

MINUTES OF
BUDGET AND CONTROL BOARD
MEETING

September 26, 1989

03940

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF THE EXECUTIVE DIRECTOR

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

September 27, 1989

MEMORANDUM

TO: Budget and Control Board Division Directors
FROM: William A. McInnis, Deputy Executive Director *WAM*
SUBJECT: Summary of Board Actions at September 26, 1989, 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. Commended Governor Campbell for his leadership and the confident way he took command, guiding the State before, during, and after Hurricane Hugo, and expressed appreciation for his commitment to the people of South Carolina;
2. After agreeing to a short recess at 10:55 a.m. to allow Governor Campbell to receive information pertaining to the disaster response, and after making the following changes, adopted the agenda:
 - (a) Added to Regular Session:
 - A report on Hurricane Hugo disaster response
 - Proposed emergency regulations on construction and related activities in navigable waters
 - (b) Withdrew from Regular Session:
 - # 3 Fire Marshal Appeal Panel findings and recommendations (Greenbrier and Paces Run Apartments)
 - # 3A Request to vary Appeal Panel findings and recommendations (Greenbrier and Paces Run Apartments)
 - # 4 Fire Marshal Appeal Panel findings and recommendations (Union Co. Commission on Alcohol & Drug Abuse)
 - # 4A Request for variance/exemption from Fire Marshal Order (Union Co. Commission on Alcohol & Drug Abuse)
 - # 5 Attorney General's Office Opinion (Jurisdiction over Ports Authority Wando Project Permit)

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September 27, 1989, Meeting
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- # 8 Permanent Improvement Projects
- # 9 A&E Only Projects Monitoring Process
- #15 State Data Network Policy Recommendation; Implementation of
Statewide Electronic Tandem and Data Networks
- #16 Regulations re Hospital Data Reporting Requirements

(c) Added to Executive Session:
Receipt of Legal Advice (Use of Funds)

(d) Withdrew from Executive Session:
1 Receipt of Legal Advice (Use of State House Grounds)

3. Approved the minutes of the September 12, 1989, meeting of the South Carolina Resources Authority, and approved the minutes of the following Budget and Control Board meetings: September 5, 6, 7, 8, 11, and 12;
4. Received as information the Division of Insurance Services activity report on the State Health and Dental Plans for August which showed health claims at an all-time high;
5. Received as information the follow-up report on the management of the Florence Crittenton Home;
6. Received as information a Budget Division report that the transfer of \$92,100 of personal service funds was approved during August to bring the total approved for transfer during the fiscal year to \$109,310;
7. Received as information the FTE position operating report for the month of August 1989 which showed that a net of 1.00 FTE position was deleted during August to bring the base total to 70,322.11 FTE positions at the end of the month of which 63,525.53 FTE positions were filled and 6,796.58 were vacant;
8. Received as information the 1988-89 unemployment compensation program cost report which showed that \$36,950.68 was paid to program administrator R. E. Harrington, Inc. and that \$991,158.39 was paid to the Employment Security Commission for actual unemployment compensation claims;
9. Approved leave transfer requests as recommended by the Division of Human Resource Management;
10. Granted a right of way easement to Milliken & Company to install a water intake structure to pump raw water from the Broad River to supply Magnolia Plant water treatment facility in Cherokee County;
11. Received as information a report that the following permanent improvement project actions have been reviewed favorably by the Bond Review Committee and approved by staff:

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- (a) Summary 3-90: Item 7 (Criminal Justice Academy)
 - (b) Summary 4-90: Items 1 and 3 (Budget and Control Board General Services and Vocational Rehabilitation);
12. Received as information a report that the following permanent improvement project actions have been approved by staff and that Bond Review Committee review is not required:
- (a) Summary 3-90: Items 10 and 11 (Mental Retardation)
 - (b) Summary 4-90: Items 11 through 14 (Budget and Control Board General Services and Mental Retardation);
13. Received as information a report that the Division of General Services, in accordance with Section 11-35-1230, has audited the procurement activity of the State Board of Nursing and the Migratory Waterfowl Committee, neither of which requested certification above the \$2,500 limit authorized by the Code;
14. Received as information a report on USC foreign travel involving over \$1,000 and less than \$2,000 of State funds approved by staff;
15. Received as information reports on the reimbursement of interviewee travel expenses by Lander College (1) and Mental Health (1);
16. Allocated formally \$50,000 from the Civil Contingent Fund to the Office of Executive Director to finance emergency preparations approved by the Executive Director prior to and during Hurricane Hugo;
17. Approved 1989-90 agency head salaries as follows: Charles T. McKinney, Legislative Information Systems, \$54,155; and Dan B. Mackey, Advisory Commission on Intergovernmental Relations, \$57,435;
18. Received as information a report on Hurricane Hugo disaster response;
19. Heard NCNB Board Chairman Hugh McColl announce that NCNB will set aside \$1.350 billion for below-market financing to assist in the recovery effort;
20. Saw Governor Campbell sign an agreement with the Federal Emergency Management Agency;
21. Adopted emergency regulations on construction and related activities in navigable waters;

22. Approved the addition of 319.14 FTE positions (6.14 State, 14.00 federal, and 299.00 Other) to the authorized full-time equivalent position base, as recommended by the Joint Legislative Committee on Personal Service Financing and Budgeting;
23. Adopted resolutions approving proposals to issue revenue bonds, on the condition that the required reviews are completed with satisfactory results, for projects (a) through (d); allocated a portion of the State Ceiling to project (e);
- | | |
|------------------------|--|
| (a) Issuing Authority: | Union County |
| Amount of Issue: | \$2,065,000 Hospital Revenue Bonds |
| Name of Project: | Ellen Sagar Nursing Home |
| Project Description: | Expansion/renovation of 24-bed facility |
| (b) Issuing Authority: | Kershaw County |
| Amount of Issue: | \$10,000,000 Industrial Revenue REFUNDING Bonds |
| Name of Project: | New South, Inc. |
| Project Description: | lumber manufacturing facility |
| (c) Issuing Authority: | Darlington County |
| Amount of Issue: | \$230,000 Industrial Development Bond |
| Name of Project: | S&T Management Corporation |
| Employment Impact: | 65 |
| Project Description: | Manufacture metal office furniture |
| (d) Issuing Authority: | Greenville County |
| Amount of Issue: | \$5,750,000 Hospital REFUNDING Revenue Bonds |
| Name of Project: | Charter Hospital of St. Louis, Inc. |
| Project Description: | 60-bed psychiatric and alcohol and drug treatment hospital |
| (e) Issuing Authority: | Abbeville County |
| Amount of Issue: | \$5,000,000 Industrial Revenue Bonds |
| Allocation Amount: | \$5,000,000 |
| Name of Project: | Springs Industries, Inc. |
| Employment Impact: | 75 |
| Project Description: | manufacture industrial textile fabrics |
24. Received as information the status report on the issuance of private activity bonds which showed that \$75,685,000 of the State Ceiling was unallocated at September 12, 1989;
25. Approved the Wildlife and Marine Resources Department request to purchase Lewis Ocean Bay, approximately 6,600 acres in Horry County (project P24-9537), on the condition the property is posted with public notification of possible hazardous discarded military ordnance;

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26. Approved the Department of Mental Retardation requests to purchase the following:
 - (a) approximately 1.6 acres in Aiken to be the site of two eight-bed community residences and the related project (J16-9538) at the appraised value of \$17,425;
 - (b) approximately 1.04 acres in Greenville to be the site of two eight-bed community residences and the related project (J16-9544) at a purchase price of \$15,000; and
 - (c) approximately two acres in Rock Hill to be the site of two eight-bed community residences and the related project (J16-9534) at a purchase price of \$30,000;
27. Approved the Department of Parks, Recreation and Tourism request to purchase approximately 4.5 acres known as Sumter Circle at Caesar's Head State Park (project P28-9452);
28. Granted blanket approval for the faculty and staff of the University of South Carolina Earth Sciences and Resources Institute (ESRI) to travel to West Germany, East Germany, Bulgaria, USSR, and Poland;
29. In accord with Code Section 8-11-135, authorized the Department of Mental Retardation to pay \$2,074 to Paul Hockett, Staff Developmental and Training Director, as a reimbursement for the costs incurred in moving personal and household effects from Bossier, Louisiana to Newberry;
30. Agreed to meet at 10 a.m. on Tuesday, October 10, 1989, in the Governor's conference room in the State House;
31. Received legal advice on the use of funds;
32. Took no action on a report relating to the State response to the US Department of Health and Human Services' audit of State self-insurance funds;
33. Carried over a Francis Marion College request for an Executive Compensation System employee salary adjustment;
34. Authorized the Commission of Appellate Defense to offer a salary of \$57,896 to David I. Bruck, Chief Attorney for the Office of Appellate Defense; and
35. Approved a State Fire Marshal Division request for a 3% (\$1,589) salary increase for Mr. Randy Halfacre to increase his current salary of \$52,974 to \$54,563 (96.68% of the agency head's salary range midpoint).

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MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

SEPTEMBER 26, 1989

10 A. M.

The Budget and Control Board met at 10 a.m. on Tuesday, September 26, 1989, in Room 105 of the Gressette Building, with the following members in attendance:

Governor Carroll A. Campbell, Jr., Chairman;
Mr. Grady L. Patterson, Jr., State Treasurer;
Mr. Earle E. Morris, Jr., Comptroller General;
Senator James M. Waddell, Jr., Chairman, Senate Finance Committee;
Representative Robert N. McLellan, Chairman, House Ways & Means Committee.

Also attending were:

Jesse A. Coles, Jr., Ph.D.	Executive Director
William A. McInnis	Secretary
J. Samuel Griswold, Ph.D.	Deputy Executive Director
Alan L. Pollack, Ph.D.	Assistant Executive Director
Donna K. Williams	Assistant to Board Secretary
Other Board staff	
Joseph D. Shine	Chief Deputy Attorney General
Q. Whitfield Ayres, Ph.D.	Governor's Senior Executive Assistant for Budget and Policy
Luther F. Carter, Ph.D.	Governor's Senior Executive Assistant for Finance and Administration
Charlie Sanders	Senior Assistant State Treasurer
George M. Lusk	Senior Assistant Comptroller General
J. Michael Ey	Finance Committee Director of Research
Scott R. Inkley, Jr.	Ways & Means Committee Dir. of Research

Expression of Appreciation to Governor Campbell

[Secretary's Note: The eye of Hurricane Hugo passed through the Charleston area at about midnight Thursday, September 21. Wind velocities of 130 mph and a storm surge of some 17 feet were reported in that area. The storm, which at one time was reported equivalent in area to the State of Georgia, moved inland toward Columbia and the eye apparently passed between Columbia (which experienced wind velocities of 60 mph to 90 mph) and Sumter between 2 a.m. and 4 a.m., Friday as the storm moved north.]

Mr. Morris said that the people of South Carolina are in debt to Governor Campbell for his leadership during the Hurricane Hugo disaster and for the confident way he took command of the situation. He said we owe Governor Campbell great appreciation for his commitment to the people of this State in their worst disaster.

Governor Campbell expressed his thanks for Mr. Morris' words but he said thanks are owed to the people out there all over the State who did the job,

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noting especially that Deputy Executive Sam Griswold sat with him for almost forty-eight hours straight through and that he appreciated the job Dr. Griswold and others did during that time which made his job easier.

Mr. Patterson said that Governor Campbell's action prior to the storm striking the coast to evacuate the barrier islands saved dozens and perhaps hundreds of lives and he applauded the Governor's decisive decision in that regard.

Governor Campbell commended the local officials who, he said, had done a fantastic job getting the people out of the threatened coastal areas but he said, now that the storm has passed, we have a long way to go.

Adoption of Agenda

At Governor Campbell's request, and upon a motion by Senator Waddell, seconded by Mr. Patterson, the Board agreed to take a short recess at 10:55 a.m. to allow Governor Campbell to receive information pertaining to the disaster response which Governor Campbell said was some good news.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board adopted the agenda after making the following changes:

- (a) Added to Regular Session as proposed originally by staff:
 - (1) A report on Hurricane Hugo disaster response; and
 - (2) Proposed emergency regulations on construction and related activities in navigable waters.
- (b) Withdrew from Regular Session as proposed originally by staff:
 - # 3 Fire Marshal Appeal Panel findings and recommendations
(Greenbrier and Paces Run Apartments)
 - # 3A Request to vary Appeal Panel findings and recommendations
(Greenbrier and Paces Run Apartments)
 - # 4 Fire Marshal Appeal Panel findings and recommendations
(Union Co. Commission on Alcohol & Drug Abuse)
 - # 4A Request for variance/exemption from Fire Marshal Order
(Union Co. Commission on Alcohol & Drug Abuse)
 - # 5 Attorney General's Office Opinion (Jurisdiction over Ports
Authority Wando Project Permit)
 - # 8 Permanent Improvement Projects
 - # 9 A&E Only Projects Monitoring Process
 - #15 State Data Network Policy Recommendation; Implementation of
Statewide Electronic Tandem and Data Networks
 - #16 Regulations re Hospital Data Reporting Requirements

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(c) Added to Executive Session as proposed originally by staff:
Receipt of Legal Advice (Use of Funds)

(d) Withdrew from Executive Session as proposed originally by staff:
1 Receipt of Legal Advice (Use of State House Grounds)

Minutes of Previous Meeting

Board members previously had been furnished a draft version of the minutes of the September 12, 1989, meeting of the South Carolina Resources Authority and the September 5, 6, 7, 8, 11, and 12, 1989, Budget and Control Board meetings.

Upon a motion by Senator Waddell, seconded by Mr. Patterson, the Board approved the minutes of the September 12, 1989, meeting (#8) of the South Carolina Resources Authority, and approved the minutes of the following Budget and Control Board meetings: September 5, 6, 7, 8, 11, and 12.

[Governor Campbell left the meeting for a short time. Mr. Patterson chaired the meeting in Governor Campbell's absence.]

Blue Agenda

Dr. Coles advised that eleven items were included on the blue agenda.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board approved the blue agenda.

Insurance Svcs: August Activity Report on Medical/Dental Benefit Plans (B#1)

The Division reported in the agenda materials that health claims for August were \$28.1 million, the highest monthly total ever for the Health Plan, a 56% increase over the month of July. The Division pointed out that August is a five-week month which means that five payments were made to the Plan Administrator. Claims paid in August were 9% above May which was the previous five-week month.

The August 1989 health claims are 43.4% above claims for August 1988 (also a five-week month).

Dental claims paid for August were \$2.5 million, a 34% increase from July and a 12% increase over May, the prior five-week month. Dental claims for August 1989 are 4.5% greater than for August 1988.

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The Division also reported that the Health and Dental Reserve Fund fell to \$30,343 at August 31. It noted that the \$25.9 million appropriated to the Fund from the Capital Reserve Fund would become available in September.

The Board received as information the Division of Insurance Services activity report on the State Health and Dental Plans for August which showed health claims at an all-time high.

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

Budget Division: Florence Crittenton Mgmt Review Follow-up Report (B#2)

The Budget Division advised that, on August 30, 1989, staff visited the Florence Crittenton Home to assess progress in the Home's implementation of management recommendations accepted by the Board earlier this year.

The Division found that:

1. The Florence Crittenton Home has a balanced budget with four months remaining in its fiscal year due in large part to the availability of \$58,000 in nonrecurring funds.
2. No apparent reduction in expenses nor increase in recurring revenues has yet been achieved. Utilization remains at an average of 23 clients per month; the capacity is 30.
3. No evidence can be found to justify adjusting the level of funding from either the Department of Youth Services or the Health and Human Services Finance Commission.

The Division recommended that:

1. The Florence Crittenton Home's Board of Directors and its Executive Director immediately develop a strategy for recouping the dollars represented by nonrecurring funds in order for the Home to remain fiscally sound.
2. The Florence Crittenton Home's Board and its Executive Director develop a formal retrenchment plan for the next budget year in the event additional funds are not generated.

The Board received as information the follow-up report on the management of the Florence Crittenton Home.

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

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Budget Div: 1988-89 Authorized Personal Service Transfers, August (B#3)

The Budget Division reported that the transfer of \$92,100 of personal service funds was approved during August (\$82,100 to other operating expenses and \$10,000 to equipment).

This brought the total of personal service funds approved for transfer during the fiscal year to \$109,310.

The Board received as information a Budget Division report that the transfer of \$92,100 of personal service funds was approved during August to bring the total approved for transfer during the fiscal year to \$109,310.

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

Budget Division: FTE Operating Report, August (Blue #4)

The Budget Division reported that a net of 1.00 full-time-equivalent position (-50.80 federal and +49.80 other) was deleted from the base during August. This brought the base to a total of 70,322.11 FTE positions.

At the end of the month, 63,525.53 of the positions were filled and 6,796.58 were vacant.

	<u>Positions Vacant (in %)</u>	
	<u>8/88</u>	<u>8/89</u>
Total Positions	8.99	9.66
State	8.02	8.52
Federal	11.55	13.36
Other	9.85	10.40

The Board received as information the FTE position operating report for the month of August 1989 which showed that a net of 1.00 FTE position was deleted during August to bring the base total to 70,322.11 FTE positions at the end of the month of which 63,525.53 FTE positions were filled and 6,796.58 were vacant.

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

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Human Resource Management: Unemployment Compensation Costs (Blue #5)

In accord with Section 160 of the 1988-89 Appropriations Act, the Division of Human Resource Management has provided the following information on the unemployment compensation program for 1988-89:

Amounts paid to Employment Security Commission for actual claims:

July 1, 1988 - September 30, 1988	\$267,923.60
October 1, 1988 - December 31, 1988	250,335.08
January 1, 1989 - March 31, 1989	268,811.88
April 1, 1989 - June 30, 1989	<u>204,087.83</u>
Total	\$991,158.39

Unemployment Compensation Program Cost Report:

Administrator: R. E. Harrington, Inc.
Business Address: 811 Greencrest Drive
Westerville, OH 43081-2864
Mailing Address: P. O. Box 1160
Columbus, OH 43216-1160

Amounts paid to Harrington:

(Based on employee population of 71,059 at a rate of \$0.52 per employee)

July 1, 1988 - September 30, 1988	\$ 9,237.67
October 1, 1988 - December 31, 1988	9,237.67
January 1, 1989 - March 31, 1989	9,237.67
April 1, 1989 - June 30, 1989	<u>9,237.67</u>
Total	\$36,950.68

The Board received as information the 1988-89 unemployment compensation program cost report which showed that \$36,950.68 was paid to program administrator R. E. Harrington, Inc. and that \$991,158.39 was paid to the Employment Security Commission for actual unemployment compensation claims.

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

Human Resource Management: Leave Transfer Requests (Blue #6)

The Division recommended approval of the following leave transfer requests. Each of the requests meets the Board's minimum criteria.

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- (a) Clemson University:
 - (1) Arthur J. Womack, sick leave, September 14 - October 26, 1989.
 - (2) Sara Diane Palmer, annual leave, September 11 - October 21, 1989.
 - (3) Sue N. Isbell, annual leave, September 5 - October 17, 1989.
 - (4) Francis E. Sullivan, sick leave, October 9 - November 21, 1989.
 - (5) Elizabeth H. Team, annual leave, August 16 - September 27, 1989.
- (b) Public Service Commission:
 - (1) Guy F. Waldrop, sick leave, August 16 - September 28, 1989.
 - (2) Ronnie Bass, sick leave, September 14 - October 26, 1989.
- (c) Workers' Compensation: Megan Chavis, sick leave, August 23 - September 29, 1989.
- (d) Highways and Public Transportation:
 - (1) Aletha H. Morgan, sick leave, August 30 - October 12, 1989.
 - (2) J. R. Lindler, sick leave, August 8 - September 20, 1989.
 - (3) Roland N. Davidson, sick leave, August 4 - 11, 1989.
 - (4) Donald J. Marshall, sick leave, July 3 - August 15, 1989.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board approved leave transfer requests as recommended by the Division of Human Resource Management.

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

General Services: Easements (Blue #7)

The Division of General Services recommended that the Board approve the following easement in accord with Code Sections 1-11-80, 1-11-90 and 1-11-100:

County Location:	Cherokee
From:	State of South Carolina
To:	Milliken & Company
Description/Purpose:	To install a water intake structure to pump raw water from the Broad River to supply Magnolia Plant water treatment facility.
Consideration:	\$65

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board granted a right of way easement to Milliken & Company to install a water intake structure to pump raw water from the Broad River to supply the Magnolia Plant water treatment facility in Cherokee County.

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

General Services: Permanent Improvement Projects (Blue #8)

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

- (a) Summary 3-90: Item 7 (Criminal Justice Academy)
- (b) Summary 4-90: Items 1 and 3 (Budget and Control Board General Services and Vocational Rehabilitation);

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

- (a) Summary 3-90: Items 10 and 11 (Mental Retardation)
- (b) Summary 4-90: Items 11 through 14 (Budget and Control Board General Services and Mental Retardation).

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

General Services: Procurement Audits (Blue #9)

The Board received as information a report that the Division of General Services, in accordance with Section 11-35-1230, has audited the procurement activity of the State Board of Nursing and the Migratory Waterfowl Committee, neither of which requested certification above the \$2,500 limit authorized by the Code.

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

Executive Director: Foreign Travel (Blue #10)

In accord with Board policy, staff has approved the following University of South Carolina foreign travel involving over \$1,000 and less than \$2,000 of State funds:

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- a. John T. Addison to Belgium, 9/2-19/89, \$1,439 State funds.
- b. Arthur K. Smith to Japan and Korea, 10/4-14/89, \$5,521 (\$1,999 State funds).

The Board received as information a report on USC foreign travel involving over \$1,000 and less than \$2,000 of State funds approved by staff.

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 Lander College (1) and Mental Health (1).

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

B&C Board: Civil Contingent Funds for Emergency Preparations

The Board was asked to allocate formally \$50,000 from the Civil Contingent Fund to the Office of Executive Director to finance emergency preparations approved by the Executive Director prior to and during Hurricane Hugo.

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board allocated formally \$50,000 from the Civil Contingent Fund to the Office of Executive Director to finance emergency preparations approved by the Executive Director prior to and during Hurricane Hugo.

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

Agency Head Salary Comm: Salary Corrections for Two Agency Heads

The Agency Head Salary Commission advised that the salaries recommended for 1989-90 for two agency heads were reported incorrectly to the Board at the September 12 meeting. Mr. McLellan, Commission Chairman, advised by letter that the salary recommended by the Commission for the head of Legislative Information Services is \$54,155 (instead of \$53,314) and that the salary recommended for the head of the Advisory Commission on Intergovernmental Relations is \$57,435 (instead of the \$55,794 figure reported previously).

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The Board had approved the recommendations of the Commission at the September 12 meeting.

Upon a motion by Mr. McLellan, seconded by Mr. Morris, the Board approved 1989-90 agency head salaries as follows: Charles T. McKinney, Legislative Information Systems, \$54,155; and Dan B. Mackey, Advisory Commission on Intergovernmental Relations, \$57,435.

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

[Secretary's Note: Governor Campbell reassumed the chair.]

B&C Board: Report on Hurricane Hugo Disaster Response (Regular #1)

Governor Campbell presented an update and a chronology of what was done in response to Hurricane Hugo. He said the enormity of it is beyond anybody's imagination.

He said the effort was begun at a 3:30 p.m. staff meeting on Monday. He said a State House Command Center was established Wednesday and a state of emergency was declared. He said a meteorologist was set up in his Office along with law enforcement and Guard personnel and with Dr. Griswold representing Board divisions.

Thursday, he said, the evacuation effort was continued and the Guard was mobilized and all of its assets were employed as was heavy equipment from the Highway Department. He said he pulled all Highway Patrolmen and Wildlife officers and deployed them to the hit area inside Interstate 95 so they would be there with water and medical and food supplies.

He said the National Guard did a super job and he said he was appalled that stories concentrated on one individual.

Governor Campbell said the whole thing was set up that day (Thursday) and that good communications still existed then.

He said he talked with the White House Thursday night to set up the mechanism for the declaration of a disaster. He said the Federal Emergency Management Agency (FEMA) sent a man, Major Phil May, in who sat with the Governor all the way through the entire operation. He said the White House

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called at 6:30 a.m. Friday morning and that he made a verbal request then for the disaster area declaration. He said that, at around 10:55 a.m., President Bush declared a disaster in seven counties (Berkeley, Charleston, Dorchester, Georgetown, Horry, Orangeburg, and Sumter) at that time. He said that area will be expanded today by FEMA by the addition of four or five more counties. He said FEMA will be setting up field offices for their team of a couple of hundred persons.

Governor Campbell said that he had to mobilize and evacuate the entire low-lying area of the coast because meteorologists were telling him that the eye of the storm could wobble 30 to 40 miles in either direction. Had it gone further south, he said the disaster would have focused on Edisto and the islands in the Beaufort area and, had it gone north, it might have been worse in the Myrtle Beach area though they took a pretty good lick anyway.

He said, once he knew where the storm was, he started moving Guard units north from the Beaufort area to the Berkeley, Charleston and Dorchester counties area. He said 19 counties have suffered pretty severe damage.

Governor Campbell said he had toured the coastal areas Friday morning by helicopter which put down at four or five spots. He said an ETV cameraman was in the helicopter and that the entire coastal area had been filmed and that the film had been shown in its entirety on ETV in the interest of getting as much information as possible out so that anyone on the coast who could not get to their property could see what had happened. The tragedy, he said, was that there was no television in the coastal area, all of it having been knocked out by the storm. He said no Statewide communication existed Friday (he later corrected that by noting that the State's phone system was still operating) and that, with television and radio stations off the air, there was no way to get information to people during that morning after the storm had passed through.

He said his prior order was based on past experience, particularly with Hurricane Hazel when there was no order to keep people out of damaged areas and there was extensive looting and a great deal of sickness and injury. He said his order had been given, at local discretion, to keep all persons out of all damaged areas until local officials determined that those areas were safe.

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Governor Campbell said one of the major dangers at that point was the many propane gas tanks dislodged from boats and restaurants, many of which were leaking. He said they were still being found on Sunday and that propane gas was still leaking on the Isle of Palms that day when he last was there physically and that efforts were still underway to seal it off.

He said many people, including media representatives, were irate that they could go into certain areas but he said safety of people was first priority and that maintenance of law and order was second. He said local officials had made the decisions which kept people out of certain areas and that he backed them up. He said the State is not keeping anybody in or out of any area and that there is no martial law in South Carolina. He said there was a declaration of an emergency situation under which local officials had the right to take whatever action was necessary to preserve the safety of the people.

He said the State and federal government have provided barges and helicopters to bring people across to islands in the Charleston area when local officials said it was okay to go on the property, because there are no bridges. He said everything is being done there that can be done and he cautioned about the danger of buildings collapsing as a result of storm damage. He said poisonous snakes, cottonmouth moccasins which had been sucked out of the swamps as the storm surge receded, were all over Sullivan's Island and he lamented that people did not understand that these sorts of dangers existed. He said they did not understand it primarily because no radio or television communications were there to get the message out and because papers were not being published. He said the lack of communications was our greatest enemy during the morning after but that they were generally restored later on that Friday.

Governor Campbell said on Saturday he toured all of the damaged areas inland which he said were extremely bad. He noted Lee County, in particular, in which 42 homes have been reported completely destroyed with hundreds more damaged badly. He said Clarendon County and Kingstree took very, very big hits. He said the Sumter water supply was contaminated and that a major fish kill had occurred in the area.

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Governor Campbell reported that the power companies had brought in crews from six states. He said a kind of Marshall Plan had been put on to get major lines back up to hospitals and to keep shelters operating through the use of generators brought in from all over the country. He said Saturday night a team of Forest Service, National Guard and Highway Department personnel literally cut a 12-mile right of way to get power to Charleston hospitals, Roper and the Medical University, which were operating on generators. He said these sorts of things were going on all over South Carolina.

He said the priorities had been to restore water and power to maintain health and safety and to maintain law and order. He said he had to report that some looting was attempted and that, fortunately, most of those areas had been sealed off. He noted that looting was worse in those areas in which people had been let back in quickly and that a number of arrests had been made.

Governor Campbell said we now are in the assessment stage. He said Charleston County was hit hardest and that smaller communities are devastated in some 19 counties. He said, if we go beyond buildings, it would be announced today that the pulpwood/timber industry estimates losses in excess of \$1 billion not including the costs of cleanup. He said agriculture crop losses are approaching \$70 million and that the potential tourism loss is beyond these figures, saying that we are talking about a \$3 billion to \$4 billion disaster long term in preliminary estimates.

He said these figures mean that the State is talking about a serious financial problem in its own right and its own budget. He said it will call on this Board and on the legislature to make some very, very harsh and difficult decisions.

Governor Campbell said the cost of operations is about \$300,000 per day just to keep order and peace, part of which may be recovered.

He said he had met with the Speaker of the House yesterday and that Friday he expects to have an early estimate of what dollars FEMA believes it can provide. He said a lot of things can be picked up by the federal government but that a lot will not be covered by anybody. He said efforts are being made with some other people to try to help with some of the financing.

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Governor Campbell said a lot of unsolicited help is coming in. In that connection, he presented a \$1.5 million check from the CSX Corporation as a prepayment of its taxes for next year in an effort to help the counties. He said corporate America is calling to offer assistance. He noted that a notice has been running on national television seeking funds for a particular city and he observed that a lot of our areas are hard hit and are left out. He said about 224,000 workers are unemployed and displaced in 19 counties because their workplaces were destroyed; that over 550,000 people have been displaced from their homes; and that over 1.5 million people have been impacted by the storm through loss of power, water, etc. He said that is what we are dealing with today.

Governor Campbell said the support programs which FEMA will come in with include grant programs to families and individuals of up to about \$10,000; public assistance grant programs; SBA grants and loans to businesses; Department of Labor assistance to hire displaced workers; EDA recovery funds to rebuild damaged sewer and water systems; and EPA cleanup funds. He noted that a tremendous amount of fuel and other contaminants were dumped into the waters and he said the Water Resources Commission is doing a tremendous job trying to assess what we have in the way of safe water to drink.

He said price gouging on ice occurred and that Charleston and Myrtle Beach tried to move against it. He also reported that the Southeast Ice Manufacturers Association, in an effort to fight the price gouging, sent in free ice and that Pierce Young Angel called to say they were sending trucks of dry ice. He reported that South Carolina Electric and Gas had spent \$300,000 for dry ice and that four soft-drink bottlers in the State were sending canned drinking water to the stricken areas.

He said families across the State are opening their homes and that the individual acts of heroism are hard to believe. He cited individuals who stood for hours with a child on their shoulders and with water up to their chins and those who kept an 80-year woman afloat, commenting that people are out there risking their lives. He said it gripes him to hear people griping about an inconvenience when there is a law enforcement officer out there

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trying to save them or their property. He said he spoke personally with six Wildlife officers, two Highway Patrolmen and the police chief of Horry County who had lost their entire homes and all of their possessions and whose families were with family and friends while the officers were out there taking the brunt of the criticism for trying to maintain safety and to do their jobs.

Governor Campbell said everybody had done everything they knew to do and that, while things are bad, there are things we can do. He said a Friday meeting with the leadership of the General Assembly is set to try to determine what we are going to have to do. He said preliminary action could be taken freezing funds not obligated and capital funds which hadn't gone. He said he plans to set up a blue ribbon coastal restoration panel from the private sector to help restore the economy in that situation which has a tremendous impact on the State of South Carolina in terms of jobs, revenues and everything else in an attempt to put it back into operation next spring.

He said he is asking that a construction panel, comprised of the leading contractors in the State, be set up to start giving a general assessment of what is fair price, what can be done, what resources are available, to try to stop profiteering off of the tragedy. He reported that building materials wholesalers have indicated that they will not supply vendors who attempt to sell their products at prices above the pre-disaster levels.

Governor Campbell reported that he had just talked with General Marchant and that the President yesterday afternoon had authorized a regular army engineering battalion to come in to help our National Guard engineering group who Governor Campbell said had done an excellent job but are worn out. He said the group coming in includes 448 people with heavy equipment and that the cost-share on their presence is the same as with the Guard. He said they are meeting in the lower State right now to begin deployment in the critical areas to open roads and clear power lines and to get base services back into operation. He said this contingent is backed up by 500 more men.

Governor Campbell then reviewed the State contract with FEMA. He said the bottom line is that the State has to pay a 25% share of the cost of grants to individuals and families. He said that the public share is an arrangement

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between local governments and the State of South Carolina. He said, on the recommendation of all of the experts, that the State would pay at least 13% of the 25%, recognizing that some counties are harder hit than others and that some have more resources than others. He said the contract, which is the standard FEMA contract, has been reviewed by his lawyers. He said the contract deals with the seven counties already designated as disaster areas and that it will also cover the four additional counties to be announced today. [Secretary's Note: Governor Campbell later announced that five counties were to be added today, including Florence, York, Clarendon, Lee and Calhoun.] He said the number possibly could go to nineteen but he thought it would actually be about fourteen.

Governor Campbell then applauded the resilience of South Carolinians who are saying let's get ready and rebuild it, commenting that, as long as the people of the State have that attitude, we will do it.

[Secretary's Note: The Board then recessed for about 15 minutes.]

When the meeting resumed, Governor Campbell announced that yesterday he had received a call from Mr. Hugh McColl, Chairman of the Board of NCNB, North Carolina National Bank (who Governor Campbell noted is a South Carolinian), wanting to know what NCNB could do to help restore the economy of the State. He said Chairman McColl advised him that NCNB would set aside \$1,250,000,000 in below-market financing for individuals in the private sector in order to fill in the gaps after any disaster to help rebuild this State. He said Chairman McColl's offer is a very generous offer and, under the circumstances, a very magnanimous offer and he asked Chairman McColl to tell what his offer entails.

Chairman McColl presented his commitment letter to Governor Campbell and then read it to the assemblage. His letter indicated that NCNB wishes to help South Carolinians recover from the damages sustained in Hurricane Hugo and to help restore the economy of coastal South Carolina. It indicated that NCNB is establishing a disaster recovery loan program of \$1.250 billion at below-market rates including deferred principal repayments where necessary. The letter indicated also that the loans would be available as follows: \$300

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million for new home mortgages; \$250 million for home repairs; \$250 million for car, truck and equipment replacement, including commercial fishing boats, pack houses and distribution; \$300 million for commercial construction loans; and \$250 million small business loans. At the meeting, Chairman McColl noted that these figures actually added to \$1.350 billion which he said would stand.

Chairman McColl announced that recovery loan offices would be established in Myrtle Beach, Charleston and Columbia. He said details of the program would be advertised within the next few days. He said NCNB is a big and successful company which was built on small customer relationships with South Carolina and that NCNB believed in the people of this State and is confident of a bright future. He said NCNB believes it can help rebuild the South Carolina lives and its economy. He advised Governor Campbell that NCNB stands ready to put the loan funds in any way the State needs them.

Chairman McColl announced that Mr. Joel Smith, President of NCNB, South Carolina, would be in charge of the program and he asked Mr. Smith to summarize the plans. Mr. Smith reiterated that three offices would be established and would be staffed by senior loan specialists. He said they would be serving essentially the seven counties designated as disaster areas and contiguous counties as needed. He said the specialists would refer prospective borrowers to federal sources if they determine the eligibility requirements are met. He said the Bank's purpose in this is to get people back on their feet, back in homes, and to get businesses back on their feet and operating and to get people back at work. He said he hoped that the availability of this money would instill the kind of confidence it takes for people to do those things.

Governor Campbell announced that five counties had been added to the official disaster area to bring the total to 12. He expressed his appreciation to CSX and NCNB for their responsiveness and invited other corporations to join in. He expressed particular appreciation to NCNB, saying that NCNB has given us a tool to work with we would not otherwise have had.

Governor Campbell then executed the FEMA contract.

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He said that he had received calls from South Carolinians associated with major companies around the country offering help. Mr. Patterson said he had received calls from Washington and from New York asking what help might be offered.

The Board received as information Governor Campbell's report on Hurricane Hugo disaster response; heard NCNB Board Chairman Hugh McColl announce that NCNB will set aside \$1.350 billion for below-market financing to assist in the recovery effort; and saw Governor Campbell sign an assistance agreement with the Federal Emergency Management Agency.

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

Executive Director: Emergency Regulations on Construction and Related Activities in Navigable Waters (Regular #3)

Water Resource Commission Executive Director Alfred Vang appeared before the Board on this matter.

Dr. Coles introduced the item and noted that Executive Director Vang is present to answer questions.

Governor Campbell expressed his appreciation to Mr. Vang for the work of the Water Resources Commission staff during the Hurricane Hugo emergency.

Mr. Vang requested Board approval of emergency regulations relating to construction and related activities in navigable waters. He advised that the proposed regulations do not pertain to beachfront property; rather, they relate purely to the fresh water of the State. He said the regulations will allow folks whose property has been hurt to construct in the same footprint without their having to obtain permits from the Board.

Mr. Vang reiterated that the proposed regulations have nothing to do with the beach. He advised that they had been cleared with staff of the Coastal Council and of DHEC.

Upon a motion by Senator Waddell, seconded by Mr. Patterson, the Board adopted emergency regulations on construction and related activities in navigable waters, as proposed by Water Resources Commission Executive Director Vang.

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

Budget Div: Adjustments to 1989-90 Authorized FTE Position Base (R#5)

The Joint Legislative Committee on Personal Service Financing and Budgeting approved the addition of 319.14 FTE positions (6.14 State, 14.00 federal, and 299.00 Other) to the authorized full-time equivalent position base. Details were provided in the agenda materials.

Senator Waddell called the Board's attention to the funding sources of the additional positions recommended by the Committee. He pointed out that only 6.14 positions are State-funded while the bulk of the Other-funded positions are for DHEC and will be supported by fees generated by services. He said he didn't want any member to get alarmed by this number of positions.

Rep. McLellan said he is not alarmed but that he is concerned. He pointed out that when salary adjustments are given to employees the agencies with Other-funded positions have to find those additional funds and he said that is getting to be a larger and larger problem now that we have some 21,000 Other-funded positions in the system. He said he hoped the Committee is sensitized to that problem.

Senator Waddell assured Rep. McLellan that the Committee had quizzed DHEC and that if DHEC doesn't earn the funds the people are not on the payroll.

Mr. McLellan said that DHEC is one of the agencies that brings the problem to us each year.

Senator Waddell said he asked DHEC what happens if the funds are not generated and was advised that DHEC said if the funds are not generated that that part of the program is terminated.

Governor Campbell said that has to be pretty clear and he cautioned every agency, given the impact of the disaster confronting the State as a result of Hurricane Hugo, that the idea of making up lost funds from some pot is not going to happen this year. He said that, indeed, if agencies get to that position they face removing people from their payrolls.

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Upon a motion by Senator Waddell, seconded by Mr. McLellan, the Board approved the addition of 319.14 FTE positions (6.14 State, 14.00 federal, and 299.00 Other) to the authorized full-time equivalent position base, as recommended by the Joint Legislative Committee on Personal Service Financing and Budgeting.

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

Executive Director: Revenue Bond Issues; State Ceiling Allocations (R#6)

Board Secretary McInnis appeared before the Board on this matter.

Mr. McInnis advised that all five of the proposals require approval under State law and he recommended that conditional approval be granted since the required reviews are incomplete. He also pointed out that item (e) involves an allocation of \$5,000,000 of the State Ceiling on the issuance of private activity bonds which he recommended.

Mr. McLellan asked if some of these bonds may also be needed to help in the recovery effort. Mr. McInnis advised that it is conceivable that some could be but he reminded the Board that eligible projects are as defined in federal law and regulations.

Governor Campbell noted that two of the counties involved in the requests are affected by the disaster and he asked what the storm might do to their abilities. Mr. McInnis said he could not answer that question.

Upon a motion by Mr. Patterson, seconded by Mr. McLellan, the Board adopted resolutions approving the following proposals to issue revenue bonds, on the condition that the required reviews are completed with satisfactory results, for projects (a) through (d); and allocated a portion of the State Ceiling to project (e);

- (a) Issuing Authority: Union County
- Amount of Issue: \$2,065,000 Hospital Revenue Bonds
- Name of Project: Ellen Sagar Nursing Home
- Project Description: Expansion/renovation of 24-bed facility
(Exhibit 17)

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- (b) Issuing Authority: Kershaw County
Amount of Issue: \$10,000,000 Industrial Revenue REFUNDING Bonds
Name of Project: New South, Inc.
Project Description: lumber manufacturing facility
(Exhibit 18)

- (c) Issuing Authority: Darlington County
Amount of Issue: \$230,000 Industrial Development Bond
Name of Project: S&T Management Corporation
Employment Impact: 65
Project Description: Manufacture metal office furniture
(Exhibit 19)

- (d) Issuing Authority: Greenville County
Amount of Issue: \$5,750,000 Hospital REFUNDING Revenue Bonds
Name of Project: Charter Hospital of St. Louis, Inc.
Project Description: 60-bed psychiatric and alcohol and drug
treatment hospital
(Exhibit 20)

- (e) Issuing Authority: Abbeville County
Amount of Issue: \$5,000,000 Industrial Revenue Bonds
Allocation Amount: \$5,000,000
Name of Project: Springs Industries, Inc.
Employment Impact: 75
Project Description: manufacture industrial textile fabrics
(Exhibit 21)

The Board also received as information the status report on the issuance of private activity bonds (Exhibit 22) which showed that \$75,685,000 of the State Ceiling was unallocated at September 12, 1989.

Information relating to this matter has been retained in these files and is identified as Exhibits 17 through 22.

General Services: Permanent Improvement Projects (Regular #7)

Dr. Coles asked, in line with the Board's concerns about responding to the disaster, that this item be withdrawn from the agenda until such time as what expenditures are necessary can be determined.

Information relating to this matter has been retained in these files and is identified as Exhibit 23.

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General Services: Land Acquisition, Wildlife Department (Regular #8)

Division Director Richard Kelly appeared before the Board on this matter.

The Division recommended that the Board approve the Wildlife and Marine Resources Department request to purchase approximately 6,600 acres in Horry County, on the condition the property is posted with public notification of possible hazardous discarded military ordnance.

The Board was advised that the property, known as Lewis Ocean Bay, contains the largest and least disturbed complex of peat-based Carolina Bays in the State. It also was reported to the Board that the property has two threatened plant species, one endangered animal species, and a rare animal species. Staff indicated that the property contains the State's best population of Venus flytrap and the only coastal population of black bear.

Staff advised the Board in the agenda materials and Mr. Kelly pointed out at the meeting that the property has been appraised at \$500 per acre and that the International Paper Company, the owner, has agreed to sell for \$450 per acre. Property Management has examined the appraisal and approves its use in granting this request.

The Board was advised in the agenda materials (and by Mr. Kelly at the meeting) that the Level One environmental study reported that the area had been used as a target range for Myrtle Beach Air Force Base during World War II, and there is a possibility live ammunition exists. No other environmental hazards are indicated.

The agenda materials indicated that a General Services representative who visited the site is of the opinion that, with appropriate public notification, the property can be used for hunting and camping with a minimum risk associated with the old discarded ammunition.

This project, P24-9537, was reviewed favorably by the Bond Committee. The source of funds is Heritage Land Trust Fund.

Mr. Morris moved that the request be approved. His motion was seconded by Mr. McLellan.

Senator Waddell noted that the Bond Committee had approved this request provided the Division of General Services environmental concerns relating to

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the live ordnance on the property were satisfied. Mr. Kelly acknowledged that that was the Bond Committee's action and he reported that staff had met with International Paper Company officials and had learned that what was disturbing them was the discharge of some of these rounds during controlled burnings. He said, after meeting with those officials and learning that the controlled burnings have pretty well covered the area, that the problem may have run its course leaving only limited liability.

Following this discussion, as moved by Mr. Morris and seconded by Mr. McLellan, the Board approved the Wildlife and Marine Resources Department request to purchase Lewis Ocean Bay, approximately 6,600 acres in Horry County (project P24-9537), on the condition the property is posted with public notification of possible hazardous discarded military ordnance.

Information relating to this matter has been retained in these files and is identified as Exhibit 24.

General Services: Land Acquisitions, Mental Retardation (Regular #9)

Division Director Richard Kelly appeared before the Board on this matter.

The Division recommended that the Board approve the Department of Mental Retardation request to purchase approximately 1.6 acres in Aiken to be the site of two eight-bed community residences and the related project (J16-9538).

The Board was advised that the property has been appraised at \$17,425. The owner, N. W. Rangos, has agreed to sell at that price. Property Management has examined the appraisal and approves of its use in granting this request. The Level One environmental study concludes that there is no visual or documented evidence of contamination on the site.

This project (J16-9538, was reviewed favorably by the Bond Committee. The source of funds is excess debt service.

The Division also recommended approval of the Department of Mental Retardation request to purchase approximately 1.04 acres in Greenville to be the site of two eight-bed community residences and the related project (J16-9544).

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The property has been appraised at \$16,500. The owner, Greenville County Mental Retardation Board, has agreed to sell for \$15,000. Property Management has examined the appraisal and approves of its use in granting this request. The Level One environmental study identified no on- or off-site potential concerns for hazardous conditions.

The project (J16-9544) has been reviewed favorably by the Bond Committee. The source of funds is capital improvement bonds.

The Division also recommended approval of the Department of Mental Retardation request to purchase approximately two acres in Rock Hill to be the site of two eight-bed community residences and the related project (J16-9534).

The property has been appraised at \$45,000. The owner, Winthrop Downs, Inc., has agreed to sell for \$30,000. Property Management has examined the appraisal and approves of its use in granting this request. The Level One environmental study concluded it is unlikely that the property has been significantly impacted by on- or off-site sources of contamination.

The project, J16-9534, was reviewed favorably by the Bond Committee. The source of funds is excess debt service.

Upon a motion by Senator Waddell, seconded by Mr. Patterson, the Board approved the Department of Mental Retardation requests to purchase the following property:

- (a) approximately 1.6 acres in Aiken to be the site of two eight-bed community residences and the related project (J16-9538) at the appraised value of \$17,425;
- (b) approximately 1.04 acres in Greenville to be the site of two eight-bed community residences and the related project (J16-9544) at a purchase price of \$15,000; and
- (c) approximately two acres in Rock Hill to be the site of two eight-bed community residences and the related project (J16-9534) at a purchase price of \$30,000;

Information relating to this matter has been retained in these files and is identified as Exhibit 25.

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General Services: Land Acquisition, PRT (Regular #10)

Division Director Richard Kelly appeared before the Board on this matter.

The Division recommended approval of a Department of Parks, Recreation and Tourism request to purchase approximately 4.5 acres known as Sumter Circle at Caesar's Head State Park (project P28-9452).

The property has been appraised at \$141,300. The owner, Frank Coggins, has agreed to sell at that price. Property Management has examined the appraisal and approves its use in granting this request.

The Level One environmental study concluded that the potential is low for environmental insult to the property from past site activities.

This project has been reviewed favorably by the Bond Review Committee. The source of funds is Recreation Land Trust Fund.

At the meeting, Mr. Kelly called attention to the map in the agenda materials and pointed out that the proposal is to acquire lots numbered 1 through 8 and 10 through 15. He also pointed out that PRT owns all of the surrounding property.

Governor Campbell asked why we are buying lots. Mr. Kelly said the lots are in a layout for a subdivision which never materialized and that PRT owns all of the surrounding property other than the numbered lots mentioned.

Upon a motion by Mr. McLellan, seconded by Mr. Patterson, the Board approved the Department of Parks, Recreation and Tourism request to purchase approximately 4.5 acres known as Sumter Circle at Caesar's Head State Park (project P28-9452).

Information relating to this matter has been retained in these files and is identified as Exhibit 26.

University of South Carolina: Foreign Travel Blanket Approval (Reg #11)

The University of South Carolina requested blanket approval for the faculty and staff of the Earth Sciences and Resources Institute (ESRI) to travel to West Germany, East Germany, Bulgaria, USSR, and Poland. The ESRI anticipates research opportunities in these areas. No State funds will be used in this travel.

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The Board was advised that it previously has granted the following blanket approval to the ESRI:

August 23, 1988	Bolivia, Chile, Brazil, Sudan, North Yemen (unspecified time period)
June 28, 1988	Czechoslovakia, Denmark, France, Hungary, Peru, Somalia, United Kingdom (unspecified time period)
December 18, 1987	Somalia (for a 2-year period beginning in 1988)
November 10, 1987	Syria (November 87 - May 88)

Upon a motion by Mr. Patterson, seconded by Mr. McLellan, the Board granted blanket approval for the faculty and staff of the University of South Carolina Earth Sciences and Resources Institute (ESRI) to travel to West Germany, East Germany, Bulgaria, USSR, and Poland.

Information relating to this matter has been retained in these files and is identified as Exhibit 27.

Department of Mental Retardation: Moving Expenses (Regular #12)

In accord with Code Section 8-11-135, the Department of Mental Retardation requested approval of the payment of \$2,074 to Paul Hockett, Staff Developmental and Training Director, as a reimbursement for the costs incurred in moving personal and household effects from Bossier, Louisiana to Newberry.

Upon a motion by Mr. McLellan, seconded by Mr. Patterson, the Board, in accord with Code Section 8-11-135, authorized the Department of Mental Retardation to pay \$2,074 to Paul Hockett, Staff Developmental and Training Director, as a reimbursement for the costs incurred in moving personal and household effects from Bossier, Louisiana to Newberry.

Information relating to this matter has been retained in these files and is identified as Exhibit 28.

Future Meeting

The Board agreed to meet at 10 a.m. on Tuesday, October 10, 1989, in the Governor's conference room in the State House.

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[Secretary's Note: The Board agreed to the October 10 date after Governor Campbell announced that, because of the Hurricane Hugo disaster, he had cancelled his participation in the mission to the Far East. He said that Mr. Morris will serve as his official representative and will lead the South Carolina delegation.]

Executive Session

Governor Campbell advised that the following items had been proposed for consideration during executive session and had been published:

- 1 Budget Division Receipt of Legal Advice (Use of Funds)
- 2 State Auditor Settlement of Legal Claim (Self-insurance Funds Audit)
- 3 Human Resource Mgmt Discussion of Employee Compensation (Executive Compensation System Employee Salary Adjustment, Francis Marion)
- 4 Human Resource Mgmt Discussion of Employee Compensation (New Agency Head Salary, Office of Appellate Defense)
- 5 Human Resource Mgmt Discussion of Employee Compensation (Exception to 95% Agency Head Salary Rule, State Fire Marshal)

Upon a motion by Mr. Patterson, the Board agreed to consider these items plus, at the request of Governor Campbell, any emergency measures related to the Hurricane Hugo disaster which might be appropriate, in executive session whereupon Governor Campbell declared the meeting to be in executive session.

Vote on Matters Discussed in Executive Session

Following the executive session, the meeting was opened, and the Board voted on the following items which had been discussed during executive session:

- (a) Budget and Control Board: Receipt of Legal Advice (Use of Funds)
(Executive #1)

The Board received legal advice on the use of funds.

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- (b) **State Auditor: Settlement of Legal Claim (Self-insurance Funds Audit (Executive #2)**

The Board took no action on a report relating to the State response to the US Department of Health and Human Services' audit of State self-insurance funds.

- (c) **Human Resource Management: Discussion of Employee Compensation (Executive Compensation System Employee Salary Adjustment, Francis Marion College) (Executive #3)**

The Board carried over a Francis Marion College request for an Executive Compensation System employee salary adjustment.

- (d) **Human Resource Management: Discussion of Employee Compensation (New Agency Head Salary, Office of Appellate Defense) (Executive #4)**

Upon a motion by Mr. Patterson, seconded by Mr. McLellan, the Board authorized the Commission of Appellate Defense to offer a salary of \$57,896 to David I. Bruck, Chief Attorney for the Office of Appellate Defense.

- (e) **Human Resource Management: Discussion of Employee Compensation (Exception to 95% Agency Head Salary Rule, State Fire Marshal) (Executive #5)**

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved a State Fire Marshal Division request for a 3% (\$1,589) salary increase for Mr. Randy Halfacre to increase his current salary of \$52,974 to \$54,563 (96.68% of the agency head's salary range midpoint).

Adjournment

The meeting was adjourned at 12:45 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 4:30 p.m. on Thursday, September 21, 1989.]

EXHIBIT

SEP 26 1989

NO. 1

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF SEPTEMBER 10, 1989

ITEM NUMBER 1

AGENCY: Insurance Services

SUBJECT: August Activity Report on Medical/Dental Benefit Plans

The Division reports that health claims for August were \$28.1 million, the highest monthly total ever for the Health Plan, a 56% increase over the month of July. The Division points out that August is a five-week month which means that five payments were made to the Plan Administrator. Claims paid in August were 9% above May which was the previous five-week month.

The August 1989 health claims are 43.4% above claims for August 1988 (also a five-week month).

Dental claims paid for August were \$2.5 million, a 34% increase from July and a 12% increase over May, the prior five-week month. Dental claims for August 1989 are 4.5% greater than for August 1988.

The Division also reported that the Health and Dental Reserve Fund fell to \$30,343 at August 31. It noted that the \$25.9 million appropriated to the Fund from the Capital Reserve Fund would become available in September.

BOARD ACTION REQUESTED:

Receive as information the Division of Insurance Services activity report for August on the State Health and Dental Plans.

ATTACHMENTS:

Bennett September 11, 1989, letter to Coles plus attachments.

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STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF INSURANCE SERVICES

EXHIBIT

SEP 26 1989

NOL 1

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



HEALTH INSURANCE SERVICES
POST OFFICE BOX 11960
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COLUMBIA, SOUTH CAROLINA 29201
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September 11, 1989

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

RECEIVED

SEP 12 1989
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

Jesse A. Coles, Jr., Ph.D.
Executive Director
Budget & Control Board
612 Wade Hampton Office Building
P.O. Box 12444
Columbia, South Carolina 29211

Dear Dr. Coles:

Attached is a copy of the Department of Insurance Services' Monthly Activity Report for August. This report provides information on claims and expenses for the health and dental plans for this calendar year.

HEALTH

Claims paid for the State Health Plan for August equalled \$28.1 million, a 56% increase from the month of July.

August is considered a five-week month, meaning that five payments were made to the Plan Administrator. Compared with May, the previous five-week month, claims paid showed a 9% increase. The claims amount for August is the highest monthly total ever for the Health Plan.

DENTAL

Claims paid for the Dental Plan for August equalled \$2.5 million, a 34% increase from the month of July and a 12% increase from May, the last five-week month.

The combined Health and Dental Reserve Fund has fallen to a total of \$30,343 as of August 31. The \$25.9 million appropriated to the Fund from the Capital Reserve Fund will become available in September, at a most opportune time.

Sincerely,

James E. Bennett
James E. Bennett, CPCU
Division Director
Division of Insurance Service

03975

Attachment

STATE OF SOUTH CAROLINA
MEDICAL AND DENTAL BENEFIT PLAN
MONTHLY ACTIVITY REPORT
1989

	JANUARY	FEBRUARY	MARCH	APRIL	MAY ***	JUNE ***	JULY	AUGUST
COVERAGE								
State Health Coverage								
Employees (active & Retired)	136,746	150,819	152,245	152,838	153,615	153,552	153,748	154,747
% with Dependents	42.59%	43.73%	47.25%	47.72%	43.84%	43.89%	43.93%	45.22%
% Retired	20.73%	18.87%	18.71%	18.69%	18.69%	18.74%	19.08%	19.13%
% Survivor and Cobra	2.03%	1.85%	1.71%	1.76%	1.71%	1.73%	1.74%	1.78%
% Under Basic Plan	29.02%	27.21%	27.12%	27.30%	27.39%	27.45%	27.58%	27.74%
% Under Expanded Plan	70.98%	72.79%	72.88%	72.70%	72.61%	72.55%	72.42%	72.26%
HMO Coverage - Number	23,684	11,954	10,859	10,366	10,251	10,168	10,104	10,073
State Plan and HMOs - Number	160,430	162,773	163,104	163,204	163,866	163,720	163,852	164,820
% Under HMOs	14.76%	7.34%	6.66%	6.35%	6.26%	6.21%	6.17%	6.11%
Dental Coverage - Number	156,965	159,250	159,528	159,380	160,031	159,775	159,262	159,930
% with Dependents	35.25%	35.29%	35.35%	35.37%	35.39%	35.45%	35.54%	35.61%
FINANCIALS (Medical & Dental)								
Contributions:								
Employer	14,638,906	16,301,740	15,369,826	15,410,146	22,770,857	8,220,673	16,797,813	15,619,408
Employee	5,326,882	6,372,458	5,980,317	5,850,611	5,869,759	5,813,587	5,871,955	5,927,474
Supplemental Appropriation						6,850,000		
Surcharge Deposited								2,554,025
Total	19,965,788	22,674,198	21,350,143	21,260,757	28,640,616	20,884,260	22,669,768	24,100,907
Claims & Expenses:								
Claims	15,604,701	20,841,730	23,885,503	18,267,180	28,082,678	18,137,139	19,904,069	30,634,268
Premium paid to HMOs	1,123,462	700,823	833,938	875,391	848,268	836,644	842,958	844,416
Reimbursement from HMOs						(75,978)		
Total Expenses	1,245,256	615,747	621,011	1,302,476	625,883	660,646	1,326,174	630,335
Total	17,973,419	22,158,300	25,340,452	20,445,047	29,556,829	19,558,451	22,073,201	32,109,019
Paid Loss Ratio (%)	90.02%	97.72%	118.69%	96.16%	103.20%	93.65%	97.37%	133.23%
Interest Income	85,275	96,090	123,937	95,053	147,072	69,777	78,048	108,583
* Reserve Balance	9,395,718	10,007,709	6,141,337	7,052,098	5,859,671	7,255,257	7,929,873	30,342
Number Months Claims	0.53	0.56	0.34	0.38	0.30	0.37	0.41	0.00
Fiscal YTD								
Contributions	19,965,788	42,639,986	63,990,129	85,250,886	113,891,502	127,925,762	150,595,530	174,696,437
Supplemental Appropriation						6,850,000		
Surcharge Deposited								2,554,025
Claims	15,604,701	36,446,431	60,331,934	78,599,114	106,681,792	124,818,931	144,723,000	175,357,268
Premium paid to HMOs	1,123,462	1,824,285	2,658,223	3,533,614	4,381,882	5,218,526	6,061,484	6,905,900
Reimbursement from HMOs						(75,978)		
Total Expenses	1,245,256	1,861,003	2,482,014	3,784,490	4,410,373	5,071,019	6,397,193	7,027,528
Loss Ratio (%)	90.02%	94.12%	102.32%	100.78%	101.39%	100.19%	104.37%	106.79%

* Beginning Balance January 1, 1989 \$7,318,073

***In MAY \$7,000,000 of advance employer premiums for June 1989 was added to the employer contribution

03976

STATE OF SOUTH CAROLINA

Page 2

MEDICAL BENEFIT PLAN

MONTHLY ACTIVITY REPORT

1989

	JANUARY	FEBRUARY	MARCH	APRIL	MAY ***	JUNE ***	JULY	AUGUST
FINANCIALS - Medical Only								
Contributions								
Employer	13,036,736	14,672,409	13,793,505	13,835,599	21,181,581	6,650,119	15,217,665	14,017,810
Employee	4,503,290	5,515,241	5,153,122	5,021,974	5,037,058	4,986,653	5,040,932	5,084,199
Supplemental Appropriation						6,850,000		
Surcharge Deposited								2,554,025
Total	17,540,026	20,187,650	18,946,627	18,857,573	26,218,639	18,486,772	20,258,597	21,656,034
Claims & Expenses:								
Claims	14,067,625	18,854,687	22,184,556	16,556,926	25,825,389	16,311,528	18,023,684	28,110,723
Premium paid to HMOs	1,123,462	700,823	833,938	875,391	848,268	836,644	842,958	844,416
Reimbursement from HMOs						(75,978)		
** Total Expenses	1,143,091	512,004	517,139	1,198,583	521,505	556,365	1,221,857	525,381
Total	16,334,178	20,067,514	23,535,633	18,630,900	27,195,162	17,628,559	20,088,499	29,480,520
Paid Loss Ratio (%)	93.13%	99.40%	124.22%	98.80%	103.72%	95.36%	99.16%	136.13%
Transferred from Dental Fund						8,000,000		
Interest Income	18,332	24,524	22,156	7,608	25,386	35,399	44,541	61,838
* Reserve Balance	(1,549,533)	(1,404,870)	(5,971,720)	(5,737,440)	(7,111,864)	1,781,748	1,996,388	(5,766,260)
Number Months Claims	-0.10	-0.09	-0.37	-0.35	-0.40	0.10	0.11	-0.31
Fiscal YTD								
Contributions	17,540,026	37,727,676	56,674,303	75,531,876	101,750,515	113,387,287	133,645,884	155,301,918
Supplemental Appropriation						6,850,000		
Claims	14,067,625	32,922,312	55,106,868	71,663,794	97,489,183	113,800,711	131,824,395	159,935,118
Premium paid to HMOs	1,123,462	1,824,285	2,658,223	3,533,614	4,381,882	5,218,526	6,061,484	6,905,900
Reimbursement from HMOs						(75,978)		
Total Expenses	1,143,091	1,655,095	2,172,234	3,370,817	3,892,322	4,448,687	5,670,544	6,195,925
Loss Ratio (%)	93.13%	96.49%	105.76%	104.02%	103.94%	102.62%	107.42%	111.42%
* Beginning Balance January 1, 1989 (\$2,773,714)								
***In MAY \$7,000,000 of advance employer premiums for June 1989 was added to the employer contribution								
** Total Expenses:								
BC&BS Administrative Fee	\$377,046	\$415,764	\$419,814	\$421,145	\$423,286	\$423,108	\$423,653	\$426,436
State Operating Expenses	\$679,777			\$679,777		\$35,092	\$700,000	
Case Management Expenses	\$86,268	\$96,240	\$97,325	\$97,661	\$98,219	\$98,165	\$98,204	\$98,945
Total	\$1,143,091	\$512,004	\$517,139	\$1,198,583	\$521,505	\$556,365	\$1,221,857	\$525,381

03977

11-Sep-89

DENTAL BENEFIT PLAN
MONTHLY ACTIVITY REPORT
1989

Page 3

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST
FINANCIALS - DENTAL ONLY								
Contributions:								
Employer	1,602,170	1,629,331	1,576,321	1,574,547	1,589,276	1,570,554	1,580,148	1,601,598
Employee	823,592	857,217	827,195	828,637	832,701	826,934	831,023	843,275
Total	2,425,762	2,486,548	2,403,516	2,403,184	2,421,977	2,397,488	2,411,171	2,444,873
Claims & Expenses:								
Claims	1,537,076	1,987,043	1,700,947	1,710,254	2,257,289	1,825,611	1,880,385	2,523,545
GAB Administrative Expenses	102,165	103,743	103,872	103,893	104,378	104,281	104,317	104,954
Total	1,639,241	2,090,786	1,804,819	1,814,147	2,361,667	1,929,892	1,984,702	2,628,499
Paid Loss Ratio (%)	67.58X	84.08X	75.09X	75.49X	97.51X	80.50X	82.31X	107.51X
Transferred to Health Fund						(8,000,000)		
Interest Income	66,943	71,566	101,781	87,445	121,686	34,378	33,507	46,745
* Reserve Balance	10,945,251	11,412,579	12,113,057	12,789,538	12,971,535	5,473,509	5,933,485	5,796,603
Number Months Claims	5.62	5.96	6.43	6.78	6.76	3.00	3.15	3.07
Fiscal YTD								
Contributions	2,425,762	4,912,310	7,315,826	9,719,010	12,140,987	14,538,475	16,949,646	19,394,519
Claims	1,537,076	3,524,119	5,225,066	6,935,320	9,192,609	11,018,220	12,898,605	15,422,150
Expenses	102,165	205,908	309,780	413,673	518,051	622,332	726,649	831,603
Loss Ratio (%)	67.58X	75.93X	75.66X	75.61X	79.98X	80.07X	80.39X	83.81X

* Beginning Balance January 1, 1989 \$10,091,787

03978

EXHIBIT

SEP 26 1989

NO. 1

STATE BUDGET & CONTROL BOARD

*11-Sep-89

STATE OF SOUTH CAROLINA
INSURED BENEFIT PLAN
MONTHLY ACTIVITY REPORT

Page 4

1989

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST
COVERAGE								
Optional Life - Number	86,103	86,433	86,697	87,063	87,294	87,453	88,260	88,130
FINANCIALS								
DEPENDENT LIFE								
Premiums	20,670	21,304	21,413	21,428	21,483	21,447	21,386	21,479
Paid Claims	0	5,000	9,200	24,100	19,000	26,300	15,200	10,600
Number of claims	0	5	12	25	19	28	17	13
Incurred Loss Ratio (%)	0.00%	23.47%	42.96%	112.47%	88.44%	122.63%	71.07%	49.35%
OPTIONAL LIFE (Life & AD&D)								
Premiums	320,851	321,937	322,802	323,084	324,509	325,734	325,623	324,418
Paid Claims	425,000	265,000	530,345	280,000	230,000	290,000	115,312	211,750
Number of claims	16	11	17	8	10	9	5	8
Incurred Loss Ratio (%)	132.46%	82.31%	164.29%	86.66%	70.88%	89.03%	35.41%	65.27%

03979

EXHIBIT

SEP 26 1989 NO. 1

STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

NO. 2

STATE BUDGET AND CONTROL BOARD
MEETING OF September 26, 1989

STATE BUDGET & CONTROL BOARD
BLUE AGENDA

ITEM NUMBER

2

AGENCY: Budget Division

SUBJECT: Florence Crittenton Home Management Review Follow-up Report

The Budget Division, on August 30, 1989, visited the Florence Crittenton Home to assess progress in the Home's implementation of management recommendations accepted by the Board earlier this year.

The Division found that:

1. The Florence Crittenton Home has a balanced budget with four months remaining in its fiscal year due in large part to the availability of \$58,000 in nonrecurring funds.
2. No apparent reduction in expenses nor increase in recurring revenues has yet been achieved. Utilization remains at an average of 23 clients per month; the capacity is 30.
3. No evidence can be found to justify adjusting the level of funding from either the Department of Youth Services or the Health and Human Services Finance Commission.

The Division recommends that:

1. The Florence Crittenton Home's Board of Directors and its Executive Director immediately develop a strategy for recouping the dollars represented by nonrecurring funds in order for the Home to remain fiscally sound.
2. The Florence Crittenton Home's Board and its Executive Director develop a formal retrenchment plan for the next budget year in the event additional funds are not generated.

BOARD ACTION REQUESTED:

Receive as information the follow-up report on the management of the Florence Crittenton Home.

ATTACHMENTS:

Agenda item worksheet; attachments

03980

EXHIBIT

SEP 26 1989

NO. 2

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

90-19

Meeting Scheduled for: September 26, 1989

Blue Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: 

2. Subject:

Follow-Up Report on the Florence Crittendon Home Management Review

3. Summary Background Information:

As directed by the Board at its April 29, 1989, meeting, the Budget Division made a follow-up visit to the Florence Crittendon Home on August 30, 1989, to assess the Home's progress in implementing the management recommendations accepted by the Board earlier this year.

The Division finds that:

- a) The Florence Crittendon Home has a balanced budget with four months remaining in its fiscal year due in large part by the availability of \$58,000 in non-recurring funds;
- b) No apparent reduction in expenses nor increase in recurring revenues has yet been achieved. Utilization remains at an average of 23 clients per month; the Home's capacity is 30;
- c) No evidence can be found to justify adjusting the level of funding from either the Department of Youth Services or the Health and Human Services Finance Commission.

The Division further recommends that:

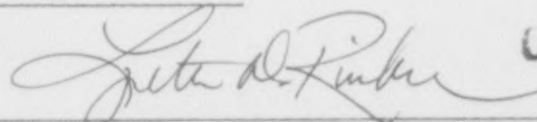
- a) The Florence Crittendon Home's Board of Directors and the Executive Director immediately develop a strategy for recouping the dollars represented by the non-recurring funds in order for the Home to remain fiscally sound;
- b) The Florence Crittendon Home's Board and Executive Director develop a formal retrenchment plan for the next budget year in the event additional funds are not generated.

4. What is Board asked to do?

Receive as information the follow-up report of the Budget Division relating to the management of the Florence Crittendon Home.

5. What is recommendation of Board Division involved?

Accept the follow-up report.



03981

EXHIBIT

SEP 26 1989 NO. 2

State Budget Division
Management Review Recommendations STATE BUDGET & CONTROL BOARD

Florence Crittendon Home

Follow-Up

General Information

In January, 1989, the Board allocated \$26,000 to the Florence Crittendon Home from the Civil Contingent Fund while directing the Budget Division to perform a management review of the Home. The Board received the Division's four recommendations related to the Home's management at its April 29, 1989 meeting and further directed the Division's staff to make a follow-up report assessing the Home's progress in implementing those recommendations.

A site visit was conducted by Division staff on August 30, 1989 in Charleston to discuss the recommendations with the Home's management and chairman of the Finance Committee of the Home's Board of Directors.

Findings

Recommendation 1: The Florence Crittendon's Board of Directors adopt a balanced budget.

With four months remaining in the fiscal year, the Home which operates on a calendar year basis, has a balanced budget. This has been accomplished, in large part, by the availability of \$58,000 in non-recurring funds:

\$26,000 - Civil Contingent Fund

26,000 - Alcoholic Beverage Control Commission

6,000 - DSS reimbursement - Personnel Costs

Assuming revenue and expenditures continue at the present rate, and utilization rates do not decrease, the Home will end its budget year in the black. However, this fiscal situation could be negatively affected by two occurrences.

Social Services Block Grant Funds, administered by HHSFC, represent 50% of the Home's recurring budget. The availability of these funds has been limited during the last six weeks of the Federal fiscal year because the fund has been depleted by other grant clients. This represents a potential loss of revenue to the Home of approximately \$2,000.¹ Full funding will be restored October 1, 1989. The second occurrence which could potentially have a negative affect on the Home's revenue collections is the uncertainty of pledges and contributions.

03982

During the last two years, contributions to the Home have been fully funded. However, as with any entity that depends on contributions as a source of revenue, there is the potential that pledges will not be met and revenue will fall short of projections. As of July 31, 1989, \$29,729 or 51.7% of the \$57,500 United Way commitment had been received. In addition, the Home undertook its own fundraising initiative during 1988 with a goal of \$100,000. A total of \$43,639 was pledged. Of this amount \$26,000 was for operating funds. However only \$9,542 has been received.

Recommendation 2: Make cuts in personnel or operating expenses or both, to bring expenses in line with revenue projections if new sources of revenue or additional clients cannot be found.

As stated previously, the budget is balanced at this point due to one-time revenues and not as a direct result of expenditure reductions or increases in recurring sources of funds. The recommended goal to increase utilization, another method of raising revenue, has not yet been realized. The utilization rate has remained at an average of 23.¹ The Home has a capacity of 30. It should be further noted that a proposal is pending before Trident United Way seeking partial funding for a new Community Educator position. Florence Crittendon Home will fund \$10,000 of the salary plus the cost of fringe benefits which is to come from the difference between the salaries of the retiring Director and the incoming Director. Fringe benefits will be an additional expense to be covered from other budgeted items.

The purpose of the Community Educator is to give the Home a higher profile in the philanthropic community and the community at large with the goal of securing additional funding for the Home and increasing utilization rates. If this strategy is successful in increasing revenue, then it goes without saying, that the investment in another staff position has been worthwhile. However, the Home must be prepared to eliminate the position should it prove not to be contributing to the fund raising effort.

Recommendation 3 and 4: Maintain current levels of funding received from HHFSC and DYS.

No evidence can be found to justify a change in the funding levels from either agency at this time.

03983

Florence Crittendon Home
Page Three

Conclusion

The Florence Crittendon Home is currently in a positive financial situation. However, the point was stressed with the Board's representative and the new Executive Director that a plan must be developed immediately to recoup the dollars represented by the non-recurring funds if the Home is to remain fiscally sound.

Secondly, the Home's governing Board and Executive Director should develop a formal retrenchment plan for the next budget year in the event additional funds are not generated in order to maintain a balanced budget.

¹ Based on information provided by Florence Crittendon Home.

EXHIBIT

SEP 26 1989 NO. 2

STATE BUDGET & CONTROL BOARD

03984

EXHIBIT

SEP 26 1989

NO. 3

STATE BUDGET AND CONTROL BOARD
MEETING OF September 26, 1989

BLUE AGENDA
ITEM NUMBER

3

AGENCY: Budget Division

SUBJECT: 1988-89 Authorized Personal Service Transfers Report, August

The Budget Division reports that the transfer of \$92,100 of personal service funds was approved during August (\$82,100 to other operating expenses and \$10,000 to equipment).

This brought the total of personal service funds approved for transfer during the fiscal year to \$109,310.

BOARD ACTION REQUESTED:

Receive as information a Budget Division report that the transfer of \$92,100 of personal service funds was approved during August to bring the total approved for transfer during the fiscal year to \$109,310.

ATTACHMENTS:

Agenda item worksheet and attachment

03985

EXHIBIT

SEP 26 1989

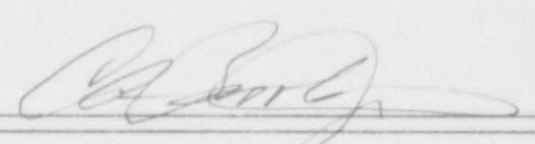
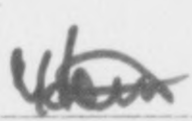
NO. 8

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

90-16

Meeting Scheduled for: September 26, 1989

Blue Agenda

1. Submitted By:
(a) Agency: State Budget Division
(b) Authorized Official Signature: 
2. Subject:
FY 1989-90 Authorized Transfer Report for the Month of August
3. Summary Background Information:
The State Budget Division's July Authorized Transfer Operating Report for Fiscal Year 1989-90
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 Transfer Operating Report
(b) List Those Not Attached But Available From Submitter:

03986

STATE BUDGET DIVISION
ANALYSIS OF 1989-90 AUTHORIZED PERSONAL SERVICE
TRANSFER REQUESTS

DATE	REQUEST NO.	AGENCY	SOURCE OF FUNDS	FROM PERSONAL SERVICE	TO OTHER OPERATING EXPENSES	EQUIPMENT
Total Authorized Transfers (3)				\$ 92,100	\$82,100	\$10,000
August Authorized Transfers						
(A) 8/23/89	-	J04 Health & Env. Control	Federal	\$ 1,455		\$ 1,455
(B) 8/21/89	-	J16 Mental Retardation	Other	5,000	\$ 5,000	
(C) 8/28/89	-	R12 Workers Comp. Fund	Other	10,755	10,755	
Total Authorized Transfers For August (3)				\$ 17,210	\$15,755	\$ 1,455
Total Authorized Transfers Year-To-Date (6)				\$109,310	\$97,855	\$11,455

NOTE:

	Current Month	Year-To-Date
State Funds	\$ 0	\$ 6,100
Federal Funds	1,455	11,455
Other Funds	15,755	91,755
TOTAL FUNDS	<u>\$17,210</u>	<u>\$109,310</u>

Prepared
September 12, 1989

STATE BUDGET & CONTROL BOARD

SEP 26 1989 NO. 3

EXHIBIT

03987

AGENCY NUMBER J04	AGENCY BATCH NUMBER BB # 028	OBJECT CODE HASH TOTAL 17,518	TOTAL BATCH AMOUNT 51,191,900.00	BATCH DATE	BATCH NUMBER	DOCUMENT
-----------------------------	--	---	--	------------	--------------	----------

AGENCY VOUCHER NUMBER

BB # 028

AGENCY TRANSFERRED TO (CIR)

NAME

DHEC

ADDRESS

2600 Bull Street**Columbia, SC 29201****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.

C G WARRANT NUMBER

AGENCY TRANSFERRED FROM (CIR)

NAME

SAME

ADDRESS

REASON FOR TRANSFER:

See Cover Letter

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
02	350	J04	4825	5000				3000 90		0400	2,020.00	
02	350	J04	4825	5000				3000 90		0600	2,000.00	
02	350	J04	4826	5000				3097 90		0200	1,000.00	
02	350	J04	4827	5000				3088 80		0158	20,000.00	
02	350	J04	4827	5000				3088 80		1100	2,000.00	
02	350	J04	4827	5000				3088 80		0200	16,000.00	
02	350	J04	4827	5000				3088 80		0600	16,000.00	
TOTAL												

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
02	300	J04	4825	5000				3000 90		0200	1,045.00	
02	300	J04	4825	5000				3000 90		0300	2,211.00	
02	300	J04	4825	5000				3000 90		0500	764.00	
02	300	J04	4826	5000				3097 90		0400	1,000.00	
02	300	J04	4827	5000				3088 80		0171	20,000.00	
02	300	J04	4827	5000				3088 80		0400	2,000.00	
02	300	J04	4827	5000				3088 80		0300	32,000.00	
TOTAL												

REQUESTED BY

DATE

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.

STATE AUDITOR

03988

DATE

AGENCY NUMBER AGENCY BATCH NUMBER OBJECT CODE HASH TOTAL TOTAL BATCH AMOUNT BATCH DATE BATCH NUMBER DOCUME

AGENCY VOUCHER NUMBER

BB # 026

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

CG WARRANT NUMBER

AGENCY TRANSFERRED TO (CRI)

NAME

DHBC

ADDRESS

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.

AGENCY TRANSFERRED FROM (DI)

NAME

ADDRESS

REASON FOR TRANSFER:

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
02	350	004	4830	5000				3084 90		0160	1,300.00	
02	350	004	4830	5000				3084 90		0158	4,300.00	
02	350	004	4830	5000				3084 90		0300	100,000.00	
02	350	004	4830	5000				3084 90		0500	30,000.00	
02	350	004	4832	5000				3062 90		0171	9,420.00	
02	350	004	1903	5000				3001 90		1100	330,000.00	
02	350	004	2283	5000				3099 90		0171	1,455.00	
TOTAL												

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
02	300	004	4830	5000				3088 60		0171	6,000.00	
02	300	004	4830	5000				3084 90		0200	130,000.00	
02	300	004	4832	5000				3062 90		0158	9,420.00	
02	300	004	1903	5000				3001 90		0200	300,000.00	
02	300	004	1903	5000				3001 90		0400	20,000.00	
02	300	004	1903	5000				3001 90		0600	10,000.00	
02	300	004	2283	5000				3099 90		0300	5,500.00	
TOTAL												

REQUESTED BY

DATE

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.

03989

STATE AUDITOR

DATE

AGENCY NUMBER AGENCY BATCH NUMBER OBJECT CODE HASH TOTAL TOTAL BATCH AMOUNT BATCH DATE BATCH NUMBER DOOCUME

AGENCY VOUCHER NUMBER

BB # 028

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

CG WARRANT NUMBER

AGENCY TRANSFERRED TO (CRI)

NAME

DEBC

ADDRESS

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.

AGENCY TRANSFERRED FROM ID

NAME

ADDRESS

REASON FOR TRANSFER:

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
02	350	J04	2283	5000				3099 90		0600	4,445.00	
02	350	J04	1910	5000				3001 90		0300	6,000.00	
02	350	J04	1910	5000				3001 90		0600	2,200.00	
02	350	J04	1903	5000				3001 90		0300	10.00	
02	350	J04	1903	5000				3001 90		0500	1,300.00	
02	350	J04	4827	3000						1100	3,000.00	
02	350	J04	1903	3000						0200	100.00	
TOTAL												

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
02	300	J04	2283	5000				3099 90		0200	400.00	
02	300	J04	1910	5000				3001 90		0200	8,200.00	
02	300	J04	3893	5000				3001 90		0300	10.00	
02	300	J04	3893	5000				3001 90		0600	1,300.00	
02	300	J04	4827	3000						0300	2,500.00	
02	300	J04	4827	3000						0500	500.00	
02	300	J04	1903	3000						0300	100.00	
TOTAL												

REQUESTED BY _____ DATE _____ 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.

03990

STATE AUDITOR _____ DATE _____

AGENCY VOUCHER NUMBER

2B # 028

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD · FINANCE DIVISION

CG WARRANT NUMBER

AGENCY TRANSFERRED TO (CR)

<p> $\frac{1}{2} \text{ A.M.}$ </p>	<p> $\frac{1}{2} \text{ A.M.}$ </p>
--	--

DHEC

ADDRESS

AGENCY TRANSFERRED FROM (DI)

NAME _____

ADDRESS

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.

REASON FOR TRANSFER:

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
02	350	004	4832	1001						1100	43,000.00	A2BJ
TOTAL										10,618	595,950.00	

70

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
02	300	J04	4832	1001						0200	43,000.00	A24J
TOTAL										6,200	595,950.00	

RECEIVED
AUG 23 1989
Budget & Control Board
STATE BUDGET DIVISION

REQUESTED BY _____ DATE _____ STATE BUDGET ANALYST _____

DATE 8/23/84

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

STATE AUDITOR **03991** DATE

*cc to
see pg 2*

South Carolina Department of Health and Environmental Control

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Michael D. Jarrett



Board
Toney Graham, Jr., M.D., Chairman
Henry S. Jordan, M.D., Vice-Chairman
John B. Pate, M.D., Secretary
William E. Applegate
Oren L. Brady, Jr.
John Hay Burris
Euta M. Colvin, M.D.

August 22, 1989

Mr. Ed Brophy
State Budget Analyst
Division of State Budgets
S.C. Budget and Control Board
530 Edgar Brown Building
Columbia, South Carolina 29211

Dear Mr. Brophy:

We are forwarding the enclosed transfer (BB # 028) in the amount of \$595,950 for your review and approval. This transfer is necessary in order to realign state, federal and special expenditure authority levels within the programs indicated. Due to carry forward commitments and the budgeting of grants into FY 90, these transfers are needed to cover expenditures.

I certify that equipment purchased will be in strict compliance with the procurement code and the Department of Health and Environmental Control's Information Technology Plan.

Thank you for your assistance. Should you have questions, please let us know.

Sincerely,

Wyman M. Looney
Wyman M. Looney, Director
Bureau of Budgets

WML:bcb:wb

Enclosure

cc to Hatt. see pg 2

RECEIVED
AUG 23 1989
By State & Control Board
STATE BUDGET DIVISION
03992

STATE WORKERS' COMPENSATION FUND

August 24, 1989

Irvin D. Parker
Director

Ms. Francis Barr
State Budget Division
532 Edgar Brown Building
1205 Pendleton Street
Columbia, S.C. 29201

Dear Ms. Barr:

The attached transfer is requested to provide funds for Personal Services for Fiscal Year 89-90 for Workers' Compensation Fund and Crime Victims' Compensation Fund.

Sincerely,

STATE WORKERS' COMPENSATION FUND

Janice P. Harmon
Janice P. Harmon
Accountant

RECEIVED
AUG 25 1989

Budget & Control Board
STATE BUDGET DIVISION

✓ Copy to cert.

EXHIBIT

03995

SEP 26 1989

NO. 3

STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

NO. 4

STATE BUDGET AND CONTROL BOARD
MEETING OF September 26, 1989

STATE BUDGET & CONTROL BOARD

BLUE AGENDA

ITEM NUMBER

4

AGENCY: Budget Division

SUBJECT: FTE Operating Report, August

The Budget Division reports that a net of 1.00 full-time-equivalent position (-50.80 federal and +49.80 other) was deleted from the base during August. This brought the base to a total of 70,322.11 FTE positions.

At the end of the month, 63,525.53 of the positions were filled and 6,796.58 were vacant.

	<u>Positions Vacant (in %)</u>	
	<u>8/88</u>	<u>8/89</u>
Total Positions	8.99	9.66
State	8.02	8.52
Federal	11.55	13.36
Other	9.85	10.40

BOARD ACTION REQUESTED:

Receive as information the FTE position operating report for the month of August 1989 which shows that a net of 1.00 FTE position was deleted during August to bring the base total to 70,322.11 FTE positions at the end of the month of which 63,525.53 FTE positions were filled and 6,796.58 were vacant.

ATTACHMENTS:

Agenda item worksheet and referenced report.

03996

EXHIBIT

SEP 26 1989

NO. 4

BUDGET AND CONTROL BOARD AGENDA ITEM WORD SHEET (12/84) **STATE BUDGET & CONTROL BOARD**

90-17

Meeting Scheduled for: September 26, 1989

Blue Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: 

2. Subject:

1989-90 FTE Operating Report for the Month of August 1989

3. Summary Background Information:

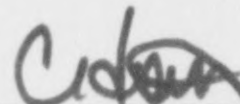
The attached report is submitted in accordance with Section 129.22 of the 1989-90 Appropriation Act. The report exempts all Legislative Employees (716.00) and Judicial Employees (405.47) which totals (1,121.47). Attached also is a copy of the year-to-date summary reflecting, by month, all authorized adjustments.

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
2. Year-to-Date Monthly Summary FTE Position Operational Report

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

03997

EXHIBIT

SEP 26 1989

NO. 4

STATE BUDGET DIVISION
FULL-TIME EQUIVALENT POSITION STATE BUDGET & CONTROL BOARD
OPERATIONAL REPORT
FOR THE MONTH OF JULY, 1989

SECTION NO.	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
Total Operational FTE Position Base 7/31/89		70,323.11	40,690.48	8,373.74	21,258.89
August Authorized Adjustments					
5C	Governor's Office-OEPP	-	-	(0.80)	0.80
25	MUSC	-	-	(50.00)	50.00
75	Workers Compensation Fund	(1.00)	-	-	(1.00)
Total Net Adjustments--August		(1.00)	-	(50.80)	49.80
Total Operational FTE Position Base 8/31/89		70,322.11	40,690.48	8,322.94	21,308.69
Total Filled FTE Positions 8/31/89		63,525.53	37,222.95	7,210.60	19,091.98
Total Vacant FTE Positions 8/31/89		6,796.58	3,467.53	1,112.34	2,216.71
Percent Vacant 8/31/89		9.66%	8.52%	13.36%	10.40%
Percent Vacant 8/31/88		8.99%	8.02%	11.55%	9.85%
Percent Vacant 8/31/87		9.36%	8.29%	9.75%	11.29%

Prepared:
September 12, 1989

03998

**STATE BUDGET DIVISION
FTE POSITION AUTHORIZED ADJUSTMENTS
TO DATE
8/31/89**

	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
Total Authorized FTE Position Base per 1989-90 Appropriation Act	71,447.58	41,827.95	8,380.74	21,238.89
<hr/> Monthly Adjustments <hr/>				
July	(3.00)	(18.00)	(7.00)	22.00
August	(1.00)		(50.80)	49.80
Total Net Adjustments	(4.00)	(18.00)	(57.80)	71.80
Total Adjusted Appropriated FTE Position Base 8/31/89	71,443.58	41,809.95	8,322.94	21,310.69
Less:				
1989-90 Legislative Employees	716.00	714.00	0.00	2.00
1989-90 Judicial Employees	405.47	405.47		
Total Authorized FTE Position Base 8/31/89	70,322.11	40,690.48	8,322.94	21,308.69

Prepared
September 1, 1989

03999

STATE OF SOUTH CAROLINA
State Budget and Control Board
STATE BUDGET DIVISION



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

EDGAR BROWN BUILDING, SUITE 525
1205 PENDLETON STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 734-1280

CHARLES A. BROOKS, JR.
DIVISION DIRECTOR

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

September 12, 1989

The Honorable James M. Waddell
Joint Legislative Committee on Personal
Service, Financing and Budgeting
111 Gressette Building
Columbia, SC 29201

Dear Senator Waddell:

Attached is a copy of the August 1989-90 Authorized FTE Position
Operating Report. I have approved and adjusted the Authorized FTE Position
Base accordingly.

I have also attached for the Committee's review a copy of the
year-to-date monthly Authorized FTE Position Summary Report.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "C. Brooks, Jr.", written over a horizontal line.

Charles A. Brooks, Jr.
Director

CAB/dc

Attachments

04000

STATE OF SOUTH CAROLINA
State Budget and Control Board
STATE BUDGET DIVISION



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

EDGAR BROWN BUILDING, SUITE 525
1205 PENDLETON STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 734-2280

CHARLES A. BROOKS, JR.
M E M P O R A N D U M

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, 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 *CH*
DATE: August 23, 1989
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
☒ 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: D17 Governor's Office-OEPP *(SC)*

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base	8/15/89		255.00	126.23	121.77	7.00
	Adjusted FTE Position Base			255.00	126.23	120.97	7.80
	Authorized Adjustment			-	-	(0.80)	0.80

Authorization/Explanation:
Requested by the agency - to match current position funding.

EXHIBIT

SEP 26 1989

NO. 4

STATE BUDGET & CONTROL BOARD

04001

7

STATE OF SOUTH CAROLINA
State Budget and Control Board
STATE BUDGET DIVISION

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

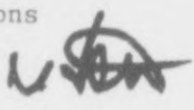
EDGAR BROWN BUILDING, SUITE 525
1205 PENDLETON STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 734-2280

CHARLES A. BROOKS, JR.
MEMORANDUM

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, 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 
DATE: August 22, 1989
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
☒ 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: H51 Medical University of South Carolina (25)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base	8/1/89		5,089.53	1,994.08	263.54	2,831.91
	Adjusted FTE Position Base			5,089.53	1,994.08	213.54	2,881.91
	Authorized Adjustment					(50.00)	50.00

Authorization/Explanation:
Requested by the agency - to balance the agency actual FTE's with the authorized FTE's.

04002 

STATE OF SOUTH CAROLINA
State Budget and Control Board
STATE BUDGET DIVISION



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

EDGAR BROWN BUILDING, SUITE 525
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(803) 734-2280

CHARLES A. BROOKS, JR.
DIVISION DIRECTOR

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

M E M O R A N D U M

TO: Mr. George Harris, Manager of Operations

FROM: Curtis Holt, Jr., Assistant Director 

DATE: August 24, 1989

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: R12 State Workers Compensation Fund (75)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base	8/15/89		65.00	-	-	65.00
	Adjusted FTE Position Base			64.00	-	-	64.00
	Authorized Adjustment			(1.00)	-	-	(1.00)

Authorization/Explanation:

Requested by the agency; agency does not plan to fill this position.

EXHIBIT

04003

SEP 26 1989

NO. 4

STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

NO. 5

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF September 26, 1989

ITEM NUMBER

5

AGENCY: Human Resource Management

SUBJECT: Unemployment Compensation Costs

In accord with Section 160 of the 1988-89 Appropriations Act, the Division of Human Resource Management has provided the following information on the unemployment compensation program for 1988-89:

Amounts paid to Employment Security Commission for actual claims:

July 1, 1988 - September 30, 1988	\$267,923.60
October 1, 1988 - December 31, 1988	250,335.08
January 1, 1989 - March 31, 1989	268,811.88
April 1, 1989 - June 30, 1989	204,087.83
Total	<u>\$991,158.39</u>

Unemployment Compensation Program Cost Report:

Administrator:	R. E. Harrington, Inc.
Business Address:	811 Greencrest Drive
	Westerville, OH 43081-2864
Mailing Address:	P. O. Box 1160
	Columbus, OH 43216-1160

Amounts paid to Harrington:

(Based on employee population of 71,059 at a rate of \$0.52 per employee)

July 1, 1988 - September 30, 1988	\$ 9,237.67
October 1, 1988 - December 31, 1988	9,237.67
January 1, 1989 - March 31, 1989	9,237.67
April 1, 1989 - June 30, 1989	<u>9,237.67</u>
Total	\$36,950.68

BOARD ACTION REQUESTED:

Receive as information the 1988-89 unemployment compensation program cost report which shows that \$36,950.68 was paid to program administrator R. E. Harrington, Inc. and that \$991,158.39 was paid to the Employment Security Commission for actual unemployment compensation claims.

ATTACHMENTS:

Agenda item worksheet; attachments

04004

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

For meeting scheduled for:

September 26, 1989

☒ 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:

Unemployment Compensation Costs

3. Summary Background Information:

Section 160 of the 1988-89 Appropriations Act provides that the Budget and Control Board may hire a management firm to assist in the administration of the Unemployment Compensation program for State employees. It further provides that the Budget and Control Board shall report annually to the General Assembly, in writing, the complete name, address and amounts paid to any such management firm. A copy of the program costs is attached.

EXHIBIT

SEP 26 1989

NO. 5

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

No action required.

5. What is recommendation of the Board Division involved?

Submitted for informational purposes.

6. Recommendation of other office (as required)?

(a) Office Name _____ (b) Signature _____

7. Supporting Documents:

List Those Attached

Copy of program cost report.

List Those Not Attached But Available
from Submitter

04005

Yearly Report to the General Assembly

1988-89 Unemployment Compensation Program Cost Report

Program Administrator: R.E. Harrington, Inc.
Business Address: 811 Greencrest Drive
Westerville, Ohio 43081-2864
Mailing Address: Post Office Box 1160
Columbus, Ohio 43216-1160

Amounts Paid to R.E. Harrington, Inc.:

July 1, 1988 - September 30, 1988	\$ 9,237.67
October 1, 1988 - December 31, 1988	\$ 9,237.67
January 1, 1989 - March 31, 1989	\$ 9,237.67
April 1, 1989 - June 30, 1989	<u>\$ 9,237.67</u>
Totals for 1988-89:	\$36,950.68

Note: Charges were based on an employee population of 71,059 with charges at a contractual rate of \$.52 per employee.

04006

Amounts paid to the South Carolina Employment Security
Commission for actual unemployment compensation claims:

July 1, 1988 - September 30, 1988	\$267,923.60
October 1, 1988 - December 31, 1988	\$250,335.08
January 1, 1989 - March 31, 1989	\$268,811.88
April 1, 1989 - June 30, 1989	<u>\$204,087.83</u>
Total paid for FY 1988-89:	\$991,158.39

EXHIBIT

SEP 26 1989 NO. 5

STATE BUDGET & CONTROL BOARD

04007

EXHIBIT

SEP 26 1989

NO. 6

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF September 26, 1989

ITEM NUMBER

6

AGENCY: Human Resource Management

SUBJECT: Leave Transfer Requests

The Division recommends approval of the following leave transfer requests. Each of the requests meets the Board's minimum criteria.

(a) Clemson University:

- (1) Arthur J. Womack, sick leave, September 14 - October 26, 1989.
- (2) Sara Diane Palmer, annual leave, September 11 - October 21, 1989.
- (3) Sue N. Isbell, annual leave, September 5 - October 17, 1989.
- (4) Francis E. Sullivan, sick leave, October 9 - November 21, 1989.
- (5) Elizabeth H. Team, annual leave, August 16 - September 27, 1989.

(b) Public Service Commission:

- (1) Guy F. Waldrop, sick leave, August 16 - September 28, 1989.
- (2) Ronnie Bass, sick leave, September 14 - October 26, 1989.

(c) Workers' Compensation:

- (1) Megan Chavis, sick leave, August 23 - September 29, 1989.

(d) Highways and Public Transportation:

- (1) Aletha H. Morgan, sick leave, August 30 - October 12, 1989.
- (2) J. R. Lindler, sick leave, August 8 - September 20, 1989.
- (3) Roland N. Davidson, sick leave, August 4 - 11, 1989.
- (4) Donald J. Marshall, sick leave, July 3 - August 15, 1989.

BOARD ACTION REQUESTED:

Approve the referenced leave transfer requests:

ATTACHMENTS:

Agenda item worksheet; attachment

04008

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

For meeting scheduled for:

September 26, 1989

☒ Blue Agenda

☐ Regular Session Agenda

☐ Executive Session Agenda

1. Submitted By:

(a) Agency: Division of Human Resource Management

(b) Authorized Official Signature: Philip M. Mayes

2. Subject:

Sick and Annual Leave Transfer Requests

3. Summary Background Information:

Pursuant to Section 8-11-270 (State Employee Leave Transfer Program) of the S.C. Code of Laws, leave transfer requests must be considered by the Budget and Control Board for approval. The following requests are submitted for approval in that they meet the Board's minimum criteria for approving leave transfer requests. See attached.

EXHIBIT

SEP 26 1989 NO. 6

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

To approve the requests.

5. What is recommendation of the Board Division involved?

Approve the requests.

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

Facts Sheet

04009

3. Summary Background Information: (continued)

<u>Employee</u>	<u>Agency</u>
a. Arthur J. Womack	Clemson University
b. Sara Diane Palmer	Clemson University
c. Sue N. Isbell	Clemson University
d. Frances E. Sullivan	Clemson University
e. Elizabeth H. Team	Clemson University
f. Guy F. Waldrop	Public Service Commission
g. Ronnie Bass	Public Service Commission
h. Megan Chavis	Workers' Compensation Commission
i. Aletha H. Morgan	Highways & Public Transportation
j. J.R. Lindler	Highways & Public Transportation
k. Roland N. Davidson	Highways & Public Transportation
l. Donald J. Marshall	Highways & Public Transportation

04010

Facts Sheet

- a. Arthur J. Womack - Clemson University. Mr. Womack's circumstances meet the requirements for a personal emergency and justify approval to transfer sick leave to him for the period of September 14, 1989, to October 26, 1989.
- b. Sara Diane Palmer - Clemson University. Ms. Palmer's circumstances meet the requirements for a personal emergency and justify approval to transfer annual leave to her for the period of September 11, 1989, to October 21, 1989.
- c. Sue N. Isbell - Clemson University. Ms. Isbell's circumstances meet the requirements for a personal emergency and justify approval to transfer annual leave to her for the period of September 5, 1989, to October 17, 1989.
- d. Frances E. Sullivan - Clemson University. Ms. Sullivan's circumstances meet the requirements for a personal emergency and justify approval to transfer sick leave to her for the period of October 9, 1989, to November 21, 1989.
- e. Elizabeth H. Team - Clemson University. Ms. Team's circumstances meet the requirements for a personal emergency and justify approval to transfer annual leave to her for the period of August 16, 1989, to September 27, 1989.
- f. Guy F. Waldrop - Public Service Commission. Mr. Waldrop's circumstances meet the requirements for a personal emergency and justify approval to transfer sick leave to him for the period of August 16, 1989, to September 28, 1989.
- g. Ronnie Bass - Public Service Commission. This is the second request for Mr. Bass whose circumstances continue to meet the requirement for a personal emergency and justify approval to transfer sick leave to him for the period of September 14, 1989, to October 26, 1989.
- h. Megan Chavis - Workers' Compensation Commission. This is the second request for Ms. Chavis whose circumstances continue to meet the requirement for a personal emergency and justify approval to transfer sick leave to her for the period of August 23, 1989, to September 29, 1989.

04011

- i. Aletha H. Morgan - Highways and Public Transportation. Ms. Morgan's circumstances meet the requirement for a personal emergency and justify approval to transfer sick leave to her for the period of August 30, 1989, to October 12, 1989.
- j. J.R. Lindler - Highways and Public Transportation. Mr. Lindler's circumstances meet the requirement for a personal emergency and justify approval to transfer sick leave to him for the period of August 8, 1989, to September 20, 1989.
- k. Roland N. Davidson - Highways and Public Transportation. Mr. Davidson's circumstances meet the requirement for a personal emergency and justify approval to transfer sick leave to him for the period of August 4, 1989, to August 11, 1989.
- l. Donald J. Marshall - Highways and Public Transportation. Mr. Marshall's circumstances meet the requirement for a personal emergency and justify approval to transfer sick leave to him for the period of July 3, 1989, to August 15, 1989.

EXHIBIT

SEP 26 1989 NO. 6

STATE BUDGET & CONTROL BOARD

Prepared by the Division of Human Resource Management

04012

EXHIBIT

SEP 26 1989

NO. 7

STATE BUDGET AND CONTROL BOARD

STATE BUDGET & CONTROL BOARD

BLUE AGENDA

MEETING OF September 26, 1989

ITEM NUMBER

7

AGENCY: General Services

SUBJECT: Easement

The Division of General Services recommends that the Board approve the following easement in accord with Code Sections 1-11-80, 1-11-90 and 1-11-100:

County Location: Cherokee
From: State of South Carolina
To: Milliken & Company
Description/Purpose: To install a water intake structure to pump raw water from the Broad River to supply Magnolia Plant water treatment facility.
Consideration: \$65

BOARD ACTION REQUESTED:

Grant a right of way easement to Milliken & Company to install a water intake structure to pump raw water from the Broad River to supply Magnolia Plant water treatment facility in Cherokee County.

ATTACHMENTS:

Agenda item worksheets; referenced easements

04013

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: September 26, 1989

Blue Agenda

1. Submitted By:

(a) Agency:

Division of General Services

(b) Authorized Official Signature: Richard W. Kelly

Richard W. Kelly

2. Subject:

Right-of-way Easement from the State to Milliken and Company, Cherokee County

3. Summary Background Information:

Milliken & Company is requesting a utility easement crossing Buffalo Creek in Cherokee County at its Magnolia Finishing Plant. The Company is installing a water intake structure to pump raw water from the Broad River to supply its Magnolia Plant water treatment facility. The easement area is 40.0' wide and 65.6' long. All property adjacent to the easement area is owned by Magnolia Finishing Plant, a division of Milliken.

The easement has been reviewed and approved by the Attorney General's Office.

The easement has been signed on behalf of Milliken by Norvin A. Clontz, Vice President, and it is further noted that the transaction has been approved by Roger Milliken, CEO.

Milliken and Company has paid a consideration of \$65.00.

4. What is Board asked to do?

Approve the grant of this Easement to Milliken and Company, in accordance with Section 1-11-80, and 1-11-100, S.C. Code of Laws, 1976 as amended.

5. What is recommendation of Board Division involved?

That the Easement be approved as proposed.

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Original Easement Document
2. Drawing entitled RAW WATER PUMP STATION
3. Statutory Authority 1-11-80

EXHIBIT

SEP 26 1989

NO. 7

04014

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE OF SOUTH CAROLINA)
COUNTY OF CHEROKEE)

EASEMENT SEP 26 1989 NO. 7

STATE BUDGET & CONTROL BOARD

THIS EASEMENT, made and entered into this _____ day of _____, 1989, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and Milliken and Company as Grantee (hereinafter "MILLIKEN").

WITNESSETH

WHEREAS, MILLIKEN is a dye and fabric finishing plant, and MILLIKEN'S mailing address is Post Office Box 1926, Spartanburg, South Carolina 29304, Attention Raymond M. Allen, Environmental Engineer; and

WHEREAS, MILLIKEN proposes to install a raw water main line below the Buffalo Creek bed in Cherokee County, South Carolina. The water main line and easement area are more particularly shown and delineated on a drawing entitled Survey for RAW WATER PUMP STATION, MAGNOLIA PLANT - MILLIKEN, dated May 26, 1989, which is attached hereto and incorporated herein.

WHEREAS, pursuant to Section 1-11-80 of the South Carolina Code of Laws, 1976, as amended, the STATE is empowered to grant certain rights-of-way or easements through and over riverbeds and marshlands for construction, operation, and maintenance of pipe lines, water and sewer lines over, on or under such vacant lands or marshlands as are owned by the STATE; and

WHEREAS, MILLIKEN is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Cherokee County, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of SIXTY-FIVE and NO/100 (\$65.00) Dollar(s) and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto MILLIKEN, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Cherokee County and lying below the mean high water line.

This easement of right-of-way shall be used solely for the purposes incidental with the installation, operation and maintenance of a subaqueous water main under Buffalo Creek located in Cherokee County, South Carolina. The said easement is more particularly described as follows:

A 40.0' wide utility easement the centerline of which commences at the Northeast corner of the North bound bridge abutment of Interstate 85; thence, South 35° 52' 26" East a distance of 555.34'; thence, North 49° 55' 36" East a distance of 212.90'; thence, North 63° 04' 05" East a distance of 865.30'; thence, North 73° 47' 25" East

a distance of 190.40'; thence, South 77° 42' 20" East a distance of 436.10'; thence, North 69° 11' 45" East a distance of 654.30'; thence, North 86° 41' 00" East a distance of 524.20'; thence, North 77° 59' 40" East a distance of 640.00'; thence, North 28° 58' 12" East a distance of 428.80'; thence, South 83° 01' 07" East a distance of 25.0' to the West mean high water line this being the true point of beginning of this 40.0' wide utility easement crossing Buffalo Creek; thence; from the West Mean High Water Line South 83° 01' 07" East a distance of 65.6' to the East Mean High Water Line this being the termination point of said utility easement.

The easement area is shown and delineated on a drawing entitled Survey for RAW WATER PUMP STATION, MAGNOLIA PLANT - MILLIKEN, Blacksburg, South Carolina, prepared by Blackwood Associates Inc., Engineers, Spartanburg, South Carolina, dated May 26, 1989, William A. Blackwood, Jr., Surveyor, attached hereto and incorporated herein by reference as Exhibit A.

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

MILLIKEN hereby agrees and covenants with the STATE that MILLIKEN, its successors and assigns, shall not block or obstruct navigable waters or cause unreasonable adverse impact on fish, wildlife, or water quality in its use of the easement area. MILLIKEN shall use the easement area solely for the purposes incidental with the construction, operation, and maintenance of said water main line, and shall maintain such easement area and water main in good condition.

MILLIKEN further agrees and covenants that MILLIKEN shall indemnify and hold harmless the STATE from and against any and all liabilities, claims, causes of action and expenses including, but not limited to, reasonable costs and attorney fees, resulting from bodily injury or death to any person or persons or damage to any property at any time that arises from or is incident to the construction, operation, maintenance, or use of the easement granted herein.

In the event of major maintenance, after construction, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

MILLIKEN will comply with and be bound by any and all applicable State statutes, regulations, and terms and conditions of any permits or agreements concerning this project and any and all lands and waters involved therewith.

This Easement may be terminated by the STATE, in its discretion and such interests as the STATE may have shall revert to the STATE if MILLIKEN, its successors and assigns: (1) quits and abandons all use of such water main, in which case this easement of right-of-way shall terminate thirty (30) days after the date of such abandonment; or (2) continues an uncorrected violation or breach of any of the terms and conditions herein.

04016

It is further understood and agreed that this easement is not to be construed as an easement granted to the exclusion of the STATE or to others later granted a similar right. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 26th day of SEPTEMBER, 1989.

WITNESSES:

Michael R. Thompson BY:
Willie F. Carter

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

Carroll A. Campbell, Jr.
Governor Carroll A. Campbell, Jr.
Chairman, Budget and Control Board

WITNESSES:

C. R. Robbins
Sidney W. Shealy, Jr.

MILLIKEN AND COMPANY
Magnolia Finishing Plant

By: Norvin A. Clontz
NORVIN A. CLONTZ, Vice Pres.
Printed Name and Title/ date

Sept 12, 1989

Approved OFFICE OF
THE ATTORNEY GENERAL

By: Kenneth P. Woody
Date: June 27, 1989

04017

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me MICHAEL L. THOMPSON and made oath that he/she saw the within named State of South Carolina, Budget and Control Board, by its Chairman, Governor Carroll A. Campbell, Jr., sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with WILLIE L. CATOE, witnessed the execution thereof.

Michael L. Thompson

SWORN to before me this 26th
day of SEPTEMBER, 1989.

Jaye Adams (L.S.)
Notary Public for South Carolina

My Commission Expires: 3-21-95

STATE OF SOUTH CAROLINA)
)
COUNTY OF SPARTANBURG)

PERSONALLY appeared before me C.R. Robbins and made oath that he/she saw the within named Milliken + Company, by Norvin A. Clontz, its Vice president, sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Sidney W. Shealey, Jr. witnessed the execution thereof.

Diane M. Gaffney

SWORN to before me this 12th
day of September, 1989.

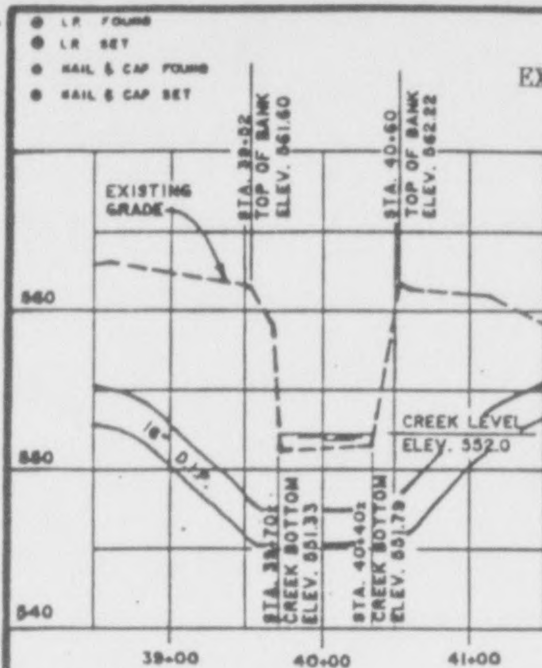
Diane M. Gaffney (L.S.)
Notary Public for South Carolina
My Commission Expires: August 12, 1997

04018

EXHIBIT

SEP 26 1989 NO. 7

STATE BUDGET & CONTROL BOARD



PROFILE AT BUFFALO CREEK

HORIZ. SCALE: 1" = 100'
 VERT. SCALE: 1" = 10'

EXHIBIT A

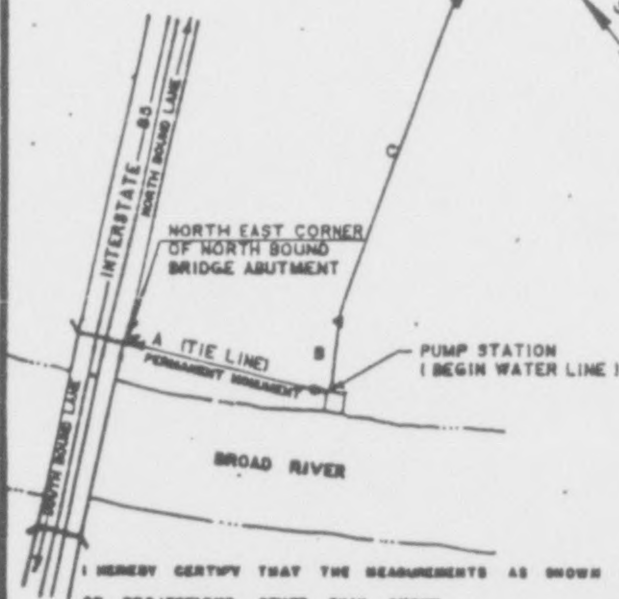
EXHIBIT

SEP 26 1989

NO. 7

STATE BUDGET & CONTROL BOARD

ALL WATER LINES ARE LOCATED ON
 PROPERTY OWNED BY MILLIKEN AND
 COMPANY.



BEARINGS & DISTANCES

LINE	BEARING	DIST.
A	S 35° 52' 26" W E	385.34'
B	N 49° 58' 36" E	212.90'
C	N 63° 04' 08" E	865.30'
D	N 73° 47' 28" E	190.40'
E	S 77° 42' 20" E	436.10'
F	N 69° 11' 48" E	654.30'
G	N 96° 41' 00" E	324.20'
H	N 77° 59' 40" E	640.00'
I	N 28° 58' 12" E	428.80'
J	S 83° 01' 07" E	108.30'
K	S 64° 24' 48" E	716.30'

SEE HARDWOOD SHEET DRAWING 141-108
 JOB NO. 4906

04019

I HEREBY CERTIFY THAT THE MEASUREMENTS AS SHOWN ARE CORRECT AND THERE ARE NO ENCROACHMENTS
 OR PROJECTIONS OTHER THAN SHOWN.



SURVEY FOR

**RAW WATER PUMP STATION
 MAGNOLIA PLANT - MILLIKEN
 BLACKSBURG, SOUTH CAROLINA**

COUNTY
 CHEROKEE

STATE
 S. C.

SCALE
 AS SHOWN

DATE
 MAY 26, 1989

RWW

**BLACKWOOD ASSOCIATES INC.
 ENGINEERS
 SPARTANBURG, SOUTH CAROLINA**

304837

AMERICAN BLUEPRINT

22-01

"Section 1-11-65. (A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution."

§ 1-11-80. Board authorized to grant easements for public utilities on vacant State lands.

The State Budget and Control Board is authorized to grant easements and rights of way to any person for construction and maintenance of power lines, pipe lines, water and sewer lines and railroad facilities over, on or under such vacant lands or marshland as are owned by the State, upon payment of the reasonable value thereof.

HISTORY: 1962 Code § 1-357.1; 1963 (53) 177.

Cross references—

As to sale or donation of, or rights of way over, public lands, see SC Const. Art 3, § 31.

§ 1-11-90. Board authorized to grant rights of way over State marshlands for roads or power or pipe lines to State agencies or political subdivisions.

The State Budget and Control Board may grant to agencies or political subdivisions of the State, without compensation, rights of way through and over such marshlands as are owned by the State for the construction and maintenance of roads, streets and highways or power or pipe lines, if, in the judgment of the Budget and Control Board, the interests of the State will not be adversely affected thereby.

HISTORY: 1962 Code § 1-357.2; 1963 (53) 177.

Cross references—

As to sale or donation of, or rights of way over, public lands, see SC Const. Art 3, § 31.

§ 1-11-100. Execution of instruments conveying rights of way or easements over marshlands or vacant lands.

Deeds or other instruments conveying such rights of way or easements over such marshlands or vacant lands as are owned by the State shall be executed by the Governor in the name of the State, when authorized by resolution of the Budget and Control Board, duly recorded in the minutes and records of such Board and when duly approved by the office of the Attorney General; deeds or other instruments conveying such easements over property in the name of or under the control of State agencies, institutions, commissions or other bodies shall be executed by the majority of the governing body thereof, shall name both the State of South Carolina and the institution, agency, commission or governing body as grantors, and shall show the written approval of the majority of the members of the State Budget and Control Board.

HISTORY: 1962 Code § 1-357.3; 1963 (53) 177.

Cross References—

As to authority of State institutions and agencies to grant easements and rights of way, see § 10-1-130.

Research and Practice References—

63A Am Jur 2d, Public Lands § 115.

73B CJS, Public Lands §§ 178, 180.

17 Am Jur Legal Forms 2d, States, Territories, and Dependencies § 239:21 (agricultural lease-provision-reservation of right to grant easements).

§ 10-1-130. State institutions and agencies may grant easements and rights of way on consent of Budget and Control Board.

The trustees or governing bodies of State institutions and agencies may grant easements and rights of way over any property under their control, upon the concurrence and acquiescence of the State Budget and Control Board, whenever it appears that such easements will not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any such amounts shall be placed in the State Treasury to the credit of the institution or agency having control of the property involved.

HISTORY: 1962 Code § 1-49.3; 1963 (53) 177.

Cross references—

As to composition, powers and duties of State Budget and Control Board generally, see Chapter 11 of Title 1.

As to the State Budget and Control Board, generally, see §§ 1-11-10 et seq.

As to execution of conveyances of such easements, see § 1-11-100.

§ 25-1-1660. Transfer of surplus armories to political subdivisions.

The State Budget and Control Board may transfer to a political subdivision ownership of a national guard armory being replaced and declared surplus if the political subdivision has donated real property for use as a site for a replacement armory.

HISTORY: 1985 Act No. 201, Part II, § 12, eff June 20, 1985.

EXHIBIT

SEP 26 1989

NOV 7

STATE BUDGET & CONTROL BOARD

04020

EXHIBIT

SEP 26 1989

NO. 8

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF September 26, 1989

ITEM NUMBER

8

AGENCY: General Services

SUBJECT: Permanent Improvement Projects

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

1. Summary 3-90: Item 7 (Criminal Justice Academy)
2. Summary 4-90: Items 1 and 3 (Budget and Control Board General Services and Vocational Rehabilitation)

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

1. Summary 3-90: Items 10 and 11 (Mental Retardation)
2. Summary 4-90: Items 11 through 14 (Budget and Control Board General Services and Mental Retardation)

BOARD ACTION REQUESTED:

Receive as information.

ATTACHMENTS:

Agenda item worksheet; summary extracts

04021

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: September 26, 1989

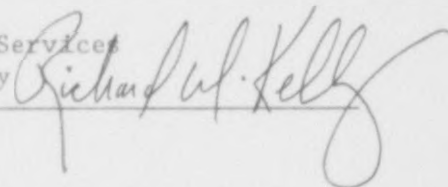
Blue Agenda

1. Submitted By:

(a) Agency:

Division of General Services

(b) Authorized Official Signature: Richard W. Kelly



2. Subject:

Permanent Improvement Projects

3. Summary Background Information:

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

1. On Summary 3-90: Item 7 (involving Criminal Justice Academy).

2. On Summary 4-90: Items 1 and 3 (involving B&C Bd-General Services and Vocational Rehabilitation).

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

1. On Summary 3-90: Items 10 and 11 (involving Mental Retardation).

2. On Summary 4-90: Items 11 through 14 (involving B&C Bd-General Services and Mental Retardation).

4. What is Board asked to do?

Receive as information.

5. What is recommendation of Board Division involved?

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. List of Supporting Documents:

(a) JBRC Summary Items

EXHIBIT

SEP 26 1989

NO. 8

STATE BUDGET & CONTROL BOARD

04022

STATE BUDGET AND CONTROL BOARD, DIVISION OF GENERAL SERVICES - PROPERTY MANAGEMENT
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
August 1, 1989 Through August 15, 1989

SUMMARY 3-90
Forwarded to JBRC *

Page 1 of 4

Item Agency: N20 Criminal Justice Academy Project: 9504, Star School Studio

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

7. Action
Proposed: Establish project.

Total budget.....\$ 100,000.00
[9] Other, Fines & Forfeitures.....\$ 100,000.00

Budget After Action Proposed	
Source	Amount
Other	100,000.00

Purpose: To interface modifications of existing space for construction of a television studio. Project also consists of construction of a microwave tower, transmission and receiving disk and a small building to accommodate the tower equipment. This project will provide training through use of television to police officers throughout the State to meet in-service training of officers as provided in Act Number 60 of 1989 session of General Assembly.

Ref: Supporting document pages 42-44.

TOTAL FUNDS 100,000.00

04023

STATE BUDGET AND CONTROL BOARD, DIVISION OF GENERAL SERVICES - PROPERTY MANAGEMENT
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
August 15, 1989 Through August 31, 1989

SUMMARY 4-90 Page 1 of 6
Forwarded to JBRC 09/06/89

Item Agency: F12 B&C Bd-General Services Project: 9418, Statewide Asbestos Survey

1.

Action

Proposed: Increase budget from \$ 4,200,000.00 to \$ 4,300,000.00

(Add \$ 100,000.00 [0] Capital Improvement Bonds)

Purpose: To allow for the completion of survey reports for the remaining 100 buildings on the priority list. Funds are to be transferred from project 9355 (see Item 11).

Ref: Supporting document pages 1-8.

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

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	4,300,000.00

TOTAL FUNDS 4,300,000.00

Item Agency: H73 Vocational Rehab Project: 9505, Training Complex-Site Development

3.

Action

Proposed: Increase budget from \$ 210,630.12 to \$ 338,336.76

(Add \$ 127,706.64 [7] Federal)

Purpose: Proper landscaping will require additional drainage and grading and runways (walkways) for wheelchairs. Also, irrigation for plants and proper lighting on grounds. Funds are being transferred from projects 8824 and 9269 (see Items 12 and 13).

Ref: Supporting document pages 12-16.

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

Budget After Action Proposed	
Source	Amount
Appropriated State	46,699.75
Federal	182,572.79
Other	109,064.22

TOTAL FUNDS 338,336.76

EXHIBIT

SEP 26 1989

NO. 8

STATE BUDGET & CONTROL BOARD

04024

STATE BUDGET AND CONTROL BOARD, DIVISION OF GENERAL SERVICES - PROPERTY MANAGEMENT
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
August 1, 1989 Through August 15, 1989

SUMMARY 3-90 Page 1 of 4
Forwarded to JBRC *

INFORMATION ONLY
Item Agency: J16 Mental Retardation Project: 8914, Statewide Community Residences
10.

Action
Proposed: Decrease budget from \$ 720,594.23 to \$ 430,594.23

(Subtract \$ 269,554.23 [0] Capital Improvement Bonds)
(Subtract \$ 20,445.77 [1] Departmental Capital Impr Bonds)

Purpose: To transfer needed funds to project 9539 (see Item 4).

Ref: Supporting document pages 65-66.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 08/15/89

<u>Budget After Action Proposed</u>	
<u>Source</u>	<u>Amount</u>
Depart Capital Impr Bonds	430,594.23

TOTAL FUNDS 430,594.23

INFORMATION ONLY
Item Agency: J16 Mental Retardation Project: 9518, Statewide Community Residences
11.

Action
Proposed: Decrease budget from \$ 870,000.00 to \$ 270,000.00

(Subtract \$ 600,000.00 [0] Capital Improvement Bonds)

Purpose: To transfer needed funds to project 9544 (See Item 5).

Ref: Supporting document pages 67-68.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 08/15/89

<u>Budget After Action Proposed</u>	
<u>Source</u>	<u>Amount</u>
Capital Improvement Bonds	270,000.00

TOTAL FUNDS 270,000.00

04025

STATE BUDGET AND CONTROL BOARD, DIVISION OF GENERAL SERVICES - PROPERTY MANAGEMENT
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
August 15, 1989 Through August 31, 1989

SUMMARY 4-90 Page 1 of 6
Forwarded to JBRC 09/06/89

INFORMATION ONLY

Item Agency: F12 B&C Bd-General Services Project: 9355, Statewide Asbestos Survey & Asbestos Abatement

11.

Action

Proposed: Decrease budget from \$ 3,256,137.80 to \$ 3,156,137.80

(Subtract \$ 100,000.00 [0] Capital Improvement Bonds)

Purpose: To transfer needed funds to project 9418 (see Item 1).

Ref: Supporting document pages 78-79.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 08/31/89

Budget After Action Proposed	
Source	Amount

Capital Improvement Bonds	3,156,137.80
---------------------------	--------------

TOTAL FUNDS 3,156,137.80

INFORMATION ONLY

Item Agency: H73 Vocational Rehab Project: 8824, Trng Complex-Muscular Dev Research Bldg

12.

Action

Proposed: Decrease budget from \$ 1,465,285.99 to \$ 1,381,969.72

(Subtract \$ 83,316.27 [7] Federal)

Purpose: To close project and transfer remaining funds to project 9505 (see Item 3).

Ref: Supporting document pages 80-81.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 08/31/89

Budget After Action Proposed	
Source	Amount

Appropriated State	387,200.00
Federal	994,769.72

TOTAL FUNDS 1,381,969.72

INFORMATION ONLY

Item Agency: H73 Vocational Rehab Project: 9269, Rock Hill VR Center

13.

Action

Proposed: Decrease budget from \$ 950,854.00 to \$ 906,463.63

(Subtract \$ 44,390.37 [7] Federal)

Purpose: To close project and transfer remaining funds to project 9505 (see Item 3).

Ref: Supporting document pages 82-83.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 08/31/89

Budget After Action Proposed	
Source	Amount

Capital Improvement Bonds	775,000.00
Federal	131,463.63

TOTAL FUNDS 906,463.63

04026

INFORMATION ONLY

Item Agency: J16 Mental Retardation Project: 9541, Statewide Community Residences (APIP 87-88)
14.

Action

Proposed: Decrease budget from \$ 2,890,000.00 to \$ 2,000,000.00

(Subtract \$ 890,000.00 [4] Excess Debt Service)

Purpose: To transfer needed funds to projects 9532 and 9534 (see Items 8 and 9).

Ref: Supporting document pages 84-85.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 08/31/89

Budget After Action Proposed	
Source	Amount
Excess Debt Service	2,000,000.00

TOTAL FUNDS	2,000,000.00
-------------	--------------

EXHIBIT

04027

SEP 26 1989 NO. 8

STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

NO. 9

STATE BUDGET AND CONTROL BOARD

STATE BUDGET & CONTROL BOARD

BLUE AGENDA

MEETING OF September 26, 1989

ITEM NUMBER

9

AGENCY: General Services

SUBJECT: Procurement Audits

In accordance with Section 11-35-1230, the Division has audited the procurement activity of the State Board of Nursing and the Migratory Waterfowl Committee.

Neither agency requested certification above the \$2,500 limit authorized by the Code.

BOARD ACTION REQUESTED:

Receive as information a report that the Division of General Services, in accordance with Section 11-35-1230, has audited the procurement activity of the State Board of Nursing and the Migratory Waterfowl Committee, neither of which requested certification above the \$2,500 limit authorized by the Code.

ATTACHMENTS:

Agenda item worksheets

04028

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

Meeting Scheduled for: September 26, 1989

Agenda Blue

1. Submitted By:

(a) Agency: Division of General Services

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

Richard W. Kelly

2. Subject:

Procurement Audit of the State Board of Nursing

3. Summary Background Information:

In accordance with Section 11-35-1230 of the South Carolina Consolidated Procurement Code, the Division of General Services has audited the procurement activity of the State Board of Nursing. Certification above the \$2,500.00 limit authorized by the Procurement Code was not requested so the report is submitted as information.

EXHIBIT

SEP 26 1989

NO. 9

4. What is Board asked to do?

Receive the report as information

STATE BUDGET & CONTROL BOARD

5. What is recommendation of Board Division involved?

That the report be received as information

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:

04029

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

Meeting Scheduled for: September 26, 1989

Agenda Blue

1. Submitted By:

(a) Agency: Division of General Services

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

2. Subject:

Procurement Audit of the Migratory Waterfowl Committee

3. Summary Background Information:

In accordance with Section 11-35-1230 of the South Carolina Consolidated Procurement Code, the Division of General Services has audited the procurement activity of the Migratory Waterfowl Committee. Certification above the \$2,500.00 limit authorized by the Procurement Code was not requested so the report is submitted as information.

4. What is Board asked to do?

Receive the report as information

5. What is recommendation of Board Division involved?

That the report be received as information

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:

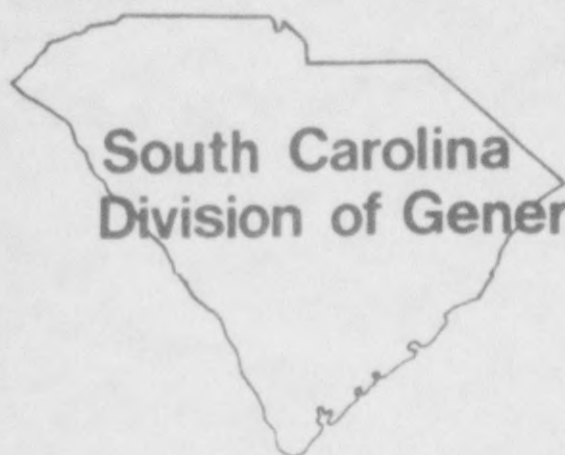
EXHIBIT

04030

SEP 26 1989

NO. 9

STATE BUDGET & CONTROL BOARD



South Carolina
Division of General Services

EXHIBIT

SEP 26 1989

10

STATE BUDGET & CONTROL BOARD

PROCUREMENT AUDIT AND CERTIFICATION

STATE BOARD OF NURSING

AGENCY

JULY 1, 1987 - DECEMBER 30, 1988

DATE

04031

STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF GENERAL SERVICES



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

RICHARD W. KELLY
DIVISION DIRECTOR

MATERIALS MANAGEMENT OFFICE
1201 MAIN STREET, SUITE 400
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-0600

JAMES J. FORTH, JR.
ASSISTANT DIVISION DIRECTOR

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

September 6, 1989

EXHIBIT

SEP 26 1989

9

STATE BUDGET & CONTROL BOARD

Mr. Richard W. Kelly
Director
Division of General Services
1201 Main Street, Suite 400
Columbia, South Carolina 29201

Dear Rick:

Attached is the final S.C. Board of Nursing procurement audit report and recommendations made by the Office of Audit and Certification. Since no certification above the \$2,500.00 allowed by law was requested, and no action is necessary by the Budget and Control Board, I recommend that this report be presented to them for their information.

Sincerely,

James J. Forth, Jr.
Assistant Division Director

04032

Attachment

STATE
PROCUREMENT

INFORMATION
TECHNOLOGY
MANAGEMENT

STATE & FEDERAL
SURPLUS
PROPERTY

CENTRAL SUPPLY
& INTERAGENCY
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PURCHASE
PROGRAM

EXHIBIT

SEP 26 1989

9

STATE BUDGET & CONTROL BOARD

STATE BOARD OF NURSING

FOR SOUTH CAROLINA

AUDIT REPORT

JULY 1, 1987 - DECEMBER 30, 1988

04033

EXHIBIT

SEP 26 1989

9

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STATE BUDGET & CONTROL BOARD

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04034

STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF GENERAL SERVICES

EXHIBIT

SEP 26 1989

9



STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

RICHARD W. KELLY
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JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

September 1, 1989

Mr. James J. Forth, Jr.
Assistant Division Director
Division of General Services
1201 Main Street, Suite 600
Columbia, South Carolina 29201

We have examined the procurement policies and procedures of the State Board of Nursing for South Carolina for the period July 1, 1987 through December 30, 1988. As a part of our examination, we made a study and evaluation of the system of internal control over procurement transactions to the extent we considered necessary.

The purpose of such evaluation was to establish a basis for reliance upon the system of internal control to assure adherence to the Consolidated Procurement Code and State and internal procurement policy. Additionally, the evaluation was used in determining the nature, timing and extent of other auditing procedures that were necessary for developing an opinion on the adequacy, efficiency and effectiveness of the procurement system.

The administration of the State Board of Nursing for South Carolina is responsible for establishing and maintaining a system of internal control over procurement transactions. In fulfilling

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this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance of the integrity of the procurement process, that affected assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and are recorded properly.

Because of inherent limitations in any system of internal control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of the system of internal control over procurement transactions as well as our overall examination of procurement policies and procedures were conducted with due professional care. They would not, however, because of the nature of audit testing, necessarily disclose all weaknesses in the system.

The examination did, however, disclose conditions enumerated in this report which we believe to be subject to correction or improvement.

04036

Corrective action based on the recommendations described in these findings will in all material respects place the State Board of Nursing for South Carolina in compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.

Voight Shealy
R. Voight Shealy, Manager
Audit and Certification

EXHIBIT

SEP 26 1989

9

STATE BUDGET & CONTROL BOARD

04037

SCOPE

Our examination encompassed a detailed analysis of the South Carolina internal procurement operating procedures of the State Board of Nursing and the related policies and procedures manual to the extent we deemed necessary to formulate an opinion on the adequacy of the system to properly handle procurement transactions.

We reviewed all procurement transactions for the period July 1, 1987 - December 30, 1988, for compliance testing and performed other audit procedures that we considered necessary in the circumstances to formulate this opinion. Our review of the system included, but was not limited to, the following areas:

- (1) adherence to applicable laws, regulations and internal policy;
- (2) procurement staff and training;
- (3) adequate audit trails and purchase order registers;
- (4) evidences of competition;
- (5) small purchase provisions and purchase order confirmations;
- (6) emergency and sole source procurements;
- (7) source selections;
- (8) file documentation of procurements;
- (9) inventory and disposition of surplus property;
- (10) Minority Business Enterprise Utilization Plan.

SUMMARY OF AUDIT FINDINGS

Our audit of the procurement system for the State Board of Nursing for South Carolina, (hereinafter referred to as the Board) produced findings and recommendations in the following areas.

PAGE

I. Procurements Made Without Evidence of Competition 6

Eight procurements out of a sample of twenty were made without evidence of competition.

II. Internal Procurement Operating Procedures Manual 7

Section 11-35-540(3) of the Consolidated Procurement Code required that each governmental body prepare an internal procurement operating procedures manual. As was the case with many of the smaller agencies, the Board was allowed to simply submit a statement of intent. We recommend that a full procurement procedures manual be developed to better outline the Board's current procurement system.

RESULTS OF EXAMINATION

I. Procurements Made Without Evidence of Competition

Our examination of procurement activity at the Board consisted of a review of all voucher transactions greater than \$500.00 each from the period July 1, 1987 through December 30, 1988. Nine of these transactions were not supported by evidence of competition or by sole source or emergency determinations.

<u>Item</u>	<u>Voucher</u>	<u>Voucher Amount</u>	<u>Item/Service Description</u>
1	433	\$ 812.36	Office supplies
2	363	659.95	Copier paper
3	198	616.80	Bulletins
4	292	650.67	Printing services
5	244	1,191.33	Printing services
6	145	965.00	Repairs to computer
7	288	1,894.53	Printing services
8	284	2,107.55	Printing services

Regulation 19-445.2100, Subsection E, Item 2, which covers procurements from \$500.01 to \$1,499.99 requires "Solicitation of verbal or written quotes from a minimum of two qualified sources of supply." Items 1 through 6 above needed only documentation of two (2) telephone quotes to meet this requirement. However, this was not done.

Regulation 19-445.2100, Subsection B, Item 3, which covers procurements from \$1,500.00 to \$2,499.99 requires "Solicitation of written quotations from three qualified sources of supply shall be made and documented..." Items 7 and 8 above fall into this category.

The Board must comply with these regulations. If competition is solicited, documentation should be maintained as evidence.

II. Internal Procurement Operating Procedures Manual

The Board has on file with the Materials Management Office a statement of intent dated December 21, 1981, to comply with the requirements of the Procurement Code Section 11-35-540(3) which requires the development of an Internal Procurement Operating Procedures Manual.

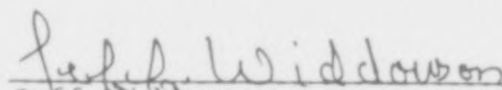
The statement of intent was acceptable in lieu of a formal procedures manual at the inception of the Procurement Code. This document allowed small agencies additional time to prepare a more comprehensive manual. As a result of our recent audit of the Board's procurement activity we have determined that a procedures manual should be developed outlining the current procurement system.

This manual should incorporate the most current internal procedures and follow the recommended outline which we have submitted to the Board during the time the audit was performed.

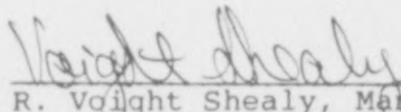
CONCLUSION

As enumerated in our transmittal letter, corrective action based on the recommendations described in the findings in the body of this report, we believe, will in all material respects place the State Board of Nursing for South Carolina in compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.

In accordance with Code Section 11-35-1230(1) the Board should take this corrective action prior to August 31, 1989. We will perform a follow-up review to verify this. Subject to this corrective action and verification by this office, we recommend that the Board be allowed to continue procuring all goods and services, consulting services, information technology and construction services up to the basic level as outlined in the Procurement Code.



Jeff Widdowson
Audit and Certification Analyst



R. Voight Shealy, Manager
Audit and Certification

EXHIBIT 04042

SEP 26 1989

9

State Board of Nursing
for
South Carolina

(803) 737-6594



Suite 102
1777 St. Julian Place
Columbia, S.C. 29204-2488

July 18, 1989

EXHIBIT

SEP 26 1989

9

STATE BUDGET & CONTROL BOARD

Mr. R. Voight Shealy, Manager
Audit and Certification
Materials Management Office
Division of General Services
State Budget and Control Board
1201 Main Street, Suite 600
Columbia, SC 29201

Dear Mr. Shealy:

I have received the procurement audit report and carefully reviewed the findings. As we discussed during the exit conference, the major deficiency noted was the absence of the written documentation that competition was secured, not the absence of competition. We have taken steps to provide that all telephone quotes and written bids will be attached to the payment voucher and the purchase requisitions. The four vouchers for printing services were all for multiple editions of a newsletter. Competitive bids were sought for one edition and the vendor with the lowest bid was contracted and then subsequently used for the future editions. We appreciate your recommendation that we develop a proposal to cover all our printing needs and solicit one bid for the year. We anticipate implementing the recommendation this year. The staff has developed a procurement manual and a copy of the manual is being forwarded to you for your files.

The Board of Nursing has every intent to follow the procurement code and we appreciate the assistance offered by the audit and certification division. Thank you for your comments and suggestions and the helpful spirit in which the audit was performed.

Most Sincerely,

Renatta S. Loquist RSL

Renatta S. Loquist, RN, MN
Executive Director

RSL/bs

cc: Board members

04043

STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF GENERAL SERVICES



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

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DIVISION DIRECTOR

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CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

September 1, 1989

Mr. James J. Forth, Jr.
Assistant Division Director
Division of General Services
1201 Main Street, Suite 600
Columbia, South Carolina 29201

Dear Jim:

We have returned to the South Carolina Board of Nursing to determine the progress made toward implementing the recommendations in our audit report covering the period of July 1, 1987 - December 30, 1988. During this visit, we followed up on each recommendation made in the audit report through inquiry, observation and limited testing.

We observed that the Board has made substantial progress toward correcting the problem areas found and improving the internal controls over the procurement system. With the changes made, the system's internal controls should be adequate to ensure that procurements are handled in compliance with the Consolidated Procurement Code and ensuing regulations.

Additional certification was not requested, therefore we recommend that the Board be allowed to continue procuring all goods and services, construction, information technology and consulting services up to the basic level as outlined in the Procurement Code.

Sincerely,

R. Voight Shealy, Manager
Audit and Certification

EXHIBIT

SEP 26 1989

STATE BUDGET & CONTROL BOARD

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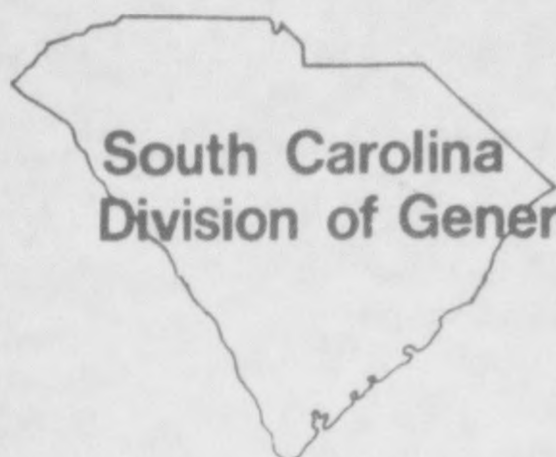
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PROGRAM

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SEP 26 1989

9

STATE BUDGET & CONTROL BOARD



South Carolina
Division of General Services

PROCUREMENT AUDIT AND CERTIFICATION

SOUTH CAROLINA
MIGRATORY WATERFOWL COMMITTEE
AGENCY

JULY 1, 1987 - JUNE 30, 1989
DATE

04045

STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF GENERAL SERVICES



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

RICHARD W. KELLY
DIVISION DIRECTOR

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ASSISTANT DIVISION DIRECTOR

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

August 30, 1989

EXHIBIT

SEP 26 1989

9

STATE BUDGET & CONTROL BOARD

Mr. Richard W. Kelly
Director
Division of General Services
1201 Main Street
Columbia, South Carolina 29201

Dear Rick:

Attached is the final procurement audit report of the South Carolina Migratory Waterfowl Committee for this audit period. As you can see, the Office of Audit and Certification took no exception with the Committee's management of its procurement function for the period of July 1, 1987 - June 30, 1989.

Certification above the \$2,500.00 limit allowed by law has not been requested so action is not necessary by the Budget and Control Board. I recommend that the report be presented for information only.

Sincerely,

James J. Forth, Jr.
Assistant Division Director

Attachment

04046

STATE
PROCUREMENT

INFORMATION
TECHNOLOGY
MANAGEMENT

STATE & FEDERAL
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& INTERAGENCY
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& CERTIFICATION

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SEP 26 1989

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STATE BUDGET & CONTROL BOARD

SOUTH CAROLINA
MIGRATORY WATERFOWL COMMITTEE
AUDIT REPORT

JULY 1, 1987 - JUNE 30, 1989

04047

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EXHIBIT

SEP 26 1989

9

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF GENERAL SERVICES



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

RICHARD W. KELLY
DIVISION DIRECTOR

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ASSISTANT DIVISION DIRECTOR

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

EXHIBIT

August 28, 1989

SEP 26 1989

9

STATE BUDGET & CONTROL BOARD

Mr. James J. Forth, Jr.
Assistant Division Director
Division of General Services
1201 Main Street, Suite 600
Columbia, South Carolina 29201

We have examined the procurement policies and procedures of the S.C. Migratory Waterfowl Committee for the period July 1, 1987 - June 30, 1989. As a part of our examination, we made a study and evaluation of the system of internal control over procurement transactions to the extent we considered necessary.

The purpose of such evaluation was to establish a basis for reliance upon the system of internal control to assure adherence to the Consolidated Procurement Code and State and Committee procurement policy. Additionally, the evaluation was used in determining the nature, timing and extent of other auditing procedures that were necessary for developing an opinion on the adequacy, efficiency and effectiveness of the procurement system.

The administration of the S.C. Migratory Waterfowl Committee is responsible for establishing and maintaining a system of internal control over procurement transactions. In fulfilling

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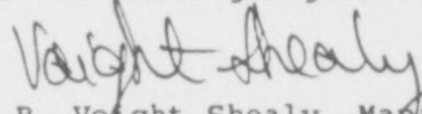
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this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance of the integrity of the procurement process, that affected assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and are recorded properly.

Because of inherent limitations in any system of internal control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of the system of internal control over procurement transactions as well as our overall examination of procurement policies and procedures were conducted with due professional care. They would not, however, because of the nature of audit testing, necessarily disclose all weaknesses in the system.

We noted no exceptions and found the S.C. Migratory Waterfowl Committee to be in compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.


R. Voight Shealy, Manager
Audit and Certification

04050

EXHIBIT

SEP 26 1989

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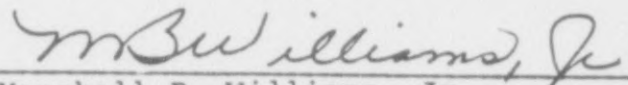
RESULTS OF EXAMINATION

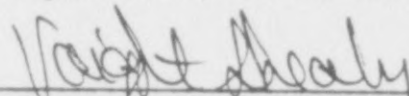
STATE BUDGET & CONTROL BOARD

The Office of Audit and Certification performed an examination of the internal operating procedures and policies and the related manual of the S.C. Migratory Waterfowl Committee for the period July 1, 1987 through June 30, 1989. Our on-site review was conducted on July 5, 1989, and was made under the authority described in Section 11-35-1230(1) of the South Carolina Consolidated Procurement Code.

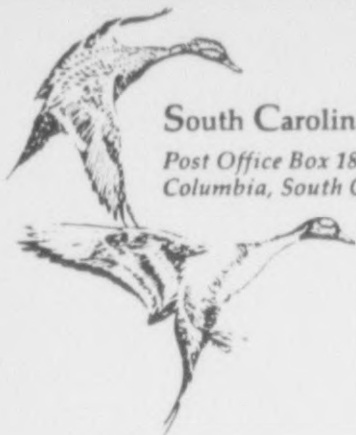
The S.C. Migratory Waterfowl Committee has a limited number of procurement actions during the audit period. For this reason, we tested all procurement transactions for the audit period. They were handled in a professional manner. We noted no exceptions and found the committee to be in compliance with the Consolidated Procurement Code.

Since the Committee has not requested additional certification, we recommend that they be allowed to procure all goods and services, consultants, construction and information technology up to the basic level of \$2,500.00, as outlined in the Procurement Code.


Marshall B. Williams, Jr.
Supervisor, Audit and Certification


R. Voight Shealy, Manager
Audit and Certification

04051



South Carolina Migratory Waterfowl Committee

Post Office Box 1853
Columbia, South Carolina 29202

EXHIBIT

SEP 26 1989

9

STATE BUDGET & CONTROL BOARD

August 23, 1989

Mr. R. Voight Shealy, Manager
Audit and Certification
Division of General Services
1201 Main Street, Suite 600
Columbia, S.C. 29201

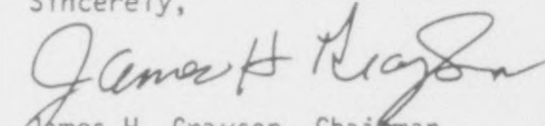
Dear Mr. Shealy:

The South Carolina Migratory Waterfowl Committee has reviewed the procurement audit report covering fiscal years 88 - 89.

The Committee is pleased that no exceptions were noted and that our Committee is in compliance with the South Carolina Consolidated Procurement Code.

Your assistance in reviewing the Committee's records is very much appreciated and I will assure you that the Committee will continue to comply with all requirements of the Code.

Sincerely,


James H. Grayson, Chairman
Migratory Waterfowl Committee

EXHIBIT

SEP 26 1989

NO. 10

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF September 26, 1989

ITEM NUMBER

10

AGENCY: Executive Director

SUBJECT: Foreign Travel

In accord with Board policy, staff has approved the following University of South Carolina foreign travel involving over \$1,000 and less than \$2,000 of State funds:

- a. John T. Addison to Belgium, 9/2-19/89, \$1,439 State funds.
- b. Arthur K. Smith to Japan and Korea, 10/4-14/89, \$5,521 (\$1,999 State funds).

BOARD ACTION REQUESTED:

Receive as information a report on USC foreign travel involving over \$1,000 and less than \$2,000 of State funds approved by staff.

ATTACHMENTS:

Request for Approval of Foreign Travel forms

04053



SEP 15 1989

UNIVERSITY OF SOUTH CAROLINA

COLUMBIA, S.C. 29208

TREASURER OF THE UNIVERSITY

EXECUTIVE VICE PRESIDENT

Business and Finance

(803) 777-7478

Fax (803) 777-9480

September 12, 1989

EXHIBIT

SEP 26 1989

NO. 10

STATE BUDGET & CONTROL BOARD

REQUEST FOR APPROVAL OF FOREIGN TRAVEL

TO: Donna K. Williams
Administrative Assistant
Budget and Control Board

FROM: R. W. Denton
Treasurer of the University
Executive Vice President

SUBJECT: John T. Addison
Business Administration

DESTINATION: Brussels, Belgium

TIME PERIOD: September 2 - 10, 1989*

PURPOSE: Chairing a session and presenting a
paper at the Eighth World Congress

STATE FUNDS: \$1,439.00

FEDERAL FUNDS: -0-

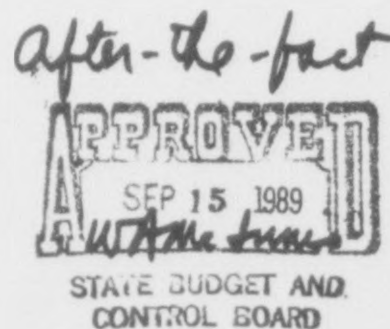
OTHER INSTITUTIONAL
FUNDS: -0-

TOTAL USC FUNDS: \$1,439.00

TOTAL COST OF TRIP: \$1,439.00

pdo

*After-the-fact approval is requested



04054

SEP 15 1989



UNIVERSITY OF SOUTH CAROLINA

COLUMBIA, S.C. 29208

TREASURER OF THE UNIVERSITY

EXECUTIVE VICE PRESIDENT

Business and Finance

(803) 777-7478

Fax (803) 777-9480

September 12, 1989

REQUEST FOR APPROVAL OF FOREIGN TRAVEL

TO: Donna K. Williams
Administrative Assistant
Budget and Control Board

FROM: R. W. Denton *RWD*
Treasurer of the University
Executive Vice President

SUBJECT: Arthur K. Smith
Provost

DESTINATION: Tokyo, Japan and Seoul, Korea

TIME PERIOD: October 4 - 14, 1989

PURPOSE: Participating in the 1989 South Carolina
Far East Delegation

STATE FUNDS: \$1,999.00

FEDERAL FUNDS: -0-

OTHER INSTITUTIONAL
FUNDS: \$3,522.00

TOTAL USC FUNDS: \$5,521.00

TOTAL COST OF TRIP: \$5,521.00

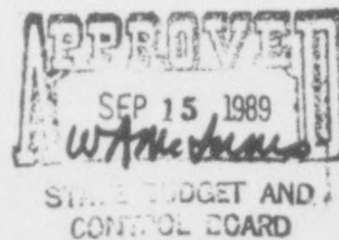
pdo

EXHIBIT

SEP 26 1989

NO. 10

STATE BUDGET & CONTROL BOARD



04055

EXHIBIT

SEP 26 1989

NO. 11

STATE BUDGET AND CONTROL BOARD

STATE BUDGET & CONTROL BOARD

BLUE AGENDA

MEETING OF September 26, 1989

ITEM NUMBER

11

AGENCY: Executive Director

SUBJECT: Interviewee Travel Expense Reimbursement

Please refer to the attached report for details on payments of interviewee travel expenses by the following agencies:

<u>Agency</u>	<u>Number</u>	<u>Estimated Cost</u>
(a) Lander College	1	\$54.08
(b) Mental Health	1	642.82

BOARD ACTION REQUESTED:

Receive as information reports on the reimbursement of interviewee travel expenses by Lander College (1) and Mental Health (1).

ATTACHMENTS:

Referenced report

04056

INTERVIEWEE TRAVEL EXPENSE REIMBURSEMENT PAYMENTS

Agency	Period	Total Number	Total Cost	Number of Payments			
				\$100 or Less	\$101 to \$300	\$301 to \$500	\$501 and Over
Lander College	March 1989	1	54.08	1	0	0	0
Mental Health	July 1989	1	642.82	0	0	0	1
Total		2	696.90	1	0	0	1

04057

EXHIBIT
SEP 26 1989 NO. 11
STATE BUDGET & CONTROL BOARD

September 26, 1989, BCB Meeting

SEP 14 1989

Lander

COLLEGE

Greenwood, South Carolina 29646

EXHIBIT

SEP 26 1989

NO. 11

STATE BUDGET & CONTROL BOARD

Office of Academic Affairs

Telephone (803) 229-8320

DATE:

3/9/89

TO: Larry A. Jackson, President

FROM: Richard A. Skinner

Your approval is requested to invite Dorothy Mercer to campus for an interview for the position of Art History/Gallery Director and to pay her (her) travel expenses. The significance of this position is such that it warrants the costs of an interview. The participation of a number of Lander College persons is vital to this particular interview; therefore, the costs of bringing the candidate to the campus would be far less than would be the expense of conducting the interview at her (her) home area or elsewhere. Qualified candidates residing within South Carolina were considered before candidates from other states were sought.

Travel-----	\$ <u>35.00</u>
Food-----	\$ <u>30.00</u>
Lodging-----	\$ _____
TOTAL	\$ <u>65.00</u>

Initial Approval:

L. A. Jackson
 Larry A. Jackson

Date:

6-12-89

Actual Costs:

Travel-----	\$ <u>54.08</u>
Food-----	\$ _____
Lodging-----	\$ _____
TOTAL	\$ <u>54.08</u>

APPROVAL RECOMMENDED

Richard A. Skinner

Date: September 8, 1989

APPROVED

L. A. Jackson
 Larry A. Jackson

Date:

9-11-89

04058

SEP 12 1989

MEMORANDUM

TO: Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health


THROUGH: John Bourne
Deputy Commissioner, Division of Financial Services

DATE: September 7, 1989

SUBJECT: Reimbursement for Interview Travel

I would like to request approval for travel reimbursement in the amount of approximately \$642.82 for Theodore A. Petti, M.D., M.P.H., who travelled to Columbia for a second interview for the position of Associate Director for the Child and Adolescent Psychiatry on July 24-25, 1989. Travel expenses include: \$510.00 airfare; \$13.00 parking; \$97.30 lodging (two nights); \$22.52 meals.

This is a significant position to be filled in light of the teaching mission of the Institute, and the cost is warranted. The cost of this interview will be significantly less than to pay the costs of five staff members to travel to Pittsburgh, Pennsylvania, to conduct the interview. In addition, it is imperative that the applicant and see the Institute in order to make an informed decision. This interview was necessary in that no qualified applicants within South Carolina have applied for the position.


Robert N. Milling, M.D.
Deputy Director
William S. Hall Psychiatric Institute

jsh

c Mr. William S. McInnis
Deputy Executive Director
State Budget and Control Board

EXHIBIT

SEP 26 1989 NO. 11

STATE BUDGET & CONTROL BOARD

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EXHIBIT

SEP 26 1989

12

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF SEPTEMBER 26, 1989

ITEM NUMBER

1

AGENCY: Budget and Control Board

SUBJECT: Civil Contingent Fund Allocation for Emergency Preparations

The Board is asked to allocate formally \$50,000 from the Civil Contingent Fund to the Office of Executive Director to finance emergency preparations approved by the Executive Director prior to and during Hurricane Hugo.

BOARD ACTION REQUESTED:

Allocate formally \$50,000 from the Civil Contingent Fund to the Office of Executive Director to finance emergency preparations approved by the Executive Director prior to and during Hurricane Hugo.

ATTACHMENTS:

04060

Budget and Control Board, Office of Executive Director
CIVIL CONTINGENT FUND - FY 89-90

Fund Status Report at September 26, 1989

Appropriation:		
General	\$	\$367,503.00

Transfers:

*

\$0.00

Direct Expenditures

Budget and Control Board Meetings	<u>713.84</u>	\$713.84
-----------------------------------	---------------	----------

Encumbrances:

Wildlife & Marine Resources/Into Case	25,000.00	
Budget and Control Board Meetings	5,286.16	
Att. Gen./Catawba Indian Suit	<u>125,000.00</u>	
		<u>\$155,286.16</u>

YTD Encumbered (Tran+Expen+Encum):		\$156,000.00
------------------------------------	--	--------------

Year-to-date Disbursement:	<u>\$713.84</u>
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Balance: Cash available	<u>\$366,789.16</u>
-------------------------	---------------------

Balance Unencumbered: Total Available	<u>\$211,503.00</u>
---------------------------------------	---------------------

EXHIBIT

SEP 26 1989

12

STATE BUDGET & CONTROL BOARD

04061

EXHIBIT

SEP 26 1989

13

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF SEPTEMBER 26, 1989

ITEM NUMBER

2

AGENCY: Agency Head Salary Commission

SUBJECT: Salary Corrections for Two Agency Heads

The Agency Head Salary Commission advises that the salaries recommended for 1989-90 for two agency heads were reported incorrectly to the Board at the September 12 meeting. Mr. McLellan, Commission Chairman, advises that the salary recommended by the Commission for the head of Legislative Information Services is \$54,155 (instead of \$53,314) and that the salary recommended for the head of the Advisory Commission on Intergovernmental Relations is \$57,435 (instead of the \$55,794 figure reported previously).

The Board approved the recommendations of the Commission at the September 12 meeting.

BOARD ACTION REQUESTED:

Approve 1989-90 agency head salaries as follows: Charles T. McKinney, Legislative Information Systems, \$54,155; and Dan B. Mackey, Advisory Commission on Intergovernmental Relations, \$57,435.

ATTACHMENTS:

McLellan September 20 letter to McInnis.

04062

SEP 21 1989



State of South Carolina
Agency Head Salary Commission

1201 Main Street, Suite 1000
Columbia, South Carolina 29201
(803) 737-0900

September 20, 1989

Rep. Robert N. McLellan
Chairman

Sen. Hugh K. Leatherman, Sr.
Vice Chairman

Senators

J. Verne Smith

Peden B. McLeod

Ryan C. Shealy

Representatives

D. N. Holt, Jr.

James G. Mattos

Jean L. Harris

Governor's Appointees

M. Lee Blackburn

Charles E. Stephenson

R. Dana Sullivan

Mr. William A. McInnis
Deputy Executive Director
SC Budget and Control Board
612 Wade Hampton Building
P.O. Box 12444
Columbia, South Carolina 29211

Dear Mr. McInnis:

The Budget and Control Board approved salary recommendations for agency heads from the Agency Head Salary Commission at its meeting on September 12, 1989. The salaries for Mr. McKinney, Legislative Information Services, and Mr. Mackey, Advisory Commission on Intergovernmental Affairs, were incorrectly reported to the Budget and Control Board. These were administrative errors and the correct salaries as approved by the Agency Head Salary Commission should be \$54,155 for Mr. McKinney and \$57,435 for Mr. Mackey.

These administrative errors will stand corrected by this memorandum. This information is provided to correct the Budget and Control Board's records of these salaries.

Sincerely,


Robert N. McLellan
Chairman

RNM/sd

cc: Jesse A. Coles, Jr., Ph.D.

EXHIBIT

SEP 26 1989

12

04063

STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

14

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

MEETING OF September 26, 1989

SUPPLEMENTAL

REGULAR SESSION

ITEM NUMBER

1

AGENCY: Budget and Control Board

SUBJECT: Report on Hurricane Hugo Disaster Response

Staff will present a report on the Hurricane Hugo disaster response.

BOARD ACTION REQUESTED:

Receive as information a report on the Hurricane Hugo disaster response.

ATTACHMENTS:

04064

1/25/89

EXHIBIT

Will Look At
All Those
Counties
For Declaring
As Disaster Areas

A map of South Carolina showing its counties. The counties are labeled with their names. Some counties are shaded black, and some are circled. The shaded counties are: York, Chester, Lancaster, Darlington, Florence, Marion, Dillon, Richland, Calhoun, Orangeburg, Dorchester, Charleston, Beaufort, and Jasper. The circled counties are: York, Chester, Lancaster, Darlington, Florence, Marion, Dillon, Richland, Calhoun, Orangeburg, Dorchester, Charleston, Beaufort, and Jasper. A scale of miles is shown in the bottom right corner, ranging from 0 to 25 miles.

SCALE OF MILES
0 25

Will Look At
All These
Counties
For Declaring
As Disaster Areas

BARNWELL
ALLENDA

EXHIBIT

~~SEP 26 1989~~

14

STATE BUDGET & CONTROL BOARD

04065 -

1591 - 1600 American Indians

STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF INSURANCE SERVICES



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

INSURANCE RESERVE FUND
POST OFFICE BOX 11066
1201 MAIN STREET, SUITE 500
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-0020

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE


ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

JOHN TRUSSELL, CPCU
ASSISTANT DIVISION DIRECTOR

M E M O R A N D U M

TO: All Insureds

FROM: John Trussell, Assistant Division Director 
Insurance Reserve Fund

RE: Damage from Hurricane Hugo

DATE: September 25, 1989

Hurricane Hugo has caused unprecedented damage throughout South Carolina. The Insurance Reserve Fund has put virtually all of its personnel in the field to adjust losses. We are working hard to get to all our insureds and adjust all claims, but it may be a while before we can get to your claim. In the meantime, here is what you should do.

1. Start repairs as soon as possible.
2. Notify the Insurance Reserve Fund as soon as possible.
3. Save your bills and receipts.
4. If you get a chance, photograph the damage.

At some point in the near future we will be able to get formal papers filled out, but in the meantime, please get repairs started.

If you have any questions, please call this office at 737-0020. We will assist you in any way possible.

/lh

04066

EXHIBIT

SEP 26 1989

15

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

MEETING OF September 26, 1989

SUPPLEMENTAL

REGULAR SESSION

ITEM NUMBER

3

AGENCY: Budget and Control Board

SUBJECT: Proposed Emergency Regulations on Construction and Related
Activities in Navigable Waters

Water Resources Commission Executive Director Vang will present proposed emergency regulations on construction and related activities in navigable waters.

BOARD ACTION REQUESTED:

Adopt proposed emergency regulation son construction and related activities in navigable waters.

ATTACHMENTS:

Proposed emergency regulations

04067

EXHIBIT

EMERGENCY REGULATION

SEP 26 1989

15

STATE BUDGET AND CONTROL BOARD
CHAPTER 19

STATE BUDGET & CONTROL BOARD

STATUTORY AUTHORITY:

Article 14, Section 4, SC Constitution; 1976 Code Section 49-1-10

EMERGENCY SITUATION: The State Budget and Control Board finds that portions of the State were devastated on September 21 and 22, 1989, by Hurricane Hugo which damaged or destroyed many structures heretofore permitted by the Board under Regulation 19-450. The Board also finds that the extent of damage to structures in navigable waters poses a serious threat to the State's health, safety, welfare, and economy which makes necessary emergency authorization to remove, repair, and replace damaged or destroyed structures as provided in these emergency regulations.

19-450.3. Exemptions:

H. Any structure permitted by the Board and any structure completed prior to the adoption of the Board's permitting regulation on December 31, 1976, and located outside the exclusive permitting jurisdiction of the South Carolina Coastal Council under Code Section 48-39-140, et seq., and the applicable regulations thereunder, which has been continually maintained in an intact and serviceable condition as of September 20, 1989, which was damaged or destroyed as a direct result of the forces of Hurricane Hugo on September 21 and 22, 1989, may be repaired or replaced without the necessity of first obtaining a permit or an amended permit from the Board, subject to the following conditions:

(1) Repair and replacement of a structure shall not:

- (a) enlarge the overall dimensions of the structure;
- (b) change the purpose, scope, or use of the structure;
- (c) create a hazard to navigation; nor
- (d) adversely affect the navigable waters, water quality, or wildlife.

(2) The location of any structure to be repaired or replaced shall remain the same as prior to the passage of Hurricane Hugo.

(3) In carrying out any repair or replacement, all debris, pilings, pipes, wires, rods, timbers, flotation, or any other part of the damaged or destroyed structure, which will not be a part of the repaired or replaced structure, must be removed from the navigable waterway.

04068

(4) Each permittee or owner of a structure undertaking the repair or replacement of a structure as authorized herein in 19-450.3.H. shall notify the South Carolina Water Resources Commission in writing not later than five days after repair or replacement has commenced.

(5) This regulation does not relieve the owner of any structure in State navigable waters from conditions contained in existing permits or from the general conditions specified in Regulation 19-450.

(6) This regulation does not extend the term of years specified in any existing permit.

EXHIBIT

SEP 26 1989

15

STATE BUDGET & CONTROL BOARD

04069

EXHIBIT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF September 26, 1989

ITEM NUMBER

6

AGENCY: Budget Division

SUBJECT: Adjustments to 1989-90 Authorized FTE Position Base

The Joint Legislative Committee on Personal Service Financing and Budgeting approved the addition of 319.14 FTE positions (6.14 State, 14.00 federal, and 299.00 Other) to the authorized full-time equivalent position base. Details are provided in the attachment.

BOARD ACTION REQUESTED:

Approve the addition of 319.14 FTE positions (6.14 State, 14.00 federal, and 299.00 Other) to the authorized full-time equivalent position base, as recommended by the Joint Legislative Committee on Personal Service Financing and Budgeting.

ATTACHMENTS:

Agenda item worksheet; attachments

04070

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

90-18

Meeting Scheduled for: September 26, 1989

Regular Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: 2. Subject:

Recommended Adjustments to the 1989-90 Authorized FTE Position Base

3. Summary Background Information:

The Joint Legislative Committee on Personal Service Financing and Budgeting, at its meeting on September 13, 1989, approved for recommendation to the Budget and Control Board the attached schedule of adjustments to the Authorized FTE Position Base, summarized as follows:

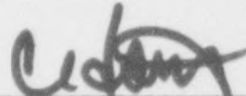
	<u>Total</u>	<u>State</u>	<u>Federal</u>	<u>Other</u>
Total (11)	319.14	6.14	14.00	299.00

We have also attached for your review a copy of the required statutory reports.

4. What is Board asked to do?

Approve the attached schedule of recommended adjustments to the Authorized FTE Position Base.

5. What is recommendation of Board Division involved?

Recommend approval. 

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:(a) List Those Attached:

1. Joint Legislative Committee's Letter of Transmittal
2. Schedule of Recommended Adjustments
3. Copy of Each Agency's Request
4. Copy of Required Statutory Reports

04671

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

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

JAMES M WADDELL JR
SENATOR BEAUFORT AND
JASPER COUNTIES
SENATORIAL DISTRICT NO 46

HOME ADDRESS
BOX 1026
BEAUFORT SC 29901



September 13, 1989

COMMITTEES:
FINANCE CHAIRMAN
FISH, GAME AND FORESTRY
INTERSTATE COOPERATION
RULES
TRANSPORTATION

RECEIVED

SEP 14 1989

Budget & Control Board
STATE BUDGET DIVISION

EXHIBIT

SEP 26 1989

16

Mr. Charles A. Brooks, Jr., Director
State Budget Division
532 Edgar Brown Building
Columbia, South Carolina 29201

Dear Mr. Brooks:

STATE BUDGET & CONTROL BOARD

The Joint Legislative Committee on Personal Service Financing and Budgeting met on Wednesday, September 13, 1989, and is forwarding to you its actions for transmittal to the Budget and Control Board.

Agency Requested Changes:

- 90-1 SLED - requests authorization to establish one (1.00) new State Funded FTE position.
RECOMMENDATION: Approval
- 90-2 B&C-INSURANCE SERVICES DIVISION - requests authorization to establish (13.00) new Other Funded FTE positions.
RECOMMENDATION: Approval
- 90-3 MENTAL HEALTH - requests authorization to transfer (79.00) positions, (11.00) State Funds and (68.00) Other Funds, to the Health and Human Services Finance Commission.
RECOMMENDATION: Approval
- 90-4 DHEC - Requests authorization to establish four (4.00) new State Funded FTE positions.
RECOMMENDATION: Approval
- 90-5 DEPARTMENT OF CORRECTIONS - requests authorization to establish three (3.00) new Federal Funded FTE positions.
RECOMMENDATION: Disapproval
- 90-6 STATE REORGANIZATION COMMISSION - requests authorization to establish two (2.00) new State Funded FTE positions.
RECOMMENDATION: Approval

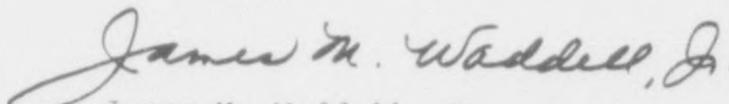
04072

Mr. Brooks
September 13, 1989
Page 2

- 90-7 COLLEGE OF CHARLESTON - requests authorization to establish one (1.00) new State Funded FTE position.
RECOMMENDATION: Approval
- 90-8 DHEC - requests authorization to establish (293.00) new FTE positions: (283.00) Other Funds and (10.00) Federal Funds.
RECOMMENDATION: Approval of (283.00) Other Funds and (9.00) Federal Funds. (DHEC withdrew (1.00) Federal Fund FTE).
- 90-9 YOUTH SERVICES - Requests authorization to establish three (3.00) new FTE positions: (0.75) Federal Funds and (2.25) Other Funds.
RECOMMENDATION: Withdrawn
- 90-10 PUBLIC SERVICE COMMISSION - Requests authorization to increase its authorized State Funded FTE positions by (0.14).
RECOMMENDATION: Approval
- 90-11 SCHOOL FOR THE DEAF & BLIND - Requests authorization to establish six (6.00) new FTE positions: (1.00) State Funded & (2.00) Federally Funded.
RECOMMENDATION: Approval

As is the policy of this Committee, all Federal and Other Funded positions were approved based on the availability of funds.

Sincerely,



James M. Waddell, Jr.
Chairman

JMWjr/mn
CC: Mrs. Phyllis Mayes
1284W

EXHIBIT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

04073

STATE BUDGET DIVISION
SCHEDULE OF FTE POSITION ADJUSTMENTS
RECOMMENDED BY THE JOINT LEGISLATIVE COMMITTEE
ON PERSONAL SERVICE FINANCING AND BUDGETING
ON SEPTEMBER 13, 1989

ITEM NO.	SECTION NO.	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS	COMMENTS
<u>New FTE Position Requests</u>							
90-01	5B	State Law Enforcement Division	1.00	1.00			To eliminate overtime comnsation
90-02	14J	BCB-Insurance Services Div.	13.00			13.00	To staff new BCB Division
90-04	39	Health & Env. Control	4.00	4.00			New legislation
90-06	3H	Reorganization Commission	2.00	2.00			New legislative mandates
90-07	19	College of Charleston	1.00	1.00			Water Resources research
90-08	39	Health & Env. Control	292.00		9.00	283.00	New program initiatives
90-10	73	Public Service Commission	0.14	0.14			Increase existing FTE position
90-11	32	School for the Deaf & Blind	6.00	1.00	2.00	3.00	New & Expanded Programs
Total New FTE Position Requests			319.14	9.14	11.00	299.00	
<u>FTE Change in Source of Funds</u>							
90-05	52	Corrections	0.00	(3.00)	3.00		New federal program
Total Change in Source of Funds			0.00	(3.00)	3.00	0.00	
<u>FTE Position Transfer Requests</u>							
90-03	38A	Health & Human Svcs. Finance Comm.	79.00	11.00		68.00	Continuum of Care
90-03	40	Mental Health	(79.00)	(11.00)		(68.00)	Continuum of Care
Total FTE Position Transfer Requests			0.00	0.00	0.00	0.00	
Total Recommended FTE Position Adjustments			319.14	6.14	14.00	299.00	

04074

STATE BUDGET & CONTROL BOARD

SEP 26 1989 16

EXHIBIT

STATE BUDGET DIVISION
SCHEDULE OF FTE POSITION ADJUSTMENTS
RECOMMENDED BY THE JOINT LEGISLATIVE COMMITTEE
ON PERSONAL SERVICE FINANCING AND BUDGETING
ON SEPTEMBER 13, 1989

ITEM NO.	SECTION NO.	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS	COMMENTS
Requests Withdrawn							
90-09	54	Youth Services	3.00		0.75	2.25	
90-08	39	Health & Env. Control	1.00		1.00		
Total Requests Withdrawn			4.00	0.00	1.75	2.25	

Prepared September 13, 1989

04075

EXHIBIT
SEP 26 1989 16
STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

16

REQUEST FOR ADJUSTMENT IN AUTHORIZED POSITION COUNT

STATE BUDGET & CONTROL BOARD

DATE: July 11, 1989

ITEM NUMBER: 90-1

=====

AGENCY: D10 State Law Enforcement Division (5B)

SUBJECT: Request to Establish New FTE Position

The State Law Enforcement Division requests authorization to establish one (1.00) new state funded FTE position above the number authorized. This position is needed to provide assistance with the telephone operations at SLED Headquarters. Currently, the agency has two employees to cover the telephones after 5 p.m. until 8 a.m. each day and on weekends. Overtime compensation is now costing the agency approximately \$15,563 annually versus a full-time employee cost of \$9,892 per year. If this request is approved, it could save the agency approximately \$5,671 annually.

STAFF RECOMMENDATION:

Recommend approval.

BOARD ACTION REQUESTED:

Authorize the establishment of one (1.00) new state funded FTE position at the State Law Enforcement Division.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

ATTACHMENTS:

1. Agency FTE Position Summary Report
2. Agency FTE Position Request Form
3. Agency Letter

04076

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 1, 1989

ITEM NUMBER: 90-2

=====

AGENCY: F20 BCB-Insurance Services Division (14J)

SUBJECT: Request to Establish New FTE Positions

The Budget and Control Board's newest Division--Insurance Services--requests authorization to establish thirteen (13.00) new other funded FTE positions above the number authorized. Upon the creation of this separate agency, a total of 89.00 FTE positions were transferred from the General Services Division and the Retirement Division, but certain other positions remained in the existing agencies to avoid disruption. These new FTE's are needed to get the Insurance Services Division up and running in an effective and responsible manner. Additional justification is attached.

STAFF RECOMMENDATION:

Recommend approval.

BOARD ACTION REQUESTED:

Authorize the establishment of thirteen (13.00) new other funded FTE positions at the BCB-Insurance Services Division.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

ATTACHMENTS:

1. FTE Position Summary Report
2. FTE Position Request Form
3. Agency Letter

04077

EXHIBIT

SEP 26 1989

16

REQUEST FOR ADJUSTMENT IN AUTHORIZED POSITION COUNT

STATE BUDGET & CONTROL BOARD

DATE: August 1, 1989

ITEM NUMBER: 90-3

=====

AGENCY: J12 Mental Health (40)

SUBJECT: Request to Transfer FTE Positions

The Department of Mental Health requests authorization to transfer seventy-nine (79.00) positions (11.00 state funded and 68.00 other funded) to the Health and Human Services Finance Commission. This request is made to comply with the wishes of the General Assembly who passed legislation during the last session mandating the movement of the Continuum of Care budget from Mental Health to the Finance Commission.

=====

STAFF RECOMMENDATION:

Recommend approval.

=====

BOARD ACTION REQUESTED:

Authorize the transfer of seventy-nine (79.00) FTE positions to the Health and Human Services Finance Commission.

=====

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

=====

ATTACHMENTS:

1. Agency FTE Position Summary Report
2. Agency FTE Position Request Form
3. Agency Letter

04078

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 1, 1989

ITEM NUMBER: 90-3

=====

AGENCY: J02 Health & Human Services Finance Commission (38A)

SUBJECT:

Request to Transfer FTE Positions

from

Mental Health

to

Health & Human Services Finance Commission

79.00 FTE Positions (11.00 State Funded and 68.00 Other Funded)

STAFF RECOMMENDATION:

Recommend approval.

=====

BOARD ACTION REQUESTED:

Authorize the transfer of seventy-nine (79.00) FTE positions to Health and Human Services Finance Commission from Mental Health.

=====

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

=====

ATTACHMENTS:

1. Agency FTE Summary Report
2. Agency FTE Request Form
3. Agency Letter

04079

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 1, 1989

ITEM NUMBER: 90-4

=====

AGENCY: J04 Department of Health & Environmental Control (39)

SUBJECT: Request to Establish New FTE Positions

The Department of Health and Environmental Control requests authorization to establish four (4.00) new state funded FTE positions above the number authorized. The General Assembly, during the last session, appropriated additional operation funds for two existing programs, Emergency Medical Services and Health Hazard Evaluation, but no new positions. These requested FTE's are needed to comply with the additional legislation.

=====

STAFF RECOMMENDATION:

Recommend approval.

=====

BOARD ACTION REQUESTED:

Authorize the establishment of four (4.00) new state funded FTE positions for DHEC.

=====

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

=====

ATTACHMENTS:

1. Agency FTE Position Summary Report
2. Agency FTE Position Request Form
3. Agency Letter

04080

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 1, 1989

ITEM NUMBER: 90-5

=====

AGENCY: N04 Department of Corrections (52)

SUBJECT: Request to Establish New FTE Positions

The Department of Corrections requests authorization to establish three (3.00) new federal funded FTE positions above the number authorized. These positions are needed to staff two new 1989-90 federal grants awarded to operate an inmate in-house Drug Addiction Treatment Program. These positions will be eliminated at the termination of the grant (July 1990).

STAFF RECOMMENDATION:

Recommend disapproval with the understanding that the agency use current vacant positions.

BOARD ACTION REQUESTED:

Authorize the establishment of three (3.00) new federal funded FTE positions at the Department of Corrections.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend disapproval

ATTACHMENTS:

1. Agency FTE Position Summary Report
2. Agency FTE Position Request Form
3. Agency Letter
4. JARC Summary Sheet
5. Staff Memorandum

04081

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 22, 1989

ITEM NUMBER: 90-6

=====

AGENCY: A27 State Reorganization Commission (3H)

SUBJECT: Request to Establish New FTE Positions

The State Reorganization Commission requests authorization to establish two (2.00) new state funded FTE positions above the number authorized. One position, a Project Coordinator, is needed to provide resources and support to the agency in implementing legislative mandates as per Act 572 of 1988 (Sunrise Review) and in assisting with Act 608 of 1978 (Sunset Review). A second position, Program Systems Analyst, is needed to design, develop, and implement computer programs to assist in agency special research projects. No new funds are requested.

STAFF RECOMMENDATION:

Recommend approval.

BOARD ACTION REQUESTED:

Authorize two (2.00) new state funded FTE positions at the Reorganization Commission.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

ATTACHMENTS:

1. Agency Position Summary Report
2. Agency Position Request Form
3. Agency Letter and Justification

04082

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 22, 1989

ITEM NUMBER: 90-7

=====

AGENCY: H15 College of Charleston (19)

SUBJECT: Request to Establish New FTE Position

The College of Charleston requests authorization to establish one (1.00) new state funded FTE position above the number authorized. The position, an Assistant Professor, is needed to supply the state, specifically the Water Resources Commission, with scientific research capabilities in coastal water and tidelands. It is also needed to train individuals for the increasingly numerous and needed positions in state agencies with responsibilities for the maintenance and development of water resources. No new funds are requested.

STAFF RECOMMENDATION:

Recommend approval.

BOARD ACTION REQUESTED:

To approve the establishment of one (1.00) new state funded FTE position at the College of Charleston.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

ATTACHMENTS:

1. Agency Position Summary Report
2. Agency Position Request Form
3. Agency Letter

04083

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 22, 1989

ITEM NUMBER: 90-8

AGENCY: J04 Department of Health & Environmental Control (39)

SUBJECT: Request to Establish New FTE Positions

The Department of Health & Environmental Control requests authorization to establish two hundred ninety three (293.00) new FTE positions (283.00 other funds and 10.00 federal funds). These positions are needed in specific programs as follows:

No. of Positions	Program	Annual Salary	Fringe Benefits	Source of Funds Federal	Other
77.00	Community Health Services - Infant Mortality Grant	\$1,423,742	\$ 332,484		100%
15.00	Family Planning	170,220	47,791		100%
100.00	Home Health Svcs & Long Term Care	2,008,870	458,725		100%
90.00	Maternal & Child Health	2,163,696	469,870		100%
1.00	Maternal & Child Health	22,699	5,258	100%	
5.00	Analytical & Biological Svcs	111,024	24,633	100%	
1.00	Water Pollution Control	24,875	5,354	100%	
1.00	Radiological Hlth	21,262	4,775		100%
3.00	Solid & Hazardous Waste Mgmt	70,371	15,381	100%	
<u>293.00</u>	<u>TOTALS</u>	<u>\$6,016,759</u>	<u>\$1,364,271</u>	<u>10.00</u>	<u>283.00</u>

Additional justification has been supplied by the agency and is attached. Since these positions are all federal and other funds, no new state funds are needed.

04084

STAFF RECOMMENDATION:

Recommend approval.

BOARD ACTION REQUESTED:

Approve establishment of 293.00 new FTE positions for DHEC.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval of (283.00) Other Funded & (9.00) Federally Funded FTEs.
(DHEC withdrew (1.00) Federally Funded FTE.

ATTACHMENTS:

1. Agency Position Summary Report
2. Agency Position Request Form
3. Agency Letter and Additional Justification

EXHIBIT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

04085

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 22, 1989

ITEM NUMBER: 90-9

=====

AGENCY: N12 Youth Services (54)

SUBJECT: Request to Establish New FTE Positions

The Department of Youth Services requests authorization to establish three (3.00) new FTE positions (0.75 federal funds and 2.25 other funds) above the number authorized. These positions, three Teacher Assistant II's, by law, are needed in the self-contained special education classroom. The additional funding will be supplied through Chapter I Neglected and Delinquent Handicapped Grant and the agency Remedial EIA Revenue.

STAFF RECOMMENDATION:
Recommend approval.

BOARD ACTION REQUESTED:
Approve three (3.00) new FTE positions for the Department of Youth Services.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Withdrawn

ATTACHMENTS:
1. Agency FTE Position Summary Report
2. Agency FTE Position Request Form
3. Agency Letter

04086

EXHIBIT

REQUEST FOR ADJUSTMENT
IN AUTHORIZED POSITION
COUNT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

DATE: August 22, 1989

ITEM NUMBER: 90-10

=====

AGENCY: R04 Public Service Commission (73)

SUBJECT: Request to Increase Existing FTE Position

The Public Service Commission requests authorization to increase its authorized state funded FTE's by fourteen hundredths (0.14). Currently the Commission's authorized FTE's include three part-time positions totalling 1.86. This request, if approved, would allow the Commission to convert the three part-time positions to two full-time positions. The Commission has adequate funds to support this request.

=====

STAFF RECOMMENDATION:

Recommend approval.

=====

BOARD ACTION REQUESTED:

Authorize a fourteen hundredths (0.14) increase in the state funded FTE positions for the Public Service Commission.

=====

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

=====

ATTACHMENTS:

1. Agency FTE Position Summary Report
2. Agency FTE Position Request Form
3. Agency Letter

04087

EXHIBIT

SEP 26 1989

16

REQUEST FOR ADJUSTMENT IN AUTHORIZED POSITION COUNT

STATE BUDGET & CONTROL BOARD

DATE: September 11, 1989

ITEM NUMBER: 90-11

=====

AGENCY: H75 School for the Deaf and the Blind (32)

SUBJECT: Request to Establish New FTE Positions

The South Carolina School for the Deaf and the Blind requests authorization to establish six (6.00) new FTE positions (one state funded, two federally funded, and three other funded) above the number currently authorized. Since the initial time that the agency's FY 1989-90 budget was submitted, several projects have materialized that result in the need for additional FTE's. Attached is a narrative description of these requests. Also attached is a summary of the request that identifies the program and the object code in which the FTE's should be reflected. No new funds are requested.

=====

STAFF RECOMMENDATION:

Recommend approval.

=====

BOARD ACTION REQUESTED:

Approve the establishment of six (6.00) new FTE positions for the School for the Deaf and the Blind.

=====

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend approval

=====

ATTACHMENTS:

1. Agency FTE Position Summary Report
2. Agency FTE Position Request Form
3. New Position Justification
4. Agency Letter

04088

STATE OF SOUTH CAROLINA
State Budget and Control Board
STATE BUDGET DIVISION

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

EDGAR BROWN BUILDING, SUITE 525
1205 PENDLETON STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 734-2280

CHARLES A. BROOKS, JR.
DIVISION DIRECTOR

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

August 25, 1989

-XHIBIT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

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

Dear Senator Waddell:

The State Budget Division has attached for the Joint Committee's consideration the following:

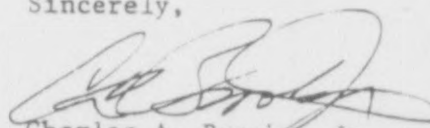
1. State Budget Division FTE Position Statutory Limitation Report as of September 1, 1989
2. The 1988-89 vs. 1989-90 FTE Position Reconciliation
3. The 1989-90 Certified FTE Position Base
4. Ten (10) Position Adjustment Requests broken down as follows:

	<u>Total</u>	<u>State</u>	<u>Federal</u>	<u>Other</u>
New FTE Positions (9)	320.14	8.14	13.75	298.25
Transfer Requests (1)	-	-	-	-
Total Requested Adjustments	<u>320.14</u>	<u>8.14</u>	<u>13.75</u>	<u>298.25</u>

The 1989-90 PSD Reconciliation will be presented to the Committee at its next meeting.

We are prepared to discuss these items with the Committee at its September 13, 1989, scheduled meeting.

Sincerely,


Charles A. Brooks, Jr.
Director

Attachments

04089

STATE BUDGET DIVISION
SCHEDULE OF FTE POSITION ADJUSTMENTS
AS SUBMITTED TO THE JOINT LEGISLATIVE COMMITTEE
ON PERSONAL SERVICE FINANCING AND BUDGETING
ON SEPTEMBER 13, 1989

ITEM NO.	SECTION NO.	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS	COMMENTS
<u>New FTE Position Requests</u>							
90-01	5B	State Law Enforcement Division	1.00	1.00			To eliminate overtime comnsation ¹²
90-02	14J	BCB-Insurance Services Div.	13.00			13.00	To staff new BCB Division
90-04	39	Health & Env. Control	4.00	4.00			New legislation
90-05	52	Corrections	3.00		3.00		New federal program
90-06	3H	Reorganization Commission	2.00	2.00			New legislative mandates
90-07	19	College of Charleston	1.00	1.00			Water Resources research
90-08	39	Health & Env. Control	293.00		10.00	283.00	New program initiatives
90-09	54	Youth Services	3.00		0.75	2.25	Self-contained special education classes
90-10	73	Public Service Commission	0.14	0.14			Increase existing FTE position
Total New FTE Position Requests			320.14	8.14	13.75	298.25	
<u>FTE Position Transfer Requests</u>							
90-03	38A	Health & Human Svcs. Finance Comm.	79.00	11.00		68.00	Continuum of Care
90-03	40	Mental Health	(79.00)	(11.00)		(68.00)	Continuum of Care
Total FTE Position Transfer Requests			0.00	0.00	0.00	0.00	
Total FTE Position Adjustment Requests			320.14	8.14	13.75	298.25	

Prepared August 24, 1989

04090

EXHIBIT
SEP 26 1989 16
STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

16

STATE BUDGET & CONTROL BOARD

STATE BUDGET DIVISION FTE POSITION STATUTORY LIMITATION REPORT AS OF SEPTEMBER 15, 1989

	<u>FTE Positions</u>
1990-91 FTE Position Statutory Limitation	43,912.51
1989-90 Appropriated FTE Positions	<u>41,827.95</u>
Allowable Growth through June 30, 1991	2,084.56
Less:	
1. Authorized Adjustment through August 31, 1989	(18.00)
2. Current Requested FTE Position Adjustments (before Committee)	<u>6.14</u>
Current Unencumbered Balance for the General Assembly to Work with as of January 1, 1990	<u><u>2,096.42</u></u>

04091

EXHIBIT

SEP 26 1989

16

STATE BUDGET DIVISION FY 1988-89 - FY 1989-90 FTE POSITION BASE CALCULATION

STATE BUDGET & CONTROL BOARD

	<u>TOTAL</u>	<u>STATE</u>	<u>FEDERAL</u>	<u>OTHER</u>
1988-89 Appropriated FTE Position Base	69,320.27	40,735.44	7,990.48	20,594.35
1988-89 FTE Position Adjustments as Made by the Joint Legislative Committee and the Budget & Control Board	<u>197.57</u>	<u>50.78</u>	<u>169.97</u>	<u>(23.18)</u>
Total Authorized FTE Position Base at June 30, 1988	69,517.84	40,786.22	8,160.45	20,571.17
1989-90 Legislative Appropriated Adjustments:				
New FTE Positions Added	2,152.06	1,088.97	302.96	760.13
Existing Position Adjustments	<u>(222.32)</u>	<u>(47.24)</u>	<u>(82.67)</u>	<u>(92.41)</u>
Net 1989-90 Legislative Appropriated Adjustments	<u>1,929.74</u>	<u>1,041.73</u>	<u>220.29</u>	<u>667.72</u>
1989-90 Appropriated FTE Position Base	<u><u>71,447.58</u></u>	<u><u>41,827.95</u></u>	<u><u>8,380.74</u></u>	<u><u>21,238.89</u></u>

Prepared August 25, 1989

04092

STATE BUDGET DIVISION
FY 1989-90
AUTHORIZED FTE POSITION BASE

	1989-90 AUTHORIZED FTE POSITIONS PER APPROPRIATION ACT				AUTHORIZED INTERIM ADJUSTMENTS				1989-90 AUTHORIZED FTE POSITION BASE			
	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER
A01 LEG. DEPT-THE SENATE	161 00	161 00							161 00	161 00	0 00	0 00
A05 LEG. DEPT-HOUSE OF REPRESENTATIVES	358 00	358 00							358 00	358 00	0 00	0 00
A10 LEG. DEPT-SPECIAL SERVICES FOR BOTH HOUSES	22 00	22 00							22 00	22 00	0 00	0 00
A15 LEG. DEPT-CODIFICATION OF LAWS	44 00	44 00							44 00	44 00	0 00	0 00
A17 LEG. DEPT-LEG PRINTING & INF.	16 00	16 00							16 00	16 00	0 00	0 00
A20 LEG. DEPT-LEG AUDIT COUNCIL	26 00	26 00							26 00	26 00	0 00	0 00
A25 LEG. DEPT-LEG INFORMATION SYSTEMS	17 00	17 00							17 00	17 00	0 00	0 00
A27 STATE REORGANIZATION COMMISSION	13 00	13 00							13 00	13 00	0 00	0 00
A28 SC ADV COMM INTERGOVERNMENTAL RELATIONS	4 00	4 00							4 00	4 00	0 00	0 00
A30 JT. LEG. COMMITTEES	55 00	53 00		2 00					55 00	53 00	0 00	2 00
B04 JUDICIAL DEPARTMENT	405 47	405 47							405 47	405 47	0 00	0 00
D05 GOVERNORS OFF-EXECUTIVE CONTROL OF STATE	21 00	21 00							21 00	21 00	0 00	0 00
D10 GOVERNORS OFF-STATE LAW ENFORCEMENT DIV	445 25	445 25							445 25	445 25	0 00	0 00
D17 GOVERNORS OFF-OFFICE OF EXEC POLICY & PROG	255 00	126 23	121 77	7 00					255 00	126 23	121 77	7 00
D20 GOVERNORS OFF-MANSION AND GROUNDS	5 00	5 00							5 00	5 00	0 00	0 00
E04 LIEUTENANT GOVERNORS OFFICE	6 00	6 00							6 00	6 00	0 00	0 00
E08 SECRETARY OF STATE'S OFFICE	40 00	40 00							40 00	40 00	0 00	0 00
E12 COMPTROLLER GENERAL'S OFFICE	99 00	99 00							99 00	99 00	0 00	0 00
E16 STATE TREASURERS OFFICE	70 99	70 99							70 99	70 99	0 00	0 00
E20 ATTORNEY GENERAL'S OFFICE	151 75	151 75							151 75	151 75	0 00	0 00
E22 COMMISSION ON APPELLATE DEFENSE	17 89	17 89							17 89	17 89	0 00	0 00
E24 ADJUTANT GENERAL'S OFFICE	195 00	58 50	123 25	13 25					195 00	58 50	123 25	13 25
E28 STATE ELECTION COMMISSION	18 50	17 50		1 00					18 50	17 50	0 00	1 00
F02 B&C-OFFICE OF EXECUTIVE DIRECTOR	20 00	18 00		2 00	(0 40)	(0 40)			19 60	17 60	0 00	2 00
F04 B&C-DIV OF INTERNAL OPERATIONS	81 00	45 93		15 07	0 40	(0 60)		1 00	61 40	45 33	0 00	16 07
F05 B&C-FINANCIAL DATA SYSTEMS	42 00	41 00		1 00	6 00	1 00		5 00	48 00	42 00	0 00	6 00
F06 B&C-BUDGET DIVISION	27 00	27 00			(2 00)	(2 00)			25 00	25 00	0 00	0 00
F08 B&C-RESEARCH AND STATISTICAL SERVICES	74 30	69 67		4 63					74 30	69 67	0 00	4 63
F10 B&C-INFORMATION RESOURCES MANAGEMENT	174 70	30 00		144 70	(1 00)			(1 00)	173 70	30 00	0 00	143 70
F12 B&C-GENERAL SERVICES DIVISION	412 00	134 77		277 23	(41 00)			(41 00)	371 00	134 77	0 00	236 23
F14 B&C-STATE FIRE MARSHAL	82 00	76 00		6 00	(1 00)			(1 00)	81 00	76 00	0 00	5 00
F16 B&C-MOTOR VEHICLE MANAGEMENT	27 00	10 00		17 00	1 00			1 00	28 00	10 00	0 00	18 00
F20 B&C-INSURANCE SERVICES DIVISION					89 00			89 00	89 00	0 00	0 00	89 00
F24 B&C-HUMAN RESOURCE MANAGEMENT	100 00	71 00		29 00	2 00	2 00			102 00	73 00	0 00	29 00
F26 B&C-LOCAL GOVERNMENT DIVISION	9 00	6 00	3 00						9 00	6 00	3 00	0 00
F27 B&C-STATE AUDITOR	79 00	79 00							79 00	79 00	0 00	0 00
F28 B&C-BOARD OF ECONOMIC ADVISORS	5 00	5 00							5 00	5 00	0 00	0 00
F29 B&C-RETIREMENT DIVISION	163 00			163 00	(53 00)			(53 00)	110 00	0 00	0 00	110 00
F30 B&C-EMPLOYEE BENEFITS	0 00								0 00	0 00	0 00	0 00
H03 COMMISSION ON HIGHER EDUCATION	27 00	27 00			(2 00)	(2 00)			25 00	25 00	0 00	0 00
H06 HIGHER EDUCATION TUITION GRANTS	7 00	7 00							7 00	7 00	0 00	0 00
H09 THE CITADEL	524 22	329 98		194 24					524 22	329 98	0 00	194 24
H12 CLEMSON UNIVERSITY (E & G)	2 821 02	1 414 27	75 28	1 331 47					2 821 02	1 414 27	75 28	1 331 47
H15 COLLEGE OF CHARLESTON	623 01	475 16	7 00	140 85					623 01	475 16	7 00	140 85
H18 FRANCIS MARION COLLEGE	389 41	298 38		91 03					389 41	298 38	0 00	91 03
H21 LANDER COLLEGE	260 02	172 70	2 50	84 82					260 02	172 70	2 50	84 82
H24 SC STATE COLLEGE	791 63	575 22	56 52	159 89					791 63	575 22	56 52	159 89

STATE BUDGET & CONTROL BOARD

SEP 26 1989

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EXHIBIT

04093

STATE BUDGET DIVISION
FY 1989-90
AUTHORIZED FTE POSITION BASE

	1989-90 AUTHORIZED FTE POSITIONS PER APPROPRIATION ACT				AUTHORIZED INTERIM ADJUSTMENTS				1989-90 AUTHORIZED FTE POSITION BASE			
	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER
H27 UNIV OF SOUTH CAROLINA	4,191.88	2,473.37	407.02	1,311.49					4,191.88	2,473.37	407.02	1,317.49
H28 UNIV OF SOUTH CAROLINA MEDICAL SCHOOL	324.36	198.74	64.50	61.12			(6.00)	6.00	324.36	198.74	64.50	61.12
H29 USC-AIKEN CAMPUS	235.38	149.30	2.90	83.18					235.38	149.30	2.90	83.18
H32 USC-COASTAL CAROLINA CAMPUS	351.85	140.74	8.40	202.71					351.85	140.74	8.40	202.71
H34 USC-SPARTANBURG CAMPUS	281.33	161.16	25.60	94.57					281.33	161.16	25.60	94.57
H36 USC-BEAUFORT CAMPUS	39.93	20.95	0.20	18.78					39.93	20.95	0.20	18.78
H37 USC-LANCASTER CAMPUS	62.30	26.91	6.20	29.19					62.30	26.91	6.20	29.19
H38 USC-SALKEHATCHIE CAMPUS	52.50	21.70	4.48	26.32					52.50	21.70	4.48	26.32
H39 USC-SUMTER CAMPUS	92.62	56.24	0.03	36.35					92.62	56.24	0.03	36.35
H40 USC-UNION CAMPUS	31.49	16.92	3.78	10.79					31.49	16.92	3.78	10.79
H47 WINTHROP COLLEGE	685.33	457.36	28.00	199.97					685.33	457.36	28.00	199.97
H51 MEDICAL UNIVERSITY OF SC	2,458.74	1,658.18	254.45	546.11					2,458.74	1,658.18	254.45	546.11
H52 MEDICAL UNIVERSITY OF SC HOSPITAL	2,571.01	281.73	5.99	2,283.29					2,571.01	281.73	5.99	2,283.29
H53 SC CONSORTIUM OF COMM. TEACHING HOSPITALS	55.17	54.17	1.00	0.00					55.17	54.17	1.00	0.00
H54 CHARLESTON HIGHER EDUCATION CONSORTIUM	4.61		2.10	2.51					4.61		2.10	2.51
H55 COUNCIL ON VOCATIONAL & TECH EDUCATION	4.00	2.00	2.00	0.00					4.00	2.00	2.00	0.00
H59 ST. BD. FOR TECHNICAL & COMP. EDUCATION	3,523.19	2,936.50	322.13	264.56					3,523.19	2,936.50	322.13	264.56
H63 STATE EDUCATION DEPARTMENT	1,182.55	907.26	152.34	122.95					1,182.55	907.26	152.34	122.95
H67 EDUCATIONAL TELEVISION COMMISSION	405.55	352.45	0.00	53.10					405.55	352.45	0.00	53.10
H71 WILLOU GRAY OPPORTUNITY SCHOOL	90.60	82.52	4.15	3.93					90.60	82.52	4.15	3.93
H73 VOCATIONAL REHABILITATION	1,180.70	463.70	676.60	20.40					1,180.70	463.70	676.60	20.40
H75 SCHOOL FOR THE DEAF AND THE BLIND	375.18	322.66	18.57	33.95					375.18	322.66	18.57	33.95
H79 DEPARTMENT OF ARCHIVES AND HISTORY	125.50	121.50		4.00					125.50	121.50		4.00
H83 CONFEDERATE RELIC ROOM	5.00	5.00							5.00	5.00		
H87 S.C. STATE LIBRARY	52.00	43.00	9.00						52.00	43.00	9.00	
H81 S.C. ARTS COMMISSION	41.56	35.21	6.21	0.14					41.56	35.21	6.21	0.14
H95 STATE MUSEUM COMMISSION	74.00	70.00		4.00					74.00	70.00		4.00
J02 HEALTH & HUMAN SERVICES FINANCE COMMISSION	504.00	211.45	289.05	3.50					504.00	211.45	289.05	3.50
J04 DEPT OF HEALTH & ENVIRONMENTAL CONTROL	4,291.62	2,236.29	1,079.88	975.45					4,291.62	2,236.29	1,079.88	975.45
J12 DEPARTMENT OF MENTAL HEALTH	6,678.46	5,137.45	221.87	1,319.14					6,678.46	5,137.45	221.87	1,319.14
J16 DEPARTMENT OF MENTAL RETARDATION	4,476.51	2,811.68	16.00	1,648.83					4,476.51	2,811.68	16.00	1,648.83
J20 COMMISSION ON ALCOHOL & DRUG ABUSE	80.51	72.35	3.16	5.00					80.51	72.35	3.16	5.00
L04 DEPARTMENT OF SOCIAL SERVICES	4,583.70	2,035.97	2,492.72	55.01					4,583.70	2,035.97	2,492.72	55.01
L12 JOHN DE LA HOWE SCHOOL	119.06	113.41	2.05	3.60					119.06	113.41	2.05	3.60
L16 ADV. BD. FOR REVIEW OF FOSTER CARE OF CHILDREN	19.00	17.46	1.54						19.00	17.46	1.54	
L24 COMMISSION FOR THE BLIND	114.50	52.60	61.90						114.50	52.60	61.90	
L28 COMMISSION ON AGING	34.01	20.49	13.52						34.01	20.49	13.52	
L32 HOUSING FINANCE & DEVELOPMENT AUTHORITY	56.00	8.00	22.00	26.00					56.00	8.00	22.00	26.00
L36 COMMISSION ON HUMAN AFFAIRS	48.00	39.55	8.45						48.00	39.55	8.45	
L40 DEPT. OF VETERANS AFFAIRS	21.00	21.00							21.00	21.00		
L44 COMMISSION ON THE STATUS OF WOMEN	1.75	1.75							1.75	1.75		
N04 DEPARTMENT OF CORRECTIONS	6,229.65	5,941.22	27.97	260.46					6,229.65	5,941.22	27.97	260.46
N08 PROBATION, PAROLE AND PARDON SERVICES	736.00	500.00	0.00	236.00					736.00	500.00	0.00	236.00
N12 DEPARTMENT OF YOUTH SERVICES	1,066.50	983.75	58.00	24.75					1,066.50	983.75	58.00	24.75
N20 LAW ENFORCEMENT TRAINING COUNCIL	103.95		2.00	101.95					103.95		2.00	101.95
N24 LAW OFFICERS HALL OF FAME COMMITTEE	3.00			3.00					3.00			3.00
P04 WATER RESOURCES COMMISSION	73.00	64.00	8.00	1.00					73.00	64.00	8.00	1.00
P08 LAND RESOURCES CONSERVATION COMMISSION	66.60	65.60	1.00						66.60	65.60	1.00	
P12 STATE FORESTRY COMMISSION	614.55	593.54	21.01						614.55	593.54	21.01	
P16 DEPARTMENT OF AGRICULTURE	214.13	159.00		55.13					214.13	159.00		55.13
P20 CLEMSON UNIVERSITY-PUBLIC SERVICE ACTIVITIES	1,342.81	906.23	398.67	37.91					1,342.81	906.23	398.67	37.91
P22 LABORATORY WATERFOWL COMMISSION	1.00			1.00					1.00			1.00

EXHIBIT
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STATE BUDGET & CONTROL BOARD

04094

STATE BUDGET DIVISION
FY 1989-90
AUTHORIZED FTE POSITION BASE

	1989-90 AUTHORIZED FTE POSITIONS PER APPROPRIATION ACT				AUTHORIZED INTERIM ADJUSTMENTS				1989-90 AUTHORIZED FTE POSITION BASE			
	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER
P24 WILDLIFE & MARINE RESOURCES DEPARTMENT	780.55	439.00	107.75	233.80					780.55	439.00	106.75	234.80
P25 COASTAL COUNCIL	42.00	21.00	21.00				(1.00)	1.00	42.00	21.00	21.00	0.00
P26 SEA GRANT CONSORTIUM	12.00	9.00	2.80	0.20					12.00	9.00	2.80	0.20
P28 DEPARTMENT OF PARKS, RECREATION & TOURISM	520.67	381.47		139.20		(15.00)		15.00	520.67	366.47	0.00	154.20
P32 STATE DEVELOPMENT BOARD	97.00	97.00							97.00	97.00	0.00	0.00
P33 SC COORDINATING COUNCIL FOR ECON. DEV.	0.00								0.00	0.00	0.00	0.00
P34 JOBS-ECONOMIC DEVELOPMENT AUTHORITY	13.00	12.00	1.00						13.00	12.00	1.00	0.00
P36 PATRIOTS POINT DEVELOPMENT AUTHORITY	39.00			39.00					39.00	0.00	0.00	39.00
P40 SAVANNAH VALLEY AUTHORITY	8.00	8.00							8.00	8.00	0.00	0.00
P48 OLD EXCHANGE BUILDING COMMISSION	0.00								0.00	0.00	0.00	0.00
R04 PUBLIC SERVICE COMMISSION	157.86	157.86							157.86	157.86	0.00	0.00
R08 WORKERS' COMPENSATION COMMISSION	92.10	90.48		1.62					92.10	90.48	0.00	1.62
R12 STATE WORKERS' COMPENSATION FUND	65.00			65.00					65.00	0.00	0.00	65.00
R14 PATIENTS' COMPENSATION FUND	3.00			3.00					3.00	0.00	0.00	3.00
R16 SECOND INJURY FUND	13.00			13.00					13.00	0.00	0.00	13.00
R20 DEPARTMENT OF INSURANCE	119.00	119.00							119.00	119.00	0.00	0.00
R23 FINANCIAL INST. BD-ADMINISTRATION	0.00								0.00	0.00	0.00	0.00
R24 FINANCIAL INST. BD-BANK EXAMINERS	26.00	26.00							26.00	26.00	0.00	0.00
R25 FINANCIAL INST. BD-CONSUMER FINANCE	9.50	9.50							9.50	9.50	0.00	0.00
R28 DEPARTMENT OF CONSUMER AFFAIRS	51.00	51.00							51.00	51.00	0.00	0.00
R36 DEPARTMENT OF LABOR	153.50	110.49	43.01						153.50	110.49	43.01	0.00
R44 STATE TAX COMMISSION	845.00	845.00							845.00	845.00	0.00	0.00
R48 ALCOHOLIC BEVERAGE CONTROL COMMISSION	90.00	90.00							90.00	90.00	0.00	0.00
R52 STATE ETHICS COMMISSION	6.00	6.00							6.00	6.00	0.00	0.00
R60 EMPLOYMENT SECURITY COMMISSION	1,211.33		1,073.33	138.00					1,211.33	0.00	1,073.33	138.00
R64 BOARD OF ACCOUNTANCY	5.00	5.00							5.00	5.00	0.00	0.00
R68 BOARD OF ARCHITECTURAL EXAMINERS	4.45	4.45							4.45	4.45	0.00	0.00
R69 AUCTIONEERS' COMMISSION	3.00	3.00							3.00	3.00	0.00	0.00
R72 BOARD OF BARBER EXAMINERS	5.00	5.00							5.00	5.00	0.00	0.00
R74 STATE ATHLETIC COMMISSION	0.00								0.00	0.00	0.00	0.00
R76 CEMETERY BOARD	1.00	1.00							1.00	1.00	0.00	0.00
R80 BOARD OF CHIROPRACTIC EXAMINERS	1.00	1.00							1.00	1.00	0.00	0.00
R82 CONTRACTORS LICENSING BD	10.00	10.00							10.00	10.00	0.00	0.00
R84 BOARD OF COSMETOLOGY	13.00	13.00							13.00	13.00	0.00	0.00
R88 BOARD OF DENTISTRY	5.25	5.25							5.25	5.25	0.00	0.00
R92 BOARD OF ENGINEERS AND LAND SURVEYORS	10.00	10.00							10.00	10.00	0.00	0.00
R94 BD. OF CERT. OF ENVIR. SYSTEMS OPERATORS	5.00	5.00							5.00	5.00	0.00	0.00
R96 BOARD OF REGISTRATION FOR FORESTERS	0.50	0.50							0.50	0.50	0.00	0.00
R99 BOARD OF FUNERAL SERVICE	1.75	1.75							1.75	1.75	0.00	0.00
S02 BOARD OF REGISTRATION FOR GEOLOGISTS	0.00								0.00	0.00	0.00	0.00
S04 BOARD OF MEDICAL EXAMINERS	16.24	16.24							16.24	16.24	0.00	0.00
S08 BOARD OF NURSING	18.00	18.00							18.00	18.00	0.00	0.00
S12 BD. OF EX. FOR NURSING HOME ADMINISTRATORS	2.00	2.00							2.00	2.00	0.00	0.00
S14 BD. OF OCCUPATIONAL THERAPY	0.00								0.00	0.00	0.00	0.00
S17 BD. OF EXAM. IN OPTICIANRY	0.50	0.50							0.50	0.50	0.00	0.00
S18 BD. OF EXAM. IN OPTOMETRY	0.35	0.35							0.35	0.35	0.00	0.00
S20 BOARD OF PHARMACY	7.50	7.50							7.50	7.50	0.00	0.00
S24 BOARD OF PHYSICAL THERAPY EXAMINERS	1.00	1.00			(1.00)	(1.00)			1.00	1.00	0.00	0.00
S28 BOARD OF PODIATRY EXAMINERS	0.00								0.00	0.00	0.00	0.00

STATE BUDGET & CONTROL BOARD
SEP 26 1989
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STATE BUDGET DIVISION
FY 1989-90
AUTHORIZED FTE POSITION BASE

	1989-90 AUTHORIZED FTE POSITIONS PER APPROPRIATION ACT			AUTHORIZED INTERIM ADJUSTMENTS			1989-90 AUTHORIZED FTE POSITION BASE		
	TOTAL	STATE	FEDERAL	OTHER	TOTAL	STATE	FEDERAL	OTHER	
S30 BOARD OF PROF. COUNSELORS & THERAPISTS	1 00	1 00				1 00	0 00	0 00	
S32 BOARD OF EXAMINERS IN PSYCHOLOGY	1 00	1 00				1 00	0 00	0 00	
S38 REAL ESTATE COMMISSION	35 00	35 00				35 00	0 00	0 00	
S40 RESIDENTIAL HOME BUILDERS COMMISSION	14 00	14 00				14 00	0 00	0 00	
S44 BD OF EX. FOR REGISTERED SANITARIANS	0 00					0 00	0 00	0 00	
S48 BOARD OF SOCIAL WORK EXAMINERS	0 00					0 00	0 00	0 00	
S52 BD OF EX. FOR SPEECH PATHOLOGY & AUDIOLOGY	0 00					0 00	0 00	0 00	
S58 BD OF VETERINARY MEDICAL EXAMINERS	0 73	0 73				0 73	0 00	0 00	
S60 PROCUREMENT REVIEW PANEL	2 00	2 00				2 00	0 00	0 00	
X40 AERONAUTICS COMMISSION	45 00	45 00				45 00	0 00	0 00	
X50 DEPT OF HIGHWAYS & PUBLIC TRANSPORTATION	7,760 00	2 16	8 09	7,749 75		7,760 00	2 16	8 09	
TOTALS	71,447 58	41,827 95	8,380 74	21,238 89	(3 00)	(18 00)	17 00	22 00	
						71,444 58	41,809 95	8,373 74	
ACTUAL FILLED FTE POSITIONS 7/31/89						63,286 98	37,089 46	7,250 33	
ACTUAL VACANT FTE POSITIONS 7/31/89						7,036 13	3,601 02	1,123 41	
								2,311 70	

Prepared by the State Budget Division
August 14, 1989

In Accordance with Section 129.22 of the 1989-90
Appropriation Act:

That the State Budget Division shall maintain and make, as necessary, periodic adjustments thereto, an official record of the total number of authorized full-time equivalent positions by agency categorized by State, Federal, or other funding sources and shall provide a certified duplicate of such record to the Joint Legislative Committee on Personal Service Financing and Budgeting and to the Joint Appropriations Review Committee.

Charles A. Biggs, Jr.

Director, State Budget Division

August 14, 1989

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

04096

AGENCY: Executive Director

SUBJECT: Revenue Bond Issues; State Ceiling Allocation

The required reviews on the following proposals to issue revenue bonds have not yet been completed; staff will advise on the results of these reviews at the meeting. Approval under State law is asked now for projects (a) through (d). An allocation of a portion of the Ceiling is requested for project (e).

- (a) Issuing Authority: Union County
Amount of Issue: \$2,065,000 Hospital Revenue Bonds
Name of Project: Ellen Sagar Nursing Home
Project Description: Expansion/renovation of 24-bed facility
- (b) Issuing Authority: Kershaw County
Amount of Issue: \$10,000,000 Industrial Revenue REFUNDING Bonds
Name of Project: New South, Inc.
Project Description: lumber manufacturing facility
- (c) Issuing Authority: Darlington County
Amount of Issue: \$230,000 Industrial Development Bond
Name of Project: S&T Management Corporation
Employment Impact: 65
Project Description: Manufacture metal office furniture
- (d) Issuing Authority: Greenville County
Amount of Issue: \$5,750,000 Hospital REFUNDING Revenue Bonds
Name of Project: Charter Hospital of St. Louis, Inc.
Project Description: 60-bed psychiatric and alcohol and drug treatment hospital
- (e) Issuing Authority: Abbeville County
Amount of Issue: \$5,000,000 Industrial Revenue Bonds
Allocation Amount: \$5,000,000
Name of Project: Springs Industries, Inc.
Employment Impact: 75
Project Description: manufacture industrial textile fabrics

The status of the State ceiling at September 12 (year elapsed 70%) was:

	Ceiling, 1989	Allocated	%	Available	%
State Pool	69,860,000	21,600,000	30.9%	48,260,000	69.1%
Local Pool	104,790,000	77,365,000	73.8%	27,425,000	26.2%
Total	174,650,000	98,965,000	56.7%	75,685,000	43.3%

For comparison, the status about a year ago (at September 26, 1988) was:

	Ceiling, 1988	Allocated	%	Available	%
State Pool	68,500,000	56,900,000	83.1%	11,600,000	16.9%
Local Pool	102,750,000	77,383,000	75.3%	25,367,000	24.7%
Total	171,250,000	134,283,000	78.4%	36,967,000	21.6%

BOARD ACTION REQUESTED: Adopt resolutions approving proposals to issue revenue bonds, on the condition that the required reviews are completed with satisfactory results, for projects (a) through (d); allocate a portion of the State Ceiling to project (e); and receive as information the status report on the State Ceiling.

ATTACHMENTS: Resolutions; status report on State Ceiling.

EXHIBIT

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STATE BUDGET & CONTROL BOARD

04097

SEP 19 1989

9:07 A.M.

AL

TRANSMITTAL FORM, REVENUE BONDS

Date: September 20, 1989
 Submitted for BCB Meeting on:
September 26, 1989

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:

McNair Law Firm, P.A.
 Name of Law Firm
Greenville, South Carolina 29601
 City, State, Zip Code

Suite 1201 NCNB Plaza, 7 N. Laurens Street
 Street Address/Box Number
(803) 271-4940
 Telephone Area Code and Number

RE: \$2,065,000
 Amount of Issue
Union County, South Carolina
 Issuing Authority Name

Hospital Revenue Bonds
 Type of Bonds or Notes
October 25, 1989
 Projected Issue Date

Project Name: Ellen Sagar Nursing Home

Project Description:

Expansion and renovation of existing facility and all necessary equipment to be installed.

Employment as result of project: _____

CEILING ALLOCATION REQUIRED

Yes (\$ _____) X 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. X Petition (executed original and two copies)
 B. X Resolution or ordinance (executed copy)
 C. _____ Inducement Resolution or comparable preliminary approval (executed copy)
 D. X Standard Form Investment Letter from bonds purchaser (executed original)
 (Purchaser: South Carolina National Bank)

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 5 copies for certification and return to counsel]
 G. N/A Processing fee - Nursing Home of Union County's Hospital District
 Amount \$ _____ Check No. _____
 Payor _____

EXHIBIT

Bond Counsel: Kathleen Crum McKinney, Esquire
 Typed Name

SEP 26 1989

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By: Kathleen Crum McKinney
 Signature

STATE BUDGET & CONTROL BOARD

04098

EXHIBIT

SEP 26 1989

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STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

STATE BUDGET & CONTROL BOARD
Ellen Sagar Nursing Home

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, Carroll A. Campbell, Jr., Governor and
Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable James M. Waddell, Jr., Chairman of the
Senate Finance Committee; and

The Honorable Robert N. McLellan, 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, September 26, 1989, was given to all members in writing at least four days prior to the meeting and that, in compliance with the Freedom of Information Act, public notice of and the agenda index 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, in the lobby of the Wade Hampton Office Building, and near the Board Secretary's Office on the Sixth Floor of the Wade Hampton Office Building at 4:30 p.m. on Thursday, September 21, 1989.

That all members of the Board were present at the meeting.

That, at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Patterson, who moved its adoption; the motion was seconded by Mr. McLellan, 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 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 20, 1989

William A. McInnis

04099

A RESOLUTION APPROVING THE ISSUANCE BY UNION COUNTY, SOUTH CAROLINA, OF NOT EXCEEDING \$2,065,000 PRINCIPAL AMOUNT HOSPITAL REVENUE BONDS (ELLEN SAGAR NURSING HOME PROJECT) SERIES 1989, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 44, CHAPTER 7, ARTICLE 11 (1976), AS AMENDED.

WHEREAS, the County Council of Union County, South Carolina (the "Governing Board"), has heretofore, by submitting a petition (the "Petition") under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina (1976), as amended (the "Act"), requested the approval by the State Budget and Control Board of the issuance by Union County (the "County") pursuant to the Act of its Hospital Revenue Bonds (Ellen Sagar Nursing Home Project) in the aggregate principal amount of not exceeding \$2,065,000 (the "Bonds"); and

WHEREAS, the County proposes to issue the Bonds for the purpose of defraying the cost of acquiring, by construction and purchase, certain expansions and improvements to the Ellen Sagar Nursing Home facility of the Union County Hospital District (the "District") and financing certain debt incurred for construction and purchase of equipment, more fully described on Exhibit A attached hereto (the "Project"); and

WHEREAS, the Project is to be made available to the District upon terms which require the District to make payments to or for the account of the County in amounts sufficient to pay the principal and interest on the Bonds and which secure the obligation of the District by a mortgage and security interest in the Project; and

WHEREAS, the Bonds will be payable from and secured by an assignment of the obligations of the District and the mortgage and security interest in the Project; and

WHEREAS, the County has submitted a copy of a resolution and petition adopted by the County on September 14, 1989;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. The Board has made an independent investigation of the matters set forth in the Petition, and on the basis of such investigation it is hereby found, determined and declared:

EXHIBIT

04100

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

(a) The facts set forth in the Petition, and in the preamble hereto, are in all respects true and correct;

(b) The Petition filed by the Governing Board 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 44-7-1590 of the Act;

(c) The Project subject of the Petition of the Governing Board is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and

(d) The proposed financing is economically feasible.

Section 2. In consequence of the foregoing, the proposal of the County to defray the cost of acquiring the Project, to make the Project available to the District to finance the cost thereof and expenses incidental thereto by the execution and delivery of the Bonds, in substantially the form set forth in the Indenture, secured by an assignment of the revenues to be derived from the Mortgage and Financing Agreement, and a mortgage and security interest in the Project, be and the same is hereby in all respects approved. This approval shall not be affected by any changes in the details of the proposal of the County so long as such changes do not impose a pecuniary liability upon the County or its general credit or taxing power, are approved by the County Council and the District, and do not make inaccurate, except as to dates and amounts, the summaries of the Mortgage and Financing Agreement and the Indenture and the description of the Project.

Section 3. Notice of the action taken by this Board in approving the above described undertaking of the County shall be published in the Union Daily Times, which is a newspaper having general circulation in Union County.

Section 4. The Notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit "B" of this Resolution.

Section 5. Approval of this undertaking is granted on the condition that a copy of Internal Revenue Service (IRS) Form 8038 relating to any bonds issued pursuant to this approval be filed with the Board's secretary prior to issuance of the bonds in accordance with the rules of the Board.

Section 6. This Resolution shall take effect immediately.

04161

EXHIBIT A

DESCRIPTION OF PROJECT

Use of Proceeds:

A 17,670 square foot expansion of the Ellen Sagar Nursing Home to consist of a 24-bed expansion, renovation of the existing Ellen Sagar Nursing Home facility, and all necessary equipment to be installed therein.

EXHIBIT

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

04102

NOTICE PURSUANT TO THE PROVISIONS
OF SOUTH CAROLINA CODE ANNOTATED,
TITLE 44, CHAPTER 7, ARTICLE 11 (1976),
AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Section 44-7-1590 of South Carolina Code Annotated, Title 44, Chapter 7, Article 11 (1976), as amended (the "Act"), that the State Budget and Control Board of South Carolina, pursuant to a Petition filed by the County Council of Union County, South Carolina, has given its approval to the following undertaking by Union County, South Carolina:

The issuance by Union County for the Union County Hospital District of its Hospital Revenue Bonds (Ellen Sagar Nursing Home Project) in the original principal amount of not exceeding \$2,065,000 (the "Bonds"), to defray the costs of a 17,670 square foot expansion of the Ellen Sagar Nursing Home to consist of a 24-bed expansion, renovation of the existing Ellen Sagar Nursing Home facility, and all necessary equipment to be installed therein (the "Project"), to be located in Union County. The Project will be made available to Union County Hospital District which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Bonds from the revenues of Ellen Sagar Nursing Home. The Bonds will be payable solely and exclusively out of payments to be made by Union County Hospital District for the use of the Project, and is to be additionally secured by a mortgage and security interest in the Project. The South Carolina Department of Health and Environmental Control is expected to issue a certificate of need with respect to the Project on or about October 23, 1989.

Notice is further given that any interested party may, within twenty (20) days after the date of the publication of this notice, but not afterwards, challenge the validity of the State Budget and Control Board's approval of the Project and the issuance of the Bonds by Union County to finance the same or the action taken by the South Carolina Department of Health and Environmental Control with respect to the Project, by action de novo instituted in the Circuit Court for Union County, South Carolina.

STATE BUDGET AND CONTROL BOARD

BY: WILLIAM A. McINNIS, Secretary

Dated: September 26, 1989.

EXHIBIT

04103

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

OCT 19 1989

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
FACSIMILE: 803-253-6283

October 19, 1989

EXHIBIT

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
612 Wade Hampton Office Building
Post Office Box 12444
Columbia, South Carolina 29211

RE: \$2,065,000 Hospital Revenue Bonds
Union County, South Carolina
(Ellen Sagar Nursing Home)

Dear Mr. McInnis:

Regarding the above-referenced obligation, we have reviewed the Petition and other documents forwarded to us by the State Budget and Control Board. These represent a portion of the documents that have been submitted to the Board for its approval pursuant to Section 44-7-1410, et seq., Code of Laws of South Carolina, 1976 and as amended. The documents with one exception, appear to comply with the requirements of the referenced Code sections that certain specific information be addressed in these documents. South Carolina Code of Laws, 1976, Section 44-7-1490 requires approval from DHEC be obtained. It is my understanding from the bond attorney that they are expecting this letter but have not at this time received it.

This opinion addresses only the fact that the documents, other than the exception noted above, appear to meet the conditions imposed by State law that certain specific matters be included in the documentation. No opinion is expressed as to any other matters, including whether the Petition should be approved as a matter of policy.

Office of the Attorney General

04104

By:

Steve Ashworth

TGA:bvc

STATE OF SOUTH CAROLINA
STATE BUDGET AND CONTROL BOARD
Standard Form Investment Letter

EXHIBIT

SEP 26 1989

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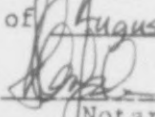
TO: Secretary, State Budget and Control Board
P. O. Box 12444
Columbia, SC 29211

STATE BUDGET & CONTROL BOARD

RE: Sale by Union County, South Carolina (the "Issuer")
Of its \$2,065,000 Hospital Revenue Bonds (the "Bonds")
On behalf of Union County Hospital District (the "Company")
Ellen Sagar Nursing Home (the "Project")
To South Carolina National Bank (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.

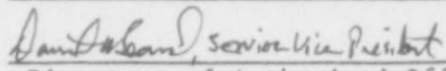
SWORN to and subscribed
before me this 30 day
of August, 1989.


Notary Public

My Commission expires
3-21-1995

PURCHASER:

Name: South Carolina National Bank
Address: Post Office Box 969
Greenville, South Carolina 29602

BY: 

Signature of Authorized Official

Date: August 30, 1989

04105

EXHIBIT

STATE OF SOUTH CAROLINA)
)
UNION COUNTY)

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

TO THE STATE BUDGET AND CONTROL)
)
BOARD OF SOUTH CAROLINA)

P E T I T I O N

This Petition of Union County, South Carolina (the "County"), pursuant to South Carolina Code Annotated, Title 44, Chapter 7 (1976), as amended (the "Act"), and specifically Section 44-7-1590 thereof, respectfully shows:

1. The County Council of Union County is the governing body of Union County, and as such constitutes a "County Board" as referred to in the Act with respect to hospital facilities located in Union County (the "County").

2. The Act empowers the County, functioning through its County Council (the "County Board"), subject to obtaining approval from the State Budget and Control Board (the "State Board"), required by Section 44-7-1590 of the Act and from the Department of Health and Environmental Control required by Section 44-7-1590 of the Act, to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds; to enter into loan agreements with any hospital agency or public agency, prescribing the payments to be made by the hospital agency or public agency to the County or its assignee to meet the payments that shall become due on the bonds, including terms and conditions relative to the acquisition and use of hospital facilities and the issuance of bonds; to issue bonds for the purpose of defraying the cost of providing hospital facilities and to secure the payment of such bonds; to issue bonds to refinance or refund outstanding obligations, mortgages or advances heretofore or hereafter issued, made or given by a hospital agency or public agency for the cost of hospital facilities; and to make the proceeds of any bonds available by way of a loan to a hospital agency or public agency pursuant to a loan agreement.

3. The County has agreed to assist Union County Hospital District (the "District"), a hospital district of the State of South Carolina created pursuant to the laws of the State of South Carolina, by issuing its revenue bonds for the purpose of defraying the cost of expanding, by construction and purchase, a building, other improvements, and certain machinery, apparatus, equipment, office facilities and furnishings for an existing facility and financing certain debt incurred for construction and purchase

04106

constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

6. Pursuant to Section 44-7-1590 of the Act, the County sets forth the following information:

(a) The Project, described in detail on Exhibits A and B to the Mortgage and Financing Agreement and the Indenture, consists of a building or buildings, other improvements, and certain machinery, apparatus, equipment, office facilities and furnishings to be used for the purpose of expanding and renovating an existing facility and will serve thereby the purposes of the Act.

(b) In connection with the Project, the Department of Health and Environmental Control will issue its Certificate of Need.

(c) The cost of the Project is approximately Two Million Sixty Five Thousand Dollars (\$2,065,000) including financing costs and all other expenses to be incurred in connection therewith.

(d) In general, the terms and conditions of the proposed Mortgage and Financing Agreement provide that:

(i) To finance the cost of the Project the County will, at the request of the District, issue not exceeding \$2,065,000 Hospital Revenue Bonds, Series 1989, of Union County, South Carolina, and loan the proceeds thereof to the District for the purpose of defraying the cost of the Project including interest during construction, financing costs and all other expenses to be incurred in connection therewith.

(ii) The Mortgage and Financing Agreement contains no provisions imposing an indebtedness on the County within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

(iii) The Mortgage and Financing Agreement contains covenants obligating the District to effect the completion of the Project if the proceeds of the Bonds prove insufficient, and obligating the District to make payments which shall be sufficient to pay the principal of and interest on the Bonds issued for such Project; to build up and maintain any reserves deemed by the

04107

of equipment located in the County, more fully described on Exhibit A attached hereto (the "Project"), and more fully described in Exhibits A and B to the Mortgage and Financing Agreement and Indenture.

4. The County has been advised by the District that the estimated cost of the Project will be \$2,065,000 and it has requested the County to execute and deliver its Hospital Revenue Bonds (Ellen Sagar Nursing Home Project) Series 1989 (the "Bonds"), in the principal amount of not exceeding \$2,065,000 to defray such costs.

5. In accordance with Section 44-7-1510, the County Board has found and determined that:

(a) there is a need for the Project in the area in which the Project will be located to serve the people of the County and to make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing the Project;

(b) the Project constitutes "hospital facilities" as defined in the Act;

(c) the District has established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Mortgage and Financing Agreement to be entered into between the County and the District, including the obligations to make the payments required thereunder, to operate, repair and maintain at its own expense the Project and to discharge such other responsibilities as may be imposed under the Mortgage and Financing Agreement;

(d) adequate provisions shall be made for the payment of principal of and interest on the Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Project at the expense of the District;

(e) the public facilities, including utilities, and public services necessary for the Project will be made available to the general public;

(f) the issuance of the Bonds will subserve the purposes and in all respects conform to the provisions and requirements of the Act; and

(g) the Project, the Bonds and any documents or agreements entered into by the County in connection therewith will not constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall never

County Board to be advisable in connection therewith; and to pay the costs of maintaining the Project in good repair and the cost of keeping it properly insured.

(iv) The Mortgage and Financing Agreement contains provisions whereby the District pledges and assigns to the County and agrees to pay to the Lender (hereinafter defined) for the benefit of the County certain revenues of the District.

(e) The proposed Indenture between the County and The South Carolina National Bank, as Lender (the "Lender"), provides in general:

(i) An irrevocable pledge and assignment for the benefit of the Lender or its assigns as holder of the Bonds of the County's right, title and interest in and to the Mortgage and Financing Agreement and all payments, receipts and revenues which the County has a right to receive under the Mortgage and Financing Agreement or with respect to any security afforded thereunder or any other financing agreement with respect to the Project in favor of the County (except payments and rights to indemnification payments and administration expenses), and all the moneys and securities in funds created under the Indenture.

(ii) The terms of the Bonds, the provisions for exchange and transfer of the Bonds, the prepayment provisions, the means of disbursement and investment of the proceeds thereof, default provisions and remedies therefor and various other matters relating to the Bonds.

(iii) The execution of the Indenture imposes no pecuniary liability on the County and does not create a charge upon the general credit or taxing power of the County.

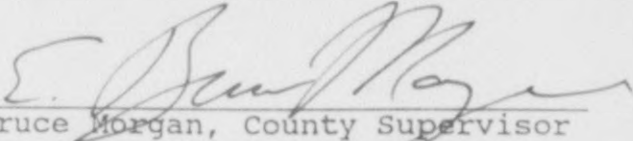
Upon the basis of the foregoing, the County respectfully prays that the State Budget and Control Board (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such investigation as it deems advisable, (iii) if it finds that the Project is intended to promote the purposes of the Act and may be reasonably anticipated to effect such result, that it approve the Project and the execution and delivery of the Bonds by the County 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 County), and (iv) give published notice of

its approval in the manner set forth in Section 44-7-1590 of the Act.

Respectfully submitted,

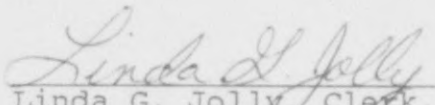
UNION COUNTY, SOUTH CAROLINA

By:


E. Bruce Morgan, County Supervisor
and Chairman of County Council,
Union County, South Carolina

(SEAL)

ATTEST:


Linda G. Jolly, Clerk,
County Council of
Union County,
South Carolina

Dated: September ¹⁴6, 1989.

EXHIBIT

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

04110

EXHIBIT A

DESCRIPTION OF PROJECT

Use of Proceeds:

A 17,670 square foot expansion of the Ellen Sagar Nursing Home to consist of a 24-bed expansion, renovation of the existing Ellen Sagar Nursing Home facility, and all necessary equipment to be installed therein.

04111

EXHIBIT

SEP 26 1989

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RESOLUTION

STATE BUDGET & CONTROL BOARD

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY UNION COUNTY, SOUTH CAROLINA, OF ITS HOSPITAL REVENUE BONDS (ELLEN SAGAR NURSING HOME PROJECT) SERIES 1989, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 44, CHAPTER 7 (1976), AS AMENDED, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$2,065,000.

WHEREAS, Union County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 1976, as amended (the "Act"), to promote the public health and welfare by providing for the financing, refinancing, acquiring, enlarging, improving, constructing and equipping of hospital facilities to serve the people of the State and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities; and

WHEREAS, the County is further authorized to issue revenue bonds for the purpose of defraying the cost of providing hospital facilities and to refinance or to refund outstanding obligations, mortgages or advances issued, made or given by a hospital agency or public agency for the cost of hospital facilities; and

WHEREAS, the County is further authorized to make the proceeds of any revenue bonds available by way of a loan to a hospital agency or public agency pursuant to a loan agreement; and

WHEREAS, the County is further authorized to pledge or assign any money, rents, charges, or fees or other revenues, including any proceeds of insurance or condemnation awards pursuant to any loan agreement to the payment of the bonds issued pursuant to such loan agreement; and

WHEREAS, Union County Hospital District (the "District"), a hospital district of the State of South Carolina created pursuant to the laws of the State of South Carolina, is authorized to acquire, operate and maintain hospital facilities and is a hospital agency as such terms are defined under the Act; and

04112

WHEREAS, the County proposes to issue its Hospital Revenue Bonds (Ellen Sagar Nursing Home Project) in the principal amount of not exceeding \$2,065,000 (the "Bonds") under and pursuant to the Act to defray the costs of acquiring certain improvements to the District's facility and financing debt incurred for construction and purchase of equipment, more fully described on Exhibit A attached hereto (the "Project"), located in the jurisdiction of the County and, subject to the approval of the State Budget and Control Board of South Carolina, to make the Project available to the District under and pursuant to the terms of a Mortgage and Financing Agreement (the "Agreement") to be entered into between the County and the District; and

WHEREAS, it is now deemed advisable by the County Council to file with the State Budget and Control Board of South Carolina, in compliance with Section 44-7-1590 of the Act, the Petition of the County requesting approval of the proposed financing by the State Budget and Control Board;

NOW, THEREFORE, BE IT RESOLVED by the County Council of Union County, South Carolina, as follows:

Section 1. It is hereby found, determined and declared as follows:

(a) The County Council constitutes the "County Board" as that term is defined in the Act.

(b) The Project to be acquired or constructed are hospital facilities as defined in the Act.

(c) The County Council has determined that there is a need for the Project in the County to serve the people of the County and to make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

(d) The District has established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Agreement.

(e) Adequate provisions shall be made for the payment of principal of and interest on the Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Project at the expense of the District.

Section 2. There be and is hereby authorized and directed the submission on behalf of the County, of a Petition requesting the approval of the proposal of the County to issue the Bonds by the State Budget and Control Board of South Carolina pursuant to the provisions of

Section 44-7-1590 of the Act, said Petition, which constitutes and is hereby made a part of this authorizing resolution, to be in substantially the form attached hereto.

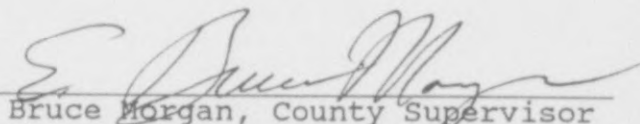
Section 3. The County Supervisor/Chairman of the County Council be and is hereby authorized and directed to execute said Petition in the name and on behalf of the County; and the Clerk of the County Council be and is hereby authorized and directed to affix the seal of the County to said Petition and 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 September ¹⁴ 8, 1989.

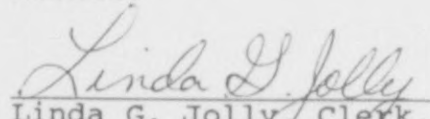
UNION COUNTY, SOUTH CAROLINA

By:


E. Bruce Morgan, County Supervisor
and Chairman of County Council,
Union County, South Carolina

(SEAL)

ATTEST:


Linda G. Jolly, Clerk,
County Council of
Union County,
South Carolina

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

04114

ORDINANCE

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF \$2,065,000 PRINCIPAL AMOUNT HOSPITAL REVENUE BONDS (ELLEN SAGAR NURSING HOME PROJECT) SERIES 1989, OF UNION COUNTY, SOUTH CAROLINA, TO THE SOUTH CAROLINA NATIONAL BANK, AS LENDER; THE APPLICATION OF THE PROCEEDS OF SAID BONDS TO PAY THE COSTS OF MAKING CERTAIN IMPROVEMENTS TO THE ELLEN SAGAR NURSING HOME OF THE UNION COUNTY HOSPITAL DISTRICT AND FINANCING CERTAIN OBLIGATIONS OF THE UNION COUNTY HOSPITAL DISTRICT INCURRED FOR CONSTRUCTION AND PURCHASE OF EQUIPMENT; THE ENTERING INTO OF CERTAIN COVENANTS AND AGREEMENTS AND THE EXECUTION AND DELIVERY OF CERTAIN INSTRUMENTS RELATING TO THE ISSUANCE OF THE AFORESAID BONDS, INCLUDING AN INDENTURE BETWEEN UNION COUNTY AND THE SOUTH CAROLINA NATIONAL BANK SECURING THE BONDS AND PRESCRIBING MATTERS RELATED THERETO, AND A MORTGAGE AND FINANCING AGREEMENT BETWEEN UNION COUNTY AND UNION COUNTY HOSPITAL DISTRICT TO BE ASSIGNED TO THE SOUTH CAROLINA NATIONAL BANK; AND OTHER MATTERS RELATING THERETO.

WHEREAS, Union County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina Code, 1976, as amended (the "Act"), to promote the public health and welfare by providing for the financing, refinancing, acquiring, enlarging, improving, constructing and equipping of hospital facilities (as defined in the Act) to serve the people of the State and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities; and

WHEREAS, the County, subject to the approval of the State Budget and Control Board of South Carolina and the Department of Health and Environmental Control, if required, is authorized by the Act to issue its revenue bonds, as defined in the Act to include notes, for the purpose of defraying the cost of acquiring, or causing to be acquired, by construction and purchase, hospital facilities (as defined in the Act), such revenue notes to be payable solely from the revenues and receipts derived under any financing agreement with respect to such Project and to be further secured by an assignment of the rights of the County under such financing agreement; and

04115

WHEREAS, the Union County Hospital District (the "District"), a hospital district of the State of South Carolina created pursuant to the laws of the State of South Carolina, is authorized to acquire, operate and maintain hospital facilities and is a "public agency" as such terms are defined in the Act; and

WHEREAS, in order to implement the public purposes enumerated in the Act and in furtherance thereof to assist the District in enlarging, improving and expanding its nursing home facility within the District, the County has agreed to execute and deliver \$2,065,000 principal amount Hospital Revenue Bonds (Ellen Sagar Nursing Home Project) Series 1989 (the "Bonds"), under and pursuant to the Act to defray the cost of undertaking improvements to the District's facility and financing certain debt incurred for construction and purchase of equipment, more fully described on Exhibit A attached hereto, constituting hospital facilities as defined in the Act (the "Project"), and in connection therewith to make the Project available to the District under and pursuant to the terms of a financing agreement to be entered into between the County and the District; and

WHEREAS, the County Council, having determined that the Project will serve the purposes of the Act, proposes to execute and deliver its \$2,065,000 principal amount revenue bonds, to be designated "Union County, South Carolina, Hospital Revenue Bonds (Ellen Sagar Nursing Home Project) Series 1989", to be dated October 1, 1989, or such other date on or before December 31, 1989, as may be agreed to by the District and The South Carolina National Bank, as lender (the "Lender"), to be issued under and pursuant to the provisions of the Act, and to be secured by and to contain such terms and provisions as are set forth in an Indenture dated as of October 1, 1989 (the "Indenture"), by and between the County and the Lender; the proceeds from the Bonds to be deposited with the Lender and disbursed (i) for the payment of costs incurred by the County or the District in connection with the acquisition of the Project, and (ii) for the payment of related expenses, all as set forth in the Indenture; and

WHEREAS, the County Council, having determined as aforesaid that it will be of substantial public benefit to do so, proposes to make the Project available to the District under and pursuant to the provisions of a Mortgage and Financing Agreement dated as of October 1, 1989 (the "Agreement"), by and between the County and the District pursuant to which the District is obligated (i) to make payments directly to the Lender for the account of the County in amounts sufficient to pay the principal and interest on the Bonds, and (ii) to maintain the Project in good repair at

its own expense and to carry all proper insurance with respect thereto; and

WHEREAS, the acquisition and construction of the Project and the issuance of the Bonds by the County as herein recited and provided will have been duly approved by the State Budget and Control Board of South Carolina prior to final reading of this ordinance, and will serve the intended purposes and in all respects conform to the provisions and requirements of the Act; and

WHEREAS, prior issuance of the Bonds, the Department of Health and Environmental Control will issue its certificate of need with respect to the Project; and

WHEREAS, it has been determined that the estimated amount necessary to finance that portion of the cost of the Project to be defrayed by the County and expenses incidental thereto requires that Bonds of the County in the principal amount of \$2,065,000 be authorized as hereinafter provided; and

WHEREAS, the County Council has caused to be prepared and presented to this meeting the following documents which the County proposes to execute and deliver:

1. The form of the Indenture by and between the County and the Lender; and
2. The form of the Agreement by and between the County and the District.

WHEREAS, it appears that each of the instruments above referred to, which are now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by Union County, South Carolina, as follows:

Section 1. In order to promote the public health and welfare by providing means for the financing, constructing, equipping and providing of hospital facilities to serve the people of the State of South Carolina and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities, the acquisition, by construction and purchase, of certain improvements, machinery, apparatus, equipment, office facilities and furnishings, and financing of certain debt incurred for construction and purchase of

equipment, all as a part of the Project, is hereby authorized, ratified and approved.

Section 2. Pursuant to the authority of the Act, and for the purpose of defraying the cost of acquiring the Project, including necessary expenses incidental thereto, there is hereby authorized to be issued, and shall be issued, revenue bonds of the County in the principal amount of Two Million Sixty Five Thousand Dollars (\$2,065,000), to be designated "Union County, South Carolina, Hospital Revenue Bonds (Ellen Sagar Nursing Home Project) Series 1989." The Bonds shall be issuable in fully registered form. The Bonds shall be payable as to principal and interest in immediately available funds at the office of The South Carolina National Bank, as Lender, or its assigns under the provisions of the Indenture. The final installment of principal and interest on the Bonds shall be payable upon surrender thereof to the District at the office of The South Carolina National Bank or at such other place as may be designated by the holder of the Bonds at that time.

The Bonds shall be dated October 1, 1989, or such other date on or before December 31, 1989, as may be agreed to by the District and the Lender and shall bear interest from each date until maturity or prepayment (whichever occurs first) at the initial rate per annum 7.50%. The interest rate is subject to adjustment as provided in the Indenture. The interest rate borne by the Bonds shall be subject to modification as a result of a Determination of Taxability (as defined in the Indenture), upon an event of default as set forth in the Indenture, and upon such other events as may be set forth in the Indenture.

Interest on the Bonds shall be payable monthly on the first day of each month, with the first such installment due and payable on the first day of the month after the Bonds are issued. Commencing one year from the date of issuance, to and including the seventh anniversary of the date of issuance, the Bonds shall be payable as to principal and interest in monthly installments on the first day of each month of \$19,263.00 each. Thereafter, payments of principal and interest will be due and payable in an amount which will be calculated based upon the outstanding principal balance of the Bonds, the remaining maturity of the Bonds, and the interest rate then in effect. The entire principal balance plus accrued interest will be due and payable on the first day of the month of the sixteenth anniversary of the issuance of the Bonds. The terms of the Indenture are incorporated herein with respect to the terms of the Bonds.

The County Supervisor/Chairman of the County Council, with the advice of the County Attorney, is hereby

authorized to approve such changes in the maturity date of the Bonds and the dates on which principal and interest are due thereon as may be consistent with any authorized change in the date of, and date of delivery of, the Bonds and such other changes as may be necessary to carry out the transactions contemplated by the Bonds, the Indenture and the Mortgage and Financing Agreement and as do not modify in any material respect the County's undertaking thereunder, their execution and delivery of the Bonds to indicate such approval.

Section 3. The Bonds shall be limited obligations of the County, the principal and interest on which shall be payable solely out of the revenues derived from the Project. The Bonds and the interest thereon shall never constitute an indebtedness of the County within the meaning of any state constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers. Such limitation shall be plainly stated on the face of the Bonds.

Nothing in this ordinance, the Agreement or the Indenture shall be construed as an obligation or commitment by the County to expend any of its funds other than (i) the proceeds of the Bonds, (ii) the revenues derived from the Agreement, (iii) any proceeds accruing to the County on account of any mortgage or security interest in the Project under the Agreement, and (iv) any moneys arising out of the investment or reinvestment of said proceeds, revenues or moneys.

Section 4. The Bonds shall be executed in the name of the County with the manual or facsimile signature of the County Supervisor/Chairman of the County Council, shall be attested by the manual signature of the Clerk of the County Council, and shall have the seal of the County Council impressed or imprinted thereon.

Section 5. The Bonds shall be in substantially the form set forth in the Indenture, with necessary or appropriate variations, omissions and insertions as permitted or required by the Indenture.

Section 6. The Bonds shall be issued in compliance with and under authority of the provisions of the Act, this ordinance and the Indenture.

Section 7. While any portion of the Bonds shall remain outstanding and unpaid, the County hereby covenants and agrees with the holder from time to time of such bonds that it will not issue any additional notes or bonds or incur

any obligations of any sort secured by a lien prior to the lien of the Indenture.

Section 8. It is hereby found, determined and declared by the County Council, as follows:

(a) The Project will constitute "hospital facilities" as said term is referred to and defined in Section 44-7-1430 of the Act, and the issuance of the Bonds in the principal amount of \$2,065,000 to defray the cost of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(b) There is a need for the Project in the area in which the Project will be located;

(c) The District is financially responsible and capable of fulfilling its obligations under the Agreement, including the obligations to make the payments required thereunder, to operate, repair and maintain at its own expense the Project and to discharge such other responsibilities as may be imposed under the Agreement;

(d) Adequate provision will be made for the payment of the principal of and interest on the Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Project at the expense of the District;

(e) The public facilities, including utilities, and public services necessary for the Project will be made available;

(f) Neither the Project, the Bonds proposed to be issued by the County to defray the costs thereof, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to any pecuniary liability of the County or a charge against its general credit or taxing power;

(g) The issuance of the Bonds by the County in the principal amount of \$2,065,000 will be required to defray that portion of the cost of the Project to be undertaken by the County for the District;

(h) Inasmuch as the District has established credit, the establishment of reserve funds in connection with retirement of the Bonds and the maintenance of the Project is deemed unnecessary;

(i) The Project will be made available by the County to the District upon terms which require the District,

at its own expense, to maintain the Project in good repair and to carry all proper insurance with respect thereto; and

(j) The County does not reasonably anticipate issuing more than \$10,000,000 in tax-exempt bonds or other tax-exempt obligations in calendar year 1989 other than private activity bonds, except for qualified 501(c)(3) bonds and hereby designates the Bonds as qualified tax-exempt obligations.

Section 9. The form, terms and provisions of the Agreement presented to this meeting and filed with the Clerk of the County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Agreement were set out in this ordinance in its entirety. The County Supervisor/Chairman of the County Council and the Clerk of this County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Agreement in the name and on behalf of the County, and thereupon to cause the Agreement to be delivered to the District and cause the Agreement to be recorded in the office of the Clerk of Court for Union County. The Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the officials of the County 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 Agreement now before this meeting.

Section 10. To provide for the authorization of and to secure the Bonds under the Act, and to prescribe the terms and conditions upon which the Bonds are to be issued, secured, executed, accepted and held, and for the purpose of assigning the interests of the County under the Agreement, the form, terms and provisions of the Indenture which is before this meeting and filed with the Clerk of the County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Indenture were set out in this ordinance in its entirety. The County Supervisor/Chairman of the County Council and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Indenture to the Lender and cause the Indenture to be recorded in the office of the Clerk of Court for Union County. The Indenture is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the officials of the County 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 Indenture now before this meeting.

Section 11. There is hereby authorized the execution and delivery of the Bonds to The South Carolina National Bank at a price of Two Million Sixty Five Thousand Dollars (\$2,065,000). The County Supervisor/Chairman of the County Council and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Bonds to The South Carolina National Bank. The Bonds are to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the officials of the County 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 the Bonds before this meeting.

Section 12. The County Supervisor/Chairman of the County Council and the Clerk of the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Agreement, the Indenture and the performance of all obligations of the County under and pursuant to the Agreement, the Indenture and the Bonds and the execution and delivery of the Bonds; and the Lender is hereby authorized to receive and receipt for the proceeds of the Bonds on behalf of the County and to disburse said proceeds in accordance with the provisions of the Indenture.

Section 13. The provisions of this ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 14. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

Passed and approved this 25th day of ^{October}~~September~~,
1989.

UNION COUNTY, SOUTH CAROLINA

By: E. Bruce Morgan
E. Bruce Morgan, County Supervisor
and Chairman of County Council,
Union County, South Carolina

(SEAL)

ATTEST:

Linda G. Jolly
Linda G. Jolly, Clerk,
County Council of
Union County,
South Carolina

EXHIBIT A

DESCRIPTION OF PROJECT

Use of Proceeds:

A 17,670 square foot expansion of the Ellen Sagar Nursing Home to consist of a 24-bed expansion, renovation of the existing Ellen Sagar Nursing Home facility, and all necessary equipment to be installed therein.

South Carolina Department of Health
and Environmental Control

DEC 20 1989
4:21 p.m.

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Michael D. Jarrett



Board
Henry S. Jordan, M.D., Chairman
John B. Pate, M.D., Vice-Chairman
William E. Applegate, III, Secretary
Toney Graham, Jr., M.D.
John H. Burriss
Richard E. Jabbour, D.D.S.
Currie B. Spivey, Jr.

EXHIBIT

SEP 26 1989

17

December 18, 1989

STATE BUDGET & CONTROL BOARD

Re: SC-89-82

Addition of 24 dually licensed nursing home beds
of which 21 participate in the Medicaid program
by replacing the old wing and converting 9 rooms
to residential care for a total of 88 dual beds.
Ellen Sagar Nursing Home
Union, South Carolina

Mr. Larry H. Chewning, Chief Executive Officer
Ellen Sagar Nursing Home
P.O. Drawer 789
Union, SC 29379

Dear Mr. Chewning:

We are enclosing the Certificate of Need granting approval of the above referenced project. The legislation which authorized this Department to approve an additional 1500 Medicaid nursing home beds also specifies that a certificate of need is valid for six months from the date of issuance. This Certificate is valid for six months from today. An extension may be granted only upon evidence that substantial progress has been made.

This Certificate of Need in no way guarantees participation in any governmental reimbursement program nor does the Certificate guarantee economic feasibility of the project.

This letter will also serve as your amended Medicaid Nursing Home Permit for an additional 7,665 (21 beds x 365 days) Medicaid patient days for a total of 26,645 (18,980 original permit + 7,665 additional) Medicaid patient days annually which equates to 73 Medicaid beds. We also understand that you can not use the additional Medicaid patient days until the facility is licensed and certified. This approval will also allow all 88 beds to be certified for participation in the Medicaid program as long as you remain within the range allowed on the permit.

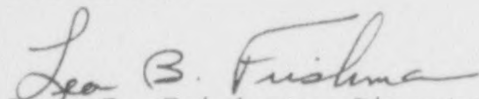
04125

Mr. Larry H. Chewning
December 18, 1989
Page 2

You must also request certification for Medicaid participation from Mr. William C. Wilkins, Director, Bureau of Certification at 734-4530.

If you have any questions, please let me know at 734-4690.

Sincerely,



Leon B. Frishman, Director
Bureau of Health Facilities and Services Development

cc: Mr. Jeff Saxon
Mr. William C. Wilkins

LBF/aw

Enclosures

EXHIBIT

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

04126

South Carolina Department of Health and Environmental Control



CERTIFICATE OF NEED

EXHIBIT

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

THIS Certificate of Need is issued to: Ellen Sagar Nursing Home; Larry H. Chewning, Chief Executive Officer; Addition of 24 dually licensed nursing home beds of which 21 participate in the Medicaid Program, by replacing the old wing and converting 9 rooms to residential care for a total of 88 dual beds.

For Project No. SC-89-82 in accordance with the Code of Laws of South Carolina.

In determining the need for this project, the South Carolina Department of Health and Environmental Control has taken into consideration the "Criteria for Project Review" and the State Medical Facilities Plan.

This Certificate of Need is valid for a period of ~~twelve~~^{six} months from the date of issuance unless the applicant has awarded a construction contract or has made substantial progress toward implementation of the Project, as approved by the Department, within the ~~twelve~~^{six} month period.

In Witness Whereof we have hereunto set our hands and the seal of the Department of Health and Environmental Control this the 18th day of December, 19 89



Albert N. Whitman
Director, Division of Planning & Certification of Need

Leon B. Fishman
Director, Bureau of Health Facilities & Services
Development

Richard C. Cane
Deputy Commissioner, Health Facilities & Services
Regulations

04127

MCNAIR LAW FIRM, P.A.

ATTORNEYS AND CO-ADVISORS AT LAW

SUITE 201

WOMAS PLACE

7 NORTH LAUREL STREET

WILLOWVILLE SOUTH CAROLINA 29682

803-471-4940

WILLOWVILLE 29682-4940

COLUMBIA OFFICE
1000 TOWER
300 WEST 11TH STREET
COLUMBIA, SC 29201
803-792-1000

CHARLESTON OFFICE
140 EAST 5TH STREET
POST OFFICE BOX 42
CHARLESTON, SC 29402
803-792-1000

ROCKFORD OFFICE
1200 HIGHWAY 101
POST OFFICE BOX 123
ROCKFORD, SC 29088
803-792-1000

ROCKFORD OFFICE
1200 HIGHWAY 101
POST OFFICE BOX 123
ROCKFORD, SC 29088
803-792-1000

WILLOWVILLE OFFICE
1000 TOWER
300 WEST 11TH STREET
COLUMBIA, SC 29201
803-792-1000

WILLOWVILLE OFFICE
1000 TOWER
300 WEST 11TH STREET
COLUMBIA, SC 29201
803-792-1000

FAX COVER SHEET

PLEASE DELIVER the following 2 pages (including cover sheet):

TO: Deane Williams

FROM: B. S. Bond

FAX NUMBER: 734 2117

EXHIBIT

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

FROM: Kathy McKinnis

FAX NUMBER: 271-4940

Should you not receive all of the above pages, or if there is an error in transmission, please call (803) 271-4940.

Additional Comments:

Client/Matter No. Allen Spager, Mary Heine

TRANSMISSION INFORMATION

Date: 10/20

Time: 10:49

04128

EXHIBIT

SEP 26 1989

17

STATE BUDGET & CONTROL BOARD

04130

OCT - 3 1989

State of South Carolina



EXHIBIT

SEP 26 1989

18

STATE BUDGET & CONTROL BOARD

State Budget and Control Board

OFFICE OF THE STATE AUDITOR
P.O. BOX 11333
COLUMBIA, S.C.
29211
(803) 253-4160

EDGAR A. VAUGHN, JR., CPA
STATE AUDITOR

MARGARET C. STILWELL, CPA
DEPUTY STATE AUDITOR

September 29, 1989

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

RE: Industrial Revenue Refunding Bonds - Kershaw County -
New South, Inc. - \$10,000,000

Dear Mr. McInnis:

1. The proposed bond issue is to provide funds to refund the industrial revenue refunding note, Series 1982, at an estimated cost of \$10,000,000. The Series 1982 note was issued to finance the refunding of the industrial revenue bonds which were used to finance the lumber manufacturing facility originally.
2. The following are excerpts from the Petition of Kershaw County Council to the State Budget and Control Board for approval to issue the refunding bonds:

The proposed Loan Agreement (the "Loan Agreement") between the County and the Company unconditionally obligates the Company to pay an amount adequate to provide for payments of the principal of and interest on the Bonds...no reserve fund for the payment of the principal of, premium, if any, and interest on the Bonds will be established;...

The Company has agreed to arrange for the issuance of an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NNCB National Bank of North Carolina in favor of the Trustee in an amount sufficient to pay the outstanding principal of, premium, if any, and a portion of the interest on the Bonds as additional security for the payment of the Bonds.

04131

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER

STATE BUDGET & CONTROL BOARD
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL
JAMES M. WADDELL, JR.
CHAIRMAN
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

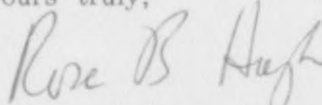
Mr. William A. McInnis
September 29, 1989
Page Two

3. We reviewed a copy of the NCNB National Bank's commitment for a Standby Letter of Credit Facility (LOC) which was signed and accepted by New South, Inc., on July 25, 1989. That document outlines the loan terms which state that the term of the LOC is two years and annually extendable for one additional year. Security for the LOC is a first mortgage on the Camden and Conway sawmills and a first lien on all equipment and personal property on the two sites. The LOC commitment also outlines the principal financial covenants including the maintenance of certain balances and financial ratios.
4. We review the audited consolidated financial statements of New South, Inc., a South Carolina corporation, for the four years ended May 31, 1989, which were examined and audited by Coopers & Lybrand, Charlotte, North Carolina. The independent auditors issued unqualified opinions on the statements for each of the fiscal years.

	1989	1988	1987	1986	1985
Total Stockholders Equity	23,006,834	22,126,464	18,691,469	16,017,425	N/A
Retained Earnings	15,019,113	14,298,910	11,003,356	8,468,753	N/A
Net Income	934,555	3,437,525	2,648,180	5,338,522	(762,053)

5. During our review of the 1989 financial statements, we noted that Note 6 - Long-Term Debt states that the 1982 Series 10.4% note to be refunded is jointly and severally guaranteed by the companies which collectively own 91.6% of New South, Inc. However, in a phone conversation with T. Mitchell Johnson, Esq., of Sinkler & Boyd, bond counsel, we were informed that for the proposed Series 1989 issue, the LOC will replace the guarantees on the current note.
6. Relying on the Company's continued profitability and net worth and the additional security for an investor of the letter of credit to be issued by NCNB National Bank of North Carolina, we see no reason to disapprove the proposed refunding bond issue.

Yours truly,



Rosa B. Hughes, CPA
Audit Manager

04132

EXHIBIT

RBH/sh

SEP 26 1989

18

STATE BUDGET & CONTROL BOARD

OCT 30 1989

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
FACSIMILE: 803-253-6283

October 27, 1989

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
612 Wade Hampton Office Building
Post Office Box 12444
Columbia, South Carolina 29211

RE: \$10,000,00 Kershaw County, South Carolina
Industrial Revenue Refunding Revenue Bonds
(New South, Inc.)

Dear Mr. McInnis:

Regarding the above-referenced obligation, we have reviewed the Petition and other documents forwarded to us by the State Budget and Control Board. These represent a portion of the documents that have been submitted to the Board for its approval pursuant to Section 4-29-140, et seq., Code of Laws of South Carolina, 1976, as amended. The documents, with two exceptions, appear to comply with the requirements of the referenced Code sections that certain specific information be addressed in these documents.

Section 4-29-140 (b) requires a reasonable estimate of the cost of the project. This information would be found in the findings that the governing body must make pursuant to Section 4-29-60, regarding not only the amount of bonds necessary to finance the project, but the amount necessary each year to pay the principal of and interest on the bonds proposed to be issued to finance the project be stated. The Petition at Paragraph 6(e) does represent that

the proposed Loan Agreement (the "Loan Agreement") between the County and the County unconditionally obligates the Company to pay an amount adequate to provide for the payments of the principal of and interest on

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Mr. William A. McInnis
October 27, 1989
Page Two


the Bonds which will be dated and will mature
in the amounts and bear interest at the rates
set forth in the Indenture... .

It should be noted, therefore, that this specific information required by the code is not included in the information submitted to this office. There is also no statement stating that the refunding bonds to be issued will not exceed the "...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", as is required by Section 4-29-110 of the South Carolina Code of Laws.

This opinion addresses only the fact that the documents, other than the exceptions noted above, appear to meet the conditions imposed by State law that certain specific matters be included in the documentation. No opinion is expressed as to any other matters, including whether the Petition should be approved as a matter of policy.

Office of the Attorney General

By:



TGA/bvc

04134

EXHIBIT

SEP 26 1989

18

F

A RESOLUTION

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NNCB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

04135

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

EXHIBIT
SEP 26 1989 18
STATE BUDGET & CONTROL BOARD

04136

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

04137

PUBLICATION DATE:
September 27, 1989

EXHIBIT

SEP 26 1989

18

STATE BUDGET & CONTROL BOARD

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04140

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

04141

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04142

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04143

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

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(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04145

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04146

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04148

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04149

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04151

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NNCB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04152

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NNCB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

04153

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04154

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04155

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04157

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04158

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NNCB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

04159

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04160

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04161

A RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

04162

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04163

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04164

A. RESOLUTIONSTATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Kershaw County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued pursuant to the Act to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") to be owned and operated by New South, Inc., successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and to be located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by the County Board and to a Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee"); and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the refunding of the Prior Note, the County Board proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Ordinance and to the Indenture, payable by the County from the amounts derived from the Loan Agreement and secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina (the "Letter of Credit Bank") in favor of the Trustee and by the Indenture pursuant to which the County will pledge substantially all of its right, title and interest in and to the Loan Agreement to the Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board briefly describing the Project and its effect on the economy of the County and the areas adjacent thereto, establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds; and

04165

(c) That the Undertaking and the Project are intended to promote the purposes of the Act and are reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the refunding of the Prior Note through the issuance of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) pursuant to the Bond Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Indenture and the Letter of Credit, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE CHRONICLE-INDEPENDENT, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

04166

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Kershaw County Council (the "County Board") 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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the cost of refunding the \$10,000,000 Kershaw County, South Carolina Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") which was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc., the successor to Camden Forest Products, Inc., (the "Company"), a South Carolina corporation, and located in Kershaw County, South Carolina (the "County") by the issuance and delivery of not exceeding \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds").

To finance the refunding of the Prior Note, the County will issue the Bonds pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Bonds will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Bonds, and the Bonds will be secured by an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCB National Bank of North Carolina in favor of Mellon Bank, N.A. as Trustee (the "Trustee") and by a Trust Indenture (the "Indenture") under which the County will assign to the Trustee substantially all of its rights under the Loan Agreement. The Bonds will be issued pursuant to the Act, to an ordinance to be adopted by the County Board and to the Indenture.

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 the County Board by action de novo instituted in the Court of Common Pleas for Kershaw County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
September 27, 1989

04167

TRANSMITTAL FORM, REVENUE BONDS

Date: September 18, 1989
Submitted for BCB Meeting on:
September 26, 1989

TO: William A. McInnis, Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, S.C. 29201
P. O. Box 12444, Columbia, SC 29211

FROM:

Sinkler & Boyd, P.A.
Name of Law Firm

Post Office Box 340
Street Address/Box Number

Charleston, S. C. 29402

803 722-3366

Telephone Area Code and Number

RE: \$10,000,000
Amount of Issue

Industrial Revenue Refunding

Kershaw County, South Carolina
Issuing Authority Name

October 31, 1989

Projected Issue Date

Project Name: New South, Inc. (successor to Camden Forest Products, Inc.)
Project Description:

Financing the cost of refunding an industrial revenue note previously issued to refund industrial revenue bonds issued to fund the cost of the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment constituting a lumber manufacturing facility .

<u>CEILING ALLOCATION REQUIRED</u>	<u>REFUNDING INVOLVED</u>	<u>PROJECT APPROVED PREVIOUSLY</u>
<u> Yes (\$ _____) x No</u>	<u> x Yes (\$10,000,000) _No</u>	<u> x Yes (12/02/82) _No</u>
Amount	Amount	Date

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. x Petition (executed original and two copies)
- B. x 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)
(Purchaser: _____) OR

OR x 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 10 copies for certification and return to counsel]
- G. x Processing fee

Amount \$3,000 Check No. 034541

Payor New South, Inc.

Bond Counsel: F. Mitchell Johnson, Jr., Sinkler & Boyd, P.A.

By: [Signature] Typed Name **EXHIBIT**
Signature

P.A.
EXHIBIT

OED 1/86
c:\new\bt07

SEP 26 1989

18

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE OF SOUTH CAROLINA

SEP 26 1989

18

COUNTY OF KERSHAW

STATE BUDGET & CONTROL BOARD

TO THE STATE BUDGET AND CONTROL

BOARD OF SOUTH CAROLINA

P E T I T I O N

The Petition of Kershaw County Council ("County Council") respectfully shows:

1. County Council is the governing body of Kershaw County, South Carolina (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 and empowers the County, if it shall comply with the provisions set forth therein, to acquire or cause to be acquired land, buildings, fixtures, machinery, equipment and other improvements deemed necessary, suitable and useful by any industrial enterprise and to finance the acquisition and installation of the same through the issuance of bonds or notes payable from and secured by a pledge of the revenues to be derived from a financing agreement relating to such land, buildings, fixtures, machinery, equipment and other improvements.

3. The Act further authorizes and empowers the County, with the approval of the State Budget and Control Board of South Carolina (the "State Board") to refund bonds or notes previously issued thereunder by the issuance of refunding bonds in such amount as County Council may deem necessary, but not exceeding an amount sufficient to refund the principal of the bonds or notes to be refunded, together with any unpaid interest thereon and any premiums, expenses and commissions necessary to be paid in connection therewith.

4. County Council has agreed with New South, Inc., a corporation organized and existing under the laws of the State of South Carolina and the successor to Camden Forest Products, Inc., (the "Company") that the County will undertake to assist in the financing of the refunding of the \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") at an estimated cost of \$10,000,000 through the issuance and delivery of Industrial Revenue Refunding Bonds pursuant to the Act. The Prior Note was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") in the County. In this connection County Council has agreed to issue \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by County Council and to a proposed Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee").

5. County Council is advised by the Company that the cost of refunding the Prior Note (the "Refunding" or the "Undertaking") to be defrayed with the proceeds of the Bonds will require the County to issue the Bonds in the amount of \$10,000,000.

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6. For the reasons above set forth and hereinafter disclosed, County Council has found that:

(a) the Undertaking will subserve the purposes of the Act;

(b) the Project has benefited and will continue to benefit the general public welfare of the County by providing employment not otherwise provided in the County;

(c) by reason of the Undertaking, no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing powers;

(d) the amount required to finance the Refunding will be \$10,000,000;

(e) the proposed Loan Agreement (the "Loan Agreement") between the County and the Company unconditionally obligates the Company to pay an amount adequate to provide for the payments of the principal of and interest on the Bonds which will be dated and will mature in the amounts and bear interest at the rates set forth in the Indenture; no reserve fund for the payment of the principal of, premium, if any, and interest on the Bonds will be established; and

(f) the terms of the Loan Agreement require the Company to pay the costs of maintaining the Project in good repair and to carry all proper insurance with respect thereto.

7. The Loan Agreement will provide, among other things, the following:

(a) to finance the cost of the Refunding, the County will issue and deliver the Bonds. The Bonds will be secured by a pledge of substantially all of the amounts to be paid to the County by the Company, as authorized by the Act;

(b) the proceeds derived from the issuance and delivery of the Bonds will be used to pay the costs incident to the Refunding;

(c) the Loan Agreement contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing powers.

8. Pursuant to the Indenture, the County will pledge to the Trustee, as security for the payment of the Bonds, substantially all of the right, title and interest of the County in and to the Loan Agreement.

9. Payment and redemption of the Bonds will be made pursuant to the Indenture. The Indenture contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing powers.

10. The Company has agreed to arrange for the issuance of an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of the Trustee in an amount sufficient to pay the outstanding principal of, premium, if any, and a portion of the interest on the Bonds as additional security for the payment of the Bonds.

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11. The Bonds will be issued by the County pursuant to the proposed ordinance (the "Bond Ordinance") which imposes upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of, premium, if any, and interest on the Bonds, all other costs and expenses resulting from the Bond Ordinance and the issuance of the Bonds pursuant thereto and the transactions contemplated to take place in connection therewith.

12. The Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds will be substantially in the form heretofore used in the issuance of industrial revenue bonds or notes pursuant to the Act. While changes may be made in the forms thereof, it is not expected that there will be any changes which will substantially affect the Undertaking as now outlined therein.

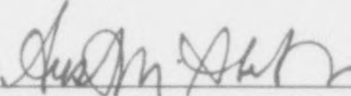
Upon the basis of the foregoing, County Council respectfully prays:

That the State Board accept the filing of the Petition presented herewith; and that, thereafter and as soon as practicable, it make such independent investigation of the Undertaking and the terms and provisions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds as it deems advisable; that it find that the proposed Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and on the basis of such finding, that it approve the Undertaking, including changes in any details of the said financing as finally consummated which do not materially affect the Undertaking and give published notice of its approval in the manner set forth in the Act.

July 25, 1989

Respectfully Submitted,

KERSHAW COUNTY, SOUTH CAROLINA

By 
Chairman, Kershaw County Council

Attest:

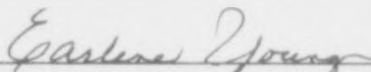
By 
Clerk, Kershaw County Council

EXHIBIT
SEP 26 1989 18
STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

18

A RESOLUTION

B

STATE BUDGET & CONTROL BOARD

APPROVING THE FINANCING OF THE REFUNDING OF THE \$10,000,000 KERSHAW COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE REFUNDING NOTE, SERIES 1982 (CAMDEN FOREST PRODUCTS, INC. PROJECT) THROUGH THE ISSUANCE AND DELIVERY OF \$10,000,000 KERSHAW COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE REFUNDING BONDS, SERIES 1989 (NEW SOUTH, INC. PROJECT) (THE "BONDS"); AUTHORIZING A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR ITS APPROVAL OF SUCH UNDERTAKING PURSUANT TO TITLE 4, CHAPTER 29, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; PROVIDING FOR A PUBLIC HEARING TO BE HELD IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BONDS; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY KERSHAW COUNTY COUNCIL IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

Section 1.01

Incident to the adoption of this resolution, Kershaw County Council ("County Council"), the governing body of Kershaw County, South Carolina (the "County"), has made the following findings:

1. New South, Inc., a corporation organized and existing under the laws of the State of South Carolina and the successor to Camden Forest Products, Inc., (the "Company") has proposed that the County assist in the financing of the refunding of the \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note"). The Prior Note was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") in the County. The assistance requested from the County consists of the issuance and delivery by the County of Industrial Revenue Refunding Bonds in the amount of \$10,000,000 pursuant to the authorization of Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act").

2. The Company has advised County Council that the proposed refunding of the Prior Note (the "Refunding" or the "Undertaking") would be aided by the assistance which the County might render through the issuance and delivery of Industrial Revenue Refunding Bonds in the amount of \$10,000,000 (the "Bonds") pursuant to the Act, to a proposed ordinance (the "Bond Ordinance") to be adopted by County Council and to a proposed Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee").

3. County Council has agreed to assist in the financing of the Refunding and adopts this Resolution (a) to evidence its approval of the issuance and delivery of the Bonds as aforesaid, (b) to authorize a Petition to the State Budget and Control Board of South Carolina (the "State Board") setting forth the facts required by the Act and (c) to provide for a public hearing to be held in connection with the issuance and delivery of the Bonds.

4. County Council has determined that the Undertaking will subserve the purposes of the Act, that the Project has benefitted and will continue to benefit the general public welfare of the County by providing employment not otherwise provided in the County, and that neither

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the Undertaking nor the Bonds will give rise to any pecuniary liability of the County or a charge against its general credit or taxing powers.

5. The amount necessary to finance the Refunding is \$10,000,000.

6. The Company has agreed to submit to County Council a draft of a proposed Loan Agreement (the "Loan Agreement") pursuant to which the County will lend \$10,000,000 to the Company and under which the Company will unconditionally agree:

(a) to pay the amounts necessary to provide the payments of principal of, premium, if any, and interest on the Bonds which will be dated and will mature in the amounts and bear interest at the rates set forth in the Indenture,

(b) to pay the costs of maintaining the Project in good repair, and

(c) to carry all proper insurance with respect to the Project.

7. The acquisition, construction and installation of the Project has been completed and all costs and expenses associated therewith have been paid.

8. The Company has also agreed to submit to County Council a draft of the Indenture pursuant to which the County will pledge to the Trustee, as security for the payment of the Bonds, substantially all of the right, title and interest of the County in and to the Loan Agreement and which Indenture will prescribe the terms and conditions of the Bonds and the security therefor.

9. The Company has agreed to submit to County Council a draft of a proposed irrevocable Letter of Credit (the "Letter of Credit") to be issued by NCNB National Bank of North Carolina in favor of the Trustee in an amount sufficient to pay the outstanding principal of, premium, if any, and a portion of the interest on the Bonds.

10. No reserve fund for the payment of the principal of, premium, if any, and interest on the Bonds will be established.

11. The Company has also agreed to submit to County Council a draft of a proposed Bond Purchase Agreement pursuant to which NCNB National Bank of North Carolina will agree to purchase the Bonds from the County in accordance with the terms and subject to the conditions and limitations described therein.

12. The Company has also agreed to submit to County Council a draft of a proposed Remarketing Agreement pursuant to which NCNB National Bank of North Carolina will agree to remarket the Bonds at the times, under the circumstances and subject to the conditions described therein.

ARTICLE II

SUBMISSION OF PETITION

Section 2.01

The Petition in form substantially as attached hereto as Exhibit "A" shall be presented to the State Board to seek the approval required by the Act; said

Petition shall be duly executed by the Chairman of County Council and the same shall be attested by the Clerk of County Council.

ARTICLE III

PUBLIC HEARING AND NOTICE

Section 3.01

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, a public hearing shall be held in connection with the issuance and delivery of the Bonds by the County. Such public hearing shall be held before final action by County Council authorizing the issuance and delivery of the Bonds.

Section 3.02

Not less than fourteen (14) days prior to the hearing provided for in Section 3.01 hereof, the County Administrator shall cause notice of such hearing to be published in THE CHRONICLE-INDEPENDENT, a newspaper of general circulation in the County. Such notice shall be in substantially the form attached hereto as Exhibit "B".

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

EXHIBIT

EXHIBIT "A"

SEP 26 1989

18

STATE OF SOUTH CAROLINA

COUNTY OF KERSHAW

STATE BUDGET & CONTROL BOARD

TO THE STATE BUDGET AND CONTROL

BOARD OF SOUTH CAROLINA

P E T I T I O N

The Petition of Kershaw County Council ("County Council") respectfully shows:

1. County Council is the governing body of Kershaw County, South Carolina (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 and empowers the County, if it shall comply with the provisions set forth therein, to acquire or cause to be acquired land, buildings, fixtures, machinery, equipment and other improvements deemed necessary, suitable and useful by any industrial enterprise and to finance the acquisition and installation of the same through the issuance of bonds or notes payable from and secured by a pledge of the revenues to be derived from a financing agreement relating to such land, buildings, fixtures, machinery, equipment and other improvements.

3. The Act further authorizes and empowers the County, with the approval of the State Budget and Control Board of South Carolina (the "State Board") to refund bonds or notes previously issued thereunder by the issuance of refunding bonds in such amount as County Council may deem necessary, but not exceeding an amount sufficient to refund the principal of the bonds or notes to be refunded, together with any unpaid interest thereon and any premiums, expenses and commissions necessary to be paid in connection therewith.

4. County Council has agreed with New South, Inc., a corporation organized and existing under the laws of the State of South Carolina and the successor to Camden Forest Products, Inc., (the "Company") that the County will undertake to assist in the financing of the refunding of the \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note") at an estimated cost of \$10,000,000 through the issuance and delivery of Industrial Revenue Refunding Bonds pursuant to the Act. The Prior Note was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") in the County. In this connection County Council has agreed to issue \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to the Act, to an ordinance (the "Bond Ordinance") to be adopted by County Council and to a proposed Trust Indenture (the "Indenture") between the County and Mellon Bank, N.A., as Trustee (the "Trustee").

5. County Council is advised by the Company that the cost of refunding the Prior Note (the "Refunding" or the "Undertaking") to be defrayed with the proceeds of the Bonds will require the County to issue the Bonds in the amount of \$10,000,000.

6. For the reasons above set forth and hereinafter disclosed, County Council has found that:

(a) the Undertaking will subserve the purposes of the Act;

(b) the Project has benefited and will continue to benefit the general public welfare of the County by providing employment not otherwise provided in the County;

(c) by reason of the Undertaking, no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing powers;

(d) the amount required to finance the Refunding will be \$10,000,000;

(e) the proposed Loan Agreement (the "Loan Agreement") between the County and the Company unconditionally obligates the Company to pay an amount adequate to provide for the payments of the principal of and interest on the Bonds which will be dated and will mature in the amounts and bear interest at the rates set forth in the Indenture; no reserve fund for the payment of the principal of, premium, if any, and interest on the Bonds will be established; and

(f) the terms of the Loan Agreement require the Company to pay the costs of maintaining the Project in good repair and to carry all proper insurance with respect thereto.

7. The Loan Agreement will provide, among other things, the following:

(a) to finance the cost of the Refunding, the County will issue and deliver the Bonds. The Bonds will be secured by a pledge of substantially all of the amounts to be paid to the County by the Company, as authorized by the Act;

(b) the proceeds derived from the issuance and delivery of the Bonds will be used to pay the costs incident to the Refunding;

(c) the Loan Agreement contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing powers.

8. Pursuant to the Indenture, the County will pledge to the Trustee, as security for the payment of the Bonds, substantially all of the right, title and interest of the County in and to the Loan Agreement.

9. Payment and redemption of the Bonds will be made pursuant to the Indenture. The Indenture contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing powers.

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10. The Company has agreed to arrange for the issuance of an irrevocable Letter of Credit (the "Letter of Credit") to be issued by NNCB National Bank of North Carolina in favor of the Trustee in an amount sufficient to pay the outstanding principal of, premium, if any, and a portion of the interest on the Bonds as additional security for the payment of the Bonds.

11. The Bonds will be issued by the County pursuant to the proposed ordinance (the "Bond Ordinance") which imposes upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of, premium, if any, and interest on the Bonds, all other costs and expenses resulting from the Bond Ordinance and the issuance of the Bonds pursuant thereto and the transactions contemplated to take place in connection therewith.

12. The Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds will be substantially in the form heretofore used in the issuance of industrial revenue bonds or notes pursuant to the Act. While changes may be made in the forms thereof, it is not expected that there will be any changes which will substantially affect the Undertaking as now outlined therein.

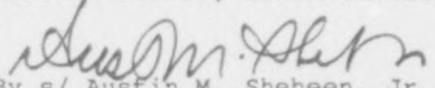
Upon the basis of the foregoing, County Council respectfully prays:

That the State Board accept the filing of the Petition presented herewith; and that, thereafter and as soon as practicable, it make such independent investigation of the Undertaking and the terms and provisions of the Loan Agreement, the Indenture, the Letter of Credit, the Bond Ordinance and the Bonds as it deems advisable; that it find that the proposed Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and on the basis of such finding, that it approve the Undertaking, including changes in any details of the said financing as finally consummated which do not materially affect the Undertaking and give published notice of its approval in the manner set forth in the Act.

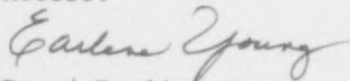
July 25, 1989

Respectfully Submitted,

KERSHAW COUNTY, SOUTH CAROLINA


By s/ Austin M. Sheheen, Jr.
Chairman, Kershaw County Council

Attest:


By s/ Earline Young
Clerk, Kershaw County Council

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

04177

EXHIBIT "B"

PUBLIC NOTICE

Notice is hereby given by Kershaw County Council (the "County Board") that a public hearing relating to the proposed issuance and delivery by Kershaw County, South Carolina (the "County") of \$10,000,000 in aggregate principal amount of Kershaw County, South Carolina, Industrial Revenue Refunding Bonds, Series 1989 (New South, Inc. Project) (the "Bonds") pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended, which Bonds are to be issued to finance the refunding of the \$10,000,000 Kershaw County, South Carolina, Industrial Revenue Refunding Note, Series 1982 (Camden Forest Products, Inc.) (the "Prior Note"). The Prior Note was issued to finance the refunding of the industrial revenue bonds issued to finance the acquisition, construction and installation of a lumber manufacturing facility (the "Project") owned and operated by New South, Inc. (the "Company") located at on U.S. Highway 1 in Cassatt, South Carolina.

The hearing will be held at the Council Chambers of Kershaw County Council, Kershaw County Courthouse, 1121 Broad Street, Camden, South Carolina, at 9:00 a.m., on August 15, 1989.

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STATE OF SOUTH CAROLINA

COUNTY OF KERSHAW

I, the undersigned Clerk, Kershaw County Council, do hereby certify that the foregoing is a true, correct and verbatim copy of a Resolution duly adopted by Kershaw County Council having been adopted at a duly called meeting of County Council on July 25, 1989.

WITNESS MY HAND this 25th day of July, 1989.

Edlene Young
Clerk, Kershaw County Council

EXHIBIT

SEP 26 1989

18

STATE BUDGET & CONTROL BOARD

NCNB National Bank
Charlotte, NC 28255
Telephone 704/374-5000

NCNB

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

July 24, 1989

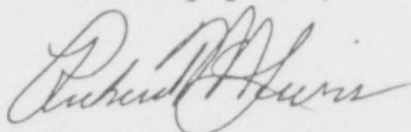
Mr. D. Wayne Hill
Vice President & Treasurer
New South, Inc.
Post Office Box 830
Conway, South Carolina 29526

Dear Wayne:

NCNB National Bank of North Carolina is pleased to commit to New South, Inc. a Standby Letter of Credit Facility to be used to enhance the issue of tax exempt Variable Rate Demand Notes (low floater) or to assist the private placement of such notes. This commitment is given in accordance with the terms and conditions outlined in the attached term sheet and is conditional upon the preparation, execution and delivery of a credit agreement as well as no adverse change in the financial condition of New South prior to the note issue. The definition of Tangible Net Worth will be the same as defined in the Revolving Credit Agreement dated November 30, 1988.

Unless extended by NCNB, this commitment is conditional upon acceptance on or before August 22, 1989. Please acknowledge acceptance by signing the enclosed copy and returning it to my attention.

Sincerely yours,



Richard M. Levin
Corporate Banking Officer

/ggw

Enclosure

04180

EXHIBIT

Outline of Loan Terms

SEP 26 1989

18

STATE BUDGET & CONTROL BOARD

Borrower: New South, Inc.

Bank: NCNB National Bank of North Carolina

Facility: Standby Letter of Credit

Purpose: To serve as a credit enhancement for the issuance of Tax Exempt Notes

Amount: Up to Ten Million Five Hundred Thousand Dollars (\$10,500,000)

Option One: Rate: 5/8% per annum
Term: Two years, annually extendable for one additional year

Security: First mortgage on the Camden and Conway sawmills and a first lien on all equipment and personal property on the two sites.

Affirmative Covenants: The Borrower will undertake usual affirmative covenants in the Credit Agreement, including to provide quarterly unaudited and annual audited consolidated financial statements, notices of litigation, default and potential default, and other information, to comply with laws, to permit inspection of its properties, books and records and to comply with ERISA.

Principal Financial Covenants:

1. **Current Ratio:** Current asset divided by current liabilities at least 1.65 to 1.0.
2. **Debt to Worth:** The remainder of total liabilities minus deferred income taxes, divided by tangible net worth not to exceed 1.6 to 1.0.
3. Tangible Net Worth Floor of \$17.5MM plus a step up provision equal to 50% of net income.
4. Limitation on additional indebtedness.
5. Limitation on advances to insiders, subsidiaries and affiliates.
6. Prevention of changes in ownership, control or key management.

Expenses: The borrower shall pay all expenses incurred in connection with this financing, including fees and expenses of Bond Counsel, the issuer's counsel and outside counsel for NCNB.

Miscellaneous: The terms and conditions of the proposal are not limited to the terms and conditions set forth above. Those matters which are not covered by or made clear

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under the above provisions are subject to the mutual agreement of the parties.

The Commitment is conditioned upon the preparation, execution, and delivery of Credit Agreements and related documentation in form and substance satisfactory to NCNB and the Borrower and to counsel for NCNB and the Borrower incorporating the terms and conditions outlined or referred to above.

The Credit Agreement and the commitment will be governed by the laws of the State of North Carolina.

Closing:

To be held in a mutually convenient location as soon as practical.

NEW SOUTH, INC.

Accepted By: *D. Wayne Hill*
Borrower

D. WAYNE HILL, VICE PRESIDENT
Name/Title/Date
July 25, 1989

EXHIBIT

SEP 26 1989

18

STATE BUDGET & CONTROL BOARD

04182

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

S&T Management Corporation

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, Carroll A. Campbell, Jr., Governor and
Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable James M. Waddell, Jr., Chairman of the
Senate Finance Committee; and

The Honorable Robert N. McLellan, 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, September 26, 1989, was given to all members in writing at least four days prior to the meeting and that, in compliance with the Freedom of Information Act, public notice of and the agenda index 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, in the lobby of the Wade Hampton Office Building, and near the Board Secretary's Office on the Sixth Floor of the Wade Hampton Office Building at 4:30 p.m. on Thursday, September 21, 1989.

That all members of the Board were present at the meeting.

That, at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Patterson, who moved its adoption; the motion was seconded by Mr. McLellan, 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 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.

October 30, 1989

04183

OCT 27 1989

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
FACSIMILE: 803-253-6283

October 24, 1989

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
612 Wade Hampton Office Building
Post Office Box 12444
Columbia, South Carolina 29211

RE: \$230,000 Industrial Revenue Note
Darlington County
(S & T Management Corporation)

Dear Mr. McInnis:

Regarding the above-referenced obligation, we have reviewed the Petition and other documents forwarded to this Office by the State Budget and Control Board. These represent a portion of the documents that have been submitted to the Board for its approval pursuant to Section 4-29-140, et seq., Code of Laws of South Carolina, 1976, as amended. The documents, with two exceptions, appear to comply with the requirements of the referenced Code sections that certain specific information be addressed in these documents.

Section 4-29-140 (b) requires a reasonable estimate of the cost of the project. This information would be found in the findings that the governing body must make pursuant to Section 4-29-60, regarding not only the amount of bonds necessary to finance the project, but the amount necessary each year to pay the principal of and interest on the bonds proposed to be issued to finance the project be stated. The Petition at paragraph 6(b) states that the Lease Agreement will obligate the Borrower

[t]o pay the amounts necessary to provide the payments of principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in the Note Ordinance.

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Mr. William A. McInnis
October 24, 1989
Page Two

The specific amount; however, is not stated. It should be noted, therefore, that this specific information noted above and required by the code is not included in the information submitted to this Office. Additionally, Section 4-29-60 requires the financing agreement to obligate the borrower to complete the project if the proceeds of the bonds are insufficient. The language in the Petition at 6(a) concerning this requirement appears to so obligate the borrower but it is not absolutely clear. I have been advised by bond counsel; however, that the language in the Petition was clearly meant to reflect the statutory obligation to complete the project if the funds are insufficient and that the lease, which I do not have a copy of at this time, does clearly so obligate the borrower.

This opinion addresses only the fact that the documents, other than the exceptions noted above, appear to meet the conditions imposed by State law that certain specific matters be included in the documentation. No opinion is expressed as to any other matters, including whether the Petition should be approved as a matter of policy.

Office of the Attorney General

By:



TGA:bvc

04185

EXHIBIT

SEP 26 1989

19

A RESOLUTION

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Darlington County Council (the "County Council") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Council pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the acquisition and installation of a building (the "Project") to constitute a facility for the manufacture of metal office furniture to be leased from Darlington County, South Carolina (the "County") by S&T Management Corporation (the "Company") and operated by Jatel Steel Products, Inc., by the issuance and delivery of a not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) (the "Note") pursuant to the Act, to an ordinance (the "Note Ordinance") to be adopted by the County Council and to a Lease Agreement between the County and the Company (the "Lease"); and

WHEREAS, the Company will agree in the Lease to pay to the County amounts sufficient to provide for the payment of the Note; and

WHEREAS, in order to finance the acquisition and installation of the Project, the County Council proposes to provide for the issuance and delivery of the Note pursuant to the Act, the Note Ordinance and the Lease, payable by the County from the amounts derived from the Lease and secured by a mortgage on the Project (the "Mortgage") and the guaranty of the Company and such other parties as the purchaser of the Note shall request (the "Guaranty");

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Council has filed a proper petition with the State Board establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Lease, the Mortgage, the Guaranty, the Note Ordinance and the Note and a brief description of the Project;

(c) That the project is expected to provide employment for approximately sixty-five (65) persons and, therefore, is expected to have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County; and

(d) That the Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such purposes.

04186

2. On the basis of the foregoing findings, the proposed undertaking of the County Council to finance the cost of the acquisition and installation of the Project through the issuance of a not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) pursuant to the Note Ordinance to be payable from the revenues to be derived by the County from the Lease and to be secured by the Mortgage and the Guaranty, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same is hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as Exhibit A to this Resolution.

EXHIBIT

SEP 26 1989

19

STATE BUDGET & CONTROL BOARD

NOTICE PURSUANT TO TITLE 9, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Darlington County Council (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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the acquisition and installation of a building (the "Project") to constitute a facility for the manufacture of metal office furniture (the "Project") to be leased from the County to S&T Management Corporation (the "Company") and operated by Jatel Steel Products, Inc., and to be located in Darlington County, South Carolina (the "County").

To finance the acquisition, construction and installation of the Project, the County will issue its not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) (the "Note") pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Note will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Lease Agreement (the "Lease Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Note, and the Note will be secured by a mortgage on the Project and the guaranty of the Company and such other parties as the purchaser of the Note shall request. The Note will be issued pursuant to the Act, to an ordinance (the "Note Ordinance") to be adopted by the County Council.

The Project will provide employment for approximately sixty-five (65) persons.

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 the County Council by action de novo instituted in the Court of Common Pleas for Darlington County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis, Secretary

Dated: September 26, 1989

EXHIBIT

A - 1

SEP 26 1989

19

STATE BUDGET & CONTROL BOARD

04188

A RESOLUTION

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Darlington County Council (the "County Council") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Council pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the acquisition and installation of a building (the "Project") to constitute a facility for the manufacture of metal office furniture to be leased from Darlington County, South Carolina (the "County") by S&T Management Corporation (the "Company") and operated by Jatel Steel Products, Inc., by the issuance and delivery of a not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) (the "Note") pursuant to the Act, to an ordinance (the "Note Ordinance") to be adopted by the County Council and to a Lease Agreement between the County and the Company (the "Lease"); and

WHEREAS, the Company will agree in the Lease to pay to the County amounts sufficient to provide for the payment of the Note; and

WHEREAS, in order to finance the acquisition and installation of the Project, the County Council proposes to provide for the issuance and delivery of the Note pursuant to the Act, the Note Ordinance and the Lease, payable by the County from the amounts derived from the Lease and secured by a mortgage on the Project (the "Mortgage") and the guaranty of the Company and such other parties as the purchaser of the Note shall request (the "Guaranty");

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Council has filed a proper petition with the State Board establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Lease, the Mortgage, the Guaranty, the Note Ordinance and the Note and a brief description of the Project;

(c) That the project is expected to provide employment for approximately sixty-five (65) persons and, therefore, is expected to have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County; and

(d) That the Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Council to finance the cost of the acquisition and installation of the Project through the issuance of a not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) pursuant to the Note Ordinance to be payable from the revenues to be derived by the County from the Lease and to be secured by the Mortgage and the Guaranty, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same is hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as Exhibit A to this Resolution.

NOTICE PURSUANT TO TITLE 9, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Darlington County Council (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 (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the acquisition and installation of a building (the "Project") to constitute a facility for the manufacture of metal office furniture (the "Project") to be leased from the County to S&T Management Corporation (the "Company") and operated by Jatel Steel Products, Inc., and to be located in Darlington County, South Carolina (the "County").

To finance the acquisition, construction and installation of the Project, the County will issue its not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) (the "Note") pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Note will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Lease Agreement (the "Lease Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Note, and the Note will be secured by a mortgage on the Project and the guaranty of the Company and such other parties as the purchaser of the Note shall request. The Note will be issued pursuant to the Act, to an ordinance (the "Note Ordinance") to be adopted by the County Council.

The Project will provide employment for approximately sixty-five (65) persons.

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 the County Council by action de novo instituted in the Court of Common Pleas for Darlington County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis, Secretary

Dated: September 26, 1989

A RESOLUTION

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

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WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the acquisition and installation of a building (the "Project") to constitute a facility for the manufacture of metal office furniture to be leased from Darlington County, South Carolina (the "County") by S&T Management Corporation (the "Company") and operated by Jatel Steel Products, Inc., by the issuance and delivery of a not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) (the "Note") pursuant to the Act, to an ordinance (the "Note Ordinance") to be adopted by the County Council and to a Lease Agreement between the County and the Company (the "Lease"); and

WHEREAS, the Company will agree in the Lease to pay to the County amounts sufficient to provide for the payment of the Note; and

WHEREAS, in order to finance the acquisition and installation of the Project, the County Council proposes to provide for the issuance and delivery of the Note pursuant to the Act, the Note Ordinance and the Lease, payable by the County from the amounts derived from the Lease and secured by a mortgage on the Project (the "Mortgage") and the guaranty of the Company and such other parties as the purchaser of the Note shall request (the "Guaranty");

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Council has filed a proper petition with the State Board establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Lease, the Mortgage, the Guaranty, the Note Ordinance and the Note and a brief description of the Project;

(c) That the project is expected to provide employment for approximately sixty-five (65) persons and, therefore, is expected to have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County; and

(d) That the Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Council to finance the cost of the acquisition and installation of the Project through the issuance of a not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) pursuant to the Note Ordinance to be payable from the revenues to be derived by the County from the Lease and to be secured by the Mortgage and the Guaranty, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same is hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in a newspaper having general circulation in the County.

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THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis, Secretary

Dated: September 26, 1989

A RESOLUTION

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Darlington County Council (the "County Council") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Council pursuant to the Act; and

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WHEREAS, the Company will agree in the Lease to pay to the County amounts sufficient to provide for the payment of the Note; and

WHEREAS, in order to finance the acquisition and installation of the Project, the County Council proposes to provide for the issuance and delivery of the Note pursuant to the Act, the Note Ordinance and the Lease, payable by the County from the amounts derived from the Lease and secured by a mortgage on the Project (the "Mortgage") and the guaranty of the Company and such other parties as the purchaser of the Note shall request (the "Guaranty");

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Council has filed a proper petition with the State Board establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Lease, the Mortgage, the Guaranty, the Note Ordinance and the Note and a brief description of the Project;

(c) That the project is expected to provide employment for approximately sixty-five (65) persons and, therefore, is expected to have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County; and

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2. On the basis of the foregoing findings, the proposed undertaking of the County Council to finance the cost of the acquisition and installation of the Project through the issuance of a not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) pursuant to the Note Ordinance to be payable from the revenues to be derived by the County from the Lease and to be secured by the Mortgage and the Guaranty, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same is hereby approved.

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THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis, Secretary

Dated: September 26, 1989

A RESOLUTION

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Darlington County Council (the "County Council") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, 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 by the County Council pursuant to the Act; and

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WHEREAS, the Company will agree in the Lease to pay to the County amounts sufficient to provide for the payment of the Note; and

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NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Council has filed a proper petition with the State Board establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Lease, the Mortgage, the Guaranty, the Note Ordinance and the Note and a brief description of the Project;

(c) That the project is expected to provide employment for approximately sixty-five (65) persons and, therefore, is expected to have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County; and

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2. On the basis of the foregoing findings, the proposed undertaking of the County Council to finance the cost of the acquisition and installation of the Project through the issuance of a not exceeding \$230,000 Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) pursuant to the Note Ordinance to be payable from the revenues to be derived by the County from the Lease and to be secured by the Mortgage and the Guaranty, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same is hereby approved.

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The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Note, and the Note will be secured by a mortgage on the Project and the guaranty of the Company and such other parties as the purchaser of the Note shall request. The Note will be issued pursuant to the Act, to an ordinance (the "Note Ordinance") to be adopted by the County Council.

The Project will provide employment for approximately sixty-five (65) persons.

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THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis, Secretary

Dated: September 26, 1989

SEP 25 1989

SINKLER & BOYD
PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW

THE PALMETTO CENTER
1426 MAIN STREET, SUITE 1200
COLUMBIA, SOUTH CAROLINA 29201
TELEPHONE (803) 779-3080
CABLE ADDRESS: PALMETTO
TELECOPIER (803) 765-1243

REPLY TO:
COLUMBIA OFFICE
POST OFFICE BOX 11889
COLUMBIA, S.C. 29211

CHARLESTON OFFICE:
160 EAST BAY STREET
POST OFFICE BOX 340
CHARLESTON, S.C. 29402
TELEPHONE AND TELECOPIER
(803) 722-3366

September 25, 1989
Via Hand Delivery

EXHIBIT

SEP 26 1989

19

STATE BUDGET & CONTROL BOARD

William A. McInnis
Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201

Re: \$230,000 Darlington County, South Carolina, Industrial Revenue Note (S&T
Management Corporation Project) Series 1989

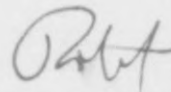
Dear Bill:

I enclose the following remaining items in connection with the Board's consideration tomorrow of the above-referenced matter:

1. Executed original and two copies of Petition (Item A of Transmittal Form);
2. Executed copy of Resolution/Preliminary Approval (Items B and C of Transmittal Form); and
3. Check of Darlington County, No. 3690, in the amount of \$2,000 (Item G of Transmittal Form).

Please let me know if any other information is required. Thank you for your consideration of this matter.

Very truly yours,



Robert S. Galloway, III

RSG/pjh

04201

EXHIBIT

SEP 26 1989

19

STATE OF SOUTH CAROLINA

COUNTY OF DARLINGTON

TO THE STATE BUDGET AND CONTROL
BOARD OF SOUTH CAROLINA:

STATE BUDGET & CONTROL BOARD

PETITION

This Petition of the Darlington County Council (the "County Council") respectfully shows:

1. The County Council is the governing body of Darlington County, South Carolina (the "County"), as established by law, and, as such, is the County Board referred to in Title 4, Chapter 29, Code of Laws of South Carolina, 1976, as amended (the "Act").

2. The Act authorizes and empowers the County Council, if it shall comply with the provisions set forth in the Act, to acquire land, buildings, equipment, machinery and other improvements deemed necessary, suitable and useful by any industrial enterprise; to lease the same; to finance the acquisition, construction and equipping of the same through the issuance of bonds payable from and secured by a pledge of the revenues to be derived from the leasing of such land, buildings, equipment and machinery and other improvements.

3. The County Council has agreed with S&T Management Corporation (the "Lessee") that the County Council will undertake to finance the construction of a building constituting facilities for the manufacture of metal office furniture in the County, through the issuance of an Industrial Revenue Note pursuant to the Act. The Project will be operated by Jatel Steel Products, Inc. ("Jatel"). Such facilities are hereinafter referred to as the Project.

4. The County Council is advised that the cost of the Project will be approximately Four Hundred Five Thousand Dollars (\$405,000). The County has been awarded a Community Development Block Grant in the amount of \$175,000 towards the cost thereof. In order to finance the remaining cost of construction of the Project, it will be necessary and the County has agreed to issue a Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) in the principal amount of \$230,000 (the "Note").

5. When completed, the Project will employ approximately 65 persons and it is believed that the Project will have a beneficial effect upon the economy of the County.

6. For the reasons above set forth and hereinafter disclosed the County Council has found:

(a) The project will subserve the purposes of the Act.

(b) By reason of undertaking the Project no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing power.

(c) The proposed Lease Agreement between the County and the Lessee will unconditionally obligate the Lessee to pay rent in an amount adequate to provide for the principal and interest payments on the Note.

(d) The Note will be dated and will mature and bear interest in amounts and at rates set forth in the Note Ordinance to be adopted by County Council.

(e) The terms of the Lease Agreement will require the Lessee to carry proper insurance and to pay all costs of maintaining the Project in good repair.

7. The proposed Lease Agreement will provide, among other things, the following:

(a) To finance the cost of construction of the Project, the County will issue its Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) in the principal amount of \$230,000. The Note will be secured by a pledge of the rents to be paid by the Lessee and will be further secured by a first Mortgage on the Project as authorized by the Act.

(b) The proceeds derived from the sale of the Note will be paid over to Darlington County Bank, as Mortgagee, and, used to pay the costs incident to the construction of the project, and the issuance of the Note.

(c) The Lease Agreement will contain a specific provision by which the Lessee will unconditionally agree to make payments to the County, to any School District in the County, and to all other political units in which the Project is situated, in lieu of taxes, in such amounts as would result from taxes levied on the Project by the County, by any such School District, and by said political units if the Project were owned by the Lessee, but with appropriate reductions similar to the tax reductions, if any, which would be afforded the Lessee were it the owner of the Project.

(d) The Lease Agreement contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing power.

8. The payment of the Note will be unconditionally guaranteed pursuant to a Guaranty Agreement by the Mortgagee, Jatel and Theodore Mestel.

9. The Note Ordinance will make provision for the issuance of the Note in the principal amount of Two Hundred Thirty Thousand Dollars (\$230,000). It will provide for the payment and redemption of the Note and the establishment of funds necessary therefor. It will impose upon the Lessee the obligation to pay, in addition to the moneys required for the payment of the principal and interest of the Note, all other costs and expenses of the Project.

10. The proposed Lease Agreement, Mortgage, Note Ordinance and Guaranty Agreement will be in the forms heretofore used in the issuance of Industrial Revenue Bonds secured by financing lease arrangements pursuant to the Act.

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 make its independent investigation of the Project, and finding that the proposed Project will promote the purposes of the Act and that it is reasonably anticipated to affect such result, and on the basis of such finding, that it does approve the Project, and give published notice of its approval in the manner set forth in the Act.

September 18, 1989

Respectfully Submitted,

DARLINGTON COUNTY, SOUTH CAROLINA

(SEAL)

By: Bobbie S. Gauder
Chairman, Darlington County Council

Attest:

Janet Blair
Clerk, Darlington County Council

EXHIBIT

SEP 26 1989

19

STATE BUDGET & CONTROL BOARD

A RESOLUTION 170

APPROVING THE FINANCING OF CONSTRUCTION OF A BUILDING TO CONSTITUTE INDUSTRIAL FACILITIES WITHIN DARLINGTON COUNTY, SOUTH CAROLINA TO BE LEASED TO S&T MANAGEMENT CORPORATION THROUGH THE ISSUANCE AND DELIVERY OF A DARLINGTON COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE NOTE, SERIES 1989 (S&T MANAGEMENT CORPORATION PROJECT) (THE "NOTE") IN AN AMOUNT NOT EXCEEDING \$230,000; AUTHORIZING A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR ITS APPROVAL OF SUCH UNDERTAKING PURSUANT TO TITLE 4, CHAPTER 29, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE COUNTY COUNCIL OF DARLINGTON COUNTY, SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

EXHIBIT

ARTICLE I

SEP 26 1989

19

FINDINGS OF FACT

STATE BUDGET & CONTROL BOARD

Section 1.01

Incident to the adoption of this resolution, the County Council of Darlington County, South Carolina (the "County Council"), the governing body of Darlington County, South Carolina (the "County"), has made the following findings:

1. S&T Management Corporation (the "Borrower"), has proposed that the County assist in financing the construction of a building to constitute a facility for the manufacture of metal office furniture within the County (the "Project") through the issuance and delivery of an Industrial Revenue Note pursuant to the authorization of Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act"). The Project will be operated by Jatel Steel Products, Inc. ("Jatel").
2. The County has been advised that the total cost of the Project will be approximately \$405,000. In this connection, County Council has determined that the proposed industrial project would be aided by the assistance which the County might render through the issuance and delivery of an Industrial Revenue Note in the principal amount of not exceeding \$230,000 (the "Note") pursuant to the Act, a proposed ordinance (the "Note Ordinance") to be adopted by County Council. In addition, the County has secured a \$175,000 Community Development Block Grant to defray the remaining anticipated cost of the Project.
3. County Council has agreed to finance the construction of the Project and adopts this Resolution to (a) evidence its approval of the issuance and delivery of the Note as aforesaid and (b) authorize a petition to the State Board setting forth the facts required by the Act.
4. County Council has further determined that the financing of the construction of the Project (the "Undertaking") will subserve the purposes of the Act and that neither the Undertaking nor the Note will give rise to any pecuniary liability of the County or a charge against its general credit or taxing powers.

04205

5. When completed and at full operation, the Project is expected to provide employment for approximately 65 persons. It is therefore believed that the Undertaking will have a beneficial effect upon the economy of the County and areas adjacent thereto by providing employment not otherwise provided in the County.

6. The Borrower and the County will enter into a Lease Agreement (the "Lease Agreement") pursuant to which the County will use the proceeds of the Note to finance construction of the project and will lease the Project to the Borrower. The Borrower will unconditionally agree under the Lease Agreement:

(a) to complete the construction of the Project and to pay such costs thereof as are in excess of the proceeds of the Note,

(b) to pay the amounts necessary to provide the payments of principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in the Note Ordinance,

(c) to maintain the Project in good repair, and

(d) to carry all proper insurance with respect to the Project.

7. The Borrower has advised the County that the Note will be purchased by Darlington County Bank (the "Purchaser"). The Purchaser will be secured by a first mortgage on the Project, an assignment of the Lease Agreement and a guaranty by the Borrower, Jatel and Theodore Mestel.

8. In view of the credit of the Borrower and the successful arrangements to effect the issuance and delivery of the Note without the establishment of a reserve fund for the payment of the principal of and interest on the Note, no such reserve fund will be established.

9. This Resolution shall serve as an "Inducement Resolution" or comparable approval as may be required for review by the State Budget and Control Board of South Carolina (the "State Board").

ARTICLE II

SUBMISSION OF PETITION

Section 2.01

The Petition in form substantially as attached hereto as Exhibit A shall be presented to the State Board to seek the approval required by the Act; said Petition shall be duly executed by the Chairman of County Council and the same shall be attested by the Clerk of County Council.

WITNESS our hands and seal of the County this 18th day of September, 1989.

DARLINGTON COUNTY, SOUTH CAROLINA

(SEAL)

By: Bobbie S. Gardner
Chairman, Darlington County Council

Attest:

J. Janet Blair
Clerk, Darlington County Council

EXHIBIT

SEP 26 1989

19

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

COUNTY OF DARLINGTON

TO THE STATE BUDGET AND CONTROL
BOARD OF SOUTH CAROLINA:

EXHIBIT

SEP 26 1989

19

STATE BUDGET & CONTROL BOARD

PETITION

This Petition of the Darlington County Council (the "County Council") respectfully shows:

1. The County Council is the governing body of Darlington County, South Carolina (the "County"), as established by law, and, as such, is the County Board referred to in Title 4, Chapter 29, Code of Laws of South Carolina, 1976, as amended (the "Act").

2. The Act authorizes and empowers the County Council, if it shall comply with the provisions set forth in the Act, to acquire land, buildings, equipment, machinery and other improvements deemed necessary, suitable and useful by any industrial enterprise; to lease the same; to finance the acquisition, construction and equipping of the same through the issuance of bonds payable from and secured by a pledge of the revenues to be derived from the leasing of such land, buildings, equipment and machinery and other improvements.

3. The County Council has agreed with S&T Management Corporation (the "Lessee") that the County Council will undertake to finance the construction of a building constituting facilities for the manufacture of metal office furniture in the County, through the issuance of an Industrial Revenue Note pursuant to the Act. The Project will be operated by Jatel Steel Products, Inc. ("Jatel"). Such facilities are hereinafter referred to as the Project.

4. The County Council is advised that the cost of the Project will be approximately Four Hundred Five Thousand Dollars (\$405,000). The County has been awarded a Community Development Block Grant in the amount of \$175,000 towards the cost thereof. In order to finance the remaining cost of construction of the Project, it will be necessary and the County has agreed to issue a Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) in the principal amount of \$230,000 (the "Note").

5. When completed, the Project will employ approximately 65 persons and it is believed that the Project will have a beneficial effect upon the economy of the County.

6. For the reasons above set forth and hereinafter disclosed the County Council has found:

(a) The project will subserve the purposes of the Act.

(b) By reason of undertaking the Project no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing power.

(c) The proposed Lease Agreement between the County and the Lessee will unconditionally obligate the Lessee to pay rent in an amount adequate to provide for the principal and interest payments on the Note.

(d) The Note will be dated and will mature and bear interest in amounts and at rates set forth in the Note Ordinance to be adopted by County Council.

(e) The terms of the Lease Agreement will require the Lessee to carry proper insurance and to pay all costs of maintaining the Project in good repair.

7. The proposed Lease Agreement will provide, among other things, the following:

(a) To finance the cost of construction of the Project, the County will issue its Darlington County, South Carolina, Industrial Revenue Note, Series 1989 (S&T Management Corporation Project) in the principal amount of \$230,000. The Note will be secured by a pledge of the rents to be paid by the Lessee and will be further secured by a first Mortgage on the Project as authorized by the Act.

(b) The proceeds derived from the sale of the Note will be paid over to Darlington County Bank, as Mortgagee, and, used to pay the costs incident to the construction of the project, and the issuance of the Note.

(c) The Lease Agreement will contain a specific provision by which the Lessee will unconditionally agree to make payments to the County, to any School District in the County, and to all other political units in which the Project is situated, in lieu of taxes, in such amounts as would result from taxes levied on the Project by the County, by any such School District, and by said political units if the Project were owned by the Lessee, but with appropriate reductions similar to the tax reductions, if any, which would be afforded the Lessee were it the owner of the Project.

(d) The Lease Agreement contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing power.

8. The payment of the Note will be unconditionally guaranteed pursuant to a Guaranty Agreement by the Mortgagee, Jatel and Theodore Mestel.

9. The Note Ordinance will make provision for the issuance of the Note in the principal amount of Two Hundred Thirty Thousand Dollars (\$230,000). It will provide for the payment and redemption of the Note and the establishment of funds necessary therefor. It will impose upon the Lessee the obligation to pay, in addition to the moneys required for the payment of the principal and interest of the Note, all other costs and expenses of the Project.

10. The proposed Lease Agreement, Mortgage, Note Ordinance and Guaranty Agreement will be in the forms heretofore used in the issuance of Industrial Revenue Bonds secured by financing lease arrangements pursuant to the Act.

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 make its independent investigation of the Project, and finding that the proposed Project will promote the purposes of the Act and that it is reasonably anticipated to affect such result, and on the basis of such finding, that it does approve the Project, and give published notice of its approval in the manner set forth in the Act.

September 18, 1989

Respectfully Submitted,

DARLINGTON COUNTY, SOUTH CAROLINA

(SEAL)

By: Bobbie S. Guder
Chairman, Darlington County Council

Attest:

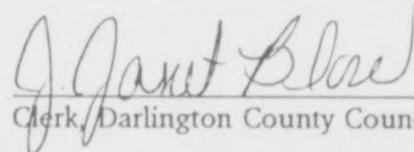
J. Janet Blaw
Clerk, Darlington County Council

STATE OF SOUTH CAROLINA

COUNTY OF DARLINGTON

I, the undersigned, Clerk of the Darlington County Council do hereby certify that the foregoing is a true, correct and verbatim copy of a Resolution duly adopted by the Darlington County Council, by unanimous vote at a duly called meeting of County Council held on September 18, 1989. A copy of such Resolution is on file in the records of County Council, which are in my custody.

Witness my Hand this 18 day of September, 1989.


Clerk, Darlington County Council

EXHIBIT

SEP 26 1989

19

STATE BUDGET & CONTROL BOARD

04211

SEP 20 1989
12:05 P.M.

LF

TRANSMITTAL FORM, REVENUE BONDS

Date: September 20, 1989
Submitted for BCB Meeting on:
September 26, 1989

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:

Sinkler & Boyd, P.A.
Name of Law Firm
Columbia, SC 29201
City, State, Zip Code

1426 Main Street, Suite 1200
Street Address/Box Number
803-779-3080
Telephone Area Code and Number

RE: \$230,000
Amount of Issue
Darlington County
Issuing Authority Name

Industrial Revenue Note
Type of Bonds or Notes
November 1, 1989
Projected Issue Date

Project Name: S&T Management Corporation
Project Description:
Facility for manufacture of metal office furniture. To be operated by
Jatel Steel Products, Inc.

Employment as result of project: 65

CEILING ALLOCATION REQUIRED	REFUNDING INVOLVED	PROJECT APPROVED PREVIOUSLY
<u>Yes (\$)</u> <u>X</u> No Amount	<u>Yes (\$)</u> <u>X</u> No Amount	<u>Yes ()</u> <u>X</u> No Date

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- ✓ 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) *(same as B)
- D. X Standard Form Investment Letter from bonds purchaser (executed original)
(Purchaser: Darlington County Bank)
- 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 (to be submitted by Friday, September 22, 1989)
Amount \$ 2,000 Check No.
Payor Darlington County

EXHIBIT

Bond Counsel: Robert S. Galloway, III
Typed Name

SEP 26 1989 19

By: Robert S. Galloway, III
Signature

STATE BUDGET & CONTROL BOARD

* Presently unsigned. Executed version to be submitted by Friday, September 22, 1989.

04212

SINKLER & BOYD
PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW

THE PALMETTO CENTER
1426 MAIN STREET, SUITE 1200
COLUMBIA, SOUTH CAROLINA 29201
TELEPHONE (803) 779-3080
CABLE ADDRESS: PALMETTO
TELECOPIER (803) 765-1243

REPLY TO:
COLUMBIA OFFICE
POST OFFICE BOX 11889
COLUMBIA, S.C. 29211

CHARLESTON OFFICE:
160 EAST BAY STREET
POST OFFICE BOX 340
CHARLESTON, S.C. 29402
TELEPHONE AND TELECOPIER
(803) 722-3366

September 20, 1989
Via Hand Delivery

EXHIBIT

SEP 26 1989

19

STATE BUDGET & CONTROL BOARD

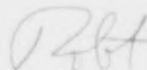
William A. McInnis
Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201

Re: \$230,000 Darlington County, South Carolina, Industrial Revenue Note (S&T
Management Corporation Project) Series 1989

Dear Bill:

I enclose the Transmittal Form for the Board's approval of the above-captioned issue.
Please note that no Ceiling Allocation is required since this will not be a tax-exempt issue.

Very truly yours,



Robert S. Galloway, III

RSG/pjh

04213

EXHIBIT

SEP 26 1989

19

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 Darlington County, South Carolina (the "Issuer")
Of its Industrial Revenue Note (the "Bonds")
On behalf of S&T Management Corporation (the "Company")
Metal Office Furniture Manufacturing Facility (the "Project")
To Darlington County 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 19th day
of September 1989.

Betty J. Blackmore
Notary Public

My Commission expires

5-10-99

PURCHASER:

04214

Name: DARLINGTON COUNTY BANK

Address: P.O. Box 502

Darlington, SC 29532

BY: H.M. Felt E.V.P.
Signature of Authorized Official

EXHIBIT

SEP 26 1989

20

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

STATE BUDGET & CONTROL BOARD
Charter Hospital of St. Louis, Inc.

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, Carroll A. Campbell, Jr., Governor and
Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable James M. Waddell, Jr., Chairman of the
Senate Finance Committee; and

The Honorable Robert N. McLellan, 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, September 26, 1989, was given to all members in writing at least four days prior to the meeting and that, in compliance with the Freedom of Information Act, public notice of and the agenda index 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, in the lobby of the Wade Hampton Office Building, and near the Board Secretary's Office on the Sixth Floor of the Wade Hampton Office Building at 4:30 p.m. on Thursday, September 21, 1989.

That all members of the Board were present at the meeting.

That, at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Patterson, who moved its adoption; the motion was seconded by Mr. McLellan, 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 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 13, 1989

William A. McInnis

04215

A RESOLUTION APPROVING THE ISSUANCE BY GREENVILLE COUNTY, SOUTH CAROLINA, OF NOT EXCEEDING \$5,750,000 PRINCIPAL AMOUNT ADJUSTABLE RATE HOSPITAL REFUNDING REVENUE BONDS (CHARTER HOSPITAL OF ST. LOUIS, INC. PROJECT) SERIES 1989, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 44, CHAPTER 7, ARTICLE 11 (1976), AS AMENDED.

WHEREAS, the County Council of Greenville County, South Carolina (the "Governing Board"), has heretofore, by submitting a petition (the "Petition") under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina (1976), as amended (the "Act"), requested the approval by the State Budget and Control Board of the issuance by Greenville County (the "County") pursuant to the Act of its Adjustable Rate Hospital Refunding Revenue Bonds (Charter Hospital of St. Louis, Inc. Project) in the aggregate principal amount of not exceeding \$5,750,000 (the "Bonds"); and

WHEREAS, the County proposes to issue the Bonds for the purpose of defraying the cost of refinancing hospital facilities (the "Project") of Charter Hospital of St. Louis, Inc. (the "Institution") heretofore financed with the proceeds of the \$5,750,000 Greenville County, South Carolina, Hospital Revenue Bonds (Brierwood Hospital, Inc.), Series 1984 (the "Prior Bonds"); and

WHEREAS, the Project has been made available to the Institution upon terms which require the Institution to make payments to or for the account of the County in amounts sufficient to pay the principal and interest on the Bonds; and

WHEREAS, the Bonds will be payable from and secured by an assignment of the obligations of the Institution and a Letter of Credit from the Sumitomo Bank, Limited Atlanta Agency; and

WHEREAS, the County has submitted a copy of a resolution and petition adopted by the County on September 19, 1989;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. The Board has made an independent investigation of the matters set forth in the Petition, and on the basis of such investigation it is hereby found, determined and declared:

(a) The facts set forth in the Petition, and in the preamble hereto, are in all respects true and correct;

(b) The Petition filed by the Governing Board 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 44-7-1590 of the Act;

(c) The Project subject of the Petition of the Governing Board is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and

(d) The proposed refinancing is economically feasible.

Section 2. In consequence of the foregoing, the proposal of the County to refinance the Project, to continue to make the Project available to the Institution to finance the cost thereof and expenses incidental thereto by the execution and delivery of the Bonds, in substantially the form set forth in the Trust Indenture, secured by an assignment of the revenues to be derived from the Loan Agreement between the Institution and the County, be and the same is hereby in all respects approved. This approval shall not be affected by any changes in the details of the proposal of the County so long as such changes do not impose a pecuniary liability upon the County or its general credit or taxing power, are approved by the County Council and the Institution, and do not make inaccurate, except as to dates and amounts, the summaries of the Loan Agreement and the Trust Indenture and the description of the refinancing of the Project.

Section 3. Notice of the action taken by this Board in approving the above described undertaking of the County shall be published in The Greenville News, which is a newspaper having general circulation in Greenville County.

Section 4. The Notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit "B" of this Resolution.

Section 5. Approval of this undertaking is granted on the condition that a copy of Internal Revenue Service (IRS) Form 8038 relating to any bonds issued pursuant to this approval be filed with the Board's secretary prior to issuance of the bonds in accordance with the rules of the Board.

Section 6. This Resolution shall take effect immediately.

EXHIBIT

SEP 26 1989

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04217

STATE BUDGET & CONTROL BOARD

EXHIBIT A
DESCRIPTION OF PROJECT

Use of Proceeds:

All of the proceeds of the Bonds will be used to refund
Greenville County's outstanding Prior Bonds.

EXHIBIT

SEP 26 1989 20

STATE BUDGET & CONTROL BOARD

04218

EXHIBIT B

NOTICE PURSUANT TO THE PROVISIONS
OF SOUTH CAROLINA CODE ANNOTATED,
TITLE 44, CHAPTER 7, ARTICLE 11 (1976),
AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Section 44-7-1590 of South Carolina Code Annotated, Title 44, Chapter 7, Article 11 (1976), as amended (the "Act"), that the State Budget and Control Board of South Carolina, pursuant to a Petition filed by the County Council of Greenville County, South Carolina, has given its approval to the following undertaking by Greenville County, South Carolina:

The issuance by Greenville County for Charter Hospital of St. Louis, Inc. of its Greenville County, South Carolina Hospital Refunding Revenue Bonds (Charter Hospital of St. Louis, Inc. Project) in the original principal amount of not exceeding \$5,750,000 (the "Bonds"), to defray the costs of refinancing certain hospital facilities (the "Project"), heretofore financed with the proceeds of \$5,750,000 Greenville County, South Carolina Hospital Revenue Bonds (Brierwood Hospital Project) Series 1984 located in Greenville County. The Project is being made available to Charter Hospital of St. Louis, Inc. which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Bonds. The Bonds will be payable solely and exclusively out of payments to be made by Charter Hospital of St. Louis, Inc. for the use of the Project, and is to be additionally secured by a Letter of Credit of the Sumitomo Bank, Limited Atlanta Agency. No certificate of need is required with respect to the refinancing of the Project.

Notice is further given that any interested party may, within twenty (20) days after the date of the publication of this notice, but not afterwards, challenge the validity of the State Budget and Control Board's approval of the Project and the issuance of the Bonds by Greenville County to finance the same or any action taken by the South Carolina Department of Health and Environmental Control with respect to the Project or refinancing thereto, by action de novo instituted in the Circuit Court for Greenville County, South Carolina.

STATE BUDGET AND CONTROL BOARD

BY: WILLIAM A. McINNIS, Secretary

Dated: September 26, 1989.

EXHIBIT

SEP 26 1989

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04219

STATE BUDGET & CONTROL BOARD

NOV - 7 1989

The State of South Carolina



Office of the Attorney General

EXHIBIT

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE: 803-734-3680
FACSIMILE: 803-253-6283

SEP 26 1989

20

STATE BUDGET & CONTROL BOARD

November 6, 1989

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

RE: \$5,750,000 Hospital Refunding Revenue Bonds
Greenville County, South Carolina
Charter Hospital of St. Louis, Inc.

Dear Mr. McInnis:

Regarding the above-referenced obligation, we have reviewed the Petition and other documents forwarded to us by the State Budget and Control Board. These represent a portion of the documents that have been submitted to the Board for its approval pursuant to Section 44-7-1410, et seq., Code of Laws of South Carolina, 1976 and as amended. The documents with one exception appear to comply with the requirements of the referenced Code sections that certain specific information be addressed in these documents. The information I was forwarded by you does not address specifically that these refunding bonds shall comply with the provisions of Section 44-7-1560. However, bond counsel has forwarded to me a proposed amendment to the Trust Indenture which will assert that this Section is complied with, a copy of this proposal is attached.

This opinion addresses only the fact that the documents, other than the exception noted above, appear to meet the conditions imposed by State law that certain specific matters be included in the documentation. No opinion is expressed as to any other matters, including whether the Petition should be approved as a matter of policy.

04220

Office of the Attorney General

By:

Steve Ashworth

TGA:bvc
Attachment

McNAIR LAW FIRM, P. A.
ATTORNEYS AND COUNSELORS AT LAW

COLUMBIA OFFICE
NCNB TOWER
1301 GERVAIS STREET
POST OFFICE BOX 11390
COLUMBIA, S.C. 29211
803-799-9800

CHARLESTON OFFICE
140 EAST BAY STREET
POST OFFICE BOX 1431
CHARLESTON, S.C. 29402
803-723-7831

GEORGETOWN OFFICE
1112 HIGHMARKET STREET
POST OFFICE DRAWER 459
GEORGETOWN, S.C. 29442
803-546-6131

SUITE 1201
NCNB PLAZA
7 NORTH LAURENS STREET
GREENVILLE, SOUTH CAROLINA 29601
803-271-4940
TELECOPIER 803-271-4015

GEORGETOWN OFFICE
121 SCREVEN STREET
POST OFFICE DRAWER 418
GEORGETOWN, S.C. 29442
803-546-6102

HILTON HEAD ISLAND OFFICE
McNAIR LAW BUILDING
10 POPE AVENUE EXECUTIVE PARK
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

October 30, 1989

Treva G. Ashworth, Esquire
Attorney General's Office
Post Office Box 11549
Columbia, South Carolina 29211

Re: \$5,750,000 Greenville County, South Carolina,
Adjustable Rate Hospital Refunding Revenue
Bonds (Charter Hospital of St. Louis, Inc.
Project), Series 1989

Dear Treva:

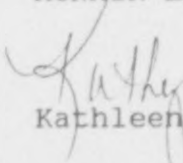
I have annotated the petition of Greenville County to show compliance with Sections 44-7-1480 and 44-7-1590. I have also instructed counsel for Charter Hospital of St. Louis, Inc. to amend the Trust Indenture to all the following sentence to Section 2.01:

The Bonds are being issued in conformity with the Act, particularly Section 44-7-1560.

Please let me know if you have any further questions.

Sincerely,

McNAIR LAW FIRM, P.A.


Kathleen Crum McKinney

KCM/pkf
Enclosure

EXHIBIT

SEP 26 1989

20

STATE BUDGET & CONTROL BOARD

04221

OCT 12 1989

THE SUMITOMO BANK, LIMITED

ATLANTA AGENCY

GEORGIA - PACIFIC CENTER

SUITE 3210

133 PEACHTREE STREET

ATLANTA, GA. 30303

(404) 526-8500

APPROVED

EDGAR A. VAUGHN, JR., State Auditor

Date

10-10-89



TELEX 880490 SUMITBANK ATL
TELEFAX 404 521 1187
CABLE SUMITBANK ATLANTA

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 Adjustable Rate Industrial Development Refunding Revenue Bonds
Series 1989 (the "Bonds")
On behalf of Charter Hospital of St. Louis, Inc. (the "Company")
Brierwood Hospital Project (the "Project")
Credit Enhancement Provided by Sumitomo Bank, Ltd.,
Atlanta Agency (the "Bank")

The Bank has agreed to issue a non-revocable Letter of Credit in favor of a Trustee to be named with respect to the issuance of the bonds on behalf of the Company. In connection with the referenced sale of Bonds by the Issuer, the Bank makes the following representations and certifications:

1. The Bank 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 Bonds;
2. The Bank is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;
3. The Bank is familiar with the business affairs of the Company and has obtained 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 credit enhancement with respect to the Bonds;
4. The Bank 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

SWORN to and subscribed
before me this 19 day

of September 19 89

Notary Public

My Commission expires

March 19, 1991

Bank: The Sumitomo Bank, Ltd., Atlanta Agency

Auth. Official Masao Harada

Title: General Manager

Address: 133 Peachtree Street, N.E., Suite 3210

Atlanta, Georgia 30303

By:

Signature of Authorized Official

Date: September 19, 1989

04222

Ed Vaughn

SEP 20 1989
11:20 A.M.
LF

TRANSMITTAL FORM, REVENUE BONDS

Date: September 20, 1989
Submitted for BCB Meeting on:
September 26, 1989

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:

McNair Law Firm, P.A.
Name of Law Firm
Greenville, South Carolina 29601
City, State, Zip Code

Suite 1201 NCNB Plaza, 7 N. Laurens Street
Street Address/Box Number
(803) 271-4940
Telephone Area Code and Number

RE: \$5,750,000
Amount of Issue
Greenville County, South Carolina
Issuing Authority Name

Hospital Refunding Revenue Bonds
Type of Bonds or Notes
Projected Issue Date

Project Name: Charter Hospital of St. Louis, Inc.

Project Description:

Employment as result of project:

CEILING ALLOCATION REQUIRED
Yes (\$) X No
Amount

REFUNDING INVOLVED
XYes (\$5,750,000) No
Amount

PROJECT APPROVED PREVIOUSLY
X Yes (1984) No
Date
(Brierwood Hospital Project)

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- *A. X Petition (executed original and two copies)
*B. X Resolution or ordinance (executed copy)
C. N/A Inducement Resolution or comparable preliminary approval (executed copy)
D. X Standard Form Credit Enhancement Letter from bonds purchaser (executed original)
(Purchaser: The Sumitomo Bank, Limited Atlanta Agency)
OR Audited financial statements for three most recent years
E. N/A Department of Health and Environmental Control certificate IF REQUIRED
F. X Budget and Control Board Resolution and Public Notice (original)
[Plus 5 copies for certification and return to counsel]
G. X Processing fee

Amount \$ 3,000.00

Check No. 199412

Payer Charter Medical Corporation

RECEIVED
SEP 21 1989
Bond Counsel:

McNair Law Firm, P.A. - Kathleen Crum McKinney, Esquire

Typed Name

By:

Signature

04223

* Executed copies to follow.

SEP 20 1989
11:20 A.M.
KF

TRANSMITTAL FORM, REVENUE BONDS

Date: September 20, 1989
Submitted for BCB Meeting on:
September 26, 1989

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:

McNair Law Firm, P.A.
Name of Law Firm
Greenville, South Carolina 29601
City, State, Zip Code

Suite 1201 NCNB Plaza, 7 N. Laurens Street
Street Address/Box Number
(803) 271-4940
Telephone Area Code and Number

RE: \$5,750,000
Amount of Issue
Greenville County, South Carolina
Issuing Authority Name

Hospital Refunding Revenue Bonds
Type of Bonds or Notes
November 14, 1989
Projected Issue Date

Project Name: Charter Hospital of St. Louis, Inc.
Project Description:

EXHIBIT

SEP 26 1989 20

Employment as result of project:

STATE BUDGET & CONTROL BOARD

CEILING ALLOCATION REQUIRED

Yes (\$) X No
Amount

REFUNDING INVOLVED

X Yes (\$5,750,000) No
Amount

PROJECT APPROVED PREVIOUSLY

X Yes (1984) No
Date

(Brierwood Hospital Project)

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- ✓*A. X Petition (executed original and two copies)
- ✓*B. X Resolution or ordinance (executed copy)
- C. N/A Inducement Resolution or comparable preliminary approval (executed copy)
- D. X Standard Form Credit Enhancement Letter from bonds purchaser (executed original)
(Purchaser: The Sumitomo Bank, Limited Atlanta Agency)
- OR Audited financial statements for three most recent years
- E. N/A Department of Health and Environmental Control certificate IF REQUIRED
- F. X Budget and Control Board Resolution and Public Notice (original)
[Plus 5 copies for certification and return to counsel]
- G. X Processing fee
Amount \$ 3,000.00 Check No. 199412
Payor Charter Medical Corporation

Bond Counsel: McNair Law Firm, P.A. - Kathleen Crum McKinney, Esquire

Typed Name

By:

Signature

* Executed copies to follow.

04224

SEP 25 1989

MCNAIR LAW FIRM, P. A.
ATTORNEYS AND COUNSELORS AT LAW

COLUMBIA OFFICE
NCNB TOWER
1301 GERVASIS STREET
POST OFFICE BOX 11390
COLUMBIA, S.C. 29211
803-799-9800

CHARLESTON OFFICE
140 EAST BAY STREET
POST OFFICE BOX 431
CHARLESTON, S.C. 29402
803-723-7831

GEORGETOWN OFFICE
1112 HIGHMARKET STREET
POST OFFICE DRAWER 459
GEORGETOWN, S.C. 29442
803-546-6131

SUITE 1201

NCNB PLAZA

7 NORTH LAURENS STREET

GREENVILLE, SOUTH CAROLINA 29601

803-271-4940

TELECOPIER 803-271-4915

GEORGETOWN OFFICE
121 SCREVEN STREET
POST OFFICE DRAWER 418
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WASHINGTON OFFICE
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MADISON OFFICE BUILDING
1155 15TH STREET, N.W.
WASHINGTON, D.C. 20005
202-659-3900

September 22, 1989

EXHIBIT

SEP 26 1989

20

Mrs. Donna Williams
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

STATE BUDGET & CONTROL BOARD

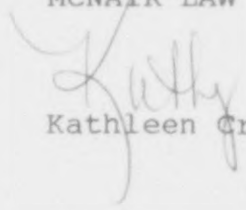
Re: Not Exceeding \$5,750,000 Greenville County, South
Carolina, Adjustable Rate Hospital Refunding
Revenue Bonds, Series 1989 (Charter Hospital of St.
Louis, Inc. Project)

Dear Donna:

Enclosed are the signed copies of the Resolution of
Petition in regard to the above-referenced issue. If you
should have any questions, please do not hesitate to give me
a call.

Sincerely,

MCNAIR LAW FIRM, P.A.


Kathleen Crum McKinney

KCM/pkb
Enclosures

04225

EXHIBIT

SEP 26 1989

20

RESOLUTION

STATE BUDGET & CONTROL BOARD

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY GREENVILLE COUNTY, SOUTH CAROLINA, OF ITS ADJUSTABLE RATE HOSPITAL REVENUE REFUNDING BONDS (CHARTER HOSPITAL OF ST. LOUIS, INC. PROJECT) SERIES 1989, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 44, CHAPTER 7 (1976), AS AMENDED, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$5,750,000.

WHEREAS, Greenville County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 1976, as amended (the "Act"), to promote the public health and welfare by providing for the financing, refinancing, acquiring, enlarging, improving, constructing and equipping of hospital facilities to serve the people of the State and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities; and

WHEREAS, the County is further authorized to issue revenue refunding bonds payable solely from revenues and receipts from any loan agreement with respect to such projects and secured by a pledge of said revenues and receipts and by an assignment of such loan agreement; and

WHEREAS, the County heretofore issued its \$5,750,000 principal amount Hospital Revenue Bonds (Brierwood Hospital Project) Series 1984 (the "1984 Bonds") to provide financing to defray the costs of acquiring, constructing and installing certain hospital facilities (the "Facilities") located in the County and made said Project available to United HealthCare of South Carolina, Inc. ("United") under and pursuant to the terms of a Loan Agreement dated as of November 1, 1984 by and between the County and the United; and

WHEREAS, the County is further authorized to make the proceeds of any revenue bonds available by way of a loan to a hospital agency or public agency pursuant to a loan agreement; and

WHEREAS, the County is further authorized to pledge or assign any money, rents, charges, or fees or other revenues, including any proceeds of insurance or condemnation awards pursuant to any loan agreement to the payment of the bonds issued pursuant to such loan agreement; and

WHEREAS, Charter Hospital of St. Louis, Inc., a corporation organized and existing under the laws of the State of Missouri (the "Institution"), is a hospital agency as defined under the Act; and

WHEREAS, the Institution has requested the assistance of the County to issue hospital revenue refunding bonds of the County pursuant to the Act to refund the 1984 Bonds theretofore issued to defray the cost of the Facilities; and

WHEREAS, in order to implement the public purposes enumerated in the Act and in furtherance thereof to assist the Institution in refunding the 1984 Bonds, the County has agreed to issue its not exceeding \$5,750,000 aggregate principal amount of Adjustable Rate Hospital Revenue Refunding Bonds (Charter Hospital of St. Louis, Inc. Project) Series 1989 (the "1989 Bonds") under and pursuant to the Act and in connection therewith to make the Project available to the Institution under and pursuant to the terms of a Loan Agreement (the "Agreement") to be entered into between the County and the Institution; and

WHEREAS, the County proposes to issue the 1989 Bonds under and pursuant to the Act, and to be secured by and contain such terms and provisions as are set forth in a Trust Indenture (the "Indenture"), by and between the County and The Citizens and Southern Trust Company (Georgia), National Association, (the "Trustee"), the proceeds from the 1989 Bonds to be disbursed for the payment of principal on the 1984 Bonds heretofore issued by the County; and

WHEREAS, it is now deemed advisable by the County Council to file with the State Budget and Control Board of South Carolina, in compliance with Section 44-7-1590 of the Act, the Petition of the County requesting approval of the proposed financing by the State Budget and Control Board;

NOW, THEREFORE, BE IT RESOLVED by the County Council of Greenville County, South Carolina, as follows:

Section 1. It is hereby found, determined and declared as follows:

EXHIBIT

-2-

SEP 26 1989

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04227

STATE BUDGET & CONTROL BOARD

(a) The Facilities will constitute "hospital facilities" as said term is referred to and defined in Section 44-7-1430(d) of the Act, and the issuance of the 1989 Bonds in the principal amount of not exceeding \$5,750,000 to refund the 1984 Bonds issued to finance the Facilities will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(b) Neither the Facilities, the 1989 Bonds proposed to be issued by the County to refund the 1984 Bonds issued to finance the Facilities, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

(c) The issuance of the 1989 Bonds by the County in the principal amount of not exceeding \$5,750,000 will be required to refund the 1984 Bonds issued to defray the cost of the Facilities.

(d) The Facilities are described on Exhibit A.

(e) A reasonable estimate of the cost of the Facilities including necessary expenses incident thereto is not exceeding \$5,750,000.

(f) The County Council has determined that there is a need for the Facilities in the County to serve the people of the County and to make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

(g) The Institution is a corporation with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Agreement.

(h) Adequate provisions shall be made for the payment of principal of and interest on the 1989 Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Project at the expense of the Institution.

(i) The public facilities, including utilities, and public services necessary for the Facilities will be made available.

Section 2. There be and is hereby authorized and directed the submission on behalf of the County, of a Petition requesting the approval of the proposal of the County to issue the 1989 Bonds by the State Budget and

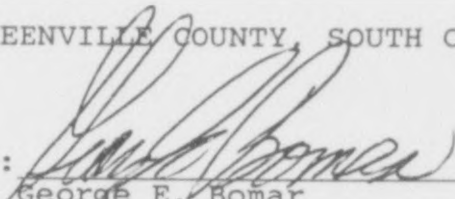
Control Board of South Carolina pursuant to the provisions of Sections 44-7-1560 and 44-7-1590 of the Act, said Petition, which constitutes and is hereby made a part of this authorizing resolution, to be in substantially the form attached hereto.

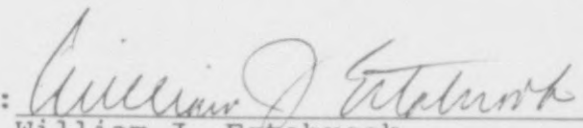
Section 3. The Chairman of the County Council be and is hereby authorized and directed to execute said Petition in the name and on behalf of the County; and the Clerk of the County Council be and is hereby authorized and directed to affix the seal of the County to said Petition and to attest the same 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 September 19, 1989.

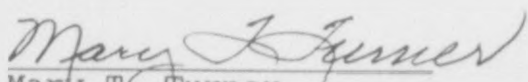
GREENVILLE COUNTY, SOUTH CAROLINA

By: 
George E. Bomar
Chairman, County Council of
Greenville County, South Carolina

By: 
William J. Estabrook
County Administrator of
Greenville County, South Carolina

(SEAL)

ATTEST:


Mary T. Turner
Clerk to County Council of
Greenville County, South Carolina

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

EXHIBIT A

DESCRIPTION OF FACILITIES

The Facilities consists of a 60-bed psychiatric and alcohol and drug treatment hospital, together with additions thereto; designed specifically to provide programs to adult psychiatric and addictive-disease patients which is located on an approximately 23-acre tract of land located on Phillips Road in Greenville County, South Carolina.

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

TO THE STATE BUDGET AND CONTROL
BOARD OF SOUTH CAROLINA

P E T I T I O N

This Petition of Greenville County, South Carolina (the "County"), pursuant to South Carolina Code Annotated, Title 44, Chapter 7 (1976), as amended (the "Act"), and specifically Sections 44-7-1560 and 44-7-1590 thereof, respectfully shows:

1. The County Council of Greenville County (the "County Council") is the governing body of the County, and as such constitutes the "governing board" of the County as referred to in the Act.

2. The Act, among other things, empowers the County, subject to obtaining approval from the State Budget and Control Board, pursuant to Sections 44-7-1560 and 44-7-1590 of the Act and from the Department of Health and Environmental Control required by Section 44-7-1590 of the Act, to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds; to enter into loan agreements with any hospital agency or public agency, prescribing the payments to be made by the hospital agency or public agency to the County or its assignee to meet the payments that shall become due on the bonds, including terms and conditions relative to the acquisition and use of hospital facilities and the issuance of bonds; to issue bonds for the purpose of defraying the cost of providing hospital facilities and to secure the payment of such bonds; (iii) to issue revenue bonds, including refunding bonds, 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 hospital facility and to fund outstanding obligations, mortgages or advances heretofore or hereafter issued, made or given by a hospital agency or public agency for the cost of hospital facilities; and to make the proceeds of any bonds available by way of a loan to a hospital agency or public agency pursuant to a loan agreement.

3. The County has agreed to assist Charter Hospital of St. Louis, Inc., a Missouri corporation and a hospital agency as defined under the Act (the "Institution"), by issuing its revenue refunding bonds for the purpose of refunding the \$5,750,000 Hospital Revenue Bonds (Brierwood Hospital, Inc. Project) Series 1984 (the "1984 Bonds") heretofore issued by the County to finance hospital facilities located in the County (the "Facilities").

4. In accordance with Section 44-7-1480 of the Act, the County Council has found and determined that:

(a) The Facilities will constitute "hospital facilities" as said term is referred to and defined in Section 44-7-1430(d) of the Act, and the issuance of the 1989 Bonds in the principal amount of not exceeding \$5,750,000 to refund the 1984 Bonds issued to finance the Facilities will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(b) Neither the Facilities, the 1989 Bonds proposed to be issued by the County to refund the 1984 Bonds issued to finance the Facilities, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

(c) The issuance of the 1989 Bonds by the County in the principal amount of not exceeding \$5,750,000 will be required to refund the 1984 Bonds issued to defray the cost of the Facilities.

(d) The Facilities will consist of the items described in the third recital clause of this Resolution.

(e) A reasonable estimate of the cost of the Facilities including necessary expenses incident thereto is not exceeding \$5,750,000.

(f) The County Council has determined that there is a need for the Facilities in the County to serve the people of the County and to make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

(g) The Institution is a corporation with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Agreement.

(h) Adequate provisions shall be made for the payment of principal of and interest on the 1989 Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Project at the expense of the Institution.

(i) The public facilities, including utilities, and public services necessary for the Facilities will be made available.

5. Pursuant to Section 44-7-1480 of the Act, the County sets forth the following information:

(a) The Project is described in detail on Exhibit A hereto and will serve the purposes of the Act.

(b) It is estimated that the cost of refunding the 1984 Bonds issued to defray the cost of the Facilities, including the items of cost authorized in the Act, will be not exceeding \$5,750,000.

(c) No action is required by the Department of Health and Environmental Control in connection with the issuance of the Series 1989 Bonds.

(d) Set forth below is a summary of the terms of the Agreement and the indenture (the "Indenture") to be entered into between the County and The Citizens and Southern Trust Company (Georgia), National Association, (the "Trustee"), which summary of terms is in no way intended to affect or alter the actual terms of the documents themselves:

(i) Under the Agreement, proceeds derived from the sale of the 1989 Bonds, except accrued interest paid by the original purchasers, will be used and applied by the County upon request of the Institution solely for the purpose of refunding the 1984 Bonds, including payment of certain of the costs (as that term is defined in the Act) incident thereto.

(ii) Under the Agreement, the Institution obligates itself: to meet the payments of principal, premium, if any, and interest on the 1989 Bonds as the same become due; and to pay the cost of maintaining, repairing and insuring the Facilities to the extent and in the manner provided in the Agreement.

EXHIBIT 04233

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

(iii) The County does not incur any pecuniary liability or charge upon its general credit or taxing powers.

(iv) Under the Indenture, the County will make an irrevocable pledge and assignment for the benefit of the holders of the 1989 Bonds of the County's right, title and interest in and to the Agreement and all payments, receipts and revenues which the County has a right to receive under the Agreement or with respect to any security afforded thereunder or any other financing agreement with respect to the Facilities in favor of the County (except payments and rights to indemnification payments and administration expenses), and all the moneys and securities in any funds established under the Indenture.

Upon the basis of the foregoing, the County 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) if it finds that the Facilities are intended to promote the purposes of the Act and may be reasonably anticipated to effect such result, that it approve the Facilities and the issuance and sale of the 1989 Bonds by the County pursuant to the Act in the aggregate principal amount of not exceeding \$5,750,000 to refund the 1984 Bonds (including changes in any details of the said financing as finally consummated which do not materially affect the undertaking of the County), and (iv) give published notice of its approval in the manner set forth in Section 44-7-1590 of the Act.

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

Respectfully submitted,

GREENVILLE COUNTY, SOUTH CAROLINA

By: 

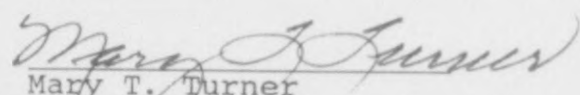
George E. Bomar
Chairman, County Council of
Greenville County, South
Carolina

By: 

William J. Estabrook
County Administrator of
Greenville County, South
Carolina

(SEAL)

ATTEST:



Mary T. Turner
Clerk, County Council of
Greenville County, South Carolina

Dated: September 19, 1989.

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

EXHIBIT A

DESCRIPTION OF FACILITIES

The Facilities consists of a 60-bed psychiatric and alcohol and drug treatment hospital, together with additions thereto; designed specifically to provide programs to adult psychiatric and addictive-disease patients which is located on an approximately 23-acre tract of land located on Phillips Road in Greenville County, South Carolina.

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

SEP 25 1989

McNAIR LAW FIRM, P. A.

ATTORNEYS AND COUNSELORS AT LAW

NCNB TOWER

1301 GERVAIS STREET

POST OFFICE BOX 11390

COLUMBIA, SOUTH CAROLINA 29211

803-799-9800

TELECOPIER 803-799-9804

CHARLESTON OFFICE
140 EAST BAY STREET
POST OFFICE BOX 1431
CHARLESTON, S.C. 29402
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GEORGETOWN OFFICE
1112 HIGHMARKET STREET
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GREENVILLE OFFICE
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GREENVILLE, S.C. 29601
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HILTON HEAD ISLAND, S.C. 29928
803-785-5169

WASHINGTON OFFICE
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1155 15TH STREET, N.W.
WASHINGTON, D.C. 20005
202-659-3900

September 20, 1989

Ms. Donna Williams
State Budget and Control Board
Wade Hampton Office Building
Columbia, South Carolina 29201

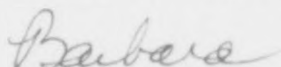
Re: Greenville County, South Carolina Adjustable Rate
Hospital Revenue Refunding Bonds (Charter Hospital of
St. Louis, Inc./Brierwood Hospital Project) Series 1989

Dear Donna:

Enclosed please find the hard copy of the credit enhancement
letter of The Sumitomo Bank, Limited, which we would appreciate
your substituting in the package we sent over this morning for
the telecopy.

Thank you.

Yours very truly,



Barbara C. Streett
Paralegal, Bond Department

/bcs

Enclosure

EXHIBIT

SEP 26 1989

20

STATE BUDGET & CONTROL BOARD

04237

THE SUMITOMO BANK, LIMITED

ATLANTA AGENCY

GEORGIA - PACIFIC CENTER

SUITE 3210

133 PEACHTREE STREET

ATLANTA, GA. 30303

(404) 526-8500

EXHIBIT

SEP 26 1989

20

STATE BUDGET & CONTROL BOARD

TELEX: 880490 SUMITBANK ATL
TELEFAX: 404-521-1187
CABLE: SUMITBANK ATLANTA

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 Adjustable Rate Industrial Development Refunding Revenue Bonds
Series 1989 (the "Bonds")
On behalf of Charter Hospital of St. Louis, Inc. (the "Company")
Brierwood Hospital Project (the "Project")
Credit Enhancement Provided by Sumitomo Bank, Ltd.,
Atlanta Agency (the "Bank")

The Bank has agreed to issue a non-revocable Letter of Credit in favor of a Trustee to be named with respect to the issuance of the bonds on behalf of the Company. In connection with the referenced sale of Bonds by the Issuer, the Bank makes the following representations and certifications:

1. The Bank 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 Bonds;
2. The Bank is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;
3. The Bank is familiar with the business affairs of the Company and has obtained 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 credit enhancement with respect to the Bonds;
4. The Bank 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

SWORN to and subscribed
before me this 19 day
of September 6, 19 89

Nancy G. E. [Signature]
Notary Public

My Commission expires
March 19, 1991

Bank: The Sumitomo Bank, Ltd., Atlanta Agency
Auth. Official Masao Harada
Title: General Manager
Address: 133 Peachtree Street, N.E., Suite 3210
Atlanta, Georgia 30303

By: *M. Harada*
Signature of Authorized Official
Date: September 19, 1989

04238

NOV 14 1989
9:25 a.m.
1 of 2 - L. L. L.

McNAIR LAW FIRM, P. A.
ATTORNEYS AND COUNSELORS AT LAW

COLUMBIA OFFICE
NCNB TOWER
1301 GERRAIS STREET
POST OFFICE BOX 11390
COLUMBIA, S.C. 29211
803-799-9800

CHARLESTON OFFICE
140 EAST BAY STREET
POST OFFICE BOX 1431
CHARLESTON, S.C. 29402
803-723-7831

GEORGETOWN OFFICE
1112 HIGHMARKET STREET
POST OFFICE DRAWER 459
GEORGETOWN, S.C. 29442
803-546-6131

SUITE 1201

NCNB PLAZA

7 NORTH LAURENS STREET

GREENVILLE, SOUTH CAROLINA 29601

803-271-4940

TELECOPIER 803-271-4015

GEORGETOWN OFFICE
121 SCREVEN STREET
POST OFFICE DRAWER 418
GEORGETOWN, S.C. 29442
803-546-6102

HILTON HEAD ISLAND OFFICE
McNAIR LAW BUILDING
10 POPE AVENUE EXECUTIVE PARK
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 13, 1989

EXHIBIT

Ms. Donna Williams
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

SEP 26 1989

20

STATE BUDGET & CONTROL BOARD

Re: Charter Hospital of St. Louis - Refunding

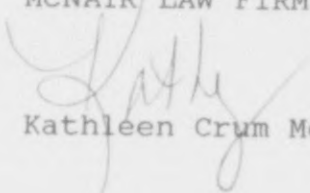
Dear Donna:

Enclosed is the affidavit of the Notice of Approval in regard to the above-referenced matter. This should complete our filing.

Thank you for your assistance. If you should have any questions, please do not hesitate to give me a call.

Sincerely,

McNAIR LAW FIRM, P.A.


Kathleen Crum McKinney

KCM/pkf
Enclosure

04239

THE GREENVILLE NEWS—PIEDMONT COMPANY

POST OFFICE BOX 1688

GREENVILLE, SOUTH CAROLINA 29602

AFFIDAVIT

Allen Dedwyler, being duly sworn, says that he is the legal ad-

vertising representative of { THE GREENVILLE NEWS
~~GREENVILLE PIEDMONT~~

newspaper printed and published in the City of Greenville, in

the State of South Carolina. That the attached advertisement

appearing in _____ 6½ inches in the issue

of September 27, 1989

Sworn to and subscribed before me

this 28th day of September 19 89

Matilda M. Shysman
Notary Public for State of S. C.

Total Due \$

04240

NOTICE PURSUANT TO THE
PROVISIONS OF THE
ANNOTATED
TITLE 44, CHAPTER 7, ARTI-
CLE 11 (1976)
AS AMENDED

Notice is hereby given pursuant
to the provisions and require-
ments of Section 44-7-1590 of
South Carolina Code Annotated,
Title 44, Chapter 7, Article 11
(1976), as amended (the "Act"),
that the State Budget and Control
Board of South Carolina, pursu-
ant to a Petition filed by the
County Council of Greenville
County, South Carolina, has
given its approval to the follow-
ing undertaking by Greenville
County, South Carolina:

The issuance by Greenville
County for Charter Hospital of St.
Louis, Inc. of its Greenville Coun-
ty, South Carolina Hospital Re-
financing Revenue Bonds (Charter
Hospital of St. Louis, Inc. Proj-
ect) in the original principal
amount of not exceeding
\$5,750,000 (the "Bonds"), to de-
fray the costs of refinancing cer-
tain hospital facilities (the "Proj-
ect"), heretofore financed with
the proceeds of \$5,750,000 Green-
ville County, South Carolina Hos-
pital Revenue Bonds (Brierwood
Hospital Project) Series 1984 lo-
cated in Greenville County. The
Project is being made available
to Charter Hospital of St. Louis,
Inc. which will unconditionally
convenient to make payments suf-
ficient to pay the principal and in-
terest on the Bonds. The Bonds
will be payable solely and exclu-
sively out of payments to be
made by Charter Hospital of St.
Louis, Inc. for the use of the Proj-
ect, and it is additionally se-
cured by a Letter of Credit of the
Sumitomo Bank, Limited Atlanta
Agency. No certificate of need is
required with respect to the ref-
inancing of the Project.

Notice is further given that any
interested party may, within
thirty (30) days after the date of
the publication of this notice, but
not afterwards, challenge the va-
lidity of the State Budget and
Control Board's approval of the
Project and the issuance of the
Bonds by Greenville County to fi-
nance the same or any action
taken by the South Carolina De-
partment of Health and Environ-
mental Control with respect to
the Project or refinancing
thereof, by action de novo insti-
tuted in the Circuit Court for
Greenville County, South Car-
olina.

STATE BUDGET AND CON-
TROL BOARD
BY: WILLIAM A. MCINNIS,
Secretary
Dated: September 26, 1989.
725-9586

RECEIVED

NOV 13 1989

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

THE GREENVILLE NEWS-PAPER COMPANY

POST OFFICE BOX 1888

GREENVILLE SOUTH CAROLINA 29602

WEDAY

EXHIBIT

SEP 26 1989

20

STATE BUDGET & CONTROL BOARD

Wherefore, I hereby certify that the above is the legal and

correct copy of the original as the same appears in the files of the

properly authorized person in the City of Greenville, in

the name of the City of Greenville, South Carolina, and

appearing in the _____ of the City of Greenville, South Carolina,

of _____, 1989.

[Signature]

Seem to and subscribed before me

this _____ day of September, 1989.

[Signature]
Notary Public for State of S. C.

04241

MONITOR LAW FIRM, P.A.
ATTORNEYS AND COUNSELLORS AT LAW

2000 W. 10TH AVE
SUITE 200
DENVER, CO 80202
TEL: 333-3333
FAX: 333-3333
WWW.MLAWFIRM.COM

2000 W. 10TH AVE
SUITE 200
DENVER, CO 80202
TEL: 333-3333
FAX: 333-3333
WWW.MLAWFIRM.COM

2000 W. 10TH AVE
SUITE 200
DENVER, CO 80202
TEL: 333-3333
FAX: 333-3333
WWW.MLAWFIRM.COM

FAX COVER SHEET

ATTENTION: THE FOLLOWING [] PAGES (including cover sheet):

TO: Greg Williams

ATTN: J & C Bond

FAX NUMBER: 738-2117

FROM: Kelly McKeeney

FAX NUMBER: 271-1115

PLEASE PRINT AND ATTACH ALL OF THE ABOVE PAGES, OR
IF THERE IS AN ERROR IN TRANSMISSION, PLEASE CALL
(803) 331-4940.

ADDITIONAL COMMENTS:

The reports on these folders are the same copy of
the report and is mailed to you today.

Client/Vendor: United Property

TRANSMISSION INFORMATION

Date: 11/15/89

Time: 11:27

04242

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF THE EXECUTIVE DIRECTOR

EXHIBIT

SEP 26 1989

21

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

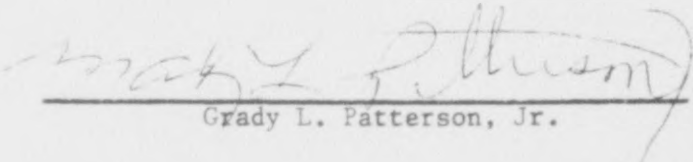
September 26, 1989

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 1989

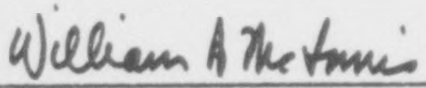
TO: Abbeville County
\$5,000,000 Industrial Revenue Bonds
(Springs Industries, Inc., Project)

In accord with Section 1-11-500 et seq. of the South Carolina Code of Laws, 1976, as amended, 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 1989 only. It will expire on December 25, 1989, which is ninety (90) consecutive calendar days from the date the allocation was approved by the Board, 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, Code Section 1-11-550 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

04243

SEP 25 1989

SINKLER & BOYD
PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW

THE PALMETTO CENTER
1426 MAIN STREET, SUITE 1200
COLUMBIA, SOUTH CAROLINA 29201
TELEPHONE (803) 779-3080
CABLE ADDRESS: PALMETTO
TELECOPIER (803) 765-1243

REPLY TO:
COLUMBIA OFFICE
POST OFFICE BOX 11889
COLUMBIA, S.C. 29211

CHARLESTON OFFICE:
160 EAST BAY STREET
POST OFFICE BOX 340
CHARLESTON, S.C. 29402
TELEPHONE AND TELECOPIER
(803) 722-3366

September 25, 1989
Via Hand Delivery

EXHIBIT

SEP 26 1989

21

STATE BUDGET & CONTROL BOARD

William A. McInnis
Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201

Re: Not exceeding \$5,000,000 Abbeville County, South Carolina, Industrial Revenue
Bonds (Springs Industries, Inc. Project) Series 1989

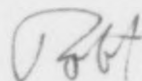
Dear Bill:

I enclose the following remaining items in connection with the Board's consideration tomorrow of the above-referenced matter:

1. Executed original and two copies of Petition (Item A of Transmittal Form); and
2. Executed copy of Inducement Resolution (Item C of Transmittal Form).

Please let me know if any other information is required. Thank you for your consideration of this matter.

Very truly yours,



Robert S. Galloway, III

RSG/pjh

04244

STATE OF SOUTH CAROLINA

COUNTY OF ABBEVILLE

TO THE STATE BUDGET AND CONTROL
BOARD OF SOUTH CAROLINA

EXHIBIT

SEP 26 1989

21

STATE BUDGET & CONTROL BOARD

P E T I T I O N

This Petition of Abbeville County, South Carolina (the "County") respectfully shows:

1. The County is an "issuing authority" as such term is used in Act bearing ratification no. R-163 entitled "An Act To Establish A Plan For Allocating The State Ceiling On The Issuance Of Private Activity Bonds Imposed By The Federal Tax Reform Act of 1986, Public Law 99-514" adopted by the General Assembly of the State of South Carolina in 1987 (the "Act").

2. The County has agreed with Springs Industries, Inc. (the "Borrower") that the County will undertake to finance the acquisition, construction and installation of buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the manufacture of industrial textile fabric in the County through the issuance and delivery of Industrial Revenue Bonds or Notes pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Bond Act"). In this connection, the County has agreed to issue its not exceeding \$5,000,000 Abbeville County, South Carolina, Industrial Revenue Bonds or Notes (the "Bonds") pursuant to the Bond Act and to an ordinance to be adopted by the County Council of Abbeville County, South Carolina.

3. The County is advised by the Borrower that the Project will provide employment for approximately seventy-five (75) persons.

4. The Act authorizes the County to submit its request to the State Budget and Control Board of South Carolina (the "State Board") that a portion of the 1989 State Ceiling established by the Internal Revenue Code of 1986, as amended (the "State Ceiling") be allocated to the Bonds.

5. This Petition constitutes an "Authorized Request" within the meaning of the Act and, as required by the Act, is accompanied by a copy of the Inducement Contract executed by the County and the Borrower.

6. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

7. The County represents that it has not been requested to issue, nor is it considering the issuance of, any private activity bonds for the Project or any other facilities located or to be located at, or used or to be used as part of, an integrated operation with the Project.

04245

Upon the basis of the foregoing, the County respectfully prays:

That the State Board accept the filing of the Petition presented herewith, that it determine that the allocation amount requested is not disproportionately large in comparison with the State Ceiling not yet allocated or with the public benefits to be derived from the Project and that it approve an allocation for the Project in the amount of \$5,000,000.

September 21, 1989

Respectfully Submitted,

ABBEVILLE COUNTY, SOUTH CAROLINA

(SEAL)

By: *W. B. Fennell*
Chairman, Abbeville County Council

Attest:

By: *Mary R. Bellis*
Clerk

EXHIBIT

SEP 26 1989

21

STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

21

A RESOLUTION

STATE BUDGET & CONTROL BOARD

AUTHORIZING AN INDUCEMENT CONTRACT BETWEEN ABBEVILLE COUNTY, SOUTH CAROLINA (THE "COUNTY") AND SPRINGS INDUSTRIES, INC. RELATING TO THE ISSUANCE AND DELIVERY BY THE COUNTY OF INDUSTRIAL REVENUE BONDS OR NOTES (THE "BONDS") PURSUANT TO TITLE 4, CHAPTER 29, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; AND AUTHORIZING A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA REQUESTING THAT A PORTION OF THE STATE CEILING ESTABLISHED BY THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, BE ALLOCATED TO THE BONDS.

WHEREAS, Springs Industries, Inc. (the "Borrower") has requested that the County Council of Abbeville County, South Carolina ("County Council") 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 the issuance and delivery of Abbeville County, South Carolina, Industrial Revenue Bonds or Notes (the "Bonds") the proceeds of which would be made available to the Borrower for the payment of costs and expenses relating to the acquisition, construction and installation of buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the manufacture of industrial textile fabric to be located in Abbeville County, South Carolina (the "County"), including the filing of a Petition with the State Budget and Control Board of South Carolina (the "State Board") requesting that a portion of the State Ceiling established by the Internal Revenue Code of 1986, as amended (the "State Ceiling") be allocated to the Bonds; and

WHEREAS, County Council is informed by the Borrower that upon completion the Project will provide employment for approximately seventy-five (75) persons; 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 Borrower making provision for the issuance and delivery of bonds or notes pursuant to the Act and to petition the State Board for allocation of a portion of the State Ceiling.

NOW, THEREFORE, BE IT RESOLVED by County Council in meeting duly assembled:

1. That the County shall issue the Bonds in the amount not exceeding Five Million Dollars (\$5,000,000) to finance the cost of the proposed undertaking of the Borrower.
2. That an agreement to implement the action to be taken pursuant to paragraph 1 in the form attached hereto as Exhibit A (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 on behalf of the County by the Chairman of County Council and the same shall be attested by the Clerk of County Council.
3. That a Petition in form substantially as attached hereto as Exhibit A shall be presented to the State Board to request that a portion of the State Ceiling be allocated to the Bonds.
4. County Council and its duly elected officers shall take any and all further action as may become necessary to effectuate the action herewith taken and the agreement herein authorized.

04247

5. It is the intention of County Council that this Resolution shall constitute an official action on the part of the County within the meaning of the applicable regulations of the Treasury Department relating to the issuance of tax-exempt revenue bonds.

6. This Resolution shall take effect immediately.

EXHIBIT

SEP 26 1989

21

STATE BUDGET & CONTROL BOARD

INDUCEMENT CONTRACT

THIS CONTRACT made and entered into between ABBEVILLE COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), and SPRINGS INDUSTRIES, INC. (the "Borrower"),

WITNESSETH:

ARTICLE I

RECITATION OF FACTS

Section 1.01

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Contract, the following statements of fact are herewith recited:

1. The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act") to acquire, enlarge, improve, expand, equip, furnish, own, lease and dispose of properties through which the industrial development of the State will be promoted and trade developed by inducing new industries to locate in the State and by encouraging industries now located in the State to expand their investments and thus utilize and employ manpower and other resources of the State.

2. The Borrower proposes to acquire, construct and install buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 34,000 square foot facility for the manufacture of industrial textile fabric to be located in the County. The cost of this undertaking is estimated to be approximately Five Million Dollars (\$5,000,000). Upon completion, it is anticipated that the Project will provide employment for approximately seventy-five (75) persons.

3. The Borrower has advised the County that its contemplated program would be aided by the availability of the assistance which the County might render through the sale of Abbeville County, South Carolina, Industrial Revenue Bonds or Notes (the "Bonds") pursuant to the Act whereby the County would finance the acquisition, construction and installation of the Project.

4. The County has given due consideration to all of the proposals and requests of the Borrower and has agreed to endeavor to effect the issuance and delivery pursuant to the Act of the Bonds at the time and on the terms and conditions hereafter set forth.

EXHIBIT

A - 1

SEP 26 1989

21

STATE BUDGET & CONTROL BOARD

04249

EXHIBIT

SEP 26 1989

21

ARTICLE II

STATE BUDGET & CONTROL BOARD UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

Section 2.01

That it will authorize the issuance of the Bonds in an amount not exceeding Five Million Dollars (\$5,000,000) at such time as the Borrower may request the County to do so.

Section 2.02

That it will enter into a financing agreement (the "Agreement") with the Borrower upon such terms and conditions as shall be mutually agreed upon between the County and the Borrower pursuant to which the proceeds of the Bonds will be made available to the Borrower to be applied to the cost of acquiring, constructing and installing the Project and to the expenses incident thereto including the costs of the financing.

Section 2.03

That it will permit the Borrower to arrange for the sale of the Bonds and if successful marketing arrangements can be made, it will adopt such proceedings as are necessary for the making of the Agreement and the issuance and delivery of the Bonds.

Section 2.04

That if the Bonds shall be sold, the Agreement will provide that the proceeds thereof shall be applied to the payment of the costs theretofore and thereafter to be incurred in connection with the issuance and delivery of the Bonds and the acquisition, construction and installation of the Project including the repayment of any funds advanced or loans incurred by the Borrower or any related entity for such purposes.

Section 2.05

That if requested by the Borrower prior to the issuance and delivery of the Bonds, it will enter into a trust indenture (the "Indenture") with a trustee bank to be selected by the Borrower pursuant to which the Bonds will be issued. The Indenture, if entered into, will be substantially in the form used in connection with the issuance of Industrial Revenue Bonds or Notes in the State and may constitute a lien on the Project to secure the payment of the Bonds.

Section 2.06

That it 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.

EXHIBIT

SEP 26 1989

21

ARTICLE III

STATE BUDGET & CONTROL BOARD

UNDERTAKINGS ON THE PART OF THE BORROWER

The Borrower agrees as follows:

Section 3.01

That the County will have no obligation to find a purchaser of the Bonds, and the Borrower will endeavor to market the Bonds on behalf of the County to the extent required to finance the cost of issuing and delivering the Bonds and the cost of the acquisition, construction and installation of the Project.

Section 3.02

If the plan proceeds as contemplated, the Borrower further agrees as follows:

(a) to enter into the Agreement with the County, under the terms of which it will obligate itself to pay to the County sums sufficient to pay the principal of, prepayment penalty or premium, if any, and interest on the Bonds, as and when the same become due and payable, the Agreement to be in form and to contain such provisions as shall be satisfactory to the County and to the borrower;

(b) to obligate itself to make the additional payments required by the Act including, but not limited to, payments in lieu of taxes;

(c) to hold the County 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 Contract and in the implementation of its terms and provisions; and

(d) to perform such further acts and adopt such further proceedings as may be required to faithfully implement his undertakings and consummate the proposed financing.

ARTICLE IV

GENERAL PROVISIONS

Section 4.01

All commitments of the County under Article II hereof are subject to all of the provisions of the Act and the condition that nothing contained in this Contract shall constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

Section 4.02

The parties agree that the Borrower may proceed with the acquisition, construction and installation of the Project prior to the issuance and delivery of the Bonds.

Section 4.03

All commitments of the County and the Borrower hereunder are subject to the condition that the County and the Borrower do agree on mutually acceptable terms and conditions of all documents whose execution and delivery are contemplated by the provisions hereof.

Section 4.04

The parties understand that the Borrower may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Contract as of the 21st day of September, 1989.

ABBEVILLE COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Chairman, Abbeville County Council

Attest:

By: _____
Clerk

SPRINGS INDUSTRIES, INC.

(SEAL)

By: _____
Its: _____

EXHIBIT

SEP 26 1989 21

A - 4

STATE BUDGET & CONTROL BOARD

04252

EXHIBIT

STATE OF SOUTH CAROLINA

SEP 26 1989

21

COUNTY OF ABBEVILLE

STATE BUDGET & CONTROL BOARD

TO THE STATE BUDGET AND CONTROL
BOARD OF SOUTH CAROLINA

P E T I T I O N

This Petition of Abbeville County, South Carolina (the "County") respectfully shows:

1. The County is an "issuing authority" as such term is used in Act bearing ratification no. R-163 entitled "An Act To Establish A Plan For Allocating The State Ceiling On The Issuance Of Private Activity Bonds Imposed By The Federal Tax Reform Act of 1986, Public Law 99-514" adopted by the General Assembly of the State of South Carolina in 1987 (the "Act").

2. The County has agreed with Springs Industries, Inc. (the "Borrower") that the County will undertake to finance the acquisition, construction and installation of buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the manufacture of industrial textile fabric in the County through the issuance and delivery of Industrial Revenue Bonds or Notes pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Bond Act"). In this connection, the County has agreed to issue its not exceeding \$5,000,000 Abbeville County, South Carolina, Industrial Revenue Bonds or Notes (the "Bonds") pursuant to the Bond Act and to an ordinance to be adopted by the County Council of Abbeville County, South Carolina.

3. The County is advised by the Borrower that the Project will provide employment for approximately seventy-five (75) persons.

4. The Act authorizes the County to submit its request to the State Budget and Control Board of South Carolina (the "State Board") that a portion of the 1989 State Ceiling established by the Internal Revenue Code of 1986, as amended (the "State Ceiling") be allocated to the Bonds.

5. This Petition constitutes an "Authorized Request" within the meaning of the Act and, as required by the Act, is accompanied by a copy of the Inducement Contract executed by the County and the Borrower.

6. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

7. The County represents that it has not been requested to issue, nor is it considering the issuance of, any private activity bonds for the Project or any other facilities located or to be located at, or used or to be used as part of, an integrated operation with the Project.

Upon the basis of the foregoing, the County respectfully prays:

That the State Board accept the filing of the Petition presented herewith, that it determine that the allocation amount requested is not disproportionately large in comparison with the State Ceiling not yet allocated or with the public benefits to be derived from the Project and that it approve an allocation for the Project in the amount of \$5,000,000.

September 21, 1989

Respectfully Submitted,

ABBEVILLE COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Chairman, Abbeville County Council

Attest:

By: _____
Clerk

EXHIBIT

SEP 26 1989 21

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

COUNTY OF ABBEVILLE

I, the undersigned, Clerk of the County Council of Abbeville County, South Carolina, DO
HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of a resolution adopted
by the County Council of Abbeville County, South Carolina, at a duly called and regularly held
meeting on September 21, 1989, at which all/a majority of the members of said County Council
were present, and voted unanimously in favor of the adoption of said resolution.

That the original of said resolution is duly entered in the permanent records of minutes
of meetings of County Council in my custody as Clerk.

IN WITNESS WHEREOF, I have hereunto set my Hand this 21st day of September, 1989.

Mary R. Gillespie
Clerk

EXHIBIT

SEP 26 1989

21

STATE BUDGET & CONTROL BOARD

04255

LF

SINKLER & BOYD
PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW

THE PALMETTO CENTER
1426 MAIN STREET, SUITE 1200
COLUMBIA, SOUTH CAROLINA 29201
TELEPHONE (803) 779-3080
CABLE ADDRESS: PALMETTO
TELECOPIER (803) 765-1243

REPLY TO:
COLUMBIA OFFICE
POST OFFICE BOX 11889
COLUMBIA, S.C. 29211

CHARLESTON OFFICE:
160 EAST BAY STREET
POST OFFICE BOX 340
CHARLESTON, S.C. 29402
TELEPHONE AND TELECOPIER
(803) 722-3366

September 20, 1989
Via Hand Delivery

EXHIBIT

SEP 26 1989

21

STATE BUDGET & CONTROL BOARD

William A. McInnis
Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201

Re: Not exceeding \$5,000,000 Abbeville County, South Carolina, Industrial Revenue
Bonds (Springs Industries, Inc. Project) Series 1989

Dear Bill:

I enclose the Transmittal Form for a State Ceiling allocation for the above-referenced project. Once financing is secured in the next few weeks, the State law approval will be requested separately.

Very truly yours,



Robert S. Galloway, III

RSG/pjh

04257

EXHIBIT

SEP 26 1989

22

STATE BUDGET & CONTROL BOARD

1989 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

A. State Government Pool (40%)	69,860,000
Total, State Government Pool (40%)	<u>69,860,000</u>
B. Local Pool (60%)	104,790,000
Total, Local Pool (60%)	<u>104,790,000</u>
Certified State Ceiling (01/03/89)	<u>174,650,000</u>

* * * * *

1989 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

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	Attorney
01/03/89	STATE GOVERNMENT POOL		69,860,000					
03/28/89	JEDA	Mosler, Inc.		-1,500,000		1,500,000	04/13/89	Howell
03/28/89	JEDA	The Tuttle Co.		-900,000		900,000	04/13/89	Howell
03/28/89	JEDA	Su-dan Co./Delta Prop.		-700,000		700,000	04/13/89	Howell
09/12/89	JEDA	KRP Industries, Inc.		-10,000,000				Lucas
09/12/89	JEDA	Crown Products, Inc.		-8,500,000				Howell
	Total, State Government Pool		<u>69,860,000</u>	<u>-21,600,000</u>	<u>48,260,000</u>	<u>3,100,000</u>		
01/03/89	LOCAL POOL		104,790,000					
01/30/89	Spartanburg County	Isomedix Operations, Inc.		-3,000,000		3,000,000	03/29/89	Trouche
02/17/89	Anderson County	Kravet Fabrics, Inc.		-3,500,000		3,500,000	03/09/89	McKinney
03/06/89	Fairfield County	Fuji Copian Corporation		-9,000,000		9,000,000	04/19/89	Lucas
03/06/89	Laurens County	NICCA U.S.A., Inc.		-9,000,000		9,000,000	04/12/89	McKinney
03/28/89	Anderson County	Tag and Label Corporation		-1,875,000		1,875,000	04/14/89	McKinney
04/11/89	Greenville County	PGB Partnership		-1,550,000		1,550,000	05/31/89	McKinney
04/11/89	Orangeburg County	Metal Leve, Inc.		-7,500,000		7,500,000	06/28/89	Lucas
04/25/89	Spartanburg County	Ross Cosmetics Dist. Cntr.		-1,600,000		1,600,000	07/03/89	Bender
06/05/89	Spartanburg County	KST, Incorporated		-640,000		640,000	06/16/89	Page
06/05/89	Spartanburg County	J M Smith Corporation		-1,500,000		1,500,000	07/25/89	Page
06/19/89	Cherokee County	Oshkosh Truck Corporation		-9,300,000		9,300,000	08/16/89	Johnson
07/18/89	Rock Hill, City of	Superior Washer & Gasket		-1,400,000		1,400,000		Jones
08/17/89	York County	Sediver, Inc.		-6,000,000				Hutcheson
08/17/89	Charleston County	Mearl Corporation		-9,000,000				Hutcheson
08/17/89	Darlington County	Figge International		-5,000,000				Galloway
08/17/89	Aiken County	W. R. Bonsal Company		-5,000,000				Bender
09/12/89	Saluda County	Amick Processing, Inc.		-2,500,000				McKinney
	Total, Local Pool		<u>104,790,000</u>	<u>-77,365,000</u>	<u>27,425,000</u>	<u>49,865,000</u>		
	GRAND TOTAL		<u>174,650,000</u>	<u>-98,965,000</u>	<u>75,685,000</u>	<u>52,965,000</u>		

04258

EXHIBIT

SEP 26 1989

23

STATE BUDGET AND CONTROL BOARD
MEETING OF September 26, 1989

REGULAR SESSION
ITEM NUMBER

8

AGENCY: General Services

SUBJECT: Permanent Improvement Projects

- (a) Summary 3-90: Item 1. Agency: Adjutant General
Project: 9534, Rock Hill Armory Addition/Renovation
Request: Increase budget to \$729,329.50
Amount: Add \$400,000 Source: Federal funds
Purpose: To increase the project budget with Federal funds to support the authorized scope of the project. This includes constructing new space and renovating existing space to include offices, supply and storage areas, and classrooms. Federal funds have been received, and the project is approved to be supported with 75% Federal funds (up to \$400,000) and 25% State funds. The remainder will be paid by the State.
- (b) On Summary 4-90: Item 2. Agency: USC-Coastal Carolina
Project: 9501, Business Administration Building
Request: Increase budget to \$12,100,000 Amount: Add \$11,850,000
Source: Capital Improvement Bond and Other (Private/Local) funds
Purpose: To increase total project budget to comply with Capital Improvement Bond Draw Projections for Groups 15-19 in order to construct a classroom building to accommodate the School of Business Administration.
- (c) Summary 4-90: Item 4. Agency: Department of Corrections
Project: Givens-192 Bed Addition & Cafeteria
Request: Establish project and budget
Amount: \$1,200,000
Source: Capital Improvement Bond funds
Purpose: To construct a 192-bed addition (two 96-bed wooden barracks) and a new cafeteria with the capability of feeding 600 persons at the Givens Youth Correction Center. Funds were authorized in Act 638 of 1988 but not in the Group 15 release. The agency seeks to add \$200,000 release to Givens on their Group 15 release schedule and reduce the release in that group to Kirkland 50-Bed Maximum (N04-9504) by \$200,000.

04259

AGENCY: General Services

SUBJECT: Permanent Improvement Projects

- (d) Summary 4-90: Item 6. Agency: Parks, Recreation & Tourism
Project: Beach Renourishment-Hunting Island and Edisto Beach
Request: Establish project and budget Amount: \$300,000
Source: Recreation Land Trust Funds (Non-Appropriated funds)
Purpose: To procure consultant services necessary to obtain State and Federal permits for the beach renourishment at Hunting Island and Edisto Beach State Parks. The agency has applied to the Coastal Council for \$4.3 million in funds for beach renourishment, which requires a 40% State match. PRT proposes to borrow \$300,000 from Recreation Land Trust Funds to finance the consultant services needed to obtain a U. S. Army Corps of Engineers permit which may be required by the Coastal Council to receive funds. While an award to PRT has not been made by the Coastal Council, the \$300,000 can be applied to the 40% match if funds are awarded. Although Recreation Land Trust Funds may be used for development of recreation lands, PRT plans to request additional appropriated funds to repay the \$300,000 borrowed and to provide the remaining funds for matching purposes.
- (e) On Summary 5-90: Suppl. 1 Agency: Youth Services
Project: Charleston Marine Institute Headquarters Construction
Request: Establish project and budget
Amount: \$300,000
Source: Appropriated State funds
Purpose: To construct an office/classroom building to replace four mobile type buildings located on land leased by DYS from Patriots Point Development Authority. The building will consist of seven classrooms, four offices, large meeting room, kitchen, storage areas, and restrooms.

BOARD ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions. All Items have been reviewed favorably by the Joint Bond Review Committee.

ATTACHMENTS:

A-13 & A-23 (Project Forms) and Attachments

EXHIBIT

SEP 26 1989

23

STATE BUDGET & CONTROL BOARD

04260

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only

3-90(1)

Packet Number

90

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR

1. PROJECT IDENTIFIERS:

A. Agency: Number E24 Name Office of The Adjutant General
B. Contact person: COL Harry J. Vann Phone 748-4330
C. Project Number: 9534 Name: Rock Hill Armory Addition/Renovation

2. PROJECT ACTION PROPOSED:

XX Increase total project budget XX Change source of funds
 Decrease total project budget Revise scope

3. WHAT IS THE REVISION PROPOSED?:

Increase project budget with Federal funds to support the authorized scope of project.

This includes constructing new space and renovating existing space to include office space, supply and storage areas, and classrooms.

4. JUSTIFICATION FOR REVISION (Why is it needed?):

Federal funds have been received. The project is approved to be supported with 75% federal and 25% state funds, up to \$400,000 in federal funds. The remainder must be paid by the State.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision? Yes No XX
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

- A. Total estimated cost of project as revised: \$ 729,329.50
- B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)
- | | | |
|------|---------------------|--|
| (1) | \$ <u>30,000.00</u> | Planning/design services |
| (2) | <u>20,000.00</u> | Site work (including utilities) |
| (3) | <u> </u> | Central energy systems repair/replacement |
| (4) | <u> </u> | Mechanical systems repair/replacement |
| (5) | <u>200,000.00</u> | General renovation/repair of floor space: (Gross sq. ft. <u>5000</u>) |
| (6) | <u> </u> | Roof repair/replacement |
| (7) | <u>450,000.00</u> | Construction of additional floor space (Gross sq. ft. <u>9000</u>) |
| (8) | <u> </u> | Equipment supplies |
| (9) | <u> </u> | Purchase of facilities: (Floor space, gross sq. ft. <u> </u>)
(Land, acres: <u> </u>) |
| (10) | <u>29,329.50</u> | Other (Specify) <u>Contingencies</u> |

\$ 729,329.50 Total (Same as 6A)

EXHIBIT

SEP 26 1989

23

04261

STATE BUDGET & CONTROL BOARD

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 729,329.50
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	\$ _____	5. Restore facility	\$ <u>200,000.00</u>
2. Purchase facility	\$ _____	6. Maintain facility	\$ _____
3. Demolish facility	\$ _____	7. Replace facility	\$ _____
4. Construct additional facility	\$ <u>450,000.00</u>	8. Other <u>Design/Utilities</u>	\$ <u>79,329.50</u>

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 90 \$ 729,329.50
(expenditure purposes (use 6B categories): _____)

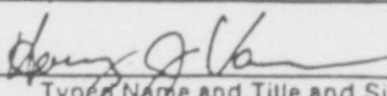
B. Estimated expenditures after this FY \$ 0

C. Total (Same as 6A, 6B and 6C) \$ 729,329.50

8. PROPOSED SOURCES OF FUNDS AS REVISED:	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE -	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
TYPE						
(0) Capital Improvement Bonds	\$ 329,329.50	\$ 0	\$ 329,329.00	8115	02700100	3043
(1) Depart Capital Imp Bonds						
(2) Inst (tution) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal	0	+400,000.00	400,000.00	2801	78800100	5055
(8) Athletic						
(9) Other						
TOTAL	\$ 329,329.50	\$ 400,000.00	\$ 729,329.50			

9. Submitted By:

Authorized Official



Typed Name and Title and Signature

COL HARRY J. VANN, Facilities Management Officer

Date Submitted 31 July 89FY Submitted 90

10. APPROVED (For Board Use Only):

04262

2

Typed Name and Title and Signature

Date

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only

4-90 (2)

Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 89-90

1. PROJECT IDENTIFIERS:

A. Agency: Number H32 Name USC-Coastal Carolina
B. Contact person: David P. Rinker Phone: 777-5993
C. Project Number: 9501 Name: Business Administration Building

2. PROJECT ACTION PROPOSED:

XX Increase total project budget Change source of funds
 Decrease total project budget Revise scope

3. WHAT IS THE REVISION PROPOSED?:

To increase total project budget to comply with Capital Improvement Bond Draw Projections for Groups 15-19.

4. JUSTIFICATION FOR REVISION (Why is it needed?):

To increase project budget to construct a classroom building to accommodate the School of Business Administration.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of

the revision? Yes XX No

If yes, complete and attach Addendum A-49

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: \$ 12,100,000

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

- (1) \$ 728,250 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) 9,710,000 Construction of additional floor space (Gross sq. ft. 110,000)
(8) 1,456,000 Equipment/supplies
(9) Purchase of facilities: (Floor space, gross sq. ft.)
(Land, acres:)
(10) 205,750 Other (Specify) Contingency

\$ 12,100,000. Total (Same as 6A)

EXHIBIT 04263

SEP 26 1989

23

9

STATE BUDGET & CONTROL BOARD

6 C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 12,100,000
(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>12,100,000</u>	8. Other	\$ _____

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: \$ 2,600,000
(expenditure purposes (use 6B categories): _____)

B. Estimated expenditures after this FY \$ 9,500,000

C. Total (Same as 6A, 6B and 6C) \$ 12,100,000

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	\$ 0	\$ 9,600,000	\$ 9,600,000	8115	03002500	3043
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other Private & Local	250,000	2,250,000	2,500,000	7841	98800100	3907
TOTAL	\$ 250,000	\$ 11,850,000	\$ 12,100,000			

EXHIBIT

SEP 26 1989

23

STATE BUDGET & CONTROL BOARD

9. Submitted By:

Authorized Official David P. Rinker
David P. Rinker, Typed Name and Title and Signature
Senior Vice President for Facilities Planning

Date Submitted 7-13-89

FY Submitted 89-90

10. APPROVED (For Board Use Only):

Act 638 of 1988

Group 15

JBRLC 7-26-89 BCLB 8-17-89

Typed Name and Title and Signature

Date

10

04264

For Board Use Only

4-90(4)

Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 89-90

1. PROJECT IDENTIFIERS:

A Agency Number N04 Name South Carolina Department of Corrections
B Contact Person Jerry S. Edwards Phone 737-8493
C Project Name Givens - 192-Bed Addition and Cafeteria 9519
D Facility Affected Name Givens Youth Correction Center Number 31162

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation): This project consists of a 192-bed addition to the Givens Youth Correction Center (two 96-bed wooden barracks) and the construction of a new cafeteria with the capability of feeding 600 persons on a twenty-four basis. The current dining facility is 21 years old and was designed to serve 150 individuals.

Site Description: (Attach a map showing project location)

Location Greenville 23 Greenville Givens Youth Corr. Center
county code city site

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation): The inmate population of South Carolina Department of Corrections is expected to grow by more than 4,000 individuals between July 1987 and July 1992, which requires that this department use every resource available to it, at the least possible cost, in order to house those (What specific needs does this project address?) individuals sentenced to its jurisdiction. Expanding this prison is considered to be the most cost effective method of gaining 192 of the required new bed spaces at the lowest possible cost in the shortest period of time.

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

No feasible alternatives.

5. PRIORITY: This project is priority number 6 of 7 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs? Yes X No If yes, complete and attach additional information.

7. ESTIMATES OF PROPOSED PROJECT COSTS:

A Total estimated cost of project \$ 1,200,000

B Total estimated cost of project includes the following (1 through 10 = 7A above)

- (1) \$ Planning design services
(2) 60,000 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.)
(8) 120,000 Equipment/supplies
(9) Purchase of facilities (Floor space, gross sq. ft.)
(10) 1,020,000 Other (Specify) Construction of 192-Bed Addition and Cafeteria
(Land, acres)

\$ 1,200,000 Total (Same as 7 A)

04265

17

7. C Total estimated cost of project by broad purpose: Total cost: \$ 1,200,000
(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	\$ _____
4. Construct additional facility	\$ <u>1,200,000</u>	8. Other: _____	\$ _____

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 89 \$ 0
(Expenditure purposes (use 7B categories): _____)

B. Estimated expenditures after this FY: \$ 1,200,000

C. Total (Same as 7A, 7B and 7C): \$ 1,200,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	\$					
	1,200,000	8115	30-080	3043	9001	0700
(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						
TOTAL (Same as 7A)	\$ 1,200,000					

EXHIBIT

SEP 26 1989

23

STATE BUDGET & CONTROL BOARD

10. Submitted By:

Authorized Official: Parker Evatt, Commissioner
Typed Name and Title and Signature

Date Submitted 4/21/89

FY Submitted 1988/89

11. APPROVED (For Board Use Only):

Act 635 of 1988

Typed Name and Title and Signature

Date **04266**

PROJECT NUMBER _____

PROJECT NAME _____

18

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 89-90

1. PROJECT IDENTIFIERS:

- A. Agency: Number P28 Name South Carolina Dept. of Parks, Recreation and Tourism
B. Contact Person William O. McMeekin Phone: 734-0188
C. Project Name: Beach Renourishment-Hunting Island and Edisto Beach # 9554
D. Facility Affected: Name Hunting Island and Edisto Beach State Parks Number N/A

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):

Project consists of consultant services necessary to obtain State and Federal permits for the renourishment of the beaches at Hunting Island and Edisto Beach State Parks.

Site Description: (Attach a map showing project location)

Location: Beaufort 07 N/A Hunting Island
county code city N/A site Edisto Beach

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):

See attached documentation (letters dated August 22 and August 16, 1989)

(What specific needs does this project address?):

EXHIBIT

SEP 26 1989

23

STATE BUDGET & CONTROL BOARD

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

Not available.

5. PRIORITY: This project is priority number _____ of _____ projects proposed in this program.

N/A

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?

Yes _____ No X If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:

A. Total estimated cost of project \$ 300,000.00

B. Total estimated cost of project includes the following (1. through 10. = 7A above)

- (1) \$ 300,000.00 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. _____)
(8) _____ Equipment/supplies
(9) _____ Purchase of facilities: (Floor space, gross sq. ft. _____)
(Land, acres: _____)
(10) _____ Other (Specify) _____

\$ 300,000.00

Total (Same as 7 A)

04267

7. C. Total estimated cost of project by broad purpose: Total cost: \$ 300,000.00
(equals 1 through 8, below and is same as 7A)

1. Purchase land	\$ _____	5. Restore facility	\$ <u>300,000.00</u>
2. Purchase facility	\$ _____	6. Maintain facility	\$ _____
3. Demolish facility	\$ _____	7. Replace facility	\$ _____
4. Construct additional facility	\$ _____	8. Other: _____	\$ _____

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 89-90 \$ 300,000.00
(Expenditure purposes (use 7B categories): Planning/design)

B. Estimated expenditures after this FY: \$ 0

C. Total (Same as 7A, 7B and 7C): \$ 300,000.00

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer ID 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						
RLTF-Non-appropriated funds	300,000.00	7851	98800100	4278	9001	0700
TOTAL (Same as 7A)	\$ 300,000.00					

EXHIBIT

SEP 26 1989

23

STATE BUDGET & CONTROL BOARD

10. Submitted By:

Authorized Official: William O. McMeekin, Chief Engineer
Typed Name and Title and Signature

Date Submitted 08/25/89

FY Submitted 89-90

W.O. McMeekin

11. APPROVED (For Board Use Only):

04268

Typed Name and Title and Signature

Date

PROJECT NUMBER _____

PROJECT NUMBER _____

PROJECT NAME _____

PROJECT NAME _____

For Board Use Only

5-90

Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR _____

1. PROJECT IDENTIFIERS:

A. Agency: Number N12 Name Department of Youth Services
B. Contact Person Pearce Thomson Phone: 717-9118
C. Project Name: CMI Headquarters Construction # 9517
D. Facility Affected: Name Charleston Marine Institute Number N/A

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):

Construction of an office/classroom building to replace four mobile type buildings located on land leased by DYS from Patriots Point Authority.

Site Description: (Attach a map showing project location)

Location: Charleston 10 Charleston Patriot's Point
county code city site

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):

The building will have seven classrooms, four offices, large meeting room, kitchen, storage areas and restrooms and will provide space for the program of the Charleston Marine Institute which currently is operating from four mobile type temporary buildings. (What specific needs does this project address?): The Marine Institute program is an alternate treatment program for juveniles committed to DYS by the State's Family Courts.

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
Yes No x If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:

- A. Total estimated cost of project \$ 300,000
- B. Total estimated cost of project includes the following (1. through 10. = 7A above)
- (1) \$ 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) 300,000 Construction of additional floor space: (Gross sq. ft. 5887)
 - (8) Equipment/supplies
 - (9) Purchase of facilities: (Floor space, gross sq. ft.)
(Land, acres:)
 - (10) Other (Specify)
- \$ 300,000 Total (Same as 7 A)

04269

7. C. Total estimated cost of project by broad purpose: Total cost: \$ 300,000
(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>300,000</u>
4. Construct additional facility	\$ _____	8. Other: _____	\$ _____

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 1990 \$ 300,000
(Expenditure purposes (use 7B categories): (7) 300,000)

B. Estimated expenditures after this FY: \$ _____

C. Total (Same as 7A, 7B and 7C): \$ 300,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer ID 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						
	300,000	8895	68800100	3600	9001	8895
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	\$ <u>300,000</u>					

EXHIBIT

SEP 26 1989

23

STATE BUDGET & CONTROL BOARD

10. Submitted By:

Authorized Official:

Pearce Thomson, Director of Physical Plant

Typed Name and Title and Signature

Date Submitted 9/5/89

FY Submitted 1990

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

04270

PROJECT NUMBER _____

PROJECT NAME: _____

EXHIBIT

SEP 26 1989

24

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF September 26, 1989

ITEM NUMBER

10

AGENCY: General Services

SUBJECT: Land Acquisition, Wildlife Department

The Division recommends approval of the Wildlife and Marine Resources Department request to purchase approximately 6,600 acres in Horry County, on the condition the property is posted with public notification of possible hazardous discarded military ordnance.

The property, known as Lewis Ocean Bay, contains the largest and least disturbed complex of peat based Carolina Bays in the State. It also has two threatened plant species, one endangered animal species, and a rare animal species. It contains the State's best population of venus flytrap and the only coastal population of black bear.

The property has been appraised at \$500 per acre. The owner, International Paper Company, has agreed to sell for \$450 per acre. Property Management has examined the appraisal and approves its use in granting this request.

The Level One environmental study reported that the area had been used as a target range for Myrtle Beach Air Force Base during World War II, and there is a possibility live ammunition exists. No other environmental hazards are indicated.

A General Services representative who visited the site is of the opinion that, with appropriate public notification, the property can be used for hunting and camping with a minimum risk associated with the old discarded ammunition.

This project, P24-9537, was reviewed favorably by the Bond Committee. The source of funds is Heritage Land Trust Fund.

BOARD ACTION REQUESTED:

Approve the Wildlife and Marine Resources Department request to purchase approximately 6,600 acres in Horry County (project P24-9537), on the condition the property is posted with public notification of possible hazardous discarded military ordnance.

ATTACHMENTS:

Agenda item worksheet; attachments

04271

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

Meeting Scheduled for: September 26, 1989

Regular Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: 2. Subject:

Wildlife Department land acquisition in Horry County.

3. Summary Background Information:

The Wildlife Department desires to purchase approximately 6,600 acres in Horry County. The property known as Lewis Ocean Bay contains the largest and least disturbed complex of peat based Carolina Bays in the State. There are also two threatened plant species, one endangered animal species and another rare animal species on the property. The property contains the State's best population of venus flytrap and the only coastal population of black bear. The property has been appraised at \$500 per acre. The owner International Paper Company has agreed to sell for \$450 per acre. Property Management has examined the appraisal and approves of its use in granting this request. The level one environmental study reported that the area had been used as a target range for Myrtle Beach Air Force Base during World War II. The possibility of live ammunition exists on the property. No other environmental hazards are indicated. A General Services representative has visited the site and is of the opinion that with appropriate public notification, the property can be used for hunting and camping with a minimum risk associated with the old discarded ammunition. This project is Permanent Improvement #P24-9537 and was favorably reviewed by JBRC on September 13, 1989. The source of funds is Heritage Land Trust Fund.

4. What is Board asked to do?

Approve the Wildlife Department purchase of approximately 6,600 acres in Horry County.

5. What is recommendation of Board Division involved?

Approve with the recommendation that Wildlife consider posting the property with public notification of possible hazardous discarded military ordnance.

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:(a) List Those Attached:

1. Letter from Wildlife Department.
2. Appraisal.
3. Map.
4. Environmental letter.
5. Letter from international Paper.
6. Recommendation from General Services.
7. Code Section 1-11-65.

EXHIBIT

SEP 26 1989

24

STATE BUDGET & CONTROL BOARD

04272



Equal Opportunity Agency

*South Carolina
Wildlife & Marine
Resources Department*

EXHIBIT

SEP 26 1989

24

STATE BUDGET & CONTROL BOARD

James A. Timmerman, Jr., Ph.D.
Executive Director
John B. Reeves
Director of
Administrative Services

October 26, 1988

Mr. Jack Sprott
Property Management
1201 Main Street
AT&T Building, Suite 410
Columbia, South Carolina 29201

Re: 6,047 Acres - Horry County

Dear Jack:

The S.C. Wildlife and Marine Resources Department is interested in purchasing the above referenced property. A copy of the appraisal of said property is enclosed for your review.

If all is in order, it would be appreciated if you would seek approval from the Budget and Control Board so that the Department may proceed with the acquisition of this land.

Sincerely,

Berry
John B. Reeves, Director
Administrative Services

JBR/lj
Enclosure

*P.S.
JACK,
Should this appraisal be in order, please call
me before putting on S+C Board agenda.*

*1/10/89
Berry says hold until
A23 is submitted.*

RB

04273

Mr. Maurice Brick
January 19, 1988
Page Three

Based on our inspections, investigations, and analyses, the fair market value of the IPCo Lewis Ocean Bay tract containing 5,200 acres, including timber, as of January 12, 1988 can be fairly stated as:

Fair Market Value Based on a Cash Sale With the Current Wetlands
Restrictions and Zoning:

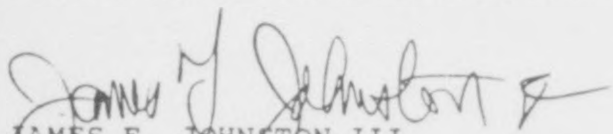
TWO MILLION SIX HUNDRED THOUSAND DOLLARS
(\$2,600,000)
(\$500 Per Acre)

Estimated Values Based on a Cash Sale Assuming the Current Wetlands
Restrictions and Zoning Do Not Exist:

FOUR MILLION ONE HUNDRED SIXTY THOUSAND DOLLARS
(\$4,160,000)
(\$800 Per Acre)

Sincerely,

CONSOLIDATED APPRAISAL SERVICES, INC.


JAMES F. JOHNSTON III
President and Inspecting Appraiser

0228a

EXHIBIT

SEP 26 1989

24

STATE BUDGET & CONTROL BOARD

04274

EXHIBIT

SEP 26 1989

24

STATE BUDGET & CONTROL BOARD

SITE

ENCLOSURE

TRACT

POSSIBLE ROUTE FOR A NORTH-SOUTH EXPRESSWAY

04275

ANTIC

To meet this objective, we have previously noted the criteria as set forth by the "South Carolina Budget and Control Board Policy for obtaining the soil conditions into three (3) major classifications with Environmental Studies For Land Acquisitions" with respect to a visual inspection and records review.

The results of our findings have found no obvious evidence of environmentally undesirable conditions to exists within or adjacent (at present) the subject tract. As with any investigation of this type, the confidence and degree of certainty in our findings are comparable to the efforts and degree of precision expected for this level of environmental assessment.

It is further noted that a possible north-south expressway and possible east-west expressway have been considered (Figure 5) as connector routes within or adjacent this tract. No decision to date has been made, but this would be a possibility to be taken into consideration (and question) prior to the purchase of the property. Additionally, the past utilization of the subject tract as a military ordnance range would require further consideration as noted under Section IV, paragraph D.

In view of the findings as noted above, it is recommended that the S.C. Heritage Trust Program make inquiries as to these findings and future plans for the surrounding and/or adjacent property. Other than this, as noted, no Level II Environmental/Prebuy Assessment is recommended.

04276

EXHIBIT

SEP 26 1989

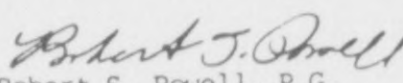
24

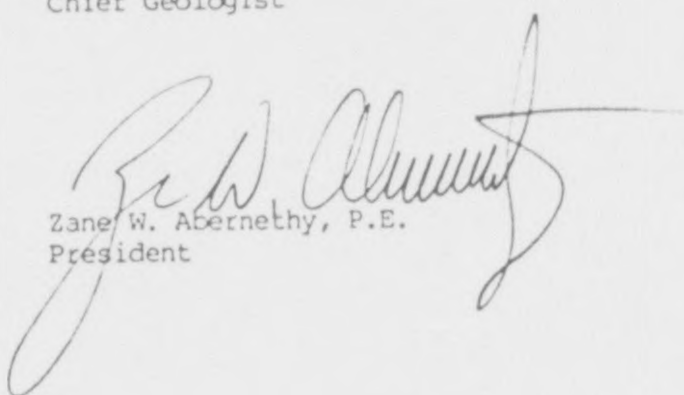
STATE BUDGET & CONTROL BOARD

If there are any questions concerning our Level I Environmental/Prebuy Assessment or report, or if we can be of any further assistance on this project, please do not hesitate to contact us. We appreciate the opportunity to have provided this service to you.

Respectfully submitted,

FOUNDATION & MATERIALS ENGINEERING, INC.


Robert S. Powell, P.G.
Chief Geologist


Zane W. Abernethy, P.E.
President

RSP/ZWA/nlb

EXHIBIT

SEP 26 1989

24

STATE BUDGET & CONTROL BOARD

EXHIBIT

INTERNATIONAL  PAPER SEP 26 1989

24

STATE BUDGET & CONTROL BOARD

W.C. SULLIVAN
REGIONAL MANAGER
LAND AND TIMBER GROUP

(803) 546-2573

September 12, 1989

Mr. Bruce Taylor
State Budget And Control Board
1201 Main Street, Suite 410
Columbia, SC 29201



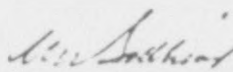
Dear Mr. Taylor:

The following summarizes our discussion of the military's use of the Lewis Ocean Bay Tract as a World War II gunnery range:

- The Buist Tract was used as a gunnery range for planes flying out of the Myrtle Beach Airport using 30-caliber ammunition on ground targets. Our employee, Lamar Duncan, who has been assigned to the Buist Tract for a number of years and was also a local resident growing up in that general area, spoke of collecting the spent brass 30-caliber rounds as a money making project as a high school student. He also stated that he had knowledge of the discussions of rounds exploding during a severe wildfire on the tract.
- For 40 years, International Paper has carried on general forestry practices which included timber harvesting, reforestation, road construction, limited drainage, and prescribed burning, and we have never had a real concern from a safety standpoint. I might add that we have never experienced nor have any knowledge of any accidents that might have occurred as a result of the gunnery range activities.
- This property has been leased for a number of years to the Wildlife and Marine Resources Department as a game management area.

I will be happy to furnish you any additional information you might need.

Very truly yours


W. C. SULLIVAN

WCS:msc

04278

STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF GENERAL SERVICES

EXHIBIT

SEP 26 1989

24

STATE BUDGET & CONTROL BOARD



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

RICHARD W. KELLY
DIVISION DIRECTOR

PROPERTY MANAGEMENT
1201 MAIN STREET, SUITE 410
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-6790

ALTON T. LOFTIS, Ph.D.
ASSISTANT DIVISION DIRECTOR

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

September 18, 1989

MEMORANDUM TO: John B. Reeves, Administrative Services Director
Wildlife and Marine Resources Department

FROM: Bruce Taylor, *BT* Property Manager
Division of General Services

SUBJECT: Recommendations for Wildlife Consideration in using
Lewis Ocean Bay for Public Purposes

After learning of the possibility of live, discarded military ordinance on the 6600-acre Lewis Ocean Bays property, I visited and toured the site with two representatives from International Paper Company.

With the property being leased for hunting purposes for the last 30+ years, I am in agreement with International Paper that most of the old 30-caliber ammunition has been picked up from the road sides throughout the property. I did, however, find several rounds lying in the middle of the road at one point. From what I understand, the Bays contains very thick underbrush and a somewhat marshy characteristic making it highly unlikely that hunters or campers will actually enter the Bays. Therefore, any live ammunition within the Bays will probably remain undisturbed.

I do feel that it is difficult to anticipate the activities of some overly enthusiastic outdoorsmen and, for that reason, General Services would like for Wildlife to consider constructing appropriate signs at all entrances to the property warning of the potential for hazard. This suggestion is not intended to frighten anyone from visiting the property, but I have been informed from explosive ordinance experts at Fort Jackson that this type ammunition, if still live, can be very dangerous if tampered with.

Again, this suggestion is only for your consideration based on our follow up of the environmental report.

/nk

04279

"Section 1-11-65. (A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution."

EXHIBIT

SEP 26 1989

24 -

STATE BUDGET & CONTROL BOARD

04280

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF THE EXECUTIVE DIRECTOR

EXHIBIT

SEP 26 1989

24

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

CERTIFICATE OF ACCEPTANCE OF INTEREST IN REAL PROPERTY

CERTIFICATE NUMBER 14 **DATED** September 28, 1989

Grantor:

International Paper Realty Corporation
One Maynard Drive
Park Ridge, New Jersey 07656

Grantee:

South Carolina Wildlife and Marine Resources Department
P.O. Box 167
Columbia, South Carolina 29202

General Description of Transaction:

County Location:

Horry

Acreage:

6,779 acres located west of US Highway 17, east of SC Highway 90
at the intersection of SC Highway 377, 1½ miles east of
Nixsonville, SC.

Purpose/project:

To protect the largest and least disturbed complex of
peat-based Carolina bays in the State and to protect two
threatened plant species, one endangered animal species, and
a rare animal species; project P24-9537.

In accordance with the provisions of §1-11-65, Code of Laws of South Carolina, the State Budget and Control Board approved the acceptance of the transfer of interest in the real property described in the documents attached from the referenced grantor to the referenced grantee at its meeting held on September 26, 1989.

SEAL

William A. McInnis
William A. McInnis, Secretary

04281

11

AGENCY: General Services

SUBJECT: Land Acquisitions, Mental Retardation

A. Aiken: The Division recommends approval of the Department of Mental Retardation request to purchase approximately 1.6 acres in Aiken to be the site of two eight-bed community residences and the related project (J16-9538).

The property has been appraised at \$17,425. The owner, N. W. Rangos, has agreed to sell at that price. Property Management has examined the appraisal and approves of its use in granting this request. The Level One environmental study concludes that there is no visual or documented evidence of contamination on the site.

This project (J16-9538, was reviewed favorably by the Bond Committee. The source of funds is excess debt service.

B. Greenville: The Division recommends approval of the Department of Mental Retardation request to purchase approximately 1.04 acres in Greenville to be the site of two eight-bed community residences and the related project (J16-9544).

The property has been appraised at \$16,500. The owner, Greenville County Mental Retardation Board, has agreed to sell for \$15,000. Property Management has examined the appraisal and approves of its use in granting this request. The Level One environmental study identified no on- or off-site potential concerns for hazardous conditions.

The project (J16-9544) has been reviewed favorably by the Bond Committee. The source of funds is capital improvement bonds.

C. Rock Hill: The Division recommends approval of the Department of Mental Retardation request to purchase approximately two acres in Rock Hill to be the site of two eight-bed community residences and the related project (J16-9534).

The property has been appraised at \$45,000. The owner, Winthrop Downs, Inc., has agreed to sell for \$30,000. Property Management has examined the appraisal and approves of its use in granting this request. The Level One environmental study concluded it is unlikely that the property has been significantly impacted by an on- or off-site sources of contamination.

The project, J16-9534, was reviewed favorably by the Bond Committee. The source of funds is excess debt service.

BOARD ACTION REQUESTED:

Approve the referenced Department of Mental Retardation land acquisitions and related projects.

ATTACHMENTS:

Agenda item worksheets; attachments

EXHIBIT

SEP 26 1989

25

04282

STATE BUDGET & CONTROL BOARD

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

Meeting Scheduled for: September 26, 1989

Regular Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly

2. Subject:

Mental Retardation land acquisition in Aiken.

3. Summary Background Information:

The Department of Mental Retardation desires to purchase approximately 1.6 acres in Aiken to be the site of two eight-bed community residences. The community residence program is designed to depopulate regional campuses and relocate clients in more normalized settings near their families. The property has been appraised at \$17,425 and the owner, N. W. Rangos has agreed to sell at that price. Property Management has examined the appraisal and approves of its use in granting this request. The level one environmental study concludes that there is no visual or documented evidence of contamination on the site. This project is Permanent Improvement #J16-9538 and was favorably reviewed by JBRC on September 13, 1989. The source of funds is Excess Debt Service. The Board is requested to approve the acquisition and the related construction project for a total cost of \$609,538.76.

4. What is Board asked to do?

Approve the DMR purchase of 1.6 acres in Aiken at the appraised value of \$17,425.00, and the related construction project for a total cost of \$609,538.67.

5. What is recommendation of Board Division involved?

Approve.

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Letter from DMR.
2. Appraisal.
3. Map.
4. Environmental letter.
5. A-23.
6. Code Section 1-11-65.

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04283

A

Philip S. Massey, Ph.D.
Commissioner
Lonnie A. Bowman, Jr.
Deputy Commissioner
Support Services
James E. Kirk
Deputy Commissioner
Fiscal Affairs
Judy E. Johnson, Ed.D.
Deputy Commissioner
Client Services



MENTAL RETARDATION
COMMISSION
Melvin L. Burton, Jr., Chairman
William deB. Mebane, Vice Chairman
Mrs. Ava M. Hope, Secretary
Clarence H. Burman, Ph.D.
Mrs. Mary C. Ramsey
Herbert Rudnick
Mrs. Doris G. Woods

South Carolina Department of Mental Retardation

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

803/737-6474

August 30, 1989

Mr. Bruce Taylor
Property Management
Division of General Services
1201 Main Street
Columbia, S. C. 29201

EXHIBIT

SEP 26 1989

25

Re: Authority to acquire Sites

STATE BUDGET & CONTROL BOARD

Dear Bruce:

This letter is to request your assistance in placing on the Budget and Control Board agenda, the purchase of the sites for the following projects, for their meeting on September 7, 1989:

<u>Project Number</u>	<u>Project Name</u>
J16-9532	Eight-Bed Community Residence at Dillon
J16-9539	Eight-Bed Community Residence at Chesterfield
J16-9535	Two Eight-Bed Community Residences at Rock Hill
J16-9544	Two Eight-Bed Community Residences at Greenville
J16-9538	Two Eight-Bed Community Residences at Aiken

All the environmental studies and appraisals have been completed and delivered to your office. Attached are letters from the companies performing the environmental studies stating that the work was completed in accordance with the Budget and

04284

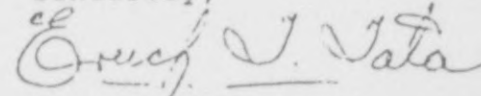


Re: Authority to acquire Sites
August 30, 1989
(Continued)
Page 2-

Control Board guidelines/requirements as requested by you. You already are in possession of such a letter for project J16-9535 from Earth Management Systems, Inc.

Your assistance in this matter will be appreciated.

Sincerely,



Eruch T. Tata, P.E.
Director of Engineering
and Planning

CC: Carol Routh

ETT/ett

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04285

FRAMPTON W. DURBAN, MAI

831 Hayne Avenue, S.W.
Aiken, S.C. 29801

Mailing Address:

P.O. Box 2754
Aiken, S.C. 29802

Telephone:
Office: 848-8298
848-3841
Home: 848-4344

May 11, 1989

South Carolina Department of
Mental Retardation
Midland Regional Office
8301 Farrow Road
Columbia, South Carolina 29203

Attention: Jim Leitner

Dear Mr. Leitner:

At your request I have made an appraisal of the 1.6 Acre lot of land on du Pont Drive in northwest Aiken which the Department of Mental Retardation wants to acquire. A complete appraisal report is attached.

As a result of my investigation, I estimate the market value of the described real estate to be:

\$17,425.00

Thank you for the opportunity of making this appraisal for you.

Very truly yours,

Frampton W. Durban
Frampton W. Durban, MAI

FWD/msw

Enclosure: Appraisal Report

EXHIBIT

SEP 26 1989

25

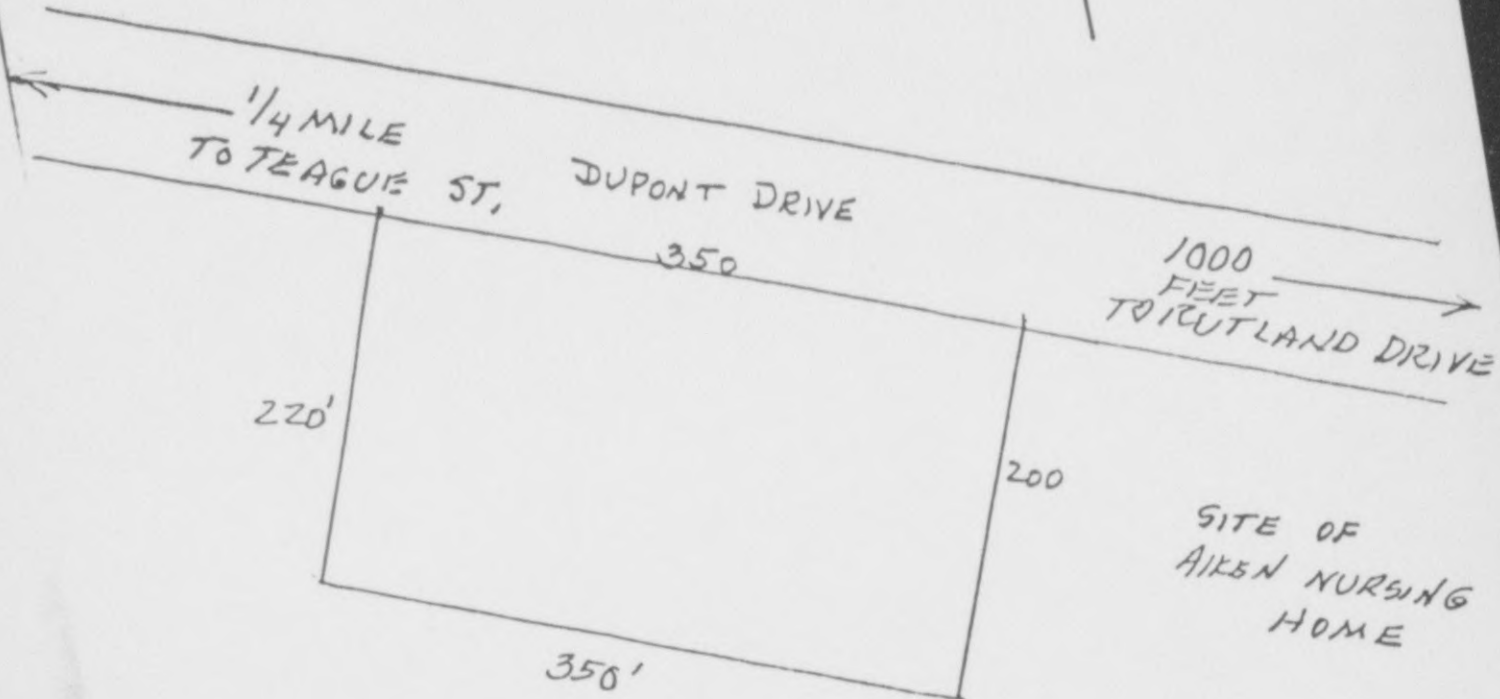
STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD



B
EXHIBIT B

PLOT PLAN 1.6 ACRES
DEPARTMENT OF MENTAL
RETARDATION

MAY 1, 1989

04287



EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

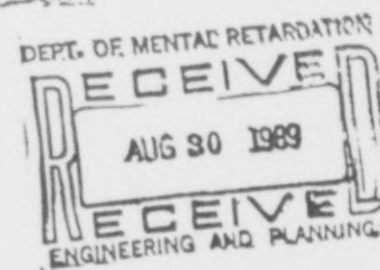
25 August, 1989

Mr. Eruch Tata
South Carolina Department of Mental Retardation
2712 Middleburg Drive
Post Office Box 4706
Columbia, South Carolina 29240

Dear Mr. Tata:

The following two studies:

- 1) Level I Environmental Assessment
Project J16-9532
Eight-Bed Community Residence
PEE DEE Region
Dillon, South Carolina
July 20, 1989
Revised August 12, 1989
- 2) Level I Environmental Assessment
Project J16-9538
Two Eight-Bed Community Residences
Midlands Region
Aiken, South Carolina
July 20, 1989
Revised August 11, 1989



were conducted in accordance with the State Budget and Control Board guidelines.

Regards,

A handwritten signature in cursive script, appearing to read "Walter J. Sexton".

Walter J. Sexton Ph.D.
Geologist/ President

wjs/ah

04288

3.2 Off-Site Reconnaissance

Off-site reconnaissance of the area around the Rangos property was conducted on 7/13/89 and 8/3/89 in order to ascertain the potential for migration of contamination from off-site sources. These reconnaissance efforts consisted of windshield surveys along area streets and interviews with local residents. Conversations with maintenance personnel at the Aiken Nursing Home indicated no potential pollution sources on that property. The nursing home is total electric and never utilized fuel oil as a heating source. Aiken High School, located across DuPont Drive from the subject site, uses both fuel oil and natural gas to fire its boiler system. Aiken School District personnel were not aware of any UST problems associated with their property. Interviews with several long-term (> 20 years) residents of the area (750 Teague Street and 119 DuPont Drive) revealed no known environmental problems associated with the subject property. It was noted, however, that most of the older homes in the area still had buried fuel oil tanks on their properties. Commercial establishments within the general area which possessed underground storage tanks (UST) included an Amoco Food Shop and Starvin Marvin convenience store at the intersection of Rutland and U.S. 1 (approximately 2000 feet east of the subject property) and a Shell oil fuel depot located along U.S. 1 approximately 2000 feet south of the subject property.

4.0 SUMMARY OF FINDINGS

Based upon a review of available SCDHEC information, title records, aerial photography, site visitations, and interviews with local authorities and residents performed by Athena Technology, Inc., there is no visual or documented evidence to suggest that significant levels (if any) of environmental contamination are present on the subject property.

5.0 RECOMMENDATIONS

It is not recommended that any further environmental assessment be performed at this site at this time.

6.0 QUALIFICATIONS

This environmental assessment is based upon records, information, and other data made available to personnel of Athena Technologies, Inc. regarding prior and existing conditions at the subject site. It is Athena's understanding that this report is to be used by the Department of Mental Retardation for the sole purpose of concluding a real estate transaction regarding the Rangos property. The use of this report by third parties will be at such parties sole risk and Athena disclaims any liability for use or reliance on this assessment by third parties. It should also be noted that this assessment was not based upon a subsurface environmental investigation or the taking of groundwater or soil samples for analysis.

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

04289

5-90

Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR _____

1. PROJECT IDENTIFIERS:

South Carolina
A. Agency: Number J16 Name Department of Mental Retardation
B. Contact person: Eruch T. Tata D E Dir. of Engr. & Phone: 737-0511
C. Project Number: 9538 Name: MIDLANDS REGION - TWO EIGHT-BED
COMMUNITY RESIDENCES AT AIKEN

2. PROJECT ACTION PROPOSED:

☒ Increase total project budget
☐ Decrease total project budget
☐ Change source of funds
☐ Revise scope
☒ LAND ACQUISITION

3. WHAT IS THE REVISION PROPOSED?: \$ 9,538.76 - APPROVED BUDGET
+ 600,000.00 - TRANSFERRING FROM
PROJECT J16-9541

\$ 609,538.76 = REVISED BUDGET

4. JUSTIFICATION FOR REVISION (Why is it needed?):

TO COMPLETE PURCHASE OF SITE AND TO CONSTRUCT AN EIGHT-
BED COMMUNITY RESIDENCE MEETING ICFMR STANDARDS

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision?: Yes ☒ No ☐

If yes, complete and attach Addendum A-49. SEE ATTACHED LETTER

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: \$ 609,538.76

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

- (1) \$ 1,500.00 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) 500,000.00 Construction of additional floor space (Gross sq. ft. 2 @ 3,165)
(8) 40,000.00 Equipment/supplies
(9) 17,425.00 Purchase of facilities: (Floor space, gross sq. ft. _____)
(Land, acres: 1.61 APPROX)
(10) 50,613.76 Other (Specify) INSURANCE; CONTINGENCY

\$ 609,538.76 Total (Same as 6A)

EXHIBIT

04290

SEP 26 1989

-25

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 604,538.76
(equals 1 through 3, below, and is same as 6A)

1. Purchase land	\$ <u>17,425.00</u>	5. Restore facility	\$ <u>—</u>
2. Purchase facility	\$ <u>—</u>	6. Maintain facility	\$ <u>—</u>
3. Demolish facility	\$ <u>—</u>	7. Replace facility	\$ <u>—</u>
4. Construct additional facility	\$ <u>592,113.76</u>	8. Other	\$ <u>—</u>

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 81-90 \$ 604,538.76
(expenditure purposes (use 6B categories): (12)(13)(14)(15)(16)(17)(18)(19)(20))

B. Estimated expenditures after this FY \$ — 0 —

C. Total (Same as 6A, 6B and 6C) \$ 604,538.76

8. PROPOSED SOURCES OF FUNDS AS REVISED:	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	9,538.76	— 0 —	9,538.76	4576	450-23760	4360
	— 0 —	+600,000.00*	600,000.00		450-45000	
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	\$ 9,538.76	\$ +600,000.00*	\$ 609,538.76			

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

* TRANSFERRING FROM PROJECT
J16-9541

9. Submitted By:

Authorized Official Lonnie A. Bowman, Jr. Date Submitted _____
Typed Name and Title and Signature
Lonnie A. Bowman, Jr., Deputy Commissioner - Support Services
FY Submitted _____

10. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

04291

"Section 1-11-65. (A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution."

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04292

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF THE EXECUTIVE DIRECTOR

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

CERTIFICATE OF ACCEPTANCE OF INTEREST IN REAL PROPERTY

CERTIFICATE NUMBER 15 DATED September 29, 1989

Grantor:

N. W. Rangos
Aiken, SC

EXHIBIT

SEP 26 1989

25

Grantee:

SC Department of Mental Retardation
P.O. Box 4706
Columbia, SC 29240

STATE BUDGET & CONTROL BOARD

General Description of Transaction:

County Location:

Aiken

Acreage:

±1.6 acres, located on duPont Drive in northwest Aiken.

Purpose/project:

To provide a site for two eight-bed community residences;
project J16-9538.

In accordance with the provisions of §1-11-65, Code of Laws of South Carolina, the State Budget and Control Board approved the acceptance of the transfer of interest in the real property described in the documents attached from the referenced grantor to the referenced grantee at its meeting held on September 26, 1989.

SEAL

William A. McInnis
William A. McInnis, Secretary

04293

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

Meeting Scheduled for: September 26, 1989

Regular Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly

2. Subject:

Mental Retardation land acquisition in Greenville.

3. Summary Background Information:

Mental Retardation desires to purchase approximately 1.04 acres in Greenville to be the site of two eight bed community residences. The Community Residence program is designed to depopulate regional campuses and place clients in smaller more normalized settings closer to their families. The property has been appraised for \$16,500 and the owner, The Greenville County Mental Retardation Board has agreed to sell for \$15,000. Property Management has examined the appraisal and approves of its use in granting this request. The level one environmental study identified no on- or off-site potential concerns for hazardous conditions. The project is Permanent Improvement #J16-9544 and was favorably reviewed by JBRC at their September 13 meeting. The Board is requested to approve the acquisition and the related construction project for a total project cost of \$610,000. The source of funds is Capital Improvement Bonds.

4. What is Board asked to do?

Approve the DMR request to purchase 1.04 acres in Greenville and also the related construction project for a total project cost of \$610,000.

5. What is recommendation of Board Division involved?

Approve.

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Letter from DMR.
2. Appraisal.
3. Map.
4. Environmental letter.
5. A-23.
6. Code Section 1-11-65.

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04294

B

Philip S. Massey, Ph.D.
Commissioner
Lonnie A. Bowman, Jr.
Deputy Commissioner
Support Services
James E. Kirk
Deputy Commissioner
Fiscal Affairs
Judy E. Johnson, Ed.D.
Deputy Commissioner
Client Services



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

South Carolina Department of Mental Retardation

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

803/737-6474

August 30, 1989

Mr. Bruce Taylor
Property Management
Division of General Services
1201 Main Street
Columbia, S. C. 29201

EXHIBIT

SEP 26 1989

25

Re: Authority to acquire Sites

STATE BUDGET & CONTROL BOARD

Dear Bruce:

This letter is to request your assistance in placing on the Budget and Control Board agenda, the purchase of the sites for the following projects, for their meeting on September 7, 1989:

<u>Project Number</u>	<u>Project Name</u>
J16-9532	Eight-Bed Community Residence at Dillon
J16-9539	Eight-Bed Community Residence at Chesterfield
J16-9535	Two Eight-Bed Community Residences at Rock Hill
J16-9544	Two Eight-Bed Community Residences at Greenville
J16-9538	Two Eight-Bed Community Residences at Aiken

All the environmental studies and appraisals have been completed and delivered to your office. Attached are letters from the companies performing the environmental studies stating that the work was completed in accordance with the Budget and

04295



Re: Authority to acquire Sites
August 30, 1989
(Continued)
Page 2-

Control Board guidelines/requirements as requested by you. You already are in possession of such a letter for project J16-9535 from Earth Management Systems, Inc.

Your assistance in this matter will be appreciated.

Sincerely,



Eruch T. Tata, P.E.
Director of Engineering
and Planning

CC: Carol Routh

ETT/ett

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04296

Robinson

April 26, 1989

Mr. James Neel
Procurement Office
Whitten Center Warehouse
Clinton, South Carolina 29325

Dear Mr. Neel:

At your request, I have made a real estate appraisal of a vacant tract of land located on the west side of Pickett Road, north side of Kerns Street, in Greenville County, South Carolina. The subject property contains a total area of approximately 1.04 acres, or 45,302 square feet of land.

I have considered pertinent data affecting the valuation of the property, including location, demand, highest and best use, sales of comparable properties and the trends and business conditions in the area. It is therefore my opinion that the fair market value of the subject property as of April 25, 1989 is:

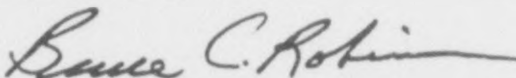
SIXTEEN THOUSAND FIVE HUNDRED DOLLARS
(\$16,500.)

The valuation is of fee simple title ownership, assuming no indebtedness against the property which cannot be satisfied without penalty. This appraisal is expressly made subject to the conditions and comments appearing herein.

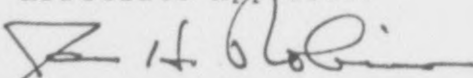
I certify that I have no financial interest in the subject property, present or contemplated, and that my employment is in no way contingent upon the value reported.

I appreciate the opportunity of making this appraisal for you.

Sincerely yours,



Bruce C. Robinson,
Associate Appraiser



James H. Robinson, MAI

EXHIBIT

SEP 26 1989

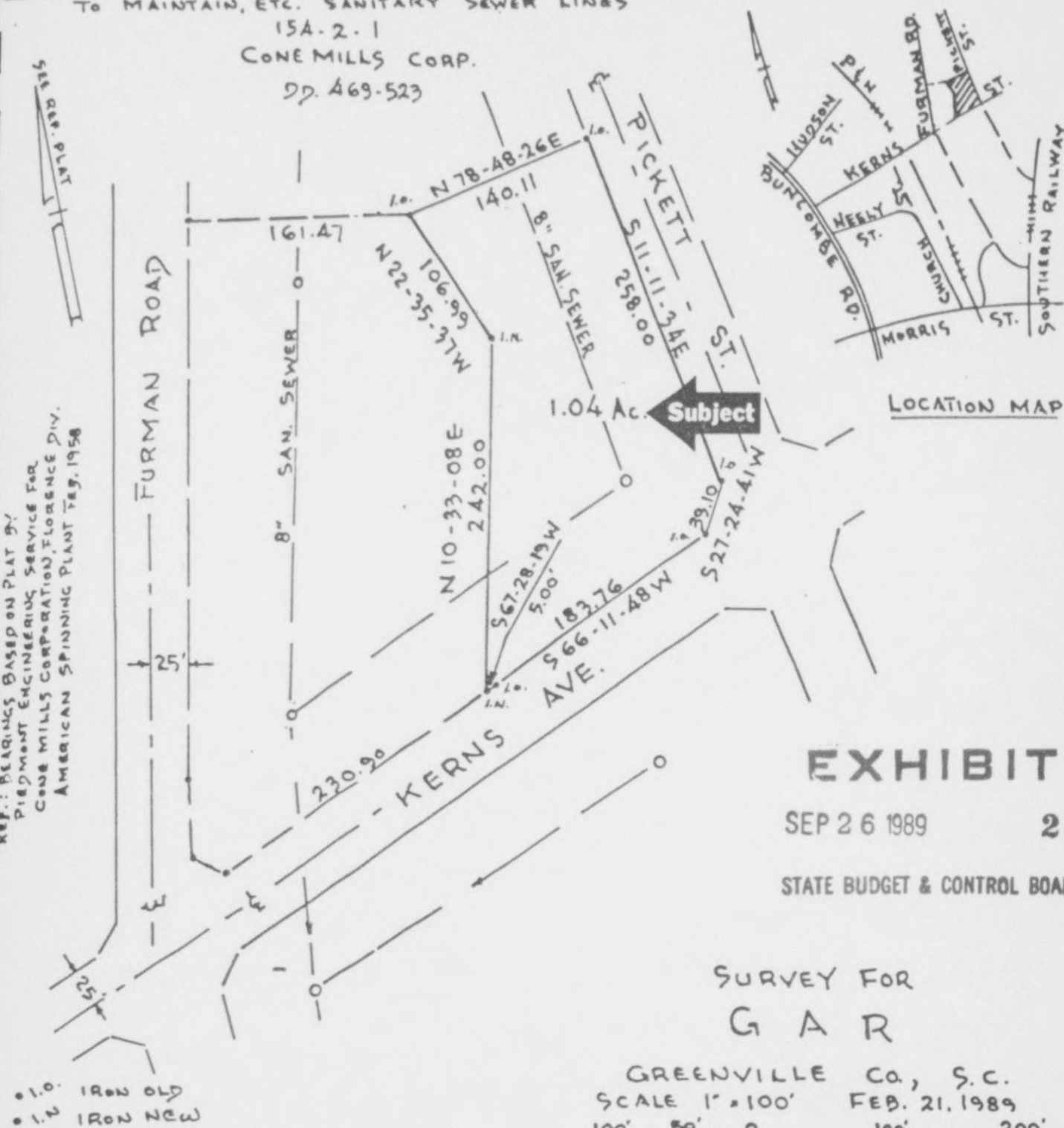
25

STATE BUDGET & CONTROL BOARD

04297

15A-2-1
CONE MILLS CORP.
DD. 469-523

REF.: REAGINGS BASED ON PLAT BY
PIEDMONT ENGINEERING SERVICE FOR
CONE MILLS CORPORATION, FLORENCE DIV.
AMERICAN SPINNING PLANT FEB 1958



EXHIBIT

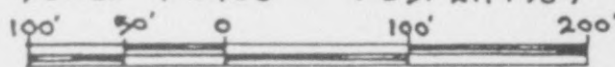
SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

SURVEY FOR
GAR

GREENVILLE Co., S.C.
SCALE 1" = 100' FEB. 21, 1989



NOTE:

THIS LOT SUBJECT TO ALL RECORDED
OR UNRECORDED EASEMENTS, RIGHTS
OF WAY, RESTRICTIONS, ETC.
AND TO LOCAL ZONING.

I HEREBY STATE THAT THE RATIO OF PRECISION OF THE UNADJUSTED FIELD SURVEY IS 1/10,000⁺, AS SHOWN, AND THAT THE AREA WAS DETERMINED BY THE DMD METHOD.

Thurl M. Arnold

3-1-89

S.C. RLS No. 4032

THE PIEDMONT GROUP • LAND SURVEYORS 04298
GREENVILLE, S.C.

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

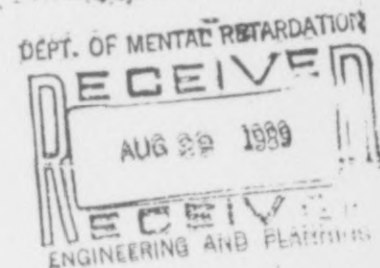


LAW ENGINEERING

GEOTECHNICAL, ENVIRONMENTAL
& CONSTRUCTION MATERIALS
CONSULTANTS

August 28, 1989

South Carolina Department of
Mental Retardation
2712 Middleburg Drive
Post Office Box 4706
Columbia, South Carolina 29240



Attention: Mr. Eruch T. Tata, P.E.
Director of Engineering and Planning

Subject: Preliminary Environmental Site
Assessment
1.04 Acre Parcel
Kern Avenue and Pickett Street
Greenville, South Carolina
Law Engineering Project No. GVE-2244 and COE-9-3466

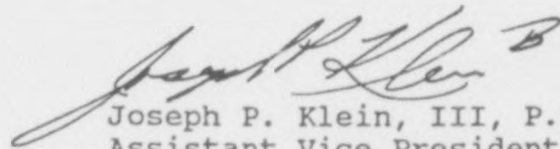
Gentlemen:

This letter is to confirm that the Preliminary Environmental Site Assessment conducted in conjunction with the subject parcel was performed in substantial agreement with the "Criteria for Environmental Studies" established by the South Carolina Budget and Control Board.

Please contact us if we can be of further assistance.

Very Truly Yours,

LAW ENGINEERING, INC.


Joseph P. Klein, III, P.E.
Assistant Vice President
Chief Engineer

JPK:ac

04299

720 GRACERN ROAD • SUITE 132
POST OFFICE BOX 21879
COLUMBIA, SOUTH CAROLINA 29221
803-798-1200

South Carolina Department of Mental Retardation
Law Engineering Job Number GVE-2244
August 6, 1989
page 10

the potential for contaminant release due to the generation or handling of hazardous materials.

4.7 Environmental Concerns

Based on our observations and the information that we reviewed, no on-site or off-site potential environmental concerns were identified.

5.0 CONCLUSIONS AND RECOMMENDATIONS

Based on the current findings and our interpretation of drainage flow patterns, there is no compelling technical evidence at this time to mandate further assessment of environmental concerns at this site.

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04300



BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only

3-90

Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR

1. PROJECT IDENTIFIERS:

South Carolina

A. Agency: Number J16 Name Department of Mental Retardation

B. Contact person: Eruch T. Tata Dir. of Engr. & Phone: 737-6511

C. Project Number: 9544 Name: PIEDMONT REGION - TWO EIGHT-BED COMMUNITY RESIDENCES AT GREENVILLE

2. PROJECT ACTION PROPOSED:

☒

Increase total project budget

Change source of funds

☐ Decrease total project budget

Revise scope

3. WHAT IS THE REVISION PROPOSED?: \$10,000.00 - APPROVED BUDGET
+ \$600,000.00 - TRANSFERRING FROM PROJECT J16-951
\$610,000.00 - REVISED BUDGET

4. JUSTIFICATION FOR REVISION (Why is it needed?):

TO COMPLETE PURCHASE OF SITE AND TO CONSTRUCT TWO EIGHT-BED COMMUNITY RESIDENCES MEETING ICFMR STANDARDS. THE PROPERTY IS 1.04 ACRES LOCATED AT KERNS AVENUE AND PICKETT STREET IN GREENVILLE. TWO COMMUNITY RESIDENCES OF 3/65 SQUARE FEET EACH WILL BE BUILT.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision? Yes ☒ No ☐ (SEE ATTACHED LETTER)
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: \$ 610,000.00

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

- (1) \$ 3,000.00 Planning/design services
(2) 10,000.00 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) 500,000.00 Construction of additional floor space (Gross sq. ft. 3,165 ^{2@})
(8) 40,000.00 Equipment/supplies
(9) 15,000.00 Purchase of facilities: (Floor space, gross sq. ft. _____)
(Land, acres: 1.04 APPROX)
(10) 42,000.00 Other (Specify) INSURANCE; CONTINGENCY

\$ 610,000.00 Total (Same as 6A)

EXHIBIT

04301

SEP 26 1989

25

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 610,000.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	\$ <u>15,000.00</u>	5. Restore facility	\$ <u> </u>
2. Purchase facility	\$ <u> </u>	6. Maintain facility	\$ <u> </u>
3. Demolish facility	\$ <u> </u>	7. Replace facility	\$ <u> </u>
4. Construct additional facility	\$ <u>595,000.00</u>	8. Other	\$ <u> </u>

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 89-90 \$ 610,000.00
(expenditure purposes (use 6B categories): (1); (2); (7); (8); (9);
(10))

B. Estimated expenditures after this FY \$

C. Total (Same as 6A, 6B and 6C) \$ 610,000.00

8. PROPOSED SOURCES OF FUNDS AS REVISED:	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE-	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
TYPE						
(0) Capital Improvement Bonds	\$ 10,000.00	\$ +600,000.00	\$ 610,000.00	8115	028-05700	3043
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	\$ 10,000.00	\$ +600,000.00	\$ 610,000.00			

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

* TRANSFERRING FROM PROJECT
J16-9578

9. Submitted By:

Authorized Official

Lonnie A. Bowman, Jr.

Date Submitted

04302

FY Submitted

Lonnie A. Bowman, Jr., Deputy Commissioner - Support Services

10. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

"Section 1-11-65. (A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution."

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04303

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF THE EXECUTIVE DIRECTOR

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

CERTIFICATE OF ACCEPTANCE OF INTEREST IN REAL PROPERTY

CERTIFICATE NUMBER 16 DATED September 29, 1989

Grantor:

Greenville County Mental Retardation Board
Greenville, SC

Grantee:

SC Department of Mental Retardation
P.O. Box 4706
Columbia, SC 29240

EXHIBIT

SEP 26 1989

25

General Description of Transaction:

STATE BUDGET & CONTROL BOARD

County Location:

Greenville

Acreage:

±1.04 acres, located on the west side of Pickett Road and
the north side of Kerns Street.

Purpose/project:

To provide a site for two eight-bed community residences;
project J16-9544.

In accordance with the provisions of §1-11-65, Code of Laws of South Carolina, the State Budget and Control Board approved the acceptance of the transfer of interest in the real property described in the documents attached from the referenced grantor to the referenced grantee at its meeting held on September 26, 1989.

SEAL

William A. McInnis

William A. McInnis, Secretary

04304

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

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

Meeting Scheduled for: September 26, 1989

Regular Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly

2. Subject:

Mental Retardation land acquisition in Rock Hill.

3. Summary Background Information:

Mental Retardation desires to purchase approximately two acres in Rock Hill to be the site of two eight bed community residences. The community residence program is designed to depopulate regional campuses and place clients in smaller more normalized settings closer to their families. The property has been appraised for \$45,000 and the owner, Winthrop Downs, Inc., has agreed to sell for \$30,000. Property Management has examined the appraisal and approves of its use in granting this request. The level one environmental study concludes that it is unlikely that the property has been significantly impacted by any on- or off-site sources of contamination. The project is Permanent Improvement #J16-9534 and was favorably reviewed by JBRC at their September 13 meeting. The Board is requested to approve the acquisition and the related construction project for a total project cost of \$610,000. The source of funds is Excess Debt Service.

4. What is Board asked to do?

Approve the DMR request to purchase two acres in Rock Hill and also the related construction project for a total project cost of \$610,000.

5. What is recommendation of Board Division involved?

Approve.

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Letter from DMR.
2. Appraisal.
3. Map.
4. Environmental letter.
5. A-23.
6. Code Section 1-11-65.

04305

C

Philip S. Mamer, Ph.D.
Commissioner

Loonie A. Bowman, Jr.
Deputy Commissioner
Support Services

James E. Kirk
Deputy Commissioner
Fiscal Affairs

Judy E. Johnson, Ed.D.
Deputy Commissioner
Client Services



MENTAL RETARDATION
COMMISSION

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

South Carolina Department of Mental Retardation

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

803/737-6474

August 30, 1989

Mr. Bruce Taylor
Property Management
Division of General Services
1201 Main Street
Columbia, S. C. 29201

Re: Authority to acquire Sites

Dear Bruce:

This letter is to request your assistance in placing on the Budget and Control Board agenda, the purchase of the sites for the following projects, for their meeting on September 7, 1989:

<u>Project Number</u>	<u>Project Name</u>
J16-9532	Eight-Bed Community Residence at Dillon
J16-9539	Eight-Bed Community Residence at Chesterfield
J16-9535	Two Eight-Bed Community Residences at Rock Hill
J16-9544	Two Eight-Bed Community Residences at Greenville
J16-9538	Two Eight-Bed Community Residences at Aiken

All the environmental studies and appraisals have been completed and delivered to your office. Attached are letters from the companies performing the environmental studies stating that the work was completed in accordance with the Budget and



04306

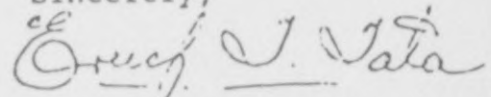
EXHIBIT
SEP 26 1989 **25**
STATE BUDGET & CONTROL BOARD

Re: Authority to acquire Sites
August 30, 1989
(Continued)
Page 2-

Control Board guidelines/requirements as requested by you. You already are in possession of such a letter for project J16-9535 from Earth Management Systems, Inc.

Your assistance in this matter will be appreciated.

Sincerely,



Eruch T. Tata, P.E.
Director of Engineering
and Planning

CC: Carol Routh

ETT/ett

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04307

LAND APPRAISAL REPORT

IDENTIFICATION	Buyer	York County Mental Retardation Board			Commission	1.0	Map Reference	630-3-5-19	
	Property Address	Northeast corner of Bird Street and University Drive							
	City	Rock Hill	County	York	State	SC	Zip Code	29730	
	Legal Description	Portion of 6 acre tract recorded in Book 388-391							
	Sale Price \$	N/A	Date of Sale		Loan Term		Property Rights Appraised	<input checked="" type="checkbox"/> Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> Life Tenancy (PUD)	
	Actual Real Estate Taxes \$	414.36 (88)	Lender Client York County Mental Retardation Board Address York County Complex, Rock Hill, SC						
Occupant	Vacant		Appraiser		Richard Odum & Assoc			Instructions to Appraiser	Estimate Market Value

NEIGHBORHOOD	Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Employment Stability <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Convenience to Employment <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Convenience to Shopping <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Convenience to Schools <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Adequacy of Public Transportation <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Recreational Facilities <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Adequacy of Utilities <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Property Compatibility <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Protection from Detrimental Conditions <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Police and Fire Protection <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> General Appearance of Properties <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Appeal to Market <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
	Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%			
	Growth Rate	<input type="checkbox"/> Fully Dev	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady		<input type="checkbox"/> Slow	
	Property Values	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining			
	Demanding Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply			
	Marketing Time	<input type="checkbox"/> Under 3 Mos	<input checked="" type="checkbox"/> 4-6 Mos	<input type="checkbox"/> Over 6 Mos			
	Present Land Use	100% Family	% 2-4 Family	% Apts		% Condo	% Commercial
	Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (1)	<input type="checkbox"/> Taking Place (1)			
	Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	% Variant			
	Single Family Price Range	\$ 75,000	to \$ 125,000	Predominant Value \$ 85,000			
Single Family Age	15 yrs to	25 yrs	Predominant Age 20 yrs				

Comments including those factors favorable or unfavorable affecting marketability, e.g. public parks, schools, view, noise: The subject is located across University Drive from Trinity Christian School. This does not appear to adversely affect value.

SITE	Dimensions	427±' x 190.57' x 427±' x 200±'		2.0	xxxx Acres	<input checked="" type="checkbox"/> Corner Lot
	Zoning classification	RS-1 Single Family Res (15,000 SFMin) - see improvements <input checked="" type="checkbox"/> in <input type="checkbox"/> district, subject to zoning regulations				
	Highest and best use	<input checked="" type="checkbox"/> Present use	<input type="checkbox"/> Other (Specify)	Subdivision into 4 single family residential lots		
	Public	near level (gradual slope to west)				
	Elec	<input checked="" type="checkbox"/>	2.0 acres - avg lot size 15,000 sq.ft.			
	Gas	<input checked="" type="checkbox"/>	rectangular			
	Water	<input checked="" type="checkbox"/>	residential & vacant residential land			
	San Sewer	<input checked="" type="checkbox"/>	appears adequate			
	<input type="checkbox"/> Underground Elec & Tel	Is the property located in a HUD identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes				
	Comments (favorable or unfavorable including any apparent easements, encroachments or other adverse conditions)	No adverse conditions observed. *The survey indicates 1.69 acres. An additional 0.31 acre is to be included in the sale. The dimensions of the 0.31 acre tract are estimated.				

EXHIBIT

The undersigned has reviewed three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of similarity and variation between the subject and comparable properties. If a comparable property is superior to the subject or more favorable than the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject. If a comparable property is inferior to the subject or less favorable than the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

SEP 23 1989 25

ITEM	Subject Property	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
		Address	Value	Address	Value	Address	Value
Address	NE corner Bird St & University	SE corner India Hook Rd and Hillcroft Pl		N side HWY 5 across from Career Dev. Cent.		Lot #13 Ebinport Road	
Proximity to Subj		1 mile		3 miles		1 mile	
Sales Price	\$ N/A	\$ 30,000		\$ 20,000		\$ 15,500	
Price/Acre	\$ N/A	\$ 29,703		\$ 20,000		\$ 37,805	
Data Source	inspection	Cthse recs/purchaser		Cthse records		Cthse recs/Broker	
Date of Sale and Time Adjustment	Current	12/87	+2,100	3/87	+2,000	6/88	+ 800
Location	Avg-Good	Superior	-6,000	superior	-1,000	superior	-2,500
Site View	2.0 ac/avg public util	1.01 ac/resid public util	+20,000	1 ac/avg public util	+20,000	.41 ac/resid public util	+30,000
Sales or Financing Concessions		All cash		All cash		All cash	
Net Adj. (Total)		<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus	\$ 16,100	<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus	\$ 21,000	<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus	\$ 28,300
Indicated Value (Subject)			\$ 46,100		\$ 41,000		\$ 43,800

Comments on Market Data: Each sale required a substantial size adjustment. The adjustment was based on a wholesale value of extra lots that could be located on the subject site. Time adjustments are based on 5%/year which is market supported.

No sales of similar sized lots in similar locations were located. The comparables chosen were considered the best available in the market area.

04308

The Market Data Analysis is the only reliable value indicated for vacant land such as the subject. The range of indications was 12%. Greater emphasis is placed on the most recent sales, Sales 1 and 3.

ESTIMATE THE MARKET VALUE AS DEFINED BY SUBJECT PROPERTY AS OF: May 15, 1989 \$ 45,000

APPROVED: *[Signature]* RICHARD ODUM & ASSOCIATES, INC.

APPROVED: *[Signature]* RICHARD E. ODUM, JR., P.E., M.A.S.

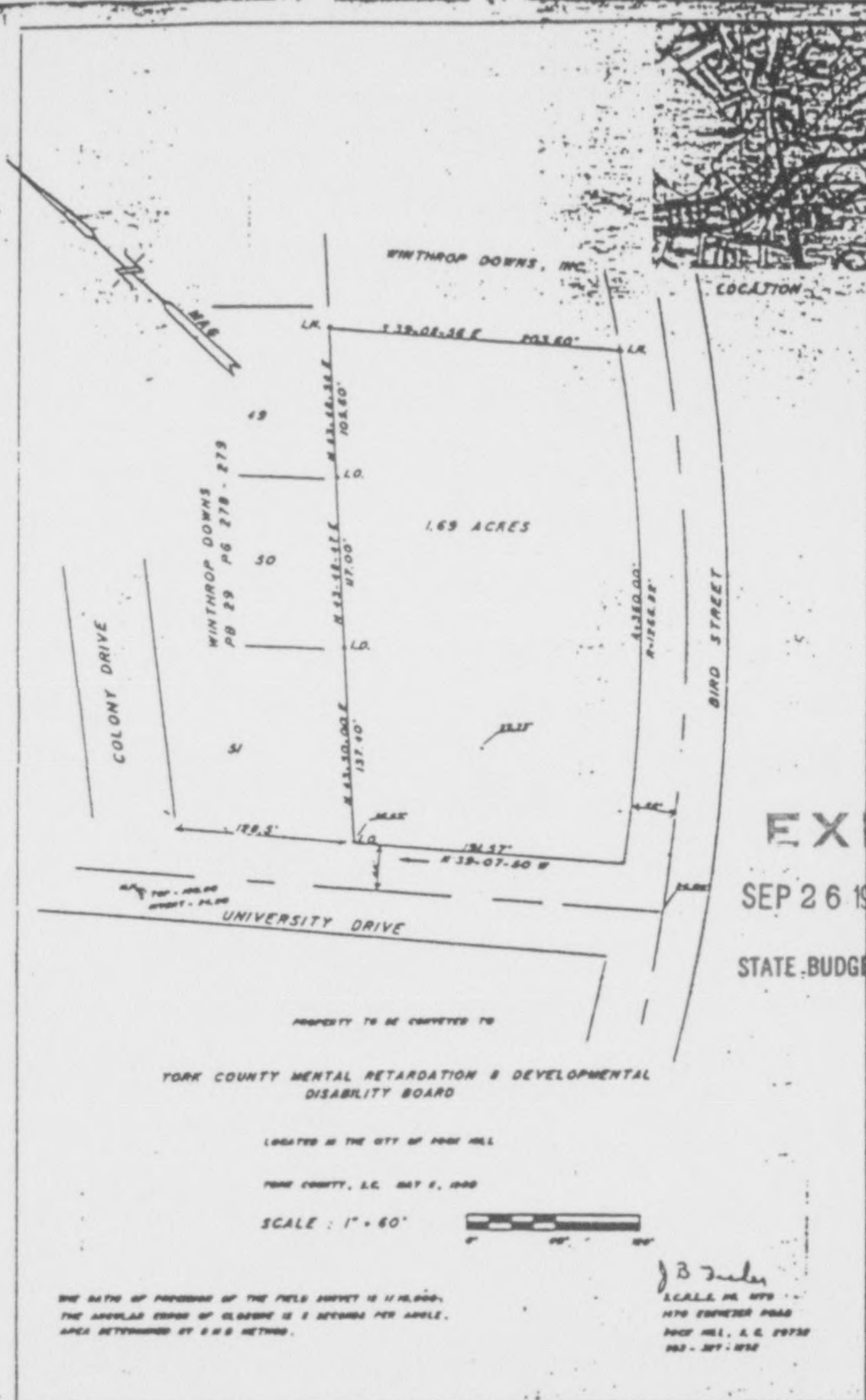


EXHIBIT
 SEP 26 1989
 STATE BUDGET & CONTROL BOARD

25

SUBJECT SURVEY

04309



Three of the facilities noted (numbers 1, 2 and 3 on figure 1) are within 1,000 feet of the Winthrop Downs property. Based on the topographic positions of the facilities near an intermittent stream valley, it is likely that any potential releases of contaminants from the facilities would discharge to the valley and result in no significant degradation of the Winthrop Downs property. Moreover, no indications of past or present environmental problems at these facilities were identified from review of SCDHEC files.

Facilities located farther to the east and north (including several facilities in the Rock Hill Industrial Park) do not appear to have the potential to impact the property. These facilities are either located hydraulically downgradient of the property, or across ground-water flow boundaries (recharge or discharge zones) such that there exists little potential for significant contamination of the Winthrop Downs property.

CONCLUSIONS

Based on review of available environmental records for the area, inspection and interpretation of topographic maps and available aerial photography, and a site reconnaissance by a representative of Earth Management Systems, it is unlikely that the Winthrop Downs property has been significantly impacted by any on-site or off-site sources of contamination.

Respectfully submitted,

EARTH MANAGEMENT SYSTEMS, INC.

R. David Asti

R. David Asti, G.I.T.
Staff Hydrogeologist

Stephen C. Godfrey

Stephen C. Godfrey, P.G.
Senior Hydrogeologist

EXHIBIT
SEP 26 1989 25
STATE BUDGET & CONTROL BOARD

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR _____

1. PROJECT IDENTIFIERS:

South Carolina

A. Agency: Number J16 Name Department of Mental Retardation

B. Contact person: Eruch T. Tara D E Dir. of Engr. & Phone: 757-0511

C. Project Number: 9534 Name: PIEDMONT REGIONAL - TWO EIGHT-BED
COMMUNITY RESIDENCES AT ROCK HILL

2. PROJECT ACTION PROPOSED:

X Increase total project budget Change source of funds
Decrease total project budget Revise scope

3. WHAT IS THE REVISION PROPOSED?: \$ 10,000.00 - APPROVED BUDGET
+ 600,000.00 - TRANSFERRING FROM
PROJECT J16-9541
\$ 610,000.00 - REVISED BUDGET

4. JUSTIFICATION FOR REVISION (Why is it needed?):

TO ACQUIRE SITE AND TO CONSTRUCT TWO EIGHT-BED
COMMUNITY RESIDENCES MEETING ICFMR STANDARDS

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of

the revision?: Yes X No _____ (SEE ATTACHED LETTER)
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: \$ 610,000.00

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

- (1) \$ 2,000.00 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) 500,000.00 Construction of additional floor space (Gross sq. ft. 2 @ 3,165)
(8) 40,000.00 Equipment/supplies
(9) 30,000.00 Purchase of facilities: (Floor space, gross sq. ft. _____)
(Land, acres: 2.0 APPROX.)
(10) 38,000.00 Other (Specify) INSURANCE; CONTINGENCY

\$ 610,000.00 Total (Same as 6A)

EXHIBIT

SEP 26 1989

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04311

STATE BUDGET & CONTROL BOARD

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 612,000.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	\$ <u>30,000.00</u>	5. Restore facility	\$ <u> </u>
2. Purchase facility	\$ <u> </u>	6. Maintain facility	\$ <u> </u>
3. Demolish facility	\$ <u> </u>	7. Replace facility	\$ <u> </u>
4. Construct additional facility	\$ <u>580,000.00</u>	8. Other	\$ <u> </u>

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 89-90 \$ 610,000.00
(expenditure purposes (use 6B categories): (1) (7) (9) (10))

B. Estimated expenditures after this FY \$

C. Total (Same as 6A, 6B and 6C) \$ 610,000.00

8. PROPOSED SOURCES OF FUNDS AS REVISED:	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 Cost Service	3,040.10 6,959.90 -0-	-0- -0- 600,000.00	3,040.10 6,959.90 600,000.00	4516	450-2270 450-3000 450-4500	4660
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	\$ 10,000.00	\$ 600,000.00	\$ 610,000.00			

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

* TRANSFERRING FROM PROJECT
J16-9541

9. Submitted By:

Authorized Official

Lennie A. Bowman, Jr.
Typed Name and Title and Signature

Date Submitted

6/23/989

FY Submitted

Lennie A. Bowman, Jr., Deputy Commissioner - Support Services

10. APPROVED (For Board Use Only):

04312

Typed Name and Title and Signature

Date

"Section 1-11-65. (A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution."

EXHIBIT

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

04313

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF THE EXECUTIVE DIRECTOR

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

CERTIFICATE OF ACCEPTANCE OF INTEREST IN REAL PROPERTY

(Corrected)

CERTIFICATE NUMBER 17 DATED September 29, 1989

Grantor:

Winthrop Downs, Inc.
Rock Hill, SC

Grantee:

SC Department of Mental Retardation
P.O. Box 4706
Columbia, SC 29240

General Description of Transaction:

County Location:

York

Acreage:

±2 acres, located at northeast corner of Bird Street and
University Drive.

Purpose/project:

To provide a site for two eight-bed community residences;
project J16-9534.

In accordance with the provisions of §1-11-65, Code of Laws of South Carolina, the State Budget and Control Board approved the acceptance of the transfer of interest in the real property described in the documents attached from the referenced grantor to the referenced grantee at its meeting held on September 26, 1989.

SEAL

William A. McInnis

William A. McInnis, Secretary

EXHIBIT

04314

SEP 26 1989

25

STATE BUDGET & CONTROL BOARD

EXHIBIT

SEP 26 1989

26

STATE BUDGET AND CONTROL BOARD
MEETING OF September 26, 1989

STATE BUDGET & CONTROL BOARD

REGULAR SESSION

ITEM NUMBER

12

AGENCY: General Services

SUBJECT: Land Acquisition, PRT

The Division recommends approval of a Department of Parks, Recreation and Tourism request to purchase approximately 4.5 acres known as Sumter Circle at Caesar's Head State Park (project P28-9452).

The Property has been appraised at \$141,300. The owner, Frank Coggins, has agreed to sell at that price. Property Management has examined the appraisal and approves its use in granting this request.

The Level One environmental study concluded that the potential is low for environmental insult to the property from past site activities.

This project has been reviewed favorably by the Bond Review Committee. The source of funds is Recreation Land Trust Fund.

BOARD ACTION REQUESTED:

Approve the Department of Parks, Recreation and Tourism request to purchase approximately 4.5 acres known as Sumter Circle at Caesar's Head State Park (project P28-9452).

ATTACHMENTS:

Agenda item worksheet; attachments

04315

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF THE EXECUTIVE DIRECTOR

RECEIVED

APR 14 1992

S. C. DEPARTMENT OF
ARCHIVES & HISTORY

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

JOHN DRUMMOND
CHAIRMAN, SENATE FINANCE COMMITTEE

WILLIAM D. BOAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

LUTHER F. CARTER
EXECUTIVE DIRECTOR

DECLARATION OF INTENT

AND PURPOSE

I, Donna K. Williams, the records officer or authorized representative
(Name)

of Budget and Control Board do hereby declare that the records
(Agency or political subdivision and Office)

series Budget and Control Board Meeting Minutes

microfilmed herein, are records of the Budget and Control Board

created during its normal course of business. The destruction or other disposition of these microphotographed records is only to be accomplished in accordance with the Code of Laws of South Carolina, 1976, Title 30, Chapter 1, sections 30-1-10 through 30-1-140 (Public Records) and Code of Laws of South Carolina, 1976; 1981 Cumulative Supplement, Article 9, section 19-5-510 (Uniform Business Records as Evidence Act) and Article 11, section 19-5-610 (Uniform Photographic Copies of Business and Public Records as Evidence Act) and approved Records Series Retention/Disposition Schedule or the approved equivalent and after inspection of the microfilm to assure completeness of coverage, legibility of content and adherence to technical quality requirements.

DATE April 13 1992

PLACE Columbia, SC
CITY STATE

Donna K. Williams
Signature

Secretary to the Board
Title
FAX (803) 734-2320

THESE RECORDS WERE MICROFILMED IN THE ORDER IN
WHICH THEY WERE DELIVERED TO THE SERVICES DIVISION.

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.





MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS
STANDARD REFERENCE MATERIAL 1010a
(ANSI and ISO TEST CHART No. 2)

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

Meeting Scheduled for: September 26, 1989

Regular Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly

2. Subject:

Parks, Recreation and Tourism land acquisition at Ceasar's Head.

3. Summary Background Information:

PRT desires to purchase approximately 4.5 acres known as Sumter Circle at Ceasar's Head State Park. The property is surrounded by other lands of the Park and PRT feels that private development of this property would not be in the best interest of the Park. The property has been appraised at \$141,300. The owner, Frank Coggins, has agreed to sell at that price. Property Management has examined the appraisal and approves of its use of granting this request. The level one environmental study concluded that the potential is low for environmental insult to the property from past site activities. This project is Permanent Improvement #P28-9452 and was favorably reviewed by JBRC at their September 13 meeting. The source of funds is Recreation Land Trust Fund.

4. What is Board asked to do?

Approve the PRT purchase of 4.5 acres on Sumter Circle at Ceasar's Head for the appraised value of \$141,300.

5. What is recommendation of Board Division involved?

Approve.

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Letter from PRT.
2. Appraisal.
3. Map.
4. Environmental letter.
5. Code Section 1-11-65.

EXHIBIT

SEP 26 1989

26

STATE BUDGET & CONTROL BOARD

04316



Fred P. Brinkman, Executive Director

Division of Engineering & Planning
William R. Jennings, Director
(803) 734-0173
FAX (803) 734-0133

August 7, 1989

Mr. Bruce Taylor, Property Manager
Division of General Services
1201 Main Street, Suite 410
Columbia, South Carolina 29201

RE: Acquisition of Sumter Circle Property, Caesars Head

Dear Bruce:

I have enclosed a copy of the "Phase I Environmental Study" conducted by Sirrine Environmental Consultants of Greenville. The study concludes that the property is free from contamination and recommends no additional studies.

We have available funding for this acquisition and I have submitted an A-23 to add such funds to this project. Please let me know if this is sufficient and if so when it can be placed on the Boards agenda.

Thank you for your assistance.

Sincerely,

Steve McCalla
Landscape Architect

/tma



EXHIBIT

SEP 26 1989

26

STATE BUDGET & CONTROL BOARD

04317

Robinson

June 12, 1989

RECEIVED

JUN 28 1989

ENGINEERING & PLANNING

Mr. Steve McCalla
S. C. Department of Parks and Tourism
1205 Pendleton Street
Columbia, South Carolina 29201

Dear Mr. McCalla:

At your request, I have made a real estate appraisal, which is attached, of 14 lots on Sumter Circle in the Caesar's Head Community, located at Caesar's Head, South Carolina and identified on the Greenville County Tax Maps as 686.1-1-1,2,3,4,5,6,7,8,10,11,12,13,14 and 15. After considering available market data, supply and demand, and other market factors, it is my opinion that the estimated market value of the subject property as of June 10, 1989 is:

ONE HUNDRED FORTY-ONE THOUSAND, THREE HUNDRED DOLLARS
(\$141,300.)

I certify that I have no financial interest in the subject property, present or contemplated, and that my employment is in no way contingent on the value reported.

I appreciate the opportunity of amking this appraisal for you.

Very truly yours,

Nancy T. Teachey

Nancy T. Teachey
Associate Appraiser

James H. Robinson

James H. Robinson, M.A.I.

EXHIBIT

SEP 26 1989

26

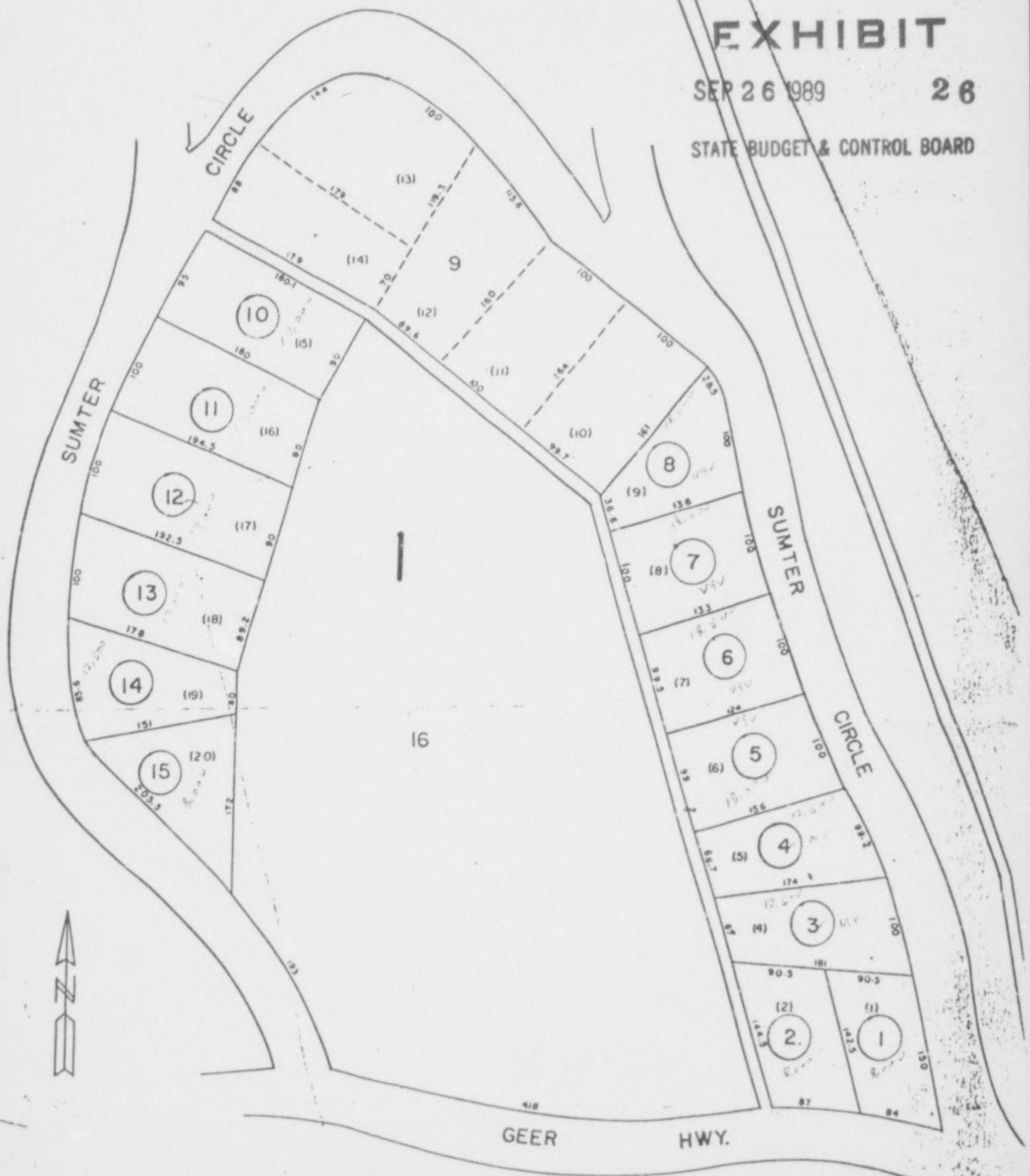
STATE BUDGET & CONTROL BOARD

04318

Subject Property

26

STATE BUDGET & CONTROL BOARD



04319



Post Office Box 24000
Greenville, South Carolina 29616
(803) 234-3000

August 1, 1989

Mr. Steve McCalla
South Carolina Department
of Parks, Recreation and Tourism
1205 Pendleton Street
Columbia, SC 29201

Re: Environmental Assessment Report

Dear Mr. McCalla:

Attached are two copies of the preliminary (Phase I) assessment report. We believe the assessment is a practical and prudent attempt to determine the potential for hazardous waste or material to negatively impact the subject property. Although SEC cannot guarantee the property to be free of hazardous substances, we do believe the major issues have been addressed and the report will assist you in negotiating the acquisition of this property.

Based on the records review and site inspection, SEC believes that potential is low for environmental insult to the property from past site activities. No additional assessment (Phase II) is recommended. To minimize your protection from unknown environmental problems associated with the property, SEC recommends SCPR&T obtain indemnification from the current owner from any and all unknown environmental contamination resulting from past activities. This indemnification should be part of the purchase contract.

SEC appreciates the opportunity to be of assistance to you. If you have any questions concerning this report or need additional information, please contact me at (803) 234-3037.

Sincerely,

Neal B. Cormany
Environmental Project Engineer

cc: Mr. Jim Brooks, SEC
Mr. Mark Augspurger, SEC

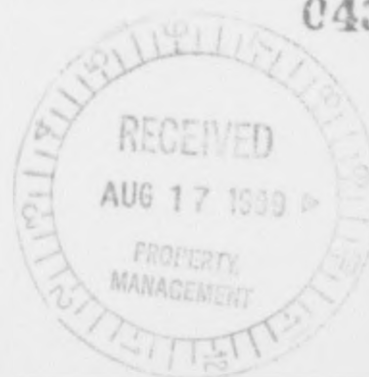
EXHIBIT

SEP 26 1989

26

STATE BUDGET & CONTROL BOARD

04320



IV. SUMMARY AND RECOMMENDATIONS

Based on the history and site inspection, the potential for on-site soil or ground water contamination is extremely low. The presence of a small amount of nonhazardous trash near Lot No. 11 does not warrant an additional soil investigation.

No evidence of on-site hazardous substance disposal exists on the property under consideration. Based on the site inspection, previous apparent and current land usage, and interviews with persons familiar with the property, the potential for any significant soil or ground water contamination appears to be extremely low. Therefore, no additional investigations, such as soil borings/sampling etc., are recommended for this property.

04321

EXHIBIT

SEP 26 1989

26

STATE BUDGET & CONTROL BOARD

"Section 1-11-65. (A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution."

EXHIBIT

SEP 26 1989

26

STATE BUDGET & CONTROL BOARD

04322

STATE OF SOUTH CAROLINA
State Budget and Control Board SEP 26 1989

EXHIBIT

26

OFFICE OF THE EXECUTIVE DIRECTOR

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

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

CERTIFICATE OF ACCEPTANCE OF INTEREST IN REAL PROPERTY

CERTIFICATE NUMBER 18 DATED September 29, 1989

Grantor:

Coggins Land Company (Frank Coggins)
c/o Coggins Granite, Inc.
Box 250
Elberton, Georgia

Grantee:

SC Department of Parks, Recreation and Tourism
1205 Pendleton Street
Columbia, SC 29201

General Description of Transaction:

County Location:

Greenville

Acreage:

±4.5 acres, located on both sides of Sumter Circle which intersects Geer Highway in the Caesar's Head Community, being 14 lots designated on Greenville County Tax Maps as TMS 686.1-1-1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14 and 15.

Purpose/project:

Mountain Bridge park acquisition; project P28-9452.

In accordance with the provisions of §1-11-65, Code of Laws of South Carolina, the State Budget and Control Board approved the acceptance of the transfer of interest in the real property described in the documents attached from the referenced grantor to the referenced grantee at its meeting held on September 26, 1989.

SEAL

William A. McInnis

William A. McInnis, Secretary

04323

EXHIBIT

SEP 26 1989

27

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF September 26, 1989

ITEM NUMBER

13

AGENCY: University of South Carolina

SUBJECT: Foreign Travel Blanket Approval

The University of South Carolina requests blanket approval for the faculty and staff of the Earth Sciences and Resources Institute (ESRI) to travel to West Germany, East Germany, Bulgaria, USSR, and Poland. The ESRI anticipates research opportunities in these areas. No State funds will be used in this travel.

The Board has granted the following blanket approval to the ESRI:

August 23, 1988	Bolivia, Chile, Brazil, Sudan, North Yemen (unspecified time period)
June 28, 1988	Czechoslovakia, Denmark, France, Hungary, Peru, Somalia, United Kingdom (unspecified time period)
December 18, 1987	Somalia (for a 2-year period beginning in 1988)
November 10, 1987	Syria (November 87 - May 88)

BOARD ACTION REQUESTED:

Grant blanket approval for the faculty and staff of the University of South Carolina Earth Sciences and Resources Institute (ESRI) to travel to West Germany, East Germany, Bulgaria, USSR, and Poland.

ATTACHMENTS:

Denton September 14 letter to McInnis

04324



SEP 19 1989

UNIVERSITY OF SOUTH CAROLINA

COLUMBIA, S.C. 29208

EXHIBIT

TREASURER OF THE UNIVERSITY

September 14, 1989

SEP 26 1989

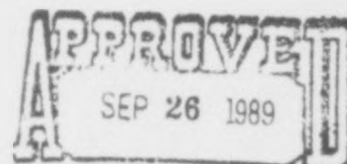
27

EXECUTIVE VICE PRESIDENT

Business and Finance
(803) 777-7478
Fax (803) 777-9480

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
618 Wade Hampton Office Building
Columbia, SC 29201



RE: Foreign Travel Blanket Approval -
Earth Sciences Resources Institute

STATE BUDGET AND
CONTROL BOARD

William A. McInnis

Dear Bill:

Several members of the ESRI faculty and staff will be traveling to the following countries: West Germany, East Germany, Bulgaria, USSR and Poland.

ESRI anticipates research opportunities in these areas which would mean multiple trips to the areas.

I am formally requesting blanket approval at this time for the faculty and staff of the Earth Sciences Resource Institute. No State funds would be used in this travel.

Your assistance in this matter is greatly appreciated.

Sincerely,

R. W. Denton

pdo

04325

EXHIBIT

SEP 26 1989

28

STATE BUDGET AND CONTROL BOARD
MEETING OF September 26, 1989

REGULAR SESSION
ITEM NUMBER

14

AGENCY: Department of Mental Retardation

SUBJECT: Moving Expenses

In accord with Code Section 8-11-135, the Department of Mental Retardation requests approval of the payment of \$2,074 to Paul Hockett, Staff Developmental and Training Director, as a reimbursement for the costs incurred in moving personal and household effects from Bossier, Louisiana to Newberry.

BOARD ACTION REQUESTED:

In accord with Code Section 8-11-135, authorize the Department of Mental Retardation to pay \$2,074 to Paul Hockett, Staff Developmental and Training Director, as a reimbursement for the costs incurred in moving personal and household effects from Bossier, Louisiana to Newberry.

ATTACHMENTS:

Massey September 12 memo to McInnis

04326

SEP 18 1989

Philip S. Massey, Ph.D.
Commissioner

Lonnie A. Bowman, Jr.
Deputy Commissioner
Support Services

James E. Kirk
Deputy Commissioner
Fiscal Affairs

Judy E. Johnson, Ed.D.
Deputy Commissioner
Client Services



MENTAL RETARDATION
COMMISSION

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

South Carolina Department of Mental Retardation

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

803/737-6474

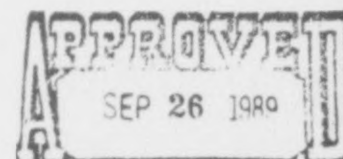
September 12, 1989

MEMORANDUM

To: William A. McInnis
Deputy Executive Director
Budget and Control Board

From: Philip S. Massey, Ph.D.
Commissioner

Subject: New Employee Moving Expense Payment Approval Request



STATE BUDGET AND
CONTROL BOARD

William A. McInnis

In accordance with Code Section 8-11-135, this is a request for Budget and Control Board approval of payment by this agency \$2,074 as a reimbursement to Paul Hockett, Bossier, Louisiana, for the costs incurred in moving personal and household effects to Newberry, South Carolina.

Mr. Hockett is a Staff Developmental and Training Director with this agency. Because of our inability to recruit and employ well qualified training professionals in the Clinton area, it is necessary for this agency to pay this reimbursement to fill this position with a well qualified individual.

I certify that the indicated amount to be paid is the total paid and to be paid by this agency toward the total moving cost incurred by this new employee.

PSM/stc

cc: Wayne D. Blanton

EXHIBIT

SEP 26 1989

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STATE BUDGET & CONTROL BOARD

04327