REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEEJESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

October 30, 1986

CERTIFICATION OF 1986 STATE CEILING  
ON ISSUANCE OF PRIVATE ACTIVITY BONDS  
ESTABLISHED IN  
DEFICIT REDUCTION ACT OF 1984 AND TAX REFORM ACT OF 1986

In accord with Section 19-103.01 of the "Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds," I determined, in a certificate dated January 14, 1986, the State Ceiling for the State of South Carolina, as established in the Deficit Reduction Act of 1984, to be \$502,050,000.

That determination was based on a U. S. Bureau of the Census estimate of 3,347,000 as the resident population of the State of South Carolina, as published in Census Bureau release CB85-229 dated December 30, 1985.

In accord with Regulation Section 19-103.06, South Carolina issuing authorities certified issues made with allocations of the \$502,050,000 State Ceiling through August 15, 1986, in the amount of \$49,842,670.

Using the 3,347,000 resident population estimate as the basis, I have calculated and I certify the 1986 State Ceiling for the State of South Carolina, as established in the Tax Reform Act of 1986, to be \$251,025,000 which is to be allocated to issues made after August 15, 1986. This calculation and certification is done in accord with Section 1 of Governor Riley's Executive Order 86-20, dated October 22, 1986.

*William A. McInnis*  
William A. McInnis, Secretary

05008



# EXHIBIT

State of South Carolina

NOV 18 1986

NO. 10

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444

Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

October 30, 1986

REVISED

### CERTIFICATION OF 1986 STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS ESTABLISHED IN DEFICIT REDUCTION ACT OF 1984 AND TAX REFORM ACT OF 1986

In accord with Section 19-103.01 of the "Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds," I determined, in a certificate dated January 14, 1986, the State Ceiling for the State of South Carolina, as established in the Deficit Reduction Act of 1984, to be \$502,050,000.

That determination was based on a U. S. Bureau of the Census estimate of 3,347,000 as the resident population of the State of South Carolina, as published in Census Bureau release CB85-229 dated December 30, 1985.

In accord with Regulation Section 19-103.06, South Carolina issuing authorities certified issues made with allocations of the \$502,050,000 State Ceiling through August 15, 1986, in the amount of \$47,642,670.

Using the 3,347,000 resident population estimate as the basis, I have calculated and I certify the 1986 State Ceiling for the State of South Carolina, as established in the Tax Reform Act of 1986, to be \$251,025,000 which is to be allocated to issues made after August 15, 1986. This calculation and certification is done in accord with Section 1 of Governor Riley's Executive Order 86-20, dated October 22, 1986.

*William A. McInnis*  
William A. McInnis, Secretary

05009

# EXHIBIT

NOV 18 1986 NO. 11

STATE BUDGET & CONTROL BOARD  
STATE BUDGET AND CONTROL BOARD BLUE AGENDA  
MEETING OF November 18, 1986 ITEM NUMBER

11

AGENCY: Executive Director

SUBJECT: Interviewee Travel Expense Reimbursement

The following agency has reported anticipated payments of interviewee travel expenses:

<u>Agency</u>	<u>Number</u>	<u>Estimated Cost</u>
(a) Archives and History	3	\$800

BOARD ACTION REQUESTED:

Receive as information reports on the reimbursement of interviewee travel expenses by Archives and History (3).

ATTACHMENTS:

05010



South Carolina Department of Archives and History  
1430 Senate Street  
Columbia, S.C.

EXHIBIT

NOV 18 1986

NO. 11

P.O. Box 11,669  
Capitol Station 29211-1669  
803-758-5816

STATE BUDGET & CONTROL BOARD

November 7, 1986

RECEIVED

NOV 10 1986

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

Dr. Jesse A. Coles, Jr.  
Executive Director  
Budget and Control Board  
Box 12444  
Columbia, SC 29211

Dear Dr. Coles:

Pursuant to Budget and Control Board memoranda of November 4, 1982, and April 27, 1983, regarding interviewee travel expenses, I need to tell you that the Archives and History Commission at its meeting on November 4 instant decided to invite for interviews here in Columbia three candidates for the position of Director, which will fall vacant on July 1, 1987, due to my resignation effective that date. The names of the persons, their present affiliations, and the dates they will be in Columbia are:

Dr. Jeffrey J. Crow, N.C. Division of Archives and History,  
Raleigh, N.C., Nov. 24 and 25.

Dr. George A. Vogt, National Archives and Records  
Administration, Washington, D.C., Dec. 1 and 2.

Dr. Lewis J. Bellardo, Georgia Historical Society, Savannah, GA.,  
Dec. 9 and 10.

Dr. George C. Rogers, Jr., Chairman of the Archives and History Commission, directs me to tell you that he has determined that (1) the significance of the position to be filled warrants incurring the costs of paying the expenses of the invited candidates, (2) the costs will certainly not exceed the costs of transporting the Commission members to the resident cities of the candidates, and (3) qualified candidates residing in South Carolina were considered before these persons were invited for interviews as noted above.

*about \$800*

05011

# EXHIBIT

Jesse A. Coles, Jr.--11-7-86--2

NOV 18 1986

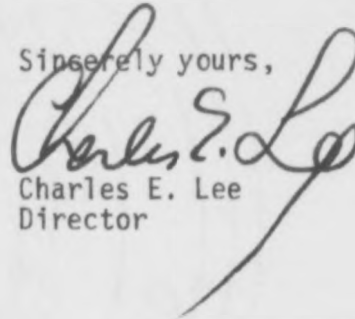
NO. 1 1

STATE BUDGET & CONTROL BOARD

The interviewees will be reimbursed in accordance with the current rules and regulations which govern travel by state employees, and a report of the amount paid to each will be filed with you.

I should appreciate a return letter from you approving these arrangements.

Sincerely yours,



Charles E. Lee  
Director

Cc.: Dr. George C. Rogers, Jr.  
Harold W. Perry

05012



# EXHIBIT

NOV 18 1986

NO. 1 2

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

12

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

A. The following permanent improvement project actions have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

- (1) On Summary 9-87: Items 1 through 10, 14 and 15 (involving B&C Bd-General Services and Motor Vehicle Management, Clemson, Medical University, Technical & Comprehensive Education, Mental Retardation, Parks, Recreation & Tourism, Employment Security Commission and Highway & Public Transportation).
- (2) On Summary 10-87: Items 1 through 3, 5 through 15, 18 and 19 (involving B&C Bd-General Services, Citadel, Clemson, State College, Winthrop, Tech & Comp Education, Wil Lou Gray Opportunity School, Vocational Rehabilitation, School for Deaf & Blind, Mental Health, John de la Howe, Youth Services and Wildlife & Marine Resources).

B. The following permanent improvement project actions have been approved by staff and Joint Bond Review Committee review is not required:

- (1) On Summary 10-87: Items 21 through 47 (involving Francis Marion, Winthrop, Medical University, Tech & Comp Education, Mental Health, John de la Howe, Corrections, Agriculture, PRT and Highway & Public Transportation).

BOARD ACTION REQUESTED:

Receive as information.

ATTACHMENTS:

Referenced summary extracts.

05013

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 1, 1986 Through October 15, 1986

SUMMARY 9-87 Page 1 of 11  
Forwarded to JBRC 10/17/86

Item Agency: F12 B&C Bd-General Services Project: 8408, Laurel St Records Center Renov

1.

Action

Proposed: Increase budget from \$ 61,700.00 to \$ 99,700.00

(Add \$ 38,000.00 [9] Other)

Purpose: Revise project to include installation of lighting which was not included in original project.

Ref: Supporting document pages 1-3.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Appropriated State	35,000.00
Other	64,700.00

TOTAL FUNDS 99,700.00

Item Agency: F16 B&C Bd-Motor Veh Mgmt Project: 9007, Senate St Property Acq/Purchase

2.

Action

Proposed: Increase budget from \$ 581,000.00 to \$ 689,740.00

(Add \$ 108,740.00 [9] Other, Motor Pool Rents)

Purpose: Expand scope of acquisition of 1004-1006 Senate Street project. To demolish and remove two existing buildings from recently purchased property at 1004 - 1006 Senate Street and to improve this property for parking use; also to provide for interior alterations/renovations at 1022 Senate Street.

Ref: Supporting document pages 4-6.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Other	689,740.00

TOTAL FUNDS 689,740.00

Item Agency: H12 Clemson University Project: 9280, Poole Ag Center-Rooms 83 & 84 Reno

3.

Action

Proposed: Establish project.

Total budget.....\$ 27,000.00  
[6] Appropriated State.....\$ 27,000.00

Purpose: Build two (2) offices in Room 83 of Pool Ag. Center with associated electrical, HVAC and lighting. Construct window in wall between Room 84 and 85A. Install carpet in Rooms 83 and 84.

Ref: Supporting document pages 7-10.

CHE Approval Date: 10/01/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
State Appropriated	27,000.00

TOTAL FUNDS 27,000.00

STATE BUDGET & CONTROL BOARD  
NOV 18 1986  
EXHIBIT NO. 12

05014

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 1, 1986 Through October 15, 1986

SUMMARY 9-87 Page 2 of 11  
Forwarded to JBRC 10/17/86

Item Agency: H12 Clemson University Project: 9281, Areawide Transportation Study

CHE Approval Date: 10/01/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

4. Action  
Proposed: Establish project.

Total budget.....\$ 30,000.00  
[6] Appropriated State.....\$ 15,000.00  
[9] Other, City of Clemson.....\$ 15,000.00

Budget After Action Proposed	
Source	Amount
Appropriated State	15,000.00
Other	15,000.00

Purpose: Clemson University and the City of Clemson are jointly funding an areawide transportation study to develop a long-range transportation plan, an integrated bicycle path system, and make short-range recommendations to improve traffic flow.

Ref: Supporting document pages 11-14.

TOTAL FUNDS 30,000.00

Item Agency: H51 Medical University Project: 9315, Emergency Chiller Replacement

CHE Approval Date: 10/13/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

5. Action  
Proposed: Establish project.

Total budget.....\$ 100,000.00  
[4] Excess Debt Service.....\$ 100,000.00

Budget After Action Proposed	
Source	Amount
Excess Debt Service	100,000.00

Purpose: This project consists of the recent emergency replacement of a chiller in the University Services Building. Hot weather necessitated an emergency installation.

Ref: Supporting document pages 15-18.

TOTAL FUNDS 100,000.00

Item Agency: H59 Tech & Comp Education Project: 8942, Aiken-Early Child Care Training

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

6. Action  
Proposed: Increase budget from \$ 118,000.00 to \$ 120,950.00

(Add \$ 2,950.00 [9] Other)

Budget After Action Proposed	
Source	Amount
Other	120,950.00

Purpose: To increase budget as a result of some interior design changes such as needed casework.

Ref: Supporting document pages 19-20.

TOTAL FUNDS 120,950.00

05015

EXHIBIT  
NOV 18 1986  
NO. 12  
STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 1, 1986 Through October 15, 1986

SUMMARY 9-87 Page 3 of 11  
Forwarded to JBRC 10/17/86

Item Agency: H59 Tech & Comp Education Project: 8952, Piedmont-Energy Consv-Phase VII

7.

Action

Proposed: Increase budget from \$ 85,243.00 to \$ 148,723.00

(Add \$ 63,480.00 [9] Other, Local)

Purpose: Construction and material costs have increased since project was initiated in a grant two years ago.

Ref: Supporting document pages 21-22.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed  
Source Amount

Federal 35,685.00  
Other 113,038.00

TOTAL FUNDS 148,723.00

Item Agency: H59 Tech & Comp Education Project: 9279, Aiken-Roof Repair Bldgs A,B,C,D & E

8.

Action

Proposed: Establish project.

Total budget.....\$ 55,300.00  
[9] Other.....\$ 55,300.00

Purpose: To repair roofs on five buildings including brick parapet walls and flashings. Buildings A, B, C, D & E are involved.

Ref: Supporting document pages 23-24.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed  
Source Amount

Other 55,300.00

TOTAL FUNDS 55,300.00

Item Agency: J16 Mental Retardation Project: 7414, WC-Central Freezer/Cooler Facility

9.

Action

Proposed: Increase budget from \$ 450,000.00 to \$ 468,184.84

(Add \$ 18,184.84 [4] Excess Debt Service)

Purpose: To adjust budget for actual bids received. Funds transferred from project. 8832 (refer to item 26).

Ref: Supporting document pages 25-26.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed  
Source Amount

Excess Debt Service 18,184.84  
Other 450,000.00

TOTAL FUNDS 468,184.84

05016



STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 1, 1986 Through October 15, 1986

SUMMARY 9-87 Page 4 of 11  
Forwarded to JBRC 10/17/86

Item Agency: J16 Mental Retardation Project: 8835, Coastal-5 Bldgs Reroofing

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

10. Action  
Proposed: Increase budget from \$ 52,105.00 to \$ 244,785.00

(Add \$ 124,755.96 [4] Excess Debt Service)  
(Add \$ 67,924.04 [9] Other, Medicaid)

Budget After Action Proposed  
Source Amount

Excess Debt Service 124,755.96  
Other 120,029.04

Purpose: Increase is needed to award contract. Funds transferred from projects 8537, 8072, 8715, 8716, 7416, 8717 and 8832 (refer to items 20-26).

Ref: Supporting document pages 27-29.

TOTAL FUNDS 244,785.00

Item Agency: P28 Parks, Rec & Tourism Project: 9307, Hampton Plantation Superintendent Residence

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

14. Action  
Proposed: Establish project.

Total budget.....\$ 27,000.00  
[9] Other, Operating Funds.....\$ 27,000.00

Budget After Action Proposed  
Source Amount

Other 27,000.00

Purpose: Construction of a park residence using in-house labor.

Ref: Supporting document pages 38-40.

TOTAL FUNDS 27,000.00

Item Agency: P28 Parks, Rec & Tourism Project: 9308, State Parks Surveying and Topo

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

15. Action  
Proposed: Establish project.

Total budget.....\$ 50,000.00  
[6] Appropriated State.....\$ 50,000.00

Budget After Action Proposed  
Source Amount

Appropriated State 50,000.00

Purpose: To survey (boundary and topographical) for state parks and PRT properties.

Ref: Supporting document pages 41-42.

TOTAL FUNDS 50,000.00

05017

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 1 of 16  
Forwarded to JBRC 11/06/86

Item Agency: F12 B&C Bd-General Services Project: 8975, Surplus Property Warehouse

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

1. Action  
Proposed: Increase budget from \$ 100,000.00 to \$ 225,000.00

(Add \$ 125,000.00 [6] Appropriated State)

Budget After Action Proposed	
Source	Amount
Appropriated State	225,000.00

Purpose: Original cost of project was underestimated and the additional funds will be required to provide for completion of the project. Non-recurring appropriated state funds will be the fund source utilized for this budget amendment.

Ref: Supporting document pages 1-4.

TOTAL FUNDS 225,000.00

Item Agency: H09 The Citadel Project: 7277, Fire Safety Requirements

CHE Approval Date: 10/17/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

2. Action  
Proposed: Increase budget from \$ 33,713.27 to \$ 34,661.55

(Add \$ 948.28 [2] Institution Bonds)

Budget After Action Proposed	
Source	Amount
Institution Bonds	34,661.55

Purpose: In past years several projects funded by institution bonds were closed and had small amounts of bond money remaining which were transferred to this project on The Citadel's books. This budget increase will result in the project budget being reflected the same on the agency's records as well as the SPIRS System.

Ref: Supporting document pages 5-7.

TOTAL FUNDS 34,661.55

Item Agency: H09 The Citadel Project: 9332, Emergency Repairs to Laundry

CHE Approval Date: 10/30/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

3. Action  
Proposed: Establish project.

Total budget.....\$ 65,000.00  
[9] Other, Auxiliary Reserve.....\$ 65,000.00

Budget After Action Proposed	
Source	Amount
Other	65,000.00

Purpose: Installation of new boiler, storage tank, pump and associated piping to provide hot water system for washing machines. The new systems will replace the existing outdated system which has recently developed a bed leak which presents a safety hazard for laundry workers. A State Engineer's Request for Emergency Procurement form SE-560 was approved by the State Engineer on October 30, 1986.

Ref: Supporting document pages 8-15.

TOTAL FUNDS 65,000.00

05018

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 2 of 16  
Forwarded to JBRC 11/06/86

Item Agency: H12 Clemson University Project: 8936, Permanent Soccer Stands  
5.

Action  
Proposed: Change Scope and Increase budget from \$ 900,000.00 to \$ 969,000.00

(Add \$ 69,000.00 [8] Athletic)

Purpose: Increase budget to permit acceptance of Alternate 2 of base bid on project which will provide locker rooms not previously included in the established project.

Ref: Supporting document pages 19-21.

CHE Approval Date: 10/27/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Athletic	69,000.00
Other	900,000.00

TOTAL FUNDS 969,000.00

Item Agency: H24 State College Project: 9330, Moss Hall Renovation  
6.

Action  
Proposed: Establish project.

Total budget.....\$ 100,000.00  
[4] Excess Debt Service.....\$ 100,000.00

Purpose: To upgrade the electrical, lighting and plumbing systems, also general renovation and repair of floor space. Waterproof and paint exterior of building.

Ref: Supporting document pages 22-25.

CHE Approval Date: 10/30/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Excess Debt Service	100,000.00

TOTAL FUNDS 100,000.00

Item Agency: H47 Winthrop College Project: 9334, Richardson Elevator Repair  
7.

Action  
Proposed: Establish project.

Total budget.....\$ 27,994.00  
[4] Excess Debt Service.....\$ 27,994.00

Purpose: To repair two elevators in Richardson Hall residence. The proposed repairs and modifications will make the elevators safer and prevent tampering and vandalism.

Ref: Supporting document pages 26-30.

CHE Approval Date: 10/31/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Excess Debt Service	27,994.00

TOTAL FUNDS 27,994.00

EXHIBIT  
NOV 18 1986  
NO. 12  
STATE BUDGET & CONTROL BOARD

05619

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 3 of 16  
Forwarded to JBRC 11/06/86

Item Agency: H59 Tech & Comp Education Project: 9331, Trident-Main Campus Water Dist Sys Improve  
8.

Action  
Proposed: Establish project.

Total budget.....\$ 60,000.00  
[9] Other, Local.....\$ 60,000.00

Purpose: To extend the existing dead-ended water supply piping in order to form a complete loop.

Ref: Supporting document pages 31-32.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Other	60,000.00

TOTAL FUNDS 60,000.00

Item Agency: H71 Wil Lou Gray Op School Project: 9002, Training Center Renovation  
9.

Action  
Proposed: Increase budget from \$ 65,000.00 to \$ 115,000.00

(Add \$ 50,000.00 [6] Appropriated State)

Purpose: General renovation to approximately 3,100 square feet of existing wood framed building including interior, new roofing, electrical and mechanical systems. A/E consultant has included structural changes, design work and various code compliance that are necessary. Required renovations exceeded original project expectations.

Ref: Supporting document pages 33-34.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Appropriated State	115,000.00

TOTAL FUNDS 115,000.00

Item Agency: H73 Vocational Rehab Project: 9324, Beaufort Land Purchase  
10.

Action  
Proposed: Establish project.

Total budget.....\$ 100,000.00  
[7] Federal.....\$ 50,000.00  
[9] Other, Workshop Production.....\$ 50,000.00

Purpose: To purchase 5 acres of land for new building for Beaufort V.R. Center.

Ref: Supporting document pages 35-36.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Federal	50,000.00
Other	50,000.00

TOTAL FUNDS 100,000.00

05020



STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 4 of 16  
Forwarded to JBRC 11/06/86

<p>Item Agency: H75 School for Deaf &amp; Blind Project: 9296, Campuswide Bath/Kitchen Improvements</p>	<p>CHE Approval Date: Not req'd Committee Review Date: * B&amp;C Board Approval Date: *</p>								
<p>11. Action Proposed: Increase budget from \$ 18,000.00 to \$ 30,000.00</p> <p>(Add \$ 12,000.00 [0] Capital Improvement Bonds)</p>	<p>Budget After Action Proposed</p> <table> <tr> <th>Source</th><th>Amount</th></tr> <tr> <td>Capital Improvement Bonds</td><td>30,000.00</td></tr> </table>	Source	Amount	Capital Improvement Bonds	30,000.00				
Source	Amount								
Capital Improvement Bonds	30,000.00								
<p>Purpose: Funds needed to meet bids received and add contingencies.</p> <p>Ref: Supporting document pages 37-38.</p>	<p>TOTAL FUNDS 30,000.00</p>								
<p>Item Agency: H75 School for Deaf &amp; Blind Project: 9297, Memminger Hall-New Roof</p>	<p>CHE Approval Date: Not req'd Committee Review Date: * B&amp;C Board Approval Date: *</p>								
<p>12. Action Proposed: Increase budget from \$ 20,000.00 to \$ 25,052.75</p> <p>(Add \$ 5,052.75 [0] Capital Improvement Bonds)</p>	<p>Budget After Action Proposed</p> <table> <tr> <th>Source</th><th>Amount</th></tr> <tr> <td>Capital Improvement Bonds</td><td>25,052.75</td></tr> </table>	Source	Amount	Capital Improvement Bonds	25,052.75				
Source	Amount								
Capital Improvement Bonds	25,052.75								
<p>Purpose: Low bid for replacing roof is higher than estimated budget.</p> <p>Ref: Supporting document pages 39-40.</p>	<p>TOTAL FUNDS 25,052.75</p>								
<p>Item Agency: J12 Mental Health Project: 8646, Wilson Building Renovation</p>	<p>CHE Approval Date: Not req'd Committee Review Date: * B&amp;C Board Approval Date: *</p>								
<p>13. Action Proposed: Increase budget from \$ 715,800.00 to \$ 860,000.00</p> <p>(Add \$ 144,200.00 [1] Departmental Capital Improvement Bonds)</p>	<p>Budget After Action Proposed</p> <table> <tr> <th>Source</th><th>Amount</th></tr> <tr> <td>Departmental CIB</td><td>144,200.00</td></tr> <tr> <td>Excess Debt Service</td><td>415,800.00</td></tr> <tr> <td>Appropriated State</td><td>300,000.00</td></tr> </table>	Source	Amount	Departmental CIB	144,200.00	Excess Debt Service	415,800.00	Appropriated State	300,000.00
Source	Amount								
Departmental CIB	144,200.00								
Excess Debt Service	415,800.00								
Appropriated State	300,000.00								
<p>Purpose: To further enhance the environment and reduce noise level by installing carpet and window treatment for a high level of clinical care provided to the children housed in this building. Funds transferred from project 8966, (refer to item 32).</p> <p>Ref: Supporting document pages 41-42.</p>	<p>TOTAL FUNDS 860,000.00</p>								

05021

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 5 of 16  
Forwarded to JBRC 11/06/86

Item Agency: J12 Mental Health Project: 9329, Hall Institute Renovation  
14.

Action  
Proposed: Establish project.

Total budget.....\$ 60,000.00  
[1] Departmental CIB.....\$ 60,000.00

Purpose: Renovation of Cottage C located at Hall Institute to include interior partitions, doors, locks, related mechanical and electrical systems and required demolition. Minor renovation (walls, electrical, HVAC) at Main Building to provide suitable admitting area for children. Funds transferred from project 8966, (refer to item 32).

Ref: Supporting document pages 43-44.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Departmental CIB	60,000.00

TOTAL FUNDS 60,000.00

Item Agency: L12 John de la Howe Project: 8982, Therapeutic Wilderness Camping Facility  
15.

Action  
Proposed: Increase budget from \$ 245,000.00 to \$ 403,685.00

(Add \$ 103,685.00 [6] Appropriated State)  
(Add \$ 55,000.00 [9] Other, Private Contributions, Duke Endowment)

Purpose: To include construction cost and related cost on additional square footage that were not known at the time of preliminary cost estimate. Additional square footage will provide for the inclusion of the educational component of the project with the program administration.

Ref: Supporting document pages 45-47.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Appropriated State	303,685.00
Other	100,000.00

TOTAL FUNDS 403,685.00

Item Agency: N12 Youth Services Project: 9249, Roof Replacements-Phase III  
18.

Action  
Proposed: Increase budget from \$ 300,000.00 to \$ 475,000.00

(Add \$ 175,000.00 [0] Capital Improvement Bonds)

Purpose: To increase budget and change the scope to include eight more buildings to receive new roofs. These funds were approved for transfer to this project by Act 540 of 1986, Part II, Section 23.

Ref: Supporting document pages 61-63.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	175,000.00
Appropriated State	300,000.00

TOTAL FUNDS 475,000.00

05022

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUBBURY 16-87 Page 6 of 16  
Forwarded to JBRC 11/06/86

Item Agency: P24 Wildlife & Marine Res Project: 9325, Charleston-Marine Storage Bldg

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Action

Proposed: Establish project.

Total budget.....\$	18,000.00
[0] Capital improvement Bonds.....\$	13,771.38
[0] Appropriated State.....\$	4,228.62

Budget After Action Proposed  
Source Amount

Capital improvement Bonds	13,771.38
Appropriated State	4,228.62

Purpose: To construct a 1,400 square foot metal storage building to be used to secure marine equipment used by the Marine Resources Division as well as confiscated equipment received by Law Enforcement District #9.

Ref: Supporting document pages 64-65.

TOTAL FUNDS 18,000.00

05023

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 1 of 16  
Forwarded to JBRC 11/06/86

Item Agency: H18 Francis Marion Project: 8789, Smith College Cntr Gym Floor Refinish

21.

Action

Proposed: Decrease budget from \$ 40,000.00 to \$ 28,886.00

(Subtract \$ 11,114.00 [6] Appropriated State)

Purpose: To close completed project.

Ref: Supporting document pages 68-70.

CHE Approval Date: 10/24/86  
Committee Review Date: 9/9/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
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Appropriated State	28,886.00
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TOTAL FUNDS	28,886.00
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05024



STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 8 of 16  
Forwarded to JBRC 11/06/86

Item Agency: H47 Winthrop College Project: 8307, Margaret Nance Renovation  
22.

Action  
Proposed: Increase budget from \$ 775,727.00 to \$ 1,800,727.00

(Add \$ 25,000.00 [4] Excess Debt Service)

Purpose: To construct fire hose cabinets on three floors and install fire hoses, as well as other minor modifications. Funds transferred from project 8798, (refer to item 24).

Ref: Supporting document pages 71-72a.

CHE Approval Date: 10/31/86  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed  
Source Amount

Revenue Bonds 1,639,570.00  
Excess Debt Service 125,000.00  
Federal 36,157.00

TOTAL FUNDS 1,800,727.00

Item Agency: H47 Winthrop College Project: 8629, Pits/Withers Parking Lots  
23.

Action  
Proposed: Decrease budget from \$ 289,000.00 to \$ 285,687.20

(Subtract \$ 3,312.80 [4] Excess Debt Service)

Purpose: To close completed project and transfer remaining funds to project 8800, refer to item 25).

Ref: Supporting document pages 73-74a.

CHE Approval Date: 10/31/86  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed  
Source Amount

Excess Debt Service 147,687.20  
Other 138,000.00

TOTAL FUNDS 285,687.20

Item Agency: H47 Winthrop College Project: 8798, Bancroft Painting  
24.

Action  
Proposed: Decrease budget from \$ 80,000.00 to \$ 55,000.00

(Subtract \$ 25,000.00 [4] Excess Debt Service)

Purpose: To transfer needed funds to project 8307, (refer to item 22).

Ref: Supporting document pages 75-76a.

CHE Approval Date: 10/31/86  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed  
Source Amount

Excess Debt Service 55,000.00

TOTAL FUNDS 55,000.00

05025

EXHIBIT  
NOV 18 1986  
NO. 12  
STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 9 of 16  
Forwarded to JBRC 11/06/86

Item Agency: H47 Winthrop College Project: 8800, Water Tower Retrofit

CHE Approval Date: 10/31/86  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Action  
Proposed: Increase budget from \$ 40,000.00 to \$ 43,312.80

Budget After Action Proposed  
Source Amount

(Add \$ 3,312.80 [4] Excess Debt Service)

Excess Debt Service 3,312.80  
Appropriated State 40,000.00

Purpose: To increase project budget to cover anticipated costs. Funds transferred from project 8629, (refer to item 23).

Ref: Supporting document pages 77-79.

TOTAL FUNDS 43,312.80

Item Agency: H51 Medical University Project: 8682, Library/Admin Bldg Renovation

CHE Approval Date: 10/31/86  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Action  
Proposed: Decrease budget from \$ 125,000.00 to \$ 117,278.04

Budget After Action Proposed  
Source Amount

(Subtract \$ 7,721.96 [6] Appropriated State)

Appropriated State 117,278.04

Purpose: To close completed project.

Ref: Supporting document pages 80-81a.

TOTAL FUNDS 117,278.04

Item Agency: H51 Medical University Project: 8806, Anderson Property Acq

CHE Approval Date: 10/31/86  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Action  
Proposed: Decrease budget from \$ 386,262.72 to \$ 379,407.67

Budget After Action Proposed  
Source Amount

(Subtract \$ 6,855.05 [4] Excess Debt Service)

Institution Bonds 90,445.00  
Revenue Bonds 41,822.87  
Excess Debt Service 246,135.80

Purpose: To close completed project.

Ref: Supporting document pages 82-84a.

TOTAL FUNDS 379,407.67

05028

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 10 of 16  
Forwarded to JBRC 11/06/86

Item Agency: H51 Medical University Project: 8944, Library Recarpet  
28.

Action  
Proposed: Decrease budget from \$ 55,000.00 to \$ 48,337.95

(Subtract \$ 6,662.05 [6] Appropriated State)

Purpose: To close completed project.

Ref: Supporting document pages 85-86.

CHE Approval Date: 10/31/86  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Appropriated State	48,337.95

TOTAL FUNDS 48,337.95

Item Agency: H59 Tech & Comp Education Project: 8812, Midlands-Classroom Bldg Roof Repairs  
29.

Action  
Proposed: Decrease budget from \$ 96,000.00 to \$ 73,410.26

(Subtract \$ 22,589.74 [9] Other, Local)

Purpose: To close completed project.

Ref: Supporting document pages 87-88.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Other	73,410.26

TOTAL FUNDS 73,410.26

Item Agency: H59 Tech & Comp Education Project: 8813, Midlands-Classroom Bldg/Mech Upgrade  
30.

Action  
Proposed: Decrease budget from \$ 70,000.00 to \$ 69,885.00

(Subtract \$ 115.00 [9] Other, Local)

Purpose: To close completed project.

Ref: Supporting document pages 89-90.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Other	69,885.00

TOTAL FUNDS 69,885.00

EXHIBIT

NOV 18 1986 NO. 12

STATE BUDGET & CONTROL BOARD

05027

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 11 of 16  
Forwarded to JBRC 11/06/86

Item Agency: H59 Tech & Comp Education Project: 8971, Midlands-Scott Bldg Repairs  
31.

Action  
Proposed: Decrease budget from \$ 45,000.00 to \$ 32,639.49

(Subtract \$ 12,360.51 [9] Other, Local)

Purpose: To close completed project.

Ref: Supporting document pages 91-92.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Other	32,639.49

TOTAL FUNDS 32,639.49

Item Agency: J12 Mental Health Project: 8966, Blanding Building Renovation  
32.

Action  
Proposed: Decrease budget from \$ 500,000.00 to \$ 295,800.00

(Subtract \$ 204,200.00 [1] Departmental Capital Improvement Bonds)

Purpose: Due to changes in the Child and Adolescent Program, this building will not be used to house children and therefore the extensive renovations will not be necessary to the interior. The roof replacement and exterior parking will be completed as previously submitted. Transfer remaining funds to projects 8646 and 9329, (refer to items 13 and 14).

Ref: Supporting document pages 93-95.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Departmental CIB	295,800.00

TOTAL FUNDS 295,800.00

Item Agency: L12 John de la Howe School Project: 8525, Educational Bldg HVAC Renovations  
33.

Action  
Proposed: Close project.

Purpose: To close completed project.

Ref: Supporting document pages 96-98.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Appropriated State	51,232.00

TOTAL FUNDS 51,232.00

05028



STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 12 of 16  
Forwarded to JBRC 11/06/86

Item Agency: L12 John de la Howe School Project: 9250, Physical Plant Expansion-Sewer  
34.

Action  
Proposed: Close project.

Purpose: To close completed project.

Ref: Supporting document pages 99-100.

Item Agency: N04 Dept of Corrections Project: 9006, Temporary Housing - Manning  
35.

Action  
Proposed: Decrease budget from \$ 600,000.00 to \$ 490,174.00

(Subtract \$ 109,826.00 [0] Capital Improvement Bonds)

Purpose: To transfer surplus funds to establish project 9335, (refer to item 16).

Ref: Supporting document pages 101-102.

Item Agency: N04 Dept of Corrections Project: 9072, Temporary Housing 96-Beds - MacDougall  
36.

Action  
Proposed: Decrease budget from \$ 300,000.00 to \$ 246,148.00

(Subtract \$ 53,852.00 [5] Capital Expenditure Fund)

Purpose: To transfer surplus funds to establish project 9335, (refer to item 16).

Ref: Supporting document pages 103-104.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Appropriated State	429,000.00

TOTAL FUNDS 429,000.00

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	490,174.00

TOTAL FUNDS 490,174.00

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Capital Expenditure Fund	246,148.00

TOTAL FUNDS 246,148.00

05029

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 13 of 16  
Forwarded to JBRC 11/06/86

Item Agency: N04 Dept of Corrections Project: 9073, Temporary Housing 96-Beds - Walden  
37.

Action

Proposed: Decrease budget from \$ 300,000.00 to \$ 264,185.00

(Subtract \$ 35,815.00 [5] Capital Expenditure Fund)

Purpose: To transfer surplus funds to establish project 9335, (refer to item 16).

Ref: Supporting document pages 105-106.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount

Capital Expenditure Fund	264,185.00
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TOTAL FUNDS	264,185.00
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Item Agency: N04 Dept of Corrections Project: 9074, Temporary Housing 96-Beds - Northside  
38.

Action

Proposed: Decrease budget from \$ 300,000.00 to \$ 192,302.00

(Subtract \$ 107,698.00 [5] Capital Expenditure Fund)

Purpose: To transfer surplus funds to establish project 9335, (refer to item 16).

Ref: Supporting document pages 107-108.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount

Capital Expenditure Fund	192,302.00
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TOTAL FUNDS	192,302.00
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Item Agency: P16 Dept of Agriculture Project: 8415, Columbia Market Site Work  
39.

Action

Proposed: Decrease budget from \$ 271,000.00 to \$ 248,500.00

(Subtract \$ 22,500.00 [9] Other, Farmers Mkt Revenue)

Purpose: To transfer needed authorized budgeted funds to project 8928.

Ref: Supporting document pages 109-110.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/24/86

Budget After Action Proposed	
Source	Amount

Appropriated State	90,000.00
Other	158,500.00

TOTAL FUNDS	248,500.00
-------------	------------

05030

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 14 of 16  
Forwarded to JBRC 11/06/86

Item Agency: P16 Dept of Agriculture Project: 8928, Cola-Calibration Station Replacement  
40.

Action  
Proposed: Increase budget from \$ 225,000.00 to \$ 247,500.00

(Add \$ 22,500.00 [6] Appropriated State)

Purpose: The low bid was in excess of estimated budget.

Ref: Supporting document pages 111-113.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/24/86

Budget After Action Proposed	
Source	Amount
Appropriated State	247,500.00

TOTAL FUNDS 247,500.00

Item Agency: P28 Parks, Rec & Tourism Project: 9062, Table Rock Lodge Parking  
41.

Action  
Proposed: Change Scope.

Purpose: Add patching/paving of short segments of park roadway to the project scope.

Ref: Supporting document pages 114-115.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	27,000.00

TOTAL FUNDS 27,000.00

Item Agency: U12 Highway & Public Trans Project: 8339, Headquarters Bldg Alterations  
42.

Action  
Proposed: Increase budget from \$ 60,000.00 to \$ 63,000.00

(Add \$ 3,000.00 [9] Other, S.C.D.H. & P.T.)

Purpose: Increase is needed to move existing cables from old offices to new offices.

Ref: Supporting document pages 116-117.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Other	63,000.00

TOTAL FUNDS 63,000.00

05031

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 15 of 16  
Forwarded to JBRC 11/06/86

Item Agency: U12 Highway & Public Trans Project: 8354, Lancaster Patrol Office

43.

Action  
Proposed: Increase budget from \$ 150,000.00 to \$ 155,000.00

(Add \$ 5,000.00 [9] Other, S.C.D.H. & P.T.)

Purpose: Increase is needed for landscaping and to move existing cables from old office to new office.

Ref: Supporting document pages 118-119.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Other	155,000.00

TOTAL FUNDS 155,000.00

Item Agency: U12 Highway & Public Trans Project: 8355, Ridgeland License & Patrol Office

44.

Action  
Proposed: Decrease budget from \$ 445,000.00 to \$ 414,000.00

(Subtract \$ 31,000.00 [9] Other, S.C.D.H. & P.T.)

Purpose: To transfer needed funds to projects 8339, 8356, 8354, 8375 and 8582.

Ref: Supporting document pages 120-121.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Other	414,000.00

TOTAL FUNDS 414,000.00

Item Agency: U12 Highway & Public Trans Project: 8356, St. George License & Patrol Office

45.

Action  
Proposed: Increase budget from \$ 427,000.00 to \$ 439,000.00

(Add \$ 12,000.00 [9] Other, S.C.D.H. & P.T.)

Purpose: Increase is needed for additional paving for testing and landscaping.

Ref: Supporting document pages 122-123.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed	
Source	Amount
Other	439,000.00

TOTAL FUNDS 439,000.00

05032



STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 16 of 16  
Forwarded to JBRC 11/06/86

Item Agency: U12 Highway & Public Trans Project: 8575, Kingstree Patrol Office  
46.

Action  
Proposed: Increase budget from \$ 134,000.00 to \$ 142,000.00

(Add \$ 8,000.00 [9] Other, S.C.D.H. & P.T.)

Purpose: Increase is needed for landscaping and to move existing cables from old offices to new offices.

Ref: Supporting document pages 124-125.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed  
Source Amount

Other 142,000.00

TOTAL FUNDS 142,000.00

Item Agency: U12 Highway & Public Trans Project: 8582, Sumter Communication Center  
47.

Action  
Proposed: Increase budget from \$ 193,750.00 to \$ 196,750.00

(Add \$ 3,000.00 [9] Other, S.C.D.H. & P.T.)

Purpose: To revise scope to include a chain link fence for security reasons.

Ref: Supporting document pages 126-127.

CHE Approval Date: Not req'd  
Committee Review Date: 99/99/99  
B&C Board Approval Date: 10/31/86

Budget After Action Proposed  
Source Amount

Other 196,750.00

TOTAL FUNDS 196,750.00

05083

EXHIBIT  
NOV 18 1986 NO. 12  
STATE BUDGET & CONTROL BOARD

# EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

REGULAR SESSION  
ITEM NUMBER

3

AGENCY: Human Resource Management

SUBJECT: Agency Head Salary Increases

The Division of Human Resource Management advises that Representative McLellan will present the Executive Salary and Performance Evaluation Commission's recommendations for agency head performance and other salary increases for 1986-87.

The increases are in addition to the general increase awarded October 1, 1986. The costs for the increases are to be absorbed within the individual agency budgets, as authorized in the Appropriations Act.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

Agenda item worksheet

05034

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

November 18, 1986

Blue Agenda

X Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: Division of Human Resource Management

(b) Authorized Official Signature: Phyllis M. Mayes

2. Subject:

Agency Head Salary Increases

3. Summary Background Information:

Representative McLellan will present the Executive Salary and Performance Evaluation Commission's recommendations for agency head performance and other salary increases for fiscal year 1986-87. These increases are in addition to the General Increase awarded October 1, 1986. Costs for these increases are to be absorbed within the individual agency budgets, as authorized in the Appropriation Act.

EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Concur with the recommendations of the Commission.

5. What is recommendation of the Board Division involved?

Consider the recommendation of the Commission.

6. Recommendation of other office (as required)?

(a) Office Name \_\_\_\_\_

Authorized

(b) Signature \_\_\_\_\_

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

Listing of performance and "to minimum"  
increases.

05035

# EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET & CONTROL BOARD

## SECTION 16 BUDGET AND CONTROL BOARD

unclassified executive compensation system and academic employees are based on an average annual four percent increase effective on the first pay date occurring on or after October 1, 1986. Unclassified executive compensation and academic employees are not eligible for the compensation increases as provided in Paragraph A of this proviso.

*Provided, Further, That it is the intent of the General Assembly that a salary and fringe benefit survey for agency heads shall be conducted by the Human Resource Management Division of the Budget & Control Board every three years beginning with 1983-84.*

*Provided, Further, That appropriated funds may be used for compensation increases for classified and unclassified employees and agency heads only in the same ratio that the employee's base salary is paid from appropriated sources.*

*Provided, Further, That statewide elected officials, constitutional officers, temporary positions, whether full or part-time, and agency heads, shall not be eligible for any compensation increases as provided in this Act unless otherwise specified in this Act.*

*Provided, Further, That no employee shall receive in excess of 97% of the agency head salary, except upon approval of the Budget and Control Board. Provided, Further, That this proviso shall not apply to agencies headed by a constitutional officer.*

*Provided, Further, That effective on the first pay date which occurs on or after October 1, 1986 the salary of each agency head reviewed by the Executive Salary and Performance Evaluation Commission must be increased by 3%.*

*Provided, Further, That the variable performance pay increases are effective on the first pay date which occurs on or after October 1, 1986 and limited to those agency heads reviewed by the Executive Salary and Performance*



# EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET & CONTROL BOARD

## SECTION 16 BUDGET AND CONTROL BOARD

Evaluation Commission, and the increases shall range from 0% to 10% with an average annual increase of 5%.

*Provided, Further,* That agency head salaries may be adjusted where necessary to raise the agency heads' salaries to the midpoints of their respective salary ranges as recommended by the Executive Salary and Performance Evaluation Commission. These increases are effective October 1, 1986.

*Provided Further,* That salary increases to agency heads may not have the effect of raising salaries above the maximum of their pay ranges.

*Provided, Further,* That the agency head is directed to recommend to the Budget and Control Board a reduction in the agency's budget in the amount of the recommended agency head pay increase pursuant to the Executive Salary and Performance Evaluation Commission's recommendation. The Budget and Control Board is authorized to transfer the amounts as are necessary for the agency head increase.

*Provided, Further,* That with the exception of the Director of the Division of Local Government and the Director of the State Board of Chiropractic Examiners, agency chief executive officers not reviewed by the Executive Salary and Performance Evaluation Commission shall receive an annual increase of 3% effective on the first pay date which occurs on or after July 1, 1986 unless otherwise provided in this Act.

*Provided, Further,* That the Chief Justice and other judicial officers as prescribed by law shall receive an annual increase of 3% effective on the first pay date occurring on or after July 1, 1986.

*Provided, Further,* That the Health and Human Services Finance Commission shall remit to the General Fund an amount representing fifty percent (allowable Federal Financial Participation) of the cost of the Medical



## House of Representatives - State of South Carolina - Columbia

Robert N. McLellan

Home Address:

Box 796  
Seneca, S.C. 29679-0796

Committee:

Ways and Means

# EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET & CONTROL BOARD

FOR IMMEDIATE RELEASE

The Executive Salary and Performance Evaluation Commission today presented to the Budget and Control Board the final phase of the Agency Head Pay Plan for the current fiscal year. The plan was adopted by the General Assembly last June in the Appropriations Act. The Executive Salary and Performance Review Commission approved a three percent pay raise in the initial phase of this year's program effective October 1.

According to Representative Robert N. McLellan, Commission Chairman, the Commission weighed the current revenue picture very carefully in reaching its decision. McLellan pointed out that these increases do not require additional funding. They will come from money already appropriated for agency budgets. According to the Commission Chairman, increases for agency heads are larger this year than they will be in future years.

"In times of fiscal difficulty," McLellan said, "it is even more important to recruit and retain qualified managers."

The Commission delayed action on this second phase of the Agency Head Pay plan in September because of the uncertain revenue situation.

With the final portion of the program, the Commission agreed to proceed with a five percent average increase based on agency head performance. Additionally, those agency heads whose salaries are below their salary ranges will be brought to the minimum of the salary range. Salaries for state Agency Heads are below their counterparts outside of state government and have increased less than salaries for classified state employees in recent years. This second phase of the Agency Head Pay Plan, which links the pay of top state executives to their management performance, goes into effect on December 1.

C5038

# COMPARISON OF AGENCY HEAD RAISES WITH RAISES FOR CLASSIFIED EMPLOYEES SINCE 1978

FISCAL YEAR	CLASSIFIED EMPLOYEES (GENERAL INCREASE PLUS MERIT INCREASE)	APPROXIMATE INCREASE FOR AGENCY HEADS	DIFFERENCE	CUMULATIVE DIFFERENCE	NET EFFECT
1978-79	12.12%	9.00%	-3.12%	-3.12%	-3.12%
1979-80	10.49%	6.00%	-4.49%	-7.61%	-8.34%
1980-81	10.22%	6.98%	-3.24%	-10.85%	-12.94%
1981-82	10.08%	7.40%	-2.68%	-13.53%	-17.55%
1982-83	2.00%	2.00%	0.00%	-13.53%	-17.91%
1983-84	5.00%	5.00%	0.00%	-13.53%	-18.80%
1984-85	8.00%	7.00%	-1.00%	-14.53%	-21.73%
1985-86	6.00%	6.00%	0.00%	-14.53%	-23.03%

EXHIBIT

NOV 18 1986 NO. 13

STATE BUDGET & CONTROL BOARD

05039

# EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET & CONTROL BOARD

AGENCY HEAD SALARIES AS PRESENTED TO THE BUDGET & CONTROL BOARD  
BY THE EXECUTIVE SALARY AND PERFORMANCE EVALUATION COMMISSION  
TOMINI

Division of Human Resource Management  
November 18, 1986

AGENCY NAME	AGENCY HEAD NAME	OCTOBER 1 SALARY	DECEMBER 1 SALARY
Accountancy Board	Kight, R.	28,167	34,042
Aeronautics Commission	Hamilton, J.	48,334	50,112
Aging, Commission on	Seigler, R.	45,644	45,644
Alcohol & Drug Abuse Comm.	McCord, W.	51,708	55,514
Appellate Defense	Diggs, W.	42,585	45,720
Architectural Examiners Board	Harper, B.	25,437	25,905
Archives & History	Lee, C.E.	46,945	50,401
Arts Commission	Sanders, S.	42,733	45,878
Auctioneers' Commission	Pechilis, G.	36,066	36,066
Auditors Office	Vaughn, E.	63,618	65,959
Blind, Commission for the	James, W.	41,748	43,284
Budget Division, State	Holmes, B.	62,516	62,516
Budget & Control Board	Coles, J.	68,947	78,299
Children's Bureau	Lewis, F.	39,521	41,017
Children's Foster Care Rev. Bd.	Gibbons, C.	33,372	34,975
Chiropractic Exam. Bd.	Bowen, E.	20,397	20,397
Citadel, The	Grimsley, Jr., J.	67,876	72,872
Clark Hill-Russell Auth.	Workman, J.	27,520	34,975
Clemson University	Lennon, M.	83,486	88,917
Coastal Council	Beam, H.	50,477	54,192
College of Charleston	Lightsey, H.	67,876	72,872
Consumer Affairs	Hamm, S.	54,890	58,930
Contractors' Licensing Bd.	Catoe, E.	30,954	33,232
Corrections Department	Leeke, W.	61,644	73,911
Cosmetology Board	Brantley, D.	25,200	27,291
Criminal Justice Academy	O'Leary, J.	50,398	54,107
Deaf & Blind, School for	Mallard, R.	48,345	48,345
Dentistry Board	Heyward, N.	8,148	8,511
Development Board, State	Holladay, J.	83,816	83,816
Educational Television	Cauthen, H.	66,545	71,443
Election Commission	Ellisor, J.	49,656	51,484
Engineer & Surveyor Reg. Bd.	Law, M.	33,166	35,607
Environ. Systems Operator Bd.	Moore, W.	30,931	32,069
Ethics Commission	Baker, G.	36,963	39,683
Family Farms Devel. Auth.	Livingston, C.	45,856	46,057
Fin. Inst.-Consumer Fin. Div.	Hilton, E.	39,455	40,907

# EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET & CONTROL BOARD

AGENCY HEAD SALARIES AS PRESENTED TO THE BUDGET & CONTROL BOARD  
BY THE EXECUTIVE SALARY AND PERFORMANCE EVALUATION COMMISSION  
TOMINI

Division of Human Resource Management  
November 18, 1986

AGENCY NAME	AGENCY HEAD NAME	OCTOBER 1 SALARY	DECEMBER 1 SALARY
Fin. Inst.-Examining Div.	Cleveland, R.C.	49,375	51,192
Fire Marshal	Campbell, R.	48,464	50,247
Forestry Commission	Kilian, Jr., L.	55,155	57,185
Francis Marion College	Stanton, T.	67,876	72,872
General Services	Kelly	60,043	60,043
Health & Environ. Control	Jackson, MD., R.	79,339	80,932
Health & Human Services	Caldwell, D.	69,103	71,646
Higher Education, Comm.	Brooks, C.A.	67,876	68,207
Higher Education, Tui/Grants	Shannon, III, E.	35,485	36,790
Housing Authority, State	Ransom, L.	48,070	49,839
Human Affairs Commission	Clyburn, J.	51,061	54,819
Human Resource Mgmt.	Mayes, P.	57,963	61,450
Information Resource Mgmt.	Lightle, T.	60,561	62,790
Insurance Dept.	Richards, J.G.	65,679	70,513
Jobs Economic Dev. Auth.	Franks, III, E.E.	51,500	53,395
John De La Howe School	Shiflet, J.	41,748	44,821
Labor Department	McGowan, E.	53,881	57,847
Land Resources Cons. Comm.	Parris, J.W.	46,424	49,841
Lander College	Jackson, L.	67,876	72,872
Law Enforcement Div., State	Strom, J.	58,364	64,697
Library, State	Callahan, B.	43,388	46,581
Medical Examiners Board	Heyward, N.	37,330	37,330
Medical University of S.C.	Edwards, J.	83,486	89,630
Mental Health, Department of	Bevilaqua, J.	84,460	84,460
Mental Retardation, Dept. of	Barnett, C.	67,598	72,573
Motor Vehicle Mgmt.	Spence, A.	41,860	43,401
Museum Commission	Garong, D.	44,456	44,456
Nursing Board	Loquist, R.	34,595	35,868
Nursing Home Admin. Bd.	Carroll, B.	25,567	26,508
Old Exchange Building	Pelzer, M.	21,401	23,935
Parks, Recreation & Tourism	Brinkman, F.	53,881	57,847
Parole & Community Corr.	Sanders, F.	48,008	51,386
Patients Compensation	Stewart, C.	0	0
Patriots Point Dev. Auth.	Guerry, Jr., J.	38,847	42,509
Pharmacy Board	Chavous, C.	33,121	34,340
Public Service Comm. Exec. Dir.	Still, J.	55,110	56,124



# EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET & CONTROL BOARD

AGENCY HEAD SALARIES AS PRESENTED TO THE BUDGET & CONTROL BOARD  
BY THE EXECUTIVE SALARY AND PERFORMANCE EVALUATION COMMISSION  
TOMINI  
Division of Human Resource Management  
November 18, 1986

AGENCY NAME	AGENCY HEAD NAME	OCTOBER 1 SALARY	DECEMBER 1 SALARY
Real Estate Comm.	Jolly, H.	46,591	48,306
Research & Statistical Svcs.	Bowers, B.	56,640	58,724
Residential Home Builders	Watkins, J.	35,918	37,240
Retirement System	Collins, P.	67,497	72,465
Sea Grant Consortium	Davidson, M.	49,065	49,741
Second Injury Fund	Crossman, D.	38,728	40,153
Social Services, Dept. of	Soloman, Jr., J.	69,103	74,189
South Carolina, University of	Holderman, J.	83,486	92,428
State College, S.C.	Smith	72,872	72,872
Technical & Comp.Ed., St.Bd.	Morris, J.	72,872	72,872
Veteran's Affairs	Hill, H.	50,846	50,846
Vocational Ed.Advisory Counc.	White, R.	44,897	44,897
Vocational Rehabilitation	Dusenbury, J.	62,247	68,032
Water Resources Commission	Vang, A.	46,424	49,841
Wil Lou Gray Op. School	Drew, Jr., S.	40,436	43,412
Wildlife & Marine Res.Dept.	Timmerman, Jr., J.	64,860	69,634
Winthrop College	Piper	72,872	72,872
Youth Services	Davis, Jr., H.	59,432	63,806
ANNUALIZED COST OF INCREASES			241,547
FY 1986-87 PAYDUT			141,088

Provided, Further, That the Agency Head Salary Commission shall determine salary increases for agency heads reviewed by that Commission. Funding for general pay increases shall be in the same percentage as state employees and shall be appropriated to the Budget and Control Board for allocation to the agencies. Any additional necessary increases recommended by the Agency Head Salary Commission up to the midpoint of the salary range will be funded out of the individual agency's budget. The Budget and Control Board shall transfer the amounts as necessary for any additional increases toward midpoint.

Provided, Further, That agency chief executive officers not reviewed by the Agency Head Salary Commission shall receive a general increase effective on the first pay date which occurs on or after October 1, 1987, unless otherwise provided in this Act. Funding for this increase shall be in the same proportion as state employees.

Provided, Further, That no employee shall receive in excess of 96% of the Agency head salary, except upon approval of the Budget and Control Board. Provided, Further, That this proviso shall not apply to agencies headed by a constitutional officer.

## EXHIBIT

NOV 18 1986      NO. 13

STATE BUDGET & CONTROL BOARD

05043

Provided, Further, That, notwithstanding any other provision of law all new members appointed to a governing board of an agency where the performance of the agency head is reviewed and ranked by the Agency Head Salary Commission, shall attend the training in agency head performance appraisal provided by the Commission within the first year of their appointment unless specifically excused by the Chairman of the Agency Head Salary Commission.

## EXHIBIT

NOV 18 1986      NO. 13

STATE BUDGET & CONTROL BOARD

05044

: NOTES ON STATEMENT BY CHAIRMAN McLELLAN 11/18/86

The Executive Salary & Performance evaluation commission Senators, Hugh Leatherman, Vern Smith, Peden McLeod, Representatives McAbee, Holt, Evatt, McLellan and from the private sector, Cynthia Gilliam, Moses Clarkson and Bill Pherigo.

Back of Sept. 17th the Commission approved the following actions:

- 1) Adopted the salary ranges recommended in the Hay study, effective October 1, 1986. These changes reflect an update of the ranges based on prevailing market conditions in comparable occupations.
- 2) Awarded the 3% general increase to all agencies heads as of 10/1/86
- 3) Adopted the average 5% performance increase plan, but deferred awarding these increases until more information was available regarding state revenues, this was at your request, and
- 4) Adopted the "To Minimum" increase plan which brings all salaries to the minimum of the respective salary ranges, but deferred the awarding of these increases until more definitive information was available on state revenues, again at your request.

The Commission met again on November 14th: and voted to implement the remaining: Performance increases as of December 1st and to adjust "To Minimum" the 17 salaries that were below the minimum of the ranges assigned to the position. The payout cost for the performance increases is \$111,000 (\$194,309 annualized) and \$30,032 for the "To Minimum" adjustments (\$51,484 annualized). I should note here that these adjustments do not require additional appropriations but must be taken from existing funds in their individual budgets. In this regard, the commission respectfully requests that the Budget and Control board authorize the transfer of funds within the Agency Budgets to effect these changes.

The Commission also voted to change its name to "The Agency Head Salary Commission" instead of the Executive Salary & Performance Evaluation Commission. This was done not to more accurately reflect our mission but to recognize the name given the commission by the agency heads and others who have occasion to refer to it. A bill will be introduced to effect this change.

The Commission has also adopted four Provisos to be included in the 1987-1988 appropriations bill:

- 1) Provides that the commission will determine the salary increases for agency heads and that funding general pay increases shall be at the same percentage as state employees and that these funds shall be appropriated to the Budget & Control Board for allocation to the agencies. Any additional increases recommended by the commission up to the midpoint of the salary range, will be funded out of the individual agency budgets, the transfer of these funds would of course, be approved by the Budget & Control Board.

EXHIBIT

NOV 18 1986

NO. 13

COPY

STATE BUDGET & CONTROL BOARD

05045

- 2) Agency Chief Executive officers not reviewed by the commission shall receive the general increase effective on the first pay date which occurs on or after October 1, 1987.
- 3) No employee shall receive in excess of 96% of the agency head salary, except upon approval of the Budget & Control Board. This provision shall not apply to agencies headed by a constitutional officer.
- 4) Requirement that all new members of boards or commissions whose agency is reviewed and ranked by the agency head salary commission, shall attend the training in agency head performance appraisal that is provided by the commission within one year of their appointment unless specifically excused by the chairman of the Commission.

## EXHIBIT

NOV 18 1986

NO. 13

STATE BUDGET & CONTROL BOARD

COPY

05046



# EXHIBIT

NOV 18 1986

NO. 14

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

REGULAR SESSION  
ITEM NUMBER

2

AGENCY: Retirement Systems

SUBJECT: State Health Insurance Program

Retirement System staff and consultants Towers, Perrin, Forster and Crosby will report on:

- (a) the status of the State Health and Dental Insurance Reserve Fund;
- (b) proposed insurance rate increases for 1987-88; and
- (c) an alternative proposal for health insurance coverage for 1987-88.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

Agenda item worksheet

05047

NOV - 7 1986

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

Blue Agenda

☒ Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: South Carolina Retirement Systems

(b) Authorized Official Signature: Sam W. Collins

2. Subject:

Report on the State Health Insurance Program

3. Summary Background Information:

Presentation by the staff of the South Carolina Retirement Systems and their consultants, Towers, Perrin, Forster and Crosby, concerning the status of the State Health and Dental Insurance Reserve Fund, proposed insurance rate increases for FY87-88 and alternative proposal for health insurance coverage for FY87-88.

EXHIBIT

NOV 18 1986

NO. 14

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Receive as information.

5. What is recommendation of the Board Division involved?

Receive as information.

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

05048

PROJECTION OF CURRENT YEAR AND FISCAL YEAR 1987  
ACTIVITY ASSUMING CONTINUATION OF CURRENT  
MEDICAL PLAN AND CONTRIBUTIONS AND 10% ADVERSE TREND  
IN PRICES AND USAGE

	TN&W Projection <u>3-31-86</u>	Actual <u>1985-1986</u>	Projected <u>1986-1987</u>	Projected <u>1987-1988</u>
Enrollment at End of Period	110,515	108,007	110,000	110,000
Total Contribution in 1,000s	122,033	122,264	118,559	118,559
Expenses Internal	1,851	1,851	1,851	1,851
BC/BS	<u>2,613</u>	<u>2,602</u>	<u>2,333</u>	<u>2,333</u>
Total	4,464	4,453	4,184	4,184
Paid claims	125,905	128,046	128,392	141,231
Unpaid Liability				
Increase	425	3,039	68	2,527
Total	22,580	25,194	25,262	27,789
Incurred Claims	126,330	131,085	128,460	143,758
Total Expense	130,615	135,538	132,644	147,942
Reserve Balance				
Change	8,917	< 5,502>	<14,017>	<26,856>
At End of Period	17,303	16,071	2,054	<24,802>
1-1/2 Mos. Claims			16,049	17,654
To Break Even, Maintain 6/30/87 Reserve				+22.6%
To Restore 1-1/2 Months Claim Reserve				+35.8
To Have Extended Liability on Hand				+44.4

## EXHIBIT

NOV 18 1986      NO. 14

STATE BUDGET & CONTROL BOARD

05049

**TPE&C** TOWERS, PERRIN, FORSTER & CROSBY

PROJECTION FOR FISCAL YEAR 1988, CURRENT PLAN,  
 ASSUMING MEDICAL CONTRIBUTIONS INCREASE 16% AND  
 ADVERSE TREND IS 10% AND 12-1/2%

	Projected 1987-1988 <u>10% Trend</u>	Projected 1987-1988 <u>12-1/2% Trend</u>
Enrollment at End of Period	110,000	110,000
Total Contributions in 1,000s	137,528	137,528
Expenses Internal	-	-
BC/BS	-	-
Total	<u>4,184</u>	<u>4,184</u>
Paid Claims	141,231	144,410
Unpaid Liability		
Increase	2,527	3,221
Total	27,789	28,415
Incurred Claims	143,758	147,631
Total Expense	147,942	151,815
Reserve Balance		
Change	< 7,887>	<11,066>
At End of Period	< 5,833>	< 9,012>

# EXHIBIT

NOV 18 1986 NO. 14

STATE BUDGET & CONTROL BOARD

05050

**TPE&C** TOWERS, PERRIN, FORSTER & CROSBY

# EXHIBIT

NOV 18 1986

NO. 15

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
ITEM NUMBER

4

AGENCY: Human Resource Management

SUBJECT: Employee Pay Proposals, 1987-88

The Division of Human Resource Management will present recommendations for employee pay for 1987-88.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

Agenda item worksheet

05051



BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

November 18, 1986

Blue Agenda

☒ Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: Division of Human Resource Management

(b) Authorized Official Signature: Phyllis M. Mayes

2. Subject:

EMPLOYEE PAY PROPOSALS FOR FISCAL YEAR 1987-88

3. Summary Background Information:

The Division of Human Resource Management will present recommendations for employee pay for fiscal year 1987-88.

EXHIBIT

NOV 18 1986 NO. 15

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Consider recommendations for employee pay proposals for fiscal year 1987-88.

5. What is recommendation of the Board Division involved?

To be presented at meeting.

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

05052

# EXHIBIT

NOV 18 1986

NO. 15

## STATE EMPLOYEE PAY PROPOSALS DIVISION OF HUMAN RESOURCE MANAGEMENT

STATE BUDGET & CONTROL BOARD

### I. COMPETITIVE RATES OF PAY

A 7% increase (annual basis) in the state personal services budget will be required in order to pay state employees at the market rate in FY87-88. This conclusion is based on two factors:

1. Surveys that indicate average current salaries are 3% below the market level, and
2. Projections that market pay levels will increase 4 to 5% by July 1, 1987.

### II. MOVEMENT WITHIN THE SALARY RANGES

The midpoint of a state employee's salary range approximates the average salary paid to similar employees in the relative market. When only general increases are provided, an employee's progression to the midpoint (market rate) is stopped.

In order for our system of compensation to function properly, we must provide a means for employees to move within their respective salary ranges.

05053

# EXHIBIT

STATE EMPLOYEE PAY PROPOSALS

NOV 18 1986

NO. 15

DIVISION OF HUMAN RESOURCE MANAGEMENT

STATE BUDGET & CONTROL BOARD

## A. CLASSIFIED EMPLOYEES GRADE 40 AND BELOW, UNCLASSIFIED NON-ACADEMIC EMPLOYEES

1. A General Base Pay Increase.
2. A Merit Increase funded at a level greater than the General Increase and distributed to employees based on a plan approved by the Division of Human Resource Management.

### Pay Options

Average Increase	7%	6	5	4	3	2
General Increase	3%	2.5	2	1.5	1	.5
Average Merit	4%	3.5	3	2.5	2	1.5

## B. CLASSIFIED EMPLOYEES ABOVE GRADE 40 , UNCLASSIFIED ACADEMIC EMPLOYEES, EXECUTIVE COMPENSATION SYSTEM EMPLOYEES

1. An annual increase to be distributed in variable increases based on a plan approved by the Division of Human Resource Management.

### Pay Options

Average Increase	7%	6	5	4	3	2
Increase	0-14%	0-12	0-10	0-8	0-6	0-4

05054

	7%	6%	5%	4%	3%	2%
<b>OCT 1</b>	49.87	42.75	35.62	28.50	21.37	14.25
<b>NOV 1</b>	44.33	38.00	31.66	25.33	19.00	12.66
<b>DEC 1</b>	38.79	33.25	27.70	22.16	16.62	11.08
<b>JAN 1</b>	33.25	28.50	23.75	19.00	14.25	9.50

\* FIGURES IN THE BLOCKS REPRESENT MILLIONS OF DOLLARS

\* THE BUDGET DIVISION HAS PLACED \$14.3 MILLION IN THE APPROPRIATION BILL FOR A 3% GENERAL INCREASE FOR STATE EMPLOYEES ON JANUARY 1, 1988.

## EXHIBIT

NOV 18 1986 NO. 15

STATE BUDGET & CONTROL BOARD

05055

# EXHIBIT

NOV 18 1986

NO. 16

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD

REGULAR SESSION

ITEM NUMBER

5

AGENCY: Budget Division

SUBJECT: 1987-88 Budget Recommendations

At the meeting, the Budget Division will present the final adjustments to the 1987-88 recommended budget.

BOARD ACTION REQUESTED:

Consider the final adjustments to the 1987-88 recommended budget.

ATTACHMENTS:

Agenda item worksheets

05056



# EXHIBIT

NOV 18 1986

NO. 1 6

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84) STATE BUDGET & CONTROL BOARD

Meeting Scheduled for: November 18, 1986

Regular Agenda

87-39

1. Submitted By:  
(a) Agency: State Budget Division  
(b) Authorized Official Signature: A. Barm Holmes IV
2. Subject:  
The Budget and Control Board 1987-88 Budget Recommendations
3. Summary Background Information:  
The State Budget Division's final adjustments to the 1987-88 Recommended Budget.  
  
Details to be presented at the meeting.
4. What is Board asked to do?  
Adopt the final adjustments to the 1987-88 Recommended Budget.
5. What is recommendation of Board Division involved?  
Recommend Approval
6. Recommendation of other Division/agency (as required)?  
  
Preston Cantrell  
(a) Authorized Signature: \_\_\_\_\_  
(b) Division/Agency Name: \_\_\_\_\_
7. Supporting Documents:  
(a) List Those Attached:  
  
(b) List Those Not Attached But Available From Submitter:

05057

# BUDGET RECOMMENDATIONS FOR FY '88

	<u>Recurring</u>	<u>Nonrecurring</u>
<u>EMPLOYEE BENEFITS</u>		
PAY INCREASE (3% EFFECTIVE 1/1/87)	\$14,287,121	
EMPLOYER CONTRIBUTIONS (HLTH/DENTAL)	18,157,392	
ANNUALIZATION-AGENCY HEAD, UNCLASSIFIED	1,812,322	
<u>STATUTORY REQUIREMENTS</u>		
*CAPITAL EXPENDITURE FUND	1,000,000	
REPLENISH RESERVE FUND	25,092,881	
HOMESTEAD EXEMPTION	3,642,213	
EFA	37,830,372	
AID TO SUBDIVISIONS (AT CURRENT 91.3% LEVEL)	7,744,162	
DEPT OF EDUCATION -SCHOOL BUS LIABILITY	3,386,112	
<u>FEDERAL MANDATES/INSTITUTIONAL OVERCROWDING</u>		
CORRECTIONS	12,147,336	1,218,725
MENTAL HEALTH-STATE HOSPITAL	9,938,809	
M.R. COMMUNITY RESIDENCES & COMM TRAINING	500,000	
ALCOHOL & DRUG ABUSE INVOLUNTARY COMMITMENT ACT	877,000	
M.H. CRAFTS FARROW OVERCROWDING	1,000,000	
DEPARTMENT OF YOUTH SERVICES	810,000	
<u>ECONOMIC DEVELOPMENT</u>		
INVENTORY TAX	21,600,000	
ECONOMIC DEVELOPMENT PACKAGE	1,000,000	
<u>PREVENTION</u>		
PREVENTION PACKAGE	1,000,000	
NGA INITIATIVE FOR PREGNANT WOMEN & CHILDREN	1,500,000	
<u>CONTRACTUAL OBLIGATIONS</u>		
DEBT SERVICE	10,793,016	
DHEC-ROBERT MILLS BLDG	765,817	40,000
MT. VERNON MILL ANNUALIZATIONS	1,004,000	
AT&T BUILDING OUTFITTING, MOVING & RENT	687,759	190,000
COMPTROLLER GENERAL-GAAP CONVERSION	261,265	
ADJUTANT GENERAL-PENSIONS	31,450	
<u>OTHER</u>		
STATE MUSEUM OPENING	657,202	101,280
TAX COMMISSION	3,120,381	596,348
LEGISLATIVE COUNCIL-CODE REVISION	64,295	
TREASURER-CASH MANAGEMENT	417,531	
SECRETARY OF STATE-OPERATING	103,150	
BUDGET & CONTROL BOARD	273,752	88,000
LICENSING BOARDS	463,064	54,104
TOTAL MAJOR COMMITMENTS	<u>\$181,968,402</u>	<u>2,288,457</u>

Cut Across the Board 4.8% with Exemptions \$83,230,751

\* In FY '87 the Capital Expenditure fund was escrowed \$27,714,661 million to avoid a year-end shortfall

Net Increase Recommended \$73,311,447

State Budget Division  
November 17, 1986

## EXHIBIT

NOV 18 1986 NO. 16

STATE BUDGET & CONTROL BOARD

05058

# EXHIBIT

Budget and Control Board Adjustments to the NOV 18 1986  
 FY 1987-88 Budget Recommendations  
 November 18, 1986

NO. 16

## STATE BUDGET & CONTROL BOARD

Adjusted Revenue Projection for FY 1987-88	\$2,828,676,877
Recommended appropriations adopted by the Budget and Control Board on November 5, 1986.	<u>2,828,131,873</u>
Balance	\$ <u>545,004</u>

Adjustment to the November 5, 1986 Budget  
 and Control Board recommendations.

- |   |                |
|---|----------------|
| 1. Comptroller General:   | \$-1,445,862   |
| Transfer Auditor and Treasurer line<br>item appropriation from Comptroller<br>General to Aid to Subdivisions                    | +1,445,862     |
| This transfer results in no increase<br>or decrease of Statewide funds.   |                |
| FTE's requested to accompany GAAP   | (2.00)         |
| 2. Budget and Control Board State Fire<br>Marshal:  |                |
| Agency requests the addition of 10.00<br>FTE's to be paid out of other funds.   | (10.00)        |
| 6.00 FTE's for Fire Training Instructors  |                |
| 4.00 FTE's for Fire Life Safety<br>Instructors.   |                |
| 3. Patriots Point Development Authority:  |                |
| Agency desires to be self sufficient.<br>The Agency will transfer State Funds<br>to Debt Service.                               | -320,802       |
| 4. Debt Service:  |                |
| A sufficient amount will be transferred<br>from Patriots Point to pay for the principal<br>and interest on bonded indebtedness. | +240,000       |
| 5. Financial Institutions - Bank Examiners:   |                |
| Agency requests exemption from 87-88<br>4.8% reduction.   | 51,068         |
| 6. Financial Institutions - Consumer Finance  |                |
| Agency requests exemption from 87-88<br>4.8% reduction.   | 17,116         |
| 7. Judicial Department  |                |
| Agency requests exemption from 87-88<br>4.8% reduction.   | <u>513,093</u> |

Total Net Adjustments	<u>\$500,475</u>
-----------------------	------------------

Balance	<u>\$44,529</u>
---------	-----------------

Recommended adjusted appropriation for  
 FY 87-88

\$2,828,632,348

05059

# EXHIBIT

NOV 18 1986

NO. 17

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD

REGULAR SESSION

ITEM NUMBER

6

AGENCY: Budget Division

SUBJECT: 1987-88 Appropriations Bill Provisos

At the meeting, the Budget Division will present the 1987-88 appropriation bill proviso package.

BOARD ACTION REQUESTED:

Consider the 1987-88 appropriation bill proviso package.

ATTACHMENTS:

Agenda item worksheets

05060

# EXHIBIT

NOV 18 1986

NO. 17

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

87-40

Meeting Scheduled for: November 18, 1986

Regular Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: *A. Barm Holmes IV*

2. Subject:

1987-88 Proviso Package

3. Summary Background Information:

The State Budget Division's 1987-88 Appropriation Bill Proviso Package.

Details to be presented at the meeting.

4. What is Board asked to do?

Adopt the 1987-88 Budget and Control Board Recommended Proviso Package.

5. What is recommendation of Board Division involved?

Recommend Approval

*Proton T. Carter*

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: \_\_\_\_\_

(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:

(a) List Those Attached:

(b) List Those Not Attached But Available From Submitter:

05061



# EXHIBIT

NOV 18 1986

NO. 18

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

REGULAR SESSION  
ITEM NUMBER

7

AGENCY: Governor's Office

SUBJECT: Civil Contingent Fund Allocation

The Governor's Office asks for an allocation of \$30,000 from the Civil Contingent Fund to help cover expenses incurred at the recent National Governor's Association meeting at Hilton Head.

Private donations are being sought to repay the requested allocation which is needed to pay outstanding bills.

BOARD ACTION REQUESTED:

Allocate \$30,000 to the Governor's Office from the Civil Contingent Fund to help pay expenses incurred at the National Governors Association meeting at Hilton Head.

ATTACHMENTS:

Prince November 13 memo to Coles; CCF Status Report

05062



State of South Carolina

Office of the Governor

RICHARD W. HILEY  
GOVERNOR

POST OFFICE BOX 11450  
COLUMBIA 29211

RECEIVED

NOV 13 1986  
BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

EXHIBIT

MEMORANDUM

NOV 18 1986 NO. 18

STATE BUDGET & CONTROL BOARD

TO: Jesse Coles  
FROM: Bill Prince *Bill*  
DATE: November 13, 1986  
SUBJECT: Contingency Funds

Confirming our recent telephone conversation, this is to request \$30,000.00 from the contingency fund to help cover expenses incurred at the recent National Governors Conference at Hilton Head.

Thank you for your assistance.

WAP:sc

CC: H. Max Nesbitt  
Kitty Hepfer

05063

Budget and Control Board, Office of Executive Director  
CIVIL CONTINGENT FUND - 86-87

Fund Status Report at November 18, 1986

Appropriations:  
General

\$

\$494,624.00

Transfers:

Governor's Ofc Exec Policy and Pgms/CETA 75-76 Claim	37,523.00
BCB/DRSS/Board of Economic Advisors	21,110.00
Water Resources Commission	83,900.00
Board of Examiners, LPC, AC, M&FT*	23,140.00
Parole and Community Corrections	
for Sentencing Guidelines/Ms. Causey	1,102.67
Board of Geologists	<u>17,466.00</u>

## EXHIBIT

NOV 18 1986

NO. 18

STATE BUDGET & CONTROL BOARD

\$184,241.67

Direct Expenditures:

Budget and Control Board Meetings	2,084.46
Board of Economic Advisors	390.00
Construction Advisory Committee	277.76
Governor's Youth Advisory Council	1,754.75
Florence Crittenton Programs	12,500.00
Study Committee/Hunger and Nutrition	2,685.69
NASBO Regional Meeting, SC Host	<u>9,611.00</u>

\$29,303.66

Encumbrances:

Budget and Control Board Meetings	1,915.54
BCB, OED, Microfilming, Binding Board Minutes	2,000.00
Retirement/Preretirement Advisory Council	350.00
Construction Advisory Council	322.24
Governor's Youth Advisory Council Meetings	2,245.25
Clemson University/Fire Ant Research	30,000.00
Catawba Indian Suit/Legal Fees	125,000.00
Commission on Women	6,000.00
Sentencing and Guidelines Commission	<u>439.00</u>

\$168,272.03

YTD Encumbered (Trans, Expend and Encumb):

\$381,817.36

\*\*\*\*\*

Year-to-date Disbursement:

\$213,545.33

Balance (Cash available at 11/18/86):

\$281,078.67

Balance Unencumbered (Total Available):

\$112,806.64

05064

\*Licensed Professional Counselors, Associate Counselors, Marital and Family Therapists

# EXHIBIT

NOV 18 1986

NO. 19

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

ITEM NUMBER

8

AGENCY: Tax Study Committee

SUBJECT: Civil Contingent Fund Allocation Request

At the November 5 meeting, the Board asked staff to work with Senator Waddell, the Tax Study Committee and others on the possibility of contracting with the Policy Economic Group consultants to assess the impacts of federal tax reform on South Carolina and the means of financing such a study.

The Board then indicated a general intention to support the effort, after asking staff and Senator Waddell to present recommendations at the November 18 meeting.

The Board may want to consider allocating the funds required from the Civil Contingent Fund on the understanding that they would be replaced by funds from the Tax Commission's warrant fund or, perhaps, from approved accounts of the General Assembly.

BOARD ACTION REQUESTED:

Recommend a means of financing a consultant study to assess the impacts of federal tax reform on South Carolina.

ATTACHMENTS:

05065

# EXHIBIT

STATE OF SOUTH CAROLINA

NOV 18 1986

NO. 19

## Tax Study Commission

## STATE BUDGET & CONTROL BOARD

### SENATE MEMBERS:

JAMES M. WADDELL, JR., Chairman  
BEAUFORT COUNTY  
HUGH K. LEATHERMAN  
FLORENCE COUNTY  
ISADORE E. LOURIE  
RICHLAND COUNTY  
NICK A. THEODORE  
GREENVILLE COUNTY

### HOUSE MEMBERS:

~~TOM WATSON, YORK COUNTY~~  
~~JOHN L. WATSON, YORK COUNTY~~  
LANCASTER COUNTY  
HERBERT KIRSH  
YORK COUNTY  
DOUGLAS E. McTEER, JR.  
HAMPTON COUNTY  
DICK ELLIOTT  
HORRY COUNTY



Columbia

### GOVERNOR APPOINTEES:

WILLIAM GROOMS  
RICHLAND COUNTY  
G. THADDEUS WILLIAMS  
LAURENS COUNTY  
ADELE J. POPE  
NEWBERRY COUNTY  
MYRON F. ROBINSON  
GREENVILLE COUNTY

### STAFF: DeAnne Raven

~~SHEAN K. COLEMAN~~  
758-3797  
758-2079

November 17, 1986

# RECEIVED

NOV 17 1986

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

Honorable Richard W. Riley  
Chairman, Budget & Control Board  
State House  
Columbia, South Carolina 29201

Dear Governor Riley:

The Tax Study Commission met on November 12, to discuss the possibility of contracting with the Policy Economic Group to determine revenue effects of Federal Tax Reform on the State of South Carolina. It was the unanimous opinion of those present that the Group be engaged as consultants for this purpose at a cost not to exceed \$90,000. Attached is the scope of work to be performed by the Policy Economic Group.

Thank you for your assistance in securing these funds.

Sincerely,

*James M. Waddell, Jr.*  
James M. Waddell, Jr.  
Chairman

JMWjr/mn

Attachment

05066

P.O. BOX 142, COLUMBIA, S.C. 29202



CONTRACT BETWEEN TAX STUDY COMMISSION AND  
POLICY ECONOMICS GROUP

EXHIBIT

NOV 18 1986 NO. 19

STATE BUDGET & CONTROL BOARD

1. Analysis of the Impact of Federal Tax Reform on  
Individuals of the State of South Carolina

The contractor will analyze the impact of Federal tax reform on the Federal and State Income tax liability of South Carolina residents for the period 1987-91. The estimates for 1987 will reflect (1) the fully phased in impact of the Tax Reform Act and (2) the actual phase in of the Act. For 1988 thru 1991, estimates will be provided based on the actual phase in of the Act.

The contractor will also provide estimates of the impact of the Tax Reform Act on Federal tax liability of all US residents. These estimates will be provided at 1986 income levels assuming that all provisions of the Tax Reform Act are fully phased in.

At the conclusion of this effort, a formal report will be prepared for the State.

To assist the contractor in this effort, the State will provide the contractor with actual and projected data on key variables that are used in the contractor's model. Data will be provided for the years 1984 to 1991 for a mutually agreed upon set of variables.

The model and data base that are developed for this contract will be maintained on the Policy Economics computer. The State is guaranteed immediate response for any Federal and state individual income tax analysis.

2. The contractor will develop a corporate tax model and data base for the State of South Carolina and use this model to analyze the impact of Federal tax reform on State corporate income tax liabilities.

The contractor will use its microfile of US corporate income tax returns and State corporate tax information to develop the State corporate data base. The State information will include the size and the industry designation of corporations operating in the State. The contractor will then use the State's data base and the contractor's US file to develop the final State corporate data base that will be used in the tax model.

05067

A simulation model of the State's corporate tax system will then be developed. The model will be constructed on the Policy Economics Group's computer. The State is guaranteed immediate response for any Federal and state corporate tax analysis.

At the conclusion of this effort, a formal report will be prepared for the State.

3. The contractor will be available to meet with staff and policy officials in the State, at the State's discretion, both prior to initiating work on the contract and at its conclusion, to discuss the project and the results that emerge from it.

EXHIBIT

NOV 18 1986 NO. 19

STATE BUDGET & CONTROL BOARD

05068

# EXHIBIT

NOV 18 1986

NO. 20

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
ITEM NUMBER

9

AGENCY: Local Government

SUBJECT: Rural Improvement Fund Grant Requests

The Division of Local Government advises of the following requests for rural improvement fund grants:

- (a) Berkeley County, \$60,000 on behalf of Berkeley County Water and Sewer Authority to assist in the construction of a sewer line to serve approximately 25 residents in a minority, low-income area currently using malfunctioning septic tanks.

Total project cost is \$101,076; Berkeley County Water and Sewer Authority is contributing \$41,076.

Division of grant funds to be discussed at the Board meeting.

- (b) Town of Duncan, \$38,000 to complete improvements to the South Tyger River Waste Treatment System (currently under a DHEC Consent Order).

Division of funds: \$18,000 Senate; \$20,000 House.

- (c) City of Mauldin, \$50,000 to construct a sewer line to serve an area currently under a sewer moratorium.

The construction of the proposed relief line will benefit the Easlan Corporation, one other corporate user and the Southside Baptist Church Complex. The moratorium affecting the east side of Mauldin has stifled industrial and commercial development on the I-385 corridor.

Division of funds:  $\frac{1}{2}$  Senate;  $\frac{1}{2}$  House.

- (d) Town of Pinewood, \$50,000 to construct Phase I of a municipal sanitary sewer system.

The total project cost is \$326,000 (\$75,000 DHEC; \$150,855 CDBG; \$29,500 Local Government, Fall 1985; \$20,645 Town of Pinewood; \$50,000 Local Government.

This grant will be 100% Senate funds.

BOARD ACTION REQUESTED:

Approve the following Local Government grants: (a) Berkeley County, \$60,000; (b) Town of Duncan, \$38,000; (c) City of Mauldin, \$50,000; and (d) Town of Pinewood, \$50,000.

ATTACHMENTS:

Agenda item worksheets and attachments

05069

NOV 12 1986

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

November 18, 1986

Blue Agenda

☒ Regular Session Agenda

☐ Executive Session Agenda

1. Submitted By:

(a) Agency: B&C BD--Local Government

(b) Authorized Official Signature:

*M. A. Dullery*

2. Subject:

Request by Berkeley County for Rural Improvements

3. Summary Background Information:

Berkeley County is requesting \$60,000 in Rural Improvement Funds on behalf of the Berkeley County Water and Sewer Authority. The request is to assist in the construction of a sewer line that will serve approximately 25 residences in a minority-low income area that are currently using malfunctioning septic tanks. The total project cost is \$101,076. The Berkeley County Water and Sewer Authority is contributing \$41,076.

(Division of funds to be discussed at Board meeting)

4. What is Board asked to do?

Approve request

EXHIBIT

NOV 18 1986

NO. 20

STATE BUDGET & CONTROL BOARD

5. What is recommendation of the Board Division involved?

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

Attached application

(a)

05070



**BERKELEY COUNTY  
SUPERVISOR'S OFFICE**

**JOHNNIE T. FLYNN  
Supervisor**

October 20, 1986

Honorable Henry E. Brown, Jr.  
1035 Dominion Drive  
Hanahan, S. C. 29406

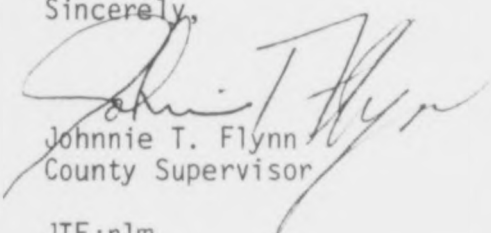
Honorable Michael S. Gullledge, Director  
S. C. Budget and Control Board  
Division of Local Government  
P. O. Box 11867  
Columbia, S. C. 29211

Gentlemen:

Enclosed please find an application for Budget and Control Board, Division of Local Government, Rural Improvement Funds, in the amount of \$60,000. These funds will be used to construct gravity sewer service for approximately 25 residences along Old Back River Road in Berkeley County.

Your favorable consideration of this request would be most appreciated. If you have any questions, please do not hesitate to contact me.

Sincerely,

  
Johnnie T. Flynn  
County Supervisor

JTF:nlm  
Enclosure.

cc: Duane C. Jensen  
Merrill A. Cox  
E. Nick Bruce  
J. Marc Hehn

**05071**

**OCT 29 1986**



**BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS**

**APPLICATION FOR RURAL IMPROVEMENT FUNDS**

Name of Applicant Berkeley County  
Street Address 223 North Live Oak Drive  
City or Town Moncks Corner, State S. C. Zip 29461

---

**Description of Project:**

Old Back River Road Sewer Extension Project - This project involves the construction of approximately 2,450 linear feet of 8" gravity sewer lines to serve a minority-low income area of Berkeley County. (See attached Budget and project area map.)

---

**Anticipated Results of Project:**

This project will provide sewer service to approximately 25 residences. These residences presently use malfunctioning tanks which contaminate the shallow well systems used for potable water. This is documented by the attached laboratory analyses of well water used by homes in the project area.

---

**Source of Funding**

South Carolina Budget and Control Board.....	\$ 60,000
Berkeley County Water and Sewer Authority.....	<u>41,076</u>
Total Project Cost.....	\$ 101,076

05072

Anticipated Expenditures (in Detail):

See attached Budget.

If Approved, When Will You Need Funds:

First Payment	\$ 15,000	Date	December 1, 1986
Second Payment	\$ 30,000	Date	January 1, 1987
Third Payment	\$ 15,000	Date	February 1, 1987
	\$		

General Information:

- A. How Often is Applicant Audited? Annually
- B. What Period was Covered by Last Audit? July 1, 1985 to June 30, 1986
- C. What Audit Procedures Will Applicant Apply to Rural Grant Funds if Request is Approved?

Rural Grant Funds will be subject to audit by independent auditors  
during the July 1, 1986 to June 30, 1987 annual audit.

D. Name of Individual Who Will be Responsible for Administration of Grant:

J. Marc Hehn, Director, Berkeley County Water and Sewer Authority

Approved By:

Rembert C. Dennis  
REMBERT C. DENNIS, SENATOR

Berkeley County

Organization

Henry E. Brown, Jr.  
HENRY E. BROWN, JR., REPRESENTATIVE

Johnnie T. Flynn, County Supervisor

Authorized Signature

Robert L. Helms  
ROBERT L. HELMS, REPRESENTATIVE

761-8250

Phone

October 13, 1986

Date

Fred L. Day  
FRED L. DAY, REPRESENTATIVE

Dewitt Williams  
DEWITT WILLIAMS, REPRESENTATIVE

William S. Branton  
WILLIAM S. BRANTON, SENATOR

05073

# BACK RIVER ROAD AREA

<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>TOTAL</u>
1. Gravity Sewer Line, 8"	2,450	L.F.	\$ 22.00	\$ 53,900.00
2. Manholes	10	Ea.	\$1400.00	\$ 14,000.00
3. Sewer Services				
a. 8"x6" Wye	12	Ea.	\$ 65.00	\$ 780.00
b. 6" Service Line	500	L.F.	\$ 11.00	\$ 5,500.00
c. 6"x4"x4" Wye	12	Ea.	\$ 50.00	\$ 600.00
4. Roadway Resurfacing	2,700	S.Y.	\$ 3.50	\$ 9,450.00
		Construction Cost		\$ 84,230.00
5. Admin., Engineering Legal, etc. (20%)				16,846.00
		TOTAL		<u>\$101,076.00</u>

Job No. 4621.19

September 1986

05074







# BERKELEY COUNTY WATER AND SEWER AUTHORITY

2111 Red Bank Road  
P.O. Box 1090  
Goose Creek, South Carolina 29445  
(803) 572-4400 • (803) 761-8817

## BACTERIOLOGICAL REPORT ON WATER DISTRIBUTION SYSTEM

### TO BE COMPLETED BY COLLECTOR:

SAMPLE LOCATION/ADDRESS: David Small 31 O.B.A.C.K DATE: 10-13-86

SUBDIVISION: Old Back River Rd TIME: 1335

COLLECTOR'S SIGNATURE: W. Wayne Cooper

TYPE OF SUPPLY SAMPLE POINT FLAMED YES ☒ NO

S/D                     

SAMPLE KEPT ON ICE ☒ YES NO

WELL                     

TR. PK. ☒

CL<sub>2</sub> RESIDUAL 8 Mg/L

COMMERCIAL                     

OTHER:                      BOTTLE SEQUENCE NBR. #1

PERSON TO RECEIVE REPORT: 1515

SAMPLE RELINQUISHED TO LAB: TIME: 1515 SIGNATURE: W. Cooper

### TYPE OF SAMPLE

ROUTINE DIST.                     

RE-CHECK                     

MAIN CLEARANCE                     

WELL SURVEY ☒

FECAL                     

OTHER                     

NEW CONSTR.                     

### TO BE COMPLETED BY LABORATORY:

LAB I.D.#: 1048

DATE RECEIVED: 10/13/86 TIME RECEIVED: 1515 BY: P.O.H.

DATE ANALYZED: 10/13/86 TIME ANALYZED: 1525 BY: P.O.H.

DATE REPORTED: 10-14-86 ANALYST'S SIGNATURE: W.V. Day

PERSON NOTIFIED  
OF RESULTS: M. H. H. DATE: 10-14-86 BY: WVC

### BACTERIOLOGICAL RESULTS

The Sample submitted for bacterial analysis from the above location contained:

0 Coliform bacteria per 100ml.

34 Non-Coliform colonies per 100ml.

05076

The Sample is: ☒ Satisfactory ☐ Unsatisfactory ☐ Resample





# BERKELEY COUNTY WATER AND SEWER AUTHORITY

2111 Red Bank Road  
P.O. Box 1090  
Goose Creek, South Carolina 29445  
(803) 572-4400 • (803) 761-8817

## BACTERIOLOGICAL REPORT ON WATER DISTRIBUTION SYSTEM

### TO BE COMPLETED BY COLLECTOR:

SAMPLE LOCATION/ADDRESS: Box 40 MR Clark DATE: 10-13-86

SUBDIVISION: Old BACK River Rd TIME: 1400

COLLECTOR'S SIGNATURE: W. Cooper

TYPE OF SUPPLY SAMPLE POINT FLAMED YES ☒ NO

S/D       

WELL ☒

TR. PK. ☒

COMMERCIAL       

OTHER:       

SAMPLE KEPT ON ICE ☒ YES NO

CL<sub>2</sub> RESIDUAL 0 Mg/L

BOTTLE SEQUENCE NBR. #2

PERSON TO RECEIVE REPORT:       

SAMPLE RELINQUISHED TO LAB: TIME: 1515 SIGNATURE: W. Cooper

### TYPE OF SAMPLE

ROUTINE DIST.       

RE-CHECK       

MAIN CLEARANCE       

WELL SURVEY ☒

FECAL       

OTHER       

NEW CONSTR.       

### TO BE COMPLETED BY LABORATORY:

LAB I.D.#: 1049

DATE RECEIVED: 10/13/86 TIME RECEIVED: 1515 BY: W. Cooper

DATE ANALYZED: 10/13/86 TIME ANALYZED: 1525 BY: W. Cooper

DATE REPORTED: 10-14-86 ANALYST'S SIGNATURE: W. Cooper

PERSON NOTIFIED  
OF RESULTS: M. Helm DATE: 10-14-86 BY: W. Cooper

### BACTERIOLOGICAL RESULTS

The Sample submitted for bacterial analysis from the above location contained:

0 Coliform bacteria per 100ml.

12 Non-Coliform colonies per 100ml.

05077

The Sample is: ☒ Satisfactory ☐ Unsatisfactory ☐ Resample



# BERKELEY COUNTY WATER AND SEWER AUTHORITY

2111 Red Bank Road  
P.O. Box 1090  
Goose Creek, South Carolina 29445  
(803) 572-4400 • (803) 761-8817

## BACTERIOLOGICAL REPORT ON WATER DISTRIBUTION SYSTEM

### TO BE COMPLETED BY COLLECTOR:

SAMPLE LOCATION / ADDRESS: 39 Jenkins DATE: 10-17-86

SUBDIVISION: OLD BACK River Rd TIME: 1500

COLLECTOR'S SIGNATURE: W. Coor

**TYPE OF SUPPLY** SAMPLE POINT FLAMED ☒ YES ☐ NO

S/D ☐ SAMPLE KEPT ON ICE ☒ YES ☐ NO

WELL ☒

TR. PK. ☐ CL<sub>2</sub> RESIDUAL 0 Mg/L

COMMERCIAL ☐

OTHER: ☐ BOTTLE SEQUENCE NBR. #3

PERSON TO RECEIVE REPORT: ☐

SAMPLE RELINQUISHED TO LAB: TIME: 1515 SIGNATURE: ☐

### TYPE OF SAMPLE

ROUTINE DIST. ☐

RE-CHECK ☐

MAIN CLEARANCE ☐

WELL SURVEY ☒

FECAL ☐

OTHER ☐

NEW CONSTR. ☐

### TO BE COMPLETED BY LABORATORY:

LAB I.D.#: 1050

DATE RECEIVED: 10/13/86 TIME RECEIVED: 1515 BY: W. Coor

DATE ANALYZED: 10/13/86 TIME ANALYZED: 1525 BY: W. Coor

DATE REPORTED: 10-14-86 ANALYST'S SIGNATURE: W. Coor

PERSON NOTIFIED  
OF RESULTS: M. Nelson DATE: 10-14-86 BY: W. Coor

### BACTERIOLOGICAL RESULTS

The Sample submitted for bacterial analysis from the above location contained:

0 Coliform bacteria per 100ml.

1 Non-Coliform colonies per 100ml.

The Sample is: ☒ Satisfactory ☐ Unsatisfactory ☐ Resample

05078



# BERKELEY COUNTY WATER AND SEWER AUTHORITY

2111 Red Bank Road  
P.O. Box 1090  
Goose Creek, South Carolina 29445  
(803) 572-4400 • (803) 761-8817

## BACTERIOLOGICAL REPORT ON WATER DISTRIBUTION SYSTEM

### TO BE COMPLETED BY COLLECTOR:

SAMPLE LOCATION/ADDRESS: Box 41 Atkins Res DATE: 10-13-86

SUBDIVISION: Old Back River Rd TIME: 1315

COLLECTOR'S SIGNATURE: W. Cooper

TYPE OF SUPPLY SAMPLE POINT FLAMED YES ☒ NO

S/D                     

WELL ☒

TR. PK.                     

COMMERCIAL                     

OTHER:                     

SAMPLE KEPT ON ICE ☒ YES NO

CL<sub>2</sub> RESIDUAL 0 Mg/L

BOTTLE SEQUENCE NBR. #4

PERSON TO RECEIVE REPORT:                     

SAMPLE RELINQUISHED TO LAB: TIME: 1515 SIGNATURE:                     

### TYPE OF SAMPLE

ROUTINE DIST.                       
RE-CHECK                       
MAIN CLEARANCE                       
WELL SURVEY ☒  
FECAL                       
OTHER                       
NEW CONSTR.                     

### TO BE COMPLETED BY LABORATORY:

LAB I.D.#: 1051

DATE RECEIVED: 10/13/86 TIME RECEIVED: 1505 BY: W. Cooper

DATE ANALYZED: 10/13/86 TIME ANALYZED: 1525 BY: W. Cooper

DATE REPORTED: 10-14-86 ANALYST'S SIGNATURE: W. Wayne

PERSON NOTIFIED  
OF RESULTS: M. Helton DATE: 10-14-86 BY:                     

### BACTERIOLOGICAL RESULTS

The Sample submitted for bacterial analysis from the above location contained:

0 Coliform bacteria per 100ml.

640 Non-Coliform colonies per 100ml.

05079

The Sample is: ☒ Satisfactory ☐ Unsatisfactory ☐ Resample



# BERKELEY COUNTY WATER AND SEWER AUTHORITY

2111 Red Bank Road  
P.O. Box 1090  
Goose Creek, South Carolina 29445  
(803) 572-4400 • (803) 761-8817

## BACTERIOLOGICAL REPORT ON WATER DISTRIBUTION SYSTEM

### TO BE COMPLETED BY COLLECTOR:

SAMPLE LOCATION/ADDRESS: #47 M'Coys DATE: 10-13-86

SUBDIVISION: Old Back River Rd TIME: 1600

COLLECTOR'S SIGNATURE: [Signature]

TYPE OF SUPPLY SAMPLE POINT FLAMED ☒ YES ☐ NO

S/D ☒ SAMPLE KEPT ON ICE ☒ YES ☐ NO

WELL ☒

TR. PK. ☐ CL<sub>2</sub> RESIDUAL [Signature] Mg/L

COMMERCIAL ☐

OTHER: ☐ BOTTLE SEQUENCE NBR. #5

PERSON TO RECEIVE REPORT: ☐

SAMPLE RELINQUISHED TO LAB: TIME: 1515 SIGNATURE: [Signature]

### TYPE OF SAMPLE

ROUTINE DIST. ☐  
RE-CHECK ☐  
MAIN CLEARANCE ☐  
WELL SURVEY ☒  
FECAL ☐  
OTHER ☐  
NEW CONSTR. ☐

### TO BE COMPLETED BY LABORATORY:

LAB I.D.#: 1052

DATE RECEIVED: 10/13/86 TIME RECEIVED: 1515 BY: [Signature]

DATE ANALYZED: 10/13/86 TIME ANALYZED: 1525 BY: [Signature]

DATE REPORTED: 10-14-86 ANALYST'S SIGNATURE: [Signature]

PERSON NOTIFIED OF RESULTS: M. H. H. H. DATE: 10-14-86 BY: [Signature]

### BACTERIOLOGICAL RESULTS

The Sample submitted for bacterial analysis from the above location contained:

0 Coliform bacteria per 100ml.

1105 Non-Coliform colonies per 100ml.

05080

The Sample is: ☒ Satisfactory ☐ Unsatisfactory ☐ Resample



NOV 12 1986

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

November 18, 1986

Blue Agenda

☒ Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: B&C BD--Local Government

(b) Authorized Official Signature:

*M. J. Dull*

2. Subject: Request for Rural Improvement Funds by the town of Duncan (Spartanburg County)

3. Summary Background Information:

The town of Duncan is requesting \$38,000 in Rural Improvement Funds to complet improvements to the South Tyger River Waste Treatment System. Duncan is currently under a DHEC Consent Order.

(\$18,000 Senate, \$20,000 House)

EXHIBIT

NOV 18 1986

NO. 20

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Approve request

5. What is recommendation of the Board Division involved?

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available from Submitter

Attached application

05081

(b)



BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

APPLICATION FOR RURAL IMPROVEMENT FUNDS

NAME OF APPLICANT Town of Duncan  
STREET ADDRESS P. O. Drawer 188  
CITY OR TOWN Duncan STATE S. C. ZIP 29334

Application must be completed in full. Submit original and one copy.

Description of Project: An August 13, 1985 Consent Order issued by S. C. DEC requires that modifications be designed and constructed to the S. Tyger River Waste Treatment System. These modifications were similar to those designed simultaneously for another small S. C. community. In review, however, DHEC has imposed more stringent standards which have resulted in almost complete redesign and substantial increase in construction costs. The redesign will incorporate gas chlorination, flow monitoring, and automatic sampling with all necessary appurtenances.

Anticipated Results of Projects:

The Oxidation Pond modifications will result in chlorination of the treated waste and destruction of harmful bacteria prior to discharge into S. Tyger River. Flow measurement will provide the Town and DHEC with necessary data to determine the hydraulic loading to the Oxidation Pond and to the S. Tyger River. Automatic sampling will meet S.C. DHEC requirements for facility monitoring.

Source of Funding (Federal, State, Local, Private donations, etc...)

A previous grant from Rural Improvement Funds under the Local Government Div. of Budget and Control Board has been approved from FY 85-86 funds in the amount of \$29,500 and \$2,940 pledged from the Town of Duncan. A supplemental grant in the amount of \$38,000 is required to complete this project. See cost estimate next section. The Town proposes to increase their commitment to \$6,500.

Total Project	\$ 74,000
Less Previous Grant	29,500
Less Town's Share	<u>6,500</u>

Funds Requested \$ 38,000 Budget and Control Board

05082

Anticipated Expenditures (IN DETAIL) (See attached)

-----  
If approved, when will you need the funds? Date: Dec. 1 1986 \$ 38,000

House Funds \$ 20,000

Senate Funds \$ 18,000

TOTAL \$ 38,000

-----  
General Information

A. Unencumbered General Fund Balance \$5,078.78 Bal. on Jun. 30, '86-carried over in 86/87  
Budget

B. How often is the applicant audited? Annually

C. What period was covered by the last audit? July 1, 1985 to June 30, 1986

D. What audit procedures will apply to Rural Improvement funds? The Town has a Revenue Fund. This grant will be placed in that account and audited.

E. Name and Title of individual responsible for administration of Grant:  
Pat Giles Title Council Member

-----  
Approved by:

(Legislative Approval)

*James S. Duncan*

*Edwin S. Loe*

-----  
Organization Town of Duncan

Authorized Signature *Ray Bell* Title Mayor

Phone 439-2664 Date October 26, 1986

ALL FUNDS ARE SUBJECT TO RANDOM AUDIT

05083

Duncan Waste Treatment Improvements

Cost Estimate  
August 15, 1986

1.	Borrow Area Preparation	\$	1,000
2.	Grading		7,000
3.	Building		10,000
4.	Chlorine Tank		10,000
5.	Chlorine Equipment		6,000
6.	Piping		2,000
7.	Fencing		2,000
8.	Grassing		1,000
9.	Drives		2,000
10.	Flow Measuring Equipment		5,000
11.	Samples		2,000
12.	Electrical		6,000
13.	Water Line & Meter Vault		8,000
		\$	----- 62,000
	Contingency		6,000
	Engineering		6,000
		\$	----- 74,000

05084

BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

APPLICATION FOR RURAL IMPROVEMENT FUNDS

NAME OF APPLICANT Town of Duncan  
STREET ADDRESS P. O. Drawer 188  
CITY OR TOWN Duncan STATE S. C. ZIP 29334

Application must be completed in full. Submit original and one copy.

-----  
Description of Project: An August 13, 1985 Consent Order issued by S. C. DEC requires that modifications be designed and constructed to the S. Tyger River Waste Treatment System. These modifications were similar to those designed simultaneously for another small S. C. community. In review, however, DHEC has imposed more stringent standards which have resulted in almost complete redesign and substantial increase in construction costs. The redesign will incorporate gas chlorination, flow monitoring, and automatic sampling with all necessary appurtenances.

-----  
Anticipated Results of Projects:

The Oxidation Pond modifications will result in chlorination of the treated waste and destruction of harmful bacteria prior to discharge into S. Tyger River. Flow measurement will provide the Town and DHEC with necessary data to determine the hydraulic loading to the Oxidation Pond and to the S. Tyger River. Automatic sampling will meet S.C. DHEC requirements for facility monitoring.

-----  
Source of Funding (Federal, State, Local, Private donations, etc...)

A previous grant from Rural Improvement Funds under the Local Government Div. of Budget and Control Board has been approved from FY 85-86 funds in the amount of \$29,500 and \$2,940 pledged from the Town of Duncan. A supplemental grant in the amount of \$38,000 is required to complete this project. See cost estimate next section. The Town proposes to increase their commitment to \$6,500.

Total Project	\$ 74,000
Less Previous Grant	29,500
Less Town's Share	<u>6,500</u>

Funds Requested                      \$ 38,000      Budget and Control Board

05085

Anticipated Expenditures (IN DETAIL) (See attached)

-----  
If approved, when will you need the funds? Date: Dec. 1 1986 \$ 38,000

House Funds \$ 20,000

Senate Funds \$ 18,000

TOTAL \$ 38,000  
-----

General Information

A. Unencumbered General Fund Balance \$5,078.78 Bal. on Jun. 30, '86-carried over in 86/87  
Budget

B. How often is the applicant audited? Annually

C. What period was covered by the last audit? July 1, 1985 to June 30, 1986

D. What audit procedures will apply to Rural Improvement funds? The Town has a Revenue Fund. This grant will be placed in that account and audited.

E. Name and Title of individual responsible for administration of Grant:  
Pat Giles Title Council Member

-----  
Approved by:

(Legislative Approval)

Frank C. Smith

Edwin A. Lake  
\_\_\_\_\_  
\_\_\_\_\_

Organization Town of Duncan

Hugh Williams

Authorized Signature \_\_\_\_\_ Title Mayor

Phone 439-2664

Date October 26, 1986

ALL FUNDS ARE SUBJECT TO RANDOM AUDIT

05086



Duncan Waste Treatment Improvements

Cost Estimate  
August 15, 1986

1. Borrow Area Preparation	\$	1,000
2. Grading		7,000
3. Building		10,000
4. Chlorine Tank		10,000
5. Chlorine Equipment		6,000
6. Piping		2,000
7. Fencing		2,000
8. Grassing		1,000
9. Drives		2,000
10. Flow Measuring Equipment		5,000
11. Samples		2,000
12. Electrical		6,000
13. Water Line & Meter Vault		8,000
	\$	62,000
Contingency		6,000
Engineering		6,000
	\$	74,000

05C87

NOV 12 1986

## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

November 18, 1986

Blue Agenda

☒ Regular Session Agenda☐ Executive Session Agenda

1. Submitted By:

(a) Agency: B&amp;C BD--Local Government

(b) Authorized Official Signature:

*M. S. Doolittle*2. Subject: Rural Improvement request by the city of  
Mauldin (Greenville County)

3. Summary Background Information:

The city of Mauldin is requesting \$50,000 in Rural Improvement Funds to construct a sewer line to serve an area that is currently under a sewer moratorium. The construction of the proposed relief line will benefit the Easlan Corporation, one other corporate user and the Southside Baptist Church Complex. The moratorium affecting the east side of Mauldin has stifled industrial and commercial development on the I-385 corridor. Construction of this relief line will allow the area to be developed.

(1/2 Senate, 1/2 House)

4. What is Board asked to do?

EXHIBIT

Approve request

NOV 18 1986

NO. 20

STATE BUDGET &amp; CONTROL BOARD

5. What is recommendation of the Board Division involved?

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

Attached application

(C)

05088

BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

APPLICATION FOR RURAL IMPROVEMENT FUNDS

NAME OF APPLICANT CITY OF MAULDIN  
STREET ADDRESS 5 EAST BUTLER AVENUE  
CITY OR TOWN MAULDIN STATE SC ZIP 29662

Application must be completed in full. Submit original and one copy.

-----  
Description of Project:

Project provides a sanitary sewer service extension on the C. F. Sauer property to the west side of Highway 276 and will allow flow to be transferred from the east side of Mauldin to the west side of Highway 276. Project will allow additional sewer flow to be permitted on the east side of Mauldin which is currently under a sewer moratorium.

The moratorium affected the entire east side of Mauldin and effectively stifled industrial and commercial development on the I-385 corridor. It appears that it will be another twelve months before sewer flow will be available on the Enoree River to address the current sewer treatment situation on the east side of Mauldin.

-----  
Anticipated Results of Projects:

Fifty thousand gallons relief will be granted in the Mauldin 'A' plant east of Mauldin. The recipients of the flow are Easlan Corporation, who in conjunction with NCNB are planning to construct up to three service and commercial buildings and an office park whose estimated value, when completed, is in excess of \$100,000,000. The second corporate recipient would be Center Pointe, which is an additional services and commercial complex located in the City of Mauldin on the east side of I-385 at the intersection of Bridges Road and is being developed by Hughes Real Estate. This investment is potentially \$10,000,000. The final recipient of flow will be the Southside Baptist Church complex located on Woodruff Road in the Metropolitan Sewer District.

-----  
Source of Funding (Federal, State, Local, Private donations, etc...)

Easlan Corporation has asked the City of Mauldin to seek the project funds so that costs for the construction of the relief line may be offset as it benefits not only Easlan, but two other users, one corporate, and one educational and religious.

05089

Anticipated Expenditures (IN DETAIL)

Budget and Control Board - \$ 50,000

Local Private Funds - Balance

-----  
If approved, when will you need the funds? Date: November 15, 1986 \$ 50,000

House Funds \$ 25,000

Senate Funds \$ 25,000

TOTAL \$ 50,000

-----  
General Information

A. Unencumbered General Fund Balance \$ 2,368,611 FY'86 Audit

B. How often is the applicant audited? Annually

C. What period was covered by the last audit? July 1, 1985 to June 30, 1986

D. What audit procedures will apply to Rural Improvement funds? Allocation of funds for the project will be subject to scrutiny during Mauldin's annual audit conducted under Single Audit provisions.

E. Name and Title of individual responsible for administration of Grant:

David M. Bates

Title City Administrator

-----  
Approved by:

(Legislative Approval)

David H. Walker

Organization City of Mauldin

Authorized Signature

A. Wayne Crick

Title Mayor

Phone (803) 288-4910

A. Wayne Crick

Date October 17, 1986

ALL FUNDS ARE SUBJECT TO RANDOM AUDIT

05090

BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS

APPLICATION FOR RURAL IMPROVEMENT FUNDS

NAME OF APPLICANT CITY OF MAULDIN  
STREET ADDRESS 5 EAST BUTLER AVENUE  
CITY OR TOWN MAULDIN STATE SC ZIP 29662

Application must be completed in full. Submit original and one copy.

-----  
Description of Project:

Project provides a sanitary sewer service extension on the C. F. Sauer property to the west side of Highway 276 and will allow flow to be transferred from the east side of Mauldin to the west side of Highway 276. Project will allow additional sewer flow to be permitted on the east side of Mauldin which is currently under a sewer moratorium.

The moratorium affected the entire east side of Mauldin and effectively stifled industrial and commercial development on the I-385 corridor. It appears that it will be another twelve months before sewer flow will be available on the Enoree River to address the current sewer treatment situation on the east side of Mauldin.

-----  
Anticipated Results of Projects:

Fifty thousand gallons relief will be granted in the Mauldin 'A' plant east of Mauldin. The recipients of the flow are Easlan Corporation, who in conjunction with NCNB are planning to construct up to three service and commercial buildings and an office park whose estimated value, when completed, is in excess of \$100,000,000. The second corporate recipient would be Center Pointe, which is an additional services and commercial complex located in the City of Mauldin on the east side of I-385 at the intersection of Bridges Road and is being developed by Hughes Real Estate. This investment is potentially \$10,000,000. The final recipient of flow will be the Southside Baptist Church complex located on Woodruff Road in the Metropolitan Sewer District.

-----  
Source of Funding (Federal, State, Local, Private donations, etc...)

Easlan Corporation has asked the City of Mauldin to seek the project funds so that costs for the construction of the relief line may be offset as it benefits not only Easlan, but two other users, one corporate, and one educational and religious.

05091



Anticipated Expenditures (IN DETAIL)

Budget and Control Board - \$ 50,000

Local Private Funds - Balance

-----  
If approved, when will you need the funds? Date: November 15, 1986 \$ 50,000

House Funds \$ 25,000

Senate Funds \$ 25,000

TOTAL \$ 50,000

-----  
General Information

A. Unencumbered General Fund Balance \$ 2,368,611 FY'86 Audit

B. How often is the applicant audited? Annually

C. What period was covered by the last audit? July 1, 1985 to June 30, 1986

D. What audit procedures will apply to Rural Improvement funds? Allocation of funds for the project will be subject to scrutiny during Mauldin's annual audit conducted under Single Audit provisions.

E. Name and title of individual responsible for administration of Grant:

David M. Bates Title City Administrator

-----  
Approved by:

(Legislative Approval)

David M. Bates

David H. Walker

\_\_\_\_\_

\_\_\_\_\_

Organization City of Mauldin

Authorized Signature A. Wayne Crick Title Mayor

A. Wayne Crick

Phone (803) 288-4910 Date October 17, 1986

ALL FUNDS ARE SUBJECT TO RANDOM AUDIT

05092

OCT 20 1986

NOV 12 1986

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

November 18, 1986

Blue Agenda

☒ Regular Session Agenda

☐ Executive Session Agenda

1. Submitted By:

(a) Agency: B&C BD--Local Government

(b) Authorized Official Signature:

*M. S. Bullock*

2. Subject: Rural Improvement request by the town of  
Pinewood (Sumter County)

3. Summary Background Information:

The town of Pinewood is requesting \$50,000 in Rural Improvement Funds to construct Phase I of a municipal sanitary sewer system. Proposed financing for the project is as follows:

DHEC	\$ 75,000
CDBG	150,855
Rural Improvement Funds (Fall '85)	29,500
Town of Pinewood	20,645
Rural Improvement request	50,000
TOTAL	\$ 326,000

EXHIBIT

NOV 18 1986

NO. 20

STATE BUDGET & CONTROL BOARD

(100% Senate Funds)

4. What is Board asked to do?

Approve request

5. What is recommendation of the Board Division involved?

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

Attached application

05093

(d)

BUDGET AND CONTROL BOARD  
DIVISION OF LOCAL GOVERNMENTS  
APPLICATION FOR RURAL IMPROVEMENT FUNDS

Name of Applicant: Town of Pinewood, South Carolina

Street Address: Town Hall, P.O. Box 236

City or Town: Pinewood State: South Carolina Zip: 29125

-----  
Description of Project: This project consists of constructing Phase I of a proposed townwide sanitary sewer system, including a collection, pumping stations and a wastewater treatment plant. The planning of the sewer system came about as a result of certain obstacles to implementing a Community Development Block Grant (CDBG) project which was funded by the Department of Housing and Urban Development through the State of South Carolina in 1984. The CDBG project was originally planned for the construction of drainage improvements in a large area of the town, and the installation of septic tanks and bathroom facilities in approximately twelve (12) homes that are currently lacking such facilities. However, after the CDBG project was underway, the Town's consulting engineers and the Department of Health and Environmental Control (DHEC) determined that only about three (3) lots in the project area were suitable for the installation of septic tanks. Consequently, the Town of Pinewood began researching other alternatives for achieving the original CDBG project objectives.

As a result of the Town's efforts, the Sumter County Public Works Department and the State Highway Department agreed to provide and have completed the majority of the planned drainage improvements at no cost to the Town of Pinewood. This made available approximately \$150,000 of the CDBG funds to use towards the construction of a sewer system. Additionally, the Town was able to secure a grant of \$75,000 from DHEC to apply towards the sewer system. The purpose of this application for Rural Improvement Funds is to obtain the balance of the financing necessary to construct this sewer system.

-----  
Anticipated Results of Project: The Rural Improvement Funds, when combined with the CDBG and DHEC funds, will allow for the construction of a 50,000 gallon-per-day wastewater treatment plant, a pumping station with force main and approximately 2,800 linear feet of gravity sewer lines. These facilities will initially serve approximately thirty-five (35) to forty (40) low and moderate income households, approximately half of which do not currently have indoor plumbing facilities. Additionally, this project will serve three small commercial enterprises and the Manchester Elementary School (1,200 students). It is also anticipated that once the Town of Pinewood has sewer service available, it will begin to have some leveraging power in attracting business and industrial development. In the past, the Town has lost more than one industrial prospect due to its lack of adequate infrastructure.

-----  
Source of Funding:

Division of Local Governments: \$50,000 (This request)  
Balance of Funding Sources: See attached page entitled, "Funding Sources for Pinewood Sewer System - Phase I"

05094

OCT 29 1984

Anticipated Expenditures (in Detail):

SEE ATTACHED PRELIMINARY COST ESTIMATE

-----  
If Approved, When Will You Need Funds:

First Payment	\$ 50,000.00	Date	November 1986
Second Payment	\$	Date	
Third Payment	\$	Date	
	\$		

-----  
General Information:

- A. How Often is Applicant Audited? Annually
- B. What Period was Covered by Last Audit? July 1, 1985 - June 30, 1986
- C. What Audit Procedures Will Applicant Apply to Rural Grant Funds if Request is Approved?

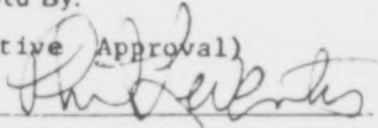
Standard audit procedures conducted by an independent CPA firm will be used to document expenditures of these funds in conjunction with the Town's next regularly scheduled annual audit.

- D. Name of Individual Who Will be Responsible for Administration of Grant:

Gwen Clyburn, Community Development Director, Santee-Lynches Council For Governments, P.O. Box 1837, Sumter, S.C. 29151

-----  
Approved By:

Legislative Approval)



Town of Pinewood

Organization

R. Ken McLeod

Authorized Signature

R. Ken McLeod, Mayor

803-452-5878

Phone

October 21, 1986

Date

05095



# TOWN OF PINWOOD

PINWOOD, S.C. 29125

October 21, 1986

Mr. Michael S. Gullledge, Director  
Division of Local Governments  
S.C. Budget and Control Board  
P.O. Box 12444  
612 Wade Hampton Building  
Columbia, S.C. 29211

Dear Mr. Gullledge:

As Mayor of the Town of Pinewood, I would like to express to you our need to procure additional funds to aid the Town of Pinewood in constructing Phase I of a proposed townwide sanitary sewer system.

The Town of Pinewood is a small rural town located in Sumter County. The Town has worked very hard in obtaining grant funds to improve the Town and the services it provides its citizens. As stated in the application, this project will initially serve thirty-five (35) to forty (40) low and moderate income households, approximately half of which do not currently have indoor plumbing facilities; three commercial establishments; and the Manchester Elementary school. Once completed, this project should also vastly improve the competitive position of the community in attracting new industrial and commercial development. The Town has received Community Development Block Grant funds, a previous Division of Local Government Grant and S.C. Department of Health and Environmental Control Rural Water and Sewer Grant funds to aid in completing this project.

If I can provide you with any additional information, please do not hesitate to contact me. Thank you for your assistance.

Sincerely,

*R. Ken McLeod*

R. Ken McLeod, Mayor  
Town of Pinewood

05096

OCT 29 1986



FUNDING SOURCES FOR PINWOOD SEWER SYSTEM  
PHASE I

FUNDS NEEDED FOR SEWER SYSTEM	\$326,000.00
FUNDS AVAILABLE:	
DHEC GRANT	\$ 75,000.00
CDBG TRANSFER	\$150,855.00
DLG (FALL 1985)	\$ 29,500.00
	-----
TOTAL FUNDS AVAILABLE TO DATE	\$255,355.00
 FUNDS REMAINING TO OBTAIN (TOTAL)	 \$ 70,645.00
 SOURCES:	
DLG (THIS REQUEST)	\$ 50,000.00
LOCAL FUNDING SOURCE	\$ 20,645.00
	-----
TOTAL	\$ 70,645.00

05097

PRELIMINARY COST ESTIMATE  
PINWOOD SANITARY SEWER SYSTEM  
PHASE I

8" Gravity Sewer	2800 LF @ \$	12.00	\$ 33,600.00
6" Force Main	3800 LF @	6.00	22,800.00
Manholes	14 EA @	1000.00	14,000.00
6" Service Lines	950 LF @	6.00	5,700.00
6" Wyes	50 EA @	75.00	3,750.00
6" Cleanouts	50 EA @	125.00	6,250.00
Pavement Cut and Replacement	630 SY @	10.00	6,300.00
Pumping Station	1 EA @	36,100.00	36,100.00
50,000 GPD WWTP & Sitework	1 LS @	100,000.00	100,000.00
SUBTOTAL			----- \$228,500.00
Contingencies			\$ 32,600.00
Engineering Fees			26,100.00
Resident Inspections			24,000.00
Surveying, Easements			4,400.00
Legal Fees			4,400.00
SUBTOTAL			----- \$ 91,500.00
TOTAL			\$320,000.00

05098

# EXHIBIT

NOV 18 1986

NO. 21

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD

REGULAR SESSION

ITEM NUMBER

10

AGENCY: Executive Director

SUBJECT: Building Energy Standards

At the meeting on October 21, the Board adopted in principle the Building Energy Standards proposed by the S.C. Energy Office. The Board also referred the Standards to the Executive Director's Office for study and recommendations by the November 18 meeting.

Staff asks that the Board carry this matter over to the December 2 meeting.

---

BOARD ACTION REQUESTED:

Agree to consider staff recommendations on the Building Energy Standards proposed by the S. C. Energy Office at the December 2 meeting.

---

ATTACHMENTS:

05099

# EXHIBIT

NOV 18 1986

NO. 22

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

REGULAR SESSION

ITEM NUMBER

11

AGENCY: Commission on Higher Education

SUBJECT: Tuition Fee Adjustment (S. C. State College)

On behalf of S. C. State College, the Commission on Higher Education (CHE) asks that the Board approve a tuition fee of zero for State Institution Bond purposes during 1986-87. State College now levies a tuition fee of \$200 per student and deposits the proceeds, amounting to \$650,000 to \$700,000 per year, into its Institution Bond Debt Service Account.

CHE indicates that the Institution Bond Debt Service Account balance now is \$3,000,000. State College has no institution bonds outstanding which means that there is no debt service obligation. Some of the funds now in the account have been approved for use on various permanent improvement projects.

CHE also recommends that the State College tuition be set at \$100 per student for 1987-88 with the balance going into operations.

The proposal is that the diverted tuition fee revenue be used to finance a program of "image enhancement and student recruitment," estimated to cost \$310,000, and to establish a division of development and institutional relations at a cost of \$218,228. Details on these proposals are provided in the attachment.

The Board is reminded that, once the fees are deposited into the debt service account, the law (59-107-40) requires that any surplus debt service funds be used only for specified purposes which do not include the payment of operating costs.

---

BOARD ACTION REQUESTED:

- (1) Approve tuition fees for Institution Bond purposes at S. C. State College as follows: (a) zero for 1986-87; and (b) \$100 per student for 1987-88; and
- (2) Agree that diverted tuition fee revenue may be used to finance the programs recommended by CHE and for general operating purposes.

---

ATTACHMENTS:

Brooks November 12 letter plus S. C. State College proposal

05100



RECEIVED

NOV 12 1986

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

**SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION**

1333 MAIN STREET

SUITE 650

COLUMBIA, S. C. 29201

CHARLES A. BROOKS, JR.  
Interim  
Executive Director

TELEPHONE  
803/253-6260

November 12, 1986

**EXHIBIT**

NOV 18 1986      NO. 22

STATE BUDGET & CONTROL BOARD

Dr. Jesse A. Coles  
Director, State Budget Division  
Budget and Control Board  
407 Wade Hampton Office Building  
Columbia, SC 29201

Dear Jesse:

South Carolina State College is requesting authorization to retain Tuition Debt Service funds collected from students this fall and spring. These funds would be used for the improvement of two priorities (Image Enhancement and Student Recruitment; and the Establishment of Division of Development and Institutional Relations). Both these projects are discussed at length in the enclosed copies of S.C. State's request.

As you know, S.C. State currently deposits \$200 per student into the Tuition Debt Service account amounting to \$650,000 - \$700,000 per year. This account balance is currently \$3 million and has no debt service obligation. S.C. State has used these funds in the past for major repairs to existing facilities. However, it does not seem reasonable to deposit this amount of money when it could be used more advantageously, especially for the previously mentioned needs.

In its Budget and Control Board presentation, the Commission recommended continued funding for these projects in 1987-88. The Commission also endorses S.C. State's use of these funds for this fiscal year.

The Commission has also recommended that in future years, S.C. State reduce the amount per student to be deposited in the Tuition Debt Service account from \$200 to \$100. These funds could then be used for desperately needed operating funds.

We respectively request that these recommendations be considered by the Budget and Control Board at its next meeting on November 18, 1986. I will be glad to discuss this with you if you have any questions.

Sincerely,

Charles A. Brooks, Jr.

CAB/jm  
Enclosures

CC: Dr. Albert E. Smith

05101



# EXHIBIT

NOV 18 1986

NO. 22

STATE BUDGET & CONTROL BOARD

SOUTH CAROLINA STATE COLLEGE  
ORANGEBURG, SOUTH CAROLINA

REQUEST FOR AUTHORIZATION TO  
USE EXCESS TUITION FUNDS

SEPTEMBER, 1986

05102

# EXHIBIT

NOV 18 1986 NO. 22

STATE BUDGET & CONTROL BOARD

## REQUEST FOR AUTHORIZATION TO USE EXCESS TUITION FUNDS

### RATIONALE:

As a result of the South Carolina Plan for Equity and Equal Opportunity, South Carolina State College has for the past five years engaged in an intensive effort to improve its overall program offerings via the enhancement of certain traditional programs and the addition of new ones. While these programmatic enhancements and additions have been very positive in terms of substantially improving the College's capabilities, they have also resulted in increased personnel costs without the accompanying student enrollment to support these costs. South Carolina State College now finds itself in the rather unusual position of having strengthened its offerings without the student enrollment to maintain that strength financially.

The new Administration at South Carolina State College believes first that the improvements undertaken during the past five years were absolutely necessary and will, in the long term, benefit the people of this great State. It believes secondly, that the improvement costs can be supported and maintained on a long term basis by way of two programmatic thrusts. These are

1. Increasing student enrollment; and
2. Increasing the number of dollars coming in to the College from non-state sources.

Never in the history of the College have the above two efforts been undertaken in a serious manner. This request is made so that these two efforts can be undertaken in the kind of serious way that would allow for success. While we are sufficiently realistic to understand that success can never be guaranteed, we also understand

05103

that for success to be possible, it is essential that we approach our duties with a degree of seriousness and dedication that would increase the chances for success. This Administration so approaches its duties.

We believe that with our enhanced and new program offerings, we are in a position to obtain the necessary student enrollment and external dollars which are needed to maintain the quality programs which were developed over the past five years. To accomplish our intended goals, immediate funds are necessary.

#### **THE GOALS:**

##### **1. Increasing Student Enrollment**

The Administration believes that the College's program offerings are indeed strong. It believes that these offerings are capable of producing competitive graduates. It further believes that, based upon the Fowler Communications Report which the Commission on Higher Education endorsed, the necessary actions that will be taken to improve the image of the College will result in increased student enrollment. Thus we propose to implement immediately the Fowler Communication's recommendations in order to improve the College's image, while simultaneously and substantially increasing our student recruitment efforts. The College has already committed some of its very scarce resources to the latter.

##### **2. Increasing the Number of Dollars Coming into the College from Non-State Sources.**

Even with sufficient enrollment, there is no possible way for this College or any other public institution of higher education to support

quality programs with state funds as the only revenue source. This College must generate sufficient external funds to support quality programs. At the beginning of this fiscal year, South Carolina State College was neither staffed nor structured in a way that would permit success in seeking external dollars. This Administration is committed to becoming so structured and staffed. The College has already adopted a structure which would facilitate the seeking of external support. However, and candidly, it does not have the financial resources to staff this structure and allow that staff to engage in the necessary activities to seek the external funds.

#### THE FUNDS:

In late summer, the Board of Trustees approved South Carolina State College's proposal to request "Unique Cost" funds from the Commission on Higher Education. During the recent budget hearings before the Commission, the College presented its proposal for "Unique Cost" funds to support the two goals described above. The Commission has granted tentative approval to the College's proposal. These funds, however, will not be available until fiscal year 1987-88. The College simply cannot wait until that time to implement the necessary corrective actions. It must act now. The longer we wait, the more serious the present problems become.

#### THE REQUEST:

South Carolina State College seeks authorization to utilize its Excess Tuition Fund in order to begin immediately implementing the goals described above. It believes that if this request is granted for

this fiscal year, along with the tentatively approved "Unique Cost" funds for 1987-88, the College will begin to realize, in a significant way, its twin goal of having quality programs which the people demand and sufficient student enrollment and non-state funds to support these programs.

Specifically, it is requested that the College be authorized to use \$670,000 of its Excess Tuition Funds to support the activities described above (see also the detailed budget request in the Appendix). A total of \$310,000 is being requested to support image enhancement and student recruitment activities and a total of \$360,000 is being requested to support development and institutional relations activities. A detailed budget explanation follows.

## EXHIBIT

NOV 18 1986

NO. 22

STATE BUDGET & CONTROL BOARD



APPENDIX:  
DETAILED BUDGET EXPLANATION

I. IMAGE ENHANCEMENT AND STUDENT RECRUITMENT

A. Development of an Institutional Strategic Plan --	\$24,000
B. Development and Implementation of an Interim Marketing Plan --	29,000
C. Development of a (Traditional and Adult) Student Recruitment Plan --	49,150
D. Establishment of an Institutional Marketing Office --	85,000
E. Development of Internal Capabilities of Academic Units to Implement Departmental and Institutional Marketing Efforts --	7,000
F. Establishment of A Centralized Coordinated "Inquiries Management" System --	13,600
G. Improvement in the College's Communications Process --	45,000
H. Implementation of A South Carolina State College Alumni Identification Program --	12,500
I. Centralize and Automate Applicant/Student/Alumni Data Base --	10,000
J. Review and Evaluate the Organization of the Office of Admissions and Records --	20,000
K. Establishment of a Visible and Accessible Visitor Information Center --	12,000

L. Improve Communication System for the Center for Adult and Continuing Education --	1,600
M. Initiate Feasibility Studies for Dormitory Renovations and Center for Adult and Continuing Education Renovations --	1,150
SUB-TOTAL . . . . .	\$310,000

## II. DIVISION OF DEVELOPMENT AND INSTITUTIONAL RELATIONS

The Division of Development and Institutional Relations shall have responsibility for planning and directing activities associated with generating external support for South Carolina State College. This to include cultivating relationships with alumni, corporations, foundations, governmental agencies and the general community for purposes of providing revenue for student academic scholarships, student recruitment, and faculty and staff development.

The expectation is that within a five-year period the Division of Development and Institutional Relations will be generating and estimated \$1 million or more annually in gifts, grants and contributions. The ultimate goal is to enable the institution to establish and maintain a viable endowment program.

Listed below is the proposed 1986-87 budget for the Division of Development and Institutional Relations:

### A. Personnel

1. Vice President	\$55,000
2. Director of Institutional Advancement	32,500
3. Director of Alumni Affairs	32,500
4. Administrative Assistant	18,000
5. Secretaries (3 at \$15,00 ea.)	45,000
6. Fringe Benefits at 19.25%	35,228
	<hr/> 218,228

## EXHIBIT

NOV 18 1986 NO. 22

STATE BUDGET & CONTROL BOARD  
05109

B. Operations

1. Telephone	4,000
2. Office Supplies	15,000
3. Equipment	25,000
4. Printing and Binding	20,000
5. Staff and Program Development	15,000
6. Computer Software	22,272
7. Memberships and Subscriptions	2,500
8. Travel	30,000
9. Consultants	8,000
	<hr/> 141,772

SUB-TOTAL 360,000

GRAND TOTAL \$670,000

EXHIBIT

NOV 18 1986 NO. 22

STATE BUDGET & CONTROL BOARD

05110

NOV 18 1986

NO. 23

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

STATE BUDGET &amp; CONTROL BOARD

MEETING OF November 18, 1986

ITEM NUMBER

12AGENCY: Executive DirectorSUBJECT: Private Activity Bonds; Allocation of State Ceiling; Allocation Extensions

The required reviews on the following proposals to issue revenue bonds have not yet been completed. Staff will advise the Board on the results of these reviews at the meeting.

All projects except (g) require approval under State law. The JEDA private placements require Board approval under State law. An allocation of a portion of the Ceiling is requested all projects except f.

- (a) Issuing Authority: Greenville County  
Amount of Issue: \$900,000 Industrial Revenue Bond  
Name of Project: Random Associates  
Employment Impact: 15  
Project Description: Warehouse/distribution facility for construction and industrial maintenance products
- (b) Issuing Authority: North Charleston Redevelopment Commission  
Amount of Issue: \$9,500,000 Multifamily Housing Revenue Bonds  
Name of Project: Ben Tillman Homes  
Project Description: REINSTATEMENT OF ALLOCATION WHICH LAPSED 10/27/86
- (c) Issuing Authority: JEDA  
Amount of Issue: \$8,500,000 Industrial Development Revenue Note  
Name of Project: Charleston Waterfront Project I  
Employment Impact: 283  
Project Description: Passenger terminal, port reception and related activity facility
- (d) Issuing Authority: JEDA  
Amount of Issue: \$8,500,000 Industrial Development Revenue Note  
Name of Project: Charleston Waterfront Project II  
Employment Impact: 283  
Project Description: Passenger terminal, port reception and related activity facility
- (e) Issuing Authority: Family Farm Development Authority  
Amount of Issue: \$150,000 Agricultural Development Revenue Bonds  
Name of Project: Jack Denver Powell  
Project Description: Construct 3 broiler houses and install appropriate equipment  
Maturity Schedule: 40 equal payments of \$5,081.43, payable every 73 days over a period of 8 years plus interest at a rate not exceeding 12%  
Bond Purchaser: Bank of Westminster

CORRECTED  
TO \$950,000  
WAM



# EXHIBIT

NOV 18 1986

NO. 23

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

STATE BUDGET & CONTROL BOARD

MEETING OF November 18, 1986

ITEM NUMBER

12, Page 2

AGENCY: Executive Director

SUBJECT: Private Activity Bonds; Allocation of State Ceiling

(f) Issuing Authority: Chesterfield County  
Amount of Issue: \$8,925,000 Subordinated Revenue Bonds  
Name of Project: Hospital Corporation of America  
Project Description: REFUNDING  
INCOMPLETE

(g) Issuing Authority: Piedmont Municipal Power Agency  
Amount of Issue: \$325,000,000 Electric Revenue Bonds  
Name of Project: 1986 Bonds  
Project Description: \$69,000,000 ALLOCATION REQUESTED  
INCOMPLETE

Bond counsel for the Jobs-Economic Development Authority requests that the following ceiling allocations be extended to December 31, 1986: (a) \$600,000, Rainbow Oil Company, Inc.; and (b) \$1,000,000, Palmetto Tile Distributors, Inc.

Bond counsel for Charleston County has requested an extension to December 31, 1986, of the \$5,000,000 allocation for Coburg Dairy.

Bond counsel for the Cherokee County Clarkson Associates project asks that the \$1,800,000 allocation for the project, approved July 29, be reinstated.

Attached is a status report on the State Ceiling as of November 13, 1986.

BOARD ACTION REQUESTED:

- (a) Adopt resolutions approving proposals to issue revenue bonds for items (a) through (f), on the condition that the required reviews are completed with satisfactory results;
- (b) Shift \$12,655,000 from the State Government Pool to the Local Pool;
- (c) Allocate a portion of the State Ceiling to each project except (f);
- (d) Extend the following ceiling allocations to December 31, 1986: (1) JEDA \$600,000, Rainbow Oil Company, Inc.; (2) \$1,000,000, JEDA Palmetto Tile Distributors, Inc.; and (3) \$5,000,000 Charleston County Coburg Dairy;
- (e) Reinstate the Cherokee County Clarkson Associates ceiling allocation of \$1,800,000; and
- (f) Receive as information the status report on the State Ceiling.

ATTACHMENTS:

Referenced status report on State Ceiling.

05112

1986 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION  
Allocated/Issued after August 15, 1986

Date of B&C Board Allocation	Governmental Unit	Name of Project	Pool Total	Amount of Pool Allocated	Balance of Pool Available	Amount Certified for Issue	Issue Date
10/30/86	STATE GOVERNMENT POOL		\$100,410,000				
05/27/86	Family Farm Dev.	James Earl Bozard		-190,000			
07/15/86	Family Farm Dev.	Frank M. Senn, Sr.		-240,000			
07/15/86	Family Farm Dev.	Barbara Ann Senn		-250,000			
07/15/86	Family Farm Dev.	Sandra K. Senn		-250,000			
09/09/86	JEDA	Palmetto Tile Distributors		-1,000,000			
09/09/86	JEDA	Rainbow Oil Co., Inc.		-600,000			
10/07/86	Family Farm Dev.	Alton J. Barnett, Jr.		-130,000		130,000	10/10/86
10/07/86	Family Farm Dev.	Vince Timpson Arrington		-150,000		150,000	10/10/86
10/21/86	Family Farm Dev.	John C. Cato		-175,000			
10/21/86	Family Farm Dev.	James T. Sprouse		-300,000		300,000	11/06/86
11/05/86	State Housing Auth.	Homeownership Bonds		-50,000,000			
	Total Allocated			-53,285,000		580,000	
	Total, State Government Pool		\$100,410,000	-53,285,000	\$47,125,000	580,000	
10/30/86	LOCAL POOL		\$150,615,000				
07/15/86	Richland County	Trinity Knoll		-3,500,000			
07/15/86	Fairfield County	Rite Aid of SC, Inc.		-10,000,000			
07/15/86	Lancaster County	Aeroquip Corporation		-2,200,000		2,200,000	09/11/86
07/29/86	Spartanburg County	Structofab, Inc.		-600,000		600,000	08/20/86
07/29/86	Spartanburg County	Holmberg Electronics Corp.		-650,000		650,000	08/26/86
08/13/86	Spartanburg County	Indever		-1,200,000		1,200,000	10/02/86
08/13/86	Lexington County	A. M. Quattlebaum, Sr.		-1,000,000		1,000,000	10/10/86
08/28/86	Winnsboro, Town of	Natural Gas Distr.		-2,700,000			
08/28/86	Spartanburg County	W J Partnership		-5,000,000		5,000,000	09/11/86
08/28/86	Greenville County	Span America		-3,000,000		3,000,000	09/25/86
08/28/86	Greenville County	Merscot-Greenville		-19,340,000		19,340,000	11/06/86
09/09/86	Charleston County	Coburg Dairy		-5,000,000			
09/23/86	Charleston County	NOCS S. Atlantic Storage		-4,000,000			
09/23/86	Congaree Vista	Pavillion Towers		-15,000,000			
10/07/86	Sumter County	Metokote Corporation		-2,700,000		2,700,000	11/07/86
11/05/86	Greenville County	Chestnut Hill MHC		-6,000,000			
11/05/86	Greenville County	Hart-Greenville		-180,000			
	Total Allocated			-82,070,000		35,690,000	
	Total, Local Pool		\$150,615,000	-82,070,000	\$68,545,000	35,690,000	
	Total, State Government Pool		\$100,410,000	-53,285,000	\$47,125,000	580,000	
	Total, Local Pool		150,615,000	-82,070,000	68,545,000	35,690,000	
	GRAND TOTAL		\$251,025,000	-135,355,000	\$115,670,000	36,270,000	

05113

11/13/86

EXHIBIT  
NOV 18 1986 NO. 23  
STATE BUDGET & CONTROL BOARD

EXHIBIT

State of South Carolina

NOV 18 1986

NO. 23

State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., PH.D.  
EXECUTIVE DIRECTOR

November 18, 1986

Ms. April C. Lucas  
McNair Law Firm  
Box 11390  
Columbia, SC 29211

Dear Ms. Lucas:

At its meeting on November 18, 1986, the Budget and Control Board granted an extension to December 31, 1986, to the life of the \$1,000,000 ceiling allocation approved originally on September 9, 1986, for the Jobs-Economic Development Authority Palmetto Tile Distributors, Inc., project.

This Board action was taken in response to your November 11 letter.

Sincerely,

*William A. McInnis*

William A. McInnis  
Deputy Executive Director

WAM:dw

05114

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

NOV 12 1986  
12:04 P.M.  
4 C of 5-AL

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROUS  
O. WAYNE CORLEY  
E. MLEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
EMORY M. SNEEDEN  
STEPHEN KORLAN\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
JOHN H. LUMPKIN, JR.  
M. WILLIAM YOUNGBLOOD, JR.  
JOHN W. CURRIE  
RHETT DAWSON\*  
SCOTT Y. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL R. MLEOD, JR.  
WILLIAM S. ROSE, JR.  
HUEL D. ADAMS, JR.

JAMES R. FIELDS, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFCOAT  
ROBERT T. BOCKMAN  
EDWIN W. JOHNSON  
PETER L. MURPHY  
C. ALAN RUMYAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY  
WILMOT B. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN CRUM MCKINNEY  
E. RUSSELL JETER, JR.  
WILLIAM MICHAEL HOUSE\*  
CARL B. CARRUTH  
JOHN W. HUNTER\*  
J. WESLEY CRUM  
RICHARD J. MORGAN  
J. SIMON FRASER  
CHRISTOPHER M.G. HOLMES  
DEBORAH K. OWEN\*

SARA S. ROGERS  
DOROTHY M. HELMS  
NANCY PAGE  
SANDRA L. BANGLEMAN  
JANE W. TRANKLEY  
J. LYLES GLENN IV  
CELESTE TILLER JONES  
KATHERINE ELIZABETH MMS  
JOSEPH D. WALKER  
NANCY R. JEFFERIS  
AUSON RENEE LEE  
MARTHA R. MULLIN  
GREGORY D. OILOACH  
WILLIAM ASHLEY JORDAN, JR.  
MICHAEL W. BEAL  
DEBORAH ANN DAVIS  
ELIZABETH BOWIE ANDERS  
WILLIAM H. MUSSER  
SHARON E. CRAWLEY  
T. PARKIN HUNTER  
ROBERT F. McMAHAN, JR.

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

GREENVILLE OFFICE  
SUITE 1201  
NCNB PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
NCNB BUILDING  
POPE AVENUE  
POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

November 11, 1986

## EXHIBIT

NOV 18 1986

NO. 23

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis  
State Budget & Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

RE: South Carolina Jobs-Economic Development Authority  
\$1,000,000 Industrial Development Revenue Note  
(Palmetto Title Distributors, Inc. Project)

Dear Mr. McInnis:

This is to advise that the above captioned transaction will probably close as part of a composite bond issue sponsored by the Jobs-Economic Development Authority which is scheduled for closing in early December. In accordance with Executive Order No. 86-20, Section 5(e) and 8(c), we are hereby requesting the volume cap allocation previously made for this transaction be extended to December 31, 1986.

Yours very truly,

*April C. Lucas*  
April C. Lucas

ACL/kcu

cc: Mr. Douglas E. Cooper  
Mr. Henry D. Goldberg  
Steven M. Anastasion, Esquire

05115

# EXHIBIT

State of South Carolina

NOV 18 1986

NO. 23

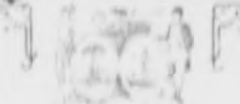
## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANDUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. CHES, JR., P.E.D.  
EXECUTIVE DIRECTOR

November 18, 1986

Ms. April C. Lucas  
McNair Law Firm  
Box 11390  
Columbia, SC 29211

Dear Ms. Lucas:

At its meeting on November 18, 1986, the Budget and Control Board granted an extension to December 31, 1986, to the life of the \$600,000 ceiling allocation approved originally on September 9, 1986, for the Jobs-Economic Development Authority Rainbow Oil Company, Inc., project.

This Board action was taken in response to your November 11 letter.

Sincerely,

*William A. McInnis*

William A. McInnis  
Deputy Executive Director

WAM:dw

05116



NOV 12 1986

12:04 P.M.

10/5-12

EXHIBIT

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

NOV 18 1986

NO. 23

STATE BUDGET & CONTROL BOARD

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDOROS  
D. WAYNE CONLEY  
S. WILSON SINGLETARY  
CHARLES PORTER  
ROBERT N. DIBBLE, JR.  
ENORY M. SWEDEN  
KENNEDY H. FORDGOTSON  
STEPHEN NOPLAN  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN  
JOHN H. LUMPKIN, JR.  
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SCOTT S. BARNES  
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BERNARD J. WUNDER, JR.

HUGH D. ADAMS, JR.  
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LAWRENCE R. HIGDON  
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ROBERT T. BUCHMAN  
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C. ALAN RUSMAN  
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APRIL C. LUCAS  
ROBERT E. STEPP  
NATHALEEN CRUM HUNNEY  
E. RUSSELL JETER, JR.  
M. WILLIAM YOUNGBLOOD  
CARL B. CARPENTER  
JOHN A. HUNTER  
RICHARD J. MORGAN  
J. SIMON FRASER  
CHRISTOPHER RAL HOLMES

DEBORAH K. OWEN  
SARA S. ROGERS  
PAUL E. SULLIVAN  
DOROTHY M. HEARS  
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JANE W. TRINLEY  
J. LILES GLENN IV  
CELESTE TILLER JONES  
KATHERINE ELIZABETH HHS  
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NATHAN R. MCNULLEN  
GREGORY D. DOLICH  
WILLIAM ASHLEY JORDAN, JR.  
ELIZABETH BONE ANDERS  
WILLIAM H. MUSSEY  
SHARON E. CRAWLEY  
T. PARKIN HUNTER  
ROBERT E. MCMAHAN, JR.  
MARY DONNE PETERS

November 11, 1986

THOMAS H. BARKSDALE, JR.  
JAMES E. CARR  
RALPH W. KITTLE  
JOHN H. LUMPKIN, SR.  
OF COUNSEL:

GREENVILLE OFFICE  
SUITE 1201  
NCNB PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
NCNB BUILDING  
POPE AVENUE  
POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29926  
803-785-5169

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

NOT ADMITTED IN SOUTH CAROLINA

Mr. William A. McInnis  
State Budget & Control Board  
P. O. Box 12444  
Columbia, South Carolina 29211

Re: South Carolina Jobs-Economic Development Authority  
\$600,000 Industrial Development Revenue Note  
(Rainbow Oil Company, Inc. Project)

Dear Mr. McInnis:

This is to advise that the above-captioned transaction will probably close as part of a composite bond issue sponsored by the Jobs-Economic Development Authority which is scheduled for closing in early December. In accordance with Executive Order No. 86-20, Sections 5(e) and 8(c), we are hereby requesting the volume cap allocation previously made for this transaction be extended to December 31, 1986.

Yours very truly,

April C. Lucas / *ps*  
April C. Lucas

ACL/kcu

cc: Mr. Douglas E. Cooper  
Mr. Leonard W. Mills

05117

# EXHIBIT

NOV 18 1986

NO. 23

## State of South Carolina State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM C. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

Mr. W. E. Applegate, III  
McKay & Guerard, P.A.  
Box 1119  
Charleston, SC 29402

Dear Mr. Applegate:

At its meeting on November 18, 1986, the Budget and Control Board granted an extension to December 31, 1986, to the life of the \$5,000,000 ceiling allocation approved originally on September 9, 1986, for the Charleston County Coburg Dairy, Inc., project.

This Board action was taken in response to your November 12 letter.

Sincerely,

*William A. McInnis*  
William A. McInnis  
Deputy Executive Director

WAM:dw

05118

EXHIBIT

NOV 13 1986

10:14 A.M.

NOV 18 1986

NO. 232 of 2-12

McKAY & GUÉRARD, P. A.

Post Office Box 1119

2 Prioleau Street

Charleston, South Carolina 29402

Telephone (803) 722-7606

STATE BUDGET & CONTROL BOARD

(Counsel)

William J. Quirk, P. A.

Certified Specialist

Taxation Law

Also Admitted in New York

Julius W. McKay

Theodore B. Guérard

W. E. Applegate, III

Sherwood M. Cleveland

Robert M. Kunes

Certified Specialist - Taxation Law

Estate Planning and Probate Law

Adele J. Pope

Certified Specialist - Estate Planning and Probate Law

William C. Cleveland\*

John Paul Trouche\*\*

William P. Simpson

Samuel W. Howell, IV

Shawn D. Wallace

Deborah K. Neese

South Carolina National Bank Building

P.O. Drawer 7157

Columbia, S.C. 29202

(803) 765-2396

November 12, 1986

\*Also Admitted in California

\*\*Also Admitted in Georgia

FEDERAL EXPRESS

Mr. William A. McInnis, Secretary  
State Budget and Control Board  
61w Wade Hampton Office Building  
Columbia, SC 29201

RE: \$5,000,000 Charleston County Industrial Revenue Bonds  
(Coburg Dairy, Inc. Project)

Dear Bill:

This is to request an extension of the tentative allocation of the State Ceiling, granted by the State Budget and Control Board on September 9, 1986, through the end of 1986 in connection with the captioned issue. We anticipate closing this issue on or about December 17, 1986.

Thank you for your consideration in this matter.

Sincerely yours,



W. E. Applegate, III

WEA:kw61

05119

# EXHIBIT

State of South Carolina

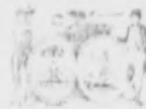
NOV 18 1986

NO. 23

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

Mr. F. Mitchell Johnson, Jr.  
Sinkler Gibbs & Simons  
Box 340  
Charleston, SC 29402

Dear Mr. Johnson:

*reinstated  
also*

At its meeting on November 18, 1986, the Budget and Control Board granted an extension to December 31, 1986, to the life of the \$1,800,000 ceiling allocation approved originally on July 29, 1986, for the Cherokee County Clarkson Associates project.

This Board action was taken in response to your November 13 letter.

Sincerely,

*William A. McInnis*

William A. McInnis  
Deputy Executive Director

WAM:dw

05120

# EXHIBIT

NOV 18 1986

NO. 23

## SINKLER GIBBS & SIMONS

PROFESSIONAL ASSOCIATION

160 EAST BAY STREET

CHARLESTON, SOUTH CAROLINA

TELEPHONE AND TELECOPIER

(803) 722-3366

## STATE BUDGET & CONTROL BOARD

COLUMBIA OFFICE

SUITE 1160

1401 MAIN STREET

POST OFFICE BOX 11458

COLUMBIA, S. C. 29211

TELEPHONE AND TELECOPIER

(803) 765-1865

MAILING ADDRESS:  
CHARLESTON OFFICE  
POST OFFICE BOX 340  
CHARLESTON, S. C. 29402

November 13, 1986

Mr. William A. McInnis  
Secretary  
State Budget and Control  
Board of South Carolina  
600 Wade Hampton Building, Room 618  
Columbia, South Carolina 29201

Re: \$1,800,000 Cherokee County, South Carolina,  
Industrial Revenue Note, Series 1986 (Clarkson  
Associates Project).

Dear Mr. McInnis:

As agent for Cherokee County, South Carolina, we request that the tentative allocation of \$1,800,00 of the State Ceiling made by the State Budget and Control Board of South Carolina to the above-referenced Note, which allocation lapsed as of October 29, 1986, be reinstated. We certify that the authorized request previously submitted to you is still true and correct as of the date hereof.

Very truly yours,

*F. Mitchell Johnson, Jr.*  
F. Mitchell Johnson, Jr.

FMJ/net

05121



The State of South Carolina



Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803 734 3680

EXHIBIT

NOV 18 1986

NO. 2 3A

STATE BUDGET & CONTROL BOARD

NOV 25 1986  
4:35 P.M.  
5 of 5-LL

November 25, 1986

Mr. William A. McInnis  
Deputy Executive Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: \$950,000 Greenville County, South Carolina  
Economic Development Revenue Bonds  
(Random Associates)

Dear Mr. McInnis:

In furtherance of our letter of November 21, 1986 regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 41-43-110, et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "D. Eckstrom".

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

05122

The State of South Carolina



Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-734-3680

NOV 24 1986

4:45 P.M.  
Saf 10-AL

EXHIBIT

NOV 18 1986

NO. 2 3A

STATE BUDGET & CONTROL BOARD

November 21, 1986

Mr. William A. McInnis  
Deputy Executive Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: \$900,000 South Carolina Jobs-Economic  
Development Authority, Economic Development  
Revenue Bonds (Random Associates)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the  
Petition and other documents submitted to the State Budget and  
Control Board for its approval pursuant to Sections 41-43-110, et  
seq., Code of Laws of South Carolina, 1976, as amended, and the  
same appear, in our opinion, to be in order.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "DCE", written over a horizontal line.

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

05123

# EXHIBIT

NOV 18 1986

NO. 2 3A

STATE OF SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD  
Standard Form Investment Letter

STATE BUDGET & CONTROL BOARD

TO: Secretary, State Budget and Control Board  
P. O. Box 12444  
Columbia, SC 29211

RE: Sale by Greenville County, South Carolina (the "Issuer")  
Of its \$950,000 Greenville Cnty, SC Industrial Rev. Bonds (the "Bonds")  
On behalf of Random Associates, a SC partnership (the "Company")  
Random Associates (the "Project")  
To NCNB South Carolina (the "Purchaser")

In connection with the referenced sale of Bonds by the Issuer, the Purchaser makes the following representations and certifications:

1. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds;
2. The Purchaser is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;
3. The Purchaser is familiar with the business affairs of the Company and has obtained and examined all financial and other information with respect to the Bonds, the Company and the officers and shareholders of the Company which it deems necessary in order to enable it to evaluate the merits and risks of its investment in the Bonds and to make an informed investment judgment in connection with the purchase of the Bonds;
4. The Purchaser has had the opportunity to ask questions of, and receive answers from, the Issuer and the Company concerning the terms and conditions of the offering and any other information which it has deemed relevant to the Bonds and its investment in the Bonds; and
5. The Bonds are being purchased for the account of the Purchaser and for the purpose of investment and not presently for resale, and the Purchaser has no present intention of offering the Bonds or any portion thereof for resale either currently or after the passage of a fixed period of time, or upon the occurrence or nonoccurrence of any predetermined event or circumstances.

SWORN to and subscribed  
before me this 15<sup>th</sup> day  
of October, 1986.

Ruth E. Miller  
Notary Public

My Commission expires  
April 1, 1987.

PURCHASER:

Name: NCNB South Carolina  
Address: P. O. Box 608  
Greenville, SC 29602

BY:

Robert E. Wagner  
Signature of Authorized Official

Date:

10/15/86

05124

# EXHIBIT

NOV 18 1986

NO. 2 3A

STATE OF SOUTH CAROLINA )

Random Associates

STATE BUDGET & CONTROL BOARD

COUNTY OF RICHLAND )

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, November 18, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of: Representative Mangum, who was represented by House Ways and Means Committee Acting Chairman T. W. Edwards, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; the motion was seconded by Mr. Patterson, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

5

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of the Board in my custody as its Secretary.

November 25, 1986

William A. McInnis

05125

# EXHIBIT

NOV 18 1986

NO. 23A

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )

## RESOLUTION

STATE BUDGET & CONTROL BOARD

WHEREAS, the County Council of Greenville County (the "Governing Board") did pursuant to Title 4, Chapter 29, 1976 Code of Laws of South Carolina, as amended, (the "Act") petition the State Budget and Control Board of South Carolina (the "State Board") seeking the approval of the State Board for an undertaking of the Governing Board pursuant to the Act; and

WHEREAS, the proposed undertaking consists of the financing by the Governing Board through the issuance of an Industrial Revenue Bond pursuant to the Act of a portion of the costs of the construction and equipping of a warehousing and distribution facility by Random Associates, a South Carolina partnership (hereinafter the "Industry") in Greenville County to be leased to Daley Corp., a South Carolina corporation, for use in its distributing and warehousing of construction and maintenance products (the "Project") pursuant to a Greenville County, South Carolina Industrial Revenue Bond (Random Associates Project) in the principal amount of Nine Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars; and

WHEREAS, the Industry has agreed to pay Greenville County (the "County") sufficient amounts to provide for the payment of the interest and principal on the Bond of Greenville County and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance a portion of the Project, the Governing Board proposes to provide for the issuance of a Greenville County Industrial Revenue Bond, 1986 (Random Associates Project), in the principal amount of Nine



Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars pursuant to the Act, payable from the revenues owed under the terms of a Loan Agreement between Greenville County and the Industry and additionally secured by a Note executed by the Industry to the County (the "Note"); and

WHEREAS, the Industry has received a commitment (subject to certain conditions) from a financial institution to purchase the Bond;

NOW, THEREFORE, BE IT RESOLVED by the State Budget and Control Board in meeting duly assembled:

1. It has been found and determined by the State Board that:
  - (a) The Statement of Facts set forth in the recitals to this Resolution are in all respects true and correct;
  - (b) The Governing Board has filed a proper Petition to the State Board establishing a reasonable estimate of the cost of the Project, containing a general summary of the terms and conditions of the proposed Loan Agreement, Bond Ordinance, and Bond to be made by the Governing Board and the Note and Mortgage to be made by the Industry and seeking an allocation of a portion of the state volume limitation to the Bond;
  - (c) The Project will result in significant capital investment in the County and will provide for additional employment of approximately fifteen (15) persons in the County; and
  - (d) The Project is intended to promote the purpose of the Act and is reasonably anticipated to effect such results.
2. On the basis of the foregoing findings, the proposed undertaking of the governing Board to finance a portion of the Project through the issuance of a Greenville County Industrial Revenue Bond, 1986 (Random Associates Project) payable from the revenues to be derived from obligations of the Industry pursuant to the Loan Agreement, all pursuant to the Act (including changes in any details in the said financing as finally consummated which do not materially affect the undertaking), be and the same is hereby approved.
3. Notice of the action taken by the State Board in giving approval to the undertaking of Greenville County above described in Paragraph 2, supra, shall be published in a newspaper having general circulation in Greenville County.
4. Notice to be published shall be in the form and substance set forth in Exhibit "A" to this Resolution.

Approval of this undertaking is granted on the condition that the County and Industry comply with the requirements of the State Budget and Control Board with respect to the issuance of industrial revenue bonds.

EXHIBIT  
NOV 18 1986 NO. 23A  
STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA     )  
                                  )  
COUNTY OF GREENVILLE     )

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,  
1976 CODE OF LAWS OF SOUTH CAROLINA, AS AMENDED

\* \* \* \* \*

Notice is hereby given that following the filing of a Petition by the County Council of Greenville County (the "Governing Board") to the State Budget and Control Board of South Carolina (the "State Board"), approval has been given by the State Board of the following undertakings (including changes in any details of the said financing as finally consummated which do not materially affect the undertaking):

The financing of a portion of the costs of the construction and equipping of a warehousing and distribution facility, including offices, by Random Associates, a South Carolina partnership (the "Industry") in Greenville County, to be leased to Daley Corp., a South Carolina corporation, for use in its distribution and warehousing of construction and industrial maintenance products (the "Project") through the issuance of a Greenville County Industrial Revenue Bond, 1986 (Random Associates Project) (the "Bond") in the principal amount of Nine Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars pursuant to Title 4, Chapter 29, 1976 Code of Laws of South Carolina, as amended. The Bond will be additionally secured by a note executed by the Industry to the County. Neither the Project nor the Bond will give rise to any pecuniary liability of Greenville County or a charge against its general credit or taxing power.

Notice is hereby given that any interested party may at any time within twenty (20) days of the date of publication of this Notice, but not afterwards, challenge the validity of the action of the State Board in approving the undertakings of Greenville County by action de novo instituted in the Court of Common Pleas for Greenville County.

State of South Carolina  
State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

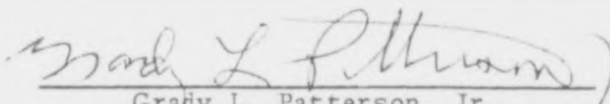
AMENDED

C E R T I F I C A T E  
STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS  
(UNDER TAX REFORM ACT OF 1986)  
TENTATIVE ALLOCATION, CALENDAR YEAR 1986

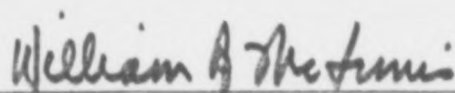
TO: Greenville County  
\$950,000  
Industrial Revenue Bond  
(Random Associates Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Tax Reform Act of 1986 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Section 7(b) of the Governor's Executive Order #86-20, issued on October 22, 1986, requires that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

  
Grady L. Patterson, Jr.

Attest:

  
William A. McInnis, Secretary

05131



STATE BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR  
600 Wade Hampton Office Building  
Columbia, SC 29201

731 2200

TO:

FROM: Donna K. Williams

DATE:

RE:

MR PATTERSON

Friday

— As we discussed

— For your approval

— For your information

— Note and file return

— Note and see/call me

— Return with more details

— Take appropriate action

Re: Random Associates  
(Jim Presely's project)

On transmittal, shows amt of  
issue & allocation required as  
\$900,000 - amt BCB approved.

All docs say \$950,000 & That  
much is needed for project.  
(Do you want me to resign?)

05132

STATE BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR  
600 Wade Hampton Office Building  
Columbia, SC 29201

734-2320

TO:

FROM: Donna K. Williams

DATE:

RE:

EXHIBIT NO. 234  
NOV 18 1986  
STATE BUDGET & CONTROL BOARD

___ As we discussed	___ As you requested
___ For your approval	___ For your comments
___ For your information	___ For your signature
___ Note and file return	___ Note and see/call me
___ Return with more details	___ Take appropriate action

Re: Random Associates  
(Jim Pressly's project)

On transmittal, shows amt of  
issue & allocation required as  
\$900,000 - amt BCB approved.

All docs say \$950,000 & That  
much is needed for project.  
(Do you want me to resign?)

05132

# EXHIBIT

State of South Carolina

NOV 18 1986

NO. 2 3A

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444

Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

### C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Greenville County  
\$900,000  
Industrial Revenue Bond  
(Random Associates Project)

*REVISED*

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Tax Reform Act of 1986 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Section 7(b) of the Governor's Executive Order #86-20, issued on October 22, 1986, requires that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

*Grady L. Patterson, Jr.*  
Grady L. Patterson, Jr.

Attest:

*William A. McInnis*  
William A. McInnis, Secretary

05133

# EXHIBIT

State of South Carolina

NOV 18 1986

NO. 2 3A

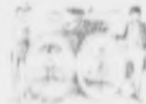
## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., P.E.  
EXECUTIVE DIRECTOR

December 11, 1986

### C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Greenville County  
c/o James B. Pressly, Jr.  
Haynsworth, Marion, McKay & Guerard  
Box 2048  
Greenville, SC 29602

RE: Issue of \$950,000 Greenville County, South Carolina  
Industrial Revenue Bond, 1986  
(Random Associates Project)  
Issue Date Projected By Issuing Authority: December 16, 1986  
Allocation Expiration Date: December 31, 1986  
Issue Amount Certificate Date: December 10, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Section 7(b) of the Governor's Executive Order #86-20, issued October 22, 1986, which certificate is dated not more than ten (10) business days prior to the projected date of issue which, as certified by the issuing authority, is within the time period during which the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project is valid, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

*William A. McInnis*

William A. McInnis, Secretary

05134

DEC 11 1986  
10:02 AM.  
1 of 2 - LK

HAYNSWORTH, MARION, McKAY & GUÉRARD  
ATTORNEYS AT LAW

W. Francis Marion  
Julius W. McKay  
Rory S. Galtrey, Jr.  
Fred D. Cox, Jr.  
O.G. Calhoun, Jr.  
Theodore B. Glendon  
Donald L. Ferguson  
G. Oliver Davis, Jr.  
William M. Grant, Jr.  
James C. Beeson, Jr.  
Maya R. Johnson, Jr.  
W.C. Applegate, Jr.  
C. Lyle Taylor, Jr.  
Charles E. McVicker, Jr.  
William E. Straughness  
James R. Thomas, Jr.  
Shirwood M. Cleveland  
H. Donald Sellers  
Robert C. Wilson, Jr.

Donald A. Harrel  
Robert M. Rucker  
Arlene J. Pope  
Andrew J. White, Jr.  
Ellis M. Johnson, Jr.  
Joseph J. Blane, Jr.  
John M. Campbell, Jr.  
William C. Chastant  
Sam L. Stephenson  
Theodore H. Cohen, Jr.  
John Paul Swaine  
William P. Simpson  
Theodore S. Stern, Jr.  
W. Francis Marion, Jr.  
John B. McLean  
Bryan Francis Hickey  
Samuel W. Howell, Jr.  
Francis O. Elmer  
Robert W. Harrell, Jr.

Two Shelter Centre  
Eleventh Floor  
Post Office Box 2048  
Greenville, South Carolina 29602  
(803) 240-3200

Sixth Floor, South Carolina National Bank Building  
Post Office Drawer 7157  
Columbia, South Carolina 29202  
(803) 765-1818

Two Pringle Street  
Post Office Box 1119  
Charleston, South Carolina 29402  
(803) 722-7606

John H. March  
Anne S. Ebleton  
Knox H. White  
Edwin B. Parkinson, Jr.  
H. Sam Matery III  
Floyd Mallock Elton  
David H. Kaler  
Shawn D. Wallace  
Dale Ann K. Nease  
Susan V. Johnson  
Markus Glen McDonald  
Christina L. Carter  
Carl L. Clark  
Richard C. Ewerdt  
Jeffrey E. Gray  
Carl E. Smith, Jr.  
James H. Nichols, Jr.  
Anna D. H. Pezzullo

H. J. Haynsworth  
1859-1941

C.F. Haynsworth  
1886-1953

J.M. Perry  
1894-1954

Eugene Bryant  
1902-1969

OF COUNSEL  
Thomas K. Johnson, Jr.  
Archie B. March  
Harry R. Stephenson, Jr.  
William J. Tarkenton, P.A.

Direct Dial Number (803) 240-3277

December 10, 1986

Ms. Donna Williams  
State Budget & Control Board  
600 Wade Hampton Bldg.  
P. O. Box 12444  
Columbia, SC 29211

FEDERAL EXPRESS  
EXHIBIT

NOV 18 1986 NO. 23A

STATE BUDGET & CONTROL BOARD

Re: Random Associates, Greenville County  
\$950,000 Industrial Revenue Bond, 1986

Dear Donna:

Enclosed please find the draft of the Form 8038 in connection with the Random Associates issue.

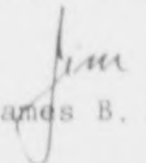
Counsel for the company is providing me with the remaining numbers.

This bond will close on December 16. I would appreciate the final allocation.

Thank you. Happy holidays.

Very truly yours,

HAYNSWORTH, MARION,  
McKAY & GUÉRARD

  
James B. Pressly, Jr.

JBPjr:sab  
Enclosure

05135



# Information Return for Private Activity Bond Issues

Under Sections 103(l) and 103A

OMB No. 1545-0720

Expires 12/31/87

## Part I Reporting Authority

Check box if Amended Return ☐

1 Issuer's name Greenville County, South Carolina	2 Issuer's employer identification number 57-6000-356
3 Number and street Greenville County Courthouse	4 Issue number
5 City or town, State and ZIP code Greenville, South Carolina 29601	6 Date of issue Dec. , 1986

## Part II Type of Issue (Check box(es) that apply)

	Face Amount
<b>Bonds other than Industrial Development Bonds (IDBs):</b>	
7 <input type="checkbox"/> Student loan bond	
8 <input type="checkbox"/> Qualified mortgage bond; (attach copy of State certification) Check box if you elect to rebate arbitrage profits to the U.S. <input type="checkbox"/>	
9 <input type="checkbox"/> Qualified veterans' mortgage bond	
10 <input type="checkbox"/> Private exempt entity bond	
<b>Industrial Development Bonds:</b>	
11 <input type="checkbox"/> Industrial park bond	
12 <input checked="" type="checkbox"/> Small issue IDB. Check box if \$10 million small issue election <input type="checkbox"/>	\$950,000.00
13 Exempt Activity Bond (check type(s) below):	
a <input type="checkbox"/> Residential rental projects (section 103(b)(4)(A))	
b <input type="checkbox"/> Sports facilities (section 103(b)(4)(B))	
c <input type="checkbox"/> Convention facilities (section 103(b)(4)(C)); Check box if exempt from volume limitations <input type="checkbox"/>	
d <input type="checkbox"/> Airports, docks, etc., (section 103(b)(4)(D)); Check box if exempt from volume limitations <input type="checkbox"/>	
e <input type="checkbox"/> Sewage or waste disposal facilities (section 103(b)(4)(E))	
f <input type="checkbox"/> Pollution control facilities (section 103(b)(4)(F))	
g <input type="checkbox"/> Water furnishing facilities (section 103(b)(4)(G))	
h <input type="checkbox"/> Hydroelectric generating facilities (section 103(b)(4)(H))	
i <input type="checkbox"/> Mass commuting vehicles (section 103(b)(4)(I))	
j <input type="checkbox"/> Local district heating or cooling facilities (section 103(b)(4)(J))	
k <input type="checkbox"/> Facilities for the local furnishing of electric energy or gas (section 103(b)(4)(K))	

EXHIBIT

NOV 18 1986

NO. 2 3A

STATE BUDGET & CONTROL BOARD

## Part III Description of Obligations

14	(A) Maturity date	(B) Face amount	(C) Stated interest rate	(D) Term (in years)
	1/1/87 - 12/31/87	\$63,336.00	8.5 %	1
	1/1/88 - 12/31/88	63,336.00	8.5 %	2
	1/1/89 - 12/31/89	63,336.00	8.5 %	3
	1/1/90 - 12/31/90	63,336.00	8.5 %	4
	1/1/91 - 12/31/91	63,336.00	8.5 %	5
	1/1/92 - 12/31/92	63,336.00	70% of Prime	6
	1/1/93 - 12/31/93	63,336.00	70% of Prime	7
	1/1/94 - 12/31/94	63,336.00	70% of Prime	8
	1/1/95 - 12/31/95	63,336.00	70% of Prime	9
	1/1/96 - 12/01/96	379,976.00	70% of Prime	10

15 Weighted average maturity of the issue	6.99 years
16 If issue is an advance refunding, enter the earliest call date	

## Part IV Proceeds of Issue

17 Total purchase price (regs. section 1.103-13(d)(2))	\$950,000.00
18 Proceeds used for bond issuance costs	
19 Proceeds allocated to reasonably required reserve or replacement fund	
20 Proceeds used to refund prior issues	
21 Non-refunding proceeds of the issue (subtract lines 18, 19, and 20 from line 17)	

For Paperwork Reduction Act Notice, see page 1 of the instructions

05136

Form 8038 (Rev. 12-84)

**Part V** Description of Property Financed by Non-refunding Proceeds  
(Do not complete for student loan bonds or mortgage bonds)

22 Type of Property Financed (or portion thereof financed by non-refunding proceeds)		
a	3-yr. ACRS property	
b	5-yr. ACRS property	
c	10-yr. ACRS property (30 yrs.)	\$934,700.00
d	15-yr. ACRS property	
e	18-yr. ACRS property	
f	Cost of land	15,300.00
g	Cost of other property (see instructions)	
23 Other use of non-refunding proceeds (subtract lines 22a-g from Part IV, line 21)(see instructions)		
24 Standard industrial classification (SIC) of non-refunding proceeds for the financed project.		
	SIC Code	Non-refunding proceeds \$
a		\$950,000.00
b		
c		
	SIC Code	Non-refunding proceeds \$
d		
e		
f		
25 Average weighted economic life of the project (complete only for IDBs)		

**Part VI** Description of Initial Principal Users  
(Do not complete for student loan bonds or mortgage bonds)

<b>Part VII</b>	Approval of Issue (Complete only for IDBs)
-----------------	--

28 Name of Governmental units approving issue ▶ County Council of Greenville County, South Carolina  
State Budget and Control Board

29 Names and positions of applicable elected representatives or date of referenda approving issue ▶ See attached

## Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds

1	Issuer's volume limitation	
2	Amount of volume limitation surrendered to other issues (e.g., under section 103A(c)(3)(B) or 25(c)(2)(A)(ii))	
3	Amount of bonds previously issued	
4	Unused volume limitation (subtract lines 2 and 3 from line 1)	

Please  
Sign  
Here

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

County Administrator

Yates

Paid  
Preparer's  
Use Only

1997年12月

Firm's name (or yours, if self-employed) and address

Haynes North, Marion, McKay & Guertard  
PO Box 2048, Greenville, SC

Chen &  
Wang  
2004Prepared by: 

E. J. Nieu

212 *Journal of Management Inquiry* 16(2)

97-01743-50

DEC 23 1986

HAYNSWORTH, MARION, McKAY & GUÉRARD  
ATTORNEYS AT LAW

W. Francis Marion  
Julius W. McKay  
Robt. S. Galloway, Jr.  
Fred D. Cox, Jr.  
O.G. Calhoun, Jr.  
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Donald L. Ferguson  
G. Dewey Orrer, Jr.  
William M. Grant, Jr.  
James C. Belcher, Jr.  
Maye R. Johnson, Jr.  
W.E. Applegate, III  
C. Lewis Risor, Jr.  
Charles E. McDonald, Jr.  
William E. Shaughnessy  
James B. Pressly, Jr.  
Sherwood M. Lockland  
H. Donald Sellers  
Robert C. Wilson, Jr.

Donald A. Harper  
Robert M. Kunes  
Adon J. Pope  
Andrew J. White, Jr.  
Ellis M. Johnston, II  
Joseph J. Blake, Jr.  
John M. Campbell, Jr.  
William C. Cleveland  
Sam L. Stephenson  
Thomas H. Coker, Jr.  
John Paul Boucher  
William P. Simpson  
Theodore S. Stern, Jr.  
W. Francis Marion, Jr.  
John B. McLeod  
Bryan Francis Hickey  
Samuel W. Howell, IV  
Frances D. Elson  
Robert W. Hasselkott, Jr.

Two Shelter Centre  
Eleventh Floor  
Post Office Box 2048  
Greenville, South Carolina 29602  
(803) 240-3200

Sixth Floor, South Carolina National Bank Building  
Post Office Drawer 7157  
Columbia, South Carolina 29202  
(803) 765-1818

Two Pretreau Street  
Post Office Box 1119  
Charleston, South Carolina 29402  
(803) 722-7606

John H. Muirch  
Anne S. Edelson  
Knox H. White  
Edwin B. Parkinson, Jr.  
H. Sam Mabry, III  
Floyd Matlock Ekoll  
David H.H. Keller  
Shawn D. Wallace  
Deborah K. Nasse  
Susan V. Johnson  
Mufson Greer McDonald  
Christina L. Clark  
Carol J. Clark  
Richard C. Dehler  
Jeffrey E. Gray  
Carl Everett Pearce, II  
James H. Nichols, Jr.  
Anne G.H. Rounds

H. J. Haynsworth  
1959-1961

C.F. Haynsworth  
1966-1968

J.M. Perry  
1994-1994

Eugene Bryant  
1992-1999

OF COUNSEL:

Thomas K. Johnson, Jr.  
Andrew B. Marion  
Harry R. Stephenson, Jr.  
William J. Quirk, (P.A.)

Direct Dial Number: (803) 240-3277

December 16, 1986

CERTIFIED MAIL

EXHIBIT

Internal Revenue Service Center  
11601 Roosevelt Boulevard  
Philadelphia, PA 19255

NOV 18 1986

NO. 2 3A

STATE BUDGET & CONTROL BOARD

Re: \$950,000.00 Greenville County, South Carolina  
Industrial Revenue Bond, 1986 (Random Associates Project)

Gentlemen:

Enclosed please find the original of Form 8038 in connection  
with the above-captioned industrial revenue bond.

Thank you.

Very truly yours,

HAYNSWORTH, MARION,  
McKAY & GUERARD

*James B. Pressly, Jr.*

James B. Pressly, Jr.

JBPjr:sab

Enclosure

cc: Donna Williams, w/enc. ✓

05138

# Information Return for Private Activity Bond Issues

Under Sections 103(l) and 103A

OMB No. 1545-0720

Expires 12/31/87

## Part I Reporting Authority

Check box if Amended Return ☐

1 Issuer's name Greenville County, South Carolina	2 Issuer's employer identification number 57-6000-356
3 Number and street Greenville County Courthouse	4 Issue number
5 City or town, State and ZIP code Greenville, South Carolina 29601	6 Date of issue Dec. 16, 1986

## Part II Type of Issue (Check box(es) that apply)

### Bonds other than Industrial Development Bonds (IDBs):

- 7 ☐ Student loan bond
- 8 ☐ Qualified mortgage bond; (attach copy of State certification) Check box if you elect to rebate arbitrage profits to the U.S. ☐
- 9 ☐ Qualified veterans' mortgage bond
- 10 ☐ Private exempt entity bond

### Industrial Development Bonds:

- 11 ☐ Industrial park bond
- 12 ☒ Small issue IDB; Check box if \$10 million small issue election ☐

### 13 Exempt Activity Bond (check type(s) below):

- a ☐ Residential rental projects (section 103(b)(4)(A))
- b ☐ Sports facilities (section 103(b)(4)(B))
- c ☐ Convention facilities (section 103(b)(4)(C)); Check box if exempt from volume limitations ☐
- d ☐ Airports, docks, etc., (section 103(b)(4)(D)); Check box if exempt from volume limitations ☐
- e ☐ Sewage or waste disposal facilities (section 103(b)(4)(E))
- f ☐ Pollution control facilities (section 103(b)(4)(F))
- g ☐ Water furnishing facilities (section 103(b)(4)(G))
- h ☐ Hydroelectric generating facilities (section 103(b)(4)(H))
- i ☐ Mass commuting vehicles (section 103(b)(4)(I))
- j ☐ Local district heating or cooling facilities (section 103(b)(4)(J))
- k ☐ Facilities for the local furnishing of electric energy or gas (section 103(b)(4)(K))

Face Amount

\$950,000.00

EXHIBIT

NOV 18 1986

NO. 23A

## Part III Description of Obligations

14	(A) Maturity date	(B) Face amount	(C) Stated interest rate	(D) Term (in years)
	1/1/87 - 12/31/87	\$63,336.00	8.5 %	1
	1/1/88 - 12/31/88	63,336.00	8.5 %	2
	1/1/89 - 12/31/89	63,336.00	8.5 %	3
	1/1/90 - 12/31/90	63,336.00	8.5 %	4
	1/1/91 - 12/31/91	63,336.00	8.5 %	5
	1/1/92 - 12/31/92	63,336.00	70% of Prime	6
	1/1/93 - 12/31/93	63,336.00	70% of Prime	7
	1/1/94 - 12/31/94	63,336.00	70% of Prime	8
	1/1/95 - 12/31/95	63,336.00	70% of Prime	9
	1/1/96 - 12/01/96	379,976.00	70% of Prime	10

15 Weighted average maturity of the issue 6.99 years

16 If issue is an advance refunding, enter the earliest call date

## Part IV Proceeds of Issue

17 Total purchase price (regs. section 1.103-13(d)(2))	\$950,000.00
18 Proceeds used for bond issuance costs	
19 Proceeds allocated to reasonably required reserve or replacement fund	
20 Proceeds used to refund prior issues	
21 Non-refunding proceeds of the issue (subtract lines 18, 19, and 20 from line 17)	\$950,000.00



**Part V Description of Property Financed by Non-refunding Proceeds**  
(Do not complete for student loan bonds or mortgage bonds)

<b>22 • Type of Property Financed (or portion thereof financed by non-refunding proceeds)</b>					
a	3-yr. ACRS property				
b	5-yr. ACRS property				
c	10-yr. ACRS property				
d	15-yr. ACRS property (60 yrs)				\$934,700.00
e	18-yr. ACRS property				
f	Cost of land				15,300.00
g	Cost of other property (see instructions)				
<b>23</b> Other use of non-refunding proceeds (subtract lines 22a-g from Part IV, line 21)(see instructions)					
<b>24</b> Standard industrial classification (SIC) of non-refunding proceeds for the financed project.					
	SIC Code	Non-refunding proceeds \$		SIC Code	Non-refunding proceeds \$
a	6 7 4 8	\$950,000.00		d	
b				e	
c				f	
<b>25</b> Average weighted economic life of the project (complete only for IDBs) 60 years.					

**Part VI Description of Initial Principal Users**  
(Do not complete for student loan bonds or mortgage bonds)

<b>26</b> Initial Principal Users:			
(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Random Associates	c/o Daley Corp., Woodruff Industrial Lane, Greenville, SC 29601	57-0691313
(ii)	Daley Corporation	Woodruff Industrial Lane Greenville, SC 29601	57-0523657
(iii)			
(iv)			
(v)			
<b>27</b> Common parents (if any) of initial principal users listed above:			
(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number

**Part VII Approval of Issue (Complete only for IDBs)**

**28** Name of Governmental units approving issue ▶ County Council of Greenville County, South Carolina  
State Budget and Control Board

**29** Names and positions of applicable elected representatives or date of referendum approving issue ▶ See attached

**Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds**

<b>1</b> Issuer's volume limitation	
<b>2</b> Amount of volume limitation surrendered to other issues (e.g., under section 103A(g)(3)(B) or 25(c)(2)(A)(ii))	
<b>3</b> Amount of bonds previously issued	
<b>4</b> Unused volume limitation (subtract lines 2 and 3 from line 1)	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joel Mascher Signature of officer 12/15/86 Date County Administrator Title

Paid Preparer's Use Only

Preparer's signature James B. Presley Jr. Check if self-employed ☒ Preparer's social security no. 248-76-8098

Firm's name (or yours, if self-employed) Haynsworth, Marion, McKay & Guerard E.I. No. 57-0179350

and address PO Box 2048, Greenville, SC ZIP code 29602



# EXHIBIT

NOV 18 1986

NO. 2 34

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF GREENVILLE )

STATE BUDGET & CONTROL BOARD  
PETITION TO THE STATE BUDGET AND  
CONTROL BOARD OF SOUTH CAROLINA

The Petition of the County Council of Greenville County (the "Governing Board") respectfully shows:

1. The Governing Board is the governing body of Greenville County (the "County") as established by law and as such is the "Governing Board" referred to in Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act").

2. The Act authorizes the Governing Board, if it shall comply with the provisions set forth in the Act, to provide financing for the cost of the construction and equipping of a warehousing and distribution facility by Random Associates (the "Industry") in Greenville County to be leased to Daley Corporation, a South Carolina corporation, for use in its distributing and warehousing of construction and industrial maintenance products (the "Project"). After obtaining an Inducement Contract with the Governing Board on October 15, 1985 the Industry began the construction and equipping of the Project.

3. The Governing Board has agreed with the Industry that the Governing Board will undertake to finance a portion of the costs of the Project located in Greenville County through the issuance of a Greenville County Industrial Revenue Bond.

4. The Governing Board is advised by the Industry that the cost of the Project will be approximately Nine Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars and that in order to finance a portion of the cost of

the construction and equipping of the Project, including the costs and charges incident to the issuance and sale of the Bond hereinafter described, it will be necessary that the Governing Board issue a Greenville County Industrial Revenue Bond, 1986 (Random Associates Project) (the "Bond") in a principal amount of up to Nine Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars. A financial institution (the "Lender") has agreed to purchase the Bond (subject to certain conditions) under the terms and as set forth in the attached letter.

5. For the reasons set forth and hereinafter disclosed, the Governing Board has found:

(a) The proposed Project will serve the purposes of the Act;

(b) By reason of undertaking the Project no pecuniary liability shall result to the County nor will there be a charge against its general credit or taxing powers;

(c) The proposed Loan Agreement between the County and the Industry will unconditionally obligate the Industry to repay the loan in the principal sum of up to Nine Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars on the terms and conditions set forth in the attached letter.

(d) The Industry has established credit and therefore it is unnecessary to establish reserve funds for the amount of principal and interest;

(e) The terms of the Loan Agreement will require the Industry to carry proper insurance to pay all costs of maintaining the Project in good repair and to complete the Project if the proceeds of the Bond prove insufficient.

6. Pursuant to the Act the Governing Board sets forth the following information:

(a) The Project to be acquired consists of the construction and equipping of a warehousing and distribution facility, including offices, in Greenville County, to be leased to Daley Corporation, a South Carolina corporation, for use in its distributing and warehousing of construction and industrial maintenance products.

(b) The cost of the Project will be approximately Nine Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars, including the costs and all expenses to be incurred in connection therewith.

(c) The Project will result in significant capital investment in the County and will provide employment opportunities for approximately fifteen (15) people.

7. The proposed Bond Ordinance and Loan Agreement will provide, among other things, the following:

(a) To finance a portion of the cost of the construction and equipping of the Project, the County will issue a Greenville County Industrial Revenue Bond, 1986 (Random Associates Project). The Bond will be secured by a pledge of the revenues which the County shall have a right to receive pursuant to the Loan Agreement. In addition, the Industry will execute a Note (the "Note") to the County promising to pay that amount due under the Bond of the County, and the Bond will be secured by the Note. The Lender will use each payment by the Industry under the Note to make a like payment of interest or of interest and principal on the Bond.

(b) The Loan Agreement and the other documents involved in this

EXHIBIT

NOV 18 1986

NO. 23A

- 3 -

STATE BUDGET & CONTROL BOARD

05143

financing contain no provision imposing any pecuniary liability upon the County or which would create a charge against its general credit or taxing power.

8. The rights of the County under the Loan Agreement will be assigned to the Lender by a Pledge and Assignment by the County and the Industry.

9. The proposed Industrial Revenue Bond will be in conventional form and constitutes a binding obligation on the part of the County.

10. The proposed Note will be in conventional form and constitutes a binding obligation on the part of the Industry.

11. The proposed Loan Agreement, the Bond Ordinance, Note and Bond will be in substantially the form heretofore used in the issuance of Industrial Revenue Bonds pursuant to the Act. While changes may be made, no change will be made therein which substantially affects the undertakings as now outlined therein.

12. The proposed Mortgage and Guaranty Agreements will be in conventional form and constitute binding obligations on the part of the Industry and the Guarantors.

13. The Industry shall provide the State Budget and Control Board with an Information for Private Activity Bond Issues, Department of Treasury, Internal Revenue Service Form 8038 prior to the delivery of the Bond and shall otherwise comply with the requirements of the Budget and Control Board or other appropriate state agency with respect to the requirements applicable to this Bond. Furthermore, the Governing Board requests that a portion of the volume cap applicable to private activity bonds be allocated for this issue. The Governing Board hereby certifies under penalty of perjury that the request

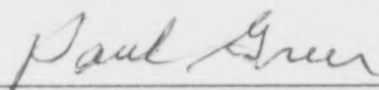
for this allocation is not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

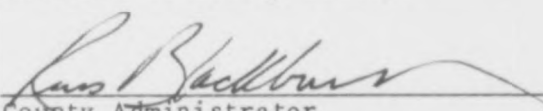
Upon the basis of the foregoing, the Governing Board respectfully prays:

That the State Budget and Control Board accept the filing of the Petition presented herewith and that it, as soon as practical, make its independent investigation of the Project and the terms and provisions of the proposed Loan Agreement, Bond Ordinance, Guaranty Agreements, Note, the Mortgage and the Bond, as it deems advisable, and that thereafter, the State Board make a finding that the proposed Project will promote the purposes of the Act and that it is reasonably anticipated to effect such result; and on the basis of such finding, that it approve the Project, including changes in any details of said financing as finally consummated, which should not materially affect the said undertakings, and give published notice of its approval in the manner set forth in the Act.

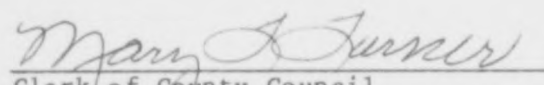
Respectfully submitted,

GREENVILLE COUNTY, SOUTH CAROLINA

  
Chairman of County Council

  
Asst. County Administrator

ATTEST:

  
Clerk of County Council  
Greenville County, South Carolina

Dated: November 12, 1986

EXHIBIT

NOV 18 1986 NO. 2 3A

STATE BUDGET & CONTROL BOARD



# EXHIBIT

NOV 18 1986

NO. 23A

## A RESOLUTION

## STATE BUDGET & CONTROL BOARD

AUTHORIZING AN INDUCEMENT CONTRACT BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA AND RANDOM ASSOCIATES RELATING TO THE ISSUANCE BY GREENVILLE COUNTY OF INDUSTRIAL REVENUE BONDS PURSUANT TO TITLE 4, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, THE PROCEEDS OF WHICH WILL BE USED TO CONSTRUCT AND EQUIP FACILITIES FOR LEASE TO DALEY CORP.

WHEREAS, Random Associates, a South Carolina Partnership, (hereinafter referred to as the "Industry"), has requested the County Council for Greenville County (the "County Council") to exercise the powers vested in it by Title 4, Chapter 29, Code of Laws of South Carolina, 1976, as amended (the "Act") and make provision for issuance of Greenville County, South Carolina, Industrial Revenue Bonds whose proceeds would be made available to the Industry for the sole and exclusive purpose of financing costs and expenses incurred and to be incurred in connection with the construction and equipping of a warehousing and distribution facility located in Greenville County, South Carolina (the "County"); which facility will be leased to Daley Corp. for use in its warehousing and distributing of construction and industrial maintenance products; and

WHEREAS, after due consideration, County Council has determined to grant such assistance and to that end has agreed to enter into a contract with the Industry making provision for the issuance of bonds pursuant to the Act.

NOW, THEREFORE, BE IT RESOLVED by the County Council, in meeting duly assembled:

1. That the County, subject to the approval of the State Budget and Control Board and the provisions of Title 4, Chapter 9, Code of Laws

of South Carolina, 1976, as amended, hereby approves the undertaking of this project to issue its Greenville County, South Carolina, Industrial Revenue Bonds in an aggregate principal amount not exceeding One Million Dollars (\$1,000,000.00), either as a single issue or multiple issues, to finance the cost of the proposed undertaking of the Industry.

2. That an agreement to implement the action to be taken pursuant to paragraph 1 above in substantially the form presented to this meeting and attached hereto, (but with such changes, if any, as the officers herein authorized to execute the same shall approve, their approval to be evidenced by the execution thereof) shall be executed and delivered on behalf of the County by the Chairman of the County Council and the County Administrator.
3. The County Administrator shall take any and all further action as may become necessary to effectuate the action herewith taken and the agreement herein authorized.
4. This Resolution shall take effect immediately.
5. It is the intention of the parties hereto that this Resolution shall constitute an official action on the part of the County within the meaning of the applicable regulations of the United States Department of the Treasury relating to the issuance of industrial development bonds.

## EXHIBIT

NOV 18 1986

NO. 23A

STATE BUDGET & CONTROL BOARD

DONE, RATIFIED AND ENACTED THIS 15<sup>th</sup> DAY OF October, 1985.

COUNTY COUNCIL OF GREENVILLE COUNTY

(SEAL)

Paul Greer  
Chairman, County Council

Joel L. Whitham  
County Administrator

ATTEST:

Mary J. Turner  
Clerk of County Council  
Greenville County, South Carolina

# EXHIBIT

NOV 18 1986

NO. 2 3A

## A RESOLUTION

## STATE BUDGET & CONTROL BOARD

MAKING CERTAIN DETERMINATIONS AND FINDINGS PRIOR TO UNDERTAKING A PROPOSED PROJECT TO BE FINANCED THROUGH THE ISSUANCE OF AN INDUSTRIAL REVENUE BOND BY THE COUNTY COUNCIL OF GREENVILLE COUNTY AND AUTHORIZING THE FILING OF THE PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

BE IT RESOLVED by Council, in meeting duly assembled that the County Council of Greenville County (the "County Board") hereby determines and finds as follows:

1. Greenville County (the "County") has entered into an Inducement Contract with Random Associates, a South Carolina partnership (the "Industry") whereby the County agrees, under the conditions set forth in the Inducement Contract, inter alia, to issue an Industrial Revenue Bond pursuant to Section 4-20-10, et seq. of the code of Laws of South Carolina, 1976, as amended and continued by Act No. 125 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, Regular Session of 1977 (the "Act"), to finance the construction and equipping of a warehousing and distribution facility, including offices, in Greenville County to be leased to Daley Corp., a South Carolina corporation, for use in its distributing and warehousing of construction and industrial maintenance products (the "Project"). The Industry has requested that the County now issue a Greenville County, South Carolina Industrial Revenue Bond, 1986 (Random Associates Project) in the principal amount up to Nine Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars. It is estimated this is the approximate cost of the Project.

The Industry has advised the County Board that its proposed industrial project is dependent on the assistance which the County might render through the sale of a Bond pursuant to the Act.

The County Board has agreed to so finance the construction and equipping of the Project and adopts this Resolution to evidence its approval of the issuance of a Bond, as that term is defined in the Act, and to authorize the Petition to the State Budget and Control Board of South Carolina (the "State Board") setting forth the facts required by the Act.

2. The County Board has determined that the Project will subserve the purposes of the Act and that neither the Project nor the Bond will give rise to any pecuniary liability of Greenville County or a charge against its general credit or taxing power.



3. The amount necessary to finance this portion of the Project through the issuance of an Industrial Revenue Bond is approximately Nine Hundred Fifty Thousand and No/100 (\$950,000.00) Dollars.
4. The Industry will submit to the County Board a draft of the proposed Loan Agreement and Note issued pursuant thereto, under which terms the Industry will agree to pay the amount necessary to provide the payments of principal and interest on the Bond, the terms of which are set forth in the attached Petition.
5. In view of the well established credit of the Industry and its successful arrangements to effect a sale of the Bond, no reserve funds will be established.
6. The payment of the Bond will be secured by pledge of the payments due under the Loan Agreement and the Note.
7. The Bond will be issued as a tax exempt Bond pursuant to the provisions of Section 103(b) of the Internal Revenue Code of 1954, as amended. In connection therewith, the County hereby requests that a portion of the state volume cap for private activity bonds, as set forth in the Tax Reduction Act of 1984 be allocated to this industrial bond issue.
8. In connection with the County Board's request for an allocation of a portion of the State Volume Cap for Private Activity Bonds, the County Board hereby certifies under penalty or perjury that the request for such allocation has not been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF GREENVILLE COUNTY, IN MEETING DULY ASSEMBLED:

That the County Board finds that the facts set forth above and in the Petition attached hereto are in all respects true and correct, and based on these findings, the County Board hereby approves the undertaking of the Project and the issuance of the Industrial Revenue Bond of Greenville County as aforesaid.

BE IT FURTHER RESOLVED:

That the Petition in form substantially as attached hereto be presented to the State Board in accordance with Section 4-20-140 of the Code of Laws of South Carolina, 1976, as amended; and that the County Administrator and Chairman of County Council, whose signatures are attested to by the Clerk of County Council, are authorized to execute this Petition and to take all other action necessary or incidental to the execution and filing of the Petition.





South Carolina Department of Archives and History  
1430 Senate Street  
Columbia, S.C.

P.O. Box 11,669  
Capitol Station 29211-1669  
803-758-5816

CERTIFICATE OF CORRECTION

In order to correct an error in, or improve the quality  
of the original microfilm, it was necessary to rephotograph  
and replace the following page (s) of this record: \_\_\_\_\_

Sept. 23, 1986(C) thru end of reel.

12/20/88  
Date

Chris Zimmerman  
Camera Operator

GREENVILLE COUNTY, SOUTH CAROLINA

*Paul Green*

Chairman of County Council

*Sam Beckman*

Asst. County Administrator

ATTEST:

*Mary A. Furman*

Clerk of County Council  
Greenville County, South Carolina

Dated: November 12, 1986

EXHIBIT

NOV 18 1986

NO. 23A

STATE BUDGET & CONTROL BOARD

Section number  
should be

4-29-10 on pg. 1  
and 4-29-140 on  
pg 2.

Same mistakes on  
both copies.

NOV 13 1986  
10:14 A.M.  
1 of 2 - LL

*Haynsworth, Perry, Bryant, Marion & Johnstone*

ATTORNEYS AT LAW  
FORMERLY HAYNSWORTH & HAYNSWORTH

409 EAST NORTH STREET

P. O. BOX 2048

*Greenville, South Carolina 29602*

(803) 271-7970

November 12, 1986

W. FRANCIS MARION  
ROBT S. GALLOWAY, JR.  
FRED D. COX, JR.  
O. G. CALHOUN  
DONALD L. FERGUSON  
G. DEWEY OXNER, JR.  
WILLIAM M. GRANT, JR.  
JESSE C. BELCHER, JR.  
MAYE R. JOHNSON, JR.  
C. LEWIS RASOR, JR.  
CHARLES E. McDONALD, JR.  
WILLIAM E. SHAUGHNESSY  
JAMES B. PRESSLY, JR.  
H. DONALD SELLERS  
ROBERT C. WILSON, JR.  
DONALD A. HARPER  
ANDREW J. WHITE, JR.  
ELLIS M. JOHNSTON II

JOSEPH J. BLAKE, JR.  
JOHN M. CAMPBELL, JR.  
SAM L. STEPHENSON  
THOMAS H. COKER, JR.  
THEODORE S. STERN, JR.  
W. FRANCIS MARION, JR.  
JOHN B. MCLEOD  
BRYAN FRANCIS HICKEY  
FRANCES D. ELLISON  
ROBERT W. HASSOLD, JR.  
ANNE S. ELLEFSON  
KNOX H. WHITE  
EDWIN B. PARKINSON, JR.  
JOHN H. MUENCH  
H. SAM MABRY III  
F. MATLOCK ELLIOTT  
DAVID HILL KELLER  
SUSAN V. JOHNSTON

H. J. HAYNSWORTH  
1859-1941  
C. F. HAYNSWORTH  
1886-1953  
J. M. PERRY  
1894-1964  
EUGENE BRYANT  
1902-1969

OF COUNSEL  
THOMAS K. JOHNSTONE, JR.  
ANDREW B. MARION  
HARRY R. STEPHENSON, JR.

FEDERAL EXPRESS

EXHIBIT

NOV 18 1986 NO. 2 3A

Ms. Donna Williams  
State Budget & Control Board  
600 Wade Hampton Building  
Columbia, SC 29211

STATE BUDGET & CONTROL BOARD

Re: Random Associates  
\$950,000 Industrial Revenue Bond

Dear Donna:

Please find enclosed the following documents in connection with the above-captioned matter:

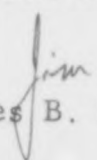
Petition - executed original and two copies

Resolution - executed copy

Thank you for your assistance in this bond issue.

Very truly yours,

HAYNSWORTH, PERRY, BRYANT,  
MARION & JOHNSTONE

  
James B. Pressly, Jr.

JBPjr:sab  
Enclosures

05152

*Haynsworth, Perry, Bryant, Marion & Johnstone*

ATTORNEYS AT LAW  
FORMERLY HAYNSWORTH & HAYNSWORTH

409 EAST NORTH STREET

P. O. BOX 2048

*Greenville, South Carolina 29602*

(803) 271-7970

November 11, 1986

W. FRANCIS MARION  
ROBT S. GALLOWAY JR.  
FRED D. COX JR.  
O. G. CALHOUN  
DONALD L. FERGUSON  
G. DEWEY OXNER, III  
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THOMAS H. COKER JR.  
THEODORE S. STERN JR.  
W. FRANCIS MARION JR.  
JOHN B. MCLEOD  
BRYAN FRANCIS HICKEY  
FRANCES D. ELLISON  
ROBERT W. HASSOLD JR.  
ANNE S. ELLEFSON  
KNOX H. WHITE  
EDWIN B. PARKINSON JR.  
JOHN H. MUENCH  
H. SAM MABRY III  
F. MATLOCK ELLIOTT  
DAVID HILL KELLER  
SUSAN V. JOHNSTON

H. J. HAYNSWORTH  
1859-1941  
C. F. HAYNSWORTH  
1886-1953  
J. M. PERRY  
1894-1964  
EUGENE BRYANT  
1902-1969

OF COUNSEL  
THOMAS K. JOHNSTONE JR.  
ANDREW B. MARION  
HARRY R. STEPHENSON JR.

HAND DELIVERED

Ms. Donna Williams  
State Budget & Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201

EXHIBIT

NOV 18 1986

NO. 23A

Re: Random Associates  
\$950,000 Industrial Revenue Bond

STATE BUDGET & CONTROL BOARD

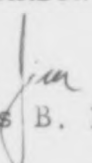
Dear Donna:

The enclosed documents are for your November 18, 1986 meeting. Our County Council will adopt the Resolution and Petition to the State Budget and Control Board on November 11, 1986. I will forward the executed documents to you as soon as possible.

Thank you.

Very truly yours,

HAYNSWORTH, PERRY, BRYANT,  
MARION & JOHNSTONE

  
James B. Pressly, Jr.

JBPjr:sab  
Enclosures

05153

NOV 12 1986  
8:42 A.M.  
LK

TRANSMITTAL FORM, REVENUE BONDS

Date: October 24, 1986  
Submitted for BCB Meeting on:  
November 5, 1986

TO: William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
OR P. O. Box 12444, Columbia, SC 29211

FROM:

Haynsworth, Perry, Bryant, Marion & Johnstone  
Name of Law Firm  
Greenville, SC 29602  
City, State, Zip Code

P. O. Box 2048

Street Address/Box Number  
(803) 271-7970

Telephone Area Code and Number

RE: \$900,000.00

Industrial Revenue Bonds

Amount of Issue  
Greenville County, SC.

Type of Bonds or Notes  
December 1, 1986

Issuing Authority Name

Projected Issue Date

Project Name: Random Associates

Project Description:

Construction and equipping of warehousing and distribution facility to be leased to

Daley Corporation, a South Carolina corporation, for use in warehousing and distribution of

Employment as result of project: 15 people construction and industrial maintenance products

CEILING ALLOCATION REQUIRED

X Yes (\$ 900,000.00) No  
Amount

REFUNDING INVOLVED

Yes (\$           ) No  
Amount

PROJECT APPROVED PREVIOUSLY

Yes (          ) No  
Date

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

**EXHIBIT**  
NOV 18 1986 NO. 23A

- A. X Petition (executed original and two copies)  
B. X Resolution or ordinance (executed copy)  
C. X Inducement Resolution or comparable preliminary approval (executed copy)  
D. X Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: NCNB South Carolina)

STATE BUDGET & CONTROL BOARD

OR        Audited financial statements for three most recent years

- E.        Department of Health and Environmental Control certificate IF REQUIRED  
F. X Budget and Control Board Resolution and Public Notice (original)  
[Plus 4 copies for certification and return to counsel]

G. X Processing fee

Amount \$ \$2,000.00

Check No. 177

Payor Random Associates

Bond Counsel: Haynsworth, Perry, Bryant, Marion & Johnstone

Typed Name

By: James B. Pressly, Jr.

James B. Pressly, Jr.

Signature

**05154**



*Done*

**TRANSMITTAL FORM, REVENUE BONDS**

Date: October 24, 1986  
Submitted for BCB Meeting on:  
November 5, 1986

*DA 11/2/86* *11/17/86 Jm* *NOV 12 1986 8:42 A.M. Jm* *Let*

TO: William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
OR P. O. Box 12444, Columbia, SC 29211

**FROM:**

Haynsworth, Perry, Bryant, Marion & Johnstone

P. O. Box 2048

**Name of Law Firm**

Greenville, SC 29602

**Street Address/Box Number**

(803) 271-7970

**City, State, Zip Code**

**Telephone Area Code and Number**

RE: \$900,000.00

Industrial Revenue Bonds

**Amount of Issue**

Greenville County, SC.

**Type of Bonds or Notes**

December 1, 1986

**Issuing Authority Name**

**Projected Issue Date**

**Project Name:** Random Associates

**Project Description:**

Construction and equipping of warehousing and distribution facility to be leased to

Daley Corporation, a South Carolina corporation, for use in warehousing and distribution o

**Employment as result of project:** 15 people

construction and industrial maintenance products

**CEILING ALLOCATION REQUIRED**

X Yes (\$ 900,000.00) No  
Amount

**REFUNDING INVOLVED**

Yes (\$           ) No  
Amount

**PROJECT APPROVED PREVIOUSLY**

Yes (          ) No  
Date

**EXHIBIT**

**DOCUMENTS ENCLOSED:**

(ALL required for State law approval; A and C only for ceiling allocation only.)

*NOV 18 1986*

*NO. 2 3A*

- A. X Petition (executed original and two copies)
- B. X Resolution or ordinance (executed copy)
- C. X Inducement Resolution or comparable preliminary approval (executed copy)
- D. X Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: NCNB South Carolina)

STATE BUDGET & CONTROL BOARD

OR    Audited financial statements for three most recent years

- E.    Department of Health and Environmental Control certificate IF REQUIRED
- F. X Budget and Control Board Resolution and Public Notice (original)  
[Plus   4   copies for certification and return to counsel]

- G. X Processing fee

Amount \$ \$2,000.00

Check No. 177

Payor Random Associates

Bond Counsel: Haynsworth, Perry, Bryant, Marion & Johnstone

Typed Name

By:

*James B. Pressly Jr.*  
James B. Pressly, Jr.

Signature

05155

11/19/86

Dave,

INDUSTRIAL REVENUE BOND PROJECT

Random Associates

Transmittal sheet  
show amount of  
bonds as \$900,000,  
the Petition shows  
amount as \$950,000.

*Joey*

GOVERNING BOARD

County Council for Greenville County

BOND COUNSEL

Haynsworth, Perry, Bryant, Marion & Johnstone  
Greenville SC 29602

EXHIBIT

NOV 18 1986

NO. 23A

FINDINGS BY GOVERNING BOARD (§ 4-29-60)

STATE BUDGET & CONTROL BOARD

The Governing Board shall find:

✓ (1) The project will subserve the purposes  
of Chapter 29, Title 4;

✓ (2) The project is anticipated to benefit  
the general public welfare of the locality by providing  
services, employment, recreation, or other public  
benefits not otherwise provided locally;

✓ (3) The project will give rise to no  
pecuniary liability of county or incorporated municipality  
or a charge against its general credit or taxing power;

05156

\$950,000. (4) The amount of bonds required to finance the project;

✓ (5) The amount necessary in each year to pay the principal of and the interest on the bonds proposed to be issued to finance the project;

No necessary (6) The amount necessary to be paid each year into any reserve funds which the governing board may deem advisable to establish in connection with the retirement of the proposed bonds and the maintenance of the project;

✓ (7) Unless the terms of the financing agreement with respect to the project provide that the industry shall maintain the project and carry all proper insurance with respect thereto, the cost of maintaining the project in good repair and keeping it properly insured;

✓ (8) The determinations and findings of the governing board required to be made above shall be set forth in the proceedings under which the proposed bonds are to be issued.

FINANCING AGREEMENT (§ 4-29-60)

Every financing agreement with respect to a project shall contain an agreement:

✓ obligating the industry to effect the completion of the project if the proceeds of the bonds prove insufficient, and

05157

obligating the industry to pay an amount under the terms of a financing agreement, which, upon the basis of the determinations theretofore made, will be sufficient:

- ✓ (a) to pay the principal of and interest on the bonds issued to finance the project;
- ✓ (b) to build up and maintain any reserves deemed by the governing board to be advisable in connection therewith, and
- ✓ (c) unless the financing agreement obligates the industry to pay for the maintenance and insurance of the project, to pay the costs of maintaining the project in good repair and keeping it properly insured.

\_\_\_\_\_ Every financing agreement in the form of a lease shall contain a provision requiring the industry to make payments to the county or counties, municipality or municipalities, school district or school districts, and other political units wherein the project shall be located in lieu of taxes, in such amounts as would result from taxes levied on the project by such county or counties, municipality or municipalities, school district or school districts, and other political unit

05158



or units, if the project were owned by the industry, but with appropriate reductions similar to the tax exemptions, if any, which would be afforded to the industry if it were the owner of the project.

REFUNDING BONDS (§ 4-29-110)

\_\_\_\_\_ may not exceed an amount sufficient to refund the principal of the bonds to be refunded, together with any unpaid interest thereon and any premiums, expenses, and commissions necessary to be paid in connection therewith.

PETITION (§ 4-29-140)

Must set forth

✓ (a)(1) a brief description of the project proposed to be undertaken, and

✓ (a)(2) its anticipated effect upon the economy of the county or incorporated municipality in which the project is to be located and of the areas adjacent thereto;

✓ (b) a reasonable estimate of the cost of the project;

✓ (c)(1) a general summary of the terms and conditions of the financing agreement and security agreement to be made,

\_\_\_\_\_ (c)(2) a statement establishing the basis for the payment of sums in lieu of taxes as required by § 4-29-60.

05159



FINDINGS BY BUDGET AND CONTROL BOARD

✓ the project is intended to promote the  
purposes of Chapter 29, Title 4, (Public Purpose)

✓ the project is reasonably anticipated to  
effect such results.

QUESTIONS CONSIDERED

# EXHIBIT

MCNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

NOV 18 1986

NO. 24

STATE BUDGET & CONTROL BOARD

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROUS  
G. WAYNE CORLEY  
E. MILEDO SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
EMORY H. SHIEDEN  
STEPHEN KORLAN\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
JOHN H. LUMPKIN, JR.  
M. WILLIAM YOUNGBLOOD, JR.  
JOHN W. CURRIE  
RHETT DAWSON\*  
SCOTT Y. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DAVID R. MILEDO, JR.  
WILLIAM S. ROSE, JR.  
HUEL D. ADAMS, JR.

JAMES R. FIELDS, JR.  
M. CRAIG GARNER, JR.  
BRENTON O. JEFFCOAT  
ROBERT T. BOCKMAN  
EDWIN W. JOHNSON II  
PETER L. MURPHY  
C. ALAN RUPPIN  
JOHN A. FOSTER  
ELIZABETH VAN DOREN GRAY  
WILFRED B. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN CRUM MCKINNEY  
E. RUSSELL JETER, JR.  
WILLIAM MICHAEL HOUSE\*  
CARL B. CARRUTH  
JOHN B. HUNTER\*  
J. WESLEY CRUM II  
RICHARD J. MORGAN  
J. SIMON FRASER  
CHRISTOPHER M.G. HOLMES  
DEBORAH K. OWEN\*

SARA S. HOOBERS  
DOROTHY M. HELMS  
NANCY PAGE  
SANDRA L. BANGLEMAN  
JANE W. TRINALEY  
J. LYLES GLENN IV  
CELESTE TILLEY JONES  
KATHERINE ELIZABETH MIMS  
JOSEPH D. WALKER  
NANCY R. JEFFERIS  
ALISON RENEE LEE  
MARTHA R. HAMILTON  
GREGORY D. DULGACH  
WILLIAM ASHLEY JORDAN, JR.  
MICHAEL M. REAL  
DEBORAH ANN DAVIS  
ELIZABETH BOWE ANDERS  
WILLIAM M. NUSSE  
SHARON E. CRAWLEY  
T. PARKIN HUNTER  
ROBERT E. MCNAHAN, JR.

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

GREENVILLE OFFICE  
SUITE 1201  
NCNB PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
NCNB BUILDING  
POPE AVENUE  
POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

December 2, 1986

\*NOT ADMITTED IN SOUTH CAROLINA

South Carolina State Budget and  
Control Board  
Executive Offices  
612 Wade Hampton Office Building  
Columbia, South Carolina 29211

Attn: Mr. William A. McInnis

Re: North Charleston Redevelopment Commission,  
\$9,500,000 Multifamily Housing Revenue Bonds  
(Ben Tillman Homes Project)

Dear Bill:

This project was originally granted a volume cap allocation under the terms of the Deficit Reduction Act of 1984. The request for volume cap allocation was made because it appeared that the requirements of the Tax Reform Act of 1986 would subject this project to volume cap limitations.

This project was made the subject of a special transition rule in the Tax Reform Act of 1986, however, and it appears from the final printed version of the Bill that no volume cap allocation will be required under the Internal Revenue Code of 1986 for this project.

The purpose of this letter, therefore, is to advise you that the volume cap allocation that was originally made and has been reinstated will not be needed for this project. It is the intention of the parties to the transaction for this

05161

# EXHIBIT

NOV 18 1986

NO. 24

South Carolina State Budget  
and Control Board  
December 2, 1986  
Page Two

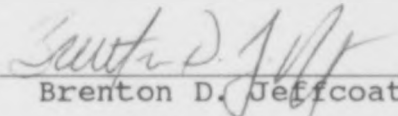
STATE BUDGET & CONTROL BOARD

letter to constitute a formal release of the volume cap that  
has been allocated to the project.

Very truly yours,

McNAIR LAW FIRM, P.A.

By:

  
Brenton D. Jeffcoat

BDJ/tmm

05162

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

NOV 12 1986

12:04 P.M.

1 of 5 LK

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
D. WAYNE CORLEY  
E. MILEDO SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
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1155 18TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

November 12, 1986

HAND DELIVERED

\*NOT ADMITTED IN SOUTH CAROLINA

Mr. William A. McInnis  
State Budget and Control Board  
Wade Hampton Office Building  
Columbia, South Carolina 29201

EXHIBIT

RE: North Charleston Redevelopment  
Commission Multifamily Housing  
Revenue Bonds (Ben Tillman Homes  
Project)

NOV 18 1986

NO. 24

STATE BUDGET & CONTROL BOARD

Dear Mr. McInnis:

Enclosed is a letter from the North Charleston Redevelopment Commission requesting reinstatement of the volume cap allocation for the above-referenced project which is expected to close within the next month. The project has been renamed from Ben Tillman Homes to Phoenix Park Apartments, but no changes have been made which in any way alter the structure of the transaction. If you have any questions, please call.

Sincerely,

*Barbara G. McQuillan*

Barbara G. McQuillan  
Paralegal - Bond Department

BGM/kcu

Enclosure

05163



# EXHIBIT

NOV 18 1986

NO. 24

STATE BUDGET & CONTROL BOARD

JOHN E. BOURNE, JR.  
Mayor

*City of North Charleston*  
SOUTH CAROLINA

CITY COUNCIL  
Raymond H. Anderson, Jr.  
George E. Epps  
Don John Hays  
Patsy W. Hughes  
R. Keith Summey  
R. E. Zipperer

November 6, 1986

Mr. William A. McInnis  
State Budget and Control Board  
Post Office Box 12444  
Columbia, SC 29211

RE: North Charleston Redevelopment Commission \$9,500,000  
Multifamily Housing Revenue Bonds (Ben Tillman Homes  
Project)

Dear Mr. McInnis:

On July 29, 1986, the Budget and Control Board granted a tentative volume cap allocation for the above-referenced project in an amount not to exceed \$9,500,000. The allocation expired on October 29, 1986.

The Bonds for this project are scheduled to be issued before the end of calendar year 1986. Therefore, we respectfully request this volume cap be reinstated. To the best of our knowledge, all information previously submitted remains valid with the exception of the name of the project which has been changed from Ben Tillman Homes to Phoenix Park Apartments.

Very truly yours,

NORTH CHARLESTON REDEVELOPMENT  
COMMISSION

By: 

Chairman



# EXHIBIT

State of South Carolina

NOV 18 1986

NO. 24

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444

Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

### C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS


(UNDER TAX REFORM ACT OF 1986)

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

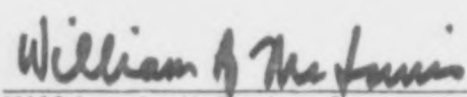
TO: North Charleston Redevelopment Commission  
\$9,500,000  
Multifamily Housing Revenue Bond  
(Ben Tillman Homes Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Tax Reform Act of 1986 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Section 7(b) of the Governor's Executive Order #86-20, issued on October 22, 1986, requires that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

  
Grady L. Patterson, Jr.

Attest:

  
William A. McInnis, Secretary

05165

The State of South Carolina



Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-734-3680

*Recd*  
*12/23/86*  
*3:30 pm*  
**EXHIBIT**

NOV 18 1986

NO. 25

STATE BUDGET & CONTROL BOARD

December 23, 1986

Mr. William A. McInnis  
Deputy Executive Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: \$8,500,000 South Carolina Jobs Economic  
Development Authority, South Carolina  
Industrial Development Revenue Notes  
(Charleston Waterfront Project I)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-140, et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

This opinion addresses only the legal sufficiency of the documents you have provided for our review. No opinion is expressed as to any other matters, including whether the Petition should be approved as a matter of policy.

Sincerely yours,

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

05166

# EXHIBIT

STATE OF SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD  
Standard Form Investment Letter

NOV 18 1986

NO. 25

STATE BUDGET & CONTROL BOARD

TO: Secretary, State Budget and Control Board  
P. O. Box 12444  
Columbia, SC 29211

RE: Sale by South Carolina Jobs-Economic Development (the "Issuer")  
Of its Authority (the "Bonds")  
\$8,500,000 Industrial Development Revenue  
On behalf of Bonds (the "Company")  
Charleston Waterfront Project I  
Limited Partnership (the "Project")  
Charleston Waterfront Project I  
To Chemical Bank (the "Purchaser")

DATE:

In connection with the referenced sale of Bonds by the Issuer, the Purchaser makes the following representations and certifications:

1. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds;
2. The Purchaser is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;
3. The Purchaser is familiar with the business affairs of the Company and has obtained and examined all financial and other information with respect to the Bonds, the Company and the officers and shareholders of the Company which it deems necessary in order to enable it to evaluate the merits and risks of its investment in the Bonds and to make an informed investment judgment in connection with the purchase of the Bonds;
4. The Purchaser has had the opportunity to ask questions of, and receive answers from, the Issuer and the Company concerning the terms and conditions of the offering and any other information which it has deemed relevant to the Bonds and its investment in the Bonds; and
5. The Bonds are being purchased for the account of the Purchaser and for the purpose of investment and not presently for resale, and the Purchaser has no present intention of offering the Bonds or any portion thereof for resale either currently or after the passage of a fixed period of time, or upon the occurrence or nonoccurrence of any predetermined event or circumstances.

SWORN to and subscribed  
before me this 10th day  
of November, 1986.

Candace Shreeves  
Notary Public

My Commission expires

CANDACE SHREEVES  
Notary Public, State of New York  
NO. 03-8950280  
Qualified in Bronx County  
Commission Expires October 31, 1988

PURCHASER:

Name: CHEMICAL BANK

Address: 633 Third Avenue

New York, New York 10017

BY: Chimere F. [Signature]  
Signature of Authorized Official

05167

# EXHIBIT

NOV 18 1986

NO. 25

STATE OF SOUTH CAROLINA )

Charleston Waterfront I

COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, November 18, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of: Representative Mangum, who was represented by House Ways and Means Committee Acting Chairman T. W. Edwards, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; the motion was seconded by Mr. Patterson, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

5

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of the Board in my custody as its Secretary.

December 23, 1986

William A. McInnis

05168



# EXHIBIT

NOV 18 1986

NO. 25

STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PRIVATE SALE OF A NOT EXCEEDING \$8,500,000 PRINCIPAL AMOUNT INDUSTRIAL DEVELOPMENT REVENUE NOTE (CHARLESTON WATERFRONT PROJECT I) 1986, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act") requested approval by the State Budget and Control Board of the issuance by the Authority through private sale pursuant to the Act of its Industrial Development Revenue Note (Charleston Waterfront Project I) 1986 in the aggregate principal amount of not exceeding \$8,500,000 (the "Note"); and

WHEREAS, the Authority represents to the State Budget and Control Board that it has reviewed the standard form investment letter from Chemical Bank, the purchaser of the bonds, and finds it to be acceptable;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that: the Request filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Note through private sale be and the same is hereby in all respects approved.

Section 3. This Resolution shall take effect immediately.

05169



# EXHIBIT

NOV 18 1986

NO. 25

State of South Carolina

## State Budget and Control Board

BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

December 29, 1986

### C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Jobs-Economic Development Authority  
c/o Mr. William M. Musser  
McNair Law Firm  
Box 11390  
Columbia, SC 29211

RE: Issue of \$8,000,000, Jobs-Economic Development Authority, South Carolina  
Industrial Development Revenue Bonds  
(Charleston Waterfront Project I)  
Issue Date Projected By Issuing Authority: December 31, 1986  
Allocation Expiration Date: December 31, 1986  
Issue Amount Certificate Date: December 29, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Section 7(b) of the Governor's Executive Order #86-20, issued October 22, 1986, which certificate is dated not more than ten (10) business days prior to the projected date of issue which, as certified by the issuing authority, is within the time period during which the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project is valid, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

*William A. McInnis*

William A. McInnis, Secretary

05170

MCNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

DEC 29 1986  
12:46 P.M.  
1 of 2-LL

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. RONDOROS  
O. WAYNE CORLEY  
E. MUELO SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
EMORY M. SHEDDEN  
STEPHEN KOPLAN\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
JOHN H. LUMPKIN, JR.  
H. WILLIAM YOUNGBLOOD, JR.  
JOHN W. CURRIE  
RHETT DAWSON\*  
SCOTT T. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL R. MUELO, JR.  
WILLIAM S. ROSE, JR.  
HUEL D. ADAMS, JR.

JAMES R. FIELDS, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFCOAT  
ROBERT T. BOCKMAN  
EDWIN W. JOHNSON  
PETER L. MURPHY  
C. ALAN RUYAN  
JOHN A. FOSTER  
ELIZABETH VAN DOREN GRAY  
WILFRED B. IRVIN  
ARNE C. LUCAS  
ROBERT E. STERR  
KATHLEEN CRUM MCKINNEY  
E. RUSSELL JETER, JR.  
WILLIAM MICHAEL HOUSE\*  
CARL B. CARRUTH  
JOHN W. HUNTER\*  
J. WESLEY CRUM II  
RICHARD J. MORGAN  
J. SIMON FRASER  
CHRISTOPHER M. HUGHES  
DEBORAH K. GREN\*

SARA S. ROGERS  
DOROTHY M. HELMS  
NANCY PAGE  
SANDRA L. RANDLEMAN  
JANE W. TRINKLEY  
J. LYLES GLENN IV  
DELESTE TYLER JONES  
KATHERINE ELIZABETH MARS  
JOSEPH D. WALKER  
NANCY R. JEFFERS  
ALISON RENEE LEE  
MARTHA R. MCNULLEN  
GREGORY D. KULDACH  
WILLIAM ASHLEY JORDAN, JR.  
MICHAEL M. BEAL  
DEBORAH ANN DAVIS  
ELIZABETH BONE ANDERS  
WILLIAM M. MUSSEY  
SHARON E. CHAMLEY  
T. PARKIN HUNTER  
ROBERT E. MCNAIR, JR.

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

GREENVILLE OFFICE  
SUITE 1201  
NCNB PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
NCNB BUILDING  
POPE AVENUE  
POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

December 29, 1986

DELIVERY BY HAND

\*NOT ADMITTED BY SOUTH CAROLINA

EXHIBIT

NOV 18 1986 NO. 25

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis  
Deputy Executive Director  
South Carolina State Budget  
and Control Board  
6th Floor, Hampton Building  
Columbia, South Carolina 29201

Re: South Carolina Jobs - Economic Development  
Authority Industrial Development Revenue  
Bonds (Charleston Waterfront Project I)

Dear Mr. McInnis:

This letter is to inform you that with reference to  
the above-referenced bonds the principal amount will be  
\$8,000,000 and the date of issuance will be December 31,  
1986.

Very truly yours,

*William M. Musser*

William M. Musser

lsh

Enclosure

05171

# EXHIBIT

State of South Carolina

NOV 18 1986

NO. 25

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

### C E R T I F I C A T E

#### STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Jobs-Economic Development Authority  
\$8,500,000  
Industrial Development Revenue Note  
(Charleston Waterfront I Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Tax Reform Act of 1986 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Section 7(b) of the Governor's Executive Order #86-20, issued on October 22, 1986, requires that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

05172

# EXHIBIT

STATE OF SOUTH CAROLINA )  
 )  
RICHLAND COUNTY )

NOV 18 1986 NO. 25

STATE BUDGET & CONTROL BOARD

TO THE STATE BUDGET AND CONTROL )  
 ) PETITION OF SOUTH  
 ) CAROLINA JOBS-ECONOMIC  
BOARD OF SOUTH CAROLINA )  
 ) DEVELOPMENT AUTHORITY  
 )

This Petition of the South Carolina Jobs-Economic Development Authority (the "Authority"), pursuant to South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act") and specifically Section 41-43-110 thereof, respectfully shows:

1. The Act, among other things, empowers the Authority: (i) to acquire, and, in connection with such acquisition, to enlarge, improve and expand, whether by construction, purchase, gift or lease, one or more projects (as defined in Section 41-43-160 of the Act) which shall be located within the jurisdiction of the State of South Carolina; (ii) to make available to any business enterprise located in South Carolina such projects for such payments and upon such terms and conditions as the Authority may deem advisable and as shall not conflict with the provisions of the Act; and (iii) subject to the approval of the State Budget and Control Board of the issuance of its bonds through public or private sale pursuant to Section 41-43-110 of the Act, to issue revenue bonds, as defined in the Act to include notes, for the purpose of defraying the cost of acquiring, by construction and purchase, and in connection with any such acquisition, to enlarge, improve and expand any project and to secure the payment of such bonds all as in the Act provided.

3. Pursuant to the provisions of Act No. 512 of the Acts and Joint Resolutions for the General Assembly of the State of South Carolina for the year 1984 and regulations approved thereunder, the State Budget and Control Board and the Joint Bond Review Committee have been assigned certain responsibilities with respect to allocation of the private activity bond ceiling applicable to the State of South Carolina under Section 103(n) of the Internal Revenue Code of 1954, as amended (the "Volume Cap").

4. The Authority has agreed to assist Charleston Waterfront Project I Limited Partnership, a Maryland limited partnership (the "Company") by issuing its revenue note for the purpose of defraying the cost of acquiring certain facilities to be used for the purpose of providing a



passenger terminal, port reception and related activity facility constituting a commercial facility to be located in the City of Charleston within the State of South Carolina (the "Project").

5. The undersigned Chairman of the Board of Directors of the Authority certifies that approval of this Project was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

6. The Authority has been advised by the Company that the estimated cost of the Project will be \$8,500,000, and the Company has requested the Authority to execute and deliver its Industrial Development Revenue Note (Charleston Waterfront Project I) (the "Note") in the principal amount of not exceeding \$8,500,000 to defray such costs.

7. Pursuant to Section 41-43-150 of the Act, the Authority has made the requisite findings that:

(a) The Company is engaged in the business of providing a passenger terminal, port reception and related activity facility, and the Project is located in the City of Charleston within the State of South Carolina.

(b) The Project will constitute a "project" as said term is referred to and defined in Section 41-43-160 of the Act, and the issuance of the Note in the principal amount of not exceeding \$8,500,000 to defray the cost of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(c) It is anticipated that the Project will benefit the general public welfare of the State of South Carolina and the City of Charleston in particular by providing employment for those engaged in construction of the Project, and by providing additional permanent employment for approximately 283 people from the City of Charleston and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of such businesses not otherwise provided locally.

(d) Neither the Project, the Note proposed to be issued by the Authority to defray the cost of the Project, nor any documents or agreements entered into by the Authority in connection therewith will constitute or give rise to a pecuniary liability of the Authority or the State of South Carolina or a charge against general credit or taxing power



of either, and only program funds (as defined in the Act) will be made available to finance the cost of the Project.

(e) The Company is a limited partnership with established credit and is a responsible party.

(f) The issuance of the Note by the Authority in the principal amount of not exceeding \$8,500,000 will be required to defray the cost of the Project, and such principal amount bears a reasonable relationship to the amount of private funds also committed to the Project.

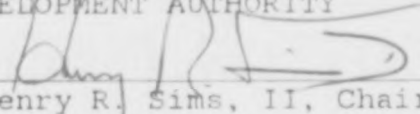
(g) The size and scope of the Project is such that a definite benefit to the economy of the State of South Carolina, and the City of Charleston in particular, is reasonably expected to result therefrom.

Prior to issuance of the Note, the Authority will, as part of its proceedings make findings as to the terms of the agreements to be entered into in connection with the Project and the adequacy of protection for the public interest provided by such terms.

Upon the basis of the foregoing, the Authority respectfully prays that the State Budget and Control Board (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such investigation as it deems advisable, (iii) approve the issuance of the Note by the Authority through private sale pursuant to the Act to defray the cost of the Project (including changes in any details of the said financing as finally consummated which do not materially affect the undertaking of the Authority) and (iv) allocate \$8,500,000 of the Volume Cap for the Note.

Respectfully submitted,


SOUTH CAROLINA JOBS-ECONOMIC  
DEVELOPMENT AUTHORITY

By   
Henry R. Sims, II, Chairman, Board  
of Directors

Dated: October 9, 1986.

(SEAL)

ATTEST:

  
Elliott E. Franks, III,  
Director

EXHIBIT

NOV 18 1986

NO. 25

STATE BUDGET & CONTROL BOARD

RESOLUTION

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY, OF ITS INDUSTRIAL DEVELOPMENT REVENUE NOTE (CHARLESTON WATERFRONT PROJECT I) 1986, THROUGH PRIVATE SALE PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$8,500,000.

EXHIBIT

NOV 18 1986 NO. 25

STATE BUDGET & CONTROL BOARD

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority"), acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Section 41-43-110 of the South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act") to acquire and cause to be acquired properties that are projects under Section 41-43-160 of the Act through which the industrial, commercial, agricultural and recreational development of the State of South Carolina will be promoted and trade developed by inducing business enterprises to locate in and remain in the State of South Carolina and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State; and

WHEREAS, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds, as defined in the Act to include notes, payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such financing agreement; and

WHEREAS, the Authority and Charleston Waterfront Project I Limited Partnership, a Maryland limited partnership (the "Company") entered into an Inducement Agreement (the "Inducement Agreement") authorized by the Authority on October 17, 1985, pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the undertakings of the Authority pursuant to the Inducement Agreement, the Authority proposes to issue its Industrial Development Revenue Note (Charleston Waterfront Project I) in the principal amount of not exceeding \$8,500,000 (the "Note") under and pursuant to the Act to defray the costs of acquiring by construction and

purchase certain land, a building or buildings and other improvements thereon, and machinery, apparatus, equipment, office facilities and furnishings to be installed therein for the purpose of providing a passenger terminal, port reception and related activity facility constituting a commercial facility (the "Project") to be located in the City of Charleston within the State of South Carolina and, subject to the approval of the State Budget and Control Board of South Carolina for the issuance of the Note at private sale, to make the Project available to the Company under and pursuant to the terms of a loan agreement to be entered into among the Authority, the lender and the Company; and

WHEREAS, it is now deemed advisable by the Authority to file with the State Budget and Control Board of South Carolina, in compliance with Section 41-43-110 of the Act, the Petition of the Authority requesting approval by the State Budget and Control Board for the issuance of the Note at private sale;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Carolina Jobs-Economic Development Authority, as follows:

Section 1. It is hereby found, determined and declared as follows:

(a) The Company is engaged in the business of providing a passenger terminal, port reception and related activity facility, and the Project is located in the City of Charleston within the State of South Carolina.

(b) The Project will constitute a "project" as said term is referred to and defined in Section 41-43-160 of the Act, and the issuance of the Note in the principal amount of not exceeding \$8,500,000 to defray the cost of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(c) It is anticipated that the Project will benefit the general public welfare of the State of South Carolina and the City of Charleston in particular by providing employment for those engaged in construction of the Project, and by providing additional permanent employment for approximately 283 people from the City of Charleston and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of such businesses not otherwise provided locally.

(d) Neither the Project, the Note proposed to be issued by the Authority to defray the cost of the Project, nor any documents or agreements entered into by the Authority in connection therewith will constitute or give rise to a pecuniary liability of the Authority or the State of South Carolina or a charge against general credit or taxing power of either, and only program funds (as defined in the Act) will be made available to finance the cost of the Project.

(e) The Company is a limited partnership with established credit and is a responsible party.

(f) The issuance of the Note by the Authority in the principal amount of not exceeding \$8,500,000 will be required to defray the cost of the Project, and such principal amount bears a reasonable relationship to the amount of private funds also committed to the Project.

(g) The size and scope of the Project is such that it shall be a definite benefit to the economy of the State of South Carolina, and the City of Charleston in particular, is reasonably expected to result therefrom.

Prior to issuance of the Note, the Authority will, as part of its proceedings:

(a) Require a resolution from the governing body of the City of Charleston containing the following findings: (1) that the Project will subserve the purposes of the Act; (2) that the Project is anticipated to benefit the general public welfare of the City of Charleston by providing services, employment, recreation or other public benefits not otherwise provided locally; (3) that the Project will give rise to no pecuniary liability of the City of Charleston or a charge against its general credit or taxing power; and (4) the amount of bonds required to finance the Project.

(b) Hold a public hearing in the City of Charleston in connection with such resolution; and

(c) Make findings as to the terms of the agreements to be entered into in connection with the Project and the adequacy of protection for the public interest provided by such terms.

Section 2. There be and is hereby authorized and directed the submission on behalf of the Authority, of a Petition requesting approval by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 41-43-110 of the Act of the issuance of the Note through private sale, said Petition, which constitutes and is



hereby made a part of this authorizing resolution, to be in substantially the form attached hereto.

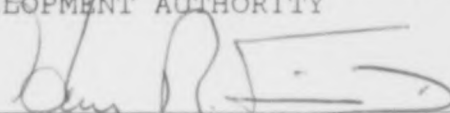
Section 3. The Chairman of the Board of Directors of the Authority be and is hereby authorized and directed to execute said Petition in the name and on behalf of the Authority, and the Director of the Authority be and is hereby authorized and directed to affix the seal of the Authority to said Petition and to attest the same and thereafter to submit an executed copy of this resolution, to the State Budget and Control Board, in Columbia, South Carolina.

Section 4. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved October 9, 1986.

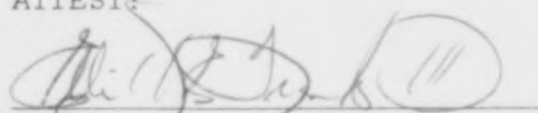
SOUTH CAROLINA JOBS-ECONOMIC  
DEVELOPMENT AUTHORITY

By

  
Henry R. Sims, II, Chairman, Board  
of Directors

(SEAL)

ATTEST:

  
Elliott E. Franks, III,  
Director

EXHIBIT

NOV 18 1986

NO. 25

STATE BUDGET & CONTROL BOARD



# EXHIBIT

NOV 18 1986

NO. 25

## RESOLUTION

### STATE BUDGET & CONTROL BOARD

A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS INDUSTRIAL DEVELOPMENT REVENUE BONDS OR NOTES (CHARLESTON WATERFRONT PROJECT I PROJECT) 1986, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43, (1976) AS AMENDED IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$10,000,000.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") is authorized and empowered under and pursuant to the provisions of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act"), particularly Section 41-43-110 thereof, to acquire and cause to be acquired properties that are projects under Section 41-43-160 of the Act through which the industrial, commercial, agricultural and recreational development of the State of South Carolina will be promoted and trade developed by inducing business enterprises to locate in and remain in the State of South Carolina and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State; and

WHEREAS, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such a financing agreement; and

WHEREAS, the Authority and Charleston Waterfront Project I, a Maryland limited partnership (the "Company"), entered into an Inducement Agreement (the "Inducement Agreement"), pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the undertakings of the Authority pursuant to the Inducement Agreement, the Authority proposes to issue not exceeding \$10,000,000 principal amount of its Industrial Development Revenue Bonds or Notes (Charleston Waterfront Project I Project) (the "Bonds") under and pursuant to Section 41-43-110 of the Act to defray the costs of acquiring certain land, a building or buildings and other improvements thereon, and machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be located in the jurisdiction of the City of Charleston and to be used for the purpose of providing a passenger terminal, port reception and related activity facility and, subject to such approval of the State Budget and Control Board of South Carolina and the governing board of the City of Charleston as may be required by law, to make the Project available to the Company under and pursuant to the terms of a loan

agreement to be entered into between the Authority, the Company and a lender to be named; and

WHEREAS, it is anticipated that, upon completion, the Project will provide directly 283 additional fulltime jobs in the County and surrounding areas and that the Project will stimulate the economy of the County and surrounding areas by increased payrolls, capital investment and tax revenues; and

WHEREAS, the Authority and the Company have agreed pursuant to the Inducement Agreement that the Company will, under the terms of any loan agreement entered into with respect to the Project, obligate itself to pay to the Authority sums sufficient to pay the principal, interest and premium, if any, on the Bonds, as and when the same become due and payable; and

WHEREAS, the governing body of the City of Charleston and the Authority have this day jointly held a public hearing, duly noticed by publication in a newspaper having general circulation in the City of Charleston not less than 15 days prior to the date hereof, at which all interested persons were given a reasonable opportunity to express their views;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Charleston, South Carolina, as follows:

Section 1. It is hereby found, determined and declared as follows: (1) the Project will subserve the purposes of the Act; (2) the Project is anticipated to benefit the general public welfare of the City of Charleston by providing services, employment, recreation or other public benefits not otherwise provided locally; (3) the Project will give rise to no pecuniary liability of the City of Charleston or a charge against its general credit or taxing power; and (4) the amount of bonds required to finance the Project is not exceeding \$10,000,000.

Section 2. The governing body of the City of Charleston approves the Project and supports the Authority in its determination to issue the Bonds to defray the cost of the Project.

Section 3. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved December 3, 1985.


CITY OF CHARLESTON, SOUTH CAROLINA

By: 

Mayor, City Council, City of  
Charleston, South Carolina

(SEAL)

ATTEST:

  
Clerk, City Council, City of  
Charleston, South Carolina

EXHIBIT

NOV 18 1986

NO. 25

STATE BUDGET & CONTROL BOARD

# EXHIBIT

NOV 18 1986

NO. 25

STATE BUDGET & CONTROL BOARD

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY AND CHARLESTON WATERFRONT PROJECT II, WHEREBY UNDER CERTAIN CONDITIONS THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY WILL ISSUE NOT EXCEEDING \$10,000,000 INDUSTRIAL DEVELOPMENT REVENUE BONDS.

WHEREAS, South Carolina Jobs-Economic Development Authority (the "Authority") is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43, Code of Laws of South Carolina, 1976 (the "Act"), particularly Section 41-43-110 thereof, to enter into agreements with any businesses located in South Carolina necessary or incidental to the issuance of bonds and to issue bonds for the purpose of defraying the cost of acquiring, by construction and purchase, "projects" as described in Section 41-43-160 of the Act, through which the industrial, commercial, agricultural and recreational development of the State will be promoted; and

WHEREAS, the Authority is further authorized by the Act, particularly Section 41-43-110 thereof to issue revenue bonds (as defined in the Act to include notes) payable solely out of the revenues derived pursuant to a loan or security agreement with respect to any such project or facility and secured by a pledge of said revenues, and to enter into a security agreement covering all of or any part of such project; and

WHEREAS, Charleston Waterfront Project II, a Maryland limited partnership, (the "Company") has requested the Authority to issue an amount not exceeding \$10,000,000 of its industrial development revenue bonds, ( Charleston Waterfront Project II Project) pursuant to Section 41-43-110 of the Act in order to defray the cost of acquiring certain land, improvements to be made thereon, and the machinery and equipment to be installed therein for the purpose of providing a passenger terminal, port reception and related activity facility (the "Project"), all as more fully set forth in the Inducement Agreement attached hereto; and

NOW, THEREFORE, BE IT RESOLVED, by the Authority as follows:

Section 1. Pursuant to Section 41-43-110 of the Act and subject to such approval by the State Budget and Control Board and any local governing board as may be required by law and for the purpose of defraying the cost of acquiring the Project, there is hereby authorized to be issued industrial development revenue bonds or notes of the



Authority in the original principal amount of not exceeding \$10,000,000 to be designated "Jobs-Economic Development Authority Revenue Bonds [or Notes] (Charleston Waterfront Project II Project)" (the "Bonds").

Section 2. The provisions, terms and conditions of the loan agreement by and between the Authority and the Company, the provisions, terms and conditions of the security agreement by and between the Authority and the trustee or bondholder, yet to be named, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds, other details of any loan agreement relating to the Bonds, and findings required by the Act shall be prescribed by subsequent resolution of the Authority.

Section 3. The Chairman of Board of the Authority is hereby authorized and directed to execute the Inducement Agreement attached hereto in the name and on behalf of the Authority, and the Director or Acting Director of the Authority is hereby authorized and directed to affix thereto the seal of the Authority and to attest the same, and the Director or Acting Director of the Authority is hereby further authorized and directed to deliver said executed Inducement Agreement to the Company.

Section 4. Prior to the issuance of any Bonds, the Authority will comply with the provisions of the Act regarding the procedural requirements for issuing bonds.

Section 5. All orders, resolutions, regulations and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and after its passage by the Authority.

Section 6. It is the intention of the Authority that this resolution shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Treasury Department relating to the issuance of tax-exempt revenue bonds.

EXHIBIT

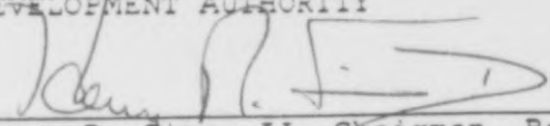
NOV 18 1986 NO. 25

STATE BUDGET & CONTROL BOARD



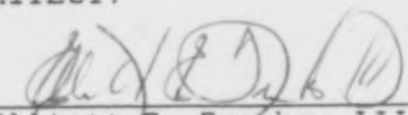
Done in meeting duly assembled this 17th day of October, 1985.

SOUTH CAROLINA JOBS-ECONOMIC  
DEVELOPMENT AUTHORITY

  
Henry R. Sims, II, Chairman, Board  
of Directors

(SEAL)

ATTEST:

  
Elliott E. Franks, III,  
Director

EXHIBIT

NOV 18 1986

NO. 25

STATE BUDGET & CONTROL BOARD

# EXHIBIT

NOV 18 1986 NO. 25

## INDUCEMENT AGREEMENT

STATE BUDGET & CONTROL BOARD

THIS AGREEMENT made and entered into by and between South Carolina Jobs-Economic Development Authority, a public body corporate and politic and an agency and duly constituted Authority of the State of South Carolina (the "Authority"), and Charleston Waterfront Project II, a Maryland limited partnership (the "Company").

W I T N E S S E T H:

### ARTICLE I

#### RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The Authority is an agency and duly constituted Authority of the State of South Carolina, and is authorized and empowered by the provisions of Title 41, Chapter 43, Code of Laws of South Carolina, 1976 (the "Act"), particularly Section 41-43-110 thereof, to enter into agreements with any business located in South Carolina necessary or incidental to the issuance of bonds and to issue bonds for the purpose of defraying the cost of acquiring "projects" as described in Section 41-43-160 of the Act, through which the industrial, commercial, agricultural and recreational development of the State will be promoted.

Section 1.02. The Company proposes to acquire land in the City of Charleston and intends to acquire and install thereon all the buildings, facilities, machinery, apparatus, equipment, office facilities and furnishings necessary for the purpose of providing a passenger terminal, port reception and related activity facility (the "Project").

Section 1.03. The Company has requested the Authority to assist it with its contemplated program through the sale of its industrial development revenue bonds or notes pursuant to Section 41-43-110 of the Act, whereby the Authority would defray certain costs of the Project.

Section 1.04. The Authority has given due consideration to all the proposals and requests of the Company and has agreed to endeavor to effect the issuance of the bonds or notes at the time and on the terms and conditions hereafter set forth.

05186

## ARTICLE II

### UNDERTAKINGS ON THE PART OF THE AUTHORITY

The Authority agrees as follows:

Section 2.01. The Authority will, subject to such approval by the State Budget and Control Board and the governing body of the City of Charleston as may be required by law and subject to the limitations set forth herein, authorize the issuance of an amount not exceeding \$10,000,000 Industrial Development Revenue Bonds [or Notes] (Charleston Waterfront Project II Project) (the "Bonds"), at such time as the Company may request the Authority to do so.

Section 2.02. The Authority will permit the Company to arrange for the sale of the Bonds to defray certain costs of the Project as aforesaid and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds may be applied to the payment of the costs of the Project as determined under Section 41-43-160 of the Act including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition of the Project including land, buildings, necessary machinery and equipment and other items permitted by the Act, and the repayment of any funds advances or loans incurred by the Company for such purposes.

Section 2.04. Prior to issuing the Bonds, the Authority may enter into a loan agreement with the Company and a security agreement with a trustee to be selected by the Company or with the purchasers of the Bonds, pursuant to which the Bonds will be secured and issued. Such documents shall be substantially in the form used in connection with the issuance of other South Carolina industrial development revenue bonds and shall constitute a lien on the revenues derived from the Company with respect to the Project to secure the payment of the Bonds.

Section 2.05. The Authority will perform such other acts and adopt such further proceedings as may be required to faithfully implement its undertakings and to consummate the proposed financing.

Section 2.06. The undertakings of the Authority hereunder are contingent upon the Authority continuing to evaluate the Project as beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware and upon the Company providing the Authority with such further evidence as may be

satisfactory to the Authority as to compliance with all applicable statutes and regulations.

### ARTICLE III

#### UNDERTAKINGS ON THE PART OF THE COMPANY

Section 3.01. The Company agrees that the Authority will have no obligation to find a purchaser of the Bonds and acknowledges that the Authority's approval of this Agreement is preliminary and is conditioned upon the Authority continuing to evaluate the Project as beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware.

Section 3.02. The Company further agrees, if the plan proceeds as contemplated, as follows:

- (a) to acquire the Project;
- (b) to enter into a loan agreement with the Authority, under the terms of which the Company will obligate itself to pay to the Authority sums sufficient to pay the principal, interest and premium, if any, on the Bonds, as and when the same become due and payable;
- (c) to obligate itself to make the additional payments required by the Act;
- (d) to hold the Authority harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement;
- (e) to perform such further acts and adopt such further proceedings as may be required faithfully to implement its undertakings and to consummate the proposed financing; and
- (f) to covenant and agree in the loan agreement referred to above to install in the buildings which are to become a part of the Project all necessary equipment and machinery and initially to operate the Project in the manner described in Section 1.02 hereof.

### ARTICLE IV

#### GENERAL PROVISIONS

Section 4.01. All commitments of the Authority under Article II hereof are subject to all of the provisions of the Act and regulations of the Authority pursuant thereto and the condition that nothing contained in this Agreement



shall constitute nor give rise to a pecuniary liability of the Authority or a charge against any general credit or taxing power.

Section 4.02. The parties hereto agree that the Company may proceed with the Project including the acquisition of land, the construction of a building or buildings and the acquisition and installation of the equipment and machinery prior to the issuance of the Bonds.

Section 4.03. All commitments of the Authority and the Company hereunder are subject to the condition that the Authority and the Company do agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof.

Section 4.04. The parties understand that the Company or the Authority may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.05. This Agreement may be assigned by the Company to any of its affiliates, any partner or shareholder in the Company or to any company in which one or more of its partners or shareholders has an interest.

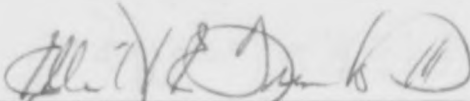
Section 4.06. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Treasury Department relating to the issuance of tax-exempt revenue bonds.

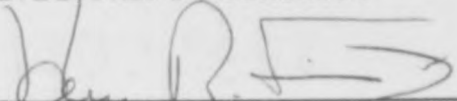


IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

ATTEST:

SOUTH CAROLINA JOBS - ECONOMIC  
DEVELOPMENT AUTHORITY

  
Elliott E. Franks, III;  
Director

  
Henry R. Sims, II,  
Chairman, Board of Directors

Dated: October 17, 1985

(SEAL)

ATTEST:

CHARLESTON WATERFRONT PROJECT  
II

By: \_\_\_\_\_

By: \_\_\_\_\_

Its \_\_\_\_\_

Its \_\_\_\_\_

Dated: \_\_\_\_\_, 1985

EXHIBIT

NOV 18 1986 NO. 25

STATE BUDGET & CONTROL BOARD

EXHIBIT

NOV 14 1986

2:47 P.M.

LL

McNAIR LAW FIRM, P.A. NOV 18 1986

NO. 25

ATTORNEYS AND COUNSELORS AT LAW

NCNB TOWER

POST OFFICE BOX 11390

STATE BUDGET &amp; CONTROL BOARD

COLUMBIA, SOUTH CAROLINA 29211

803-799-9800

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDOUROS  
D. WAYNE CORLEY  
E. MILEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIMBLE, JR.  
EMORY M. SNEEDEN  
STEPHEN KORLAN\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
JOHN H. LUMPKIN, JR.  
M. WILLIAM YOUNGBLOOD, JR.  
JOHN W. CURRIE  
RHETT DAWSON\*  
SCOTT Y. BARNES  
N. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL R. MILEOD, JR.  
WILLIAM S. ROSE, JR.  
HUEL D. ADAMS, JR.

JAMES R. FIELDS, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFCOAT  
ROBERT T. BOCKMAN  
EDWIN W. JOHNSON II  
PETER L. MURPHY  
C. ALAN BRYMAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY  
WILMOT B. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN CRUM MCKINNEY  
E. RUSSELL JETER, JR.  
WILLIAM MICHAEL HOUSE\*  
CARL B. CARRUTH  
JOHN W. HUNTER\*  
J. WESLEY CRUM II  
RICHARD J. MORGAN  
J. SHAWN FRASER  
CHRISTOPHER MCG. HOLMES  
DEBORAH K. OWEN\*

SARA S. ROGERS  
DOROTHY M. HELMS  
NANCY PAGE  
SANDRA L. RANDLEMAN  
JANE W. TRINKLEY  
J. LYLES GLENN IV  
CELESTE TILLER JONES  
KATHERINE ELIZABETH MIMS  
JOSEPH D. WALKER  
NANCY R. JEFFERS  
AUSON RENEE LEE  
MARTHA R. MULLIN  
GREGORY D. DELOACH  
WILLIAM ASHLEY JORDAN, JR.  
MICHAEL M. BEAL  
DEBORAH ANN DAYS  
ELIZABETH BOWE ANDERIE  
WILLIAM M. MUSSER  
SHARON E. CRAWLEY  
T. PARKIN HUNTER  
ROBERT E. MCMAHAN, JR.

\*NOT ADMITTED IN SOUTH CAROLINA

HAND DELIVERED

November 14, 1986

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

GREENVILLE OFFICE  
SUITE 1201  
NCNB PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
NCNB BUILDING  
POPE AVENUE  
POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5159

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

Ms. Donna Williams  
State Budget and Control Board  
Wade Hampton Office Building  
Columbia, South Carolina 29201

Re: \$8,500,000 South Carolina Jobs-Economic Development  
Authority Industrial Development Note (Charleston  
Waterfront Project I)

\$8,500,000 South Carolina Jobs-Economic Development  
Authority Industrial Development Note (Charleston  
Waterfront Project II)

Dear Donna:

In connection with the above referenced issues, I enclose  
the following documents which have been executed by JEDA:

- 1) Executed original and two (2) copies of Resolution  
and Petition to the State Budget and Control Board;
- 2) Executed original of the Inducement Resolution and  
Agreement; and
- 3) Original and ten (10) copies of the Board's resolu-  
tion.

If you need anything further, please let me know.

Sincerely,

*Patricia A. Oberst*  
Patricia A. Oberst  
Legal Assistant

PAO/jo

Enclosures

05191

NOV 12 1986  
12:04 P.M.  
2 of 5 - LL

TRANSMITTAL FORM, REVENUE BONDS

Date: November 12, 1986

Submitted for BCB Meeting on  
November 18, 1986

FROM:

McNair Law Firm

Name of Law Firm

Columbia, SC 29211

City, State, Zip Code

RE: \$8,500,000

Amount of Issue

South Carolina Jobs - Economic De-

Issuing Authority Name velopment  
Authority

Project Name: Charleston Waterfront Project I

Project Description:

Passenger terminal, port reception and related activity facility located in

Charleston, South Carolina

Employment as result of project: 283

CEILING ALLOCATION REQUIRED

X Yes (\$8,500,000 ) No  
Amount

REFUNDING INVOLVED

Yes (\$ ) No  
Amount

PROJECT APPROVED PREVIOUSLY

Yes ( ) No  
Date

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)  
B. ☒ Resolution or ordinance (executed copy)  
C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)  
D. ☒ Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: Chemical Bank )

OR ☐ Audited financial statements for three most recent years

E. ☐ Department of Health and Environmental Control certificate IF REQUIRED

F. ☐ Budget and Control Board Resolution and Public Notice (original)

(Plus copies for certification and return to counsel)

G. ☐ Processing fee

Amount \$ Check No.

Payer

Bond Counsel: McNair Law Firm, P.A.

Typed Name

By:

Signature

05192

Have

NOV 12 1986  
12:04 P.M.  
2 of 5 - LL

TRANSMITTAL FORM, REVENUE BONDS

Date: November 12, 1986

Submitted for BCB Meeting on:  
November 18, 1986

FROM:

McNair Law Firm

Name of Law Firm

Columbia, SC 29211

City, State, Zip Code

RE: \$8,500,000

Amount of Issue

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Amount

REFUNDING INVOLVED

Yes (\$ ) No  
Amount

PROJECT APPROVED PREVIOUSLY

Yes ( ) No  
Date

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)  
B. ☒ Resolution or ordinance (executed copy)  
C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)  
D. ☒ Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: Chemical Bank)

OR Audited financial statements for three most recent years

E. Department of Health and Environmental Control certificate IF REQUIRED

F. Budget and Control Board Resolution and Public Notice (original)

(Plus copies for certification and return to counsel)

G. Processing fee

Amount \$ Check No.

Payor

Bond Counsel: McNair Law Firm, P.A.

Typed Name

By:

Signature

05193

William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201

OR P. O. Box 12444, Columbia, SC 29211

1301 Gervais Street, P.O. Box 11390

Street Address/Box Number  
(803) 799-9800

Telephone Area Code and Number

Industrial Development Revenue Notes

Type of Bonds or Notes  
December 5, 1986

Projected Issue Date

The State of South Carolina



Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803/734-3680

EXHIBIT

NOV 18 1986

NO. 26

STATE BUDGET & CONTROL BOARD

December 23, 1986

Mr. William A. McInnis  
Deputy Executive Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: \$8,500,000 South Carolina Jobs Economic  
Development Authority, South Carolina  
Industrial Development Revenue Notes  
(Charleston Waterfront Project II)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-140, et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

This opinion addresses only the legal sufficiency of the documents you have provided for our review. No opinion is expressed as to any other matters, including whether the Petition should be approved as a matter of policy.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "D. Eckstrom".

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

05194





# EXHIBIT

NOV 18 1986 NO. 26

STATE OF SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD  
Standard Form Investment Letter

STATE BUDGET & CONTROL BOARD

TO: Secretary, State Budget and Control Board  
P. O. Box 12444  
Columbia, SC 29211

RE: Sale by South Carolina Jobs-Economic Development (the "Issuer")  
Authority  
Of its \$8,500,000 Industrial Development Revenue (the "Bonds")  
Bonds  
On behalf of Charleston Waterfront Project II (the "Company")  
Limited Partnership  
Charleston Waterfront Project II (the "Project")  
To Chemical Bank (the "Purchaser")

DATE:

In connection with the referenced sale of Bonds by the Issuer, the Purchaser makes the following representations and certifications:

1. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds;
2. The Purchaser is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;
3. The Purchaser is familiar with the business affairs of the Company and has obtained and examined all financial and other information with respect to the Bonds, the Company and the officers and shareholders of the Company which it deems necessary in order to enable it to evaluate the merits and risks of its investment in the Bonds and to make an informed investment judgment in connection with the purchase of the Bonds;
4. The Purchaser has had the opportunity to ask questions of, and receive answers from, the Issuer and the Company concerning the terms and conditions of the offering and any other information which it has deemed relevant to the Bonds and its investment in the Bonds; and
5. The Bonds are being purchased for the account of the Purchaser and for the purpose of investment and not presently for resale, and the Purchaser has no present intention of offering the Bonds or any portion thereof for resale either currently or after the passage of a fixed period of time, or upon the occurrence or nonoccurrence of any predetermined event or circumstances.

SWORN to and subscribed  
before me this 10th day  
of November, 1986.

Candace Shreeves  
Notary Public

My Commission expires \_\_\_\_\_.

CANDACE SHREEVES  
Notary Public, State of New York  
NO. 03-8980280  
Qualified in Bronx County  
Commission Expires October 31, 1988

PURCHASER:

Name: CHEMICAL BANK

Address: 633 Third Avenue

New York, New York 10017

BY: Charles J. [Signature]  
Signature of Authorized Official

05195

# EXHIBIT

STATE OF SOUTH CAROLINA )

Charleston Waterfront II

NOV 18 1986

NO. 26

COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, November 18, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of: Representative Mangum, who was represented by House Ways and Means Committee Acting Chairman T. W. Edwards, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; the motion was seconded by Mr. Patterson, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

5

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of the Board in my custody as its Secretary.

December 23, 1986

William A. McInnis

05196

# EXHIBIT

NOV 18 1986

NO. 26

## STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PRIVATE SALE OF A NOT EXCEEDING \$8,500,000 PRINCIPAL AMOUNT INDUSTRIAL DEVELOPMENT REVENUE NOTE (CHARLESTON WATERFRONT PROJECT II) 1986, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act") requested approval by the State Budget and Control Board of the issuance by the Authority through private sale pursuant to the Act of its Industrial Development Revenue Note (Charleston Waterfront Project II) 1986 in the aggregate principal amount of not exceeding \$8,500,000 (the "Note"); and

WHEREAS, the Authority represents to the State Budget and Control Board that it has reviewed the standard form investment letter from Chemical Bank, the purchaser of the bonds, and finds it to be acceptable;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that: the Request filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Note through private sale be and the same is hereby in all respects approved.

Section 3. This Resolution shall take effect immediately.

05197



NOV 18 1986

NO. 26

State of South Carolina

## State Budget and Control Board

STATE BUDGET &amp; CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNORGRADY L. PATTERSON, JR.  
STATE TREASUREREARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444

Columbia  
29211REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEEJESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

December 29, 1986

## C E R T I F I C A T E

## STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Jobs-Economic Development Authority  
c/o Mr. William M. Musser  
McNair Law Firm  
Box 11390  
Columbia, SC 29211

RE: Issue of \$7,000,000, Jobs-Economic Development Authority, South Carolina  
Industrial Development Revenue Bonds  
(Charleston Waterfront Project II)  
Issue Date Projected By Issuing Authority: December 31, 1986  
Allocation Expiration Date: December 31, 1986  
Issue Amount Certificate Date: December 29, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Section 7(b) of the Governor's Executive Order #86-20, issued October 22, 1986, which certificate is dated not more than ten (10) business days prior to the projected date of issue which, as certified by the issuing authority, is within the time period during which the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project is valid, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

*William A. McInnis*

William A. McInnis, Secretary

05198



DEC 29 1986  
12:46 P.M.  
2 of 2 - LL

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
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T. PARKIN HUNTER  
ROBERT F. McMAHON, JR.

\*NOT ADMITTED IN SOUTH CAROLINA

December 29, 1986

DELIVERY BY HAND

THOMAS H. BARRSDALE, JR.\*  
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Mr. William A. McInnis  
Deputy Executive Director  
South Carolina State Budget  
and Control Board  
6th Floor, Hampton Building  
Columbia, South Carolina 29201

Re: South Carolina Jobs - Economic Development  
Authority Industrial Development Revenue  
Bonds (Charleston Waterfront Project II)

Dear Mr. McInnis:

This letter is to inform you that with reference to the above-referenced bonds the principal amount will be \$7,000,000 and the date of issuance will be December 31, 1986.

Very truly yours,

*William M. Musser*

William M. Musser

lsh

Enclosure

EXHIBIT

NOV 18 1986

NO. 26

STATE BUDGET & CONTROL BOARD

05199

# EXHIBIT

State of South Carolina

NOV 18 1986

NO. 26

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

### C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Jobs-Economic Development Authority  
\$8,500,000  
Industrial Development Revenue Note  
(Charleston Waterfront II Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Tax Reform Act of 1986 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Section 7(b) of the Governor's Executive Order #86-20, issued on October 22, 1986, requires that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

05200

# EXHIBIT

NOV 18 1986

NO. 26

STATE OF SOUTH CAROLINA )  
RICHLAND COUNTY )

STATE BUDGET & CONTROL BOARD

TO THE STATE BUDGET AND CONTROL )  
BOARD OF SOUTH CAROLINA )  
PETITION OF SOUTH  
CAROLINA JOBS-ECONOMIC  
DEVELOPMENT AUTHORITY

This Petition of the South Carolina Jobs-Economic Development Authority (the "Authority"), pursuant to South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act") and specifically Section 41-43-110 thereof, respectfully shows:

1. The Act, among other things, empowers the Authority: (i) to acquire, and, in connection with such acquisition, to enlarge, improve and expand, whether by construction, purchase, gift or lease, one or more projects (as defined in Section 41-43-160 of the Act) which shall be located within the jurisdiction of the State of South Carolina; (ii) to make available to any business enterprise located in South Carolina such projects for such payments and upon such terms and conditions as the Authority may deem advisable and as shall not conflict with the provisions of the Act; and (iii) subject to the approval of the State Budget and Control Board of the issuance of its bonds through public or private sale pursuant to Section 41-43-110 of the Act, to issue revenue bonds, as defined in the Act to include notes, for the purpose of defraying the cost of acquiring, by construction and purchase, and in connection with any such acquisition, to enlarge, improve and expand any project and to secure the payment of such bonds all as in the Act provided.

3. Pursuant to the provisions of Act No. 512 of the Acts and Joint Resolutions for the General Assembly of the State of South Carolina for the year 1984 and regulations approved thereunder, the State Budget and Control Board and the Joint Bond Review Committee have been assigned certain responsibilities with respect to allocation of the private activity bond ceiling applicable to the State of South Carolina under Section 103(n) of the Internal Revenue Code of 1954, as amended (the "Volume Cap").

4. The Authority has agreed to assist Charleston Waterfront Project II Limited Partnership, a Maryland limited partnership (the "Company") by issuing its revenue note for the purpose of defraying the cost of acquiring certain

facilities to be used for the purpose of providing a passenger terminal, port reception and related activity facility constituting a commercial facility to be located in the City of Charleston within the State of South Carolina (the "Project").

5. The undersigned Chairman of the Board of Directors of the Authority certifies that approval of this Project was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

6. The Authority has been advised by the Company that the estimated cost of the Project will be \$8,500,000, and the Company has requested the Authority to execute and deliver its Industrial Development Revenue Note (Charleston Waterfront Project II) (the "Note") in the principal amount of not exceeding \$8,500,000 to defray such costs.

7. Pursuant to Section 41-43-150 of the Act, the Authority has made the requisite findings that:

(a) The Company is engaged in the business of providing a passenger terminal, port reception and related activity facility, and the Project is located in the City of Charleston within the State of South Carolina.

(b) The Project will constitute a "project" as said term is referred to and defined in Section 41-43-160 of the Act, and the issuance of the Note in the principal amount of not exceeding \$8,500,000 to defray the cost of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(c) It is anticipated that the Project will benefit the general public welfare of the State of South Carolina and the City of Charleston in particular by providing employment for those engaged in construction of the Project, and by providing additional permanent employment for approximately 283 people from the City of Charleston and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of such businesses not otherwise provided locally.

(d) Neither the Project, the Note proposed to be issued by the Authority to defray the cost of the Project, nor any documents or agreements entered into by the Authority in connection therewith will constitute or give rise to a pecuniary liability of the Authority or the State of South Carolina or a charge against general credit or taxing power



of either, and only program funds (as defined in the Act) will be made available to finance the cost of the Project.

(e) The Company is a limited partnership with established credit and is a responsible party.

(f) The issuance of the Note by the Authority in the principal amount of not exceeding \$8,500,000 will be required to defray the cost of the Project, and such principal amount bears a reasonable relationship to the amount of private funds also committed to the Project.

(g) The size and scope of the Project is such that a definite benefit to the economy of the State of South Carolina, and the City of Charleston in particular, is reasonably expected to result therefrom.

Prior to issuance of the Note, the Authority will, as part of its proceedings make findings as to the terms of the agreements to be entered into in connection with the Project and the adequacy of protection for the public interest provided by such terms.

Upon the basis of the foregoing, the Authority respectfully prays that the State Budget and Control Board (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such investigation as it deems advisable, (iii) approve the issuance of the Note by the Authority through private sale pursuant to the Act to defray the cost of the Project (including changes in any details of the said financing as finally consummated which do not materially affect the undertaking of the Authority) and (iv) allocate \$8,500,000 of the Volume Cap for the Note.

Respectfully submitted,


SOUTH CAROLINA JOBS-ECONOMIC  
DEVELOPMENT AUTHORITY

By

Henry R. Sims, II, Chairman, Board  
of Directors

Dated: October 9, 1985.  
(SEAL)

ATTEST:

  
Elliott E. Franks, III,  
Director

EXHIBIT

NOV 18 1986 NO. 26

STATE BUDGET & CONTROL BOARD



RESOLUTION

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY, OF ITS INDUSTRIAL DEVELOPMENT REVENUE NOTE (CHARLESTON WATERFRONT PROJECT II) 1986, THROUGH PRIVATE SALE PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$8,500,000.

EXHIBIT

NOV 18 1986 NO. 26

STATE BUDGET & CONTROL BOARD

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority"), acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Section 41-43-110 of the South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act") to acquire and cause to be acquired properties that are projects under Section 41-43-160 of the Act through which the industrial, commercial, agricultural and recreational development of the State of South Carolina will be promoted and trade developed by inducing business enterprises to locate in and remain in the State of South Carolina and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State; and

WHEREAS, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds, as defined in the Act to include notes, payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such financing agreement; and

WHEREAS, the Authority and Charleston Waterfront Project II Limited Partnership, a Maryland limited partnership (the "Company") entered into an Inducement Agreement (the "Inducement Agreement") authorized by the Authority on October 17, 1985, pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the undertakings of the Authority pursuant to the Inducement Agreement, the Authority proposes to issue its Industrial Development Revenue Note (Charleston Waterfront Project II) in the principal amount of not exceeding \$8,500,000 (the "Note") under and pursuant to the Act to defray the costs of acquiring by construction and

purchase certain land, a building or buildings and other improvements thereon, and machinery, apparatus, equipment, office facilities and furnishings to be installed therein for the purpose of providing a passenger terminal, port reception and related activity facility constituting a commercial facility (the "Project") to be located in the City of Charleston within the State of South Carolina and, subject to the approval of the State Budget and Control Board of South Carolina for the issuance of the Note at private sale, to make the Project available to the Company under and pursuant to the terms of a loan agreement to be entered into among the Authority, the lender and the Company; and

WHEREAS, it is now deemed advisable by the Authority to file with the State Budget and Control Board of South Carolina, in compliance with Section 41-43-110 of the Act, the Petition of the Authority requesting approval by the State Budget and Control Board for the issuance of the Note at private sale;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Carolina Jobs-Economic Development Authority, as follows:

Section 1. It is hereby found, determined and declared as follows:

(a) The Company is engaged in the business of providing a passenger terminal, port reception and related activity facility, and the Project is located in the City of Charleston within the State of South Carolina.

(b) The Project will constitute a "project" as said term is referred to and defined in Section 41-43-160 of the Act, and the issuance of the Note in the principal amount of not exceeding \$8,500,000 to defray the cost of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(c) It is anticipated that the Project will benefit the general public welfare of the State of South Carolina and the City of Charleston in particular by providing employment for those engaged in construction of the Project, and by providing additional permanent employment for approximately 283 people from the City of Charleston and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of such businesses not otherwise provided locally.

(d) Neither the Project, the Note proposed to be issued by the Authority to defray the cost of the Project, nor any documents or agreements entered into by the Authority in connection therewith will constitute or give rise to a pecuniary liability of the Authority or the State of South Carolina or a charge against general credit or taxing power of either, and only program funds (as defined in the Act) will be made available to finance the cost of the Project.

(e) The Company is a limited partnership with established credit and is a responsible party.

(f) The issuance of the Note by the Authority in the principal amount of not exceeding \$8,500,000 will be required to defray the cost of the Project, and such principal amount bears a reasonable relationship to the amount of private funds also committed to the Project.

(g) The size and scope of the Project is such that it shall be a definite benefit to the economy of the State of South Carolina, and the City of Charleston in particular, is reasonably expected to result therefrom.

Prior to issuance of the Note, the Authority will, as part of its proceedings:

(a) Require a resolution from the governing body of the City of Charleston containing the following findings: (1) that the Project will subserve the purposes of the Act; (2) that the Project is anticipated to benefit the general public welfare of the City of Charleston by providing services, employment, recreation or other public benefits not otherwise provided locally; (3) that the Project will give rise to no pecuniary liability of the City of Charleston or a charge against its general credit or taxing power; and (4) the amount of bonds required to finance the Project.

(b) Hold a public hearing in the City of Charleston in connection with such resolution; and

(c) Make findings as to the terms of the agreements to be entered into in connection with the Project and the adequacy of protection for the public interest provided by such terms.

Section 2. There be and is hereby authorized and directed the submission on behalf of the Authority, of a Petition requesting approval by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 41-43-110 of the Act of the issuance of the Note through private sale, said Petition, which constitutes and is

hereby made a part of this authorizing resolution, to be in substantially the form attached hereto.

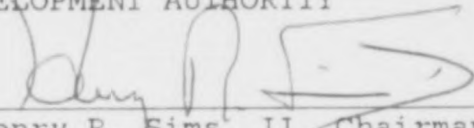
Section 3. The Chairman of the Board of Directors of the Authority be and is hereby authorized and directed to execute said Petition in the name and on behalf of the Authority, and the Director of the Authority be and is hereby authorized and directed to affix the seal of the Authority to said Petition and to attest the same and thereafter to submit an executed copy of this resolution, to the State Budget and Control Board, in Columbia, South Carolina.

Section 4. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved October 9, 1986.


SOUTH CAROLINA JOBS-ECONOMIC  
DEVELOPMENT AUTHORITY

By

  
Henry R. Sims, II, Chairman, Board  
of Directors

(SEAL)

ATTEST:

  
Elliott E. Franks, III,  
Director

EXHIBIT

NOV 18 1986

NO. 26

STATE BUDGET & CONTROL BOARD



# EXHIBIT

NOV 18 1986

NO. 26

## RESOLUTION

## STATE BUDGET & CONTROL BOARD

A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS INDUSTRIAL DEVELOPMENT REVENUE BONDS OR NOTES (CHARLESTON WATERFRONT PROJECT II PROJECT) 1986, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43, (1976) AS AMENDED IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$10,000,000.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") is authorized and empowered under and pursuant to the provisions of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act"), particularly Section 41-43-110 thereof, to acquire and cause to be acquired properties that are projects under Section 41-43-160 of the Act through which the industrial, commercial, agricultural and recreational development of the State of South Carolina will be promoted and trade developed by inducing business enterprises to locate in and remain in the State of South Carolina and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State; and

WHEREAS, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such a financing agreement; and

WHEREAS, the Authority and Charleston Waterfront Project II, a Maryland limited partnership (the "Company"), entered into an Inducement Agreement (the "Inducement Agreement"), pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the undertakings of the Authority pursuant to the Inducement Agreement, the Authority proposes to issue not exceeding \$10,000,000 principal amount of its Industrial Development Revenue Bonds or Notes (Charleston Waterfront Project II Project) (the "Bonds") under and pursuant to Section 41-43-110 of the Act to defray the costs of acquiring certain land, a building or buildings and other improvements thereon, and machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be located in the jurisdiction of the City of Charleston and to be used for the purpose of providing a passenger terminal, port reception and related activity facility and, subject to such approval of the State Budget and Control Board of South Carolina and the governing board of the City of Charleston as may be required by law, to make the Project available to the Company under and pursuant to the terms of a loan



agreement to be entered into between the Authority, the Company and a lender to be named; and

WHEREAS, it is anticipated that, upon completion, the Project will provide directly 283 additional fulltime jobs in the County and surrounding areas and that the Project will stimulate the economy of the County and surrounding areas by increased payrolls, capital investment and tax revenues; and

WHEREAS, the Authority and the Company have agreed pursuant to the Inducement Agreement that the Company will, under the terms of any loan agreement entered into with respect to the Project, obligate itself to pay to the Authority sums sufficient to pay the principal, interest and premium, if any, on the Bonds, as and when the same become due and payable; and

WHEREAS, the governing body of the City of Charleston and the Authority have this day jointly held a public hearing, duly noticed by publication in a newspaper having general circulation in the City of Charleston not less than 15 days prior to the date hereof, at which all interested persons were given a reasonable opportunity to express their views;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Charleston, South Carolina, as follows:

Section 1. It is hereby found, determined and declared as follows: (1) the Project will subserve the purposes of the Act; (2) the Project is anticipated to benefit the general public welfare of the City of Charleston by providing services, employment, recreation or other public benefits not otherwise provided locally; (3) the Project will give rise to no pecuniary liability of the City of Charleston or a charge against its general credit or taxing power; and (4) the amount of bonds required to finance the Project is not exceeding \$10,000,000.

Section 2. The governing body of the City of Charleston approves the Project and supports the Authority in its determination to issue the Bonds to defray the cost of the Project.

Section 3. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved December 3, 1985.

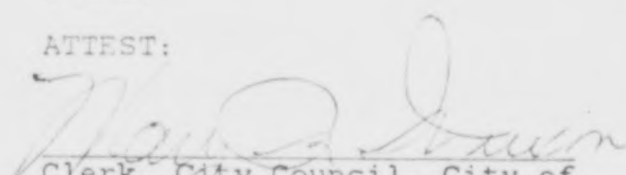
CITY OF CHARLESTON, SOUTH CAROLINA

By: 

Mayor, City Council, City of  
Charleston, South Carolina

(SEAL)

ATTEST:

  
Clerk, City Council, City of  
Charleston, South Carolina

EXHIBIT

NOV 18 1986

NO. 26

STATE BUDGET & CONTROL BOARD

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY AND CHARLESTON WATERFRONT PROJECT I, WHEREBY UNDER CERTAIN CONDITIONS THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY WILL ISSUE NOT EXCEEDING \$10,000,000 INDUSTRIAL DEVELOPMENT REVENUE BONDS.

EXHIBIT

NOV 18 1986 NO. 26

STATE BUDGET & CONTROL BOARD

WHEREAS, South Carolina Jobs-Economic Development Authority (the "Authority") is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43, Code of Laws of South Carolina, 1976 (the "Act"), particularly Section 41-43-110 thereof, to enter into agreements with any businesses located in South Carolina necessary or incidental to the issuance of bonds and to issue bonds for the purpose of defraying the cost of acquiring, by construction and purchase, "projects" as described in Section 41-43-160 of the Act, through which the industrial, commercial, agricultural and recreational development of the State will be promoted; and

WHEREAS, the Authority is further authorized by the Act, particularly Section 41-43-110 thereof to issue revenue bonds (as defined in the Act to include notes) payable solely out of the revenues derived pursuant to a loan or security agreement with respect to any such project or facility and secured by a pledge of said revenues, and to enter into a security agreement covering all of or any part of such project; and

WHEREAS, Charleston Waterfront Project I, a Maryland limited partnership, (the "Company") has requested the Authority to issue an amount not exceeding \$10,000,000 of its industrial development revenue bonds, ( Charleston Waterfront Project I Project) pursuant to Section 41-43-110 of the Act in order to defray the cost of acquiring certain land, improvements to be made thereon, and the machinery and equipment to be installed therein for the purpose of providing a passenger terminal, port reception and related activity facility (the "Project"), all as more fully set forth in the Inducement Agreement attached hereto; and

NOW, THEREFORE, BE IT RESOLVED, by the Authority as follows:

Section 1. Pursuant to Section 41-43-110 of the Act and subject to such approval by the State Budget and Control Board and any local governing board as may be required by law and for the purpose of defraying the cost of acquiring the Project, there is hereby authorized to be issued industrial development revenue bonds or notes of the

05211

Authority in the original principal amount of not exceeding \$10,000,000 to be designated "Jobs-Economic Development Authority Revenue Bonds [or Notes] (Charleston Waterfront Project I Project)" (the "Bonds").

Section 2. The provisions, terms and conditions of the loan agreement by and between the Authority and the Company, the provisions, terms and conditions of the security agreement by and between the Authority and the trustee or bondholder, yet to be named, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds, other details of any loan agreement relating to the Bonds, and findings required by the Act shall be prescribed by subsequent resolution of the Authority.

Section 3. The Chairman of Board of the Authority is hereby authorized and directed to execute the Inducement Agreement attached hereto in the name and on behalf of the Authority, and the Director or Acting Director of the Authority is hereby authorized and directed to affix thereto the seal of the Authority and to attest the same, and the Director or Acting Director of the Authority is hereby further authorized and directed to deliver said executed Inducement Agreement to the Company.

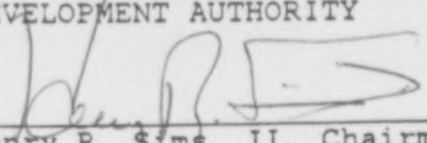
Section 4. Prior to the issuance of any Bonds, the Authority will comply with the provisions of the Act regarding the procedural requirements for issuing bonds.

Section 5. All orders, resolutions, regulations and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and after its passage by the Authority.

Section 6. It is the intention of the Authority that this resolution shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Treasury Department relating to the issuance of tax-exempt revenue bonds.


Done in meeting duly assembled this 17th day of  
October, 1985.

SOUTH CAROLINA JOBS-ECONOMIC  
DEVELOPMENT AUTHORITY

  
Henry R. Sims, II, Chairman, Board  
of Directors

(SEAL)

ATTEST:

  
Elliott E. Franks, III,  
Director

EXHIBIT

NOV 18 1986 NO. 26

STATE BUDGET & CONTROL BOARD



## INDUCEMENT AGREEMENT

THIS AGREEMENT made and entered into by and between South Carolina Jobs-Economic Development Authority, a public body corporate and politic and an agency and duly constituted Authority of the State of South Carolina (the "Authority"), and Charleston Waterfront Project I, a Maryland limited partnership (the "Company").

W I T N E S S E T H:

### ARTICLE I

#### RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The Authority is an agency and duly constituted Authority of the State of South Carolina, and is authorized and empowered by the provisions of Title 41, Chapter 43, Code of Laws of South Carolina, 1976 (the "Act"), particularly Section 41-43-110 thereof, to enter into agreements with any business located in South Carolina necessary or incidental to the issuance of bonds and to issue bonds for the purpose of defraying the cost of acquiring "projects" as described in Section 41-43-160 of the Act, through which the industrial, commercial, agricultural and recreational development of the State will be promoted.

Section 1.02. The Company proposes to acquire land in the City of Charleston and intends to acquire and install thereon all the buildings, facilities, machinery, apparatus, equipment, office facilities and furnishings necessary for the purpose of providing a passenger terminal, port reception and related activity facility (the "Project").

Section 1.03. The Company has requested the Authority to assist it with its contemplated program through the sale of its industrial development revenue bonds or notes pursuant to Section 41-43-110 of the Act, whereby the Authority would defray certain costs of the Project.

Section 1.04. The Authority has given due consideration to all the proposals and requests of the Company and has agreed to endeavor to effect the issuance of the bonds or notes at the time and on the terms and conditions hereafter set forth.

## ARTICLE II

### UNDERTAKINGS ON THE PART OF THE AUTHORITY

The Authority agrees as follows:

Section 2.01. The Authority will, subject to such approval by the State Budget and Control Board and the governing body of the City of Charleston as may be required by law and subject to the limitations set forth herein, authorize the issuance of an amount not exceeding \$10,000,000 Industrial Development Revenue Bonds [or Notes] (Charleston Waterfront Project I Project) (the "Bonds"), at such time as the Company may request the Authority to do so.

Section 2.02. The Authority will permit the Company to arrange for the sale of the Bonds to defray certain costs of the Project as aforesaid and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds may be applied to the payment of the costs of the Project as determined under Section 41-43-160 of the Act including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition of the Project including land, buildings, necessary machinery and equipment and other items permitted by the Act, and the repayment of any funds advances or loans incurred by the Company for such purposes.

Section 2.04. Prior to issuing the Bonds, the Authority may enter into a loan agreement with the Company and a security agreement with a trustee to be selected by the Company or with the purchasers of the Bonds, pursuant to which the Bonds will be secured and issued. Such documents shall be substantially in the form used in connection with the issuance of other South Carolina industrial development revenue bonds and shall constitute a lien on the revenues derived from the Company with respect to the Project to secure the payment of the Bonds.

Section 2.05. The Authority will perform such other acts and adopt such further proceedings as may be required to faithfully implement its undertakings and to consummate the proposed financing.

Section 2.06. The undertakings of the Authority hereunder are contingent upon the Authority continuing to evaluate the Project as beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware and upon the Company providing the Authority with such further evidence as may be

satisfactory to the Authority as to compliance with all applicable statutes and regulations.

### ARTICLE III

#### UNDERTAKINGS ON THE PART OF THE COMPANY

Section 3.01. The Company agrees that the Authority will have no obligation to find a purchaser of the Bonds and acknowledges that the Authority's approval of this Agreement is preliminary and is conditioned upon the Authority continuing to evaluate the Project as beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware.

Section 3.02. The Company further agrees, if the plan proceeds as contemplated, as follows:

- (a) to acquire the Project;
- (b) to enter into a loan agreement with the Authority, under the terms of which the Company will obligate itself to pay to the Authority sums sufficient to pay the principal, interest and premium, if any, on the Bonds, as and when the same become due and payable;
- (c) to obligate itself to make the additional payments required by the Act;
- (d) to hold the Authority harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement;
- (e) to perform such further acts and adopt such further proceedings as may be required faithfully to implement its undertakings and to consummate the proposed financing; and
- (f) to covenant and agree in the loan agreement referred to above to install in the buildings which are to become a part of the Project all necessary equipment and machinery and initially to operate the Project in the manner described in Section 1.02 hereof.

### ARTICLE IV

#### GENERAL PROVISIONS

Section 4.01. All commitments of the Authority under Article II hereof are subject to all of the provisions of the Act and regulations of the Authority pursuant thereto and the condition that nothing contained in this Agreement

shall constitute nor give rise to a pecuniary liability of the Authority or a charge against any general credit or taxing power.

Section 4.02. The parties hereto agree that the Company may proceed with the Project including the acquisition of land, the construction of a building or buildings and the acquisition and installation of the equipment and machinery prior to the issuance of the Bonds.

Section 4.03. All commitments of the Authority and the Company hereunder are subject to the condition that the Authority and the Company do agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof.

Section 4.04. The parties understand that the Company or the Authority may choose not to finance the Project as herein provided, in which event this Agreement shall become void.


Section 4.05. This Agreement may be assigned by the Company to any of its affiliates, any partner or shareholder in the Company or to any company in which one or more of its partners or shareholders has an interest.

Section 4.06. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Treasury Department relating to the issuance of tax-exempt revenue bonds.

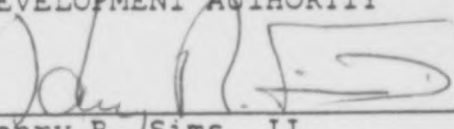


IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

ATTEST:

  
Elliott E. Franks, III;  
Director

SOUTH CAROLINA JOBS - ECONOMIC  
DEVELOPMENT AUTHORITY

  
Henry R. Sims, II,  
Chairman, Board of Directors

Dated: October 17, 1985

(SEAL)

ATTEST:

CHARLESTON WATERFRONT PROJECT  
I

By: \_\_\_\_\_

Its \_\_\_\_\_

Dated: \_\_\_\_\_, 1985

By: \_\_\_\_\_

Its \_\_\_\_\_

**EXHIBIT**

NOV 18 1986 NO. 26

STATE BUDGET & CONTROL BOARD



EXHIBIT NOV 14 1986 2:47 P.M.

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

NOV 18 1986

NO. 26

LT

STATE BUDGET & CONTROL BOARD

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDROUS  
O. WAYNE CORLEY  
E. MILEDO SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
EMORY M. SNEEDEN  
STEPHEN KORLAN\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
JOHN H. LUMPKIN, JR.  
M. WILLIAM YOUNGBLOOD, JR.  
JOHN W. CURRIE  
RHETT DAWSON\*  
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HUEL D. ADAMS, JR.

JAMES R. FIELDS, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFCOAT  
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EDWIN W. JOHNSON  
PETER L. MURPHY  
C. ALAN RUNYAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY  
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ROBERT E. STEPP  
KATHLEEN CRUM MCKINNEY  
E. RUSSELL JETER, JR.  
WILLIAM MICHAEL HOUSE\*  
CARL B. CARRUTH  
JOHN W. HUNTER\*  
J. WESLEY CRUM  
RICHARD J. MORGAN  
J. SIMON FRASER  
CHRISTOPHER MCG. HOLMES  
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SARA S. ROGERS  
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SHARON E. CRAWLEY  
T. PARKIN HUNTER  
ROBERT F. McMAHAN, JR.

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

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NCNB PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
NCNB BUILDING  
POPE AVENUE  
POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

HAND DELIVERED

November 14, 1986

\*NOT ADMITTED IN SOUTH CAROLINA

Ms. Donna Williams  
State Budget and Control Board  
Wade Hampton Office Building  
Columbia, South Carolina 29201

Re: \$8,500,000 South Carolina Jobs-Economic Development  
Authority Industrial Development Note (Charleston  
Waterfront Project I)

\$8,500,000 South Carolina Jobs-Economic Development  
Authority Industrial Development Note (Charleston  
Waterfront Project II)

Dear Donna:

In connection with the above referenced issues, I enclose  
the following documents which have been executed by JEDA:

- 1) Executed original and two (2) copies of Resolution  
and Petition to the State Budget and Control Board;
- 2) Executed original of the Inducement Resolution and  
Agreement; and
- 3) Original and ten (10) copies of the Board's resolu-  
tion.

If you need anything further, please let me know.

Sincerely,

*Patricia A. Oberst*  
Patricia A. Oberst  
Legal Assistant

PAO/jo

Enclosures

05219

NOV 12 1986  
12:04 P.M.  
Jef 5-22

**TRANSMITTAL FORM, REVENUE BONDS**

Date: November 12, 1986

Submitted for BCB Meeting on:  
November 18, 1986

**FROM:**

McNair Law Firm

**Name of Law Firm**

Columbia, South Carolina 29211

**City, State, Zip Code**

RE: \$8,500,000

**Amount of Issue**

South Carolina Jobs - Economic De-

Issuing Authority Name velopment  
Authority

Project Name: Charleston Waterfront Project II

**Project Description:**

Passenger terminal, port reception and related activity facility located in  
Charleston, South Carolina

Employment as result of project: 283

**CEILING ALLOCATION REQUIRED**

X Yes (\$8,500,000) No

Amount

**REFUNDING INVOLVED**

Yes (\$ ) No

Amount

**PROJECT APPROVED PREVIOUSLY**

Yes ( ) No

Date

**DOCUMENTS ENCLOSED:**

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)  
B. ☒ Resolution or ordinance (executed copy)  
C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)  
D. ☒ Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: Chemical Bank)

OR ☐ Audited financial statements for three most recent years

E. ☐ Department of Health and Environmental Control certificate IF REQUIRED

F. ☐ Budget and Control Board Resolution and Public Notice (original)

[Plus \_\_\_\_\_ copies for certification and return to counsel]

G. ☐ Processing fee

Amount \$ \_\_\_\_\_ Check No. \_\_\_\_\_

Payor \_\_\_\_\_

Bond Counsel: McNair Law Firm, P.A.

Typed Name

By:

Signature

05220

NOV 12 1986

12:04 P.M.

3 of 5 - XL

## TRANSMITTAL FORM, REVENUE BONDS

Date: November 12, 1986

Submitted for BCB Meeting on:  
November 18, 1986

## FROM:

McNair Law Firm

## Name of Law Firm

Columbia, South Carolina 29211

City, State, Zip Code

RE: \$8,500,000

## Amount of Issue

South Carolina Jobs - Economic De-

Issuing Authority Name velopment  
Authority

Project Name: Charleston Waterfront Project II

## Project Description:

Passenger terminal, port reception and related activity facility located in

Charleston, South Carolina

Employment as result of project: 283

## CEILING ALLOCATION REQUIRED

X Yes (\$8,500,000) No

Amount

## REFUNDING INVOLVED

Yes (\$ ) No

Amount

## PROJECT APPROVED PREVIOUSLY

Yes ( ) No

Date

## DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)
- B. ☒ Resolution or ordinance (executed copy)
- C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)
- D. ☒ Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: Chemical Bank)

OR Audited financial statements for three most recent years

E. Department of Health and Environmental Control certificate IF REQUIRED

F. Budget and Control Board Resolution and Public Notice (original)

[Plus copies for certification and return to counsel]

G. Processing fee

Amount \$

Check No.

Payor

Bond Counsel: McNair Law Firm, P.A.

Typed Name

By:

Signature

05221

The State of South Carolina



Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-734-3680

NOV 20 1986  
10:14 A.M.  
LL

EXHIBIT

NOV 18 1986

NO. 27

STATE BUDGET & CONTROL BOARD

November 19, 1986

Mr. William A. McInnis  
Deputy Executive Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: \$150,000 Richland County, South Carolina  
Agricultural Development Revenue Bonds  
(Jack Denver Powell)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 46-47-10, et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "D. Eckstrom".

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

05222



# EXHIBIT

NOV 18 1986

NO. 27

STATE OF SOUTH CAROLINA )

Jack Denver Powell

COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, November 18, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of: Representative Mangum, who was represented by House Ways and Means Committee Acting Chairman T. W. Edwards, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; the motion was seconded by Mr. Patterson, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

5

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of the Board in my custody as its Secretary.

November 20, 1986

William A. McInnis

65223



# EXHIBIT

NOV 18 1986

NO. 27

## A RESOLUTION

## STATE BUDGET & CONTROL BOARD

OF THE STATE BUDGET AND CONTROL BOARD APPROVING THE ISSUANCE BY THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY OF A \$150,000 AGRICULTURAL DEVELOPMENT BOND (JACK DENVER POWELL PROJECT), 1986.

WHEREAS, it is provided by the South Carolina State Family Farm Development Act, Section 15 of Act No. 179 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, Regular Session of 1981, now codified as Chapter 47, Title 46 of the Code of Laws of South Carolina, 1976, as amended, (the "Act"), that upon approval by the State Budget and Control Board (the "Board"), the South Carolina State Family Farm Development Authority (the "Authority") may borrow money through the issuance of its negotiable bonds in order to finance its programs; and

WHEREAS, the Authority has established a direct loan program (the "Direct Loan Program") as provided in Section 15 of the Act (now codified as section 46-47-90); and

WHEREAS, the Authority has submitted its petition (the "Petition") to the Board requesting approval by the Board of the issuance by the Authority pursuant to the Act of its \$150,000 Agricultural Development Bond (Jack Denver Powell Project), 1986 (the "Bond"), which Bond has been authorized to be issued pursuant to Resolution No. 86-0022 adopted on November 14, 1986, by the Authority.

WHEREAS, the Bond shall be dated, shall mature, shall bear interest at the rate set forth on Exhibit B attached to the Authority's Petition and shall otherwise contain such terms and conditions as previously authorized by the Resolution of the Authority and shall be sold to Bank of Westminster, in Westminster, South Carolina; and

WHEREAS, the Authority has presented to the Board the Petition which, together with exhibits and schedule thereto attached, sets forth certain information with respect to the Direct Loan Program and the Bond.

WHEREAS, the Board has determined, based upon such information, that the funds estimated to thereafter be available for the repayment of the Bond will be sufficient to provide for the payment of the principal and interest on the Bond as they become due;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD, AS FOLLOWS:

Section 1. It is found and determined that the facts set forth in the preambles to this Resolution and in the Petition are in all respects true and correct.

Section 2. The Petition filed by the Authority contain all matters required by the Act and the rules of the Board to be set forth therein.

Section 3. Approval is hereby granted by the Board to the issuance and sale by the Authority of its \$150,000 Agricultural Development Bond (Jack Denver Powell Project), 1986, in order to make a mortgage loan or secured loan to the Jack Denver Powell (the "Farmer") to facilitate the acquisition of agricultural land, agricultural improvements and depreciable agricultural property by the Farmer.

The Bond shall be issued and secured as provided in the Resolution of the Authority.

Section 4. This Resolution shall take effect immediately upon its adoption.

## EXHIBIT

NOV 18 1986      NO. 27

Dated: November 18, 1986

STATE BUDGET & CONTROL BOARD

05225

# EXHIBIT

NOV 18 1986

NO. 27

State of South Carolina

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 24, 1986

### C E R T I F I C A T E

#### STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Family Farm Development Authority  
c/o Mr. Daniel R. McLeod, Jr.  
McNair Law Firm  
Box 11390  
Columbia, SC 29211

RE: Issue of \$150,000 Family Farm Development Authority  
Agricultural Development Bond  
(Jack Denver Powell Project)  
Issue Date Projected By Issuing Authority: November 26, 1986  
Allocation Expiration Date: December 31, 1986  
Issue Amount Certificate Date: November 24, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Section 7(b) of the Governor's Executive Order #86-20, issued October 22, 1986, which certificate is dated not more than ten (10) business days prior to the projected date of issue which, as certified by the issuing authority, is within the time period during which the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project is valid, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

*William A. McInnis*

William A. McInnis, Secretary

05226

NOV 24 1986

11:07 A.M.

LS

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

November 21, 1986

HAND DELIVERED

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDROOS  
O. WAYNE CORLEY  
E. MILEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
EMORY M. SNEEDEN  
STEPHEN KOPLAN\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
JOHN H. LUMPKIN, JR.  
M. WILLIAM YOUNGBLOOD, JR.  
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THEODORE J. HOPKINS, JR.  
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C. ALAN RUNYAN  
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ROBERT E. STEPH  
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E. RUSSELL JETER, JR.  
WILLIAM MICHAEL HOUSE\*  
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J. SIMON FRASER  
CHRISTOPHER MCG. HOLMES  
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JANE W. TRINKLEY  
J. LYLES GLENN IV  
CELESTE TULLER JONES  
KATHERINE ELIZABETH MIMS  
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NANCY B. JEFFERS  
ALISON RENEE LEE  
MARTHA R. MULLIN  
GREGORY D. DUDACH  
WILLIAM ASHLEY JORDAN, JR.  
MICHAEL M. BEAL  
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ROBERT F. McMAHAN, JR.

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

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803-795-5169

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-638-3900

\*NOT ADMITTED IN SOUTH CAROLINA

Mr. William A. McInnis  
Deputy Executive Director  
State Budget and Control Board  
618 Wade Hampton Office Building  
Columbia, South Carolina 29211

EXHIBIT

NOV 18 1986

NO. 27

STATE BUDGET & CONTROL BOARD

Re: South Carolina State Family Farm Development Authority,  
Agricultural Development Bond

Dear Mr. McInnis:

Enclosed is a copy of the Internal Revenue Service Form 8038 which has been executed by Clyde Livingston, Executive Director of the Family Farm Development Authority, for the following bond issue:

\$150,000 Agricultural Development Bond  
(Jack Denver Powell Project).

The projected closing for this issue is November 26, 1986. I request that you provide me an Allocation Certificate relating to the State Ceiling for the bond issue.

Thank you for your cooperation. With kind regards, I am

Yours very truly,

*Sandra S. Chastain*

Sandra S. Chastain  
Paralegal, Bond Department

SSC/nes  
Enclosure  
cc: Mr. Clyde Livingston

05227







**Part V Description of Property Financed by Non-refunding Proceeds**  
(Do not complete for student loan bonds or mortgage bonds)**22 Type of Property Financed** (or portion thereof financed by non-refunding proceeds)

- |   |   |         |
|---|---|---------|
| a | 3-yr. ACRS property                       |         |
| b | 5-yr. ACRS property                       |         |
| c | 10-yr. ACRS property                      | 148,500 |
| d | 15-yr. ACRS property                      |         |
| e | 18-yr. ACRS property                      |         |
| f | Cost of land                              |         |
| g | Cost of other property (see instructions) |         |

**23 Other use of non-refunding proceeds** (subtract lines 22a-g from Part IV, line 21)(see instructions)**24 Standard industrial classification (SIC) of non-refunding proceeds for the financed project.**

	SIC Code	Non-refunding proceeds \$		SIC Code	Non-refunding proceeds \$
a	0400	\$148,500	d		
b			e		
c			f		

**25 Average weighted economic life of the project** (complete only for IDBs) See Schedule A . . . not less than 10 years.**Part VI Description of Initial Principal Users**  
(Do not complete for student loan bonds or mortgage bonds)**26 Initial Principal Users:**

(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Jack Denver Powell	Route 2, Box 157 Westminster, S.C. 29693	249-92-7469
(ii)			
(iii)			
(iv)			
(v)			

**27 Common parents** (if any) of initial principal users listed above:

(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number

**Part VII Approval of Issue** (Complete only for IDBs)

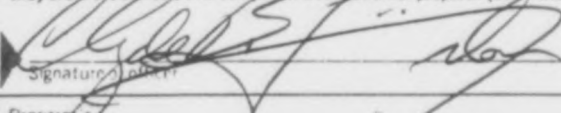
- 28 Name of Governmental units approving issue** ▶ South Carolina State Family Farm Development Authority  
South Carolina State Budget and Control Board - See Schedule B
- 29 Names and positions of applicable elected representatives or date of referendum approving issue** ▶ See Schedule C

**Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds**

- 1 Issuer's volume limitation**
- 2 Amount of volume limitation surrendered to other issues** (e.g., under section 103A(g)(3)(B) or 25(c)(2)(A)(ii))
- 3 Amount of bonds previously issued**
- 4 Unused volume limitation** (subtract lines 2 and 3 from line 1)

Please  
Sign  
Here

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.



11/21/86

Executive Director

Paid  
Preparer's  
Use OnlyPreparer's  
signatureCheck if  
self-em-  
ployed ☐

Preparer's social security no.

Firm's name (or  
yours, if self-employed)  
and addressMcNair Law Firm, P.A.  
P.O. Box 11390, Columbia, S.C.E.I. No. 57-0703244  
ZIP code 29211

Exhibit A

Description:

Construct three (3) broiler houses and install appropriate equipment

EXHIBIT

NOV 18 1986 NO. 27

STATE BUDGET & CONTROL BOARD

05230

[To be retyped on CPA's letterhead]

Schedule A

\_\_\_\_\_, 1986

South Carolina State Family Farm  
Development Authority  
915 South Main Street  
Columbia, South Carolina 29201

McNair Law Firm, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211

Re: South Carolina State Family Farm Development  
Authority, Agricultural Development Revenue  
Bonds (Jack Denver Powell Project), 1986,  
\$150,000

This letter is being given to you with regard to the \$150,000 South Carolina State Family Farm Development Authority, Agricultural Development Bond (Jack Denver Powell Project), 1986 (the "Bond"). I have reviewed the description of the property to be financed with the proceeds of the Bond provided me by Jack Denver Powell which is set forth as Exhibit A hereto, and based upon that description I have made the following determination:

The average maturity of the Bond does not exceed 120% of the average reasonably expected economic life of the buildings, machinery, equipment, apparatus, office furnishings and any other items to be financed in whole or in part with the proceeds of the Bond as shown on Exhibit A attached hereto.

The economic useful life of each item has been derived in accordance with administrative guidelines established for the useful lives used for depreciation prior to the ACRS System.

Very truly yours,

\_\_\_\_\_  
Certified Public Accountant

05231

Schedule B

SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY

Joseph W. King, Chairman  
Steven P. Nivens  
John E. Brown  
Roy L. Graham, Jr.  
Melvin L. Crum  
Stanley E. Waskiewicz  
James Foody

SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD

Governor Richard W. Riley, Chairman  
Grady L. Patterson, Jr., State Treasurer  
Earle E. Morris, Jr., Comptroller General  
Rembert C. Dennis, Chairman, Senate Finance  
Committee  
\_\_\_\_\_, Acting Chairman, Ways and Means Committee

Schedule C

The Honorable Richard W. Riley  
Governor, State of South Carolina  
Box 11450  
Columbia, South Carolina 29211

05233



Schedule D

Prepared by:

McNair Law Firm, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211

With Assistance from:

South Carolina State Family Farm  
Development Authority  
915 South Main Street  
Columbia, South Carolina 29201

Jack Denver Powell  
Route 2, Box 157  
Westminster, South Carolina 29693

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
CPA

05234

# EXHIBIT

NOV 18 1986

NO. 27

State of South Carolina

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444

Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

### C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Family Farm Development Authority  
\$150,000  
Agricultural Development Revenue Bonds  
(Jack Denver Powell Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Tax Reform Act of 1986 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Section 7(b) of the Governor's Executive Order #86-20, issued on October 22, 1986, requires that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

05235

# EXHIBIT

NOV 18 1986

NO. 27

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

TO: THE STATE BUDGET AND )  
CONTROL BOARD OF SOUTH )  
CAROLINA )

PETITION

This Petition of the South Carolina State Family Farm Development Authority (the "Authority") is submitted to the State Budget and Control Board of South Carolina (the "Board") pursuant to the South Carolina State Family Farm Development Authority Act, Section 15 of Act No. 179 of the Acts and Joint Resolutions of the General Assembly of 1981, now codified as Chapter 47 of Title 46 of the Code of Laws of South Carolina, 1976, as amended (the "Act") and respectfully shows:

1. The Act, among other things, provides that following a determination made by the Authority that it is necessary to sell bonds to develop and implement one of the programs authorized by the Act and a finding that the revenues or other moneys estimated to thereafter be available therefor will provide moneys required for the payment of the principal and interest on the bond then proposed to be issued, upon obtaining the approval of the Board pursuant to the Act, the Authority is authorized to issue bonds for such purposes.

2. The Authority has developed its Direct Loan Program for Farmers of the Beneficiary Class.

3. Pursuant to the provisions of Act No. 512 of the Acts and Joint Resolutions for the General Assembly of the State of South Carolina for the year 1984, the State Budget and Control Board and the Joint Bond Review Committee have been assigned certain responsibilities with respect to allocation of the private activity bond ceiling (the "State Ceiling") applicable to the State of South Carolina under the Tax Reform Act of 1986.

4. By resolution duly adopted by the Authority on November 14, 1986 (certified copy of which is attached hereto as Exhibit A), the Authority has authorized the issuance of its \$150,000 Agricultural Development Bond (Jack Denver Powell Project) 1986 (the "Bond") being described on Exhibit B attached hereto.

5. The Bond shall be a special obligation of the Authority secured by and payable solely from the moneys,

income and receipts of the Authority to be pledged under a Loan Agreement between the Authority and the Farmer.

6. Attached hereto as Schedule 1 and by reference incorporated herein in its entirety is a schedule showing the annual debt service requirements and the amount and source of revenues available for the payment thereof on all outstanding bonds of the Authority.

7. The information contained in this Petition provides the Board with all the information required by Section 15 of Act No. 179 (1981 Acts) (now codified as Section 46-47-140 of the 1976 Code of Laws of South Carolina, as amended) to be presented by the Authority in connection with the Bond.

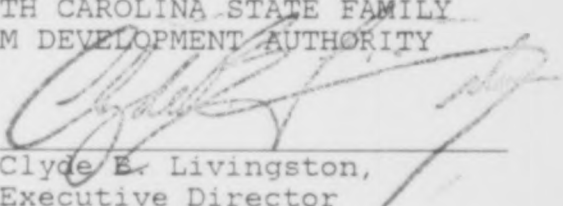
8. The Authority stands ready to produce any further information with respect to the Bond or other bonds of the Direct Loan Program required by the Board.

WHEREFORE, on the basis of the foregoing the Authority prays approval of the Board of the issuance and sale of the Authority's Bond in the principal amount and on the terms and conditions prescribed in the Resolution No. 86-0022 as described in this Petition and allocate \$150,000 of the State Ceiling for the Bond.

To the best of my knowledge the approval of the Jack Denver Powell Project is not made in consideration of any bribe, gift, gratuity, or direct or indirect contributions to any political campaign.

Respectfully submitted,

SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

By:   
Clyde E. Livingston,  
Executive Director

(SEAL)

November 12, 1986

Copy of Petition also forwarded to Joint Bond Review Committee.

EXHIBIT

NOV 18 1986

NO. 27

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND ) CERTIFIED COPY OF RESOLUTION  
 ) NO. 86-0022

I, the undersigned being the duly qualified and acting Executive Director of the South Carolina State Family Farm Development Authority (the "Authority"), do hereby certify that attached hereto is a copy of Resolution No. 86-0022 authorizing the issuance of a \$150,000 Agricultural Development Bond (Jack Denver Powell Project), 1986, adopted by the Authority at a meeting duly called and held on November 14, 1986, at which a quorum was present and acting throughout, which resolution has been compared by me with the original thereof, and that such resolution has been duly adopted and has not been modified, amended or repealed and is in full force and effect on and as of the date hereof in the form attached hereto.

In witness whereof, I have hereunto set my hand and the official seal of the Authority this 14th day of November, 1986.

SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

By: Clyde B. Livingston,  
Executive Director

(SEAL)

EXHIBIT

NOV 18 1986 NO. 27

STATE BUDGET &amp; CONTROL BOARD

05238



# EXHIBIT

NOV 18 1986

NO. 27

RESOLUTION NO. 86-0022

STATE BUDGET & CONTROL BOARD

AUTHORIZING THE ISSUANCE OF A \$150,000 AGRICULTURAL DEVELOPMENT BOND (JACK DENVER POWELL PROJECT), 1986, OF THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND LENDER LOAN AGREEMENT; APPROVING THE SUBMISSION OF A PETITION TO THE STATE BUDGET AND CONTROL BOARD; AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY, AS FOLLOWS:

Section 1. Findings and Determinations. The Authority hereby finds and determines:

(a) Pursuant to the South Carolina State Family Farm Development Act as amended (the "Act"), the Authority is authorized and empowered to undertake programs which assist farmers of the beneficiary class in acquiring agricultural land, agricultural improvements and/or depreciable agricultural property for the purpose of farming.

(b) The Authority is authorized and has developed under the Act a direct loan program for farmers (the "Direct Loan Program") of the beneficiary class by making mortgage loans or secured loans to such farmers to facilitate the acquisition of agricultural land, agricultural improvements and depreciable agricultural property by such farmers.

(c) The Authority is further authorized to borrow money through the issuance of its negotiable bonds as provided in the Act in order to finance its Direct Loan Program.

(d) The Authority has received a request from Jack Denver Powell (the "Borrower") to issue its agricultural development bond for the purpose of facilitating the acquisition of agricultural land, agricultural improvements and/or depreciable agricultural property as more particularly described in the Borrower's Application heretofore submitted to the Authority (the "Project").

(e) In order to raise the sum of \$150,000 and loan such moneys to the Borrower under a Loan Agreement hereinafter described, the Authority finds it necessary and in its best interest to sell its agricultural development bond to Bank of Westminster, in Westminster, South Carolina (the "Lender").

(f) The Authority further finds that:

(i) the Borrower receiving the mortgage loan or secured loan under the Direct Loan Program is a member of the "beneficiary class" as defined in the Act;

(ii) the Borrower satisfies the underwriting and credit standards as have been determined by the proposed regulations of the Authority so as to insure payment of the principal and interest on the Bond; and

(iii) the mortgage loan or secured loan authorized hereby is not otherwise available to the Borrower, wholly or in part, without the assistance of financing under the Direct Loan Program, upon reasonably equivalent terms and conditions.

(g) The Authority has caused to be prepared and presented to this meeting the following documents which the Authority proposes to enter into, execute and deliver:

(i) The form of Loan Agreement by and between the Authority and the Borrower including the form of promissory note of the Borrower;

(ii) The form of Lender Loan Agreement by and between the Authority and the Lender; and

(iii) The form of bond to be executed by the Authority.

It appears that each of the Agreements above referred to is in appropriate form and is an appropriate instrument to be executed and delivered by the Authority for the purposes intended.

(h) It is now necessary and in the best interest of the Authority to authorize the issuance of a \$150,000 Agricultural Development Bond, 1986 (Jack Denver Powell Project) in order to develop and implement its Direct Loan Program and to authorize the execution and delivery of the aforementioned Loan Agreement, Lender Loan Agreement and other documents relating to this transaction.

Section 2. Authorization. Pursuant to the Act and the Direct Loan Program in order to finance the Project, including financial, legal, administrative and other costs of the Authority and other fees, there is hereby authorized to be issued a \$150,000 Agricultural Development Bond, (Jack Denver Powell Project) 1986, (the "Bond"), of the Authority. The revenues and other monies estimated to be available will provide monies required for the payment of the principal and interest on the Bond.

Neither the Commissioners of the Authority nor any persons executing the Bond shall be subject to personal liability on the Bond or accountability by reason of the issuance thereof.

The Bond shall be issued in the form submitted at this meeting of the Authority and shall be payable upon such terms and at such interest rate as specified therein with such variations, omissions and insertions as are permitted or required by this Bond Resolution, the Loan Agreement or the Lender Loan Agreement.

The Bond shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Section 3. Execution. The Bond shall be executed in the name of the Authority by the manual or facsimile signature of its Chairman or Vice Chairman, attested by the manual or facsimile signature of its Executive Director or any person duly designated by the Authority, or in such other manner as may be required by law; provided that at least one of such signatures shall be manual. In case any one or more of the members, officers or employees of the Authority who shall have signed the Bond or whose signature appears on the Bond shall cease to be such member, officer or employee before the Bond is actually delivered, the Bond may, nevertheless, be delivered as herein provided, and may be issued as if the persons who signed it or whose signatures appear thereon had remained in office or remained so employed.

Section 4. Tax Covenant. The Authority shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bond shall be exempt from all Federal income taxation, particularly the requirements of the Tax Reform Act of 1986 (the "Tax Reform Act").

The Authority covenants and certifies to and for the benefit of the purchaser and holder of the Bond that so long as the Bond remains outstanding, the proceeds thereof will not be used in a manner which will cause the Bond to be classified as an "arbitrage bond" within the meaning of the Tax Reform Act. Pursuant to such covenant, the Authority obligates itself to comply throughout the term of the issue of the Bond with the requirements of the Tax Reform Act, the applicable regulations of the Treasury Department previously promulgated under Section 103 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated under the Tax Reform Act so long as the Bond is outstanding.

EXHIBIT



Section 5. Approval of Loan Agreement and Lender Loan Agreement. The respective forms, terms and provisions of the Loan Agreement and Lender Loan Agreement presented to this meeting and filed with the records of the Authority be and hereby are approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if such Agreements were set out in this Bond Resolution in their entirety. The Chairman, Secretary and Executive Director of the Authority be and are hereby authorized, empowered and directed to execute, acknowledge and deliver such Agreements in the name of and on behalf of the Authority, and thereupon to cause such Agreements to be delivered to the Borrower and the Lender. Such Agreements are to be in substantially the form now before this meeting and hereby approved by the officials of the Authority executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of such Agreements now before this meeting.

Section 6. Petition to State Budget and Control Board. The Executive Director of the Authority be and is hereby authorized and directed to submit, by petition, the information required under the Act to the State Budget and Control Board in the name of and on behalf of the Authority.

Section 7. Severability. If any provision of this Bond Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 8. Applicable Provisions of Law. This Bond Resolution shall be governed by and construed in accordance with the laws of the State.

Section 9. No Recourse on Bond. No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this Bond Resolution against any member or officer of the Authority or any person executing the Bond.

Section 10. Additional Documents. The Chairman, Secretary and Executive Director of the Authority or either of them, are hereby authorized to execute and deliver on behalf of the Authority the Loan Agreement, Lender Loan Agreement, Bond and such other documents and certificates as are required to accomplish the issuance of the Bond.

Section 11. This Bond Resolution shall be in full force and effect upon its adoption.

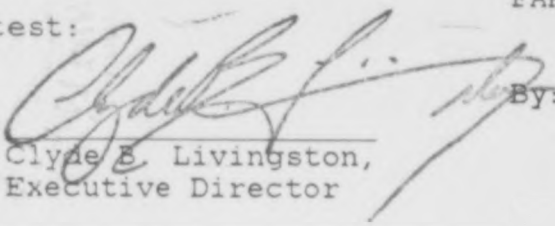
Adopted by the South Carolina State Family Farm  
Development Authority the 14th day of November, 1986.

(SEAL)

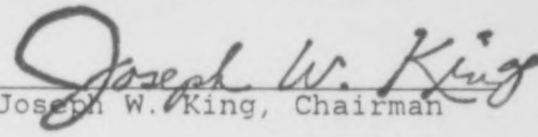
SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

Attest:

By:

  
Clyde E. Livingston,  
Executive Director

By:

  
Joseph W. King, Chairman

EXHIBIT

NOV 18 1986

NO. 27

STATE BUDGET & CONTROL BOARD



EXHIBIT B

Resolution No.: 86-0022

Principal Amount: \$150,000

Name of Borrower: Jack Denver Powell

Purpose: (Construct three (3) broiler houses and install appropriate equipment)

Maturity Schedule: 40 equal payments of \$5,018.43, payable every 73 days over a period of 8 years, plus interest at a rate not exceeding 12%

Method of Sale: Negotiation

Purchaser: Bank of Westminster

SCHEDULE 1

OUTSTANDING AGRICULTURAL DEVELOPMENT BONDS OF THE  
SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY

	<u>DATE</u>	<u>FARMER</u>	<u>PRINCIPAL AMOUNT</u>	<u>MATURITY SCHEDULE</u>	<u>AMOUNT &amp; SOURCE OF REVENUES</u>
1.	5/3/85	Moore	\$300,000	120 equal monthly payments of \$3,882 each at 9½%.	Payments under a \$300,000 Promissory Note dated 5/3/85.
2.	7/24/85	Hall	\$ 15,000	2 annual installments at 8%.	Payments under a \$15,000 Promissory Note dated 7/24/85.
3.	7/24/85	Woods	\$ 43,000	Quarterly payments of \$1572 for 10 years at 8%.	Payments under a \$43,000 dated 7/24/85.
4.	9/6/85	East	\$250,000	138 monthly payments from April 6, 1986; interest (not exceeding 15%).	Payments under a \$250,000 Promissory Note dated 9/6/85.
5.	9/6/85	Double H Hog Farm	\$ 25,000	3 annual payments at 7.75%.	Payments under a \$25,000 Promissory Note dated 9/6/85.
6.	9/10/85	J. R. Bowen	\$180,000	48 quarterly payments of \$3,750 from March 10, 1986; interest not exceeding 15%.	Payments under a \$180,000 Promissory Note dated 9/10/85.

05245

7.	9/18/85	Davis	\$125,000	20 equal annual payments of principal of \$6,250; interest not exceeding 15%.	Payments under a \$125,000 Promissory Note dated 9/18/85.
8.	10/18/85	McPhail	\$142,000	5 equal payments per year for 10 years at 8%.	Payments under a \$142,000 Promissory Note dated 10/18/85.
9.	10/18/85	Etheredge	\$ 17,000	48 equal monthly payments of \$354.17; interest not exceeding 15%.	Payments under a \$17,000 Promissory Note dated 10/18/85.
10.	10/18/85	J. R. Bowen	\$ 20,000	48 quarterly payments of \$416.67 from March 10, 1986; interest not exceeding 15%.	Payments under a \$20,000 Promissory Note dated 10/18/85.
11.	11/13/85	Neel's Poultry Farm, Inc.	\$300,000	120 equal monthly payments of \$3,883 each, from June 13, 1986; at 9.5%.	Payments under a \$300,000 Promissory Note dated 11/13/85.
12.	11/27/85	Thomas L. Doremus and Marilyn Doremus	\$150,000	120 equal monthly payments of \$1,983, from December 27, 1985 at 10%.	Payments under a \$150,000 Promissory Note dated 11/27/85.
13.	12/18/85	Riley	\$325,000	120 equal monthly payments of \$4,117, commencing 7/18/86 at 9%.	Payments under a \$325,000 Promissory Note dated 12/18/85.

14.	12/20/85	R. L. Martin	\$180,000	Equal monthly payments of \$2,307 from 7/20/86 to 12/20/95 at at 8.5% adjusted on 1/20/91 to N/E 15%.	Payments under a \$180,000 Promissory Note dated 12/20/85.
15.	12/20/85	Earls	\$180,000	Equal monthly payments of \$2,307 from 7/20/86 to 12/20/95 at 8.5% adjusted on 1/20/91 to N/E 15%.	Payments under a \$180,000 Promissory Note dated 12/20/85.
16.	12/20/85	Bates	\$75,000 (1985-A)	120 equal monthly payments of \$981 from 1/30/86 at 9.75%.	Payments under a \$75,000 Promissory Note dated 12/30/85.
17.	12/30/85	Bates	\$85,000 (1985-B)	Equal monthly payments of \$806.24 from 1/16/86 to 12/16/95 at 9.75% adjusted on 1/16/96 to N/E 15%.	Payments under a \$85,000 Promissory Note dated 12/30/85.
18.	12/20/85	Wheeler	\$50,000	40 equal quarterly payments of \$1,828 commencing 3/30/86 at 8%.	Payments under a \$50,000 Promissory Note dated 12/30/85.
19.	12/30/85	Corder	\$42,100	20 equal quarterly payments of \$2,650 commencing 6/30/86 at 9.5%.	Payments under a \$42,100 Promissory Note dated 12/30/85.

20.	12/21/85	G. E. Martin	\$45,000	28 equal quarterly payments of \$2,184 commencing 4/1/86 at 9%.	Payments under a \$45,000 Promissory Note dated 12/31/85.
21.	12/31/85	Greene	\$25,000	84 equal monthly payments of \$378.85 commencing 1/30/86 at 7.125%.	Payments under a \$25,000 Promissory Note dated 12/31/85.
22.	12/31/85	Ables	\$225,000	40 equal quarterly payments of principal in the amount of \$5,625 from 4/1/86 plus interest at N/E 15%.	Payments under a \$225,000 Promissory Note dated 12/31/85.
23.	12/31/85	Myers	\$105,000	40 equal quarterly payments of principal in the amount of \$2,625 from 7/1/86 plus interest at N/E 15%.	Payments under a \$105,000 Promissory Note dated 12/31/85.
24.	1/30/86	Brown	\$220,000	28 equal quarterly payments of \$10,535 commencing 7/25/86 at 8%.	Payments under a \$220,000 Promissory Note dated 1/30/86.
25.	2/5/86	Kesler	\$350,000	120 equal monthly payments of \$4,434 commencing 9/5/86 at 9%.	Payments under a \$350,000 Promissory Note dated 2/5/86.

05248



26.	2/25/86	Paradice	\$180,000	40 equal quarterly payments of \$6,652.80 commencing 9/1/86 at 8.25%	Payments under a \$180,000 Promissory Note dated 2/25/86
27.	3/14/86	Agerton	\$130,000	120 equal monthly payments of \$1,646.79 commencing 4/14/86 at 9%.	Payments under a \$130,000 Promissory Note dated 3/14/86.
28.	3/14/86	Easler	\$10,000	5 equal annual payments of \$2,570.92 commencing 3/14/87 at 9%.	Payments under a \$10,000 Promissory Note dated 3/14/86.
29.	4/4/86	Reese	\$185,000	Equal semiannual payments of \$13,908.59 from 4/4/87 to 10/4/96 at 8.5%; adjusted on 4/4/92 to N/E 15%.	Payments under a \$185,000 Promissory Note dated 4/4/86.
30.	4/4/86	Croxton	\$200,000	Equal semiannual payments of \$15,036.32 from 4/4/87 to 10/4/96 at 8.5%; adjusted on 4/4/92 to N/E 15%.	Payments under a \$200,000 Promissory Note dated 4/4/86
31.	4/4/86	W&W Farms	\$15,000	5 equal annual payments of \$3,000 commencing 1/15/87 at 8.5%.	Payments under a \$15,000 Promissory Note dated 4/4/86.
32.	5/28/86	Ables	\$40,000	40 equal quarterly payments of principal in the amount of \$1,000 commencing 8/28/86 plus accrued interest at N/E 14%.	Payments under a \$40,000 Promissory Note dated 5/28/86.

33.	6/16/86	Hartley	\$40,000	28 equal quarterly payments of \$1,941 commencing 12/16/86 at 9%.	Payments under a \$40,000 Promissory Note dated 6/16/86.
34.	6/16/86	Clamp	\$100,000	40 quarterly payments of \$3,777 commencing 12/16/86 at 8.75%	Payments under a \$100,000 Promissory Note dated 6/16/86.
35.	7/3/86	Rochester	\$220,000	40 equal quarterly payments of principal in the amount of \$5,500 commencing 10/3/86 plus accrued interest at N/E 14%.	Payments under a \$220,000 Promissory Note dated 7/3/86.
36.	10/10/86	Arrington	\$150,000	40 equal quarterly payments of principal in the amount of \$3,750 commencing 4/10/87 plus accrued interest at N/E 12%.	Payments under a \$150,000 Promissory Note dated 10/10/86.
37.	10/10/86	Barnett	\$130,000	40 equal quarterly payments of principal in the amount of \$3,250 commencing 4/10/87 plus accrued interest at N/E 12%.	Payments under a \$130,000 Promissory Note dated 10/10/86.
38.	11/12/86	Sprouse	\$300,000	120 equal monthly payments of principal in the amount of \$2,500 commencing 7/1/87, plus accrued interest at N/E 12%.	Payments under a \$300,000 Promissory Note dated 11/12/86.

## TRANSMITTAL FORM, REVENUE BONDS

Date: November 12, 1986

Submitted for BCB Meeting on:  
November 18, 1986

## FROM:

McNair Law Firm, P.A.

## Name of Law Firm

Columbia, SC 29211

## City, State, Zip Code

RE: \$150,000

## Amount of Issue

SC State Family Farm Development

## Issuing Authority Name

Authority

Project Name: Jack Denver Powell

## Project Description:

Construct three (3) broiler houses and install appropriate equipment

Employment as result of project:

## CEILING ALLOCATION REQUIRED

☒ Yes (\$ ) No  
Amount

## REFUNDING INVOLVED

☐ Yes (\$ ) ☒ No  
Amount

## PROJECT APPROVED PREVIOUSLY

☐ Yes ( ) ☒ No  
Date

## DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)  
 B. ☒ Resolution or ordinance (executed copy)  
 C. ☐ Inducement Resolution or comparable preliminary approval (executed copy)  
 D. ☐ Standard Form Investment Letter from bonds purchaser (executed original)  
 (Purchaser: )

OR ☐ Audited financial statements for three most recent years

- E. ☐ Department of Health and Environmental Control certificate IF REQUIRED  
 F. ☒ Budget and Control Board Resolution and Public Notice (original)  
 [Plus copies for certification and return to counsel]  
 G. ☐ Processing fee  
 Amount \$ Check No.  
 Payor

Bond Counsel: McNair Law Firm, P.A.

Typed Name

By:

Daniel R. McLeod, Jr. /sse

Signature

William A. McInnis, Secretary  
 State Budget and Control Board  
 600 Wade Hampton Office Building  
 Columbia, SC 29201  
 OR P. O. Box 12444, Columbia, SC 29211

P.O. Box 11390

## Street Address/Box Number

803 799-9800

## Telephone Area Code and Number

Agricultural Development Revenue Bonds

## Type of Bonds or Notes

On or before December 31, 1986

## Projected Issue Date

11/12/86  
12:45 p.m.

*Done*

TRANSMITTAL FORM, REVENUE BONDS

Date: November 12, 1986  
Submitted for BCB Meeting on:  
November 18, 1986

FROM:  
McNair Law Firm, P.A.

Name of Law Firm  
Columbia, SC 29211

City, State, Zip Code

RE: \$150,000

Amount of Issue  
SC State Family Farm Development  
Issuing Authority Name Authority

Project Name: Jack Denver Powell

Project Description:  
Construct three (3) broiler houses and install appropriate equipment

Employment as result of project:

CEILING ALLOCATION REQUIRED

X Yes (\$ ) No  
Amount

REFUNDING INVOLVED

Yes (\$ ) X No  
Amount

PROJECT APPROVED PREVIOUSLY

Yes ( ) X No  
Date

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)  
B. ☒ Resolution or ordinance (executed copy)  
C. ☐ Inducement Resolution or comparable preliminary approval (executed copy)  
D. ☐ Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: )

OR ☐ Audited financial statements for three most recent years

E. ☐ Department of Health and Environmental Control certificate IF REQUIRED

F. ☒ Budget and Control Board Resolution and Public Notice (original)  
[Plus copies for certification and return to counsel]

G. ☐ Processing fee

Amount \$ Check No.  
Payor

Bond Counsel: McNair Law Firm, P.A.

Typed Name

By: *Daniel R. McLeish, Jr.*  
Signature

*DE 11/19/86*  
*11/12/86*  
*12:45 p.m.*

TO: William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
OR P. O. Box 12444, Columbia, SC 29211

P.O. Box 11390

Street Address/Box Number  
803 799-9800

Telephone Area Code and Number

Agricultural Development Revenue Bonds

Type of Bonds or Notes

On or before December 31, 1986

Projected Issue Date

The State of South Carolina



Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-734-3680

EXHIBIT

NOV 18 1986

NO. 28

STATE BUDGET & CONTROL BOARD

NOV 25 1986  
4:35 P.M.  
Saf 5-LZ

November 24, 1986

Mr. William A. McInnis  
Deputy Executive Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: Not Exceeding \$8,925,000 Chesterfield County,  
South Carolina Revenue Refunding Bonds  
(Hospital Corporation of America Project)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 44-7-1590, et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "D. Eckstrom".

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

05253



State of South Carolina

NOV 26 1986



EXHIBIT

NOV 18 1986

NO. 28

State Budget and Control Board

STATE BUDGET & CONTROL BOARD

OFFICE OF THE STATE AUDITOR

P.O. BOX 11333

COLUMBIA

29211

(803) 758-8406

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR

MARGARET C. STILWELL, CPA  
DEPUTY STATE AUDITOR

November 26, 1986

Mr. William A. McInnis  
Deputy Executive Director  
State Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

RE: Subordinated Revenue Bond Issue - Chesterfield County - \$8,925,000  
(Hospital Corporation of America)

1. The proposed issue of \$8,925,000 will provide funds to permit advance refunding of \$8,925,000 outstanding Chesterfield County Subordinated Revenue Bonds (Series 1981).

Because the Series 1981 bond indenture requires redemption to occur on an interest payment date and to take advantage of tax law provisions expiring December 31, 1986, the refunding bonds must be issued by December 1st, the last interest payment date in 1986.

2. We reviewed audited financial statements of Hospital Corporation of America for the years ended December 31, 1985, 1984, and 1983. The statements for all years were examined by Ernst & Whinney, Nashville, Tennessee, whose opinions on the statements were unqualified.
3. Hospital Corporation of America (HCA) of Nashville, Tennessee, is a publicly-owned corporation whose common capital stock is listed on the New York Stock Exchange and annual information reports (Form 10K) must be filed with the U.S. Securities and Exchange Commission.

We also reviewed copies of Form 10-Q reports filed with the Securities and Exchange Commission for quarters ended March 31, 1986, and June 30, 1986.

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER

STATE BUDGET & CONTROL BOARD

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL  
REMBERT C. DENNIS  
CHAIRMAN,  
SENATE FINANCE COMMITTEE

05254

TOM C. MANGUM  
CHAIRMAN,  
HOUSE WAYS AND MEANS COMMITTEE  
WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

# EXHIBIT

NOV 18 1986

NO. 28

STATE BUDGET & CONTROL BOARD

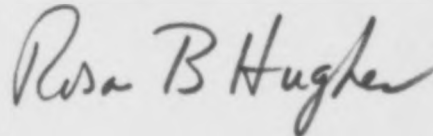
Mr. William A. McInnis  
Page Two  
November 26, 1986

4. The Series 1981 issue currently outstanding are subordinated revenue bonds carrying a 14.5% interest rate and maturing December 1, 2011.
5. Per discussions with Ruth West Brown, Esquire, of King and Spalding of Atlanta, bond counsel for the refunding issue, and Glenn D. Davis, senior financial analyst for HCA, the proposed issue has been placed with several financial institutions and will carry a coupon interest rate of 7.3%.

Although the principal outstanding will remain the same, \$8,925,000, the considerably lower interest rate is expected to result in \$639,000 annual interest savings.

HCA will internally finance all bond issue and redemption costs which they estimate will be \$625,000.

6. Based upon discussions with bond counsel and the HCA representative and upon review of the audited financial statements and Forms 10-Q cited above, we see no reason to disapprove the proposed bond issue.



Rosa B. Hughes, CPA  
Audit Manager  
Office of the State Auditor

RBH/dc

05255

# EXHIBIT

STATE OF SOUTH CAROLINA )

NOV 18 1986  
Hospital Corporation of America

NO. 28

COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, November 18, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of: Representative Mangum, who was represented by House Ways and Means Committee Acting Chairman T. W. Edwards, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; the motion was seconded by Mr. Patterson, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

5

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of the Board in my custody as its Secretary.

November 26, 1986

William A. McInnis

05256

# EXHIBIT

NOV 18 1986

NO. 28

STATE BUDGET & CONTROL BOARD

## A RESOLUTION

APPROVING AN UNDERTAKING BY CHESTERFIELD COUNTY,  
SOUTH CAROLINA PURSUANT TO CHAPTER 29,  
TITLE 4, CODE OF LAWS OF SOUTH CAROLINA  
1976, AS AMENDED TO REFUND BY PAYMENT  
CHESTERFIELD COUNTY, SOUTH CAROLINA  
SUBORDINATED REVENUE BONDS, SERIES 1981  
THROUGH THE ISSUANCE OF NOT EXCEEDING \$8,925,000  
CHESTERFIELD COUNTY SOUTH CAROLINA  
REVENUE REFUNDING BONDS  
(HOSPITAL CORPORATION OF AMERICA PROJECT)

WHEREAS, heretofore the County Council of Chesterfield County, South Carolina (the "County Council") did, pursuant to Chapter 29, Title 4, Code of Laws of South Carolina 1976, as amended (the "Enabling Statute"), petition the State Budget and Control Board of South Carolina (the "State Board"), seeking approval of the State Board of an undertaking by Chesterfield County, South Carolina (the "Issuer") pursuant to the Enabling Statute; and

WHEREAS, the undertaking provides for the issuance of not exceeding \$8,925,000 Chesterfield County, South Carolina Revenue Refunding Bonds (Hospital Corporation of America Project), Series 1986 (the "Bonds"), pursuant to the Enabling Statute, and the loan of the proceeds thereof to Hospital Corporation of America, a Tennessee corporation (the "Company"), under the terms of a loan agreement (the "Agreement") between the Issuer and the Company, to finance the refunding by payment of the outstanding principal of the Issuer's Subordinated Revenue Bonds (Hospital Corporation of America Project), Series 1981 (the "Series 1981 Bonds") in the original aggregate principal amount of \$8,925,000, such Series 1981 Bonds being issued to finance the acquisition, construction and equipping of a 74-bed general acute-care hospital in Cheraw, South Carolina to be owned and operated by the Company or one of its subsidiaries (the "Project"); and

WHEREAS, under the Agreement, loan payments sufficient to provide for the payment of the Bonds and costs and expenses resulting from the issuance thereof will be made by the Company; and

WHEREAS, the Issuer and The Citizens and Southern National Bank, a national banking association, having a principal corporate trust office in Atlanta, Georgia, as trustee (the "Trustee"), will enter into an Indenture of Trust (the "Indenture"), which Indenture secures the payment of the principal of, and the redemption premium (if any) and the interest on, EIGHT

05257



MILLION NINE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$8,925,000) in aggregate principal amount of the Bonds, which Bonds have a final stated maturity on December 1, 2011, and are more particularly described in Articles II and III of the Indenture; and

WHEREAS, the State Board has made such independent investigation as it deemed advisable;

NOW, THEREFORE, BE IT RESOLVED by the State Budget and Control Board of South Carolina in a meeting duly assembled:

(1) It has been found and determined by the State Board as follows:

(a) the statement of facts set forth in the recitals of this Resolution are in all respects true and correct;

(b) the County Council has filed a proper petition to the State Board, establishing a reasonable estimate of the cost of the refunding of the Series 1981 Bonds and a general summary of the terms and conditions of the Agreement to be entered into between the Issuer and the Company; and

(c) the refunding of the Series 1981 Bonds is intended to promote the purposes of the Enabling Statute and is reasonably anticipated to effect such results.

(2) On the basis of the foregoing findings, the proposed undertaking of the Issuer to finance the refunding of the Series 1981 Bonds, through the issuance of not exceeding \$8,925,00 Chesterfield County, South Carolina Revenue Refunding Bonds (Hospital Corporation of America Project), Series 1986, payable from the loan payments to be derived under the Agreement and secured by the pledge of loan payments to be made under the Agreement, all pursuant to the Enabling Statute (including changes in any details of the financing, as finally consummated, which do not materially affect the said undertaking), be, and the same is, hereby approved.

(3) Notice of the action of the State Board in giving approval to the undertaking of the Issuer above described in paragraph 2 supra, shall be published one time in a newspaper having general circulation in Chesterfield County, South Carolina.

(4) Approval of this undertaking is granted on the condition that a copy of the Internal Revenue Service Form 8038 relating to the Bonds issued pursuant to this approval be filed with the Secretary of the State Board at the time such form is submitted to the Internal Revenue Service.

(5) The Notice to be published shall be in the form substantially set forth in Exhibit "A" to this Resolution.



NOV 18 1986

NO. 28

STATE BUDGET &amp; CONTROL BOARD

NOTICE PURSUANT TO CHAPTER 29, TITLE 4  
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

NOTICE is hereby given pursuant to the provisions and requirements of Section 4-29-140 of the South Carolina Code Annotated, as amended, that, following the filing of a petition by the County Council of Chesterfield County, South Carolina (the "County Council") to the State Budget and Control Board of South Carolina (the "State Board"), approval has been given by the State Board to the following undertaking (including any changes in any details of the financing as finally consummated which do not materially affect the undertaking:

The financing by Chesterfield County, South Carolina (the "Issuer") of the refunding by payment of the outstanding principal of the Issuer's Subordinated Revenue Bonds (Hospital Corporation of America Project), Series 1981 (the "Series 1981 Bonds") in the original principal aggregate amount of \$8,925,000, such Series 1981 Bonds being issued to finance the acquisition, construction and equipping of a 74-bed general acute-care hospital in Cheraw, South Carolina to be owned and operated by the Company or one of its subsidiaries (the "Project"), through the issuance of not exceeding \$8,925,000 Chesterfield County, South Carolina Revenue Refunding Bonds (Hospital Corporation of America Project), Series 1986 (the "Bonds"), pursuant to Chapter 29, Title 4, Code of Laws of South Carolina 1976, as amended, under the terms of a loan agreement (the "Agreement") between the Issuer and Hospital Corporation of America, a Tennessee corporation (the "Company"). The Bonds will be payable by the Issuer solely from the loan payments to be made by the Company to the Issuer under the Agreement and the Company will unconditionally agree to pay, when due, all sums acquired for the payment of the principal of, redemption premium (if any), and the interest on, the Bonds, and the Bonds will be issued pursuant to an Indenture of Trust (the "Indenture") which will secure the payment of the principal of, redemption premium (if any), and interest on, the Bonds. The Bonds will not constitute a charge against the general credit or taxing power of Chesterfield County, South Carolina.

Approval of this undertaking is granted on the condition that a copy of the Internal Revenue Service Form 8038 relating to the Bonds issued pursuant to this approval be filed with the Secretary of the State Board at the time the form is submitted to the Internal Revenue Service.

Notice is further given that any interested party may at any time within twenty (20) days after the date of publication of this Notice, but not afterwards, challenge the validity of the

action of the State Board in approving the undertaking of  
Chesterfield County, South Carolina, by action de novo, instituted  
in the Court of Common Pleas for Chesterfield County, South  
Carolina.

STATE BUDGET AND CONTROL BOARD OF  
SOUTH CAROLINA

By: \_\_\_\_\_  
William A. McInnis, Secretary

Publication Date:

\_\_\_\_\_, 1986.

EXHIBIT

NOV 18 1986 NO. 28

STATE BUDGET & CONTROL BOARD

Project Description:

The Revenue Refunding Bonds are being issued to refund a prior outstanding issue of Chesterfield County, South Carolina in the aggregate principal amount of \$8,925,000 (the "1981 Bonds"). The 1981 Bonds were issued to finance the acquisition, construction and equipping of the 74-bed general acute-care hospital in Cheraw, South Carolina which is owned and operated by Hospital Corporation of America.

EXHIBIT

NOV 18 1986      NO. 28

STATE BUDGET & CONTROL BOARD

05261

# EXHIBIT

NOV 18 1986

NO. 28

STATE BUDGET & CONTROL BOARD

PETITION  
TO  
THE STATE BUDGET AND CONTROL BOARD  
OF  
SOUTH CAROLINA

PURSUANT TO SECTION 4-29-140 OF THE  
CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING \$8,925,000 CHESTERFIELD COUNTY,  
SOUTH CAROLINA REVENUE REFUNDING BONDS  
(HOSPITAL CORPORATION OF AMERICA PROJECT)

EX PARTE:  
COUNTY COUNSEL OF CHESTERFIELD COUNTY, SOUTH CAROLINA

05262

TO: The Honorable Richard W. Riley, Governor  
The Honorable Grady L. Patterson, Jr., State Treasurer  
The Honorable Earle E. Morris, Jr., Comptroller General  
The Honorable Rembert C. Dennis, Chairman,  
Senate Finance Committee  
The Honorable T. W. Edwards, Jr., Acting Chairman,  
House Ways and Means Committee

Constituting the State Budget and Control Board of the State  
of South Carolina

Your Petitioner, the County Council of Chesterfield  
County, South Carolina (the "County Council"), respectfully prays:

1. Chesterfield County, South Carolina (the "Issuer")  
proposes to issue its not exceeding \$8,925,000 Chesterfield  
County, South Carolina Revenue Refunding Bonds (Hospital  
Corporation of America Project), Series 1986 (the "Bonds"),  
pursuant to Chapter 29, Title 4, Code of Laws of South Carolina  
1976, as amended (the "Enabling Statute"), and loan the proceeds  
thereof to the Hospital Corporation of America, a corporation  
organized and existing under the laws of the State of Tennessee  
(the "Company"), pursuant to the terms of a Loan Agreement (the  
"Agreement") between the Issuer and the Company, to finance the  
refunding by payment of the outstanding principal of the Issuer's  
Subordinated Revenue Bonds (Hospital Corporation of America  
Project), Series 1981 (the "Series 1981 Bonds"), in the original  
aggregate principal amount of \$8,925,000, such Series 1981 Bonds  
being issued to finance the acquisition, construction and



equipping of a 74-bed general acute-care hospital in Cheraw, South Carolina to be owned and operated by the Company or one of its subsidiary (the "Project").

2. The Company has advised the County Council that the refunding of the Series 1981 Bonds, together with the cost of issuing the Bonds, will cost at least \$8,925,000, and that all costs in excess of the proceeds of the Bonds will be paid by the Company from its own funds.

3. The Company has advised the County Council that First Commerce Capital and J.C. Bradford & Company have committed to buy the Bonds pursuant to a bond purchase agreement (the "Bond Purchase Agreement"), such Bonds to be issued as fully registered bonds, in the principal amount of not exceeding \$8,925,000, with interest thereon from the date of delivery at an annual rate not to exceed eight and one-half per centum (8-1/2%). The Bonds will mature on December 1, 2011.

4. The proposed Agreement between the Issuer and the Company will provide, among other things, the following:

(a) To finance the cost of the refunding of the Series 1981 Bonds, the Issuer will issue its not exceeding \$8,925,000 Revenue Refunding Bonds pursuant to the Enabling Statute. The Bonds will be issued and secured by an indenture of trust (the "Indenture") to be entered into between the Issuer and The Citizens and Southern National Bank, a national banking association, as Trustee (the "Trustee").

(b) The Agreement will impose upon the Company the obligation to pay, in addition to the moneys required for the

payment of the principal of, redemption premium (if any) and interest on the Bonds, all other costs and expenses resulting from the execution and delivery of the Agreement, the Indenture and the Bond Purchase Agreement and the issuance of the Bonds pursuant thereto.

(c) The proceeds derived from the sale of the Bonds will be used to refund the Series 1981 Bonds.

(d) The Agreement shall contain an agreement obligating the Company to pay from its own funds all costs in connection with the refunding of the Series 1981 Bonds in excess of the proceeds of the Bonds, and obligating the Company to pay loan repayments which, upon the basis of the determination heretofore made by the County Council, will be sufficient to pay the principal of, redemption premium (if any) and interest on the Bonds.

(e) The Agreement will contain no provision imposing any pecuniary liability upon the Issuer or which would create a charge upon the general credit or taxing power of the Issuer.

Upon the basis of the foregoing, the County Council respectfully prays:

That the State Budget and Control Board accept the filing of the Petition presented herewith and that it thereafter, and as soon as practicable, make its independent investigation of the refunding of the Series 1981 Bonds and the terms and provisions of the Agreement, the Indenture and the Bond Purchase Agreement and the Bonds as it deems advisable, and that thereafter the State Board make a finding that the proposed refunding of the Series 1981 Bonds will promote the purpose of the Enabling

Statute, and that it is reasonably anticipated to effect such result, and, on the basis of such finding, that it does approve the refunding of the Series 1981 Bonds, including changes and details of the financing as finally consummated which do not materially affect the undertaking, and that it give publish notice of its approval in the manner set forth in Code Section 4-29-140.

Respectfully submitted,

CHESTERFIELD COUNTY, SOUTH CAROLINA

(SEAL)

By: Charles M. Ingram  
Chairman, County Council of  
Chesterfield County

ATTEST:

A. Chappell Hunt  
Clerk, County Council of  
Chesterfield County

EXHIBIT

NOV 18 1986 NO. 28

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHESTERFIELD )

THIS IS TO CERTIFY that the foregoing is an exact, verbatim copy of a Resolution unanimously adopted at a duly called and held regular meeting of the County Council of Chesterfield County, South Carolina, held at the Court House, Chesterfield, South Carolina on November 5, 1986, at which meeting a quorum was present and remained throughout.

The Resolution was offered by Councilmember R.T. Golden, seconded by Councilmember Ida Mae Burch, and has been recorded in the County Council's records of proceedings and remains in my custody as Clerk, and the Resolution remains in full force and effect and has not been amended, modified, or repealed.

WITNESS, my Hand and Seal of Chesterfield County, South Carolina, this 5<sup>th</sup> day of November, A.D., 1986.

[SEAL]

J. Chappell Hurst  
Clerk, County Council of  
Chesterfield County, South Carolina

EXHIBIT

NOV 18 1986 NO. 28

STATE BUDGET & CONTROL BOARD



# EXHIBIT

A RESOLUTION

NOV 18 1986

NO. 28

STATE BUDGET & CONTROL BOARD  
MAKING CERTAIN DETERMINATIONS AND FINDINGS  
PRIOR TO UNDERTAKING A PROPOSED REFUNDING OF  
"SERIES 1981 BONDS" TO BE FINANCED THROUGH THE  
ISSUANCE OF CHESTERFIELD COUNTY, SOUTH  
CAROLINA REVENUE REFUNDING BONDS; APPROVING  
THE UNDERTAKING OF SAID REFUNDING AND THE  
ISSUANCE OF SAID REVENUE REFUNDING BONDS;  
AUTHORIZING AND CONFIRMING ANY ACTIONS  
HERETOFORE TAKEN WITH RESPECT TO SAID  
REFUNDING AND SAID REVENUE REFUNDING BONDS;  
AND AUTHORIZING THE FILING OF A PETITION TO  
THE STATE BUDGET AND CONTROL BOARD OF SOUTH  
CAROLINA SEEKING ITS APPROVAL OF SAID  
REFUNDING AND OF THE ISSUANCE OF SAID REVENUE  
REFUNDING BONDS.

BE IT RESOLVED BY THE COUNTY COUNCIL OF CHESTERFIELD  
COUNTY, SOUTH CAROLINA (the "County Council"), in meeting duly  
assembled, that the County Council hereby determines and finds as  
follows:

1. Chesterfield County, South Carolina (the "Issuer")  
has agreed pursuant to a request by Hospital Corporation of  
America, a Tennessee corporation (the "Company") to issue not  
to exceed \$8,925,000 of Chesterfield County, South Carolina  
Revenue Refunding Bonds pursuant to Chapter 29, Title 4, Code  
of Laws of South Carolina 1976, as amended (the "Enabling  
Statute") to finance the refunding by payment of the  
outstanding principal amount of the Issuer's Subordinated  
Revenue Bonds (Hospital Corporation of America Project),  
Series 1981 (the "Series 1981 Bonds") in the original  
aggregate principal amount of \$8,925,000 for the benefit of  
the Company, such Series 1981 Bonds being issued to finance  
the acquisition, construction and equipping of a 74-bed  
general acute-care hospital in Cheraw, South Carolina to be  
owned and operated by the Company or one of its subsidiaries  
(the "Project").

2. The Company has now advised the County Council that  
the cost of the refunding of the Series 1981 Bonds proposed  
to be financed by the Issuer will not be in excess of  
\$8,925,000 and has requested that the Issuer issue its  
Revenue Refunding Bonds (the "Bonds") to finance the cost of  
refunding the Series 1981 Bonds, including the costs incident  
to the issuance of the Bonds.

05268



3. The financing of the refunding of the Series 1981 Bonds will subserve the purposes of the Enabling Statute.

4. The Company has advised the County Council that First Commerce Capital and J.C. Bradford & Company have committed to buy the Bonds, which will be issued as fully registered bonds in the principal amount not to exceed \$8,925,000, with interest thereon from the date of delivery at an annual rate not to exceed eight and one-half percentum (8-1/2%). The Bonds will mature on December 1, 2011.

5. The Company has agreed under the terms of the proposed Loan Agreement with the Issuer (a) to pay all of the costs of the refunding of the Series 1981 Bonds in excess of the proceeds of the Bonds and (b) to make loan payment sufficient to pay the principal of, redemption premium (if any), and interest on the Bonds as they become due. Neither the refunding of the Series 1981 Bonds nor any charges in connection with the refunding of the Series 1981 Bonds or in connection with the Bonds, including the payment of principal, redemption premium (if any), or interest, shall constitute or give rise to a pecuniary liability of the Issuer or a charge against the general credit or taxing power of the Issuer.

6. The Bonds will be issued by and secured by, an Indenture of Trust (the "Indenture") by and between the Issuer and The Citizens and Southern National Bank, a national banking association, as trustee, (the "Trustee").

7. In order to provide for the sale of the Bonds, the Issuer will enter into a bond purchase agreement (the "Bond Purchase Agreement") with First Commerce Capital and J.C. Bradford & Company, the terms of which will provide for the sale of the Bonds.

AND, BE IT FURTHER RESOLVED, that the County Council hereby approves the undertaking of the refunding of the Series 1981 Bonds and the issuance of the Issuer's Revenue Refunding Bonds as aforesaid, the filing of its Petition, in accordance with Code Section 4-29-140, to the State Budget and Control Board of South Carolina, in substantially the form of the Petition attached hereto as Exhibit A (or with such changes as shall be approved by the Attorney for the Issuer), and the execution by the Chairman of the County Council, or in his absence, the Vice Chairman, and the attestation by the Clerk of the County Council, or in his/her absence, the Acting Clerk, to the same and the affixation of the County Seal thereto, and, further, authorizes and empowers the Chairman of the County Council, or, in his/her absence, the Vice Chairman, to take all other action necessary or incidental to the execution and filing of such Petition, and ratifies, confirms and adopts any and all such actions heretofore taken.

PETITION  
TO  
THE STATE BUDGET AND CONTROL BOARD  
OF  
SOUTH CAROLINA

EXHIBIT

NOV 18 1986 NO. 28

STATE BUDGET & CONTROL BOARD

PURSUANT TO SECTION 4-29-140 OF THE  
CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING \$8,925,000 CHESTERFIELD COUNTY,  
SOUTH CAROLINA REVENUE REFUNDING BONDS  
(HOSPITAL CORPORATION OF AMERICA PROJECT)

EX PARTE:  
COUNTY COUNSEL OF CHESTERFIELD COUNTY, SOUTH CAROLINA

Exhibit "A"

05270

TO: The Honorable Richard W. Riley, Governor  
The Honorable Grady L. Patterson, Jr., State Treasurer  
The Honorable Earle E. Morris, Jr., Comptroller General  
The Honorable Rembert C. Dennis, Chairman,  
Senate Finance Committee  
The Honorable ~~Tom G. Mangum~~, <sup>Acting</sup> Chairman, T.W. Edwards, Jr.,  
House Ways and Means Committee

Constituting the State Budget and Control Board of the State  
of South Carolina

Your Petitioner, the County Council of Chesterfield  
County, South Carolina (the "County Council"), respectfully prays:

1. Chesterfield County, South Carolina (the "Issuer")  
proposes to issue its not exceeding \$8,925,000 Chesterfield  
County, South Carolina Revenue Refunding Bonds (Hospital  
Corporation of America Project), Series 1986 (the "Bonds"),  
pursuant to Chapter 29, Title 4, Code of Laws of South Carolina  
1976, as amended (the "Enabling Statute"), and loan the proceeds  
thereof to the Hospital Corporation of America, a corporation  
organized and existing under the laws of the State of Tennessee  
(the "Company"), pursuant to the terms of a Loan Agreement (the  
"Agreement") between the Issuer and the Company, to finance the  
refunding by payment of the outstanding principal of the Issuer's  
Subordinated Revenue Bonds (Hospital Corporation of America  
Project), Series 1981 (the "Series 1981 Bonds"), in the original  
aggregate principal amount of \$8,925,000, such Series 1981 Bonds  
being issued to finance the acquisition, construction and

05271

equipping of a 74-bed general acute-care hospital in Cheraw, South Carolina to be owned and operated by the Company or one of its subsidiary (the "Project").

2. The Company has advised the County Council that the refunding of the Series 1981 Bonds, together with the cost of issuing the Bonds, will cost at least \$8,925,000, and that all costs in excess of the proceeds of the Bonds will be paid by the Company from its own funds.

3. The Company has advised the County Council that First Commerce Capital and J.C. Bradford & Company have committed to buy the Bonds pursuant to a bond purchase agreement (the "Bond Purchase Agreement"), such Bonds to be issued as fully registered bonds, in the principal amount of not exceeding \$8,925,000, with interest thereon from the date of delivery at an annual rate not to exceed eight and one-half per centum (8-1/2%). The Bonds will mature on December 1, 2011.

4. The proposed Agreement between the Issuer and the Company will provide, among other things, the following:

(a) To finance the cost of the refunding of the Series 1981 Bonds, the Issuer will issue its not exceeding \$8,925,000 Revenue Refunding Bonds pursuant to the Enabling Statute. The Bonds will be issued and secured by an indenture of trust (the "Indenture") to be entered into between the Issuer and The Citizens and Southern National Bank, a national banking association, as Trustee (the "Trustee").

(b) The Agreement will impose upon the Company the obligation to pay, in addition to the moneys required for the



payment of the principal of, redemption premium (if any) and interest on the Bonds, all other costs and expenses resulting from the execution and delivery of the Agreement, the Indenture and the Bond Purchase Agreement and the issuance of the Bonds pursuant thereto.

(c) The proceeds derived from the sale of the Bonds will be used to refund the Series 1981 Bonds.

(d) The Agreement shall contain an agreement obligating the Company to pay from its own funds all costs in connection with the refunding of the Series 1981 Bonds in excess of the proceeds of the Bonds, and obligating the Company to pay loan repayments which, upon the basis of the determination heretofore made by the County Council, will be sufficient to pay the principal of, redemption premium (if any) and interest on the Bonds.

(e) The Agreement will contain no provision imposing any pecuniary liability upon the Issuer or which would create a charge upon the general credit or taxing power of the Issuer.

Upon the basis of the foregoing, the County Council respectfully prays:

That the State Budget and Control Board accept the filing of the Petition presented herewith and that it thereafter, and as soon as practicable, make its independent investigation of the refunding of the Series 1981 Bonds and the terms and provisions of the Agreement, the Indenture and the Bond Purchase Agreement and the Bonds as it deems advisable, and that thereafter the State Board make a finding that the proposed refunding of the Series 1981 Bonds will promote the purpose of the Enabling



Statute, and that it is reasonably anticipated to effect such result, and, on the basis of such finding, that it does approve the refunding of the Series 1981 Bonds, including changes and details of the financing as finally consummated which do not materially affect the undertaking, and that it give publish notice of its approval in the manner set forth in Code Section 4-29-140.

Respectfully submitted,

CHESTERFIELD COUNTY, SOUTH CAROLINA

(SEAL)

By: \_\_\_\_\_  
Chairman, County Council of  
Chesterfield County

ATTEST:

\_\_\_\_\_  
Clerk, County Council of  
Chesterfield County

STATE OF SOUTH CAROLINA   )  
  )  
COUNTY OF CHESTERFIELD   )

THIS IS TO CERTIFY that the foregoing is an exact,  
verbatim copy of a Resolution unanimously adopted at a duly called  
and held regular meeting of the County Council of Chesterfield  
County, South Carolina, held at the Court House, Chesterfield,  
South Carolina on November 5, 1986, at which meeting a quorum  
was present and remained throughout.

The Resolution was offered by Councilmember A. J. Calder,  
seconded by Councilmember Ida Mae Burch, and has been recorded in  
the County Council's records of proceedings and remains in my  
custody as Clerk, and the Resolution remains in full force and  
effect and has not been amended, modified, or repealed.

WITNESS, my Hand and Seal of Chesterfield County, South  
Carolina, this 5<sup>th</sup> day of November, A.D., 1986.

[SEAL]

J. Chappell Hurst  
Clerk, County Council of  
Chesterfield County, South Carolina

EXHIBIT

NOV 18 1986      NO. 28

STATE BUDGET & CONTROL BOARD

# EXHIBIT

NOV 18 1986

NO. 28

## BOND ORDINANCE

STATE BUDGET & CONTROL BOARD

ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF THE ISSUER'S  
REVENUE REFUNDING BONDS (HOSPITAL CORPORATION OF AMERICA  
PROJECT), SERIES 1986, IN THE AGGREGATE PRINCIPAL AMOUNT OF  
\$8,925,000 AND THE EXECUTION OF RELATED DOCUMENTS.

Dated: November 26, 1986

- Exhibit "A" - Form of Loan Agreement, to be dated as of  
November 1, 1986;
- Exhibit "B" - Form of Indenture of Trust, to be dated as of  
November 1, 1986;
- Exhibit "C" - Form of Refunding Trust Agreement, to be dated  
as of November 1, 1986;
- Exhibit "D" - Bond Purchase Agreement, dated November 26,  
1986; and
- Exhibit "E" - Preliminary Official Statement, dated  
November 26, 1986.

05276

Date: November 26, 1986

At a meeting of the County Council of Chesterfield County, South Carolina, held at Chesterfield, South Carolina, on the 26th day of November, 1986, the following Members of Council were:

PRESENT: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ALSO PRESENT: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the issuance and sale by Chesterfield County, South Carolina (the "Issuer") of the Issuer's proposed Revenue Refunding Bonds (Hospital Corporation of America Project), Series 1986, in the aggregate principal amount of \$8,925,000.

The following resolution was duly moved, seconded, discussed and adopted with the following Members of Council voting:

AYE

NAY

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

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\_\_\_\_\_

05277

# EXHIBIT

NOV 18 1986

NO. 28

## ORDINANCE OF COUNTY COUNCIL OF STATE BUDGET & CONTROL BOARD CHESTERFIELD COUNTY, SOUTH CAROLINA

AUTHORIZING THE ISSUANCE OF \$8,925,000 CHESTERFIELD COUNTY, SOUTH CAROLINA REVENUE REFUNDING BONDS (HOSPITAL CORPORATION OF AMERICA PROJECT) PURSUANT TO SECTIONS 44-7-1410, ET SEQ., CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; THE APPLICATION OF THE PROCEEDS OF SAID BONDS TO PAY THE COST OF REFUNDING BY PAYMENT THE OUTSTANDING PRINCIPAL AMOUNT OF CHESTERFIELD COUNTY, SOUTH CAROLINA SUBORDINATED REVENUE BONDS (HOSPITAL CORPORATION OF AMERICA PROJECT), SERIES 1981, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$8,925,000; THE EXECUTION AND DELIVERY OF CERTAIN INSTRUMENTS RELATING TO THE ISSUANCE OF AND SECURITY FOR SAID BONDS; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE COUNTY COUNCIL OF CHESTERFIELD COUNTY, SOUTH CAROLINA, IN A MEETING DULY ASSEMBLED, THAT THE COUNTY COUNCIL HEREBY DETERMINES AND FINDS AS FOLLOWS:

1. Chesterfield County, South Carolina (the "Issuer") has agreed pursuant to a request by Hospital Corporation of America, a Tennessee corporation (the "Company"), to issue not to exceed \$8,925,000 of Chesterfield County, South Carolina Revenue Refunding Bonds pursuant to Code of Laws of South Carolina, 1976 Sections 44-7-1410 et seq. (the "Act"), to finance the refunding by payment of the outstanding principal of the Issuer's Subordinated Revenue Bonds (Hospital Corporation of America Project), Series 1981 (the "1981 Bonds") in the original aggregate principal amount of \$8,925,000, such 1981 Bonds having been issued to finance the acquisition, construction and equipping of a 74-bed general acute-care hospital in Cheraw, South Carolina owned and operated by the Company or one of its subsidiaries (the "Project").

2. The Company has advised the County Council that the cost of the refunding of the 1981 Bonds to be financed by the Issuer is not in excess of \$8,925,000 and has requested that the Issuer issue its Revenue Refunding Bonds (Hospital Corporation of America Project), Series 1986 (the "Bonds"), in the principal amount of \$8,925,000 to finance the cost of the refunding of the 1981 Bonds.

3. The Act authorizes and empowers any county to finance the acquisition, enlargement, improvement, construction, equipping and providing of hospital facilities to benefit the public health and welfare of the people of the State and pursuant to the Act, any bonds issued under the Act and at any time outstanding may at any time and from time to time be refunded by the County by the issuance of its refunding bonds in such amounts

05278



as the County board may deem necessary together with any interest then or thereafter to become due, and any other expenses necessary to be paid in connection therewith.

4. The Issuer finds:

(a) The Project financed with the proceeds of the 1981 Bonds will subserve the purposes of the Act;

(b) The Project will give rise to no pecuniary liability of the Issuer or a charge against its general credit or taxing power;

(c) The amount necessary in each year to pay the principal of and the interest on the Bonds is established in the Indenture;

(d) The amount necessary to effect the refunding is at least \$8,925,000;

(e) The Issuer does not deem it advisable to establish any reserve fund in connection with the retirement of the Bonds, in that the Company has agreed to make all such payments in the Agreement;

(f) The Company has agreed to maintain the Project and carry all proper insurance with respect thereto.

5. The County Council has determined that the refunding of the 1981 Bonds will serve the purposes of the Act, and neither the refunding of the 1981 Bonds nor the Bonds will give rise to any pecuniary liability of the Issuer or a charge againsts its general credit or taxing power.

6. The Company has submitted to the County Council the proposed form of Loan Agreement (the "Agreement") by and between the Issuer and the Company, under the terms of which the Company is unconditionally obligated to pay the amounts necessary to provide for the payment of the principal of, redemption premium (if any), and interest on the Bonds.

7. The Company has submitted to the County Council the proposed form of the Indenture of Trust (the "Indenture") by and between the Issuer and Commerce Union Bank, Nashville, Tennessee as trustee (the "Trustee"), under which the Bonds will be issued and by which they will be secured.

8. The Company has submitted to the County Council the proposed form of the Refunding Trust Agreement (the "Refunding Trust Agreement") with the Company, the Trustee, and The Citizens and Southern National Bank, Atlanta, Georgia, as trustee for the 1981 Bonds (the "1981 Trustee").

9. The Company has submitted to the County Council the proposed form of the Bond Purchase Agreement (the "Bond Purchase Agreement") between the Issuer and J. C. Bradford & Co. and First Commerce Capital, the terms of which provide for the sale of the Bonds.

10. It is proposed that the Issuer should provide for the use and distribution of a Preliminary Official Statement, dated November 26, 1986 (the "Preliminary Official Statement"), and for the approval, execution and delivery of a final Official Statement (the "Official Statement") pertaining to the Bonds.

11. It is proposed that the Issuer should designate a "Trustee", "Paying Agent" and "Bond Registrar" to serve under the Indenture.

11. By Resolution adopted on November 5, 1986, the County Council made certain determinations and findings prior to undertaking the refunding of the 1981 Bonds, which are hereby confirmed, approved the undertaking of the refunding of the 1981 Bonds and authorized and confirmed the filing of its petition to the State Budget and Control Board, as required by Section 4-29-140 of the Act, seeking the approval of the State Budget and Control Board of the refunding of the 1981 Bonds and the issuance of the Bonds.

12. By Resolution adopted November \_\_, 1986, the State Budget and Control Board approved the refunding of the 1981 Bonds and the undertaking of the County Council to issue the Bonds pursuant to the Act to finance the cost of the refunding of the 1981 Bonds.

13. The County Council, after publication of appropriate notice, conducted a public hearing on November 26, 1986, prior to final approval of the issuance of the Bonds.

14. There have been presented to the Issuer at this meeting proposed forms of the Agreement, the Indenture, the Refunding Trust Agreement, the Bond Purchase Agreement and the Preliminary Official Statement and the proposed form of the Bonds as set forth in the Indenture and it appears that each of the documents hereinabove referred to, which documents are now before the Issuer, is in appropriate form and is an appropriate document for the purposes intended.

BE IT FURTHER ORDAINED BY THE COUNTY COUNCIL OF CHESTERFIELD COUNTY, SOUTH CAROLINA as follows:

Section 1. Authority for Bond Ordinance. This Bond Ordinance is adopted pursuant to the provisions of the Act.

Section 2. Findings. It is hereby ascertained, determined and declared that:

(a) the financing of the refunding of the 1981 Bonds which were issued in order to finance the acquisition, construction and installation of the Project is a lawful and valid public purpose in that it will further the public purpose intended to be served by the Act;

(b) the payments to be received by the Issuer under the Agreement will be fully sufficient to pay the principal of, and the redemption premium (if any) and the interest on, the Bonds as the same become due and to pay certain administrative expenses in connection with the Bonds; and

(c) the Bonds will constitute only limited obligations of the Issuer and will be payable solely from the pledged revenues to be assigned and pledged to the payment thereof and will not constitute a debt or a general obligation or a pledge of the faith and credit of the State of South Carolina or Chesterfield County, South Carolina, and will not directly, indirectly, or contingently obligate said State or said County to levy or to pledge any form of taxation whatever for the payment thereof.

Section 3. Authorization of Refunding. The refunding by redemption and immediate payment on December 1, 1986, of the 1981 Bonds as contemplated in the Agreement, the Indenture and the Refunding Trust Agreement is hereby authorized.

Section 4. Authorization of Bonds. For the purpose of financing the cost of refunding the 1981 Bonds, the issuance of revenue refunding bonds of the Issuer in the principal amount of \$8,925,000 known as "Chesterfield County, South Carolina Revenue Refunding Bonds (Hospital Corporation of America Project), Series 1986", is hereby authorized. The Bonds shall be dated, mature, bear interest, be subject to redemption prior to maturity and be payable as set forth in Articles II and III of the Indenture. The Bonds shall be issued as registered Bonds without coupons in various denominations with such rights of exchangeability and transfer of registration and shall be in the form and executed and authenticated in the manner provided in the Indenture. The term "Bonds" as used herein shall be deemed to mean and include the Bonds as initially issued and delivered and Bonds issued in exchange therefor or in exchange for Bonds previously issued.

Any Bonds hereafter issued in exchange or for transfer of registration for the Bonds initially issued and delivered pursuant to the Indenture shall be executed in accordance with the provisions of the Indenture and such execution by the Chairman of the County Council and Clerk of the County Council, whether present or future, is hereby authorized.



Section 5. Authorization of Agreement. The execution, delivery and performance of the Agreement between and among the Issuer and the Company be and the same are hereby authorized. The Agreement shall be in substantially the form attached hereto as Exhibit "A", subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the County Council and the execution of the Agreement by the Chairman or Vice Chairman and Clerk of the County Council as hereby authorized shall be conclusive evidence of any such approval.

Section 6. Authorization of Indenture. In order to secure the payment of the principal of, and the redemption premium (if any) and the interest on, the Bonds herein authorized, the execution, delivery and performance of the Indenture by and between the Issuer and the Trustee be and the same are hereby authorized. The Indenture shall be in substantially the form attached hereto as Exhibit "B", subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the County Council and the execution of the Indenture by the Chairman or Vice Chairman and Clerk of the County Council as hereby authorized shall be conclusive evidence of any such approval.

Section 7. Authorization of Refunding Trust Agreement. In order to provide for the deposit of moneys with the 1981 Trustee for the purpose of refunding the 1981 Bonds, the execution, delivery and performance of the Refunding Trust Agreement by and between the Issuer, the Company, the Trustee and the Prior Trustee be and the same are hereby authorized. The Refunding Trust Agreement shall be substantially in the form attached hereto as Exhibit "C", subject to such minor changes, insertions or omissions as may be approved by the Chairman or Vice Chairman and Clerk of the County Council and the execution of the Refunding Trust Agreement by the Chairman or Vice Chairman and Clerk of the County Council as hereby authorized shall be conclusive evidence of any such approval.

Section 8. Authorization of Bond Purchase Agreement. The execution, delivery and performance of the Bond Purchase Agreement providing for the sale of the Bonds, by and between the Issuer and J. C. Bradford & Co. and First Commerce Capital, a copy of which has been presented to the Issuer at this meeting and considered by its members and which is on file and of record with the Clerk of the Issuer, be and the same are hereby authorized. The Bond Purchase Agreement shall be in substantially the form as presented to the Issuer (attached hereto as Exhibit "D"), subject to such minor changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the County Council and the execution of the Bond Purchase Agreement by the Chairman or Vice Chairman of the County Council as hereby authorized shall be conclusive evidence of any such approval.

Section 9. Approval of Preliminary Official Statement. The use and distribution of the Preliminary Official Statement with respect to the Bonds be and the same are hereby approved and the execution and delivery of the Official Statement in final form be and the same are hereby authorized, and said Preliminary Official Statement and Official Statement shall be in substantially the form as presented to the Issuer at this meeting and filed with its Clerk (attached hereto as Exhibit "E"), subject to such minor changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the County Council and the execution of said Official Statement by the Chairman or Vice Chairman of the County Council as hereby authorized shall be conclusive evidence of any such approval.

Section 10. Designation of Trustee, Paying Agent and Bond Registrar. Commerce Union Bank, Nashville, Tennessee, a state banking corporation, is hereby designated Trustee under the Indenture, Paying Agent and Bond Registrar for the Bonds.

Section 11. Execution of Bonds. The Bonds shall be executed in the manner provided in the Indenture and the same shall be delivered to the Trustee for proper authentication and delivery to the purchaser or purchasers thereof with instructions to that effect as provided in the Indenture. Anything herein or in the Indenture to the contrary notwithstanding, the Vice Chairman of the County Council is hereby authorized to execute the Bonds in the event of the absence or incapacity of the Chairman, and any Assistant Clerk of the Issuer is hereby authorized to attest the Bonds in the absence or incapacity of the Clerk of the County Council.

Section 12. Information Reporting Pursuant to Section 149(e) of the Code. Any officer of the Issuer is hereby authorized to sign and file or cause to be filed a completed I.R.S. Form 8038, "Information Return for Private Activity Bond Issues", as required by Section 149(e) of the Code.

Section 13. Non-Arbitrage Certification. Any officer of the Issuer is hereby authorized to execute a non-arbitrage certification in order to comply with Section 148 of the Code, and the applicable Income Tax Regulations thereunder.

Section 14. Election Pursuant to Section 144(a)(4)(A) and (E) of the Code. Any officer of the Issuer is hereby authorized to execute a statement of election to issue the Bonds pursuant to Section 144(a)(4)(A) and (E) of the Code and to sign and file or cause to be filed any and all documents necessary to accomplish and perfect such election.

Section 15. No Personal Liability. No stipulation, obligation or agreement herein contained or contained in the Agreement, the Indenture, or the Bond Purchase Agreement shall be



deemed to be a stipulation, obligation or agreement of any officer, member, agent or employee of the Issuer in his individual capacity, and no such officer, member, agent or employee shall be personally liable on the Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 16. General Authority. From and after the execution and delivery of the documents hereinabove authorized, the proper officers, agents and employees of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed and are further authorized to take any and all further actions and execute and deliver any and all other documents and certificates as may be necessary or desirable in connection with the issuance of the Bonds and the execution and delivery of the Agreement, the Indenture and the Bond Purchase Agreement and to document compliance with the provisions of Section 147-149 of the Code.

The Chairman or Vice Chairman and Clerk of the County Council are hereby authorized and directed to prepare and furnish to the purchaser or purchasers, when the Bonds are issued, certified copies of all the proceedings and records of the Issuer relating to the Bonds, and such other affidavits and certificates as may be required to show the facts relating to the legality and marketability of the Bonds as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Issuer as to the truth of all statements contained therein.

Section 13. Actions Approved and Confirmed. All acts and doings of the officers of the Issuer which are in conformity with the purposes and intents of this Bond Ordinance and in the furtherance of the issuance of the Bonds and the execution, delivery and performance of the Agreement and the Indenture shall be, and the same hereby are, in all respects approved and confirmed.

Section 14. Severability of Invalid Provisions. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the Bonds authorized hereunder.

Section 15. Repealing Clause. All resolutions or ordinances or parts thereof of the Issuer in conflict with the provisions herein contained area, to the extent of such conflict, hereby superseded and repealed.

Section 20. Effective Date. This Bond Ordinance shall take effect immediately upon its adoption.

ADOPTED this 26th day of November, 1986.

CHESTERFIELD COUNTY, SOUTH CAROLINA

(CORPORATE SEAL)

By: \_\_\_\_\_  
CHAIRMAN, COUNTY COUNCIL

Attest:

\_\_\_\_\_  
CLERK, COUNTY COUNCIL

CLERK'S CERTIFICATE

The undersigned Clerk of the County Council of Chesterfield County, South Carolina (the "Issuer"), DOES HEREBY CERTIFY that the foregoing pages of typewritten matter pertaining to \$8,925,000 in aggregate principal amount of Chesterfield County, South Carolina Revenue Refunding Bonds (Hospital Corporation of America Project), Series 1986, constitute a true and correct copy of the Bond Ordinance unanimously adopted on November 26, 1986, by the members of the County Council in a meeting duly called and assembled, which was open to the public and at which a quorum was present and acting throughout, and that the original of said Bond Ordinance appears of record in the official records of the Issuer which is in the undersigned's custody and control.

WITNESS my hand and the official seal of the County Council of Chesterfield County, South Carolina, this 26th day of November, 1986.

\_\_\_\_\_  
CLERK OF COUNCIL, CHESTERFIELD  
COUNTY, SOUTH CAROLINA

(CORPORATE SEAL)

NOV 10 1986  
9:17 AM: XL

LAW OFFICES

H. F. BELL

MAIN AND GREEN STREETS

CHESTERFIELD, S. C.  
29709

ASSOCIATE  
STEPHEN C. WALLACE

POST OFFICE BOX 189  
TELEPHONE 623-2198  
AREA CODE 803

EXHIBIT

November 6, 1986

NOV 18 1986

NO. 28

STATE BUDGET & CONTROL BOARD

Honorable William A. McInnis  
Secretary  
State Budget and Control Board of South Carolina  
612 Wade Hampton Building  
Box 12444  
Columbia, South Carolina 29211

Re: \$8,925,000 Chesterfield County, South Carolina, 14-1/2%  
Subordinated Revenue Bonds (Hospital Corporation of America  
Project), Series 1981

Dear Mr. McInnis:

At the request of Ms. Ruth West Brown of King & Spalding, 2500 Trust  
Company Tower, Atlanta, Georgia 30303, Bond Counsel for Hospital Corporation  
of America, I am enclosing the following in connection with the above:

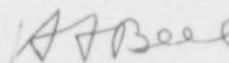
1. Original and Copy of Resolution of the Chesterfield County  
Council Authorizing the Filing of a Petition with the  
State Budget and Control Board for Approval of the Above  
Project.
2. Original and Copy of Petition of the Chesterfield County Council  
to the State Budget and Control Board.
3. Original and Copy of a Proposed Resolution to be Adopted by the  
State Budget and Control Board.

The other documents regarding this Refunding Issue will be mailed to you by  
Ms. Brown.

I would appreciate your taking the necessary steps to adopt this Resolution  
as early as possible and notifying Ms. Brown when such has been accomplished.

With kind regards.

Yours sincerely,



H. F. Bell

Attorney for County of Chesterfield

HFB:jr

Enclosures

CC: Ms. Ruth West Brown

05287

EXHIBIT

KING & SPALDING

NOV 18 1986

NO. 28

2500 TRUST COMPANY TOWER

ATLANTA, GEORGIA 30303

404/572-4600

TELEX: 54-2917 KINGSPALD ATL

TELECOPIER: 404 659-4838

524-7429

CABLE: TERMINUS

STATE BUDGET & CONTROL BOARD

1730 PENNSYLVANIA AVENUE, N.W.

SUITE 1200

WASHINGTON, D. C. 20006

202/737-0500

TELECOPIER: 202 737-5714

November 13, 1986

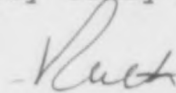
Mr. William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, South Carolina 29201

Re: \$8,925,000 Chesterfield County, South Carolina Revenue  
Refunding Bonds (Hospital Corporation of America  
Project), Series 1986

Dear Bill:

It was good talking to you yesterday. I am enclosing a Transmittal Form, together with a processing application fee of \$3,000.00. It is my understanding that you have everything else in hand. Thanks very much for your help on this matter. With best regards, I am

Very truly yours,



Ruth West Brown

RWB/slw

Enclosure

cc: Mr. Glenn Davis

05288



**TRANSMITTAL FORM, REVENUE BONDS**

TO: William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201

Date: November 13, 1986

FROM: Ruth W. Brown  
King & Spalding  
Name of Law Firm  
2500 Trust Company Tower  
Street  
Atlanta, Georgia 30303  
City, State, Zip Code

Telephone Area Code 404  
Number: 572-4600

Submitted for BCB Meeting of:  
November 18, 1986

RE: \$8,925,000 Chesterfield County, South Carolina  
Amount of Issue, Local Government Issuer  
Revenue Refunding  
Type of Bonds/Notes  
Hospital Corporation of America  
Name of Project

Private Activity Bonds:  
☒ YES ☐ NO

Projected Issue Date:  
December 1, 1986

**Project Description:**

SEE ATTACHMENT

Number of persons to be employed: \_\_\_\_\_

**Documents Enclosed:**

(All required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ \* Petition (executed original and two copies)
- B. ☐ \* Resolution or ordinance (executed copy)
- C. ☐ Inducement Resolution or comparable preliminary approval (executed copy)
- D. ☐ Standard Form Investment Letter from purchaser of bonds (executed original)  
OR  
☒ \* Audited financial statements for three most recent years
- E. ☐ Department of Health and Environmental Control certificate  
\_\_\_\_ Required ☒ Not Required
- F. ☒ \* Budget and Control Board Resolution and Public Notice  
Original (and \_\_\_\_\_ copies for certification and return)
- G. ☒ \* Processing fee  
Amount \$ 3,000.00 Check No. \_\_\_\_\_  
Payor King & Spalding

Bond Counsel: King & Spalding  
Typed Name

By: Ruth W. Brown  
Signature

\*Provided under separate cover by H.F. Bell or Hospital Corporation of America

**05289**

# EXHIBIT

INDUSTRIAL REVENUE BOND PROJECT

NOV 18 1986

NO. 28

STATE BUDGET & CONTROL BOARD

Hospital Corporation of America

GOVERNING BOARD

County Counsel of Chesterfield

BOND COUNSEL

## FINDINGS BY GOVERNING BOARD (§ 4-29-60)

The Governing Board shall find:

✓ (1) The project will subserve the purposes of Chapter 29, Title 4;

       (2) The project is anticipated to benefit the general public welfare of the locality by providing services, employment, recreation, or other public benefits not otherwise provided locally;

✓ (3) The project will give rise to no pecuniary liability of county or incorporated municipality or a charge against its general credit or taxing power;

05290

\$8,925,000 (4) The amount of bonds required to finance the project;

✓ (5) The amount necessary in each year to pay the principal of and the interest on the bonds proposed to be issued to finance the project;

           (6) The amount necessary to be paid each year into any reserve funds which the governing board may deem advisable to establish in connection with the retirement of the proposed bonds and the maintenance of the project;

           (7) Unless the terms of the financing agreement with respect to the project provide that the industry shall maintain the project and carry all proper insurance with respect thereto, the cost of maintaining the project in good repair and keeping it properly insured;

✓ (8) The determinations and findings of the governing board required to be made above shall be set forth in the proceedings under which the proposed bonds are to be issued.

FINANCING AGREEMENT (§ 4-29-60)

Every financing agreement with respect to a project shall contain an agreement:

✓ obligating the industry to effect the completion of the project if the proceeds of the bonds prove insufficient, and

obligating the industry to pay an amount under the terms of a financing agreement, which, upon the basis of the determinations theretofore made, will be sufficient:

- ✓       (a) to pay the principal of and interest on the bonds issued to finance the project;
- (b) to build up and maintain any reserves deemed by the governing board to be advisable in connection therewith, and
- (c) unless the financing agreement obligates the industry to pay for the maintenance and insurance of the project, to pay the costs of maintaining the project in good repair and keeping it properly insured.

           Every financing agreement in the form of a lease shall contain a provision requiring the industry to make payments to the county or counties, municipality or municipalities, school district or school districts, and other political units wherein the project shall be located in lieu of taxes, in such amounts as would result from taxes levied on the project by such county or counties, municipality or municipalities, school district or school districts, and other political unit

or units, if the project were owned by the industry, but with appropriate reductions similar to the tax exemptions, if any, which would be afforded to the industry if it were the owner of the project.

REFUNDING BONDS (§ 4-29-110)

✓ may not exceed an amount sufficient to refund the principal of the bonds to be refunded, together with any unpaid interest thereon and any premiums, expenses, and commissions necessary to be paid in connection therewith.

PETITION (§ 4-29-140)

Must set forth

✓ (a)(1) a brief description of the project proposed to be undertaken, and

       (a)(2) its anticipated effect upon the economy of the county or incorporated municipality in which the project is to be located and of the areas adjacent thereto;

✓ (b) a reasonable estimate of the cost of the project;

✓ (c)(1) a general summary of the terms and conditions of the financing agreement and security agreement to be made,

       (c)(2) a statement establishing the basis for the payment of sums in lieu of taxes as required by § 4-29-60.



FINDINGS BY BUDGET AND CONTROL BOARD

✓ the project is intended to promote the  
purposes of Chapter 29, Title 4, (Public Purpose)

✓ the project is reasonably anticipated to  
effect such results.

QUESTIONS CONSIDERED

05294

# EXHIBIT

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

NOV 18 1986

NO. 29

STATE BUDGET & CONTROL BOARD

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDURIS  
D. WAYNE CONLEY  
E. MLEDD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
EMORY M. SNEEDEN  
STEPHEN KOPLAY\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
JOHN W. LUMPKIN, JR.  
M. WILLIAM YOUNGBLOOD, JR.  
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EDWIN W. JOHNSON II  
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C. ALAN RUYAN  
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KATHLEEN CRUM MURANEY  
E. RUSSELL JETER, JR.  
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RICHARD J. MORGAN  
J. SIMON FRASER  
CHRISTOPHER M. G. HOLMES  
DEBORAH K. OWEN\*

SARA S. ROGERS  
DOROTHY M. HELMS  
NANCY PAGE  
SANDRA L. RANQUEMAN  
JANE W. TRINKLEY  
J. LYLES GLENN IV  
CELESTE TULLER JONES  
KATHERINE ELIZABETH WIMS  
JOSEPH D. WALKER  
NANCY R. JEFFERS  
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GREGORY D. DULACH  
WILLIAM ASHLEY JORDAN, JR.  
MICHAEL W. BEAL  
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WILLIAM M. MUSSEY  
SHARON E. CRANLEY  
T. BARRY HUNTER  
ROBERT E. MCMAHAN, JR.

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
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OF COUNSEL

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POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5159

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

December 2, 1986

\*NOT ADMITTED IN SOUTH CAROLINA

South Carolina State Budget and  
Control Board  
Executive Offices  
612 Wade Hampton Office Building  
Columbia, South Carolina 29211

Attn: Mr. William A. McInnis

Re: Piedmont Municipal Power Agency

Dear Bill:

The purpose of this letter is to confirm to the Budget and Control Board that Piedmont Municipal Power Agency is returning \$3,000,000 of the volume cap that has previously been allocated to it in connection with its refunding bond issue. The Agency will need only \$66,000,000 of volume cap to complete the refunding.

The Agency is not yet required to file a Form 8038 in connection with its issuance of Bonds. Therefore, no formal 8038 will be prepared in connection with this issue. Prior to closing, however, which is expected to take place on or about December 18, we will provide you with a formal certification and notification of the issue itself.

Please let me know if you have any questions.

Very truly yours,

McNAIR LAW FIRM, P.A.

By: Brenton D. Jeffcoat  
Brenton D. Jeffcoat

BDJ/tmm

05295

NOV 18 1986

NO. 29

State of South Carolina

## State Budget and Control Board

STATE BUDGET &amp; CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNORGRADY L. PATTERSON, JR.  
STATE TREASUREREARLE E. MORRIS, JR.  
COMPTROLLER GENERALBox 12444  
Columbia  
29211REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEEJESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

December 12, 1986

## C E R T I F I C A T E

## STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Piedmont Municipal Power Agency  
c/o Mr. O. Wayne Corley  
McNair Law Firm, P.A.  
Box 11390  
Columbia, SC 29211

RE: State Ceiling Allocation of \$66,000,000 for Piedmont Municipal Power Agency  
Electric Revenue Bonds (As a Part of a \$363,735,000 Issue)  
(1986 Refunding Series A Project)  
Issue Date Projected By Issuing Authority: December 17, 1986  
Allocation Expiration Date: December 31, 1986  
Issue Amount Certificate Date: December 11, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Section 7(b) of the Governor's Executive Order #86-20, issued October 22, 1986, which certificate is dated not more than ten (10) business days prior to the projected date of issue which, as certified by the issuing authority, is within the time period during which the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project is valid, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

William A. McInnis, Secretary

05296

DEC 11 1986  
1:14 P.M.

*LL*

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
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\*NOT ADMITTED IN SOUTH CAROLINA

December 11, 1986

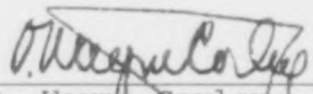
Mr. William A. McInnis  
South Carolina State Budget and  
Control Board  
600 Wade Hampton Office Building  
Columbia, South Carolina 29201

Re: Final Volume Cap Allocation

Dear Mr. McInnis:

Piedmont Municipal Power Agency will issue its \$66,000,000 Electric Revenue Bonds, 1986 Refunding Series A, on December 17, 1986. Preliminary allocation was granted on November 18, 1986. We respectfully request final volume cap allocation for the issuance of the bonds.

Sincerely,

  
O. Wayne Corley  
Authorized Representative

EXHIBIT

NOV 18 1986

NO. 29

STATE BUDGET & CONTROL BOARD

05297

# EXHIBIT

NOV 18 1986

NO. 29

STATE OF SOUTH CAROLINA )

)

PETITION

STATE BUDGET & CONTROL BOARD

COUNTY OF GREENVILLE )

)

---

TO: THE STATE BUDGET AND CONTROL BOARD  
OF SOUTH CAROLINA

---

This Petition of Piedmont Municipal Power Agency (PMPA) is submitted to the State Budget and Control Board of South Carolina (the "Board") setting forth the following information:

1. PMPA is a public body, corporate and politic of the State of South Carolina incorporated in January, 1979 pursuant to the provisions of the South Carolina Joint Municipal Electric Power and Energy Act (the "Act") for the purpose of owning and operating electric distribution facilities for its member municipalities.

2. The members of PMPA are the Cities of Abbeville, Clinton, Easley, Gaffney, Greer, Laurens, Newberry, Rock Hill, Union and Westminster and have a combined population of approximately 128,000 to whom they provide electricity.

3. PMPA is authorized pursuant to the Act to issue its revenue bonds, including refunding bonds, the proceeds of which are to be used to pay the cost of acquisition or construction of electric generation and distribution facilities.

4. In November, 1985 PMPA issued Four Hundred Forty Five Million Three Hundred Twenty Five Thousand Dollars

05298



# EXHIBIT

Petition to the State Budget  
and Control Board  
Page 2

NOV 18 1986 NO. 29

STATE BUDGET & CONTROL BOARD

(\$445,325,000) of its Electric Revenue Bonds, 1985 Refunding Series (the "1985 Bonds"), at interest rates ranging from 7% to 9.70%.

5. PMPA, because of the decline in tax exempt interest rates, desires to advance refund \$288,895,000 of the 1985 Bonds which presently bear interest rates of 9-5/8% to 9.70%.

6. At an assumed current rate of interest on PMPA's obligations of 7-5/8%, it would require the issuance of approximately \$352,000,000 of PMPA's Electric Revenue Bonds, 1986 Refunding Series (the "1986 Bonds") to advance refund the 1985 Bonds.

7. The advance refunding of the 1985 Bonds would cause PMPA's rate payers to realize \$45,000,000 gross savings over the life of the 1985 Bonds. The present value savings is \$23,000,000 or 7.9% of the debt service on the 1985 Bonds.

8. PMPA has agreed to sell excess electricity to Duke Power Company for a period of years, the amount of such sales declining each year. Due to this arrangement, The Tax Reform Act of 1986 requires PMPA to obtain from the State of South Carolina a volume cap allocation for the non-governmental portion of the 1986 Bonds in the amount of \$69,000,000.

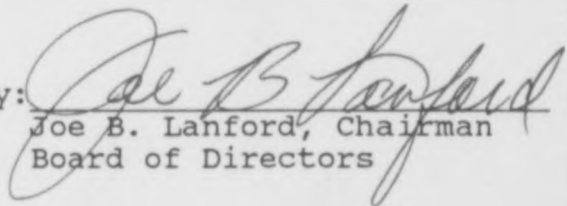
05299

WHEREFORE, on the basis of the foregoing, PMPA requests, pursuant to the provisions of The Tax Reform Act of 1986, a volume cap allocation of \$69,000,000.

Respectfully submitted,

PIEDMONT MUNICIPAL POWER AGENCY

By:

  
Joe B. Lanford, Chairman  
Board of Directors

EXHIBIT

NOV 18 1986

NO. 29

STATE BUDGET & CONTROL BOARD

05300

# EXHIBIT

NOV 18 1986

NO. 29

STATE OF SOUTH CAROLINA

)

)

COUNTY OF GREENVILLE

)

PETITION

STATE BUDGET & CONTROL BOARD

---

TO: THE STATE BUDGET AND CONTROL BOARD  
OF SOUTH CAROLINA

---

This Petition of Piedmont Municipal Power Agency (PMPA) is submitted to the State Budget and Control Board of South Carolina (the "Board") setting forth the following information:

1. PMPA is a public body, corporate and politic of the State of South Carolina incorporated in January, 1979 pursuant to the provisions of the South Carolina Joint Municipal Electric Power and Energy Act (the "Act") for the purpose of owning and operating electric distribution facilities for its member municipalities.

2. The members of PMPA are the Cities of Abbeville, Clinton, Easley, Gaffney, Greer, Laurens, Newberry, Rock Hill, Union and Westminster and have a combined population of approximately 128,000 to whom they provide electricity.

3. PMPA is authorized pursuant to the Act to issue its revenue bonds, including refunding bonds, the proceeds of which are to be used to pay the cost of acquisition or construction of electric generation and distribution facilities.

4. In November, 1985 PMPA issued Four Hundred Forty Five Million Three Hundred Twenty Five Thousand Dollars

05301

(\$445,325,000) of its Electric Revenue Bonds, 1985 Refunding Series (the "1985 Bonds"), at interest rates ranging from 7% to 9.70%.

5. PMPA, because of the decline in tax exempt interest rates, desires to advance refund \$288,895,000 of the 1985 Bonds which presently bear interest rates of 9-5/8% to 9.70%.

6. At an assumed current rate of interest on PMPA's obligations of 7-5/8%, it would require the issuance of approximately \$352,000,000 of PMPA's Electric Revenue Bonds, 1986 Refunding Series (the "1986 Bonds") to advance refund the 1985 Bonds.

7. The advance refunding of the 1985 Bonds would cause PMPA's rate payers to realize \$45,000,000 gross savings over the life of the 1985 Bonds. The present value savings is \$23,000,000 or 7.9% of the debt service on the 1985 Bonds.

8. PMPA has agreed to sell excess electricity to Duke Power Company for a period of years, the amount of such sales declining each year. Due to this arrangement, The Tax Reform Act of 1986 requires PMPA to obtain from the State of South Carolina a volume cap allocation for the non-governmental portion of the 1986 Bonds in the amount of \$69,000,000.

Petition to the State Budget  
and Control Board  
Page 3

WHEREFORE, on the basis of the foregoing, PMPA requests, pursuant to the provisions of The Tax Reform Act of 1986, a volume cap allocation of \$69,000,000.

Respectfully submitted,

PIEDMONT MUNICIPAL POWER AGENCY

By: 

O. Wayne Corley  
General Counsel

EXHIBIT

NOV 18 1986

NO. 29

STATE BUDGET & CONTROL BOARD

05303



# EXHIBIT

NOV 18 1986

NO. 29

CERTIFICATE

STATE BUDGET & CONTROL BOARD

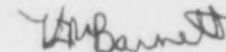
I, the undersigned, Secretary of the Board of Directors (the "Board") of Piedmont Municipal Power Agency ("PMPA"), hereby certify:

1. That I am the duly elected and acting Secretary of the Board of PMPA and the recorder and custodian of its official records.

2. That attached hereto is a full, true and verbatim copy of Resolution No. 86-10 (the "Resolution") adopted by the Board of PMPA at a special meeting of the Board duly and properly called and held on November 13, 1986, notice of which meeting was duly, timely and properly given and at which a quorum was present and acting throughout.

3. That, as of the date hereof, the Resolution has not been amended, modified or rescinded and remains in full force and effect.

In witness whereof, I have affixed my signature and the seal of PMPA this 13th day of November, 1986.

  
Secretary

(SEAL)

05304

# EXHIBIT

NOV 18 1986

NO. 29

RESOLUTION NO. 86-10

STATE BUDGET & CONTROL BOARD

WHEREAS, in November, 1985 PMPA issued Four Hundred Forty Five Million Three Hundred Twenty Five Thousand Dollars (\$445,325,000) of its Electric Revenue Bonds, 1985 Refunding Series (the "1985 Bonds"), at interest rates ranging from 7% to 9.70%; and

WHEREAS, PMPA, because of the decline in tax exempt interest rates, desires to advance refund \$288,895,000 of the 1985 Bonds which presently bear interest rates of 9-5/8% to 9.70%; and

WHEREAS, at an assumed current rate of interest on PMPA's obligations of 7-5/8%, it would require the issuance of approximately \$352,000,000 of PMPA's Electric Revenue Bonds, 1986 Refunding Series (the "1986 Bonds") to advance refund the 1985 Bonds; and

WHEREAS, the advance refunding of the 1985 Bonds would cause PMPA's rate payers to realize \$45,000,000 gross savings over the life of the 1985 Bonds. The present value savings is \$23,000,000 or 7.9% of the debt service on the 1985 Bonds; and

WHEREAS, PMPA has agreed to sell excess electricity to Duke Power Company for a period of years, the amount of such sales declining each year. Due to this arrangement, The Tax Reform Act of 1986 requires PMPA to obtain from the State of South Carolina a volume cap allocation for the non-governmental portion of the 1986 Bonds in the amount of \$69,000,000.

NOW, THEREFORE BE IT RESOLVED, that the Chairman of the Board of Directors is hereby authorized and directed to submit a Petition to the State Budget and Control Board requesting a volume cap allocation in the amount of \$69,000,000.

Dated: November 13, 1986

05305

NOV 19 1986

# Capital Improvements Joint Bond Review Committee

HORACE C. SMITH

SENATE  
CHAIRMAN

SCOTT R. INKLEY

DIRECTOR OF RESEARCH AND ADMINISTRATION/  
BUDGET AND CONTROL BOARD LIAISON



MARION P. CARNELL

HOUSE OF REPRESENTATIVES  
VICE CHAIRMAN

LIB CROFT

ADMINISTRATIVE ASSISTANT

734-2824

3090

P.O. BOX 142 TELEPHONE (803)-758-5080 OR -8900

ROOM 410, GRESSETTE BUILDING

Columbia, South Carolina 29202

November 19, 1986

SENATE MEMBERS:

HORACE C. SMITH  
JAMES M. WADDELL, JR.  
WILLIAM W. DOAR, JR.  
HUGH K. LEATHERMAN  
THOMAS L. MOORE

HOUSE MEMBERS:

MARION P. CARNELL  
JENNINGS G. MCABEE  
T.W. EDWARDS, JR.  
R.N. McLELLAN

Mr. William A. McInnis  
Deputy Executive Director  
State Budget & Control Board  
600 Wade Hampton Bldg.  
Columbia, South Carolina 29201

NOV 18 1986 NO. 29

STATE BUDGET & CONTROL BOARD

In Re: Private Activity Bond Ceiling Shift from  
State to Local Pool

Dear Mr. McInnis:

With reference to your letter of November 18, 1986, pertaining to the need for a transfer of \$12,655,000 from the Private Activity Bond State Pool to the Local Pool, this is to advise that I, on behalf of the members of the Joint Bond Review Committee, concur in the requested transfer.

This matter will be brought before the Committee at our next meeting for Committee ratification of this action.

With kind regards, I am

Sincerely,

A handwritten signature in cursive script that reads "Horace C. Smith".

Senator Horace C. Smith, Chairman  
Joint Bond Review Committee

HCS:lc

cc: Members, Joint Bond Review Committee

05306

## EXHIBIT

State of South Carolina

NOV 18 1986

NO. 29

## State Budget and Control Board

STATE BUDGET &amp; CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNORGRADY L. PATTERSON, JR.  
STATE TREASUREREARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444

Columbia  
29211

November 18, 1986

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEEJESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

The Honorable Horace C. Smith, Chairman  
Joint Bond Review Committee  
410 Gressette Building  
Columbia, SC 29202

Dear Senator Smith:

Re: Private Activity Bond Ceiling Shift from State to Local Pool

As you know, the regulations on the allocation of the State Ceiling for South Carolina provide for two pools. The Local Pool includes sixty per cent (60%) of the State total while the State Government Pool includes the remaining forty per cent (40%). Under the Tax Reform Act of 1986, the total State Ceiling for private activity bonds issued between August 16, 1986 and December 31, 1986, is \$251,025,000. The Local Pool, at 60%, is \$150,615,000 and the State Pool, at 40%, is \$100,615,000.

Through its November 5, 1986 meeting, the Budget and Control Board had approved allocations which produced this result:

	<u>Pool Total</u>	<u>Allocated</u>	<u>Not Allocated</u>
Local	\$150,615,000	\$ 82,070,000	\$ 68,545,000
State Government	<u>100,410,000</u>	<u>53,285,000</u>	<u>47,125,000</u>
Total	\$251,025,000	\$135,355,000	\$115,670,000

At the meeting today (November 18), the Board had before it allocation requests amounting to a total of \$98,350,000. Details on these can be found in the petitions for these allocations which we sent to your office last Friday, as we do routinely in these matters. Local requests of \$81,200,000 were included along with State Pool requests of \$17,150,000.

The regulations under which the State Ceiling process is administered provide that allocations be made on a first-come, first-served basis essentially. They also include a procedure for shifting amounts from one Pool to another as the situation may require [see Section 3(c) in the regulations attached which is very similar to the language of Regulation Section 19-103.03(c).] The procedure says that the Board may make shifts from one Pool to another with review and comment by the Bond Committee.

05307

The Honorable Horace C. Smith  
Page 2  
November 18, 1986

The Board approved all of the Ceiling allocation requests before it at the meeting today. That included approval of an allocation of \$69,000,000 to the Piedmont Municipal Power Agency identified on the attached sheet (marked A) as item (g) in the list which appears in two parts. Approval of the \$58,145,000 figure reduced the Local Pool to zero and is the amount the Board could approve without having to make any shift of ceiling amounts. The \$10,855,000 figure is the balance of the \$69,000,000 request and is part of the amount approved for shifting from the State Pool to the Local Pool. Also on the attached sheet marked A is an allocation of \$1,800,000 for the Cherokee County Clarkson Associates project which also was approved for shifting from the State Pool to the Local Pool.

Thus, the Bond Committee is asked to review and comment on the shift of a total of \$12,655,000 from the State Pool to the Local Pool for the purposes indicated. Because these matters are extremely sensitive to market conditions, your earliest response would be much appreciated.

Sincerely,

*William A. McInnis*

William A. McInnis  
Deputy Executive Director

WAM:dw  
Attachment & Enclosure

253D7-A



## STATE CEILING

	<u>State Pool</u>	<u>Local Pool</u>	<u>Total</u>
11/05/86 BALANCE	47,125,000	68,545,000	115,670,000
11/18/86 (a) Greenville County Random		(900,000)	
11/18/86 (b) N. Chas. Redevelop. Tillman		(9,500,000)	
11/18/86 (c) JEDA Charleston Waterfront I	(8,500,000)		
11/18/86 (d) JEDA Charleston Waterfront II	(8,500,000)		
11/18/86 (e) Family Farm Dev. Jack Denver Powell	(150,000)		
11/18/86 (g) Piedmont Municipal Power Agency		(58,145,000)	
11/18/86 SHIFT FROM STATE TO LOCAL POOL	(10,855,000)	10,855,000	
11/18/86 (g) Piedmont Municipal Power Agency		(10,855,000)	
11/18/86 SHIFT FROM STATE TO LOCAL POOL	(1,800,000)	1,800,000	
11/18/86 (h) Cherokee County Clarkson Associates		(1,800,000)	
BALANCE	<u>17,320,000</u>	<u>0</u>	<u>17,320,000</u>

05308

A

EXHIBIT  
 NOV 18 1986 NO. 29  
 STATE BUDGET & CONTROL BOARD

# EXHIBIT

State of South Carolina

NOV 18 1986

NO. 29

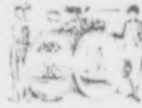
## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

October 24, 1986

### MEMORANDUM

TO: South Carolina Bond Attorneys and Others

FROM: William A. McInnis *WAM*

SUBJECT: Governor Riley's Executive Order on Private Activity Bond  
State Ceiling Allocations under Tax Reform Act of 1986

A copy of the referenced Executive Order which was issued on October 22, 1986, is enclosed. It governs our processes as of that date.

The Order essentially restates the regulations we have been operating under. It is intended to keep us in compliance. It does not address the significant policy questions posed by the changes in the federal law on the subject. We expect to focus on those before the end of 1986.

Please note the following in particular:

Section 5 (deals with exceptions for bond issues after August 15, 1986 and before or on October 22, 1986; note 5(b) which requires issuer who may have issued without an allocation to petition for one by December 1, 1986);

Section 7(b) (changes the issuing authority issue amount certificate);

Section 7(e) (says any allocation granted previously by the Board remains valid); and

Section 8(c) (says Board may extend life of an allocation before it expires for 31 calendar days to a total of not more than 121 calendar days in a calendar year).

Please let me know if you have questions about these regulations.

M  
Enclosure

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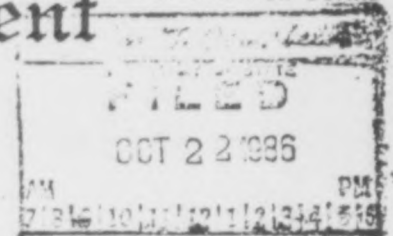
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NOV 18 1986

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# Executive Department

STATE BUDGET & CONTROL BOARD



## State of South Carolina

EXECUTIVE ORDER NO. 86-20

WHEREAS, the United States Congress through passage of the Tax Reform Act of 1986, Public Law 99-514 (the Act), has imposed a new volume limitation on the number of tax exempt private activity bonds that can be issued in each state; and

WHEREAS, the Governor of each state is given interim authority by the Act to proclaim a different formula than that provided in the Act for allocating the State's volume limitation among its governmental units which have authority to issue private activity bonds; and

WHEREAS, the Act provides that the Governor's interim authority terminates, inter alia, on the effective date of any State legislation with respect to the allocation of the State ceiling; and

WHEREAS, I have been requested to issue an Executive Order which sets forth a plan to allocate the State's volume limitation under the Act among its governmental units which have authority to issue private activity bonds.

NOW, THEREFORE, pursuant to the authority vested in me as Governor of the State of South Carolina by the Constitution and laws of this State and by the Act, I hereby proclaim the following plan for allocating the State ceiling on the issuance of tax exempt private activity bonds:

05310

### Section 1. Calculation and Certification of State Ceiling

The State Ceiling on the issuance of private activity bonds (as defined in the Section 146 of the Internal Revenue Code of 1986, referred to herein as the Code) established in the Tax Reform Act of 1986 (the Act), must be certified annually by the Budget and Control Board (Board) Secretary based upon the provisions of the Act. The Board Secretary must make this certification as soon as practicable after the estimates of the population of the State of South Carolina to be used in the calculation are published by the U. S. Bureau of the Census but in no event later than February 1 of each calendar year; provided that, if necessary because of changes made by the Act, the Board Secretary must calculate and certify a revised State Ceiling within not more than fifteen (15) calendar days following the issuance of the Executive Order containing these regulations.

### Section 2. Allocation of Bond Limit Amounts

(a) **Allocations in Response to Authorized Requests.** The private activity bond limit for all issuing authorities will be allocated by the Board in response to Authorized Requests (described in Section 4) by such issuing authorities.

(b) **Limit Allocated to State Initially.** The aggregate private activity bond limit amount for all South Carolina issuing authorities is allocated initially to the State for further allocation within the limits prescribed herein.

(c) **Allocations on First-come, First-served Basis.** Except as is provided in Section 6, all allocations from the Local Pool or from the State Government Pool (the Pools are described in Section 3) will be made by the Board on a first-come, first-served basis, to be determined by the date and time sequence in which complete Authorized Requests are received by the Board Secretary.

### Section 3. Private Activity Bond Limits and Pools

(a) **State Government Pool.** The private activity bond limit for all State Government issuing authorities now or hereafter authorized to issue private activity bonds as defined in the Act, to be known as the "State Government Pool," is forty per cent (40%) of the State Ceiling less any amount shifted to the Local Pool (described in paragraph (b), below) or plus any amount shifted from that Pool.

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NOV 18 1986

NO. 29

## STATE BUDGET &amp; CONTROL BOARD

(b) **Local Pool.** The private activity bond limit for all issuing authorities other than State Government agencies, to be known as the "Local Pool," is sixty per cent (60%) of the State Ceiling plus any amount shifted from the State Government Pool or less any amount shifted to that Pool.

(c) **Pool Shifts.** The Board, with review and comment by the Joint Bond Review Committee (Committee), may shift unallocated amounts from one Pool to the other at any time.

Section 4. Authorized Requests for an Allocation

(a) **Other Than State Government Issuing Authorities.** For private activity bonds proposed for issue by other than State Government issuing authorities, an Authorized Request is a request included in a petition to the Board that a specific amount of the State Ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a copy of the Inducement Contract, Inducement Resolution, or other comparable preliminary approval, if any, relating to the bonds entered into or adopted by the issuing authority. The Board must forward promptly to the Committee a copy of each petition received.

(b) **State Government Issuing Authorities.** For private activity bonds proposed for issue by any State Government issuing authority, an Authorized Request is a request included in a petition to the Board that a specific amount of the State Ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a bond resolution or comparable action by the issuing authority authorizing the issuance of the bonds. The Board must forward promptly to the Committee a copy of each petition received.

(c) **Allocation Requested is Total Contemplated.** Each Authorized Request must demonstrate that the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project.

Section 5. Exceptions for Issues After August 15, 1986, and Before or on October 22, 1986

(a) **Application.** This Section is included to provide a process under which State Ceiling allocations may be approved for bonds of any issuing

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authority issued after August 15, 1986, and before or on October 22, 1986, for which the issuing authority did not obtain a State Ceiling allocation which would be required to satisfy the requirements of Section 146 of the Code. It also provides a process under which an issuer other than a State agency which may have issued bonds during the period beginning August 15, 1986, and ending on October 22, 1986, may obtain an allocation of a portion of the State Ceiling which exceeds the volume cap of the issuer under Section 146(c) of the Code.

(b) **Issuer Must Petition for Allocation by December 1, 1986.** The issuer of any private activity bond issued after August 15, 1986, and before or on October 22, 1986, for which no State Ceiling allocation has been approved must petition the Board for such an allocation before or on December 1, 1986.

(c) **Board Determination on Allocation Petition.** Unless the Board determines that approval of a petition as described in paragraph (b) of this Section would not serve the best interests of the State of South Carolina, it will approve an allocation in response to such a petition as an exception to the State Ceiling allocation procedures which otherwise must be followed.

(d) **Allocations Approved Which Exceed Code Section 146(c) Cap.** Any allocation approved by the Board prior to October 22, 1986, for bonds issued after August 15, 1986, and before or on the date this Executive Order was issued which exceeds the issuing authority's volume cap under Code Section 146(c) is validated by this Executive Order and no additional petition is required.

(e) **Allocations Approved Before Date Order Issued Can Be Renewed.** The Board will renew any State Ceiling allocation approved by it before the date this Executive Order was issued for any bonds issued during the period beginning after August 15, 1986, and ending on October 22, 1986, upon the written request of the issuing authority involved.

#### Section 6. Limitation on Allocations

The Board, with review and comment by the Committee, may disapprove, reduce or defer any Authorized Request. If it becomes necessary to exercise this authority due to lack of funds in either Pool, the Board and the Committee must take into account the public interest in promoting economic growth and job creation.

05312

NOV 18 1986

NO. 29

Section 7. Certificates by Issuing Authority and by Board

STATE BUDGET & CONTROL BOARD

(a) **Board Tentative Allocation Certificate.** An allocation of the State Ceiling approved by the Board is made formal initially by a certificate which allocates tentatively a specific amount of the State Ceiling to the bonds for which the allocation is requested. This tentative allocation certificate must specify the State Ceiling amount allocated, the issuing authority and the project involved, and the time period during which the tentative allocation is valid. This certificate must remind the issuing authority that the tentative allocation is made final after the issuing authority chairman or other duly authorized official or agent of the issuing authority, before the issue is made, certifies the issue amount and the projected date of issue, as is required by paragraph (b) of this Section. It also may include other information deemed relevant by the Board Secretary.

(b) **Issuing Authority Issue Amount Certificate.** The chairman or other duly authorized official or agent of an issuing authority issuing any private activity bond for which a portion of the State Ceiling has been allocated tentatively must execute and deliver to the Board Secretary an issue amount certificate setting forth the exact amount of bonds to be issued and the projected bond issue date which date must not be more than ten (10) business days after the date of the issue amount certificate and it must be before the State Ceiling allocation involved expires. The issue amount certificate may be an executed copy of the completed Internal Revenue Service Form 8038 to be submitted to the Internal Revenue Service on the issue or it may be in the form of a letter which certifies the exact amount of bonds to be issued and the projected date of the issue.

(c) **Board Final Allocation Certificate.** In response to the issuing authority's issue amount certificate required by paragraph (b) of this Section, the Board Secretary is authorized to issue and, as may be necessary, to revise a certificate making final the ceiling allocation approved previously by the Board on a tentative basis, if the Secretary determines that: (1) the issuing authority's issue amount certificate specifies an amount not in excess of the approved tentative ceiling allocation amount; (2) the issue amount certificate was received prior to the issue date projected and that the certificate is dated not more than ten (10) days prior thereto; (3) the issue date projected is within the time period approved previously for the

05313

tentative ceiling allocation; and (4) the bonds when issued and combined with the total amount of bonds requiring a ceiling allocation included in issue amount certificates submitted previously to the Board by issuing authorities will not exceed the State Ceiling for the calendar year. Except under extraordinary circumstances, the Board Secretary will issue this certificate within two (2) business days following the date the issue amount certificate is received.

(d) **Board Secretary Designated to Certify Ceiling Allocations.** In accord with Section 149(e)(2)(F) of the Code, the Secretary of the Budget and Control Board is designated as the State official responsible for certifying, if applicable, that certain bonds meet the requirements of Section 146 of the Code relating to the volume cap on private activity bonds.

(e) **Status of Ceiling Allocations Approved Before Executive Order Issued.** Any tentative or final State Ceiling allocation granted by the Board before October 22, 1986, the date this Executive Order was issued, remains valid under this Executive Order as an allocation of a portion of the volume cap for South Carolina provided under Section 146 of the Code. Such allocations will expire in accord with the regulations under which they were granted or extended before the date this Executive Order was issued and their validity may be extended or reinstated in accord with the provisions of this Executive Order.

#### Section 8. Time Limits on Allocations

(a) **Allocations Valid in Calendar Year Approved; Exceptions.** Any State Ceiling allocation approved by the Board is valid only for the calendar year in which it is approved, unless eligible and approved for carryforward election or unless specified differently in the Board certificates required by Section 6.

(b) **Expiration of Allocations.** Unless eligible and approved for carryforward election or unless specified differently in Board certificates required by Section 7, each State Ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety (90) calendar days from the date the allocation is approved by the Board. As provided in paragraph (c) of this Section, the Board may extend the period in which an allocation is valid by up to thirty-one (31) calendar days.

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NOV 18 1986

NO. 29

STATE BUDGET & CONTROL BOARD

(c) **Allocation Extension.** In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the Board, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty-one (31) calendar days to a total of not more than one hundred twenty one (121) calendar days.

(d) **Allocation Reinstatement.** In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the Board may reinstate for a period of not more than thirty-one (31) calendar days in any one calendar year part or all of an allocation approved previously in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(e) **Allocation Cancellation.** A tentative ceiling allocation is cancelled automatically if the chairman or other duly authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by Section 7 to the Board Secretary before the bonds for which the allocation is made are issued.

(f) **Allocation Relinquishment.** The chairman or other duly authorized official or agent of an issuing authority must advise the Board Secretary in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the State Ceiling has been allocated. Such notices of relinquishment of ceiling allocations must be entered promptly in the Board's records by the Board Secretary.

(g) **Carryforward Elections.** Ceiling allocations which are eligible and approved for carryforward election are not subject to the validity limits of this Section. The Board will join with the issuing authorities involved in carryforward election statements to meet the requirements of the Internal Revenue Service.

#### Section 9. Termination of This Regulation

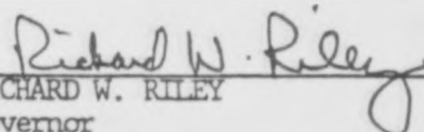
These Regulations shall be of no force and effect upon the earlier of the rescission by Congress or declaration of unconstitutionality of the Act, or any portion thereof, by the U. S. Supreme Court.

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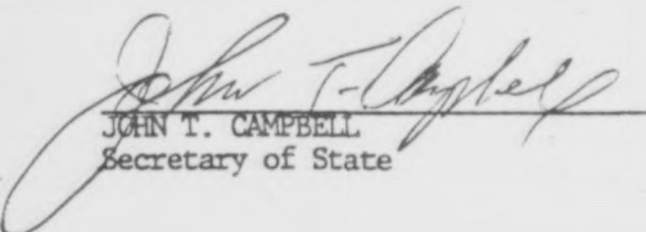
Section 10. Intent Regarding Effective Date

If the date on which this Executive Order is issued is after the date the Tax Reform Act of 1986 is signed into law by the President, it is intended that this Executive Order be interpreted and applied as if the Act and this Order had been signed on the same date.

GIVEN UNDER MY HAND AND THE GREAT SEAL  
OF THE STATE OF SOUTH CAROLINA, AT  
COLUMBIA, SOUTH CAROLINA, THIS 22ND DAY  
OF OCTOBER, 1986.

  
\_\_\_\_\_  
RICHARD W. RILEY  
Governor

ATTEST:

  
\_\_\_\_\_  
JOHN T. CAMPBELL  
Secretary of State

05316



State of South Carolina

NOV 18 1986

NO. 29

## State Budget and Control Board

STATE BUDGET &amp; CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNORGRADY L. PATTERSON, JR.  
STATE TREASUREREARLE E. MORRIS, JR.  
COMPTROLLER GENERALBox 12444  
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CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEEJESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 18, 1986

## C E R T I F I C A T E

## STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Piedmont Municipal Power Agency  
\$69,000,000  
Electric Revenue Bonds  
(1986 Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Tax Reform Act of 1986 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Section 7(b) of the Governor's Executive Order #86-20, issued on October 22, 1986, requires that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

05317

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
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RICHARD L. C. SULLIVAN  
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J. LYLES GLENN IV  
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KATHERNE ELIZABETH MIMS  
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GREGORY D. DELOACH  
WILLIAM ASHLEY JORDAN, JR.  
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WILLIAM K. MUSSCH  
SHARON C. CRAWLEY  
T. PARKIN HUNTER  
ROBERT F. McMAHAN, JR.

\*NOT ADMITTED IN SOUTH CAROLINA

November 12, 1986

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

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202-659-3900

EXHIBIT

NOV 18 1986

NO. 29

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis  
State Budget and Control Board  
Wade Hampton Office Building  
Columbia, South Carolina 29201

Re: Approximately \$352,000,000 Piedmont  
Municipal Power Agency Electric Revenue  
Bonds, 1986 Refunding Series

Dear Mr. McInnis:

Enclosed please find a Petition to the Budget and Control Board for the above-referenced transaction. We are submitting the documents for Volume Cap allocation only.

Due to time constraints, I have executed the Petition as General Counsel. However, I have forwarded a copy of the Petition to Joe B. Lanford, Chairman of the Board of Directors of Piedmont Municipal Power Agency for his signature and will deliver it to you next Monday. I will also deliver to you next Monday, a certified copy of a Resolution authorizing the submission of the Petition.

I shall appreciate your presenting this to the Budget and Control Board at its meeting November 18.

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# EXHIBIT

NOV 18 1986

NO. 29

STATE BUDGET & CONTROL BOARD

Mr. McInnis  
November 12, 1986  
Page 2

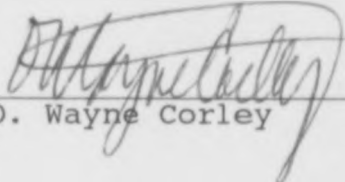
Should you have any questions, please feel free to call Jim Bauer at 877-9632 or me at 799-9800.

Thank you for your assistance.

Sincerely,

McNAIR LAW FIRM, P.A.

By:

  
O. Wayne Corley

OWC/jpw  
Enclosure

05319

NOV 17 1986

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
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EXHIBIT

NOV 18 1986 NO. 29

STATE BUDGET & CONTROL BOARD

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ROBERT E. MUMAHAN, JR.

\*NOT ADMITTED IN SOUTH CAROLINA

November 17, 1986

Mr. William A. McInnis  
State Budget and Control Board  
612 Wade Hampton Office Building  
Columbia, South Carolina 29211

Dear Bill:

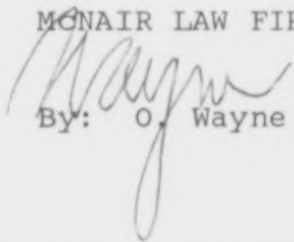
Enclosed are two copies each of the certificate of the secretary of the Board of Directors of Piedmont Municipal Power Agency relating to a resolution duly adopted by the Board of Directors of Piedmont Municipal Power Agency on November 13, 1986 and the petition to the State Budget and Control Board requesting a volume cap allocation of \$69,000,000.

Should you need anything additional, please let me know.

I appreciate your assistance and with kind regards, I am

Sincerely,

McNAIR LAW FIRM, P.A.

By:  O. Wayne Corley

OWC/jpw  
Enclosures

05320

# EXHIBIT

NOV 18 1986

NO. 30

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

REGULAR SESSION  
ITEM NUMBER

13

AGENCY: Executive Director

SUBJECT: Private Activity Bond Ceiling Allocation Outlook

Staff will report to the Board on responses received from bond attorneys active with South Carolina issuing authorities to a questionnaire which asks them to report on any ceiling allocations expected between now and year end.

The responses are due by Monday, November 17.

BOARD ACTION REQUESTED:

Consider report on private activity bond ceiling allocation outlook to be presented at the meeting.

ATTACHMENTS:

McInnis November 5, 1986, memo to South Carolina Bond Attorneys and Others.

05321



State of South Carolina  
**State Budget and Control Board**

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



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CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.  
EXECUTIVE DIRECTOR

November 5, 1986

**EXHIBIT**

NOV 18 1986 NO. 30

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: South Carolina Bond Attorneys and Others  
FROM: William A. McInnis, Secretary *WAM*  
SUBJECT: (1) Private Activity Bond State Ceiling Allocations,  
Balance of 1986; and

~~(2) Certification of 1986 State Ceiling  
(for issues after August 15).~~

**(1) Private Activity Bond State Ceiling Allocations, Balance of 1986**

We need very much to know what your State Ceiling allocation expectations are for the remainder of the calendar year. On ceiling allocations you expect to petition us for between now and the end of the year, will you complete this survey form and return it to me before or on Monday, November 17, 1986?

Bond Counsel: \_\_\_\_\_

<u>Issuer/Project</u>	<u>Proposed Allocation</u>	<u>Eligible for Carryforward?</u>
-----------------------	----------------------------	-----------------------------------

~~(2) Certification of 1986 State Ceiling (for issues after August 15)~~

~~Enclosed for your information is a copy of the certificate required of me by Section 1 of Executive Order 86-20, issued October 22, 1986.~~

M  
Enclosure

05322

# "EXPECTATIONS" BUDGET OF CY 86

city	person	Project	cost	comparing
Hymen	Therence County	Reconstructed Dumasway	2500000	yes?
"	"	Reconstructed Solon Dumasway	2500000	yes?
SES/MCN	State Housing Fund	Single + Multi Housing	100000000	yes?
Nellen	None	None	-0-	yes?
Allyson	None	None	-0-	-
Reynolds	Greenfield County	Random Access	950000	no
Langston	None	None	-0-	-
W. Page	DeCourse	Photo Manufacturing	2500000	no
"	"	Log Cabin Furniture	2000000	no
"	Spartanburg	W + W Associates	5300000	no
"	"	1700 hie	1900000	no
"	"	Higgins 240 Dumasway Road	2500000	no
"	Piedmont	Greenfield Industries, Smith	10000000	no
"	Lexington	J.B. White + C	7300000	no
"	City of Greenfield	Reptile Hall Corp	3500000	no
"	City of Greenfield	See Dumasway Road HFB	3500000	no
W. Page	None	None	-0-	-
W. Page	W. Page - Educational Office	→	4500000	no
"	"	Live Street Associates	1500000	no
"	"	Summit Associates	2500000	no
"	"	Summit II Partnership	2000000	no
"	"	Old Clarendon Bakery	2100000	no
"	"	NHTD Assoc. South + Northway	1000000	no
"	"	Totals Associates	1000000	no
"	"	Edmund Park, Inc	4000000	no
"	"	Mulford Properties Ltd	3000000	no
"	"	Swaggy House, Furniture, Inc	1500000	no
"	"	F.L.P. Partnership	5000000	no
"	"	Continental Building Fund	1500000	no
"	"	Public School Fund	10000000	no
Total			184 050 000	

25000000  
25000000  
100000000  
9500000  
25000000  
20000000  
53000000  
19000000  
25000000  
100000000  
23000000  
35000000  
35000000  
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50000000  
15000000  
10000000  
184 050 000

## EXHIBIT

NOV 18 1985 NO. 3 0  
STATE BUDGET & CONTROL BOARD

05323

STATE CEILING AMOUNT AVAILABLE FOR ISSUE/ALLOCATION  
AFTER AUGUST 15, 1986

Certified State Ceiling (10/31/86): \$251,025,000

A. State Government Pool (40%) 100,410,000

State Government Pool (40%) 100,410,000

B. Local Pool (60%) 150,615,000

Local Pool (60%) 150,615,000

EXHIBIT

NOV 18 1986 NO. 30

STATE BUDGET & CONTROL BOARD

05324

1986 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION  
Allocated/Issued after August 15, 1986

Date of B&C Board Allocation	Governmental Unit	Name of Project	Pool Total	Amount of Pool Allocated	Balance of Pool Available	Amount Certified for Issue	Issue Date
10/30/86	STATE GOVERNMENT POOL		\$100,410,000				
05/27/86	Family Farm Dev.	James Earl Bozard		-190,000			
07/15/86	Family Farm Dev.	Frank M. Senn, Sr.		-240,000			
07/15/86	Family Farm Dev.	Barbara Ann Senn		-250,000			
07/15/86	Family Farm Dev.	Sandra K. Senn		-250,000			
09/09/86	JEDA	Palmetto Tile Distributors		-1,000,000			
09/09/86	JEDA	Rainbow Oil Co., Inc.		-600,000			
10/07/86	Family Farm Dev.	Alton J. Barnett, Jr.		-130,000		130,000	10/10/86
10/07/86	Family Farm Dev.	Vince Timpson Arrington		-150,000		150,000	10/10/86
10/21/86	Family Farm Dev.	John C. Cato		-175,000			
10/21/86	Family Farm Dev.	James T. Sprouse		-300,000		300,000	11/06/86
11/05/86	State Housing Auth.	Homeownership Bonds		-50,000,000			
11/18/86	JEDA	Charleston Waterfront I		-8,500,000			
11/18/86	JEDA	Charleston Waterfront II		-8,500,000			
11/18/86	Family Farm Dev.	Jack Denver Powell		-150,000			
	Total Allocated			-70,435,000		580,000	
	Total, State Government Pool		\$100,410,000	-70,435,000	\$29,975,000	580,000	
10/30/86	LOCAL POOL		\$150,615,000				
07/15/86	Richland County	Trinity Knoll		-3,500,000			
07/15/86	Fairfield County	Rite Aid of SC, Inc.		-10,000,000			
07/15/86	Lancaster County	Aeroquip Corporation		-2,200,000		2,200,000	09/11/86
07/29/86	Spartanburg County	Structofab, Inc.		-600,000		600,000	08/20/86
07/29/86	Spartanburg County	Holmberg Electronics Corp.		-650,000		650,000	08/26/86
08/13/86	Spartanburg County	Indever		-1,200,000		1,200,000	10/02/86
08/13/86	Lexington County	A. M. Quattlebaum, Sr.		-1,000,000		1,000,000	10/10/86
08/28/86	Winnsboro, Town of	Natural Gas Distr.		-2,700,000			
08/28/86	Spartanburg County	W J Partnership		-5,000,000		5,000,000	09/11/86
08/28/86	Greenville County	Span America		-3,000,000		3,000,000	09/25/86
08/28/86	Greenville County	Merscot-Greenville		-19,340,000		19,340,000	11/06/86
09/09/86	Charleston County	Coburg Dairy		-5,000,000			
09/23/86	Charleston County	NOCS S. Atlantic Storage		-4,000,000			
09/23/86	Congaree Vista	Pavillion Towers		-15,000,000			
10/07/86	Sumter County	Metokote Corporation		-2,700,000		2,700,000	11/07/86
11/05/86	Greenville County	Chestnut Hill MHC		-6,000,000			
11/05/86	Greenville County	Hart-Greenville		-180,000			
11/18/86	Greenville County	Random Associates		-900,000			
11/18/86	N. Chasn. Redev.	Ben Tillman Homes		-9,500,000			
11/18/86	Piedmont Munic. Power	1986 Project		-69,000,000			
11/18/86	Cherokee County	Clarkso Associates		-1,800,000			
	Total Allocated			-163,270,000		35,690,000	
	Total, Local Pool		\$150,615,000	-163,270,000	-12,655,000	35,690,000	
	Total, State Government Pool		\$100,410,000	-70,435,000	\$29,975,000	580,000	
	Total, Local Pool		150,615,000	-163,270,000	-12,655,000	35,690,000	
	GRAND TOTAL		\$251,025,000	-233,705,000	\$17,320,000	36,270,000	

05325

STATE CEILING

	<u>State Pool</u>	<u>Local Pool</u>	<u>Total</u>
11/05/86 BALANCE	47,125,000	68,545,000	115,670,000
11/18/86 (a) Greenville County Random		(900,000)	
11/18/86 (b) N. Chas. Redevelop. Tillman		(9,500,000)	
11/18/86 (c) JEDA Charleston Waterfront I	(8,500,000)		
11/18/86 (d) JEDA Charleston Waterfront II	(8,500,000)		
11/18/86 (e) Family Farm Dev. Jack Denver Powell	(150,000)		
11/18/86 (g) Piedmont Municipal Power Agency		(58,145,000)	
11/18/86 SHIFT FROM STATE TO LOCAL POOL	(10,855,000)	10,855,000	
11/18/86 (g) Piedmont Municipal Power Agency		(10,855,000)	
11/18/86 SHIFT FROM STATE TO LOCAL POOL	(1,800,000)	1,800,000	
11/18/86 (h) Cherokee County Clarkson Associates		(1,800,000)	
BALANCE	<u>17,320,000</u>	<u>0</u>	<u>17,320,000</u>

05326

EXHIBIT  
NOV 18 1986 NO. 30  
STATE BUDGET & CONTROL BOARD



# EXHIBIT

NOV 18 1986

NO. 31

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
ITEM NUMBER

14

AGENCY: Executive Director

SUBJECT: Drafting Period Notice (State Ceiling Regulations)

The State Ceiling allocation process now operates under Executive Order 86-20, issued by Governor Riley on October 22, 1986.

This Executive Order was intended only to bring the South Carolina procedures into compliance with the Tax Reform Act of 1986. It did not address the sticky policy questions posed by that Act which arise mostly out of the fact that the volume cap is reduced by 50% for calendar year 1987 from \$150 per resident to \$75 and more potential claimants (mostly for housing bonds) were added. The volume cap will drop to \$50 per resident in 1988.

The drafting period notice is the required first step in the formal process of revising these regulations. It merely gives notice that the revision drafting process is underway. Whatever regulations come out of this step would go through the required review and comment process before the Board would be asked to approve them for submission to the General Assembly.

The Board may have to issue regulations on an emergency basis to ensure continuity in our processes. This could be necessary if it were determined that Governor Riley's Executive Order of October 22 is not effective after January 14, 1987, when he leaves office.

BOARD ACTION REQUESTED:

Approve submission of drafting period notice on Private Activity Bond State Ceiling Allocation regulations revisions for publication in State Register.

ATTACHMENTS:

05327

# EXHIBIT

NOV 18 1986

NO. 3 2

STATE BUDGET AND CONTROL BOARD  
MEETING OF November 18, 1986

REGULAR SESSION

ITEM NUMBER

15

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

Budget and Control Board approval is requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

On Summary 9-87:

Item 17: Agency: Highway & Public Transportation  
Project: Kingstree Maintenance Complex  
Request: Establish project and budget  
Amount: \$2,350,000  
Source: Other (S.C.D.H. & P.T.) funds  
Purpose: To construct a 35,060 square foot vehicle repair shop, truck shed and engineering office building.

On Summary 10-87:

Item 4: Agency: Clemson University  
Project: 8772, Varsity Tennis Court Shelter  
Request: Increase budget to \$1,038,500  
Amount: \$488,500  
Source: Athletic and Other (Private Donations) funds  
Purpose: To incorporate approximately 500 feet of underground high voltage/comm. duct bank with related construction, reworking existing transformer, installation. Required because existing electrical system in area was inadequate to serve proposed facilities and to meet code requirements.

Item 20: Agency: Parks, Recreation & Tourism  
Project: 7157, Lake Hartwell State Park  
Request: Increase budget to \$3,710,296.42  
Amount: \$500,000  
Source: Capital Improvement Bond and Federal funds  
Purpose: To match Group 9 bond funds as approved by the Budget and Control Board (9/23/86) with Federal funds provided by the U.S. Army Corps of Engineers.

BOARD ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee.

ATTACHMENTS:

Referenced summary extracts plus attachments.

05328

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 1, 1986 Through October 15, 1986

SUMMARY 9-87 Page 1 of 11  
Forwarded to JBRC 10/17/86

Item Agency: U12 Highway & Public Trans Project: 9317, Kingstree Maintenance Complex

17.

Action

Proposed: Establish project.

Total budget.....\$ 2,350,000.00  
[9] Other, S.C.D.H.& P.T.....\$ 2,350,000.00

Purpose: To construct new vehicle repair shop, truck shed, and Engineering Office Building.

Ref: Supporting document pages 50-51.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Other	2,350,000.00

TOTAL FUNDS 2,350,000.00

05329

EXHIBIT  
NOV 18 1986 NO. 32  
STATE BUDGET & CONTROL BOARD

For Board Use Only

9-87(17)

Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 1986-87

1. PROJECT IDENTIFIERS:

A. Agency: Number U12 Name S.C. Dept. of Highways and Public Transportation  
B. Contact Person E.B. McDaniel Phone: 758-3687 737-1298  
C. Project Name: Kingstree Maintenance Complex # 9317  
D. Facility Affected: Name Kingstree Maintenance Number 4501

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):

New vehicle repair shop, truck shed, and Engineering Office Building

Site Description: (Attach a map showing project location)

Location: Williamsburg 45 Kingstree S.C. Kingstree, S.C.  
county code city site

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):

New Maintenance Complex 4 ft. Brick/metal Machine Shop 10,000 (Complete Automotive Shop)  
Truck Shed, Workshop, Electr. Shop 21,460  
Brick Engineering Bldg 3,200  
Gas Station 400  
\* 35,060

(What specific needs does this project address?):  
(1) Vehicle repair shop  
(2) Truck and material storage  
(3) Engineering office space

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

None

5. PRIORITY: This project is priority number 1 of 1 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?

Yes ☐ No ☒ If yes, complete and attach addendum A-49.

EXHIBIT

7. ESTIMATES OF PROPOSED PROJECT COSTS:

A. Total estimated cost of project \$ 2,350,000.00 NOV 18 1986 NO. 32

B. Total estimated cost of project includes the following (1. through 10. = 7A above)

- STATE BUDGET & CONTROL BOARD
- (1) \$ 135,000.00 Planning/design services
  - (2) \_\_\_\_\_ Site work (including utilities)
  - (3) \_\_\_\_\_ Central energy systems repair/replacement
  - (4) \_\_\_\_\_ Mechanical systems repair/replacement
  - (5) \_\_\_\_\_ General renovation/repair of floor space (Gross sq. ft.: \_\_\_\_\_)
  - (6) \_\_\_\_\_ Roof repair/replacement
  - (7) \_\_\_\_\_ Construction of additional floor space: (Gross sq. ft.: 35,060 \* Above)
  - (8) \_\_\_\_\_ Equipment/supplies
  - (9) \_\_\_\_\_ Purchase of facilities: (Floor space, gross sq. ft.: \_\_\_\_\_) breakdown
  - (10) 2,215,000.00 Other (Specify) New Facilities (Land, acres: \_\_\_\_\_)

\$ 2,350,000.00 Total (Same as 7 A)  
2,350,000.00

50

05330



7. C. Total estimated cost of project by broad purpose: Total cost: \$ 2,350,000.00  
(equals 1 through 8, below and is same as 7A)

1. Purchase land	\$ _____	5. Restore facility	\$ _____
2. Purchase facility	\$ _____	6. Maintain facility	\$ _____
3. Demolish facility	\$ _____	7. Replace facility	\$ <u>2,215,000.00</u>
4. Construct additional facility	\$ _____	8. Other: <u>Arch. &amp; Engr.</u>	\$ <u>135,000.00</u>

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 1986-87 \$ 250,000.00  
(Expenditure purposes (use 7B categories): \_\_\_\_\_)

B. Estimated expenditures after this FY: \$ 7

C. Total (Same as 7A, 7B and 7C): \$ 2,100,000.00

2,350,000.00

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	\$					
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
S.C.D.H. & P.T. Funds	2,350,000.00	0301	98800100	3490	3765	0301
TOTAL (Same as 7A)	\$ 2,350,000.00					

EXHIBIT

NOV 18 1986

NO. 32

STATE BUDGET & CONTROL BOARD

10. Submitted By:

Authorized Official: E.B. McDaniel, Building Engineer  
Typed Name and Title and Signature

Date Submitted Oct. 13, 1986

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

PROJECT NUMBER \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

05331

51



STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
October 16, 1986 Through October 31, 1986

SUMMARY 10-87 Page 1 of 16  
Forwarded to JBRC 11/06/86

Item Agency: H12 Clemson University Project: 8772, Varsity Tennis Court Shelter

4.

Action

Proposed: Increase budget from \$ 550,000.00 to \$ 1,038,500.00

(Add \$ 238,500.00 [8] Athletic)  
(Add \$ 250,000.00 [9] Other, Private Donations)

Purpose: To incorporate approximately 500 feet of underground high voltage/comm. duct bank with related construction, reworking existing transformer, installation and deep foundation work.

Ref: Supporting document pages 16-18.

CHE Approval Date: 10/27/86  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Athletic	238,500.00
Other	800,000.00

TOTAL FUNDS 1,038,500.00

Item Agency: P28 Parks, Rec & Tourism Project: 7157, Lake Hartwell State Park

20.

Action

Proposed: Increase budget from \$ 3,210,296.42 to \$ 3,710,296.42

(Add \$ 250,000.00 [0] Capital Improvement Bonds)  
(Add \$ 250,000.00 [7] Federal)

Purpose: To match Group 9 bond funds as approved by the Budget and Control Board (9/23/86) with Federal funds provided by the U.S. Army Corps of Engineers.

Ref: Supporting document pages 66-67.

CHE Approval Date: Not req'd  
Committee Review Date: \*  
B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	2,039,709.71
Federal	1,670,586.71

TOTAL FUNDS 3,710,296.42

053332

EXHIBIT  
NOV 18 1986  
NO. 32  
STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1  
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only

10-87(4)

Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 85/86

1. PROJECT IDENTIFIERS:

A. Agency: Number H 12 Name Clemson University  
B. Contact person: Jack Wilson Phone: 656-2420  
C. Project Number: 8772 Name: Varsity Tennis Court Shelter

2. PROJECT ACTION PROPOSED:

X Increase total project budget Change source of funds  
Decrease total project budget X Revise scope

3. WHAT IS THE REVISION PROPOSED?: Incorporated approximately 500 feet of underground high voltage/comm. duct bank with related construction, reworking existing transformer, installation and deep foundation work (drilled caisson)

4. JUSTIFICATION FOR REVISION (Why is it needed?): Existing electrical distribution system in the area was inadequate to service proposed facilities, reworking of existing transformers was required to meet current codes and provide safe working conditions. Foundation revision requirements were discovered during routine sub-soil investigation during design.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision? Yes        No X  
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: \$ 1,038,500.00

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

- (1) \$ 83,000.00 Planning/design services  
(2)                      Site work (including utilities)  
(3)                      Central energy systems repair/replacement  
(4)                      Mechanical systems repair/replacement  
(5)                      General renovation/repair of floor space: (Gross sq. ft.                     )  
(6)                      Roof repair/replacement  
(7) 900,916.00 Construction of additional floor space (Gross sq. ft. 35,000)  
(8)                      Equipment/supplies  
(9)                      Purchase of facilities: (Floor space, gross sq. ft.                     )  
(Land, acres:                     )  
(10) 54,584.00 Other (Specify Builders' Risk Ins., Work by Univ. Forces & Contingencies)

\$ 1,038,500.00 Total (Same as 6A)

EXHIBIT

NOV 18 1986

NO. 32

BUDGET AND CONTROL BOARD

05333

16

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 1,038,500.00  
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	\$ _____	5. Restore facility	\$ _____
2. Purchase facility	\$ _____	6. Maintain facility	\$ _____
3. Demolish facility	\$ _____	7. Replace facility	\$ _____
4. Construct additional facility	\$ <u>1,038,500.00</u>	8. Other _____	\$ _____

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 86/87 \$ 977,879.42  
(expenditure purposes (use 6B categories): fees, construction, builders' risk, work by univ. forces)  
Prior FY \$ 60,620.58

B. Estimated expenditures after this FY \$ 1,038,500.00

C. Total (Same as 6A, 6B and 6C) \$ 1,038,500.00

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE-	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	\$ _____	\$ _____	\$ _____			
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic Operating Revenues		+238,500.00	238,500.00	7841	88300100	3807
(9) Other Private Donations	550,000.00	+250,000.00	800,000.00	7205	98800100	4907
TOTAL	\$ 550,000.00	\$ 488,500.00	\$ 1,038,500.00			

9. Submitted By:

Authorized Official

*David R. Larson*  
Typed Name and Title and Signature

David R. Larson, Vice President  
for Business and Finance

Date Submitted 10-14-86

FY Submitted 86/87

10. APPROVED (For Board Use Only):

\_\_\_\_\_  
Typed Name and Title and Signature

\_\_\_\_\_  
Date

17

05334

66



6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 3,710,296.42  
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	\$ _____	5. Restore facility	\$ _____
2. Purchase facility	\$ _____	6. Maintain facility	\$ _____
3. Demolish facility	\$ _____	7. Replace facility	\$ _____
4. Construct additional facility	\$ <u>3,710,296.42</u>	8. Other _____	\$ _____

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 \$ 3,510,296.42  
(expenditure purposes (use 68 categories): Design, Sitework  
Construction, Other )

B. Estimated expenditures after this FY \$ 200,000.00

C. Total (Same as 6A, 6B and 6C) \$ 3,710,296.42

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE.	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE -	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	\$ <u>1,185,874.00</u>	\$ <u>-0-</u>	\$ <u>1,185,874.00</u>	8115	20-070	3043
	<u>451,223.00</u>	<u>-0-</u>	<u>451,223.00</u>	8115	18-046	3043
<del>(1) Capital Imp Bonds</del>	152,609.17	-0-	152,609.17	8115	21-093	3043
	3.54	-0-	3.54	8115	020-06800	3043
(2) <del>Inst (tuition) Bonds</del>	-0-	+250,000.00	250,000.00 <u>2539,709.71</u>	8115	028-064	3043
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal	1,420,586.71	+250,000.00	1,670,586.71	2801	N/A	5787
(3) Athletic						
(9) Other						
TOTAL	\$ <u>3,210,296.42</u>	\$ <u>+500,000.00</u>	\$ <u>3,710,296.42</u>			

9. Submitted By:

Authorized Official William O. McMeekin, Chief Engineer Date Submitted 10-27-86  
Typed Name and Title and Signature W.O. McMeekin FY Submitted 86-87

10. APPROVED (For Board Use Only):

\_\_\_\_\_  
Typed Name and Title and Signature

\_\_\_\_\_  
Date

05336

67