

*MINUTES OF  
Budget and  
Control Board  
Meeting  
March 12, 1985*

023128

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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 13, 1985

MEMORANDUM

TO: Budget and Control Board Division Directors  
FROM: William A. McInnis, Deputy Executive Director *WAM*  
SUBJECT: Summary of Board Actions at March 12, 1985 Meeting

The following is a summary of actions taken by the Budget and Control Board at its meeting on March 12, 1985:

1. Approved the minutes of Budget and Control Board meetings and of the Educational Facilities Authority meetings held on February 14 and 28, 1985, and of a Budget and Control Board telephone conference call meeting held on February 22, 1985;
2. Acting as the State Educational Facilities Authority for Private, Nonprofit Institutions of Higher Learning, adopted a resolution amending the resolution previously adopted authorizing the financing of a music learning center at Baptist College at Charleston through the issuance of \$500,000 Educational Facilities First Mortgage Revenue Bonds;
3. Received as information a report on Winthrop College fee increases for next year;
4. Granted an easement to the U. S. Department of the Navy for the purpose of enlarging an existing fuel dock in the Atlantic Intracoastal Waterway (Brickyard Creek) at the Marine Corps Air Station in Beaufort County;
5. Received as information a report that the following permanent improvement projects have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

(a) On Summary 17-85:

Item 5, Criminal Justice Academy, N20-7899, Water Main--Range, increase budget to \$100,000 by adding \$2,000 of Other funds;

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(b) On Summary 18-85:

Item 2, USC-Beaufort, H36-8056, Marine Science Laboratory, increase budget to \$537,000 by adding \$30,000 of Other funds;

Item 8, Technical and Comprehensive Education, H59-////, York "C" Building Renovation, establish project and source of funds, \$19,375 Federal funds, \$17,425 Other funds;

Item 11, Wildlife & Marine Resources, P24-8291, Georgetown Office Complex, increase budget to \$130,000 by adding \$30,000 of Capital Improvement Bond funds;

6. Received as information a report that the following permanent improvement projects have been approved by staff and Joint Bond Review Committee review is not required:

(a) On Summary 18-85:

Item 12, Clemson University, H12-7704, Germ Plasm Research, decrease budget to \$495,879.54 by subtracting \$10,864.21 of Other funds;

Item 13, Clemson University, H12-8257, Cope Hall Encapsulate Ceiling, increase budget to \$30,221.52 by adding \$221.52 of Other funds;

Item 14, Clemson University, H12-8258, Donaldson/Wannamaker--Window Replacement, decrease budget to \$95,636.97 by subtracting \$19,363.03 of Other funds;

Item 15, Clemson University, H12-8300, Manning Hall Corkboard Installation, decrease budget to \$24,067.12 by subtracting \$5,932.88 of Other funds;

Item 16, Technical and Comprehensive Education, H59-7983, Greenville--Engineering Wing Expansion, decrease budget to \$699,357.61 by subtracting \$99,042.39 of Other funds;

Item 17, Technical and Comprehensive Education, H59-8111, Greenville--Retainer/Screening Wall, decrease budget to \$54,683 by subtracting \$6,317 of Other funds;

Item 18, Technical and Comprehensive Education, H59-8144, Greenville--Engineering Parking Lot Relocation, decrease budget to \$20,444.48 by subtracting \$56,055.52 of Other funds;

Item 19, Technical and Comprehensive Education, H59-8164, Greenville--C Building Renovation, decrease budget to \$57,732.94 by subtracting \$27,267.06 of Other funds;

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Item 20, Technical and Comprehensive Education, H59-8372, Greenville--Purchase of Leslie Advertising, to close project, \$325,000 of Other funds expended;

Item 21, Technical and Comprehensive Education, H59-8637, Greenville--Bowen Property Acquisition, to close project, \$215,000 of Other funds expended;

(b) On Summary 19-85:

Item 5, The Citadel, H09-7729, Cadet Services Building, increase budget to \$1,210,000 by adding \$11,000 of Appropriated State funds;

Item 6, The Citadel, H09-8479, Daniel Library Exterior Waterproofing, decrease budget to \$0.00 by subtracting \$30,466 of Other funds;

Item 7, The Citadel, H09-8480, Thompson Hall Exterior Waterproofing, decrease budget to \$0.00 by subtracting \$32,000 of Other funds;

Item 8, The Citadel, H09-8481, Library Cooling Tower Replacement, decrease budget to \$0.00 by subtracting \$2,466 of Appropriated State funds and \$26,534 of Other funds;

Item 9, The Citadel, H09-8484, Old Coward Hall Demolition, decrease budget to \$0.00 by subtracting \$22,000 of Appropriated State funds;

Item 11, Wildlife & Marine Resources, P24-8370, Bamberg County-Buford's Bridge, decrease budget to \$14,500 by subtracting \$54.00 of Other funds;

7. Received as information the Division of General Services procurement audit of the University of South Carolina;
8. Received as information reports on the reimbursement of interviewee travel expenses by the Department of Insurance (1), the University of South Carolina (69), Lander College (1), Technical and Comprehensive Education (1), College of Charleston (10), Francis Marion College (3), and the Department of Mental Health (1);
9. Received as information the FTE position operating report for the month of February, 1985 which shows a net change of 1 position during the month, resulting in the total authorized position base at February 28, 1985 of 60,474.93 of which 56,153.35 positions were filled and 4,321.58 were vacant;

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10. Adopted a resolution approving the issuance of \$8 million of stadium improvement revenue bond anticipation notes, Series 1985, of the University of South Carolina, and approving the payment of \$1 million from the debt service funds established for the referenced notes for certain improvements to Williams-Brice Stadium;
11. Adopted a resolution authorizing the issuance of \$3,050,000 refunding institution (tuition) bond anticipation notes for the University of South Carolina in anticipation of the issuance of a like amount of State institution bonds and authorize the use of excess debt service funds to retire \$900,000 of the notes now outstanding and to pay the interest due on them;
12. Authorized the Department of Mental Health to finance the national search for a successor to Dr. William S. Hall from agency funds in an amount not to exceed \$35,000 and agreed to reconsider the agency's request for a Civil Contingent Fund allocation for this purpose later in the fiscal year if necessary;
13. Approved local government proposals to issue revenue bonds, except items (d) and (g), on the condition that the required reviews are completed with satisfactory results, and allocated a portion of the state ceiling to projects (a) through (g) as follows:
  - (a) York County, \$5,000,000 Industrial Revenue Note on behalf of the International Aluminum Corporation project, to provide employment for 100 to 120 persons at facilities for store front and architectural aluminum fabrication and edging, beveling, polishing and fabrication of heavy glass for use in store displays and custom furniture (requires allocation and approval under state law);
  - (b) Greenville County, \$3,600,000 Industrial Revenue Bond on behalf of the Cole project, to provide employment for ten persons at a warehouse and distribution center (requires allocation and approval under state law);
  - (c) Richland County, \$3,000,000 Industrial Revenue Note on behalf of the Wheel Trueing Tool Company project, to provide employment for approximately 60 persons in the manufacture of industrial diamond products (requires allocation and approval under state law);
  - (d) Lexington County, \$1,500,000 Industrial Revenue Bonds on behalf of the Wellington Synthetic Fibres, Inc., project, to provide employment for 20-30 additional employees in the manufacture of fibers for use in cushions, webbing, belts, nursery materials and other products (allocation only);

- (e) Oconee County, \$500,000 Industrial Revenue Note on behalf of the Nacan project, to provide employment for approximately 25 persons at a facility for manufacturing temperature and pressure switches and warehousing filters and related products (requires allocation and approval under state law);
- (f) Anderson County, \$1,000,000 Industrial Revenue Note on behalf of the Craft Bonded Warehouse, Inc., to provide employment for approximately 1-5 persons at a facility to distribute and warehouse industrial and commercial products (requires allocation and approval under state law); and
- (g) Clarendon County, \$1,000,000 Industrial Revenue Note on behalf of the Aircap Realty Associates project, to provide employment for 5 to 10 persons at an existing facility for use as a warehouse in connection with manufacturing lawnmowers (allocation only);

14. Approved the following transfer requests:

- (a) Board of Optometry: \$997.77 appropriated general fund monies from temporary position to contractual services;
- (b) Legislative Audit Council: \$39,566.59 appropriated general fund monies from personal services to other operating expenses; and
- (c) Youth Services: \$77,455 appropriated general fund monies from classified positions (\$65,022) and employer contributions (\$12,433) to other operating expenses; and consolidation of two new programs (Secure Shelter Home and Beaufort Marine Institute) into a single program;

15. Approved positions above the number authorized for the following agencies:

- (a) Adjutant General's Office, one federally-funded; (b) Secretary of State's Office, one state-funded; and (c) Jobs-Economic Development Authority, one federally-funded;

16. Exempted appraisers from the purchasing procedures and reporting requirements of the Procurement Code in accord with Code Section 11-35-710, on the recommendation of the Division of General Services;

17. Granted procurement certification to the Vocational Rehabilitation Department within the parameters described in the audit report for the following limits for a period of two years: Purchases made by the Director of Purchasing from Case Service funds specifically for handicapped clients in the area of vocational rehabilitative equipment of \$10,000 per commitment;

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18. Approved proposed legislation on the payment of moving expenses and directed staff to forward it to the House Ways and Means Committee and the Senate Finance Committee;
19. Approved proposed legislation on the disposition of surplus armory property and directed staff to forward it to the House Ways and Means Committee and the Senate Finance Committee;
20. Took no action on a USC request for approval of the sale of 1.4 acres of land located in Brevard County, Florida, donated to the USC Gamecock Club by Benny T. Bootle;
21. Agreed to hold a regular meeting at 9:30 a.m. on Tuesday, March 26, 1985, in the Governor's conference room in the State House, and agreed to meet on September 12 rather than September 10 as previously scheduled;
22. Allocated \$106 from the Civil Contingent Fund to pay travel, per diem, and subsistence expenses of members of the Heritage World Expo Authority for a meeting held on March 1 and agreed to pay meeting expenses for other meetings this fiscal year with the understanding that the Authority will meet not more than four times a year;
23. Received as information a preliminary draft report on the study of alternatives for the Barnwell disposal site;
24. Approved an amendment to the lease agreement with Chem-Nuclear Systems, Inc., relating to the Barnwell disposal site;
25. Approved the concept of transferring the Child Support Enforcement Legal Services from the Attorney General's Office to the Department of Social Services, with the details on this transfer to be presented for approval at the next meeting;
26. Authorized Trident Technical College to dispose of a portion of its downtown Charleston properties and agreed to consider the disposition of the remaining properties at a future meeting;
27. Reappointed two members to the Deferred Compensation Commission for three-year terms;
28. Approved salary increases for four unclassified employees of Clemson University;
29. Approved the extension of employment of a Department of Mental Retardation employee until June 30, 1986; and
30. Ratified actions taken during executive session.

WAM:dw

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**MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING**

**MARCH 12, 1985**

**9:30 A. M.**

The Budget and Control Board met at 9:30 a. m. on Tuesday, March 12, 1985, in the Governor's conference room in the State House with the following members in attendance:

Governor Richard W. Riley, Chairman;  
Mr. Earle E. Morris, Jr., Comptroller General;  
Representative Tom G. Mangum, Chairman, House Ways and Means Committee.

Representing Senator Rembert C. Dennis, who was absent due to injuries sustained in an auto accident, was Senator James M. Waddell, Jr.

Mr. Grady L. Patterson, Jr., was absent.

Also attending were Executive Director William T. Putnam; Board Secretary William A. McInnis; Governor's Executive Assistant Katherine Hepfer; Chief Deputy Assistant Attorney General Joseph A. Wilson, II; Deputy Executive Directors E. A. Laurent and Joseph A. Mack; Assistant to Board Secretary Donna K. Williams; and staff members of the various Board divisions.

**MINUTES OF PREVIOUS MEETINGS**

Board members previously had been furnished with a draft version of the minutes of Budget and Control Board meetings and of the Educational Facilities Authority meetings held on February 14 and 28, 1985, and of a Budget and Control Board telephone conference call meeting held on February 22, 1985.

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

[Secretary's Note: This Budget and Control Board meeting was recessed for a meeting of the State Educational Facilities Authority for Private, Nonprofit Institutions of Higher Learning, the members of which are Budget and Control Board members, ex officio.]

**BLUE AGENDA**

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved all items on the blue agenda.

Blue agenda items are identified as such in these minutes.

**WINTHROP COLLEGE: SCHEDULE OF FEE INCREASES (BLUE AGENDA #1)**

In accord with the provisions of the 1984-85 Appropriations Act, Section 15, Winthrop College had transmitted a schedule of fee increases for next

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year. Those fees had been approved by the Winthrop College Board of Trustees at its February meeting. Winthrop College advised that the fees are for activities which must be self-supporting and which receive no appropriations from the General Assembly.

The Board received as information the report on Winthrop College fee increases for next year.

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

**GENERAL SERVICES: RIGHT-OF-WAY EASEMENT (BLUE AGENDA #2)**

Upon a motion by Morris, seconded by Senator Waddell, the Board granted an easement to the U. S. Department of the Navy for the purpose of enlarging an existing fuel dock in the Atlantic Intracoastal Waterway (Brickyard Creek) at the Marine Corps Air Station in Beaufort County.

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

**EXECUTIVE DIRECTOR: PERMANENT IMPROVEMENT PROJECTS (BLUE AGENDA #3)**

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

- (a) On Summary 17-85:  
Item 5, Criminal Justice Academy, N20-7899, Water Main--Range, increase budget to \$100,000 by adding \$2,000 of Other funds;
- (b) On Summary 18-85:  
Item 2, USC-Beaufort, H36-8056, Marine Science Laboratory, increase budget to \$537,000 by adding \$30,000 of Other funds;  
  
Item 8, Technical and Comprehensive Education, H59-////, York "C" Building Renovation, establish project and source of funds, \$19,375 Federal funds, \$17,425 Other funds; and  
  
Item 11, Wildlife & Marine Resources, P24-8291, Georgetown Office Complex, increase budget to \$130,000 by adding \$30,000 of Capital Improvement Bond funds.

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

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(a) On Summary 18-85:

Item 12, Clemson University, H12-7704, Germ Plasm Research, decrease budget to \$495,879.54 by subtracting \$10,864.21 of Other funds;

Item 13, Clemson University, H12-8257, Cope Hall Encapsulate Ceiling, increase budget to \$30,221.52 by adding \$221.52 of Other funds;

Item 14, Clemson University, H12-8258, Donaldson/Wannamaker--Window Replacement, decrease budget to \$95,636.97 by subtracting \$19,363.03 of Other funds;

Item 15, Clemson University, H12-8300, Manning Hall Corkboard Installation, decrease budget to \$24,067.12 by subtracting \$5,932.88 of Other funds;

Item 16, Technical and Comprehensive Education, H59-7983, Greenville--Engineering Wing Expansion, decrease budget to \$699,357.61 by subtracting \$99,042.39 of Other funds;

Item 17, Technical and Comprehensive Education, H59-8111, Greenville--Retainer/Screening Wall, decrease budget to \$54,683 by subtracting \$6,317 of Other funds;

Item 18, Technical and Comprehensive Education, H59-8144, Greenville--Engineering Parking Lot Relocation, decrease budget to \$20,444.48 by subtracting \$56,055.52 of Other funds;

Item 19, Technical and Comprehensive Education, H59-8164, Greenville--C Building Renovation, decrease budget to \$57,732.94 by subtracting \$27,267.06 of Other funds;

Item 20, Technical and Comprehensive Education, H59-8372, Greenville--Purchase of Leslie Advertising, to close project, \$325,000 of Other funds expended;

Item 21, Technical and Comprehensive Education, H59-8637, Greenville--Bowen Property Acquisition, to close project, \$215,000 of Other funds expended;

(b) On Summary 19-85:

Item 5, The Citadel, H09-7729, Cadet Services Building, increase budget to \$1,210,000 by adding \$11,000 of Appropriated State funds;

Item 6, The Citadel, H09-8479, Daniel Library Exterior Waterproofing, decrease budget to \$0.00 by subtracting \$30,466 of Other funds;

Item 7, The Citadel, H09-8480, Thompson Hall Exterior Waterproofing, decrease budget to \$0.00 by subtracting \$32,000 of Other funds;

Item 8, The Citadel, H09-8481, Library Cooling Tower Replacement, decrease budget to \$0.00 by subtracting \$2,466 of Appropriated State funds and \$26,534 of Other funds;

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Item 9, The Citadel, H09-8484, Old Coward Hall Demolition, decrease budget to \$0.00 by subtracting \$22,000 of Appropriated State funds; and;

Item 11, Wildlife & Marine Resources, P24-8370, Bamberg County-Buford's Bridge, decrease budget to \$14,500 by subtracting \$54.00 of Other funds.

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

**GENERAL SERVICES: PROCUREMENT AUDIT, USC (BLUE AGENDA #4)**

The Division advised that it has, in accord with Code Section 11-35-1230(1), audited the USC procurement system. The Division further advised that the report outlines the noncompliances discovered during the audit and the proposed corrective actions and it includes USC's responses.

The Division indicated that USC has 90 days to make corrective action and that a follow-up review will be performed within that time to determine if recertification is warranted.

The Board received the referenced procurement audit report as information.

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

**EXECUTIVE DIRECTOR: INTERVIEWEE EXPENSE REIMBURSEMENT (BLUE AGENDA #5)**

The Board received as information reports on the reimbursement of interviewee travel expenses by the Department of Insurance (1), the University of South Carolina (69), Lander College (1), Technical and Comprehensive Education (1), College of Charleston (10), Francis Marion College (3), and the Department of Mental Health (1).

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

**BUDGET DIVISION: FEBRUARY FTE OPERATING REPORT (BLUE AGENDA #6)**

The Board received as information the FTE position operating report for the month of February, 1985 which shows a net change of 1 position during the month, resulting in the total authorized position base at February 28, 1985 of 60,474.93 of which 56,153.35 positions were filled and 4,321.58 were vacant.

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

**USC: ROLLOVER OF \$8,000,000 STADIUM IMPROVEMENT BOND ANTICIPATION NOTES**

The Board was advised that the referenced \$8,000,000 Stadium Improvement Bond Anticipation Notes, issued March 16, 1984, are due March 15, 1985, and that State Treasurer Patterson has arranged for the sale of the notes to Morgan Guaranty Trust Company of New York at an interest rate of 5.25% per annum. The USC Board of Trustees on March 7 was scheduled to authorize the issuance of these notes.

Ten million dollars of these notes were issued initially in March, 1982 and \$2 million of them have been retired in the interim period.

In addition to authorizing the issuance of the referenced notes, the resolution proposed for adoption by the Board authorizes the University to withdraw \$600,000 from the debt service fund established for these notes to be paid to the University Athletic Department for reimbursement of cost of certain improvements made to the Williams-Brice Stadium and \$400,000 to be paid for the cost of certain improvements which are to be made to the Stadium.

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board adopted a resolution approving the issuance of \$8 million of stadium improvement revenue bond anticipation notes, Series 1985, of the University of South Carolina, and approving the payment of \$1 million from the debt service funds established for the referenced notes for certain improvements to Williams-Brice Stadium.

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

**USC: \$3,050,000 INSTITUTION (TUITION) REFUNDING BOND ANTICIPATION NOTES**

USC proposed to refund \$3,050,000 of institution (tuition) bond anticipation notes maturing on March 29, 1985 in the amount of \$3,950,000.

The University advised of its plan to reduce the principal by drawing \$900,000 from excess debt service funds. The original principal amount of these notes was \$5,335,000 and has been reduced to \$3,950,000 using excess debt service funds.

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Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board adopted a resolution authorizing the issuance of \$3,050,000 refunding institution (tuition) bond anticipation notes for the University of South Carolina in anticipation of the issuance of a like amount of State institution bonds and authorizing the use of excess debt service funds to retire \$900,000 of the notes now outstanding and to pay the interest due on them.

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

**MENTAL HEALTH: CIVIL CONTINGENT FUND ALLOCATION REQUEST**

Chairman Pope of the Mental Health Commission by letter requested a Civil Contingent Fund allocation to pay the cost of conducting a national search for a successor to Dr. Hall as Commissioner of Mental Health. Chairman Polk estimated that the cost of this effort will be in the range of \$30,000 to \$50,000.

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board authorized the Department of Mental Health to finance the national search for a successor to Dr. William S. Hall from agency funds in an amount not to exceed \$35,000 and agreed to reconsider the agency's request for a Civil Contingent Fund allocation for this purpose later in the fiscal year if necessary.

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

**EXECUTIVE DIRECTOR: REVENUE BONDS, CEILING ALLOCATION REQUESTS**

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved local government proposals to issue revenue bonds, except items (d) and (g) which involved allocation requests only, on the condition that the required reviews are completed with satisfactory results, and allocated a portion of the state ceiling to projects (a) through (g) as follows:

- (a) York County, \$5,000,000 Industrial Revenue Note on behalf of the International Aluminum Corporation project, to provide employment for 100 to 120 persons at facilities for store front and architectural aluminum fabrication and edging, beveling, polishing and fabrication of heavy glass for use in store displays and custom furniture;

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- (b) Greenville County, \$3,600,000 Industrial Revenue Bond on behalf of the Cole project, to provide employment for ten persons at a warehouse and distribution center;
- (c) Richland County, \$3,000,000 Industrial Revenue Note on behalf of the Wheel Trueing Tool Company project, to provide employment for approximately 60 persons in the manufacture of industrial diamond products;
- (d) Lexington County, \$1,500,000 Industrial Revenue Bonds on behalf of the Wellington Synthetic Fibres, Inc., project, to provide employment for 20-30 additional employees in the manufacture of fibers for use in cushions, webbing, belts, nursery materials and other products;
- (e) Oconee County, \$500,000 Industrial Revenue Note on behalf of the Nacan project, to provide employment for approximately 25 persons at a facility for manufacturing temperature and pressure switches and warehousing filters and related products;
- (f) Anderson County, \$1,000,000 Industrial Revenue Note on behalf of the Craft Bonded Warehouse, Inc., to provide employment for approximately 1-5 persons at a facility to distribute and warehouse industrial and commercial products; and
- (g) Clarendon County, \$1,000,000 Industrial Revenue Note on behalf of the Aircap Realty Associates project, to provide employment for 5 to 10 persons at an existing facility for use as a warehouse in connection with manufacturing lawnmowers.

Information relating to this matter has been retained in these files and is identified as Exhibits 10 through 16, respectively.

**BUDGET DIVISION: TRANSFER REQUESTS**

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board approved the following transfer requests:

- (a) Board of Optometry: \$997.77 appropriated general fund monies from temporary position to contractual services;
- (b) Legislative Audit Council: \$39,566.59 appropriated general fund monies from personal services to other operating expenses; and
- (c) Youth Services: \$77,455 appropriated general fund monies from classified positions (\$65,022) and employer contributions (\$12,433) to other operating expenses; and consolidation of two new programs (Secure Shelter Home and Beaufort Marine Institute) into a single program.

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

**BUDGET DIVISION: CHANGES TO AUTHORIZED FTE POSITION BASE**

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board added to the agenda and approved requests for positions above the number authorized for the following agencies: (a) Adjutant General's Office, one federally funded position; (b) Secretary of State's Office, one state-funded position; and (c) Jobs-Economic Development Authority, one federally-funded position.

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

**GENERAL SERVICES: PROCUREMENT EXEMPTION**

The Division of General Services advised that it frequently uses appraisers to handle property matters for the Property Management Section which requires extensive paperwork to comply with the Procurement Code. The Division requested an exemption for appraisers handling property matters for the Division under Section 11-35-710 of the Procurement Code.

The Board was reminded that exemptions granted previously by Board actions have been categorical (like appraisers) but not categorical for certain governmental bodies.

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board exempted appraisers from the purchasing procedures and reporting requirements of the Procurement Code in accord with Code Section 11-35-710, on the recommendation of the Division of General Services.

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

**GENERAL SERVICES: PROCUREMENT AUDIT, VOCATIONAL REHABILITATION**

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board granted procurement certification to the Vocational Rehabilitation Department within the parameters described in the audit report for the following limits for a period of two years: Purchases made by the Director of Purchasing from Case Service funds specifically for handicapped clients in the area of vocational rehabilitative equipment of \$10,000 per commitment.

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

**EXECUTIVE DIRECTOR: PROPOSED LEGISLATION RE PAYMENT OF MOVING EXPENSES**

The following language had been suggested for submission to the General Assembly:

Any State agency may pay the cost of moving the personal and household effects for newly-employed personnel if all of the following conditions are met:

- (a) the new employee's place of residence is outside of the State of South Carolina at the time of employment by the agency;
- (b) the agency can demonstrate that paying these costs is necessary to fill the position;
- (c) the maximum payment in any instance to any new employee may not exceed \$5,000;
- (d) the payment is certified by the agency head (or the board or commission chairman if the new employee is the agency head) as the total paid by the agency toward the total moving cost incurred by the new employee; and
- (e) the amount certified by the agency is approved by the Budget and Control Board.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved the proposed legislation on the payment of moving expenses and directed staff to forward it to the House Ways and Means Committee and the Senate Finance Committee.

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

**EXECUTIVE DIRECTOR: PERMANENT LAW RE SURPLUS ARMORY PROPERTY DISPOSITION**

The following had been proposed for submission to the General Assembly:

The Budget and Control Board may allow a credit to any political subdivision for the value of real property donated for use as a site for a replacement National Guard armory toward the acquisition by the political subdivision of the armory property being replaced and declared surplus in any instance in which such political subdivision has asked that title to such surplus armory property be transferred to it.

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Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved the proposed legislation on the disposition of surplus armory property and directed staff to forward it to the House Ways and Means Committee and the Senate Finance Committee.

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

**GENERAL SERVICES: SALE OF PROPERTY BY USC GAMECOCK CLUB**

The Board was advised that a tract of land approximately 1.4 acres in area, located in Brevard County, Florida, had been donated to the USC Gamecock Club by deed of Benny T. Bootle of Greenville. Proceeds from the sale of this property along with a cash donation given by Mr. Bootle in 1981 are to be deposited in an endowment fund in accord with a memorandum of agreement to establish the Benny T. Bootle Endowment Fund.

The Board was further advised that an agreement has been entered into covering the sale of this property to a Mr. Richard W. McQuiggan for \$7,500.

Although there is some question as to whether or not the USC Gamecock Club is subject to the proviso in Section 14 of the 1984-85 Appropriations Act, the University requested Board approval of this transaction and asked that the Board exempt this transaction from its policy of processing these matters in accord with the Board's procedures for disposing of surplus State land and, more specifically, that an exemption be granted to remove the 45 day review time by State agencies. Legal counsel for the University advised that time is of the essence and subjecting this property to the 45 day requirements could result in a loss of the offer to buy it.

Following a discussion, the Board, upon the advice of counsel, took no action on the USC request for approval of the sale of 1.4 acres of land located in Brevard County, Florida, donated to the USC Gamecock Club by Benny T. Bootle.

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

**023144**

**HERITAGE WORLD EXPO: CIVIL CONTINGENT FUND REQUEST**

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board added to the agenda the Heritage World Expo request for Civil Contingent Funds and allocated \$106 from the Civil Contingent Fund to pay travel, per diem, and subsistence expenses of members of the Heritage World Expo Authority for a meeting held on March 1 and agreed to pay meeting expenses for other meetings this fiscal year with the understanding that the Authority will meet not more than four times a year.

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

**FUTURE MEETING**

The Board agreed to hold a regular meeting at 9:30 a.m. on Tuesday, March 26, 1985, in the Governor's conference room in the State House and shifted the regular meeting scheduled for September 10 to September 12.

**EXECUTIVE SESSION**

Mr. Putnam advised that the following items had been proposed for consideration in executive session: one contractual, one legal, four personnel and one property. He also requested that one property item be added.

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

**RATIFICATION OF EXECUTIVE SESSION ACTIONS**

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

- (1) Received as information a preliminary draft report on the study of alternatives for the Barnwell disposal site;
- (2) Approved an amendment to the lease agreement with Chem-Nuclear Systems, Inc., relating to the Barnwell disposal site;

**023145**



Minutes of State Budget and Control Board Meeting  
Regular Session -- March 12, 1985 -- Page 12

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- (3) Approved the concept of transferring the Child Support Enforcement Legal Services from the Attorney General's Office to the Department of Social Services, with the details on this transfer to be presented for approval at the next meeting;
- (4) Authorized Trident Technical College to dispose of a portion of its downtown Charleston properties and agreed to consider the disposition of the remaining properties at a future meeting;
- (5) Reappointed two members to the Deferred Compensation Commission for three-year terms;
- (6) Approved salary increases for four unclassified employees of Clemson University; and
- (7) Approved the extension of employment of a Department of Mental Retardation employee until June 30, 1986.

The meeting was adjourned at 12:35 p.m.

[Secretary's Note: In compliance with Section 9 of Act 593 of 1978 (the Freedom of Information Act), public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Press Secretary 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 3:30 p.m. on Friday, March 8, 1985.]

023146

# EXHIBIT

MAR 12 1985

NO. 1

## STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD BLUE AGENDA

MEETING OF March 12, 1985

ITEM NUMBER 1

AGENCY: Winthrop College

SUBJECT: Schedule of Fee Increases

In accord with the provisions of the 1984-85 Appropriations Act, Section 15, Winthrop College has transmitted a schedule of fee increases for next year. These fees were approved by the Winthrop College Board of Trustees at its February meeting.

Winthrop College advises that these fees are for activities which must be self-supporting and which receive no appropriations from the General Assembly.

### BOARD ACTION REQUESTED:

Receive as information a report on Winthrop College fee increases for next year.

### ATTACHMENTS:

Lader February 19 letter to Putnam and referenced schedule

023147



RECEIVED

FEB 28 1985

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

Philip Lader  
President

February 19, 1985

EXHIBIT

MAR 12 1985 NO. 1

STATE BUDGET & CONTROL BOARD

Mr. William T. Putnam  
Executive Director  
Budget and Control Board  
P.O. Box 12444  
Columbia, SC 29211

Dear Mr. Putnam:

In accordance with the provisions of Section 15 of the 1984-85 Appropriations Act, the attached schedule of fee increases for next year is provided. These fees were approved by the Winthrop College Board of Trustees at the February meeting.

These fees are for activities, which according to state law, must be self-supporting and receive no appropriations from the General Assembly. The necessary increases are to provide quality service to the student for each activity and continue to be very competitive with other institutions in the state and the southeast.

If additional information is needed, please call.

Sincerely,

Philip Lader

PL:bp  
Attachment

Rock Hill, South Carolina 29733  
(803) 323-2225

023148

WINTHROP COLLEGE

FEE INCREASE FOR 1985-86

APPROVED BY BOARD OF TRUSTEES FEBRUARY 2, 1985

<u>Fee Type</u>	<u>Current Fee Per Student</u>	<u>Funds Generated</u>	<u>Increase</u>	<u>New Fee</u>	<u>Effective Date</u>	<u>Number of Students</u>	<u>New Revenue</u>
Residence Hall Fees	\$500	\$2,528,000	\$120	\$620	Fall 1985	2,700	\$615,000
Meal Plan Fees (7 Day Plan)	348	1,630,000	58	406	Fall 1985	2,400	270,000
Health Services Fees	21	150,000	19	40	Fall 1985	4,000	135,000
Designated Activity Fees	105	882,000	35	140	Fall 1985	5,000	280,000

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Note (1) Fees are prorated for less than full-time students when appropriate.

(2) No decision was made regarding academic fees pending action by the General Assembly on full-formula funding.

Budget Office  
February 4, 1985

EXHIBIT  
MAR 12 1985 NO. 1  
STATE BUDGET & CONTROL BOARD



# EXHIBIT

MAR 12 1985

NO. 2

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

BLUE AGENDA  
ITEM NUMBER

2

AGENCY: General Services

SUBJECT: Right-of-way Easement (Department of Navy)

The Division of General Services recommends approval of the proposed right-of-way easement to the United States Department of the Navy for the purpose of enlarging an existing fuel dock in the Atlantic Intracoastal Waterway (Brickyard Creek) at the Marine Corps Air Station in Beaufort County.

BOARD ACTION REQUESTED:

Grant an easement to the U. S. Department of the Navy for the purpose of enlarging an existing fuel dock in the Atlantic Intracoastal Waterway (Brickyard Creek) at the Marine Corps Air Station in Beaufort County.

ATTACHMENTS:

Agenda item worksheet and attachment

023150

RECEIVED MAR 06 1985

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

For meeting scheduled for:

March 12, 1985

☒ Blue Agenda  
☐ Regular Session Agenda  
☐ Executive Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Tony R. Ellis, Director

2. Subject:

Right-of-Way Easement to the Department of the Navy

3. Summary Background Information:

A right-of-way easement to the United States Department of the Navy for the purpose of enlarging an existing fuel dock in the Atlantic Intracoastal Waterway (Brickyard Creek) at the Marine Corps Air Station, Beaufort County, South Carolina.

EXHIBIT

MAR 12 1985 NO. 2

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Review proposed easement

5. What is recommendation of the Board Division involved?

Approve proposed easement

6. Recommendation of other office (as required)?

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

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

1. Easement - 6 pages
2. Plat - Exhibit A

023151

# EXHIBIT

STATE OF SOUTH CAROLINA )  
                                  )  
COUNTY OF BEAUFORT )

EASEMENT

MAR 12 1985 NO. 2  
STATE BUDGET & CONTROL BOARD

THIS EASEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1985, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and the United States Department of the Navy, as Grantee (hereinafter "NAVY").

## WITNESSETH

WHEREAS, NAVY has the authority to acquire easements under Public Law 10 USC 2672. NAVY's mailing address is Southern Division, Naval Facilities Engineering Command, Post Office Box 10068, Charleston, South Carolina 29411-0068; and

WHEREAS, NAVY proposes to enlarge an existing fuel dock in the Atlantic Intracoastal Waterway (Brickyard Creek) at the Marine Corps Air Station, Beaufort County, South Carolina. The fuel dock and easement area are more particularly shown and delineated on a drawing entitled "Marine Corps Air Station, Beaufort, S.C., Fuel Pier Extension, Metes and Bounds" by The Sheridan Corporation, Engineers, sheet 1 of 1, which is attached hereto and incorporated herein by reference as Exhibit A.

WHEREAS, pursuant to Section 1-11-90 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 projects involving land or marshland as are owned by the STATE; and

023152

WHEREAS, NAVY is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Beaufort 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 One (\$1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto NAVY, 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 Beaufort 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 construction, maintenance and operations of a fuel pier extension at the Marine Corps Air Station, Beaufort, South Carolina. The tract of submerged land involved in this project contains 0.44 of an acre and is situate between a fuel pier and the main channel of Brickyard Creek at the air station and is more particularly described as follows:

COMMENCING at an aluminum disk stamped "Stoney 1974" located in the southeast corner of the pier, said monument bearing is north 7 degrees 2 minutes 45.3 seconds west in a distance of 201.24 feet to an aluminum disk stamped "Pier 1984" State Plane Coordinates x=2,095,071.32 y=230,295.00; thence north 82 degrees 4 minutes 36.9 seconds east a distance of 2.83 feet to the easterly edge of the pier; thence along the easterly line of the pier north 7 degrees 55 minutes 23.1 seconds west a distance of 56.21 feet to the POINT OF BEGINNING on the easterly line of the pier and running: thence north 82 degrees 4 minutes 36.9 seconds east a distance of 78.00 feet; thence south 7 degrees 55 minutes 23.1 seconds east a distance of 66.00 feet; thence south 82 degrees 4 minutes 36.9 seconds west a distance of 6.63 feet; thence south 7 degrees fifty-five minutes 23.1 seconds east a distance of 44.00 feet; thence north 82 degrees 4 minutes 36.9 seconds east a distance of 44.00 feet; thence



north 7 degrees 55 minutes 23.1 seconds west a distance of 59.50 feet; thence north 82 degrees 4 minutes 36.9 seconds east a distance of 17.96 feet; thence north 7 degrees 55 minutes 23.1 seconds west a distance of 220.00 feet; thence south 82 degrees 4 minutes 36.9 seconds west a distance of 17.96 feet; thence north 7 degrees 55 minutes 23.1 seconds west a distance of 59.50 feet; thence south 82 degrees 4 minutes 36.9 seconds west a distance of 44.00 feet; thence south 7 degrees 55 minutes 23.1 seconds east a distance of 44.00 feet; thence north 82 degrees 4 minutes 36.9 seconds east a distance of 6.63 feet; thence south 7 degrees 55 minutes 23.1 seconds east a distance of 161.00 feet; thence south 82 degrees 4 minutes 36.9 seconds west a distance of 78.00 feet; and thence south 7 degrees 55 minutes 23.1 seconds west along the easterly line of the pier a distance of 24.00 feet to the POINT OF BEGINNING.

The fuel pier extension and easement area are more particularly shown and delineated on a drawing entitled "Marine Corps Air Station, Beaufort, S.C., Fuel Pier Extension, Metes and Bounds" by The Sheridan Corporation, Engineers, sheet 1 of 1, which is 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.

NAVY hereby agrees and covenants with the STATE that NAVY, 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. NAVY shall use the easement area solely for the purposes incidental with the construction, operation, and maintenance of said fuel pier extension, and shall maintain such easement area and fuel pier extension in good condition.

NAVY further agrees and covenants that NAVY 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 in personal 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 to the extent allowable by Federal law.

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.

NAVY 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 NAVY, its successors and assigns: (1) quits and abandons all use of such fuel pier extension; 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, provided further, it is 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.

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 12 day of  
March, 1985.

WITNESSES:

STATE OF SOUTH CAROLINA  
BUDGET & CONTROL BOARD

Karl M. Hester  
William A. McFerris

BY: Richard W. Riley  
Governor Richard W. Riley

U.S. DEPARTMENT OF THE NAVY

Elizabeth L. Dotson  
Barbara J. Freeman

BY: M. J. Miller Contracting Officer For  
Commanding Officer, Southern  
Division, Naval Facilities  
Engineering Command

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth O. Worthington

EXHIBIT

MAR 12 1985 NO. 2

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

PERSONALLY appeared before me William A. McInnis  
and made oath that he/~~she~~ saw the within named State of South  
Carolina, Budget and Control Board, by Governor Richard W. Riley,  
sign, seal, and as its act and deed deliver the within written  
Easement, and that he/~~she~~, along with Katherine M. Hepfer,  
witnessed the execution thereof.

William A. McInnis

SWORN to before me this 12th  
day of March, 1985.  
Kenna K. Williams (L.S.)  
Notary Public for South Carolina  
My Commission Expires: 5/3/89

EXHIBIT

MAR 12 1985 NO. 2

STATE BUDGET & CONTROL BOARD

\*\*\*\*\*

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF Charleston )  
~~BEAUFORT~~

PERSONALLY appeared before me Elizabeth S. Dotson  
and made oath that he/she saw the within named U.S. Department of  
the Navy, by its Commanding Officer, Southern Division, Naval  
Facilities Engineering Comand, sign, seal, and as its act and  
deed deliver the within written Easement, and that he/she, along  
with Barbara J. Freeman, witnessed the execution thereof.

Elizabeth S. Dotson

SWORN to before me this 18th  
day of February, 1985.  
Manlyp H. Freeman (L.S.)  
Notary Public for South Carolina  
My Commission Expires: 5/25/91

023157



# EXHIBIT

MAR 12 1985

NO. 3

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

3

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

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

(1) On Summary 17-85:

Item 5, Criminal Justice Academy, N20-7899, Water Main-Range, increase budget to \$100,000 by adding \$2,000 of Other funds.

(2) On Summary 18-85:

Item 2, USC-Beaufort, H36-8056, Marine Science Laboratory, increase budget to \$537,000 by adding \$30,000 of Other funds.

Item 8, Technical and Comprehensive Education, H59-////, York "C" Building Renovation, establish project and source of funds, \$19,375 Federal funds, \$17,425 Other funds.

Item 11, Wildlife & Marine Resources, P24-8291, Georgetown Office Complex, increase budget to \$130,000 by adding \$30,000 of Capital Improvement Bond funds.

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

(1) On Summary 18-85:

Item 12, Clemson University, H12-7704, Germ Plasm Research, decrease budget to \$495,879.54 by subtracting \$10,864.21 of Other funds.

Item 13, Clemson University, H12-8257, Cope Hall Encapsulate Ceiling, increase budget to \$30,221.52 by adding \$221.52 of Other funds.

Item 14, Clemson University, H12-8258, Donaldson/Wannamaker-Window Replacement, decrease budget to \$95,636.97 by subtracting \$19,363.03 of Other funds.

Item 15, Clemson University, H12-8300, Manning Hall Corkboard Installation, decrease budget to \$24,067.12 by subtracting \$5,932.88 of Other funds.

Item 16, Technical and Comprehensive Education, H59-7983, Greenville--Engineering Wing Expansion, decrease budget to \$699,357.61 by subtracting \$99,042.39 of Other funds.

Item 17, Technical and Comprehensive Education, H59-8111, Greenville--Retainer/Screening Wall, decrease budget to \$54,683 by subtracting \$6,317 of Other funds.

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# EXHIBIT

MAR 12 1985

NO. 3

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

BLUE AGENDA  
ITEM NUMBER

3, Page 2

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

Item 18, Technical and Comprehensive Education, H59-8144, Greenville--Engineering Parking Lot Relocation, decrease budget to \$20,444.48 by subtracting \$56,055.52 of Other funds.

Item 19, Technical and Comprehensive Education, H59-8164, Greenville--C Building Renovation, decrease budget to \$57,732.94 by subtracting \$27,267.06 of Other funds.

Item 20, Technical and Comprehensive Education, H59-8372, Greenville--Purchase of Leslie Advertising, to close project, \$325,000 of Other funds expended.

Item 21, Technical and Comprehensive Education, H59-8637, Greenville--Bowen Property Acquisition, to close project, \$215,000 of Other funds expended.

(2) On Summary 19-85:

Item 5, The Citadel, H09-7729, Cadet Services Building, increase budget to \$1,210,000 by adding \$11,000 of Appropriated State funds.

Item 6, The Citadel, H09-8479, Daniel Library Exterior Waterproofing, decrease budget to \$0.00 by subtracting \$30,466 of Other funds.

Item 7, The Citadel, H09-8480, Thompson Hall Exterior Waterproofing, decrease budget to \$0.00 by subtracting \$32,000 of Other funds.

Item 8, The Citadel, H09-8481, Library Cooling Tower Replacement, decrease budget to \$0.00 by subtracting \$2,466 of Appropriated State funds and \$26,534 of Other funds.

Item 9, The Citadel, H09-8484, Old Coward Hall Demolition, decrease budget to \$0.00 by subtracting \$22,000 of Appropriated State funds.

Item 11, Wildlife & Marine Resources, P24-8370, Bamberg County-Buford's Bridge, decrease budget to \$14,500 by subtracting \$54.00 of Other funds.

BOARD ACTION REQUESTED:

Receive as information.

ATTACHMENTS:

Referenced summaries

023159

STATE BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS  
PROPOSED BY STATE AGENCIES AND INSTITUTIONS  
01/16/85 THROUGH 01/31/85

SUMMARY #17-85  
PAGE 2 OF 4  
FORWARDED TO JOINT BOND REVIEW COMMITTEE 02/04/85  
RUN DATE 02/04/85

\*\*\*\*\*

	COMMITTEE REVIEW	BCB APPROVAL	BUDGET AFTER ACTION PROPOSED	
			SOURCE OF FUNDS	AMOUNT
4. H32 USC-Coastal 7060 Wms Brice Addition				
Change Source of Funds				
Subtract \$140,000.00 (9) Other (Private)				
Add \$140,000.00 (4) Excess Debt Service				
			Capital Improvement Bonds	2,128,000.00
			Excess Debt Service	140,000.00
			Other	424,599.00
			TOTAL FUNDS	2,692,599.00

Private support for the project has not materialized sufficiently to cover cash flow. Other source of funds must be utilized for project to continue.

Supporting Document Pages 9-10

\*\*\*\*\*

5. N20 Criminal Justice Academy 7899 Water Main-Range				
Increase Budget				
From \$98,000.00 to \$100,000.00				
Add \$2,000.00 (9) Other (Fines & Forfeitures)				
			Other	100,000.00
			TOTAL FUNDS	100,000.00

To transfer funds from project N20-8248 so that the agency may issue a change order because of rock excavation. Budget has been previously increased beyond the 10% guidelines. Any subsequent increase must have JBRC review.

Supporting Document Pages 11-12

\*\*\*\*\*

EXHIBIT  
MAR 12 1985 NO. 3  
STATE BUDGET & CONTROL BOARD

023160

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
02/01/85 Through 02/15/85

SUMMARY 18-85 Page 1 of 6  
Forwarded to JBRC 02/20/85

Item Agency: H27 USC-Columbia Project: 8504, Parking West Campus

Committee Review Date: \*  
B&C Board Approval Date: \*

1. Action  
Proposed: Decrease Budget From \$ 500,000.00 to \$ 0.00  
(Subtract \$ 500,000.00 [4] Excess Debt Service)

Budget After Action Proposed  
Source Amount  
Excess Debt Service 0.00

Purpose: To cancel project as it has been given lower priority and will not be initiated this fiscal year.

Ref: Supporting document pages 1-2.

TOTAL FUNDS 0.00

Item Agency: H36 USC-Beaufort Project: 8056, Marine Science Laboratory

Committee Review Date: \* FEB 25 1985  
B&C Board Approval Date: \* FEB 25 1985

2. Action  
Proposed: Increase Budget From \$ 507,000.00 to \$ 537,000.00  
(Add \$ 30,000.00 [9] Other, Private)

Budget After Action Proposed  
Source Amount  
Capital Improvement Bonds 393,100.00  
Excess Debt Service 113,900.00  
Other 30,000.00

Purpose: To increase project budget sufficiently to award construction contract.

Ref: Supporting document pages 3-4.

TOTAL FUNDS 537,000.00

Item Agency: H59 Tec & Comprehensive Ed Project: 8298, Horry-Grgtwn-Hodges Tourism/Ed Center

Committee Review Date: \*  
B&C Board Approval Date: \*

3. Action  
Proposed: Increase Budget From \$ 65,008.00 to \$ 82,500.00  
(Add \$ 17,492.00 [9] Other, Local Institutional)

Budget After Action Proposed  
Source Amount  
Other 82,500.00

Purpose: Increase architectural and engineering fee approval to cover basic architectural services through construction documents phase of project.

Ref: Supporting document pages 5-6.

TOTAL FUNDS 82,500.00

Item Agency: H59 Tec & Comprehensive Ed Project: 8434, Piedmont-Ind Shop & Cont Ed Expansion

Committee Review Date: \*  
B&C Board Approval Date: \*

4. Action  
Proposed: Increase Budget from \$ 88,000.00 to \$ 191,800.00  
(Add \$ 103,800.00 [9] Other, Local)

Budget After Action Proposed  
Source Amount  
Other 191,800.00

Purpose: Revision adds \$98,550 of funds to this project previously approved for project H59-8435, plus \$5,250 of additional local funds, to allow both projects to be combined to save funds and facilitate management.

Ref: Supporting document pages 7-8.

TOTAL FUNDS 191,800.00

EXHIBIT  
MAR 12 1985  
NO. 3  
STATE BUDGET & CONTROL BOARD

023161



STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
02/01/85 Through 02/15/85

SUMMARY 18-85 Page 2 of 6  
Forwarded to JBRC 02/20/85

Item 5.	Agency: H59 Tec & Comprehensive Ed Project: 8435, Piedmont-Continuing Education Phase II	Committee Review Date: * B&C Board Approval Date: *
	Action Proposed: Decrease Budget From \$ 98,550.00 to \$ 0.00  (Subtract \$ 98,550.00 [9] Other, Local)	Budget After Action Proposed Source Amount Other 0.00
	Purpose: Cancel project to allow combining work under this project with Industrial Shop Expansion, project H59-8434.	
	Ref: Supporting document pages 9-11.	TOTAL FUNDS 0.00
Item 6.	Agency: H59 Tec & Comprehensive Ed Project: 8436, Piedmont-Energy Conservation Phase VI	Committee Review Date: * B&C Board Approval Date: *
	Action Proposed: Increase Budget From \$ 164,565.00 to \$ 228,663.00  (Add \$ 64,098.00 [9] Other, Local)	Budget After Action Proposed Source Amount Federal 82,280.00 Other 146,383.00
	Purpose: To provide for increased cost of a chiller and cooling tower primarily.	
	Ref: Supporting document pages 12-13.	TOTAL FUNDS 228,663.00
Item 7.	Agency: H59 Tec & Comprehensive Ed Project: C'ville-Eng Tec Bldg Elevator Installation	Committee Review Date: * B&C Board Approval Date: *
	Action Proposed: Establish Project  Total Budget \$ 75,000.00 [9] Other, Institutional	Budget After Action Proposed Source Amount Other 75,000.00
	Purpose: Construction of elevator shaft and installation of elevator in existing two-story wing of the Engineering Technology Building to accommodate handicapped.	
	Ref: Supporting document pages 14-16.	TOTAL FUNDS 75,000.00
Item 8.	Agency: H59 Tec & Comprehensive Ed Project: York-"C" Building	Committee Review Date: * MAR 04 1985 B&C Board Approval Date: * MAR 04 1985
	Action Proposed: Establish Project  Total Budget \$ 36,800.00 [7] Federal \$ 19,375.00 [9] Other \$ 17,425.00	Budget After Action Proposed Source Amount Federal 19,375.00 Other 17,425.00
	Purpose: Modify a dual duct HVAC system to a variable volume non-mixing configuration.	
	Ref: Supporting document pages 17-20.	TOTAL FUNDS 36,800.00

023162

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
02/01/85 Through 02/15/85

SUMMARY 18-85 Page 3 of 6  
Forwarded to JBRC 02/20/85

Item Agency: N04 Corrections Department Project: 8662, General Renovations (Nelson)

Committee Review Date: \*  
B&C Board Approval Date: \*

9. Action  
Proposed: Decrease Budget From \$ 1,256,000.00 to \$ 1,216,000.00

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	756,000.00
Appropriated State	460,000.00

(Subtract \$ 40,000.00 [6] Appropriated State)

Purpose: To transfer funds to new project to construct 60'x120' warehouse needed in current renovations and construction projects.

Ref: Supporting document pages 21-23.

TOTAL FUNDS 1,216,000.00

Item Agency: N04 Corrections Department Project: Warehouse Construction (Nelson)

Committee Review Date: \*  
B&C Board Approval Date: \*

10. Action  
Proposed: Establish Project

Budget After Action Proposed	
Source	Amount
Appropriated State	40,000.00

Total Budget \$ 40,000.00  
[6] Appropriated State

Purpose: To transfer funds from project N04-8662 in order to construct essential work and secure storage space (60'x120' warehouse) for sheetmetal, welding, metal fabrications, electrical and plumbing shops.

Ref: Supporting document pages 24-25.

TOTAL FUNDS 40,000.00

Item Agency: P24 Wildlife & Marine Res Project: 8291, Georgetown Office Complex

Committee Review Date: \* MAR 04 1985  
B&C Board Approval Date: \* MAR 04 1985

11. Action  
Proposed: Increase Budget From \$ 100,000.00 to \$ 130,000.00  
(Add \$ 30,000.00 [0] Capital Improvement Bonds)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	130,000.00

Purpose: To provide additional funds needed to accept low bid received February 6, 1985. Base bid exceeds available funds by about \$6,000. A & E costs are \$9,000, fencing will be an additional \$5,000 and moving the existing radio tower will cost about \$8,000. Revised total project cost is \$127,599 plus \$2,401 for contingencies.

Ref: Supporting document pages 25a-25d.

TOTAL FUNDS 130,000.00

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STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
02/01/85 Through 02/15/85

SUMMARY 18-85 Page 4 of 6  
Forwarded to JBRC 02/20/85

Item 12.	Agency: H12 Clemson University	Project: 7704, Germ Plasm Research	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/08/85
	Action Proposed:	Decrease Budget From \$ 506,743.75 to \$ 495,879.54 (Subtract \$ 10,864.21 [9] Other, Sale of Farm Products)	Budget After Action Proposed Source Amount Capital Improvement Bonds 468,000.00 Other 27,879.54
	Purpose:	To close project and transfer remaining funds to appropriate agricultural department.	
	Ref:	Supporting document pages 26-27.	TOTAL FUNDS 495,879.54
Item 13.	Agency: H12 Clemson University	Project: 8257, Cope Hall-Encapsulate Ceiling	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/07/85
	Action Proposed:	Increase Budget From \$ 30,000.00 to \$ 30,221.52 (Add \$ 221.52 [9] Other, Housing Improvement Fund)	Budget After Action Proposed Source Amount Other 30,221.52
	Purpose:	To transfer funds from project H12-8300 and close project. Final expenditures resulted in a slight overrun of the original budget.	
	Ref:	Supporting document pages 28-29.	TOTAL FUNDS 30,221.52
Item 14.	Agency: H12 Clemson University	Project: 8258, Donaldson/Wannamaker-Window Replacement	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/07/85
	Action Proposed:	Decrease Budget From \$ 115,000.00 to \$ 95,636.97 (Subtract \$ 19,363.03 [9] Other, Housing Improvement Fund)	Budget After Action Proposed Source Amount Other 95,636.97
	Purpose:	To close project and relieve housing operations of their payable obligation.	
	Ref:	Supporting document pages 30-31.	TOTAL FUNDS 95,636.97
Item 15.	Agency: H12 Clemson University	Project: 8300, Manning Hall Corkboard Installation	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/07/85
	Action Proposed:	Decrease Budget From \$ 30,000.00 to \$ 24,067.12 (Subtract \$ 5,932.88 [9] Other, Housing Improvement Fund)	Budget After Action Proposed Source Amount Other 24,067.12
	Purpose:	To transfer \$221.52 to project H12-8257, close project and relieve housing operations of their payable obligation.	
	Ref:	Supporting document pages 32-33.	TOTAL FUNDS 24,067.12

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STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
02/01/85 Through 02/15/85

SUMMARY 18-85 Page 5 of 6  
Forwarded to JBRC 02/20/85

Item Agency: H59 Tec & Comprehensive Ed Project: 7983, G'ville-Engineering Wing Expansion  
16.

Action  
Proposed: Decrease Budget From \$ 798,400.00 to \$ 699,357.61  
(Subtract \$ 99,042.39 [9] Other, Institutional)

Purpose: To close project and allow balance of funds to revert to local account.

Ref: Supporting document pages 34-35.

Committee Review Date: 99/99/99  
B&C Board Approval Date: 02/15/85

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	243,000.00
Federal	350,000.00
Other	106,357.61

TOTAL FUNDS 699,357.61

Item Agency: H59 Tec & Comprehensive Ed Project: 8111, G'ville-Retainer/Screening Wall  
17.

Action  
Proposed: Decrease Budget From \$ 61,000.00 to \$ 54,683.00  
(Subtract \$ 6,317.00 [9] Other, Institutional)

Purpose: To close project and revert balance of funds to local account.

Ref: Supporting document pages 36-37.

Committee Review Date: 99/99/99  
B&C Board Approval Date: 02/15/85

Budget After Action Proposed	
Source	Amount
Other	54,683.00

TOTAL FUNDS 54,683.00

Item Agency: H59 Tec & Comprehensive Ed Project: 8144, G'ville-Engineering Parking Lot Relocation  
18.

Action  
Proposed: Decrease Budget From \$ 76,500.00 to \$ 20,444.48  
(Subtract \$ 56,055.52 [9] Other, Institutional)

Purpose: To close project and revert balance of funds to local account.

Ref: Supporting document pages 38-39.

Committee Review Date: 99/99/99  
B&C Board Approval Date: 02/15/85

Budget After Action Proposed	
Source	Amount
Other	20,444.48

TOTAL FUNDS 20,444.48

Item Agency: H59 Tec & Comprehensive Ed Project: 8164, G'ville-Renovations to Building "C"  
19.

Action  
Proposed: Decrease Budget From \$ 85,000.00 to \$ 57,732.94  
(Subtract \$ 27,267.06 [9] Other, Institutional)

Purpose: To close project and revert balance of funds to local account.

Ref: Supporting document pages 40-41.

Committee Review Date: 99/99/99  
B&C Board Approval Date: 02/15/85

Budget After Action Proposed	
Source	Amount
Other	57,732.94

TOTAL FUNDS 57,732.94

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STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
02/01/85 Through 02/15/85

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Forwarded to JBRC 02/20/85

Item Agency: H59 Tec & Comprehensive Ed Project: 8372, G'ville-Purchase of Leslie Advertising  
20.

Action  
Proposed: To close project.  
(Expenditures now equal total budget of \$ 325,000.00)

Purpose: To close project.

Ref: Supporting document pages 42-43.

Committee Review Date: 99/99/99  
B&C Board Approval Date: 02/15/85

Budget After Action Proposed	
Source	Amount
Other	325,000.00

TOTAL FUNDS 325,000.00

Item Agency: H59 Tec & Comprehensive Ed Project: 8637, G'ville-Bowen Property Acquisition  
21.

Action  
Proposed: To close project.  
(Expenditures now equal total budget of \$ 215,000.00)

Purpose: To close project.

Ref: Supporting document pages 44-45.

Committee Review Date: 99/99/99  
B&C Board Approval Date: 02/15/85

Budget After Action Proposed	
Source	Amount
Other	215,000.00

TOTAL FUNDS 215,000.00

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STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
02/16/85 Through 02/28/85

SUMMARY 19-85 Page 2 of 3  
Forwarded to JBRC 03/04/85

Item 5.	Agency: H09 The Citadel	Project: 7729, Cadet Services Building	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/28/85
<u>Action Proposed:</u> Increase Budget From \$ 1,199,000.00 to \$ 1,210,000.00 (Add \$ 11,000.00 [6] Appropriated State)			<u>Budget After Action Proposed</u> Source Amount Capital Improvement Bonds 833,606.00 Excess Debt Service 365,394.00 Appropriated State 11,000.00
<u>Purpose:</u> Increase scope of the demolition work in project to include the demolition of Old Coward Hall (Cadet Bookstore and Tailor Shop.) Funds transferred from H09-8484.			
<u>Ref:</u> Supporting document pages 12-14.			TOTAL FUNDS 1,210,000.00
Item 6.	Agency: H09 The Citadel	Project: 8479, Daniel Library Exterior Waterproofing	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/28/85
<u>Action Proposed:</u> Decrease Budget From \$ 30,466.00 to \$ 0.00 (Subtract \$ 30,466.00 [9] Other, Student Fees-Rehabilitation Reserve)			<u>Budget After Action Proposed</u> Source Amount Other 0.00
<u>Purpose:</u> Transfer these funds to emergency repair of chiller serving Jenkins Hall and close project.			
<u>Ref:</u> Supporting document pages 15-16.			TOTAL FUNDS 0.00
Item 7.	Agency: H09 The Citadel	Project: 8480, Thompson Hall Exterior Waterproofing	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/28/85
<u>Action Proposed:</u> Decrease Budget From \$ 32,000.00 to \$ 0.00 (Subtract \$ 32,000.00 [9] Other, Student Fees-Renovation Reserve)			<u>Budget After Action Proposed</u> Source Amount Other 0.00
<u>Purpose:</u> Transfer these funds to emergency repair on chiller serving Jenkins Hall and close project.			
<u>Ref:</u> Supporting document pages 17-18.			TOTAL FUNDS 0.00
Item 8.	Agency: H09 The Citadel	Project: 8481, Library Cooling Tower Replacement	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/28/85
<u>Action Proposed:</u> Decrease Budget From \$ 29,000.00 to \$ 0.00 (Subtract \$ 2,466.00 [6] Appropriated State) (Subtract \$ 26,534.00 [9] Other, Student Fees-Renovation Reserve)			<u>Budget After Action Proposed</u> Source Amount Appropriated State 0.00 Other 0.00
<u>Purpose:</u> Transfer these funds to emergency repair on chiller serving Jenkins Hall and close project.			
<u>Ref:</u> Supporting document pages 19-21.			TOTAL FUNDS 0.00

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STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
02/16/85 Through 02/28/85

SUMMARY 19-85 Page 3 of 3  
Forwarded to JBRC 03/04/85

Item 9.	Agency: H09 The Citadel	Project: 8484, Old Coward Hall Demolition	Committee Review Date: 99/99/99 B&C Board Approval Date: 02/28/85
	Action Proposed: Decrease Budget From \$ 22,000.00 to \$ 0.00  (Subtract \$ 22,000.00 [6] Appropriated State)		Budget After Action Proposed Source Amount Appropriated State 0.00
	Purpose: To cancel this project, transfer \$11,000 to project H09-7729 and return \$11,000 to plant operating funds.		
	Ref: Supporting document pages 22-23.		TOTAL FUNDS 0.00
Item 10.	Agency: H15 College of Charleston	Project: 8665, 9 Liberty St (Southern Bell) Renovation	Committee Review Date: 01/29/85 B&C Board Approval Date: 02/28/85
	Action Proposed: Change Source of Funds  From [4] Excess Debt Service To [9] Other, Cafeteria Equipment Replacement Reserve Account		Budget After Action Proposed Source Amount Other 350,000.00
	Purpose: Due to insufficient Excess Debt Service funds, project is to be temporarily funded by the Cafeteria Equipment Replacement Reserve Account, to be reimbursed when Excess Debt Service funds are available. Originally reviewed by JBRC 1/29/85, from 14-85 (5).		
	Ref: Supporting document pages 24-29.		TOTAL FUNDS 350,000.00
Item 11.	Agency: P24 Wildlife & Marine Res	Project: 8370, Bamberg County-Buford's Bridge	Committee Review Date: 99/99/99 B&C Board Approval Date: 03/01/85
	Action Proposed: Decrease Budget From \$ 14,554.00 to \$ 14,500.00  (Subtract \$ 54.00 [9] Other, Bamberg Cty Water Rec Res Fund)		Budget After Action Proposed Source Amount Other 14,500.00
	Purpose: To close completed project.		
	Ref: Supporting document pages 30-31.		TOTAL FUNDS 14,500.00

EXHIBIT  
MAR 12 1985  
NO. 3  
STATE BUDGET & CONTROL BOARD

023168

# EXHIBIT

MAR 12 1985

NO. 4

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

4

AGENCY: General Services

SUBJECT: Procurement Audit of University of South Carolina

The Division advises that it has, in accord with Code Section 11-35-1230(1), audited the USC procurement system. The Division further advises that the attached report outlines the noncompliances discovered during the audit and the proposed corrective actions and it includes USC's responses.

The Division also indicates that USC has 90 days to make corrective action and that a follow-up review will be performed within that time to determine if recertification is warranted.

BOARD ACTION REQUESTED:

Receive as information the Division of General Services procurement audit of the University of South Carolina.

ATTACHMENTS:

Referenced audit report.

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

For meeting scheduled for:

March 12, 1985

Blue Agenda

☒ Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: J. R. Ellis

2. Subject: Procurement Audit of the University of South Carolina

3. Summary Background Information:

In accordance with the Consolidated Procurement Code, Section 11-35-1230(1), the Division of General Services has audited the University of South Carolina's procurement system. The accompanying report outlines the noncompliance discovered during the audit and the proposed corrective action. The University's response has been included. In accordance with the Procurement Code they will have ninety (90) days to make corrective action. Within that time a follow-up review will be performed to determine if recertification is warranted.

EXHIBIT

MAR 12 1985

NO. 4

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Receive the report as information.

5. What is recommendation of the Board Division involved?

The University of South Carolina be allowed ninety (90) days to make the corrective action specified in the audit report.

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

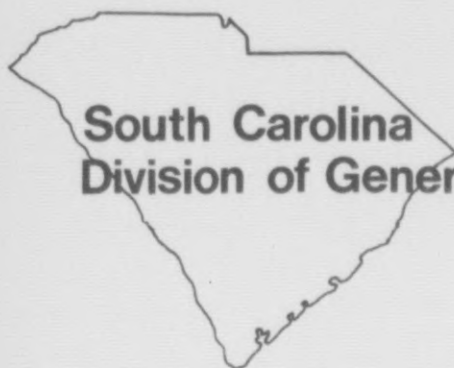
7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

16 copies of Procurement Audit and  
Certification Report.

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**South Carolina  
Division of General Services**

EXHIBIT

MAR 12 1985 NO. 4

STATE BUDGET & CONTROL BOARD

# PROCUREMENT AUDIT AND CERTIFICATION

UNIVERSITY OF SOUTH CAROLINA

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AGENCY

FEBRUARY 25, 1985

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DATE

**023171**

# EXHIBIT

MAR 12 1985 NO. 4

STATE BUDGET & CONTROL BOARD

UNIVERSITY OF SOUTH CAROLINA

Audit Report

February 25, 1985

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023173



STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
DIVISION OF GENERAL SERVICES  
300 GERVAIL STREET  
COLUMBIA, SOUTH CAROLINA 29201  
(803) 758-3150

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TOM G. MANGUM  
CHAIRMAN,  
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN  
EXECUTIVE DIRECTOR

February 25, 1985

Mr. Richard W. Kelly  
Director of Agency Certification  
and Engineering Management  
Division of General Services  
Columbia, South Carolina 29201

We have examined the procurement policies and procedures of the University of South Carolina for the period January 1, 1982 - January 31, 1985. As 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 university procurement policy. Additionally, the evaluation was used in determining the nature, timing and extent of other auditing procedures that were necessary for developing a recommendation for certification above the \$2,500 limit.

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

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

*R. Voight Shealy*

R. Voight Shealy  
Director of Audit and Certification

## INTRODUCTION

The Audit and Certification Section conducted an examination of the internal procurement operating procedures and policies and related manual of the University of South Carolina.

Our on-site review was conducted January 7, 1985 through February 22, 1985, and was made under the authority as described in Section 11-35-1230(1) of the South Carolina Consolidated Procurement Code and Section 19-445.2020 of the accompanying regulations.

The examination was directed principally to determine whether, in all material respects, the procurement system's internal controls were adequate and the procurement procedures, as outlined in the Internal Procurement Operating Procedures Manual, were in compliance with the South Carolina Consolidated Procurement Code and its ensuing regulations.

Additionally, our work was directed toward assisting the agency in promoting the underlying purposes and policies of the Code as outlined in Section 11-35-20, which includes:

- (1) to ensure the fair and equitable treatment of all persons who deal with the procurement system of this State;
- (2) to provide increased economy in state procurement activities and to maximize to the fullest extent practicable the purchasing values of funds of the State;
- (3) to provide safeguards for the maintenance of a procurement system of quality and integrity with

clearly defined rules for ethical behavior on the part of all persons engaged in the public procurement process.



BACKGROUND

Section 11-35-1210 of the South Carolina Consolidated Procurement Code states:

The (Budget and Control) Board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The materials management office shall review the respective governmental body's internal procurement operation, shall verify in writing that it is consistent with the provisions of this code and the ensuing regulations, and recommend to the board those dollar limits for the respective governmental body's procurement not under term contract.

Section 11-35-1230 (1) of the South Carolina Consolidated Procurement Code states in part:

In procurement audits of governmental bodies thereafter, the auditors from the materials management office shall review the adequacy of the system's internal controls in order to ensure compliance with the requirements of this code and the ensuing regulations.

The current certification limit of \$20,000 in the categories of goods and services and consultant services expires March 22, 1985. Our audit was performed primarily to determine if recertification is warranted. Additionally, the University requested increased certification to \$50,000 for five years.

### SCOPE

Our examination encompassed a detailed analysis of the internal procurement operating procedures of the University of South Carolina 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 up to the requested certification limits.

The Audit and Certification team of the Materials Management Office statistically selected random samples for the period July 1, 1982 - January 31, 1985, of procurement transactions for compliance testing and performed other auditing procedures that we considered necessary in the circumstances to formulate this opinion. As specified in the Consolidated Procurement Code and related regulations, our review of the system included, but was not limited to, the following areas:

- (1) adherence to provisions of the South Carolina Consolidated Procurement Code and accompanying regulations;
- (2) procurement staff and training;
- (3) adequate audit trails and purchase order register;
- (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) reporting of Fiscal Accountability Act;
- (10) warehousing, inventory and disposition of surplus property; and
- (11) economy and efficiency of the procurement process and
- (12) approval of Minority Business Enterprise Plan.

SUMMARY OF AUDIT FINDINGS

Our audit of the procurement system of the University of South Carolina produced findings and recommendations in the following areas:

	<u>Page</u>
I. SOLE SOURCE PROCUREMENTS	12

We examined the quarterly reports of sole source and emergency procurements for the period July 1, 1983 through December 31, 1984, which included over eighteen hundred transactions. We found the majority of these transactions to be proper and accurately reported. However, we did find eight problems.

II. COMPLIANCE - INFORMATION TECHNOLOGY

A. Review of Procurements	15
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In our review of sixty transactions randomly selected in the information technology area we found two exceptions.

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STATE BUDGET & CONTROL BOARD

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B. Information Technology Plan

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The University's plan for the management and use of information technology has not received approval from the Division of Information Resources Management of the Budget and Control Board.

C. Information Technology Procurement  
Officer

17

Currently, the Computer Services Center handles the procurement of information technology with the Purchasing Office preparing purchase orders and finalizing the commitment. It is our opinion, that the University would be better served and procurement of information technology would be better controlled if the Purchasing Office had a qualified information technology buyer.

III. COMPLIANCE - CONSTRUCTION

A. Undeclared Construction Project 18

The University is in the process of upgrading their communication system. This process has required the construction of rooms to house the new equipment. Further, it has required various expenditures that fall under the definition of construction. The Manual for Planning and Execution of State Permanent Improvements requires that all construction projects of \$30,000 or more be approved by the Joint Bond Review Committee and the Budget and Control Board.

B. Construction Procurements 19

The University on two separate occasions failed to advertise in South Carolina Business Opportunities for the purchase of materials for construction projects. The procurements were competitively bid and awarded

properly. However, Section 11-35-3020 of the Procurement Code requires that invitations for bids for construction materials be advertised.

IV. ANNUAL REPORT OF LEASES OF UNIVERSITY OWNED PROPERTY 20

The University failed to submit annual reports of leases entered into with others for the lease of State owned property to the Real Property Management Office of the Division of General Services, as required by Section 19-445.2120 of the regulations.

## RESULTS OF EXAMINATION

### I. Sole Source Procurements

We examined the quarterly reports of sole source and emergency procurements and all available supporting documents for the period July 1, 1983 through December 31, 1984, for the purpose of determining the appropriateness of the procurement actions taken and the accuracy of the reports submitted to the Division of General Services, as required by Section 11-35-2440 of the Consolidated Procurement Code. This included testing of over eighteen hundred procurements. We found the majority of these transactions to be proper and accurately reported. However, we did encounter the following problems in the information technology procurement area.

Purchase order number 51637C, dated November 15, 1983, for \$1,030.00, for a Televideo #970 was declared a sole source. The vendor who received the order is only a dealer for the brand name item procured. Thus, this is not a sole source. Competition should have been obtained.

Purchase orders 51649C for \$4,270.98 and 54399C for \$4,270.98 were reported as sole source procurements when actually the equipment was covered by the State office automation contract. The State contract should have been utilized.

The University covers information technology equipment with maintenance agreements. Once these contracts are established the Purchasing Office writes annual blanket purchase orders to cover



maintenance costs for the fiscal year. Many of these, due to the nature of information technology maintenance, are declared sole source procurements and determinations and findings are prepared to support the action taken.

We concur with this procedure for controlling maintenance contract activity. However, in some cases, when the original procurements of the equipment were made, maintenance agreements were included for five years. Since annual renewals of maintenance agreements were covered in the original procurements of the equipment items the sole source determinations for the annual renewals are not required. Examples of these are:

<u>P.O. Number</u>	<u>Amount</u>
42614C	\$ 738.00
72284C	1,932.00
42650C	12,384.00
42649C	26,484.00

The purchase orders should have referenced the original procurement documents. The above examples are only a sample of this problem which resulted in overstatements of sole source reports to the Division of General Services and the General Assembly of at least \$100,000 per year.

Part of blanket purchase order number 72240C for \$294,336.00 for equipment maintenance was a similar situation. Included here was \$82,824.00 that was already covered in the original purchase.

The remainder of this order, \$211,512.00, was for maintenance services that, according to the Information Technology Management Officer, is not a sole source, and should have been competitively bid. The maintenance services were on equipment such as tape and disk drives, communication equipment and controllers.

We recommend the information technology buyers meet with the Information Technology Management Officer to determine what equipment is on state contract. More attention should be placed on this area.

Further, the Purchasing Office, with the help of the Computer Services Center, should determine what equipment they currently have that is presently covered for maintenance under the original purchase. Once this is determined, the annual blanket purchase orders should indicate what the original purchase date was and/or what year of the agreement the purchase order covers.

Finally, maintenance on information technology peripheral equipment, that is more than five years old, should be competitively bid with vendors such as Sorbus, Comma, TRW, the original vendors and others determined to be available.

#### RESPONSE

The Purchasing Department has scheduled a meeting with the Information Technology Management Office in order to coordinate items currently on state contract. Also, purchasing has established procedures to determine and track maintenance contracts that are covered under the original purchase so that the sole source procurement report will not be inflated. All maintenance not considered to be sole source shall be competitively bid.

# EXHIBIT

## II. Compliance - Information Technology

MAR 12 1985 NO. 4

### A. Review of Procurements

STATE BUDGET & CONTROL BOARD

In our review of sixty transactions randomly selected in the information technology area we found the majority of the transactions to be in compliance with the Procurement Code. However, we did encounter problems with two transactions.

Purchase order number 41468 for \$331,646.28 was for software product services. The University did not prepare the sole source determination, as required by Section 11-35-1560 of the Code nor was it reported to the Division of General Services as required by section 19-445.2110 of the regulations.

Purchase order number 71004 for \$14,000.00 for the procurement of on-line library cataloging service was not approved by the Division of Information Resources Management of the State Budget and Control Board. This approval is required for all information technology procurements exceeding \$2,500.00, made under this commodity class, 793.

We recommend that the University properly determine and report sole source transactions, as required by the Procurement Code and ensuing regulations. Information technology procurements made under the following commodity code classes must have the prior approval of the Division of Information Resources Management:

205	Information Technology Equipment
207	Computer Software
725	Telecommunications Equipment
742	Equipment Rental/Lease (EDP only)
790	Consultant (EDP only)
793	Maintenance (EDP only)

Since purchase order 41468 exceeded the University's certification limit it must be ratified by the Materials

Management Officer in accordance with section 19-445.2015 of the regulations.

RESPONSE

The above noted exception for purchase order number 41468 was an oversight by the University. The same maintenance agreement the prior year was processed and reported as a sole source procurement. The University will file an amended report with the Materials Management Office.

B. Information Technology Plan

The University's plan for the management and use of information technology has not received approval from the Division of Information Resources Management of the Budget and Control Board. The approval of this plan if required under authority defined in Section 11-35-1580 of the Consolidated Procurement Code.

The University should take the appropriate steps to effect compliance with this requirement. Approval of this plan has been established by the Division of General Services as one of the key criteria for procurement certification in information technology.

RESPONSE

The University has submitted the educational portion of the Information Technology Plan and is reviewing the necessary steps to complete the remaining administrative portion of the plan.

023189



C. Information Technology Procurement Officer

Currently, the Computer Services Center handles the procurement of information technology with the Purchasing Office preparing purchase orders and finalizing the commitment. It is our opinion, that the University would be better served and procurement of information technology would be better controlled if the Purchasing Office had a qualified information technology buyer. The exceptions listed above are indications of a breakdown in controls over procurements in this area.

The technical expertise of the Computer Services Center should be utilized in development of requirements and specifications. Further, they should be consulted before awards are made for information technology procurements. However, the Purchasing Office should control the procurement process to ensure compliance with the Procurement Code.

The position of information technology buyer should be established within the Purchasing Office. It should be at a level high enough to attract an individual with sufficient technical expertise in information technology to prepare and review specifications, handle communications with the Division of Information Resources Management and the Information Technology Management Office on procurement matters and generally coordinate and control procurements in this area. A similar institution has been successful in establishing such a position through the Division of Human Resources Management so the precedence has been established within State government.

023190

## RESPONSE

The University will evaluate this recommendation and take the necessary action deemed appropriate for proper internal controls.

### III. Compliance - Construction

#### A. Undeclared Construction Project

The University is in the process of upgrading their communication system. This process has required the construction of equipment rooms to house the new communication equipment. Further, it has required various other expenditures that fall under the definition of construction. Currently, the University has spent \$112,000 in these types of expenditures. This has been done without declaring the project a permanent improvement.

The Manual for Planning and Execution of State Permanent Improvements requires that all construction projects of \$30,000 or more be approved by the Joint Bond Review Committee and the Budget and Control Board.

University construction officials indicated that they considered the communication system upgrades to each building separate projects. Thinking that no individual building would require more than \$30,000 in construction related expenditures a permanent improvement project was not established.

In our opinion, since it was known that the communication system upgrade would be campus-wide a permanent improvement project should have been established. The University has expended \$112,000 with the final cost projected to be \$140,000.

The procurements must be ratified by the Director of General Services, in accordance with section 19-445.2015 of the regulations. Further, the Joint Bond Review Committee of the General Assembly and the Budget and Control Board should be informed of the situation.

#### RESPONSE

The University will coordinate ratification of these procurements with the Director of General Services.

#### B. Construction Procurements

The University on two separate occasions failed to advertise in South Carolina Business Opportunities for the purchase of materials for construction projects. These were:

<u>P.O. Number</u>	<u>Description</u>	<u>Amount</u>
09951C	Electrical fixture	\$2,727.80
35724C	Crusher run stone	3,744.00

These procurements were competitively bid and awarded properly. However, the Procurement Code requires that purchases of construction materials in excess of \$2,500.00 be awarded by sealed bid after advertising in South Carolina Business Opportunities in Section 11-35-3020. This should be done in all cases in the future.

#### RESPONSE

The two exceptions noted appear to have been an oversight by the buyer. These purchases were however, procured by sealed bid. All buyers have been advised that sealed bid requirements for

**023192**

construction projects must be advertised in the South Carolina Business Opportunities publication.

IV. Annual Report of Leases of University Owned Property

The University failed to submit annual reports of leases entered into with others for the lease of State owned property to be Real Property Management Office of the Division of General Services. Section 19-445.2120, Subsection B, of the Procurement Code regulations states:

No governmental body shall contract with any commercial entity or other governmental body for the lease, rental or use of State owned real property whether it be titled in the name of the State of South Carolina or any governmental body, without the approval of the Division of General Services except as specified in Subsection C.

Subsection C provides for exemption from this requirement provided that annual reports be filed with the Division of General Services, Real Property Management Office, prior to July 1 of each year. In August, 1982 the University received an exemption from the requirement for prior approval; with the stipulation that the required annual reports be filed.

We discussed the reporting process with University officials, who stated that they were unaware of the reporting requirement. We have been assured that the report will be filed. We will follow up to ensure that this is done.

023193



RESPONSE

The University did maintain proper records of this information, however the requested report was not timely filed. These reports have been filed as of 02/25/85.

# EXHIBIT

MAR 12 1985 NO. 4

## CONCLUSION

STATE BUDGET & CONTROL BOARD

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

Prior to June 30, 1985 the Audit and Certification Section will perform a follow-up review in accordance with Section 11-35-1230(1) of the Procurement Code to determine if any proposed corrective action necessary has been taken by the University and all procedures are in place. Based on the follow-up review, and subject to this corrective action, we will recommend that the University of South Carolina be re-certified to make direct agency procurements for a period of two years as follows:

<u>Procurement Area</u>	<u>Recommended Certification Limit</u>
I. Goods and Services exclusive of printing equipment which must be approved by the Materials Management Office.	\$30,000 per purchase commitment
II. Consultant Services	\$30,000 per purchase commitment
III. Information Technology provided the procurement is within the scope of the approved Information Technology Plan.	\$30,000 per purchase commitment

The certification recommendation for construction and related services is being deferred until completion of statewide

023195

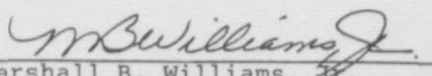
procedures in this area. These procedures should be finalized in the near future. We are prepared to recommend certification in this procurement area at that time.

RESPONSE

The University is again pleased that the certification audit produced a favorable and acceptable certification. The University is extremely proud of the procurement function of the University which operates at the highest level of competence, efficiency and controls.

When reviewing this audit report it should be noted that the Audit Scope was very broad and includes all aspects of the procurement function and internal control. We are particularly pleased that no exceptions were noted in the areas of Goods and Services and Consultant Services considering these transactions represent the majority of procurement. Furthermore, we are pleased to respond that all other areas of scope (see Page 6) involved no exceptions worthy of comment.

We also would like to thank the Audit and Certification Section staff for the performance of this audit. The audit was conducted not only with professionalism for certification, but with an air of cooperation and assistance to further improve the procurement function of the University.

  
Marshall B. Williams, Jr.  
Audit Manager

EXHIBIT

023196

MAR 12 1985

NO. 4

# EXHIBIT

MAR 12 1985 NO. 5

STATE BUDGET AND CONTROL ~~STATE BUDGET & CONTROL BOARD~~ AGENDA  
MEETING OF March 12, 1985 ITEM NUMBER

5

AGENCY: Executive Director

SUBJECT: Interviewee Travel Expense Reimbursement

The following agencies have reported on payments of interviewee travel expenses:

(a) Department of Insurance	1
(b) University of South Carolina	69
(c) Lander College	1
(d) Technical & Comprehensive Education	1
(e) College of Charleston	10
(f) Francis Marion College	3
(g) Mental Health	1

BOARD ACTION REQUESTED:

Receive as information reports on the reimbursement of interviewee travel expenses by the Department of Insurance (1), the University of South Carolina (69), Lander College (1), Technical and Comprehensive Education (1), College of Charleston (10), Francis Marion College (3), and the Department of Mental Health (1).

ATTACHMENTS:

023197



FEB 25 1985



ROGERS T. SMITH  
CHIEF INSURANCE COMMISSIONER

STATE OF SOUTH CAROLINA  
DEPARTMENT OF INSURANCE

2711 MIDDLEBURG DRIVE  
COLUMBIA, SOUTH CAROLINA 29204

MAILING ADDRESS:  
P.O. BOX 4067, COLUMBIA, S.C. 29240  
TELEPHONE: (803) 758 3266

INSURANCE COMMISSION

JAMES E. BRIDGETT, JR.  
MARY JEANNE BYRD  
PATRICK D. CUNNING  
WILLIAM S. JONES  
EDWARD K. PRITCHARD, JR.  
BARBARA D. RICHARDSON  
THOMAS E. ROGERS, JR.

February 21, 1985

EXHIBIT RECEIVED

MAR 12 1985

NO. 5

FEB 22 1985

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

Mr. William T. Putnam  
Executive Director  
State Budget & Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

Re: Actuarial Interviewee Travel Expenses

Dear Bill:

With reference to former Commissioner Smith's letter of August 9, 1984, additional expenses in connection with our continuing search for an Actuary are set out below:

Airfare Miami, Florida	\$396.00
Lodging	75.90
Car Rental/Meals	149.00
Total	\$620.90

With best regards,

Sincerely,

Mrs. Miriam L. Leeke  
Director, Administrative Services

MLL:vja

023198

FEB 25 1985



UNIVERSITY OF SOUTH CAROLINA  
COLUMBIA, S. C. 29208

RECEIVED

FEB 22 1985  
BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

PRESIDENT

February 18, 1985

EXHIBIT

MAR 12 1985

NO. 5

STATE BUDGET & CONTROL BOARD

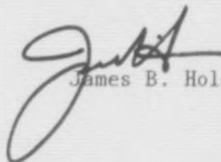
Mr. William T. Putnam  
Executive Director  
State Budget and Control Board  
618 Wade Hampton Office Building  
Columbia, SC 29201

Subject: Interview Travel Certificates - July 1984 - December 1984

Dear Mr. Putnam:

Attached are the University of South Carolina interview travel expenditures for July 1984 - December 1984. I certify that the expenses paid were for positions that warranted such costs, that costs did not exceed the expense of conducting the interview at the interviewer's home area or elsewhere, and that all known qualified candidates residing in South Carolina were considered before candidates from other states.

Sincerely,

  
James B. Holderman

JBH/pyr  
Attachment

cc: Dr. Francis T. Borkowski  
Dr. R. W. Denton  
Dr. John J. Duffy  
Chancellor Robert E. Alexander  
Chancellor Fred W. Hicks  
Chancellor Olin B. Sansbury

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## INTERVIEW TRAVEL JULY 1, 1984 - DECEMBER 31, 1984

<u>DATE</u>	<u>NAME</u>	<u>DEPARTMENT</u>	<u>POSITION</u>	<u>*DESTINATION</u>	<u>AMOUNT</u>
July 19-20, 1984	Mark Fuga	17140 A101 52023	Assistant to Vice-Chancellor-CSC Aiken	Nashville, TN-Aiken, S. C.	382.88
May 16, 1984	Salvador Macias	17140 A000 52023	Associate Professor Psychology-CSC Sumter	Decatur, GA - Sumter, S. C.	52.00
May 19, 1984	John L. Safford	17140 A000 52023	Associate Professor Psychology-CSC Sumter	Ontario, Canada-Sumter, S. C.	588.00
September 9-10, 1984	Richard G. Peterson	11040 A000 52023	Chairman Department of Anatomy-School of Medicine	Indianapolis, IN	484.70
October 7-9, 1984	Richard D. Poppler	11040 A000 52023	Chairman Department of Anatomy-School of Medicine	Johnson City, TN	169.11
October 14-16, 1984	Richard G. Skalko	11040 A000 52023	Chairman Department of Anatomy-School of Medicine	Johnson City, TN	168.36
October 10-12, 1984	Edward C. Carlson	11040 A000 52023	Chairman Department of Anatomy-School of Medicine	Minneapolis, MN	735.79
October 28-29, 1984	Bernard Tandier	11040 A000 52023	Chairman Department of Anatomy-School of Medicine	Cleveland, OH	520.98
November 7-9, 1984	William J. Gonyea	11040 A000 52023	Chairman Department of Anatomy-School of Medicine	Dallas, TX	674.20
December 3-4, 1984	William J. Gonyea	11040 A000 52023	Chairman Department of Anatomy-School of Medicine (Second Interview)	Dallas, TX	624.18
August 27-29, 1984	Susan J. Smith	10000 A000 52023	Tenure Track Position College of Nursing	Warwick, R. I.	651.08
December 18-20, 1984	Daniel Waldrop	10000 A000 52023	Assistant Professor Math & Statistics	Blacksburg, VA	226.20
June 4-6, 1984	Sandra Edwardson	10000 A000 52023	Tenure Track Position College of Nursing	White Plains, N. Y.	681.22
October 11-14, 1984	E. Hollis Merritt	10000 A000 52023	Director of Research and Development College of Education	Carbondale, IL	540.81
October 14-15, 1984	Stanley Andrews	10000 A000 52023	Director of Research and Development College of Education	Altone, IL	585.46
October 4-5, 1984	Edward J. Sabornie	10000 A000 52023	Assistant Professor Special Education-College of Education	Portland, Maine	623.79
July 26-28, 1984	Dennis E. Garrett	10000 A000 52023	Assistant Professor Marketing-College of B. A.	Urbana, IL	748.67

023200

<u>DATE</u>	<u>NAME</u>	<u>DEPARTMENT</u>	<u>POSITION</u>	<u>DESTINATION</u>	<u>AMOUNT</u>
November 24-27, 1984	John Daniels	10000 A000 52023	Professor-Int'l. Business-College of B. A.	Phoenix, AZ	682.82
November 27-28, 1984	David Sharp	10000 A000 52023	Associate Professor Int'l. Business College of B. A.	Boston, Mass.	347.49
August 17-21, 1984	Richard Adams	13000 E151 52023	Assistant Professor Chemistry	New Haven, Conn.	111.13
August 1-3, 1984	Richard Shewchuk	10000 A000 52023	Associate Professor Physical Education	Eugene, OR	960.46
August 5-6, 1984	Samuel Koshy	17810 A010 52023	Assistant Professor Computer Science USC Spartanburg	Knoxville, TN- Spartanburg, S. C.	256.32
June 5-7, 1984	Susan N. Mayberry	17810 A010 52023	Associate Professor of English-USC Spartanburg	Alfred, N. Y.- Spartanburg, S. C.	388.40
August 5-7, 1984	Anthony Del Rossi	11040 A010 52023	Associate Professor Department of Surgery School of Medicine	Miami, FL	433.92
July 4-5, 1984	James Bumgarner	11040 A010 52023	Associate Professor Department of Surgery School of Medicine	Atlanta, GA	115.00
September 20-22, 1984	David Bergen	46000 A000 52023	Assistant V. P. for Personnel and Finance Student Affairs	College Station, TX	642.46
October 3-4, 1984	Judith Metzger	10000 A000 52023	Radiation Safety Officer Department of Radiology School of Medicine	Dallas, TX	498.99
October 15-16, 1984	M. Guvan Yalcintas	10000 A000 52023	Radiation Safety Officer Department of Radiology School of Medicine	Knoxville, TN	336.38
October 31-November 2, 1984	Jean Kijack	10000 A000 52023	Professor-Medical Surgical Nursing-College of Nursing	New York, N. Y.	570.78
November 28-December 2, 1984	Sandra McDougla	10000 A000 52023	Tenure Track Position College of Nursing	Trenton, N. J.	383.19
October 1-4, 1984	Jeeva Anandan	10000 A000 52023	Assistant Professor Physics	Boston, Mass.	402.60
November 25-28, 1984	E. Hollis Merritt	15200 A000 52023	Director Research & Development -College of Education(2nd Interview)	Carbondale, IL	800.30

EXHIBIT

MAR 12 1985

NO. 5

STATE BUDGET &amp; CONTROL BOARD

023201



Page (3)

DATE	NAME	DEPARTMENT	POSITION	*DESTINATION	AMOUNT
October 30- November 1, 1984	Joan A. Di Pasquale	10000 A000 52023	Associate Professor College of Nursing	Lendale, OH	457.08
August 1-3, 1984	Yoshitaka Sakakibara	10000 A000 52023	Assistant Professor Japanese-for. Lang. & Lit.	Los Angeles, CA	754.31
July 26-28, 1984	Edwin Sands	11040 A030 52023	Director Animal Resources School of Medicine	Springfield, IL	467.01
August 26-29, 1984	Edwin Sands	11040 A000 52023	Director Animal Resources School of Medicine (2nd interview)	Springfield, IL	507.86
December 17-19, 1984	Stephen Flak	11040 A000 52023	Director Animal Resources School of Medicine	Springfield, IL	581.85
July 25-27, 1985	Dolores Z. Preclow	10060 A000 52023	Assistant Professor of Library and Information Science	Richmond, VA	389.88
December 2-4, 1984	Donna Freeman	11040 F193 52023	Assistant Professor Prev- entative Medicine-School of Medicine	Mobile, AL	294.10
October 10-12, 1984	Craig V. Byus	11040 A000 52023	Assistant Professor Phar- macology - School of Medicine	Riverside, CA	623.53
July 12-19, 1984	Joseph Roberts	10000 A000 52023	Chairman Basic Pharmaceuti- cal Science-College of Pharmacy	Rye, N. Y.	675.28
August 10, 1984	Edward Smallman	44000 A000 52023	Assistant Director-Career Planning	Charlottesville, VA	340.00
July 18-20, 1984	Bill Schmidt	11040 A014 52023	Assistant Professor Hematology-Oncology-Pediatrics School of Medicine	New Haven, Conn.	553.28
August 30- September 2, 1984	Bill Schmidt	11040 A014 52023	Assistant Professor Hematology-Oncology - Pediatrics School of Medicine (2nd interview)	New Haven, Conn.	465.00
September 5, 1984	Rosemary Ricci	70000 B000 52023	Director of Adm.- Housing Services	W. Lafayette, IN	424.00
September 6-7, 1984	Bill Williamson	70000 B000 52023	Director of Adm.- Housing Services	Richmond, VA	362.00
August 26-28, 1984	Elizabeth Payne	11040 A000 52023	Assistant Professor Pharmacology-School of Medicine	Bethesda, MD	510.89
September 10-11, 1984	Gary M. Bokoch	11040 A000 52023	Assistant Professor Pharmacology - School of Medicine	Mesquite, TX	532.92

## EXHIBIT

MAR 12 1985

NO. 5

STATE BUDGET & CONTROL BOARD

023202

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<u>DATE</u>	<u>NAME</u>	<u>DEPARTMENT</u>	<u>POSITION</u>	<u>*DESTINATION</u>	<u>AMOUNT</u>
October 2-3, 1984	Kathryn McMahon	11040 A000 52023	Assistant Professor Pharmacology-School of Medicine	Chicago, IL	381.86
July 24, 1984	Linda M. Haynes	17810 A010 52023	Secondary Education Generalist-USC Spartanburg	Latta, S. C. - Spartanburg, S. C.	41.73
June 3-4, 1984	Bettina Hanlon	17810 A000 52023	Assistant Professor of English - USC Spartanburg	Columbus, OH - Spartanburg, S. C.	323.00
August 2-4, 1984	Paul Friedland	17810 A010 52023	Assistant Professor Computer Science USC Spartanburg	New York, N. Y. - Spartanburg, S. C.	279.37
July 9-10, 1984	Rajiv Mehrota	17810 A010 52023	Assistant Professor Computer Science USC Spartanburg	Detroit, Mich. - Spartanburg, S. C.	428.00
August 2-3, 1984	Eugene De Filippo	17860 A010 52023	Athletic Director USC Spartanburg	Nashville, TN - Spartanburg, S. C.	337.00
August 5-7, 1984	Bob Rachal	17860 A010 52023	Athletic Director USC Spartanburg	Alexandria, LA - Spartanburg, S. C.	649.59
June 24-29, 1984	Richard Collin	17340 A101 52023	Assistant Professor Political Science Coastal Carolina	Oxford England- Conway, S. C.	950.78
July 16-17, 1984	Andreas Klein	17340 A101 52023	Assistant Professor Department of Music Coastal Carolina	Ft. Worth, TX - Conway, S. C.	656.34
July 16-17, 1984	Jack Harrington	17340 A101 52023	Assistant Professor Art Education - Coastal Carolina	Deluth MN - Conway, S. C.	829.48
July 12-13, 1984	Elinor Miller	17340 A101 52023	Assistant Professor Department of Music Coastal Carolina	Baltimore, MD - Conway, S. C.	178.00
July 15-16, 1984	Deborah Pleasants	11010 A000 52023	Assistant Professor Pharmacy Practice	Charleston, S. C.	81.18
August 13-14, 1984	Charles Windsor	17360 A020 52023	Computer Systems Manager Coastal Carolina	Atlanta, GA - Conway, S. C.	172.00
November 4-6, 1984	Terry Hawkins	17340 A101 52023	Reference Circulation Librarian - Coastal Carolina	Gettysburg, PA - Conway, S. C.	291.78
November 4-5, 1984	Gordon Sutter	17340 A101 52023	Assistant Professor Mgt. Info. Systems Coastal Carolina	Houston, TX - Conway, S. C.	302.03

023203

EXHIBIT

MAR 12 1985 NO. 5

STATE BUDGET & CONTROL BOARD

Page (5)

<u>DATE</u>	<u>NAME</u>	<u>DEPARTMENT</u>	<u>POSITION</u>	<u>*DESTINATION</u>	<u>AMOUNT</u>
November 25-26, 1984	Forrest E. Huffman	17340 A101 52023	Assistant Professor of Business - Coastal Carolina	Columbia, S. C. - Conway, S. C.	85.90
December 8-9, 1984	Tanya Crevier	17130 D200 52023	Assistant Women's Basketball Coach Coastal Carolina	Tulsa, OK - Conway, S. C.	130.00
July 18-20, 1984	Bernert Weigand	17310 A040 52023	Assistant Professor Art Education Coastal Carolina	Syracuse, N. Y. - Conway, S. C.	368.68
August 6-7, 1984	Walter Van Hamme	17340 A101 52023	Assistant Professor Physics-Coastal Carolina	Gainesville, FL- Conway, S. C.	398.34
July 30-31, 1984	James March	17340 A101 52023	Assistant Professor of Music - Coastal Carolina	Minneapolis, MN- Conway, S. C.	744.34
July 13-15, 1984	Sally Horner	17360 A020 52023	Vice-Chancellor Coastal Carolina	Charleston, W. VA- Conway, S. C.	210.00

\*Roundtrip Columbia unless otherwise indicated.

EXHIBIT  
MAR 12 1985  
NO. 5  
STATE BUDGET & CONTROL BOARD

023204

FEB 28 1985

# Lander

COLLEGE

Greenwood, South Carolina 29646

Telephone (803)229-8320

Office of Academic Affairs

## EXHIBIT

MAR 12 1985 NO. 5

STATE BUDGET &amp; CONTROL BOARD

DATE: January 16, 1985

TO: Larry A. Jackson, President

FROM: Oscar C. Page

Your approval is requested to invite Mr. David Wood to campus for an interview for the position of Professor of Finance and to pay his (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 his (her) home area or elsewhere. Qualified candidates residing within South Carolina were considered before candidates from other states were sought.

Travel-----	\$ 320.00
Food-----	\$ 140.00
Lodging-----	\$ 77 60
TOTAL	\$ 537 60

Initial Approval: L.A.J.  
Larry A. JacksonDate: 1-17-85

## Actual Costs:

Travel----	\$ 126.60
Food-----	\$ 126.47
Lodging---	\$ 78.00
TOTAL	\$ 331.07

APPROVAL RECOMMENDED Oscar C. Page  
Oscar C. PageDate: 2-25-85APPROVED L.A. Jackson  
Larry A. JacksonDate: 2/26/85

023205



FEB 28 1985



EXHIBIT

MAR 12 1985

NO. 5

STATE BOARD FOR TECHNICAL  
AND  
COMPREHENSIVE EDUCATION

STATE BUDGET & CONTROL BOARD

G. WILLIAM DUDLEY, JR.  
EXECUTIVE DIRECTOR

111 EXECUTIVE CENTER DRIVE  
COLUMBIA, SOUTH CAROLINA 29210

February 25, 1985

Dr. William A. Orth, President  
Trident Technical College  
Post Office Box 10367  
Charleston, South Carolina 29556

Dear Bill:

In reference to your letter of February 18, 1985, requesting authorization for payment of interviewee travel expenses to Dr. Richard J. Jackson for the position of Director of Resource Development, it has been determined that the necessary criteria have been met. In keeping with the Interviewee Travel Expense Payment Policy of the Budget and Control Board, actual expenses paid to Dr. Jackson must be reported to the Board.

I trust that you will find this response satisfactory.

With kind personal regards,

Sincerely,

Wyman D. Shealy  
Associate Executive Director

GWDjr:bhc

CC: William T. Putnam w/encl. ✓  
Donald R. Peterson w/encl.

023206

*Wayman*  
FEB 25 1985

FEB 20 1985

## Trident Technical College

Post Office Box 10367, Charleston, South Carolina (803) 572-6111

February 18, 1985

Mr. G. William Dudley, Jr.  
Executive Director  
State Board for Technical  
And Comprehensive Education  
111 Executive Center Drive  
Columbia, SC 29210

Dear Bill:

In accordance with Budget and Control Board policy, I am seeking authorization to pay travel expenses to be incurred by Richard J. Jackson when he comes to Charleston this month to interview for the position of Director of Resource Development.

The development function will have significant influence on the future of Trident Technical College. I expect to fill the Director's position with someone who already has demonstrated leadership skills in that area. And, based on his credentials and on a preliminary telephone interview with him, I believe Dr. Jackson is an extremely competitive candidate for the job.

I very much want a personal interview with Dr. Jackson and believe it only fair to pay for his trip from his home in Illinois. We are interviewing four other people for the position, all of whom live in South Carolina and do not require assistance with expenses.

Based on the facts in this letter, I believe this situation meets the three requirements for paying travel expenses as set forth in the memorandum of policy published by W. T. Putnam on November 4, 1982. I respectfully request authorization to do so.

Sincerely,

*Bill*

William A. Orth  
President

WAO/jm1



023207

MAR - 4 1985



THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

EXHIBIT

MAR 12 1985

NO. 5

STATE BUDGET & CONTROL BOARD

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit:

Myrtle Glasgow

City Address:

Boston, Ma

Position to be Filled:

Director Army Institute

Travel Dates: From

Feb 8

To

Feb 10, 1985

Total Travel Reimbursement:

Manda Marine Hotel # 7753

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By:

Edward M. Collins, Jr.

Edward M. Collins, Jr.  
President

Original: Account Payable

Copy: Budget and Control Board

FOUNDED 1770

023208

MAR - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

## EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Myrtle Glavoe  
City Address: Boston, Mass.  
Position to be Filled: Director, Army Institute  
Travel Dates: From Jan 10, To Jan 11, 1985  
Total Travel Reimbursement: Palmate Road \$516.00

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By: Edward M. Collins, Jr.  
Edward M. Collins, Jr.  
President

Original: Account Payable  
Copy: Budget and Control Board

FOUNDED 1770

023209



MAK - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

## EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Meizer Hruska  
City Address: Spartanburg SC  
Position to be Filled: Faculty - Business Admin  
Travel Dates: From Feb. 18 To Feb 19, 1985  
Total Travel Reimbursement: \$ 100.71

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By: Edward M. Collins, Jr.  
Edward M. Collins, Jr.  
President

Original: Account Payable  
Copy: Budget and Control Board

FOUNDED 1770

023210

MAR - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

## EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: C. Hallinghead  
City Address: Washington, DC  
Position to be Filled: Faculty - Business Admin  
Travel Dates: From Feb 14 To Feb 15, 1985  
Total Travel Reimbursement: Travel Bureau Hotel \$53.14

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By: Edward M. Collins, Jr.  
Edward M. Collins, Jr.  
President

Original: Account Payable  
Copy: Budget and Control Board

FOUNDED 1770

023211

MAR - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

## EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Steve Davies  
City Address: Dallas, PA  
Position to be Filled: Faculty - Philosophy  
Travel Dates: From Feb. 6 To Feb. 7, 1985  
Total Travel Reimbursement: \$560.00

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By: Edward M. Collins, Jr.  
Edward M. Collins, Jr.  
President

Original: Account Payable  
Copy: Budget and Control Board

FOUNDED 1770

023212

MAR - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

## EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Carl Brautack  
City Address: El Paso, Texas  
Position to be Filled: Faculty - Business Admin.  
Travel Dates: From Feb 11, 1985 To Feb 12, 1985  
Total Travel Reimbursement: \$ 761.00

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By: Edward M. Collins, Jr.  
Edward M. Collins, Jr.  
President

Original: Account Payable  
Copy: Budget and Control Board

FOUNDED 1770

023213



MAR - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

## EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Wesley Franks  
City Address: Myrtle, Miss  
Position to be Filled: Faculty - Registrar  
Travel Dates: From Jan. 3, To Feb. 1, 1985  
Total Travel Reimbursement: \$42.00

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By: Edward M. Collins, Jr.  
Edward M. Collins, Jr.  
President

Original: Account Payable  
Copy: Budget and Control Board

FOUNDED 1770

023214

MAR - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

## EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Mark Greenwood  
City Address: Baltimore Md.  
Position to be Filled: Recruiting - Business Admin.  
Travel Dates: From Feb. 17 To Feb. 18, 1985  
Total Travel Reimbursement: \$408.10

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By: Edward M. Collins, Jr.  
Edward M. Collins, Jr.  
President

Original: Account Payable  
Copy: Budget and Control Board

FOUNDED 1770

023215

MAR - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

## EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit:

*Paul Nelson*

City Address:

*Austin Texas*

Position to be Filled:

*Faculty - Business Admin*

Travel Dates: From

*Feb 5*

To

*Feb 5, 1985*

Total Travel Reimbursement:

*\$600.00*

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By:

*Edward M. Collins, Jr.*

Edward M. Collins, Jr.

President

Original: Account Payable

Copy: Budget and Control Board

FOUNDED 1770

023216

MAR - 4 1985



# THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

## EXHIBIT

MAR 12 1985 NO. 5

Office of the President

STATE BUDGET & CONTROL BOARD

### EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Andie Cateley  
City Address: Normal Illinois  
Position to be Filled: Traveling - Business Admin.  
Travel Dates: From Feb 19 To Feb 20, 1985  
Total Travel Reimbursement: \$591.00

Significance of position warrants such costs and the payment is more cost efficient than sending representatives to the recruits' home town.

Approved By: Edward M. Collins, Jr.  
Edward M. Collins, Jr.  
President

Original: Account Payable  
Copy: Budget and Control Board

FOUNDED 1770

023217



Office	Action	Info.
FRS	✓	
WMA		✓
WDE		
WCH		
WCA		
WLA		
DL		



BOX F7500, FLORENCE, SOUTH CAROLINA 29501-0056 / (803) 669-4121

Office of the Vice President  
for Academic Affairs and  
Dean of the College

January 17, 1985

## EXHIBIT

TO: Thomas C. Stanton

MAR 12 1985 NO. 5

FROM: William C. Moran

STATE BUDGET & CONTROL BOARD

Your approval is requested to invite Dr. Howard H. Hinkel to campus for an interview for the position of Chairman of the Department of English and to pay his travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, the participation of a number of Francis Marion College persons is vital to this particular interview; therefore, the costs of bringing Dr. Hinkel to the campus would be far less than would be the expense of conducting the interview at his home area or elsewhere. As is our usual policy, candidates residing within South Carolina were considered before candidates from other states were sought.

### Estimated Costs:

Travel-----	\$ 614.00
Food -----	18.00
Lodging-----	55.00
<b>TOTAL</b>	<b>\$ 687.00</b>

*William C. Moran*  
William C. Moran  
Dean of the College

Initial Approval  
Date: *Jan 26, 1985*

### Actual Costs:

Travel-----	\$ 217.00
Food-----	
Lodging-----	27.82
<b>TOTAL</b>	<b>\$ 244.82</b>

APPROVAL RECOMMENDED  
Date: *2-27-85*

APPROVED  
Date: *Feb 28, 1985*

FEB 27 1985  
JAN 18 1985

023218



BOX F7500, FLORENCE, SOUTH CAROLINA 29501-0056 / (803) 669-4121

Office of the Vice President  
for Academic Affairs and  
Dean of the College

February 14, 1985

TO: President Thomas C. Stanton

FROM: William C. Moran

Your approval is requested to invite Dr. Emmanuel Ike Udogu to campus for an interview for the position of Assistant Professor of Political Science and to pay his travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, the participation of a number of Francis Marion College persons is vital to this particular interview; therefore, the costs of bringing Dr. Udogu to the campus would be far less than would be the expense of conducting the interview at his home area or elsewhere.

Estimated Costs:

Travel-----	\$ 50.00
Food-----	18.00
Lodging-----	
Total	\$ 68.00

*William C. Moran*

William C. Moran  
Dean of the College

Initial Approval: *Thomas C. Stanton*  
Date: *2/15/85*

Actual Costs:

Travel-----	\$ 40.20
Food-----	5.00
Lodging-----	
TOTAL	\$ 45.20

APPROVAL RECOMMENDED: *William C. Moran*  
Date: *2-27-85*

APPROVED: *Thomas C. Stanton*  
Date: *2/25/85*

*P. I. Fredrick*  
*3/4/85*  
**023219**

FEB 27 1985  
FEB 15 1985



# FRANCIS MARION COLLEGE

BOX F7500, FLORENCE, SOUTH CAROLINA 29501-0056 / (803) 669-4121

Office of the Vice President  
for Academic Affairs and  
Dean of the College

November 30, 1984

TO: President Thomas C. Stanton

FROM: William C. Moran

Your approval is requested to invite Mr. Lynn Kostoff to campus for an interview for the position of Temporary Instructor of English and to pay his travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, the participation of a number of Francis Marion College persons is vital to this particular interview; therefore the costs of bringing Mr. Kostoff to the campus would be far less than would be the expense of conducting the interview at his home or elsewhere. As is our usual policy, candidates residing within South Carolina were considered before candidates from other states were sought.

## Estimated Costs:

Travel-----	\$ 466.00
Food-----	\$ 30.00
Lodging-----	\$ 55.00
TOTAL	\$ 551.00

*William C. Moran*

William C. Moran  
Dean of the College

WCM:rbd

Initial Approval: *Thomas C. Stanton*

Date: *12/3/84*

## Actual Costs:

Travel-----	\$ 396.67
Food-----	\$ 6.83
Lodging-----	\$ 27.82
TOTAL	\$ 431.32

APPROVAL RECOMMENDED *William C. Moran*

Date: \_\_\_\_\_

APPROVED: *Thomas C. Stanton*

Date: *1-7-85*

JAN 09 1985  
DEC 03 1984

023220



# Patrick B. Harris Psychiatric Hospital

A Facility of the South Carolina Department of Mental Health

P.O. Box 2907 / Anderson, South Carolina 29622 / (803) 225-8910

James P. Anderson / Administrator

## EXHIBIT

MAR 12 1985

NO. 5

STATE BUDGET & CONTROL BOARD

### MEMORANDUM

TO: William S. Hall, M.D.  
State Commissioner  
S. C. Dept. of Mental Health

FROM: John D. Patton, M.D.  
Psychiatric Services Chief  
Patrick B. Harris Psychiatric Hospital

*Handwritten initials*

DATE: March 4, 1985

SUBJECT: Reimbursement for Travel by Out-of-State Physician to  
Interview for Position of Staff Psychiatrist

1. In response to efforts to recruit psychiatrists so that it will be possible to staff Harris Psychiatric Hospital, I have received an application from a well qualified psychiatrist. This psychiatrist is now in training out of state.
2. It is essential that we recruit adequate numbers of qualified psychiatrists, so we may open this new facility.
3. We do not have qualified psychiatrists in state who have expressed interest in work at this facility.
4. The cost of bringing the candidate to Anderson would be less than sending a staff member to Philadelphia to interview this candidate.
5. It is estimated that the cost of this trip will be approximately \$350.00.

cc: William A. McInnis  
Deputy Executive Director  
State Budget and Control Board



023221



# EXHIBIT

MAR 12 1985

NO. 6

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

STATE BUDGET & CONTROL BOARD

AGENDA

ITEM NUMBER

6

AGENCY: Budget Division

SUBJECT: FTE Operating Report, February, 1985

Attached is the full-time-equivalent position operating report for February, 1985. Please refer to the report for details.

BOARD ACTION REQUESTED:

Receive as information the FTE position operating report for the month of February, 1985 which shows a net change of 1 position during the month, resulting in the total authorized position base at February 28, 1985 of 60,474.93 of which 56,153.35 positions were filled and 4,321.58 were vacant.

ATTACHMENTS:

Agenda item worksheet and referenced report.

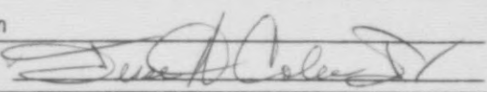
023222

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

For meeting scheduled for:

March 12, 1985☒ Blue Agenda☐ Regular Session Agenda☐ Executive Session Agenda

1. Submitted By:

(a) Agency: State Budget Division(b) Authorized Official Signature: 2. Subject: Authorized FTE Position Operational Report For February 1984-85.

3. Summary Background Information:

This monthly report is submitted in accordance with Section 145  
of the 1984-85 Appropriation Act.

## EXHIBIT

MAR 12 1985 NO. 6

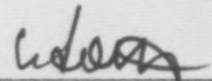
STATE BUDGET &amp; CONTROL BOARD

4. What is Board asked to do?

Information Only.

5. What is recommendation of the Board Division involved?

Information Only.

  
Recommended By:

6. Recommendation of other office (as required)?

(a) Office Name \_\_\_\_\_

Authorized

(b) Signature \_\_\_\_\_

7. Supporting Documents:

List Those AttachedList Those Not Attached But Available  
from Submitter1. Authorized FTE Position Monthly  
Report

023223

# EXHIBIT

MAR 12 1985 NO. 6

STATE BUDGET DIVISION  
1984-85 FILL-TIME-EQUIVALENT POSITION  
OPERATIONAL REPORT  
FOR THE MONTH OF FEBRUARY, 1985

STATE BUDGET & CONTROL BOARD

SECTION NO.	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
Total Authorized FTE Position Base 2/1/85		60,475.93	35,288.26	8,395.17	16,792.50
<u>February Authorized Changes</u>					
16 A	B&C Board-Executive Director	(1.00)	(1.00)		
16 E	B&C Board-General Services	1.00	1.00		
16 E	B&C Board-General Services	0	0	(1.00)	1.00
31	ETV	(1.00)	0	(1.00)	
Total Net Change		(1.00)	0	(2.00)	1.00
Total Authorized FTE Position Base 2/28/85		60,474.93	35,288.26	8,393.17	16,793.50
Total Filled FTE Positions 2/28/85		56,153.35	33,199.52	7,418.39	15,535.44
Total Vacant FTE Positions 2/28/85		4,321.58	2,088.74	974.78	1,258.06

Prepared  
March 6, 1985

023224

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD  
STATE BUDGET DIVISION

406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201  
(803) 758-3106



RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

REMBERT C. DENNIS  
CHAIRMAN,  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN,  
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

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

March 6, 1985

EXHIBIT

MAR 12 1985 NO. 6

STATE BUDGET & CONTROL BOARD

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

Dear Senator Waddell:

Attached please find a copy of the February 1984-85 Authorized FTE  
Position Operating Report. I have approved and adjusted the Authorized  
FTE Position Base accordingly.

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

Sincerely,

Jesse A. Coles, Jr., Ph.D.  
Director

JAC/dd

Attachment

023225



# EXHIBIT

MAR 12 1985

NO. 7

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985  
REGULAR SESSION  
ITEM NUMBER

2

AGENCY: University of South Carolina

SUBJECT: Rollover of \$8 Million Stadium Improvement Bond Anticipation Notes

The referenced notes, issued March 16, 1984, are due March 15 and State Treasurer Patterson has arranged for the sale of the notes to Morgan Guaranty Trust Company of New York at an interest rate of 5.25% per annum. The USC Board of Trustees on March 7 was scheduled to authorize the issuance of these notes.

\$10 million of these notes were issued initially in March of 1982 and \$2 million of them have been retired in the interim period.

In addition to authorizing the issuance of the referenced notes, the resolution proposed for adoption by the Board authorizes the University to withdraw \$600,000 from the debt service fund established for these notes to be paid to the University Athletic Department for reimbursement of cost of certain improvements made to the Williams-Brice Stadium and \$400,000 to be paid for the cost of certain improvements which are to be made to the Stadium.

BOARD ACTION REQUESTED:

Adopt a resolution approving the issuance of \$8 million of stadium improvement revenue bond anticipation notes, Series 1985, of the University of South Carolina, and approving the payment of \$1 million from the debt service funds established for the referenced notes for certain improvements to Williams-Brice Stadium.

ATTACHMENTS:

Referenced resolution and Corley March 5 letter to McInnis.

023226

# EXHIBIT

MAR 12 1985 NO. 7

STATE OF SOUTH CAROLINA )

COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

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

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

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 A. M., on Tuesday, March 12, 1985, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of: Senator Dennis, who was represented by Senate Finance Committee Vice Chairman James M. Waddell, Jr., and Mr. Patterson.

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Senator Waddell, who moved its adoption; said motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

AGAINST MOTION

4

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Secretary.

March 12, 1985

William A. McInnis

023227

A RESOLUTION

APPROVING THE ISSUANCE OF EIGHT MILLION DOLLARS (\$8,000,000) AGGREGATE PRINCIPAL AMOUNT OF BOND ANTICIPATION NOTES, SERIES 1985, OF THE UNIVERSITY OF SOUTH CAROLINA PURSUANT TO THE PROVISIONS OF TITLE 11, CHAPTER 17, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, AND APPROVING THE PAYMENT OF COSTS OF CERTAIN IMPROVEMENTS TO WILLIAMS-BRICE STADIUM.

EXHIBIT

MAR 12 1985 NO. 7

STATE BUDGET & CONTROL BOARD

WHEREAS, the Board of Trustees (the "Board") of the University of South Carolina (the "University") is authorized pursuant to the provisions of Act No. 518 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, Regular Session of 1980 ("Act No. 518"), to issue from time to time special obligation bonds in an aggregate principal amount of not exceeding Twelve Million Dollars (\$12,000,000) for the purpose of paying a portion of the cost of enlarging and improving, including all necessary equipment, Williams-Brice Stadium; and

WHEREAS, the Budget and Control Board of the State of South Carolina (the "Budget and Control Board"), on September 25, 1981, approved the issuance of not exceeding \$12,000,000 Stadium Improvement Revenue Bonds pursuant to the provisions of Act 518 (the "Bonds"); and

WHEREAS, the Board of the University on February 29, 1984, found and determined that interest rates on the Bonds if issued at that time would be extremely high and did not wish to commit itself to pay such high rates of interest for a long period of time; and

WHEREAS, the Board of the University on March 16, 1984, issued \$8,000,000 University of South Carolina Stadium

Improvement Revenue Bond Anticipation Notes, Series of 1984, maturing March 15, 1985 (the "Series 1984 BANS"); and

WHEREAS, the interest rate which the Bonds would presently bear are high and the University does not at this time wish to commit itself to pay such high interest rates for a long period of time; and

WHEREAS, the Board of the University has determined that it is in its interest to make certain improvements to Williams-Brice Stadium and to authorize the issuance of \$8,000,000 Bond Anticipation Notes (the "Notes"), the proceeds of which will be used to pay the principal of the Series 1984 BANS at maturity; and

WHEREAS, Morgan Guaranty Trust Company of New York has offered to buy the Notes at a rate of interest of five and twenty-five one hundredths percent (5.25%) per annum.

NOW, THEREFORE, BE IT RESOLVED by the Budget and Control Board, as follows:

Section 1. The Notes are hereby authorized to be issued by the University in anticipation of the issuance of a like amount of Bonds pursuant to Act No. 518.

Section 2. The sale of the Notes to Morgan Guaranty Trust Company of New York at a rate of interest of five and twenty-five one hundredths percent (5.25%) per annum is hereby approved.

Section 3. There is hereby authorized to be withdrawn from the Debt Service Fund established for the Series 1984 BANS (i) \$600,000.00 to be paid to the

EXHIBIT

2

MAR 12 1985 NO. 7

023229

STATE BUDGET & CONTROL BOARD.



University Athletic Department for reimbursement of costs of certain improvements made to Williams-Brice Stadium, and (ii) \$400,000.00 to be paid to the University Athletic Department to pay the costs of certain improvements to be made to Williams-Brice Stadium.

Section 4. This Resolution shall take effect immediately.

## EXHIBIT

MAR 12 1985 NO. 7

STATE BUDGET & CONTROL BOARD

MAR - 6 1985  
12:54 p.m. *LG*

McNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

EIGHTEENTH FLOOR

BANKERS TRUST TOWER

POST OFFICE BOX 11390

COLUMBIA, SOUTH CAROLINA 29211

803-799-9800

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
O. WAYNE CORLEY  
E. McLEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN  
JOHN H. LUMBKIN, JR.  
JOHN W. CURRIE  
SCOTT Y. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL R. McLEOD, JR.  
WILLIAM S. ROSE, JR.  
BERNARD J. WUNDER, JR.  
M. CRAIG GARNER, JR.  
BRENTON G. JEFFCOAT  
ROBERT T. BOCKMAN  
PETER L. MURPHY  
C. ALAN RUNYAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY

WILMOT B. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN E. CRUM  
FRANKLIN G. POLK  
JOHN W. HUNTER  
HUEL D. ADAMS, JR.  
JAMES P. FIELDS, JR.  
LAWRENCE P. HIGGINS  
W. STEPHEN CANNON  
BARBARA GEORGE BARTON  
J. SIMON FRASER  
E. RUSSELL JETER, JR.  
DOROTHY M. HELMS  
PAUL B. NIX, JR.  
NANCY PAGE  
SANDRA L. RANDLEMAN  
JANE W. TRINKLEY  
J. LYLES GLENN IV  
CELESTE TILLER JONES  
JOSEPH D. WALKER  
NANCY R. JEFFERS  
ALISON RENEE LEE  
MARITHA P. McMILLIN  
GREGORY D. McLOACH

\*D.C. AND NEW YORK BARS ONLY  
\*D.C. AND OHIO BARS ONLY  
\*D.C. BAR ONLY  
\*MISSOURI BAR ONLY

March 5, 1985

JAMES E. CARR  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

GREENVILLE OFFICE

SUITE 401  
BANKERS TRUST PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
BANKERS TRUST BUILDING  
FIFTY-NINE POPE AVENUE  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 710  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

EXHIBIT

MAR 12 1985 NO. 7

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis, Secretary  
South Carolina State Budget and  
Control Board  
618 Wade Hampton Office Building  
Columbia, South Carolina 29211

Re: \$8,000,000 University of South Carolina Stadium  
Improvement Revenue Bond Anticipation Notes, Series 1985

Dear Bill:

The Board of Trustees of the University of South Carolina will, on March 7, 1985, authorize the issuance of the above-captioned notes. Mr. Patterson arranged for the sale of the notes to Morgan Guaranty Trust Company of New York at the rate of interest of 5.25% per annum. Mr. Patterson also approved the payment to the Athletic Department of \$600,000 for improvements to Williams-Brice Stadium made during the last fiscal year and \$400,000 to the Athletic Department for improvements to be made to Williams-Brice Stadium during the current fiscal year. Enclosed are copies of a resolution for consideration and approval by the Budget and Control Board at its meeting March 12, 1985.

Should you have any questions, please call and thank you for your assistance. With warmest personal regards, I am

Sincerely,

McNAIR GLENN KONDUROS CORLEY  
SINGLETARY PORTER & DIBBLE, P.A.

By: *Wayne*  
O. Wayne Corley

OWC/jpw  
Enclosure

023231

# EXHIBIT

MAR 12 1985

NO. 8

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

STATE BUDGET & CONTROL BOARD

REGULAR SESSION

ITEM NUMBER

3

AGENCY: University of South Carolina

SUBJECT: \$3,050,000 Institution (Tuition) Refunding Bond Anticipation Notes

USC proposes to refund \$3,050,000 of institution (tuition) bond anticipation notes now outstanding in the amount of \$3,950,000. These notes mature on March 29, 1985.

The University proposes to reduce the principal by drawing \$900,000 from the excess debt service funds. The original principal amount of these notes was \$5,335,000 and excess debt service funds have been used to reduce it to the referenced amount.

BOARD ACTION REQUESTED:

Adopt a resolution authorizing the issuance of \$3,050,000 refunding institution (tuition) bond anticipation notes for the University of South Carolina in anticipation of the issuance of a like amount of State institution bonds and authorize the use of excess debt service funds to retire \$900,000 of the notes now outstanding and to pay the interest due on them.

ATTACHMENTS:

Referenced resolution and Youngblood February 26 letter to State Treasurer Patterson and February 5 letter to Denton.

023232

SINKLER GIBBS & SIMONS

PROFESSIONAL ASSOCIATION

160 EAST BAY STREET  
CHARLESTON, SOUTH CAROLINA  
TELEPHONE AND TELECOPIER  
(803) 722-3366

MAILING ADDRESS  
CHARLESTON OFFICE  
POST OFFICE BOX 340  
CHARLESTON, S. C. 29402

RECEIVED

FEB 28 1985

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR  
POST OFFICE BOX 1456  
COLUMBIA, S. C. 29211  
TELEPHONE AND TELECOPIER  
(803) 765-1885

February 26, 1985

EXHIBIT

MAR 12 1985 NO. 8

STATE BUDGET & CONTROL BOARD

Honorable Grady L. Patterson, Jr..  
State Treasurer  
P.O. Box 11778  
Columbia, South Carolina 29211

Re: \$3,950,000 State Institution Refunding Bond  
Anticipation Notes of the State of South Carolina  
Maturing: March 29, 1985

Dear Mr. Patterson:

Pursuant to our telephone conversation of this morning, I am enclosing a copy of a resolution by which the State Budget and Control Board would authorize the use of excess tuition fees to pay \$900,000 of the principal maturing on the captioned notes on March 29, 1985 and all of the interest accrued at maturity on such notes. The resolution also authorizes the State Treasurer to negotiate the sale of \$3,050,000 of refunding bond anticipation notes.

By courtesy copy of this letter, I am sending multiple copies of the resolution to Bill Putnam with the request that it be placed on the State Budget and Control Board's agenda for its next meeting.

If either you or any of those receiving courtesy copies of this letter should have a question, please give me a call.

Respectfully yours,

*Bill Youngblood*

M. William Youngblood, Jr.

MWY/bs

Enclosures

cc: Mr. Henry Larrymore  
Dr. Robert W. Denton  
✓ Mr. William T. Putnam

023233



FEB - 6 1985

SINKLER GIBBS & SIMONS

PROFESSIONAL ASSOCIATION

160 EAST BAY STREET  
CHARLESTON, SOUTH CAROLINA  
TELEPHONE AND TELECOPIER  
(803) 722-3366

MAILING ADDRESS  
CHARLESTON OFFICE  
POST OFFICE BOX 340  
CHARLESTON, S. C. 29402

COLUMBIA OFFICE  
SUITE 1160  
FIRST NATIONAL BANK BUILDING  
POST OFFICE BOX 1458  
COLUMBIA, S. C. 29211  
TELEPHONE AND TELECOPIER  
(803) 765-1885

February 5, 1985

EXHIBIT

MAR 12 1985 NO. 8

STATE BUDGET & CONTROL BOARD

Dr. Robert W. Denton  
Senior Vice President for  
Business and Finance  
Room 201 Osborne  
University of South Carolina  
Columbia, South Carolina 29208

Re: \$3,050,000 State Institution Refunding Bond  
Anticipation Notes of the State of South Carolina,  
to be dated March 29, 1985

Dear Pete:

Confirming our telephone conversation of this morning, I am preparing resolutions for adoption by the University Board of Trustees and by the South Carolina State Budget and Control Board, in connection with the refunding of the now outstanding \$3,950,000 of State Institution Refunding Bond Anticipation Notes of the State of South Carolina maturing March 29, 1985.

You have advised that in conversations with the State Treasurer, you have been authorized to draw down \$900,000 of "surplus" to reduce the principal amount of notes to remain outstanding after March 29 to \$3,050,000. My calculation reflects that there will be interest of approximately \$235,025 due on the outstanding notes. I assume that the interest due will be paid from other available funds of the University. Please confirm this fact as quickly as possible.

Please confirm also, as soon as possible, the aggregate of tuition fees received by the University during the fiscal year ended June 30, 1984, and the actual dollar amount of tuition fees deposited to the credit of the debt service account maintained by the State Treasurer. There was some confusion on this point in connection with the refunding notes last year.

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SINKLER GIBBS & SIMONS

Dr. Robert W. Denton  
February 5, 1985  
Page 2

EXHIBIT

MAR 12 1985 NO. 8

STATE BUDGET & CONTROL BOARD

I will in the next few days prepare the necessary proceedings for your board and for the Budget and Control Board.

I do not anticipate any delay in the preparation of other proceedings. We should be able to utilize the Official Statement being prepared in connection with the State Capital Improvement Bond Issue now underway.

Most sincerely,

*Bill Youngblood*

M. William Youngblood, Jr.

MWY/bs

cc: Honorable Grady L. Patterson, Jr.  
Mr. James H. Windham  
Mr. Henry Larrymore  
Mr. William A. McInnis

023235

# EXHIBIT

MAR 12 1985 NO. 8

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

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

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

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 A. M., on Tuesday, March 12, 1985, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of: Senator Dennis, who was represented by Senate Finance Committee Vice Chairman James M. Waddell, Jr., and Mr. Patterson.

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Senator Waddell, who moved its adoption; said motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

AGAINST MOTION

4

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That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Secretary.

March 12, 1985

William A. McInnis

023236

# EXHIBIT

MAR 12 1985 NO. 8

## A RESOLUTION

## STATE BUDGET & CONTROL BOARD

AUTHORIZING THE ISSUANCE OF REFUNDING BOND ANTICIPATION NOTES OF THE STATE OF SOUTH CAROLINA, IN ANTICIPATION OF THE ISSUANCE OF STATE INSTITUTION BONDS OF THE STATE OF SOUTH CAROLINA

BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF THE STATE OF SOUTH CAROLINA:

### SECTION 1.

As an incident to the adoption of this Resolution and the issuance of the Refunding Bond Anticipation Notes herein authorized, the State Budget and Control Board of the State of South Carolina (the State Board) finds:

1. The State Board is authorized by the provisions of Chapter 107, Title 59, Code of Laws of South Carolina, 1976, as amended, (Chapter 107) to make provision for the issuance of State Institution Bonds in order to raise funds for permanent improvements to the various institutions of higher learning in the State.

2. The statutory limit now controlling the issuance of State Institution Bonds is found in Section 59-107-90 of Chapter 107 and such limitation will permit the issuance of the refunding bond anticipation notes (and ultimately state institution bonds) in the amount herein authorized.

3. Heretofore the trustees of the University of South Carolina (University) adopted a resolution setting forth all of the findings required to be made by Section 59-107-40 of Chapter 107. A copy of such resolution was presented to the State Board and is attached hereto as Exhibit A. On April 1, 1982 the State of South Carolina issued its

023237



\$5,335,000 State Institution Bond Anticipation Notes, the proceeds of which have been fully expended to defray a portion of the costs of the permanent improvements described in Section 3 of the attached Exhibit A.

4. Thereafter the State of South Carolina issued \$4,500,000 of State Institution Bond Anticipation Notes to refund that amount of the \$5,335,000 Notes. The remaining principal was paid from excess tuition fees.

5. Subsequently the State of South Carolina issued \$3,950,000 of State Institution Bond Anticipation Notes to refund that amount of the \$4,500,000 Notes. The remaining principal was paid from excess tuition fees.

6. While the trustees of the University have requested the issuance of long term bonds, if possible, this Board has determined that the relatively small size of the remaining debt and a beneficial short term borrowing rate makes it prudent to once again delay such final action. Accordingly, the State Board has determined to empower the State Treasurer to arrange a sale of refunding bond anticipation notes in an amount sufficient, with other available debt service funds, to retire the outstanding bond anticipation notes. In order to accomplish this result the State Treasurer is hereby authorized to withdraw from excess tuition fees, as contemplated by Section 59-107-180 of Chapter 107, sufficient sums to (i) meet the interest due March 29, 1985 on the maturing Bond Anticipation Notes and

## EXHIBIT

(ii) to provide \$900,000 of the principal maturing March 29, 1985 on such notes.

SECTION 2.

The State Board finds that it is necessary to raise the remaining sum of \$3,050,000 to refund the remaining principal of the outstanding notes and has determined that this sum should be raised through the sale of Refunding Bond Anticipation Notes authorized by this Resolution.

As soon as market conditions and overall state institution borrowing requirements permit, the State Board will offer for sale State Institution Bonds in order to obtain funds with which to pay such Notes.

The original application of the University trustees reflected that the margin required by Article X, Section 13(6)(b) of the South Carolina Constitution would be met with respect to \$5,335,000 of State Institution Bonds. The conditions which obtained at the time of the original submission by the University Trustees remain legally controlling with respect to the refunding of such original notes.

SECTION 3.

The State Board is authorized by Chapter 17, Title 11, Code of Laws of South Carolina, 1976, to issue bond anticipation notes to provide the funds in anticipation of the receipt of proceeds of bonds authorized by law to be issued.

SECTION 4.

Accordingly, it is the purpose of this Resolution to:

EXHIBIT

(a) authorize the Governor and State Treasurer to effect the issuance of Refunding Bond Anticipation Notes to the extent herein set forth and for the purposes herein recited; and

(b) obligate the State of South Carolina to effect the issuance of sufficient State Institution Bonds to provide funds with which to pay the Refunding Bond Anticipation Notes herewith authorized.

SECTION 5.

It is hereby determined that temporary financing pursuant to Chapter 17, Title 11, Code of Laws of South Carolina, 1976, to the extent herein set forth in anticipation of the issuance of State Institution Bonds, shall be immediately undertaken, and that authorization be given to the Governor and State Treasurer which will enable such officers to comply with the directives of this Resolution.

SECTION 6.

There shall be issued by the State of South Carolina Refunding Bond Anticipation Notes of the State of South Carolina, in the aggregate principal amount of \$3,050,000 which shall be dated March 29, 1985, and which shall be expressed to mature on or before March 29, 1986 on a date selected by the State Treasurer.

The proceeds of the Notes shall be applied to the costs of refunding the outstanding bond anticipation notes.

EXHIBIT

MAR 12 1985 NO. 8

STATE BUDGET & CONTROL BOARD

SECTION 7.

The Notes shall bear interest from March 29, 1985, payable upon the stated maturity thereof, at the rate negotiated by the State Treasurer.

SECTION 8.

The Notes shall be numbered from 1 upwards in chronological order, and shall be in the denomination of \$25,000 or any multiple of \$25,000 requested by the purchaser thereof; provided that the Purchaser may be required to take delivery of the notes in temporary form pending the preparation thereof in printed form. The Notes shall be payable, both principal and interest, in legal tender upon maturity, at the principal office of Morgan Guaranty Trust Company of New York, in the City of New York, State of New York.

SECTION 9.

The State Treasurer is authorized to negotiate the sale of the Notes herein authorized. The State Treasurer is specifically authorized to fix the rate of interest to be borne by the Notes at a rate in excess of that prescribed by Section 11-9-350, Code of Laws of South Carolina for 1976.

SECTION 10.

The Notes shall be executed on behalf of the State of South Carolina by the Governor of the State of South Carolina and by the State Treasurer of South Carolina, and the Great Seal of the State of South Carolina shall be reproduced thereon, and the same shall be attested by the

EXHIBIT

- 5 -

MAR 12 1985 NO. 8

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STATE BUDGET & CONTROL BOARD



Secretary of State of South Carolina, provided that at least one of such signatures shall be a manual signature of the officer signing the Notes.

SECTION 11.

The Notes shall be substantially in the form attached hereto as Exhibit B.

SECTION 12.

For the payment of the principal of and interest on the Notes, as the same shall fall due, the full faith, credit and taxing power of the State of South Carolina shall be pledged. In addition thereto, so much of the principal proceeds of the State Institution Bonds which shall be issued to provide the funds with which to pay the Notes are hereby pledged and the State Treasurer, upon receipt of the proceeds of such State Institution Bonds, shall and he is hereby directly to apply such proceeds to such payment.

SECTION 13.

This Board authorizes, and on behalf of the State of South Carolina, covenants and agrees to effect the issuance of sufficient State Institution Bonds of the State of South Carolina in order that the proceeds thereof will be sufficient to provide for the retirement of all Bond Anticipation Notes hereafter to be outstanding.

SECTION 14.

The Notes shall be forthwith prepared, executed in the manner hereinabove set forth, and thereafter delivered to the purchaser thereof, upon receipt of the proceeds thereof.

EXHIBIT

The proceeds shall be paid to the State Treasurer and applied to the retirement of the outstanding bond anticipation notes.

SECTION 15.

A certified copy of this Resolution shall be transmitted to the Governor and the State Treasurer, as a means of authorizing the issuance of the Notes and apprising them of the action taken by this Board as above set forth.

---

EXHIBIT A

A RESOLUTION  
BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF SOUTH CAROLINA  
REQUESTING THE ISSUANCE OF STATE INSTITUTION BONDS PURSUANT  
TO CHAPTER 107, TITLE 59, VOLUME 20, CODE OF LAWS OF SOUTH  
CAROLINA, 1976, AS AMENDED AND THE ISSUANCE OF BOND  
ANTICIPATION NOTES PRIOR TO THE ISSUANCE OF SUCH BONDS

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE  
UNIVERSITY OF SOUTH CAROLINA:

SECTION 1.

As an incident to the adoption of this Resolution it is  
found that permanent improvements of the sort hereafter  
described are required for the University of South Carolina,  
(the University) and it has been decided by the Board of  
Trustees of the University (the Trustees) that an  
application should be made pursuant to the provisions of  
Chapter 107, Title 59, Code of Laws of South Carolina, 1976,  
as amended, for funds to be used for such purposes.  
Accordingly, this Resolution is adopted pursuant to Section  
59-107-40 of Chapter 107, Title 59, Code of Laws of South  
Carolina, 1976, as amended, (Chapter 107), in order to make  
formal application for the issuance of State Institution  
Bonds for the University to the extent of \$5,335,000.

SECTION 2.

The Trustees hereby make formal application to the  
State Budget and Control Board of South Carolina for the  
issuance of \$5,335,000 State Institution Bonds pursuant to  
the provisions of Chapter 107, in order that the proceeds  
thereof may be used to defray a portion of the cost of the  
permanent improvements at the University described in  
Section 3 of this Resolution.

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SECTION 3.

The proceeds of the proposed issue of \$5,335,000 State Institution Bonds will be applied to a portion of the costs of certain plant improvements which include the following:

<u>USC - Carolina Campus</u>		<u>Approval Amount</u>
Earth & Water Equipment	Project H27-005	\$ 600,000
Central Energy, Phase IV	Project H27-030	2,400,000
College of Business Administration Addition	Project H27-020	500,000
<u>USC - Coastal Campus</u>		
Auditorium Equipment	Project H35-003	600,000
Science Building	Project H32-001	600,000
<u>USC - Spartanburg Campus</u>		
Hodge Center Expansion	Project H39-002	464,000
<u>USC - Salkehatchie Campus</u>		
Laboratory/Classroom Building	Project H27-021	85,000
<u>USC - Union Campus</u>		
Central School Renovation	Project H27-019	80,000
Total USC Institution Financing		<u>\$5,329,000</u>

SECTION 4.

The aggregate sum received from tuition fees from all university campuses for the preceding fiscal year, viz., July 1, 1980 through June 30, 1981 is \$3,990,549.

SECTION 5.

The schedule of tuition fees now in effect at the University is as follows:



<u>TYPE OF STUDENT</u>	<u>TUITION FEES FOR ENTIRE ACADEMIC YEAR</u>
RESIDENT-Columbia Campus	\$ 150.00
NON-RESIDENT-Columbia Campus	400.00
ALL STUDENTS-Regional Campuses	100.00

SECTION 6.

The suggested maturity schedule for bonds issued pursuant to this application is set forth as Schedule I of Exhibit A to this Resolution.

SECTION 7.

A statement showing the unmatured State Institution Bonds heretofore issued on behalf of the University now outstanding and not defeased together with the annual interest and principal payments to become due thereon, is set forth as Schedule II of Exhibit A to this Resolution.

SECTION 8.

A table showing debt service on all State Institution Bonds to be outstanding for the University following the issuance of the bonds herein sought to be issued is set forth as Schedule III of Exhibit A to this Resolution.

SECTION 9.

A calculation establishing the right of the University to seek the issuance of bonds to the extent set forth in this Resolution is set forth as Schedule IV of Exhibit A to this Resolution.

023246

SECTION 10.

In the event that the State Budget and Control Board of South Carolina shall determine, for whatever reason, that long term obligations cannot be issued at the present time, this resolution shall serve as a request that Bond Anticipation Notes be issued as soon as practicable.

SECTION 11.

The Trustees hereby covenant and agree that the schedule of tuition fees now in effect at the University will be revised from time to time and whenever necessary in order to provide the annual principal and interest requirements of all State Institution Bonds now or hereafter to be outstanding, which have been or will be issued on behalf of the University.

SECTION 12.

The Secretary of the Trustees is hereby directed to present a certified copy of this Resolution, together with the Exhibit heretofore referred to, to the State Budget and Control Board of South Carolina, as evidence of the formal request of the Trustees for the issuance of State Institution Bonds on behalf of the University and as evidence that all conditions precedent to the issuance of such Bonds have been met prior to the issuance of either bonds or bond anticipation notes.

023247.

I, Secretary of the Board of Trustees of the University of South Carolina, DO HEREBY CERTIFY:

That pursuant to a notice duly given to every member of the Board of Trustees of the University of South Carolina, a meeting of said Board was held at 2:00 P.M., Friday, February 11, 1982 ~~December 11, 1981~~, for purposes which included the purpose of considering and taking action upon the attached Resolution.

The following members of the Board were present:

John G. Beasley, Robert M. Bennett, T. Luke Benson, William L. Bethen  
William N. Bowen, James Bradley, William S. Brockington, James W. Cothran,  
R. Markley Dennis, Paul S. Goldsmith, Lily-Roland Hall, Dan S. Henderson  
Eugene C. Stoddard, Frampton W. Toole, William E. Whitney, Othniel H.  
Wienges, Charlie G. Williams

constituting a majority of the Board.

That at said meeting the attached Resolution was introduced by Mr. R. Markley Dennis, Sr., duly seconded by Mr. Daniel S. Henderson, and after discussion, was unanimously adopted by the members of the Board who were in attendance, and the original of the Resolution is duly transcribed in the Minute Book of the Board, of which I am custodian.

IN WITNESS WHEREOF, I have hereunto set my Hand and the  
Seal of the Board of Trustees of the University of South  
Carolina, this 11 day of <sup>February</sup>~~December~~, A.D. <sup>1982</sup>~~1981~~.

(SEAL)

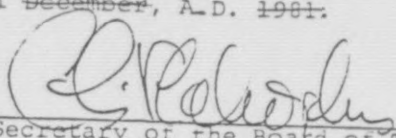
  
Secretary of the Board of Trustees  
of the University of South Carolina



EXHIBIT A

SCHEDULE I  
PRO FORMA DEBT SERVICE TABLE ON THE PROPOSED  
ISSUE OF \$5,335,000 STATE INSTITUTION BONDS  
DATED DECEMBER 1, 1982. PRINCIPAL AND INTEREST  
PAYABLE AS INDICATED. COMPUTED AT 9%.

<u>Fiscal Year Ending June 30</u>	<u>Principal December 1</u>	<u>Interest December 1</u>	<u>Interest June 1</u>	<u>Total Principal and Interest</u>
1983			\$ 240,075	\$ 240,075
1984	\$ 250,000	\$ 240,075	228,825	718,900
1985	275,000	228,825	216,450	720,275
1986	300,000	216,450	202,950	719,400
1987	330,000	202,950	188,100	721,050
1988	360,000	188,100	171,900	720,000
1989	400,000	171,900	153,900	725,800
1990	450,000	153,900	133,650	737,550
1991	490,000	133,650	111,600	735,250
1992	540,000	111,600	87,300	738,900
1993	590,000	87,300	60,750	738,050
1994	650,000	60,750	31,500	742,250
1995	700,000	31,500		731,500
	<u>\$5,335,000</u>	<u>\$1,827,000</u>	<u>\$1,827,000</u>	<u>\$8,989,000</u>

SCHEDULE II -  
SHOWING DEBT SERVICE REQUIREMENTS ON ALL STATE  
INSTITUTION BONDS OF THE UNIVERSITY OF SOUTH  
CAROLINA WHICH HAVE NOT BEEN DEFEASED. COMPOSITE  
ANNUAL DEBT SERVICE TABLE IS INCLUDED HEREIN  
(ALL TABLES ARE ON A FISCAL YEAR BASIS.)

TABLE I - Issue of September 1, 1977

<u>FISCAL YEAR</u> <u>ENDING 6/30</u>	<u>PRINCIPAL DUE</u> <u>DECEMBER 1</u>	<u>INTEREST DUE</u> <u>DECEMBER 1</u>	<u>INTEREST DUE</u> <u>JUNE 1</u>	<u>TOTAL FOR</u> <u>FISCAL YEAR</u>
1982	\$ PAID	\$ PAID	\$ 85,500	\$ 85,500
1983	400,000	85,500	76,100	561,600
1984	400,000	76,100	68,100	544,200
1985	400,000	68,100	60,100	528,200
1986	400,000	60,100	52,100	512,200
1987	400,000	52,100	43,900	496,000
1988	400,000	43,900	35,400	479,300
1989	400,000	35,400	26,800	462,200
1990	400,000	26,800	18,000	444,800
1991	400,000	18,000	9,000	427,000
1992	400,000	9,000	----	409,000
	<u>\$ 4,000,000</u>	<u>\$ 475,000</u>	<u>\$ 475,000</u>	<u>\$ 4,950,000</u>

023251

TABLE II - Issue of December 1, 1978

<u>FISCAL YEAR</u> <u>ENDING 6/30</u>	<u>PRINCIPAL DUE</u> <u>DECEMBER 1</u>	<u>INTEREST DUE</u> <u>DECEMBER 1</u>	<u>INTEREST DUE</u> <u>JUNE 1</u>	<u>TOTAL FOR</u> <u>FISCAL YEAR</u>
1982	\$ PAID	\$ PAID	\$ 237,700	\$ 237,700
1983	300,000	237,700	228,700	766,400
1984	400,000	228,700	216,700	845,400
1985	400,000	216,700	204,700	821,400
1986	500,000	204,700	190,700	895,400
1987	500,000	190,700	177,950	868,650
1988	750,000	177,950	158,825	1,086,775
1989	750,000	158,825	139,700	1,048,525
1990	1,000,000	139,700	114,200	1,253,900
1991	1,000,000	114,200	88,700	1,202,900
1992	1,000,000	88,700	62,700	1,151,400
1993	1,200,000	62,700	31,500	1,294,200
1994	1,200,000	31,500	----	1,231,500
	\$ 9,000,000	\$1,852,075	\$ 1,852,075	\$12,704,150

023252

SCHEDULE II  
COMPOSITE PRO FORMA DEBT SERVICE TABLE ON ALL  
STATE INSTITUTION BONDS FOR THE UNIVERSITY  
OF SOUTH CAROLINA FOLLOWING THE ISSUANCE OF  
\$5,335,000 OF STATE INSTITUTION BONDS TO BE  
DATED DECEMBER 1, 1982

<u>FISCAL YEAR</u> <u>ENDING JUNE 30</u>	<u>PRINCIPAL DUE</u> <u>DECEMBER 1</u>	<u>INTEREST DUE</u> <u>DECEMBER 1</u>	<u>INTEREST DUE</u> <u>JUNE 1</u>	<u>TOTAL PRINCIPA</u> <u>AND INTEREST</u>
1982	\$	\$	\$	\$
1983	700,000	323,200	323,200	323,200
1984	1,050,000	544,875	544,875	1,568,075
1985	1,075,000	513,625	513,625	2,108,500
1986	1,200,000	481,250	481,250	2,069,875
1987	1,230,000	445,750	445,750	2,127,000
1988	1,510,000	445,750	409,950	2,085,700
1989	1,550,000	409,950	366,125	2,286,075
1990	1,850,000	366,125	320,400	2,236,525
1991	1,890,000	320,400	265,850	2,436,250
1992	1,940,000	265,850	209,300	2,365,150
1993	1,790,000	209,300	150,000	2,299,300
1994	1,850,000	150,000	92,250	2,032,250
1995	700,000	92,250	31,500	1,973,750
		31,500	----	731,500
	\$ 18,335,000	\$ 4,154,075	\$ 4,154,075	\$ 26,643,150

023253



SCHEDULE IV  
PROOF SHOWING COMPLIANCE WITH CHAPTER 107,  
TITLE 59, SOUTH CAROLINA CODE OF LAWS OF  
1976, AS AMENDED.

Aggregate of tuition fees received by  
the University during preceding fiscal year..\$3,990,549.00  
Multiply by.....90%  
Product.....\$3,591,494.00  
Maximum Annual Debt Service on all  
State Institution Bonds of the University  
(including the proposed issue of \$5,335,000).\$2,436,250.00  
Margin.....\$1,155,244.00

023254

Exhibit B

\$ \_\_\_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF  
SOUTH CAROLINA  
REFUNDING BOND ANTICIPATION NOTE

KNOW ALL MEN BY THESE PRESENTS that the STATE OF SOUTH CAROLINA hereby acknowledges itself indebted, and for value received, promises to pay to the BEARER hereof, the principal sum of

\_\_\_\_\_

at the principal office of \_\_\_\_\_, in the City of Columbia, State of South Carolina, or, at the option of the holder at the principal office of Morgan Guaranty Trust Company of New York, in the City of New York, State of New York, on the \_\_\_\_ day of \_\_\_\_\_, 198\_, and to pay interest on said principal sum from the date hereof, at the rate of \_\_\_\_\_ percentum (\_\_\_%) per annum, payable upon the maturity of this Note.

Both the principal of and interest on this Note are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

THIS NOTE is one of an issue of Refunding Bond Anticipation Notes, of like date, tenor and effect, except as to numbering, aggregating \$3,050,000 (the Notes), issued

by the State of South Carolina, pursuant to the authorizations of Chapter 17, Title 11, Code of Laws of South Carolina, 1976, in anticipation of the receipt of the proceeds to be derived from the sale of State Institution Bonds of the State of South Carolina to be issued pursuant to Chapter 107 of Title 59, Code of Laws of South Carolina, 1976, as amended. The full faith, credit and taxing power of the State of South Carolina and the proceeds to be derived from the sale of the bonds, in anticipation of which the Notes are issued, are pledged for the payment of the principal of and interest on this Note.

THIS NOTE and the interest hereon are exempt from all State, County, Municipal, School District, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and Laws of the State of South Carolina to exist, to happen, or to be performed precedent to or in the issuance of this Note, do exist, have happened, and have been performed in regular and due time, from and manner.

IN WITNESS WHEREOF, the STATE OF SOUTH CAROLINA has caused this Note to be signed by the facsimile signature of the Governor of South Carolina and by the manual signature of the State Treasurer of South Carolina, the Great Seal of

the State to be reproduced hereon, the same to be attested by the facsimile signature of the Secretary of State of South Carolina, and this Note to be dated the 29th day of March, 1985.

\_\_\_\_\_  
Governor of the State of  
South Carolina

\_\_\_\_\_  
State Treasurer

Attest:

\_\_\_\_\_  
Secretary of State

(SEAL)

EXHIBIT

MAR 12 1985 NO. 8

STATE BUDGET & CONTROL BOARD



# EXHIBIT

MAR 12 1985 NO. 9

STATE BUDGET AND CONTROL BOARD REGULAR SESSION  
MEETING OF March 12, 1985 ITEM NUMBER 4

AGENCY: Department of Mental Health

SUBJECT: Civil Contingent Fund Allocation Request

Chairman Pope of the Mental Health Commission has requested a Civil Contingent Fund allocation to pay the cost of conducting a national search for a successor to Dr. Hall as Commissioner of Mental Health. Chairman Polk estimates that the cost of this effort will be in the range of \$30,000 to \$50,000.

BOARD ACTION REQUESTED:

Approve an allocation from the Civil Contingent Fund to finance the national search for a successor to Dr. William S. Hall.

ATTACHMENTS:

Pope 3/7/85 letter to Putnam; Civil Contingent Fund status report.

023258

# SOUTH CAROLINA MENTAL HEALTH COMMISSION

P. O. Box 485, Columbia, South Carolina 29202

RECEIVED

MAR 7 1985

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

EXHIBIT

MAR 12 1985

NO. 9

STATE BUDGET & CONTROL BOARD

William L. Pope, Chairman  
P.O. Box 944  
Columbia, S. C. 29202

Bernard Warshaw, Vice-Chairman  
P.O. Box 5  
Walterboro, S. C. 29488

E. A. Hall, Jr.  
7602 Hunt Club Road, A-104  
Columbia, S. C. 29206

C. Alex Harvin, Jr.  
P. O. Box 266  
Summerton, S. C. 29148

Elaine T. Freeman  
1029 Woodburn Road  
Spartanburg, S. C. 29302

Carol W. Garvin  
507 Coker Spring Road  
Aiken, S. C. 29801

Willie G. Boulware  
761 West Laney Terrace  
Rock Hill, S. C. 29730

March 7, 1985

Mr. William T. Putnam  
Executive Director  
South Carolina Budget and Control Board  
Wade Hampton Office Building  
Columbia, SC 29201

Dear Mr. Putnam:

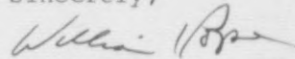
The Mental Health Commission and the blue-ribbon panel established by the General Assembly are in the process of identifying candidates for the position of State Commissioner of Mental Health to replace Dr. William S. Hall upon his retirement. To fulfill the mandate of the General Assembly to conduct a nationwide search for qualified candidates, the panel and the Commission have determined that the services of a recognized national executive search firm are needed.

We have initiated this search through the State procurement process. In order to expedite this process I have asked the Department of Mental Health to advance the funds needed to obtain the services of a search firm. From our initial contacts it appears that the cost of this search, including expenses, will be between \$30,000 and \$50,000.

I am requesting that the funds necessary to accomplish this national search be provided out of the civil contingency fund of the Budget and Control Board rather than from the operating budget of the Department of Mental Health. Considering the circumstances under which this search is undertaken I believe this request is appropriate.

Thank you for your consideration.

Sincerely,



William L. Pope, Chairman

WLP/clc

023259

Budget & Control Board, Office of Executive Director

CIVIL CONTINGENT FUND

Fund Status Report at 3/12/85

Appropriations:

General

\$394,624.00

Transfers:

State Cemetery Board	14,258.00
Attorney General's Ofc/Human Endeavor	
vs. Campbell (Secretary of State)	5,439.00
Boxing Commission	5,000.00
B & C Board/Dr. James A. Morris	6,500.00
Attorney General's Ofc/Into vs. Wildlife	4,499.17
Gubernatorial Appointees to Committees	4,500.00
Bd/Examiners for Registered Sanitarians	<u>2,719.00</u>

\$42,915.17

Direct Expenditures:

B & C. Board Meetings	2,732.35
McKenzie Tractor/B & C Bd (General Services)	435.00
Self Memorial Hospital	3,000.00
Ms. Barbara Porter	75.00
Ms. Joan Siemenda	100.50
Ms. Nelda Barnes	60.25
Productivity Council	464.46
PSC Merit Selection Panel	593.21
Legislative Pay & Expense Committee	529.70
Retirement Pre-retirement Advisory Board	151.11
Richland Co Election Com/Liquor Referendum	9,304.35
City of Tega Cay/Liquor Referendum	277.46
Commissioners of Election of Charleston	
County/Liquor Referendum	9,421.53
O'Hara/Town of Hilton Head/Liquor Referendum	63.26
Treasurer of Richland Co/Vashtie Stevenson	673.38
Mrs. Phyllis Petty/Interpreter	104.00
Board of Economic Advisors	<u>912.52</u>

\$28,898.08

Encumbrances:

Attorney General's Ofc/Into vs. Wildlife	32,041.48
B & C Board/Ofc of Executive Director	1,500.00
B & C Board Meetings	1,767.65
Board of Economic Advisors	87.48
Governor's Youth Advisory Council	4,500.00
Productivity Council	2,535.54
PSC Merit Selection Panel	406.79
Retirement Pre-retirement Advisory Board	1,348.89
Legislative Pay & Expense Committee	970.30
JEDA (Jobs-Economic Development Authority)	18,000.00
Study Barnwell Radioactive Waste Facility	27,500.00
B & C, OED, SC and the Sea	<u>7,800.00</u>

\$98,458.13

Total Transfers, Expenditures and Encumbrances:

\$170,271.38

Total Available:

\$224,352.62

Cash available at 3/12/85 is:

\$322,810.75

# EXHIBIT

MAR 12 1985 NO. 9

STATE BUDGET & CONTROL BOARD

023260

# EXHIBIT

MAR 12 1985 NO. 10

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

REGULAR SESSION  
ITEM NUMBER

5

AGENCY: Executive Director

SUBJECT: Proposals to Issue Revenue Bonds; Ceiling Allocation Requests

The required reviews have not yet been completed on the following local government proposals to issue revenue bonds. Staff will advise the Board on the results of those reviews at the meeting.

All items require an allocation of a portion of the state ceiling on private activity bonds.

- (a) York County, \$5,000,000 Industrial Revenue Note on behalf of the International Aluminum Corporation project, to provide employment for 100 to 120 persons at facilities for store front and architectural aluminum fabrication and edging, beveling, polishing and fabrication of heavy glass for use in store displays and custom furniture (requires allocation and approval under state law);
- (b) Greenville County, \$3,600,000 Industrial Revenue Bond on behalf of the Cole project, to provide employment for ten persons at a warehouse and distribution center (requires allocation and approval under state law);
- (c) Richland County, \$3,000,000 Industrial Revenue Note on behalf of the Wheel Trueing Tool Company project, to provide employment for approximately 60 persons in the manufacture of industrial diamond products (requires allocation and approval under state law);
- (d) Lexington County, \$1,500,000 Industrial Revenue Bonds on behalf of the Wellington Synthetic Fibres, Inc., project, to provide employment for 20-30 additional employees in the manufacture of fibers for use in cushions, webbing, belts, nursery materials and other products (allocation only);
- (e) Oconee County, \$500,000 Industrial Revenue Note on behalf of the Nacan project, to provide employment for approximately 25 persons at a facility for manufacturing temperature and pressure switches and warehousing filters and related products (requires allocation and approval under state law);
- (f) Anderson County, \$1,000,000 Industrial Revenue Note on behalf of the Craft Bonded Warehouse, Inc., to provide employment for approximately 1-5 persons at a facility to distribute and warehouse industrial and commercial products (requires allocation and approval under state law); and
- (g) Clarendon County, \$1,000,000 Industrial Revenue Note on behalf of the Aircap Realty Associates project, to provide employment for 5 to 10 persons at an existing facility for use as a warehouse in connection with manufacturing lawnmowers (allocation only).

## BOARD ACTION REQUESTED:

Approve local government proposals to issue revenue bonds, except items (d) and (g), on the condition that the required reviews are completed with satisfactory results, and allocate a portion of the state ceiling to projects (a) through (g).

023261



STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

Certified State Ceiling (01/08/85):	\$495,000,000
A. State Agency and Exempt Facilities Pool (40%)	<u>198,000,000</u>
State Agency & Exempt Facilities Pool (40%) at 01/08/85	<u>198,000,000</u>
B. Local Pool (60%)	<u>297,000,000</u>
Local Pool (60%) at 01/08/85	<u>297,000,000</u>

023262

1985 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION  
As of February 14, 1985 Budget and Control Board Meeting

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
01/08/85	STATE AGENCY AND EXEMPT FACILITIES POOL		\$198,000,000			
02/14/85	Family Farm Develop.	Plantation Sea Farms, Inc.		-200,000		
	Total Allocated Through 02/28/85			-200,000		0
	Total, State Agency and Exempt Facilities Pool		\$198,000,000	-200,000	\$197,800,000	0

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
01/08/85	LOCAL POOL		\$297,000,000			
01/08/85	Sumter County	Associated Textile Converters		-650,000		650,000
01/08/85	Bamberg, City of	Carl L. Kilgus		-550,000		550,000
01/11/85	York County	INA Bearing Company		-10,000,000		
01/11/85	Columbia, City of	Heritage Associates		-15,000,000		
01/22/85	Sumter County	Southern Coatings, Inc.		-1,400,000		1,400,000
01/22/85	Newberry County	Thomas & Howard of Newberry, SC		-1,600,000		
01/22/85	Charleston, City of	Sea Coast Partnership		-335,000		
01/22/85	Aiken County	Builders Transport, Inc.		-1,700,000		1,700,000
01/22/85	Kershaw County	McLaughlin Gormley King Co.		-2,000,000		
02/14/85	Anderson County	Piedmont-Anderson-Warehouse		-1,000,000		
02/14/85	Pickens County	Hasbro Bradley, Inc.		-1,300,000		1,300,000
02/14/85	Richland County	Robert M. Pachak and Grey Pachak		-500,000		
02/14/85	Berkeley County	The Ceva Partnership		-540,000		
02/14/85	Charleston County	Charles Towne Internatl. Sales		-580,000		
02/28/85	Pickens County	Imperial Die Casting		-600,000		600,000
02/28/85	Anderson County	Nordson		-1,000,000		
	Total Allocated Through 02/28/85			-38,755,000		6,200,000
	Total, Local Pool		\$297,000,000	-38,755,000	\$258,245,000	6,200,000

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NO. 10  
STATE BUDGET & CONTROL BOARD

023263

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
	Total, State Agency and Exempt Facilities Pool		\$198,000,000	-200,000	\$197,800,000	0
	Total, Local Pool		<u>297,000,000</u>	<u>-38,755,000</u>	<u>258,245,000</u>	<u>6,200,000</u>
	GRAND TOTAL		<u>\$495,000,000</u>	<u>-38,955,000</u>	<u>\$456,045,000</u>	<u>6,200,000</u>

# EXHIBIT

MAR 12 1985 NO. 10

STATE BUDGET & CONTROL BOARD

023264

**REGISTER OF REVENUE BONDS APPROVED BY BUDGET AND CONTROL BOARD  
CALENDAR YEAR 1985**

DATE BCB APPROVED	LOCAL GOVERNMENT	TYPE OF BOND	PROJECT NAME	AMOUNT APPROVED				FEE PAID	IRS 8038	
				STATE LAW		CEILING ALLOCATION			ISSUE DATE	ISSUE AMOUNT
				THIS MEETING	CUMULATIVE	THIS MEETING	CUMULATIVE			
01/08/85	Sumter County	Ind. Assoc. Textile Converters		0		650,000		0	02/19/85	650,000
01/08/85	Bamberg, City of	Ind. Carl L. Kilgus		0		550,000		0	01/31/85	550,000
Total, January 8, 1985, BCB Meeting				0	0	1,200,000	1,200,000	0		1,200,000
01/11/85	York County	Ind. INA Bearing Company		0		10,000,000		0		
01/11/85	Columbia, City	Ind. Heritage Associates		0		15,000,000		0		
Total, January 11, 1985, BCB Meeting				0	0	25,000,000	25,000,000	0		0
Cumulative Approvals/Allocations Through 1/11/85					0		26,200,000			
01/22/85	Sumter County	Ind. Southern Coatings, Inc.	1,400,000			1,400,000		3,000	03/01/85	1,400,000
01/22/85	Newberry County	Ind. Thomas & Howard/Nberry		0		1,600,000		0		
01/22/85	Charleston, City	Ind. Sea Coast Partnership	335,000			335,000		2,000		
01/22/85	Aiken County	Ind. Builders Transport		0		1,700,000		0	01/22/85	1,700,000
01/22/85	Lexington County	Hos. Presbyterian Home of SC	3,000,000			0		3,000		
01/22/85	Kershaw County	Ind. McLaughlin Gormley King		0		2,000,000		0		
Total, January 22, 1985, BCB Meeting			4,735,000		4,735,000	7,035,000	7,035,000	8,000		3,100,000
Cumulative Approvals/Allocations Through 1/22/85					4,735,000		33,235,000			
02/14/85	Anderson County	Ind. Piedmont-Anderson-Whse.		0		1,000,000		0		
02/14/85	Pickens County	Ind. Hasbro Bradley, Inc.	1,300,000			1,300,000		3,000	03/06/85	1,300,000
02/14/85	Richland County	Ind. Robert M/Grey Pachak	500,000			500,000		2,000		
02/14/85	Orangeburg County	Hos. Methodist Home	1,200,000			0		3,000		
02/14/85	Berkeley County	Ind. Ceva Partnership	540,000			540,000		2,000		
02/14/85	Charleston County	Ind. Charles Towne Internatl.				580,000		2,000		
02/14/85	Newberry County	Ind. Thomas & Howard	1,600,000			0		3,000		
02/14/85	Family Farm Dev.	ooo Plantation Sea Farms		0		200,000		0		
Total, February 14, 1985, BCB Meeting			5,720,000		5,720,000	4,120,000	4,120,000	15,000		1,300,000
Cumulative Approvals/Allocations Through 02/14/85					10,455,000		37,355,000			

023265

R=Refunding  
03/04/85

**EXHIBIT**  
MAR 12 1985 NO. 10  
STATE BUDGET & CONTROL BOARD



DATE BCB APPROVED	LOCAL GOVERNMENT	TYPE OF BOND	PROJECT NAME	AMOUNT APPROVED				FEE PAID	IRS 8038	
				STATE LAW		CEILING ALLOCATION			ISSUE DATE	ISSUE AMOUNT
				THIS MEETING	R CUMULATIVE	THIS MEETING	CUMULATIVE			
02/28/85	Pickens County	Ind. Imperial Die Casting		600,000		600,000		2,000	03/07/85	600,000
02/28/85	Anderson County	Ind. Nordson		1,000,000		1,000,000		2,000		
02/28/85	Spartanburg County	Hos. Skylyn Hall		16,000,000		0		3,000		
Total, February 28, 1985, BCB Meeting				17,600,000	17,600,000	1,600,000	1,600,000	7,000		600,000
Cumulative Approvals/Allocations Through 02/28/85					28,055,000		38,955,000			
TOTAL, CALENDAR YEAR THROUGH FEBRUARY 28, 1985				28,055,000	28,055,000	38,955,000	38,955,000	30,000		6,200,000

023266

R=Refunding  
03/04/85

EXHIBIT  
MAR 12 1985 NO. 10  
STATE BUDGET & CONTROL BOARD

EXHIBIT

The State of South Carolina

MAR 12 1985 NO. 10



STATE BUDGET & CONTROL BOARD

Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-758-2072

March 6, 1985

Mr. William A. McInnis  
Executive Deputy Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: \$5,000,000 York County, South  
Carolina, Industrial Revenue  
Bonds, (International Aluminum  
Corporation)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-10 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order. Please note that in the first whereas clause of the Resolution of the Budget and Control Board, it should read "York" County rather than "Lexington" County.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "David C. Eckstrom".

David C. Eckstrom  
Assistant Attorney General

DCE/cs

Enclosures

023267

MAR 14 1985

State of South Carolina



State Budget and Control Board

OFFICE OF THE STATE AUDITOR  
P.O. BOX 11333  
COLUMBIA  
29211  
(803) 756-6406

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR

EXHIBIT

MAR 12 1985

NO. 10

STATE BUDGET & CONTROL BOARD

MARGARET C. STILWELL, CPA  
DEPUTY STATE AUDITOR

March 13, 1985

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

Re: Industrial Revenue Bond Issue - York County \$5,000,000

1. There is no reason to disapprove this bond issue based upon our review of International Aluminum Corporation and subsidiaries audited consolidated financial statements for the years ended June 30, 1984, 1983 and 1982.
2. Independent auditors (Price Waterhouse, Los Angeles, California) issued unqualified opinions on each of the financial statements noted above.
3. International Aluminum Corporation is a publicly-owned corporation whose common capital stock is listed on the New York Stock Exchange and annual information reports (Form 10K) must be filed with the U.S. Securities and Exchange Commission.
4. The financial position of the company appears adequate to support the proposed and existing debt.

A handwritten signature in cursive script, reading "Floyd E. Powell".

Floyd E. Powell  
Director of Auditing Services  
Office of the State Auditor

023268

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER

STATE BUDGET & CONTROL BOARD  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL  
REMBERT C. DENNIS  
CHAIRMAN,  
SENATE FINANCE COMMITTEE

TOM C. MANGUM  
CHAIRMAN,  
HOUSE WAYS AND MEANS COMMITTEE  
WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )

International Aluminum Corporation Project

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

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

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

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

EXHIBIT

MAR 12 1985 NO. 10

STATE BUDGET & CONTROL BOARD

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 A. M., on Tuesday, March 12, 1985, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of: Senator Dennis, who was represented by Senate Finance Committee Vice Chairman James M. Waddell, Jr., and Mr. Patterson.

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; said motion was seconded by Senator Waddell, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

AGAINST MOTION

4

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Secretary.

That any and all conditions attached to the referenced Board action except that relating to the submission of IRS Form 8038 have been satisfied as of the date of this certificate.

March 14, 1985

William A. McInnis

023269



# EXHIBIT

MAR 12 1985 NO. 10

## STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY YORK COUNTY, SOUTH CAROLINA, OF NOT EXCEEDING \$5,000,000 PRINCIPAL AMOUNT INDUSTRIAL DEVELOPMENT REVENUE NOTE (INTERNATIONAL ALUMINUM CORPORATION PROJECT) 1985, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED.

WHEREAS, the County Council of York County, South Carolina (the "Governing Board") has heretofore, by submitting a petition (the "Petition"), under and pursuant to the provisions of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended, (the "Act") requested the approval by the State Budget and Control Board of the issuance by York County (the "County") pursuant to the Act of its Industrial Development Revenue Note (International Aluminum Corporation Project) in the aggregate principal amount of not exceeding \$5,000,000 (the "Note"); and

WHEREAS, the County proposes to issue the Note for the purpose of defraying the cost of acquiring, by construction and purchase, certain land and a building or buildings and other improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be used for the purpose of operating two industrial facilities, one for store front and architectural aluminum fabrication, the other for edging, beveling, polishing and fabricating heavy glass for use in store displays and custom furniture; and

WHEREAS, the Project is to be made available to International Aluminum Corporation (the "Corporation") upon terms which require the Corporation to make payments to or for the account of the County in amounts sufficient to pay the principal and interest on the Note and which secure the obligation of the Corporation by a mortgage and security interest in the Project; and

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

WHEREAS, the County has submitted with the Petition (i) drafts of the documents to be entered into by the County in connection with the issuance of the Note, for review by the State Budget and Control Board, (ii) an Assistance Agreement by and between the Corporation and the County executed by the Governing Board, on September 4, 1984, and executed by the Corporation on September 25, 1984 and (iii) a copy of a resolution and petition adopted by the

County on February 18, 1985, and this Board has reviewed and considered each of said documents in its consideration of said Petition by the County;

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 4-29-140 of the Act; and

(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.

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 Corporation, to finance the cost thereof and expenses incidental thereto by the execution and delivery of the Note, in substantially the form set forth in the Loan Agreement, secured by an assignment of the revenues to be derived from said Loan 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 Corporation, and do not make inaccurate, except as to dates and amounts, the summaries of the Loan Agreement and Mortgage and Security Agreement 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 STATE and the EVENING HERALD, which are newspapers having general circulation in York County.

Section 4. The Notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit "A" 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 notes issued pursuant to this approval be filed with the Board's Secretary at the same time such Form is submitted to the IRS.

Section 6. The Board certifies that allocation for the Project under the volume cap established by the Deficit Reduction Act of 1984 was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Section 7. This Resolution shall take effect immediately.

EXHIBIT A

NOTICE PURSUANT TO THE PROVISIONS  
OF SOUTH CAROLINA CODE ANNOTATED,  
TITLE 4, CHAPTER 29  
(1976), AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (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 Lexington County, South Carolina, has given its approval to the following undertaking by York County, South Carolina:

The issuance by York County of its Industrial Development Revenue Note (International Aluminum Corporation Project) in the original principal amount of not exceeding \$5,000,000 (the "Note"), to defray the costs of acquiring, by construction and purchase, certain land and a building or buildings and improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings by International Aluminum Corporation, a California corporation, to be used to operate two industrial facilities, one for store front and architectural aluminum fabrication, the other for edging, beveling, polishing, and fabricating heavy glass for use in store displays and custom furniture (the "Project") to be located in York County. The Project will be made available to International Aluminum Corporation which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Note. The Note will be payable solely and exclusively out of payments to be made by International Aluminum Corporation for the use of the Project, and is to be additionally secured by a mortgage and security interest in 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 Note by Lexington County to finance the same, by action de novo instituted in the Circuit Court for Lexington County, South Carolina.

STATE BUDGET AND CONTROL BOARD

BY: WILLIAM A. McINNIS, Secretary

Dated: March 12, 1985.

EXHIBIT

MAR 12 1985 NO. 10

STATE BUDGET & CONTROL BOARD

023273



# EXHIBIT

STATE OF SOUTH CAROLINA )  
 )  
YORK COUNTY )

MAR 12 1985 NO. 10

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 York County, South Carolina (the "County"), pursuant to South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended, (the "Act") and specifically Section 4-29-140 thereof, respectfully shows:

1. The County Council of York County (the "County Council"), is the governing body of the County and as such is the "governing board" of the County referred to in the Act.

2. The Act, among other things, empowers the County, subject to obtaining the approval of the State Budget and Control Board, pursuant to Section 4-29-140 of the Act: (i) to acquire, and, in connection with such acquisition, to enlarge, improve and expand, whether by construction, purchase, gift or lease, one or more projects (as defined in the Act) which shall be located within the jurisdiction of the County; (ii) to make available to any industry or industries any or all of its projects for such payments and upon such terms and conditions as the governing board may deem advisable and as shall not conflict with the provisions of the Act; and (iii) to issue revenue bonds, as defined in the Act to include notes, for the purpose of defraying the cost of acquiring, by construction and purchase, and in connection with any such acquisition, to enlarge, improve and expand any project and to secure the payment of such bonds all as in the Act provided.'

3. Pursuant to the provisions of Act No. 512 of the Acts and Joint Resolutions for the General Assembly of the State of South Carolina for the year 1984, the State Budget and Control Board and the Joint Bond Review Committee have been assigned certain responsibilities with respect to allocation of the private activity bond ceiling (the "Cap") applicable to the State of South Carolina under Section 103(n) of the Internal Revenue Code of 1954, as amended.

4. The County has agreed to assist International Aluminum Corporation, a California corporation qualified to do business as a corporation in South Carolina (the "Corporation"), by issuing its revenue note for the purpose of defraying the cost of completing certain facilities

located in the County (the "Project") more fully described in Exhibits A and B to the Loan Agreement and Mortgage and Security Agreement copies of which are attached hereto.

5. The County has been advised by the Corporation that the estimated cost of the Project will be \$5,000,000 and it has requested the County to execute and deliver its Industrial Development Revenue Note (International Aluminum Corporation Project) (the "Note") in the principal amount of not exceeding \$5,000,000 to defray such costs.

6. Pursuant to Section 4-29-60 of the Act, the County Council has made the requisite findings that: (i) the Project will subserve the purposes of the Act; (ii) it is anticipated that the Project will benefit the general public welfare of the County by providing employment and other public benefits not otherwise provided locally; (iii) the Project will give rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iv) the principal amount of the Note required to finance the Project is expected to be not exceeding \$5,000,000; (v) the County does not deem it necessary to establish any reserve funds in connection with the retirement of the proposed Note and the maintenance of the Project; and (vi) the terms under which the Project is to be made available to the Corporation provide that the Corporation shall maintain the Project and carry all proper insurance with respect thereto, and as a part of the proceedings of the County, the County Council will make the requisite finding as to the amount necessary in each year to pay the principal and the interest on the Note proposed to be issued to defray the cost of the Project.

7. Pursuant to Section 4-29-140 of the Act, the County sets forth the following information:

(a) The Project, described in detail on Exhibits A and B to the Loan Agreement and the Mortgage and Security Agreement submitted herewith, consists of a building or buildings and other improvements thereon and certain machinery, apparatus, equipment, office facilities and furnishings to be used for the purpose of operating two industrial facilities, one for store front and architectural aluminum fabrication, the other for edging, beveling, polishing and fabricating heavy glass for use in store displays and custom furniture. It is anticipated that, upon completion, the Project will provide directly 100 to 120 additional full time jobs in the County and neighboring areas and that the Project will provide stimulation to the economy of the County and neighboring areas thereto by increased payrolls, capital investment and tax revenues.

(b) It is estimated that the cost of the Project, including the items of cost authorized in the Act, will be \$5,000,000.

(c) Copies of the Loan Agreement and the Mortgage and Security Agreement are being submitted herewith. The following summary of terms is in no wise intended to affect or alter the actual terms of the documents themselves:

(i) The proposed Loan Agreement among the Corporation, the County and The Citizens and Southern National Bank of South Carolina, as lender (the "Lender") provides in general:

(A) Proceeds derived from the placement of the Note, except accrued interest paid by the initial holder thereof, will be used and applied by the County upon request of the Corporation solely for the payment of the costs (as that term is defined in the Act) incident to the completion, by construction and purchase, of the Project.

(B) The Corporation obligates itself: to effect the completion of the Project if the proceeds derived from the placement of the Note prove insufficient therefor without diminution of any payments to the County required by the Loan Agreement; to meet the payments of principal and interest on the Note as the same become due; and to pay the cost of maintaining and insuring the Project to the extent and in the manner provided in the Loan Agreement.

(C) The County does not incur any pecuniary liability or charge upon its general credit or taxing powers.

(D) The Lender acquires a mortgage and security interest in the Project under a Mortgage and Security Agreement between the Corporation and the Lender as security for the obligations of the Corporation and the County under the Loan Agreement.

(E) An irrevocable pledge and assignment for the benefit of the Lender or its assigns as holder of the Note of the County's right, title and interest in and to the Loan Agreement and all payments, receipts and revenues which the County has a right to receive under the Loan 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 Loan Agreement.

(F) The terms of the Note, the provisions for exchange and transfer of the Note, the prepayment provisions, the means of disbursement and investment of the proceeds thereof, provisions for issuance of additional parity notes, default provisions and remedies therefor and various other matters relating to the Note.

(iii) The Loan Agreement specifies that the Corporation and the County shall cooperate in having the Project appraised for such purposes and in making payments to the taxing authorities of the County and any school district or districts and other political units wherein the Project is located.

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 Note 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) allocate \$5,000,000 of

## EXHIBIT

MAR 12 1985 NO. 10

STATE BUDGET & CONTROL BOARD

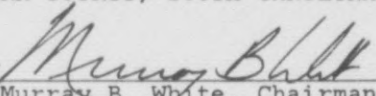


the Cap for the Note, and (v) give published notice of its approval in the manner set forth in Section 4-29-140 of the Act.

Respectfully submitted,

YORK COUNTY, SOUTH CAROLINA

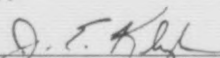
By

  
Murray B. White, Chairman,  
County Council, York County,  
South Carolina

Dated: February 18, 1985.

(SEAL)

ATTEST:

  
J. E. Klugh, County Manager  
of York County, South Carolina

EXHIBIT

MAR 12 1985

NO. 10

STATE BUDGET & CONTROL BOARD

# EXHIBIT

MAR 12 1985 NO. 10

STATE BUDGET & CONTROL BOARD<sup>11</sup>

## RESOLUTION

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY YORK COUNTY, SOUTH CAROLINA, OF ITS INDUSTRIAL DEVELOPMENT REVENUE NOTE (INTERNATIONAL ALUMINUM CORPORATION PROJECT) 1985, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976) AS AMENDED IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$5,000,000.

WHEREAS, York County, South Carolina (the "County"), acting by and through its County Council is authorized and empowered under and pursuant to the provisions of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended, (the "Act") to acquire and cause to be acquired properties that are projects under the Act through which the industrial development of the State of South Carolina will be promoted and trade developed by inducing industrial enterprises to locate in and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is further authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such financing agreement; and

WHEREAS, the County and International Aluminum Corporation, a California corporation (the "Corporation") entered into an Assistance Agreement (the "Assistance Agreement") executed by the County on September 4, 1984, and executed by the Corporation on September 25, 1984, pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the undertakings of the County pursuant to the Assistance Agreement, the County proposes to issue its Industrial Development Revenue Note (International Aluminum Corporation Project) (the "Note") to defray the costs of acquiring by construction and purchase a building or buildings and other improvements and certain machinery, apparatus, equipment, office facilities and furnishings which are to be installed therein for the purpose of operating two industrial facilities, one for store front and architectural aluminum fabrication, the other for edging,

beveling, polishing and fabricating heavy glass for use in store displays and custom furniture (either or both of which facilities constitute a project and are collectively referred to hereinafter as the "Project") and subject to the approval of the State Budget and Control Board of South Carolina, to make the Project available to the Corporation under and pursuant to the terms of a loan agreement (the "Agreement") to be entered into among the County, the Corporation and the Lender; 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 4-29-140 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 York County, South Carolina, as follows:

Section 1. It is hereby found, determined and declared as follows:

(a) The Project will constitute a "project" as said term is referred to and defined in Section 4-29-10 of the Act, and the issuance of the Note in the principal amount of not exceeding \$5,000,000 to defray the cost of completing the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(b) It is anticipated that the Project will benefit the general public welfare of the County by providing employment for those engaged in construction of the Project, and by providing additional permanent employment for approximately 100 to 120 people from the County and adjacent areas when the Project is completed and placed in full operation, with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of operations not otherwise provided locally.

(c) Neither the Project, the Note proposed to be issued by the County to defray the cost of the Project, 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.

(d) The issuance of the Note by the County in the principal amount of not exceeding \$5,000,000 will be required to defray the cost of the Project.

(e) Inasmuch as the Corporation is a corporation with established credit, the establishment of reserve funds

in connection with the retirement of the Note and the maintenance of the Project is deemed unnecessary.

(f) The Project is made available by the County to the Corporation upon terms which require the Corporation, at its own expense, to maintain the Project in good repair and to carry all proper insurance with respect thereto.

(g) The completion of the Project will consist of the items described in Exhibits A and B to the Agreement and the Mortgage and Security Agreement to be entered into between the Corporation and the Lender, all such documents to be submitted with the Petition.

(h) A reasonable estimate of the cost of the Project including necessary expenses incident thereto is \$5,000,000.

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 Note by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 4-29-140 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 County Manager 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 February 18, 1985.

YORK COUNTY, SOUTH CAROLINA

By

Murray B. White  
Murray B. White, Chairman of  
County Council, York County,  
South Carolina

(SEAL)

ATTEST:

J. E. Klugh  
J. E. Klugh, County Manager  
of York County, South Carolina

EXHIBIT

MAR 12 1985 NO. 10

STATE BUDGET & CONTROL BOARD

# EXHIBIT

MAR 12 1985

NO. 10

## ASSISTANCE AGREEMENT

### STATE BUDGET & CONTROL BOARD

THIS AGREEMENT made and entered into by and between York County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), and International Aluminum Corporation, a California corporation (the "Corporation").

## WITNESSETH:

### ARTICLE I

#### RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The County is a body politic and corporate, and a political subdivision of the State of South Carolina, 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, or cause to be acquired, and to 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 South Carolina and by encouraging industries now located in South Carolina to expand their investments and thus utilize and employ manpower and other resources of South Carolina.

Section 1.02. The Corporation desires to acquire certain land located within the jurisdiction of the County, and a building or buildings and other improvements thereon and all machinery, apparatus, equipment, office facilities and furnishings to be used for the purpose of operating two industrial facilities, one for store front and architectural aluminum fabrication, the other for edging, beveling, polishing and fabricating heavy glass for use in store displays and custom furniture (either or both of which facilities constitute a project and are collectively referred to hereinafter as the "Project"). The Project when completed and in operation will provide additional permanent employment in the County for approximately 100 to 120 people.

Section 1.03. The Corporation has requested the County to assist it with its contemplated program through the sale of Industrial Development Revenue Bonds (or Notes) pursuant to the Act, whereby the County would defray a portion of the cost of the Project.

Section 1.04. The County has given due consideration to all the proposals and requests of the Corporation and has agreed to endeavor to effect the issuance of the bonds at the time and on the terms and conditions hereafter set forth.

## ARTICLE II

### UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

Section 2.01. The County will, subject to the approval by the State Budget and Control Board required by the Act, authorize the issuance of approximately Five Million Dollars (\$5,000,000) York County, South Carolina, Industrial Development Revenue Bonds (or Notes) (International Aluminum Corporation Project) (the "Bonds"), at such time as the Corporation may request the County to do so.

Section 2.02. The County will permit the Corporation to arrange for the sale or placement, of the Bonds simultaneously or as more than one issue to defray the cost of the Project as aforesaid and if successful arrangements as to such sale or placement can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of the Bonds shall be applied to the payment of the costs of the Project as determined under the Act including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition by construction and purchase of the Project including land, buildings, necessary machinery and equipment and other items permitted by the Act, and the repayment of any funds advanced or loans incurred by the Corporation for such purposes.

Section 2.04. Prior to issuing any Bonds, the County may enter into a trust indenture with a trustee bank to be selected by the Corporation or an indenture with the purchasers of the Bonds pursuant to which the Bonds will be issued. Such trust indenture or indenture shall be substantially in the form used in connection with the issuance of other South Carolina industrial revenue bonds and may constitute a lien on the Project and the revenues derived from the financing agreement with respect to the Project to secure the payment of the Bonds.

Section 2.05. If requested by the Corporation and in order to provide interim financing pending the issuance of the Bonds, the County will adopt the necessary proceedings and provide for the issuance of bond

anticipation notes pursuant to Title 11, Chapter 17, Code of Laws of South Carolina, 1976, in anticipation of the issuance of the Bonds.

Section 2.06. The County 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.

### ARTICLE III

#### UNDERTAKINGS ON THE PART OF THE CORPORATION

Section 3.01. The Corporation agrees that the County will have no obligation to find a purchaser of the Bonds.

Section 3.02. The Corporation further agrees, if the plan proceeds as contemplated:

(a) to acquire by construction and purchase the land, buildings, equipment and machinery constituting the Project;

(b) to enter into a financing agreement with the County under the terms of which the Corporation will obligate itself to pay to the County sums sufficient to pay the principal, interest and premium, if any, on the Bonds, as and when the same become due and payable, said financing agreement shall be in such form and contain such provisions as shall be satisfactory to the County and to the Corporation;

(c) to obligate itself to make the additional payments required by the Act, including, but not limited to, payments in lieu of taxes if necessary;

(d) 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 Agreement in the implementation of its terms and provisions;

(e) to perform such further acts and adopt such further proceedings as may be required to faithfully implement its undertakings and consummate the proposed financing; and

(f) to covenant and agree in the financing agreement referred to hereinbefore to install in the buildings which are to become a part of the Project all necessary equipment and machinery for the purpose of operating two industrial facilities, one for store front and architectural aluminum fabrication, the other for edging,

EXHIBIT



beveling, polishing and fabricating heavy glass for use in store displays and custom furniture or for such other purposes as may hereafter be deemed appropriate.

#### 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 Agreement shall constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

Section 4.02. The parties hereto agree that the Corporation may proceed with the Project including the construction of a building or buildings and acquisition and installation of the equipment and machinery prior to the issuance of the Bonds.

Section 4.03. All commitments of the County and the Corporation hereunder are subject to the condition that the County and the Corporation do agree on acceptable terms and conditions of all documents the execution and delivery of which are contemplated by provisions hereof.

Section 4.04. The parties understand that the Corporation may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.05. The Corporation may assign this Assistance Agreement to one or more corporation or partnership organized or designated by the Corporation to own or operate the Project or any part thereof.

Section 4.06. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the County within the meaning of the applicable regulations of the United States Treasury Department relating to the issuance of industrial revenue bonds.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

YORK COUNTY, SOUTH CAROLINA

By: Harold M. Dickson  
Harold M. Dickson, Chairman,  
County Council of York County,  
South Carolina

(SEAL)

ATTEST:

By:

J. E. Klugh  
J. E. Klugh, County Manager  
of York County, South Carolina

Dated: September 4, 1984.

EXHIBIT

MAR 12 1985

NO. 10

STATE BUDGET & CONTROL BOARD

INTERNATIONAL ALUMINUM CORPORATION

By:

John H. Hines  
Its President

(SEAL)

ATTEST:

David C. Keenan  
Its Secretary

Dated: September 25, 1984.

## EXHIBIT

MAR 12 1985

NO. 1 0

MAR - 5 1985

2:00pm  
HJTRANSMITTAL FORM, STATE BUDGET & CONTROL BOARD  
REVENUE BONDS

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 Glenn Konduros Corley Singletary  
Name of Law Firm Porter & Dibble, P.A.  
Post Office Box 11390  
Street  
Columbia, South Carolina 29211  
City, State, Zip Code

RE: \$5,000,000 York County, South Carolina  
Amount of Issue, Local Government Issuer  
Industrial Development Revenue Note  
Type of Bonds/Notes  
(International Aluminum Corporation  
Name of Project Project)

Date: March 5, 1985

Telephone Area Code 803  
Number: 799-9800

Submitted for BCB Meeting of:  
March 12, 1985

Private Activity Bonds:  
X YES        NO

Projected Issue Date:

Project Description: construction and acquisition of two facilities -- one for  
store front and architectural aluminum fabrication, the other for edging, beveling,  
polishing and fabrication heavy glass for use in store displays and custom furniture.

Number of persons to be employed: 100 to 120 people

## 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)
- D.        Standard Form Investment Letter from purchaser of bonds (executed original)  
OR  
X Audited financial statements for three most recent years
- E.        Department of Health and Environmental Control certificate  
       Required X Not Required
- F. X Budget and Control Board Resolution and Public Notice  
Original (and 9 copies for certification and return)
- G. X Processing fee  
Amount \$ 3,000 Check No. 298803  
Payor International Aluminum Corporation

McNair Glenn Konduros Corley  
Bond Counsel: Singletary Porter & Dibble,  
Typed Name P.A.

By:

Brenton D. Jeffers  
Signature

023288

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.  
ATTORNEYS AND COUNSELORS AT LAW  
EIGHTEENTH FLOOR, BANKERS TRUST TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

ENCLOSURE MEMO

TO: Mrs. Donna Williams  
State Budget and Control Board  
Wade Hampton Office Building  
6th Floor  
Columbia, South Carolina

RE: International Aluminum Corporation

Date:

EXHIBIT

March 6, 1985

MAR 12 1985

NO. 10

Herewith the following:

STATE BUDGET & CONTROL BOARD

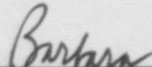
an original and nine copies of the  
Budget and Control Board Resolution  
to be substituted for those  
previously sent you.

Thanks.

023289

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

By



Barbara G. McQuillan - Paralegal



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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLEE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 12, 1985

**EXHIBIT**

MAR 12 1985

NO. 10

STATE BUDGET & CONTROL BOARD

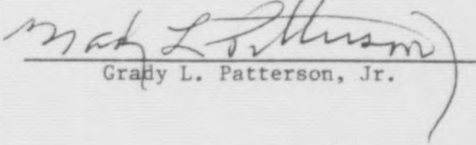
C E R T I F I C A T E

[Required by Section 103(n)(12)(A) of the Tax Reform Act of 1984  
(which is Part A of the Deficit Reduction Act of 1984)]

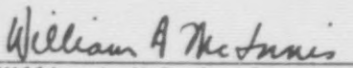
Re: \$5,000,000 York County, South Carolina  
Industrial Development Revenue Note  
(International Aluminum Corporation Project)

This will confirm that an allocation of the State Ceiling established in the Deficit Reduction Act of 1984 has been made by the Budget and Control Board in the amount indicated for the referenced project. This allocation is valid for calendar year 1985 only and shall expire ninety (90) days from March 12, 1985 (the date the allocation was approved by the Board) if the bonds for which the allocation has been approved have not been issued.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

  
Grady L. Patterson, Jr.

Attest:

  
William A. McInnis, Secretary

023290

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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

April 26, 1985

**EXHIBIT**

MAR 12 1985 NO. 10

STATE BUDGET & CONTROL BOARD

York County  
c/o Mr. Brenton Jeffcoat  
McNair Law Firm  
Box 11390  
Columbia, SC 29211

Dear Mr. Jeffcoat:

Re: Issue of \$5,000,000 York County, South Carolina  
Industrial Revenue Bonds  
(International Aluminum Corporation Project)

This will confirm that the referenced issue when issued and combined with the total amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1985 will not exceed the 1985 State Ceiling for South Carolina.

For your information, our records as of this date indicate the following:

<b>Certified State Ceiling:</b>	<b>\$495,000,000</b>
<b>A. State Agency and Exempt Facilities Pool Amount</b>	<b>198,000,000</b>
1. Allocations Approved Through 04/23/85	1,300,000
2. Balance of Pool Available	196,700,000
3. Certified for Issue	-0-
<b>B. Local Pool Amount</b>	<b>297,000,000</b>
1. Allocations Approved Through 04/23/85	73,545,000
2. Balance of Pool Available	223,455,000
3. Certified for Issue 04/25/85 (including referenced issue)	26,305,000

Sincerely,

*William A. McInnis*

William A. McInnis  
Secretary

WAM:dw

023291



**Part V Description of Property Financed by Non-refunding Proceeds**  
(Do not complete for student loan bonds or mortgage bonds)

<b>22 Type of Property Financed (or portion thereof financed by non-refunding proceeds)</b>		
a	3-yr. ACRS property	\$ 118,000
b	5-yr. ACRS property	\$ 2,280,750
c	10-yr. ACRS property	
d	15-yr. ACRS property	
e	18-yr. ACRS property	\$ 2,343,000
f	Cost of land	\$ 127,286
g	Cost of other property (see instructions)	
<b>23 Other use of non-refunding proceeds (subtract lines 22a-g from Part IV, line 21)(see instructions)</b>		
<b>24 Standard industrial classification (SIC) of non-refunding proceeds for the financed project.</b>		
	SIC Code	Non-refunding proceeds \$
a	3442	\$3,186,583
b	3231	\$1,682,453
c		
<b>25 Average weighted economic life of the project (complete only for IDBs)</b>		28.2 years.

**Part VI Description of Initial Principal Users**

See attached Schedule A

(Do not complete for student loan bonds or mortgage bonds)

**26 Initial Principal Users**

(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	United States Aluminum Corporation-Carolina	720 Cel-River Road Rock Hill, South Carolina 29730	95-3953238
(ii)	International Carolina Glass Corp.	780 Cel-River Road Rock Hill, South Carolina 29730	33-0079453
(iii)			
(iv)			
(v)			

**27 Common parents (if any) of initial principal users listed above:**

(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number
(i)&(ii)	International Aluminum Corporation	Post Office Box 6 Monterey Park, California 91754	95-2385235

**Part VII Approval of Issue (Complete only for IDBs)**

<b>28 Name of Governmental units approving issue</b>	South Carolina State Budget and Control Board; York County Council
<b>29 Names and positions of applicable elected representatives or date of referendum approving issue</b>	See attached Schedule A

**Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds**

<b>1 Issuer's volume limitation</b>	
<b>2 Amount of volume limitation surrendered to other issues (e.g., under section 103A(g)(3)(B) or 25(c)(2)(A)(ii))</b>	
<b>3 Amount of bonds previously issued</b>	
<b>4 Unused volume limitation (subtract lines 2 and 3 from line 1)</b>	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: *Murray B. Holt* Date: 4-24-85 Title: Chairman

Paid Preparer's Use Only

Preparer's signature: \_\_\_\_\_ Check if self-employed: ☐ Preparer's social security no. \_\_\_\_\_

Firm's name (or yours, if self-employed) and address: See attached Schedule C E.I. No. \_\_\_\_\_ ZIP code \_\_\_\_\_



SCHEDULE A



400 SOUTH HOPE STREET  
LOS ANGELES, CALIFORNIA 90071-2889  
213 236-3000

April 11, 1985

International Aluminum Corporation  
767 Monterey Pass Road  
Monterey Park, California 91754  
and  
York County Counsel  
Post Office Box 66  
York, South Carolina 29745  
and  
McNair Glenn Konduros Corley  
Singletary Porter & Dibble, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211

Dear Sirs:

At the request of International Aluminum Corporation (the Company), we have performed the procedures enumerated below with respect to the York County, South Carolina Industrial Development Revenue Note (International Aluminum Corporation Project). Our review was made solely for the purpose of reviewing the reasonableness of the computations and estimates prepared by the Company. The procedures we performed are summarized as follows:

1. With respect to Exhibit A attached hereto, we performed the following:
  - a. We compared the individual estimated asset costs (e.g., buildings, manufacturing equipment, office furniture, etc.) to the Company's schedule of total estimated expenditures to be incurred in connection with the project and found them to be in agreement.
  - b. We agreed the ADR Guideline Years used to the useful life "midpoint" range as prescribed in Revenue Procedure 62-21 (buildings) and Revenue Procedure 83-35 (manufacturing equipment, automobiles and other assets).
  - c. We recomputed the Company's computations of weighted costs and summed the "Cost" and "Weighted Cost" columns to totals. We then recomputed the computation of the weighted average economic life in years.

023294

2. We reviewed the terms and repayment schedule of the Industrial Development Revenue Note as provided us by the Company, noting that the term of the Note was 12 years.

Based upon the procedures performed as noted above, our finding is that the average maturity of the Note does not exceed 120% of the reasonably expected weighted average economic life of the buildings, machinery, equipment, apparatus, office furnishings, and any other items to be financed in whole or in part with the proceeds of the Note. An estimate of the use of such proceeds is shown in Exhibit A attached hereto. The economic useful life of each item has been derived in accordance with the administrative guidelines established by the Internal Revenue Service for useful lives used for depreciation purposes prior to the implementation of the Accelerated Cost Recovery System.

Because the above procedures do not constitute an examination made in accordance with generally accepted auditing standards, we do not express an opinion on any of the items referred to above. Had we performed additional procedures, matters might have come to our attention that would have been reported to you. This report relates only to the items specified above and does not extend to any financial statements of International Aluminum Corporation taken as a whole.

*Price Waterhouse*

INTERNATIONAL ALUMINUM CORPORATIONSOUTH CAROLINA PROJECTCALCULATION OF WEIGHTED AVERAGE ECONOMIC LIFE

	<u>ADR Guideline Years</u>	<u>Estimated Cost</u>	<u>Weighted Cost</u>
Buildings	45	\$2,221,834	\$99,982,530
Manufacturing Equipment:			
Glass Products	14	1,729,000	24,206,000
Fabricated Aluminum Products	12	333,000	3,996,000
Automotive			
Sales Vehicles	3	63,200	189,600
Light Trucks	4	18,800	75,200
Small Tools	6	36,000	216,000
Office Furniture	10	112,750	1,127,500
Information Systems	6	78,000	468,000
Data Handling Equipment	6	28,000	168,000
Total		<u>\$4,620,584</u>	<u>\$130,428,830</u>

Weighted Average Economic Life in years

28.2

SCHEDULE B

SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD

Governor Richard W. Riley, Chairman  
Grady L. Patterson, State Treasurer  
Earle E. Morris, Jr., Comptroller General  
Rembert C. Dennis, Chairman, Senate Finance Committee  
Tom G. Mangum, Chairman, Ways and Means Committee

YORK COUNTY COUNCIL

Murray B. White, Chairman  
Peggy Upchurch  
C. A. Barron  
Harold M. Dickson  
J. D. Douglas  
Guy Johnston  
I. L. Oates, Jr.

023297



EXHIBIT C

Prepared by:

McNair Glenn Konduros Corley  
Singletary Porter & Dibble, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211  
Employer ID#: 57-0703244

With assistance from:

International Aluminum Corporation  
Post Office Box 6  
Monterey Park, California  
91754-0006

Price Waterhouse  
400 South Hope Street  
Los Angeles, California  
90071-2889

023298

## INVITATION TO BID

**UTILITY VEHICLES**  
Sealed bids for Utility Vehicles will be received by Richland County School District One, 201 Park Street, Columbia, South Carolina, 29201, until 2:00 P.M., Thursday, April 18, 1985. Specifications and additional information may be obtained from the Director of Purchasing Office, 201 Park Street, telephone (803) 765-9611.

Bids must be accompanied by a five percent (5%) bidder's bond or a certified check equal to five percent (5%) of the total dollar value of the submitted bid. Bid envelopes must be sealed and plainly marked "Utility Vehicles Bid #8485-33, April 18, 1985." Richland County School District One retains the right to hold all bids and bid security for a period of thirty (30) days and to reject any and all bids and to waive any formalities thereof.

**BOARD OF SCHOOL COMMISSIONERS**  
RICHLAND COUNTY SCHOOL DISTRICT ONE  
By: John H. Porter, Jr., CPO  
Director of Purchasing  
92551

## INVITATION TO BID

**INSURANCE CONSULTANT SERVICES**  
Sealed bids for Insurance Consultant Services will be received by Richland County School District One, 201 Park Street, Columbia, South Carolina, 29201, until 2:00 P.M., Tuesday, April 16, 1985. Specifications and additional information may be obtained from the Director of Purchasing Office, 201 Park Street, telephone (803) 765-9611.

Bids must be accompanied by a five percent (5%) bidder's bond or a certified check equal to five percent (5%) of the total dollar value of the submitted bid. Bid envelopes must be sealed and plainly marked "Insurance Consultant Services Bid #8485-32, April 16, 1985." Richland County School District One retains the right to hold all bids and bid security for a period of thirty (30) days and to reject any and all bids and to waive any formalities thereof.

**BOARD OF SCHOOL COMMISSIONERS**  
RICHLAND COUNTY SCHOOL DISTRICT ONE  
By: John H. Porter, Jr., CPO  
Director of Purchasing  
92551

## REQUEST FOR BID

**FEASIBILITY STUDY FOR RADIO COMMUNICATIONS**  
Sealed bids for a Feasibility Study for Radio Communications will be received by Richland County School District One, 201 Park Street, Columbia, South Carolina, 29201, until 2:00 P.M., Wednesday, April 10, 1985. Specifications and additional information may be obtained from the Director of Purchasing Office, 201 Park Street, telephone (803) 765-9611.

Bids must be accompanied by a five percent (5%) bidder's bond or a certified check equal to five percent (5%) of the total dollar value of the submitted bid. Bid envelopes must be sealed and plainly marked "Feasibility Study for Radio Communications Bid #8485-31, April 10, 1985." Richland County School District One retains the right to hold all bids and bid security for a period of thirty (30) days and to reject any and all bids and to waive any formalities thereof.

**BOARD OF SCHOOL COMMISSIONERS**  
RICHLAND COUNTY SCHOOL DISTRICT ONE  
By: John H. Porter, Jr., CPO  
Director of Purchasing  
92551

## ADVERTISEMENT

**DBE-WBE Contractor - Suppliers**  
S.C. Dept. of Highways Letting April 9, 1985

S.C. Project No. 43.441.2, 43.441.1 & 43.442 FA Proj. F-117(99), BHP-117(97) & F-117(82) Sumter County  
Quotes needed on any item that you may be qualified to perform. See attached advertisement from S.C. Dept. of Highways, which includes hauling, macadam base, asphalt work, catch basins, concrete medians, hand placed rip-rap, steel beam guardrails, fencing, seeding. Also, bridge items Class A & D concrete reinforcing steel, necessary structural steel.

Plans may be examined and obtained at the S.C. Highway Department or contact W.G. Jordan at company office. Your quote must be in writing and received by us no later than April 8, 1985.

**EASTERN CONTRACTORS, INC.**  
P.O. Box 1296  
Columbia, S.C. 29202  
Tel. 724-1999

## NOTICE

**NOTICE PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED**

Notice is hereby given pursuant to the provisions and requirements of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (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 Lexington County, South Carolina, has given its approval to the following undertaking by York County, South Carolina.

The issuance by York County of its Industrial Development Revenue Note (International Aluminum Corporation Project) in the original principal amount of not exceeding \$5,000,000 (the "Note"), to defray the costs of acquiring, by construction and purchase, certain land and a building or buildings and improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings by International Aluminum Corporation, a California corporation, to be used to operate two industrial facilities, one for store front and architectural aluminum fabrication, the other for edging, beveling, polishing, and fabricating heavy glass for use in store displays and custom furniture (the "Project") to be located in York County. The Project will be made available to International Aluminum Corporation which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Note. The Note will be payable solely and exclusively out of payments to be made by International Aluminum Corporation for the use of the Project, and is to be additionally secured by a mortgage and security interest in 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 Note by Lexington County to finance the same, by action de quoque instituted in the Circuit Court for Lexington County, South Carolina.

**STATE BUDGET AND CONTROL BOARD**  
By: WILLIAM A. McInnis, Secretary  
Dated: March 22, 1985.

## INVITATION FOR BIDS

Horry County Council is now accepting sealed bids for the purchase of railroad cross ties for the Horry County Railway Company. All inquiries should be directed to the Office of Procurement, Elm Street, Conway, SC (803) 248-4247.  
Deadline for receipt of bid is April 16, 1985 at 5:00 P.M.  
HORRY COUNTY COUNCIL RESERVES THE RIGHT TO ACCEPT OR REJECT ANY OR ALL BIDS AND TO PURCHASE IN THE BEST INTEREST OF HORRY COUNTY.

92573

## NOTICE OF FILING AND HEARING

**STATE OF SOUTH CAROLINA COUNTY OF RICHLAND BEFORE THE CHIEF INSURANCE COMMISSIONER**  
Docket No. 85-015

**IN THE MATTER OF APPLICATIONS OF LIBERTY MUTUAL INSURANCE COMPANY AND LIBERTY MUTUAL FIRE INSURANCE COMPANY, 1100 MARCLE PARKWAY, NORTHWEST SUITE 400, POST OFFICE BOX 4026, ATLANTA, GEORGIA 30302**

On February 26, 1985, Liberty Mutual Insurance Company and Liberty Mutual Fire Insurance Company filed applications requesting that the Chief Insurance Commissioner approve an overall increase of +0.9% on Private Passenger Automobile Rates and Rules.

The Companies' applications were filed pursuant to Section 43-43-10, et seq., of the South Carolina Code of Laws of 1976, as amended.

As required by Section 38-43-90 of the Code, a public hearing will be held on April 29, 1985, at 10:30 a.m., at the offices of the South Carolina Department of Insurance, 3711 Middleburg Drive, Columbia, South Carolina, for the purpose of receiving testimony and other evidence from all interested persons regarding these applications.

Any person who wishes to testify and present evidence at the hearing should notify in writing the undersigned and the applicants on or before April 8, 1985.

Any person who wishes to express his or her views but is unable or does not desire to appear and testify at the hearing should submit those views to the Department in writing on or before April 8, 1985.

Any person who wishes to participate in the hearing as a party of record, with the right to cross-examination, should file a petition to intervene on or before April 8, 1985.

Written applications filed by the Company are available for inspection at the offices of the Department during regular business hours which are from 8:30 a.m. to 5:00 p.m., Monday through Friday (legal holidays in the state of South Carolina excepted).

Persons seeking information regarding the Department's procedures should contact the Department at telephone number 803/758-2485.

**JOHN G. RICHARDS**  
Chief Insurance Commissioner  
State of South Carolina  
South Carolina Department of Insurance  
3711 Middleburg Drive  
Post Office Box 4026  
Columbia, South Carolina 29240  
March 21, 1985

92603

## NOTICE

**NOTICE PURSUANT TO CHAPTER 29, TITLE 4**  
UDC 1984E 1



*Brent Jeffcoat  
-republican*

**EXHIBIT**

**MAR 12 1985 NO. 10**

**STATE BUDGET & CONTROL BOARD**

**023299**

MAY 28 1985

ALFRED F. BURGESS  
C. THOMAS WYCHE  
DAVID L. FREEMAN  
JAMES C. PARHAM, JR.  
JAMES M. SHOEMAKER JR.  
WILLIAM W. KEHL  
CHARLES W. WOFFORD  
LARRY D. ESTRIDGE  
D. ALLEN GRUMBINE  
CARY H. HALL, JR.  
CARL F. MULLER  
HENRY L. PARR, JR.  
BRADFORD W. WYCHE  
ERIC B. AMSTUTZ  
FRANK S. HOLLEMAN III  
JODY A. GREENSTONE

WYCHE, BURGESS, FREEMAN & PARHAM, P. A.  
ATTORNEYS AT LAW  
POST OFFICE BOX 10207  
GREENVILLE, SOUTH CAROLINA 29603

May 21, 1985

44 EAST CAMPERDOWN WAY  
CABLE ADDRESS: JURAL  
TELEPHONE 803-242-3131

C. GRANVILLE WYCHE  
OF COUNSEL

Mr. William McInnis  
State Budget and Control Board  
of South Carolina  
Post Office Box 12444  
Columbia, S.C. 29211

Re: \$3,600,000 Greenville County, South Carolina Industrial  
Revenue Bond (Cole Project) Series 1985

Dear Mr. McInnis:

In all likelihood, Cole Group Incorporated will finance its warehouse in Greenville County through a conventional loan rather than by issuance of the above-captioned industrial revenue bond. I shall know within ten days which course the company intends to take and will apprise you of its decision when it becomes final. In the meantime, I wanted you to have this interim report on the status of the bond.

Very truly yours,

*Carl Muller*  
Carl F. Muller

CFM/bjm

027300

The State of South Carolina

EXHIBIT

MAR 12 1985

NO. 1 1

STATE BUDGET & CONTROL BOARD



Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-756-2072

March 11, 1985

Mr. William A. McInnis  
Executive Deputy Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: \$3,600,000 Greenville County, South  
Carolina, Industrial Revenue Bonds,  
(Cole Project)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-10 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "D. Eckstrom".

David C. Eckstrom  
Assistant Attorney General

DCE/cs

Enclosures

023301



# EXHIBIT

MAR 12 1985

NO. 11

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

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 \$3,600,000 Industrial Revenue Bond (the "Bonds")  
                On behalf of Cole Group Incorporated (the "Company")  
                                Cole Project (Series 1985) (the "Project")  
                To South Carolina National Bank (the "Purchaser")

DATE: March 1, 1985

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 1 day  
of March, 1985

  
Notary Public

My Commission expires

4-16-1992

PURCHASER:

Name: South Carolina National Bank

Address: P.O. Drawer 969

Greenville, S.C. 29602

BY: Wayne C. Fint, ACP  
Signature of Authorized Official

023302

# EXHIBIT

MAR 12 1985

NO. 11

STATE OF SOUTH CAROLINA )

Cole Project

COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

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

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

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 A. M., on Tuesday, March 12, 1985, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of: Senator Dennis, who was represented by Senate Finance Committee Vice Chairman James M. Waddell, Jr., and Mr. Patterson.

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; said motion was seconded by Senator Waddell, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

AGAINST MOTION

4

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Secretary.

That any and all conditions attached to the referenced Board action except that relating to the submission of IRS Form 8038 have been satisfied as of the date of this certificate.

March 12, 1985

William A. McInnis

023303

# EXHIBIT

MAR 12 1985 NO. 11

RESOLUTION OF  
THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

APPROVING AN UNDERTAKING BY GREENVILLE COUNTY, SOUTH CAROLINA, PURSUANT TO CHAPTER 29 OF TITLE 4 OF THE 1976 CODE OF LAWS OF SOUTH CAROLINA, AS AMENDED, TO ASSIST IN FINANCING A FACILITY FOR THE STORAGE OF INDUSTRIAL AND/OR AGRICULTURAL PRODUCTS THROUGH THE ISSUANCE OF A \$3,600,000 GREENVILLE COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE BOND (COLE PROJECT) SERIES 1985.

WHEREAS, the County Council of Greenville County, South Carolina (the "County Council"), pursuant to Chapter 29 of Title 4 of the 1976 Code of Laws of South Carolina, as amended (the "Act"), has petitioned the State Budget and Control Board of South Carolina (the "State Board"), seeking approval from the State Board of a financial undertaking proposed by Greenville County, South Carolina (the "County"); and

WHEREAS, the undertaking provides for the issuance and sale to South Carolina National Bank (the "Bank") of a Three Million Six Hundred Thousand Dollar (\$3,600,000) Greenville County, South Carolina Industrial Revenue Bond (Cole Project) Series 1985, pursuant to the Act, the proceeds to be used to construct a facility in the County for the storage of industrial and/or agricultural products (the "Project"); and

WHEREAS, the Bank has agreed to purchase the Bond; and

WHEREAS, the proceeds of the Bond will be loaned by the County to Cole Group Incorporated, a South Carolina corporation (the "Company"), in exchange for its \$3,600,000 note (the "Company Note") providing for payments to the County sufficient to meet the payment schedule on the Bond; and

023304

# EXHIBIT

MAR 12 1985 NO. 11

## STATE BUDGET & CONTROL BOARD

WHEREAS, the Company will own the Project and lease it to Mobay Chemical Corporation of Pittsburgh, Pennsylvania and Sunland Distribution, Inc. of Greenville, South Carolina under separate leases; and

WHEREAS, the shareholders of the Company or related persons will guarantee payment of the Bond or Company Note to limited extents; and

WHEREAS, the Company will secure payment of the Partnership Note by granting to the County a mortgage on and security interest in the Project and by conditionally assigning to the County rents relating to the Project; and

WHEREAS, the County will secure payment of the Bond by granting to the Bank a security interest in the Partnership Note, the aforementioned mortgage and security interest, the aforementioned guarantys (if they extend to the Company Note) and the aforementioned rent assignment and by conditionally assigning to the Bank its rights under the aforementioned documents; and

WHEREAS, the State Board has made such independent investigation as it has deemed advisable.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. That it has been found and determined by the State Board as follows:

(a) The statement of facts set forth in the recitals of this Resolution and in the Petition are in all respects true and correct;

023305



# EXHIBIT

MAR 12 1985 NO. 11

## STATE BUDGET & CONTROL BOARD

(b) The County Council has filed with the State Board pursuant to the Act a proper petition reciting facts which are in all respects true and correct and the Chairman of County Council has submitted a proper Certificate of No Consideration for Allocation.

(c) The Project is reasonably estimated to cost approximately Three Million Six Hundred Thousand Dollars.

(d) The Project will employ approximately 10 persons and will be of benefit to the State of South Carolina, and to the County and adjacent areas in particular.

(e) The Project is intended to promote the purposes of the Act and is reasonably anticipated to effect this result.

2. That on the basis of the foregoing findings the proposed undertaking of the County to finance the Project through the issuance of the Bond pursuant to the Act (including changes in any details of the financing as finally consummated which do not materially affect the undertaking) is hereby approved.

3. That \$3,600,000 of the State of South Carolina's allotment for private activity bonds under Section 103 of the Internal Revenue Code be allocated to this proposed Project and Bond.

4. That notice of this action taken by the State Board in giving its approval to the undertaking of the County, shall be published in the The Greenville News, which is a newspaper

023306

# EXHIBIT

MAR 12 1985 NO. 11

STATE BUDGET & CONTROL BOARD

published in Greenville, South Carolina, and having general circulation in the County.

5. That approval of this undertaking is granted on the condition that a copy of Internal Revenue Service Form 8038 relating to any bond issued pursuant to this approval be filed with the Board's secretary at the same time such form is submitted to the Internal Revenue Service.

6. That notice to be published shall be in form substantially as set forth as Exhibit "A" of this Resolution.

023307

# EXHIBIT

MAR 12 1985 NO. 11

STATE BUDGET & CONTROL BOARD  
Exhibit A

## NOTICE OF APPROVAL OF PROJECT

BY

THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

Notice is hereby given that the State Budget and Control Board of South Carolina (the "State Board") has approved the financing by Greenville County, South Carolina (the "County") of a facility for the storage of industrial and/or agricultural products (the "Project"), including land, buildings and equipment, through the issuance of an Industrial Revenue Bond (Cole Project) Series 1985, in the principal amount of Three Million Six Hundred Thousand Dollars (the "Bond"), pursuant to the provisions of Chapter 29 of Title 4 of the 1976 Code of Laws of South Carolina, as amended.

The proceeds of the Bond will be loaned by the County to Cole Group Incorporated, a South Carolina corporation (the "Company"), in exchange for its \$3,600,000 note (the "Company Note") providing for payments to the County sufficient to meet the payment schedule on the Bond. The Company will own the Project and lease it to Mobay Chemical Corporation of Pittsburgh, Pennsylvania and Sunland Distribution, Inc. of Greenville, South Carolina under separate leases. The Company will secure payments to be made under the Company Note by granting to the County a mortgage on and security interest in the Project, which will constitute foreclosable liens upon the Project.

023308

The Bond will be payable by the County solely from payments received by the County under or related to the Company Note. Neither the Project or Bond, nor any charges in connection with the Project or Bond, shall constitute or give rise to a pecuniary liability of the County or a charge against the general credit or taxing power of the County.

When completed, the Project is reasonably estimated to employ 10 persons in the County.

Notice is 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 this undertaking of the County by action de novo instituted in the Court of Common Pleas in the County.

STATE BUDGET AND CONTROL BOARD OF  
SOUTH CAROLINA

By: s/William A. McInnis  
Secretary

EXHIBIT

MAR 12 1985 NO. 11

STATE BUDGET & CONTROL BOARD

023309



# EXHIBIT

MAR 12 1985 NO. 11

STATE BUDGET & CONTROL BOARD

PETITION

STATE OF SOUTH CAROLINA )  
COUNTY OF GREENVILLE )

---

TO: THE STATE BUDGET AND CONTROL  
BOARD OF SOUTH CAROLINA

---

The County Council of Greenville County (the "County Council") would respectfully report unto the State Budget and Control Board of South Carolina the following findings:

1. The County Council is the governing body of Greenville County, South Carolina (the "County") as established by law, and as such, is the "governing board" described in Chapter 29 of Title 4 of the 1976 Code of Laws of South Carolina, as amended, (the "Act").

2. The Act authorizes and empowers the County, acting through the County Council, if it shall comply with the provisions set forth in the Act, to assist industrial enterprises in the financing of land, buildings, equipment, machinery and other improvements deemed necessary, suitable or useful for the manufacture, processing, warehousing or distribution of agricultural or manufactured products and, for that purpose, to issue industrial development revenue bonds.

023310

3. The County, acting through the County Council, has agreed that the County will undertake, through the issuance and sale of an industrial development revenue bond pursuant to the Act, to assist Cole Group Incorporated, a South Carolina corporation (the "Company") in financing the acquisition of land and construction and equipping of a facility in the County for the warehousing of agricultural or manufactured products (the "Project"). In this connection, the County, acting through the County Council, on or about January 22, 1985 agreed to issue and sell a Greenville County, South Carolina Industrial Revenue Bond (Cole Project) Series 1985 (the "Bond") in the principal amount of Three Million Six Hundred Thousand Dollars pursuant to the Act in order to finance the Project. The Bond will be issued as a tax-exempt instrument by virtue of the provisions of the Act and Section 103 of the Internal Revenue Code of 1954, as amended. The principal of the Bond shall be repaid over a period of approximately 11 years, with payments commencing approximately 6 months after issuance. Interest on the Bond shall be payable monthly at the rate of 9.25% per annum for the first 5 years and thereafter at the rate of sixty-seven percent (67%) of the prime commercial lending rate charged by South Carolina National Bank from time to time. Also, there shall be payable, at the time of the first monthly interest

payment, a \$26,250 additional interest payment.

4. The cost of the Project is approximately Three Million Six Hundred Thousand Dollars according to the reasonable estimates of the Company. In order to finance the cost of the Project, it is necessary for the County to issue the Bond in that amount.

5. When completed the Project will employ approximately 10 persons.

6. The Project will subserve the purposes of the Act, and the Project will have a beneficial effect upon the economy of South Carolina, and the County and adjacent areas in particular, by promoting the development of industrial enterprise.

7. The County, by providing this financial assistance to the Company for development of the Project, will incur no pecuniary liability; nor will it incur a charge against its general credit or taxing power.

8. South Carolina National Bank has agreed to purchase the Bond at par value without discount.

9. The proposed loan documents will provide, among other things, the following:

(a) To finance the cost of the Project, the County will issue its Bond in the principal amount of Three Million Six Hundred Thousand Dollars. The County promptly will use the payment of the purchase price for

the Bond to purchase from the Company a note providing for payments sufficient to pay when due all amounts payable under the Bond. Payment of this note (or the Bond) will be guaranteed to limited extents by the Company's shareholders. Payment of this note will be secured by a mortgage on and security interest in the Project and by the conditional assignment of the Company's interest as landlord in a lease of a portion of the Project to Mobay Chemical Corporation of Pittsburgh, Pennsylvania, and in a lease of a portion of the Project to Sunland Distribution, Inc. of Greenville, South Carolina, as tenants. Payment of the Bond will be secured by the granting to the Bank of a security interest in the aforementioned note, guarantys (if they extend to the note), mortgage and security agreement and lease assignments. Also, in order to secure further payment of the Bond, the County will conditionally assign to the Bank the aforementioned note, guarantys (if they extend to the note), mortgage and security agreement and lease assignments;

(b) The mortgage and security agreement will be conventional in form and will constitute foreclosable liens. The lease assignments and guarantys likewise will be conventional in form.

(c) The proceeds derived from the issuance and sale of the Bond will be loaned by the County to the



Company and used solely to pay the costs incident to financing the Project;

(d) The issuance and sale of the Bond by the County shall impose upon the County no pecuniary liability; nor shall this create a charge upon its general credit or taxing power;

(e) The payments to be made by the Company to the County under its note will be sufficient to enable the County to make all payments (including principal, and interest) required of the County under the Bond;

(f) The loan documents will require that the Company be responsible for payment of all maintenance required to keep the Project in good repair and all insurance required to keep the Project properly insured;

(g) No reserves for payment of the Bond or for maintenance or insurance on the Project shall be required in view of the financial stability of the Company;

(h) The proposed documents will be substantially in the form commonly used in connection with the issuance of industrial revenue bonds.

Upon the basis of the foregoing, the County, acting through the County Council, respectfully prays that the State Budget and Control Board of South Carolina accept the filing of this

Petition; that it make a prompt and independent investigation of the Project; that it find that the proposed Project will promote the purposes of the Act and that the proposed Project is reasonably anticipated to effect this result; that it approve the Project and the issuance and sale of the Bond, including changes in any details of the proposed financing as finally consummated which do not materially affect this undertaking; that it allocate \$3,600,000 of the State of South Carolina's allotment for private activity bonds under Section 103 of the Internal Revenue Code to this proposed Project and Bond; and that it give published notice of its approval in the manner set forth in the Act.

Respectfully submitted,

COUNTY COUNCIL OF GREENVILLE COUNTY

By: Paul Greer  
Chairman of County Council

By: John H. Marshall  
County Administrator

Attest:

Mary J. Turner  
Clerk of County Council

EXHIBIT

MAR 12 1985 NO. 11

STATE BUDGET & CONTROL BOARD

February 17, 1985

CERTIFICATE OF NO CONSIDERATION FOR ALLOCATION

Pursuant to Section 102(n)(12)(A) of the Internal Revenue Code of 1954, as amended, I certify under penalty of perjury that to the best of my knowledge, the allocation of \$3,600,000 of the State of South Carolina's ceiling for private activity bonds requested for the Greenville County, South Carolina Industrial Development Revenue Bond (Cole Project) Series 1985 in the accompanying petition to the State Budget and Control Board of South Carolina was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

*Saul Green*

Chairman of Greenville County Council

SWORN TO before me this

19<sup>th</sup> day of February, 1985

*Mary J. Turner*  
Notary Public for South Carolina

My Commission expires: 1/20/93

EXHIBIT

MAR 12 1985 NO. 11

STATE BUDGET & CONTROL BOARD

023316

# EXHIBIT

MAR 12 1985 NO. 11

A RESOLUTION

STATE BUDGET & CONTROL BOARD

TO AUTHORIZE A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR ITS APPROVAL OF THE ISSUANCE AND SALE OF A GREENVILLE COUNTY, SOUTH CAROLINA INDUSTRIAL REVENUE BOND (COLE PROJECT) SERIES 1985 IN THE PRINCIPAL AMOUNT OF THREE MILLION SIX HUNDRED THOUSAND DOLLARS PURSUANT TO CHAPTER 29 OF TITLE 4 OF THE 1976 CODE OF LAWS OF SOUTH CAROLINA, AS AMENDED; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THIS UNDERTAKING.

BE IT RESOLVED BY THE COUNTY COUNCIL OF GREENVILLE COUNTY, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED:

## ARTICLE I

### FINDINGS OF FACT

As an incident to the adoption of this Resolution, the County Council of Greenville County, South Carolina (the "County Council") has made the following findings:

1. Cole Group Incorporated, a South Carolina corporation (the "Company") has proposed that Greenville County, South Carolina (the "County") assist in the acquisition of land and construction and equipping of a facility in the County to be owned by the Company and leased to Mobay Chemical Corporation of Pittsburgh, Pennsylvania, ("Mobay") and Sunland Distribution, Inc. of Greenville, South Carolina ("Sunland") under separate leases, as a warehouse for agricultural or manufactured products (the "Project"). The Project will be financed by the issuance and sale by the County of an Industrial Development Revenue Bond (the "Bond"), in a total principal amount of Three Million Six Hundred Thousand Dollars, pursuant to the authorization of Chapter 29 of

023317



Title 4 of the 1976 Code of Laws of South Carolina, as amended (the "Act").

2. The Project will be aided by the assistance which the County might render pursuant to the Act. The County, acting through the County Council, has agreed to assist in financing the Project by issuing and selling the Bond. The proceeds of the Bond will be loaned by the County to the Company to finance the Project. The Company in exchange for the Bond will deliver to the County, at the time that the Bond is issued and sold, its note in the amount of the proceeds. Payment of this note (or the Bond) will be guaranteed to limited extents by the Company's shareholders. Also, the Company will grant to the County a mortgage on and security interest in the Project and will conditionally assign to the County its interest as landlord under the leases of the Project to Mobay and Sunland as tenants.

3. The Project will subserve the purposes of the Act. The Project, when completed, will employ approximately 10 persons.

4. Neither the Project nor the Bond will give rise to any pecuniary liability of the County or a charge against its general credit or taxing powers.

5. The total cost of the Project is approximately Three Million Six Hundred Thousand Dollars and the Bond shall be issued and sold for this amount at no discount. The principal of the Bond shall be repaid over a period of approximately 11 years, with payments commencing approximately 6 months after issuance.

Interest on the Bond shall be payable monthly at the rate of 9.25% per annum for the first 5 years and thereafter at 67% of the prime rate of interest charged by South Carolina National Bank from time to time. Also, there shall be payable, at the time of the first monthly interest payment, a \$26,250 additional interest payment. Payments to the County by the Company shall be sufficient to allow the County to meet the repayment schedule on the Bond.

6. No reserve fund shall be established in connection with the Bond or in connection with the maintenance of the Project for the reason that the Company is financially stable.

7. The Company shall pay or cause to be paid all costs required to keep the Project in good repair and properly insured.

8. The proposed loan documents obligate the Company unconditionally to pay to the County the amounts necessary to pay all principal, interest and premium, if any, when and as they become due on the Bond and similarly to pay all other costs in connection with that instrument and the related documents.

9. The Bond will be issued as a tax-exempt instrument by virtue of the provisions of the Act and Section 103 of the Internal Revenue Code of 1954, as amended.

10. The Company has arranged for the issuance and sale of the Bond to South Carolina National Bank.

#### ARTICLE II

##### PETITION TO THE STATE BUDGET AND CONTROL BOARD

The County is hereby authorized and committed to submit a petition to the State Budget and Control Board of South Carolina

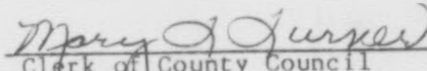
to seek the approval required by the Act. This Petition shall be substantially upon the terms of the Petition attached as Exhibit A to this Resolution.

ARTICLE III

EXECUTION

The Chairman of County Council and the County Administrator (or anyone authorized to act in their steads) are hereby authorized and empowered to execute all documents required to effectuate the intent of this Resolution, and the Clerk of County Council is hereby authorized and empowered to attest to their signatures.

The foregoing constitutes a true copy of a Resolution duly adopted by the County Council of Greenville County, South Carolina on February 17, 1985.

  
Clerk of County Council  
Greenville County,  
South Carolina

February 20, 1985

EXHIBIT

MAR 12 1985 NO. 11

STATE BUDGET & CONTROL BOARD

# EXHIBIT

EXHIBIT "A"

MAR 12 1985 NO. 11

STATE OF SOUTH CAROLINA )  
COUNTY OF GREENVILLE )

STATE BUDGET & CONTROL BOARD

## PETITION

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TO: THE STATE BUDGET AND CONTROL  
BOARD OF SOUTH CAROLINA

---

The County Council of Greenville County (the "County Council") would respectfully report unto the State Budget and Control Board of South Carolina the following findings:

1. The County Council is the governing body of Greenville County, South Carolina (the "County") as established by law, and as such, is the "governing board" described in Chapter 29 of Title 4 of the 1976 Code of Laws of South Carolina, as amended, (the "Act").

2. The Act authorizes and empowers the County, acting through the County Council, if it shall comply with the provisions set forth in the Act, to assist industrial enterprises in the financing of land, buildings, equipment, machinery and other improvements deemed necessary, suitable or useful for the manufacture, processing, warehousing or distribution of agricultural or manufactured products and, for that purpose, to issue industrial development revenue bonds.

023321



3. The County, acting through the County Council, has agreed that the County will undertake, through the issuance and sale of an industrial development revenue bond pursuant to the Act, to assist Cole Group Incorporated, a South Carolina corporation (the "Company") in financing the acquisition of land and construction and equipping of a facility in the County for the warehousing of agricultural or manufactured products (the "Project"). In this connection, the County, acting through the County Council, on or about January 22, 1985 agreed to issue and sell a Greenville County, South Carolina Industrial Revenue Bond (Cole Project) Series 1985 (the "Bond") in the principal amount of Three Million Six Hundred Thousand Dollars pursuant to the Act in order to finance the Project. The Bond will be issued as a tax-exempt instrument by virtue of the provisions of the Act and Section 103 of the Internal Revenue Code of 1954, as amended. The principal of the Bond shall be repaid over a period of approximately 11 years, with payments commencing approximately 6 months after issuance. Interest on the Bond shall be payable monthly at the rate of 9.25% per annum for the first 5 years and thereafter at the rate of sixty-seven percent (67%) of the prime commercial lending rate charged by South Carolina National Bank from time to time. Also, there shall be payable, at the time of the first monthly interest

payment, a \$26,250 additional interest payment.

4. The cost of the Project is approximately Three Million Six Hundred Thousand Dollars according to the reasonable estimates of the Company. In order to finance the cost of the Project, it is necessary for the County to issue the Bond in that amount.

5. When completed the Project will employ approximately 10 persons.

6. The Project will subserve the purposes of the Act, and the Project will have a beneficial effect upon the economy of South Carolina, and the County and adjacent areas in particular, by promoting the development of industrial enterprise.

7. The County, by providing this financial assistance to the Company for development of the Project, will incur no pecuniary liability; nor will it incur a charge against its general credit or taxing power.

8. South Carolina National Bank has agreed to purchase the Bond at par value without discount.

9. The proposed loan documents will provide, among other things, the following:

(a) To finance the cost of the Project, the County will issue its Bond in the principal amount of Three Million Six Hundred Thousand Dollars. The County promptly will use the payment of the purchase price for

the Bond to purchase from the Company a note providing for payments sufficient to pay when due all amounts payable under the Bond. Payment of this note (or the Bond) will be guaranteed to limited extents by the Company's shareholders. Payment of this note will be secured by a mortgage on and security interest in the Project and by the conditional assignment of the Company's interest as landlord in a lease of a portion of the Project to Mobay Chemical Corporation of Pittsburgh, Pennsylvania, and in a lease of a portion of the Project to Sunland Distribution, Inc. of Greenville, South Carolina, as tenants. Payment of the Bond will be secured by the granting to the Bank of a security interest in the aforementioned note, guarantys (if they extend to the note), mortgage and security agreement and lease assignments. Also, in order to secure further payment of the Bond, the County will conditionally assign to the Bank the aforementioned note, guarantys (if they extend to the note), mortgage and security agreement and lease assignments;

(b) The mortgage and security agreement will be conventional in form and will constitute foreclosable liens. The lease assignments and guarantys likewise will be conventional in form.

(c) The proceeds derived from the issuance and sale of the Bond will be loaned by the County to the

Company and used solely to pay the costs incident to financing the Project;

(d) The issuance and sale of the Bond by the County shall impose upon the County no pecuniary liability; nor shall this create a charge upon its general credit or taxing power;

(e) The payments to be made by the Company to the County under its note will be sufficient to enable the County to make all payments (including principal, and interest) required of the County under the Bond;

(f) The loan documents will require that the Company be responsible for payment of all maintenance required to keep the Project in good repair and all insurance required to keep the Project properly insured;

(g) No reserves for payment of the Bond or for maintenance or insurance on the Project shall be required in view of the financial stability of the Company;

(h) The proposed documents will be substantially in the form commonly used in connection with the issuance of industrial revenue bonds.

Upon the basis of the foregoing, the County, acting through the County Council, respectfully prays that the State Budget and Control Board of South Carolina accept the filing of this



Petition; that it make a prompt and independent investigation of the Project; that it find that the proposed Project will promote the purposes of the Act and that the proposed Project is reasonably anticipated to effect this result; that it approve the Project and the issuance and sale of the Bond, including changes in any details of the proposed financing as finally consummated which do not materially affect this undertaking; that it allocate \$3,600,000 of the State of South Carolina's allotment for private activity bonds under Section 103 of the Internal Revenue Code to this proposed Project and Bond; and that it give published notice of its approval in the manner set forth in the Act.

Respectfully submitted, 1

COUNTY COUNCIL OF GREENVILLE COUNTY

By: \_\_\_\_\_  
Chairman of County Council

By: \_\_\_\_\_  
County Administrator

Attest:

\_\_\_\_\_  
Clerk of County Council

February \_\_, 1985

CERTIFICATE OF NO CONSIDERATION FOR ALLOCATION

Pursuant to Section 102(n)(12)(A) of the Internal Revenue Code of 1954, as amended, I certify under penalty of perjury that to the best of my knowledge, the allocation of \$3,600,000 of the State of South Carolina's ceiling for private activity bonds requested for the Greenville County, South Carolina Industrial Development Revenue Bond (Cole Project) Series 1985 in the accompanying petition to the State Budget and Control Board of South Carolina was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

*Saul Green*

Chairman of Greenville County Council

SWORN TO before me this

19<sup>th</sup> day of February, 1985

*Mary A. Turner*  
Notary Public for South Carolina

My Commission expires: 1/20/93

023327

# EXHIBIT

MAR 12 1985

NO. 11

INDUCEMENT RESOLUTION  
OF  
THE COUNTY COUNCIL  
OF  
GREENVILLE COUNTY, SOUTH CAROLINA

STATE BUDGET & CONTROL BOARD

The following Resolution of the Greenville County Council was adopted at its regular meeting January 22, 1985.

BE IT RESOLVED BY THE COUNTY COUNCIL OF GREENVILLE COUNTY, SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

## ARTICLE I

### FINDINGS OF FACT

As an incident to the adoption of this Resolution, the County Council (the "County Council") of Greenville County, South Carolina (the "Issuer") has made the following findings:

1. Mobay Chemical Corporation of Pittsburgh, Pennsylvania, ("Mobay") has under consideration the leasing and operation of a warehouse and distribution center in Greenville County containing not less than 150,000 square feet and up to 205,000 square feet of enclosed space (the "Project"). The Project will be built and owned by Cole Group Incorporated a South Carolina corporation (the "Company").

2. The Project, when completed, will employ approximately ten persons.

3. The availability of Industrial Development Revenue Bond financing in Greenville County, South Carolina for the purpose of acquiring, constructing and installing the Project is a major

023328

factor under consideration by the Company and Mobay in determining the feasibility of the Project.

4. The willingness of the County Council to issue its Industrial Development Revenue Bond(s) to assist in financing the Project will promote industrial development in South Carolina and in Greenville County in particular and will develop trade by inducing this distribution facility to locate in the State of South Carolina and in the County in particular and it is further the conclusion of the Issuer that (a) the Project will subserve the purposes of Title 4, Chapter 29, Section 4-29-10, et seq. of the 1976 Code of Laws of South Carolina, as amended, (the "Act"), and (b) the Project is anticipated to benefit the general public welfare of the locality by providing employment and other public benefits not otherwise provided locally.

5. The amount necessary to finance the Project is estimated at this time to be approximately Three Million Six Hundred Thousand Dollars (\$3,600,000).

6. Payments to the Issuer by the Company, as owner of the Project, shall be sufficient to allow the Issuer to meet the payment schedule on its Industrial Revenue Bond(s).

7. Neither the issuance of any Industrial Development Revenue Bond(s) nor the acquisition, construction or installation of the Project will give rise to any pecuniary liability of the Issuer or a charge against its general credit or its taxing powers.



ARTICLE II

COMMITMENT TO ASSISTANCE AGREEMENT

Based on the foregoing Findings of Fact and in order to induce the Company to locate and operate the Project in Greenville County, South Carolina, and in order to carry out the purposes of the Act, the Issuer is hereby authorized and committed to enter into an Assistance Agreement with the Company. This Assistance Agreement shall be substantially upon the following terms:

1. The present intent of the Issuer is that, upon request by the Company and subject to compliance with all applicable laws, regulations and rulings, it will issue its Industrial Development Revenue Bond(s) (the "Bond(s)") in an aggregate principal amount not exceeding \$3,600,000 for the purpose of financing the acquisition, construction and installation of the Project.

2. The terms of the Bond(s) (date, maturity schedule, interest rates, denominations, redemption provision) will be determined by a bond purchase contract or similar contract to be entered into between the Company and the purchaser(s) of the Bond(s), subject to the reasonable approval of the Issuer.

3. Simultaneously with delivery of the Bond(s), the Issuer will provide to the Company funds to acquire, construct and install the Project and the Company will deliver to the Issuer its note(s) and adequate security for repayment of the funds so advanced. The terms and provisions of the documentation shall be substantially in a form commonly utilized in connection with such

financial underakings and shall be agreed upon by the Issuer and the Company.

4. The Issuer hereby permits the Project to commence prior to the issuance and delivery of the Bond(s). Contracts for the acquisition, construction and installation of the land, the buildings, the improvements and the machinery, equipment and related property may be executed by the Company in its own discretion and on such terms and with such conditions as the Company may determine in its own discretion. The Company is authorized by the Issuer on its behalf to advance any interim acquisition or other funds required in connection with the Project and, to the extent permitted by law, shall be reimbursed therefor from the proceeds of the Bond(s).

5. The Issuer will assist in the prompt preparation of all documents required in connection with the issuance of the Bond(s) and will proceed with seeking approval of the Bond(s) from the South Carolina State Budget and Control Board.

6. If for any reason the Bond(s) are not delivered within one year of adoption of this Inducement Resolution, the provisions of the Assistance Agreement, at the option of either party thereto evidenced in writing, may be cancelled, and neither party shall have any rights against the other, and no third parties shall have any rights against either party except the Company will pay the Issuer for all out-of-pocket expenses which are incurred by the Issuer in connection with the issuance of the Bond(s).

7. Nothing in the Assistance Agreement shall prevent the Issuer and/or the Company from entering into any other mode of financing at the option of the Company.

8. The Company, in entering into the Assistance Agreement, agrees to indemnify, defend and hold the Issuer harmless against any loss or damage to property or any injury or death of any person or persons occurring in connection with the acquisition, installation and operation of the Project and occurring in the course of the Issuer's performance of its obligations hereunder, except that this indemnity shall not apply to any loss or damage to property or any injury or death of any person which was the result of negligence or fault of the Issuer.

9. Neither the Project nor any charges in connection with the Project or the equipping, operation and maintenance of the Project or in connection with the Bond(s), including the payment of principal of, premium, if any, or interest on, the Bond(s), shall constitute or give rise to a pecuniary liability of the Issuer or a charge against the general credit or taxing power of the Issuer.

10. The Assistance Agreement shall become effective as of January 22, 1985.

### ARTICLE III

#### EXECUTION

All documents required in connection with issuance of the Bond(s) may be executed by the Chairman of County Council or, in his absence, the Vice-Chairman of County Council and the County

Administrator and their signatures may be attested by the Clerk of  
County Council.

\* \* \*

The foregoing constitutes a true copy of an Inducement  
Resolution duly adopted by the County Council of Greenville  
County, South Carolina on January 22, 1985.

January 22, 1985

Mary O. Turner  
Clerk, County Council  
Greenville County



EXHIBIT A

EXHIBIT

ASSISTANCE AGREEMENT

MAR 12 1985

NO. 11

STATE BUDGET & CONTROL BOARD

WHEREAS, Mobay Chemical Corporation of Pittsburgh, Pennsylvania ("Mobay") has proposed to lease and operate in Greenville County, South Carolina, a warehouse and distribution center containing not less than 150,000 square feet and up to 205,000 square feet of enclosed space (the "Project") and the Project is to built and owned by Cole Group Incorporated, a South Carolina corporation (the "Company"); and

WHEREAS, the undertaking of this Project depends in part upon the willingness of Greenville County, South Carolina (the "Issuer") to issue Industrial Revenue Bond(s) (the "Bond(s)") to finance the acquisition, construction and installation of this Project; and

WHEREAS, the County Council of the Issuer by Inducement Resolution adopted on January 22, 1985 has determined that this assistance should be extended by the Issuer to the Company.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OTHER VALUE,

1. The present intent of the Issuer is that, upon request by the Company and subject to compliance with all applicable laws, regulations and rulings, it will issue its Industrial Development Revenue Bond(s) (the "Bond(s)") in an aggregate principal amount not exceeding \$3,600,000 for the purpose of financing the acquisition, construction and installation of the Project.

023334

2. The terms of the Bond(s) (date, maturity schedule, interest rates, denominations, redemption provision) will be determined by a bond purchase contract or similar contract to be entered into between the Company and the purchaser(s) of the Bond(s), subject to the reasonable approval of the Issuer.

3. Simultaneously with delivery of the Bond(s), the Issuer will provide to the Company funds to acquire, construct and install the Project and the Company will deliver to the Issuer its note(s) and adequate security for repayment of the funds so advanced. The terms and provisions of the documentation shall be substantially in a form commonly utilized in connection with such financial undertakings and shall be agreed upon by the Issuer and the Company.

4. The Issuer hereby permits the Project to commence prior to the issuance and delivery of the Bond(s). Contracts for the acquisition, construction and installation of the land, the buildings, the improvements and the machinery, equipment and related property may be executed by the Company in its own discretion and on such terms and with such conditions as the Company may determine in its own discretion. The Company is authorized by the Issuer on its behalf to advance any interim acquisition or other funds required in connection with the Project and, to the extent permitted by law, shall be reimbursed therefor from the proceeds of the Bond(s).

5. The Issuer will assist in the prompt preparation of all documents required in connection with the issuance of the Bond(s)

and will proceed with seeking approval of the Bond(s) from the South Carolina State Budget and Control Board.

6. If for any reason the Bond(s) are not delivered within one year of the date hereof, the provisions of this proposal and the agreement resulting from its acceptance by the Company, at the option of either party hereto evidenced in writing, may be cancelled, and neither party shall have any rights against the other, and no third parties shall have any rights against either party except the Company will pay the Issuer for all expenses which are incurred by the Issuer in connection with the issuance of the Bond(s).

7. Nothing herein shall prevent the Issuer and or the Company from entering into any other mode of financing at the option of the Company.

8. The Company, in entering into this agreement, agrees to indemnify, defend and hold the Issuer harmless against any loss or damage to property or any injury or death of any person or persons occurring in connection with the acquisition, installation and operation of the Project and occurring in the course of the Issuer's performance of its obligations hereunder, except that this indemnity shall not apply to any loss or damage to property or any injury or death of any person which was the result of negligence or fault of the Issuer.

9. Neither the Project nor any charges in connection with the Project or the equipping, operation and maintenance of the

Project or in connection with the Bond(s), including the payment of principal of, premium, if any, or interest on the Bond(s), shall constitute or give rise to a pecuniary liability of the Issuer or a charge against the general credit or taxing power of the Issuer.

10. This Agreement shall be effective as of January 22, 1985.

COLE GROUP INCORPORATED

GREENVILLE COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Chairman, County Council

Attest: \_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
County Administrator

(SEAL)

Attest: \_\_\_\_\_  
Clerk, County Council

(SEAL)



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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLEE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 12, 1985

**EXHIBIT**

MAR 12 1985 NO. 11

STATE BUDGET & CONTROL BOARD

C E R T I F I C A T E

[Required by Section 103(n)(12)(A) of the Tax Reform Act of 1984  
(which is Part A of the Deficit Reduction Act of 1984)]

Re: \$3,600,000 Greenville County, South Carolina  
Industrial Revenue Bond  
(Cole Project)

This will confirm that an allocation of the State Ceiling established in the Deficit Reduction Act of 1984 has been made by the Budget and Control Board in the amount indicated for the referenced project. This allocation is valid for calendar year 1985 only and shall expire ninety (90) days from March 12, 1985 (the date the allocation was approved by the Board) if the bonds for which the allocation has been approved have not been issued.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

027338

# EXHIBIT

MAR 12 1985

NO. 11

MAR - 6 1985

9:40 a.m. *AL*

STATE BUDGET & CONTROL BOARD

TRANSMITTAL FORM, REVENUE BONDS

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

Date: March 1, 1985

FROM: Wyche, Burgess, Freeman & Parham  
Name of Law Firm  
44 E. Camperdown Way, P.O. Box 10207  
Street  
Greenville, South Carolina 29603  
City, State, Zip Code

Telephone Area Code 803  
Number: 242-3131

Submitted for BCB Meeting of:  
March 12, 1985

RE: \$3,600,000 Greenville County, S.C.  
Amount of Issue, Local Government Issuer  
Industrial Revenue Bond  
Type of Bonds/Notes  
Cole Project, Series 1985  
Name of Project

Private Activity Bonds:  
☒ YES ☐ NO

Projected Issue Date:  
April 3, 1985

## Project Description:

Acquiring, constructing and installing a warehouse and  
distribution center in Greenville County, South Carolina

Number of persons to be employed: 10

## Documents Enclosed:

(All required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)
- B. ☒ Resolution or ordinance (executed copy)
- C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)
- D. ☒ Standard Form Investment Letter from purchaser of bonds (executed original)  
OR  
☐ Audited financial statements for three most recent years
- E. ☐ Department of Health and Environmental Control certificate  
☐ Required ☒ Not Required
- F. ☒ Budget and Control Board Resolution and Public Notice  
Original (and 3 copies for certification and return)
- G. ☒ Processing fee  
Amount \$ 3,000 Check No. 08310  
Payor The Cole Group Incorporated

Bond Counsel: Carl F. Muller  
Typed Name

By: *Carl Muller*

Signature

023339

MAR - 8 1985

The State of South Carolina



Office of the Attorney General

EXHIBIT

MAR 12 1985

NO. 11

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-758-2072

March 7, 1985

Carl F. Muller, Esquire  
Post Office Box 10207  
Greenville, South Carolina 29603

Re: \$3,600,000 Greenville County, South  
Carolina, Industrial Revenue Bond,  
(Cole Project)

Dear Mr. Muller:

We have reviewed the documents concerning the above bond issue and do not find in the description of the financing agreement a provision obligating the industry to effect the completion of the project if the proceeds of the bonds prove insufficient in accordance with § 4-29-60, S.C. CODE, 1976. As you are aware, we do not now receive the financing agreement itself for review, and so we must rely on the description set out in the petition. Please advise as to how you wish us to handle this.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "D. Eckstrom".

David C. Eckstrom  
Assistant Attorney General

DCE/cs

cc: William A. McInnis

023340

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 803-758-2072

March 14, 1985

EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis  
Executive Deputy Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: \$3,000,000 Richland County, South  
Carolina, Industrial Revenue Bonds,  
(Wheel Trueing Tool Company Project)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-10 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "D. Eckstrom".

David C. Eckstrom  
Assistant Attorney General

DCE/cs

Enclosures

023341



## EXHIBIT

MAR 12 1985

NO. 12

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

## STATE BUDGET &amp; CONTROL BOARD

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

RE: Sale by Richland County, South Carolina (the "Issuer")  
Of its \$3,000,000 Industrial Revenue Note (the "Bonds")  
On behalf of Wheel Trueing Tool Company (the "Company")  
manufacturing equipment (the "Project")  
To The Citizens and Southern National Bank (the "Purchaser")  
of South Carolina

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 22nd day  
of February, 1985.

Ellen J. Gerner  
Notary Public

My Commission expires  
My Commission Expires April 25, 1987.

## PURCHASER:

Name: The Citizens and Southern National  
Bank of South Carolina  
Address: 1801 Main Street  
Columbia, SC 29222

BY:

M. B. King - AVP

Signature of Authorized 020342

# EXHIBIT

MAR 12 1985

NO. 1 2

STATE OF SOUTH CAROLINA )

Wheel Trueing Tool Company Project

COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

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

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

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 A. M., on Tuesday, March 12, 1985, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of: Senator Dennis, who was represented by Senate Finance Committee Vice Chairman James M. Waddell, Jr., and Mr. Patterson.

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; said motion was seconded by Senator Waddell, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

4

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Secretary.

That any and all conditions attached to the referenced Board action except that relating to the submission of IRS Form 8038 have been satisfied as of the date of this certificate.

March 15, 1985

William A. McInnis

023343

# EXHIBIT

MAR 12 1985

NO. 12

ORIGINAL

## STATE BUDGET & CONTROL BOARD RESOLUTION

E

### STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Richland 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 acquisition and installation of certain machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products to be owned and operated by Wheel Trueing Tool Company (the "Company") in Richland County, South Carolina (the "County") by the issuance and delivery of a \$3,000,000 Richland County, South Carolina, Industrial Revenue Note, Series 1985 (Wheel Trueing Tool Company Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by the County Board; 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 Note and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the acquisition, construction and installation of the Project, the County Board proposes to provide for the issuance and delivery of the Note pursuant to the Act and to the Note Ordinance, payable by the County from the amounts derived from the Loan Agreement and secured by an Assignment of Loan Agreement (the "Assignment") from the County to The Citizens and Southern National Bank of South Carolina (the "Bank") and a Security Agreement (the "Security Agreement") between the Company and the Bank;

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;

023344

(b) That the County Board 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 Loan Agreement, the Assignment, the Security Agreement, 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 (60) 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.

(e) Pursuant to the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds adopted by the State Board on October 9, 1984 (the "Regulations"), County Council has Submitted an Authorized Request (as Defined in the Regulations) for an allocation of a portion of the State Ceiling (as defined in the Regulations) in the amount of \$3,000,000 for the Note; a copy of such Authorized Request has been forwarded to the Joint Bond Review Committee of the South Carolina General Assembly in accordance with the Regulations.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the cost of the acquisition, construction and installation of the Project through the issuance of a \$3,000,000 Richland County, South Carolina, Industrial Revenue Note, Series 1985 (Wheel Trueing Tool Company Project) pursuant to the Note Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Assignment and the Security Agreement, 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 THE STATE, 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.

5. Approval of this undertaking is granted on the condition that a copy of Internal Revenue Service Form 8038



relating to any obligations issued pursuant to this approval be filed with the Board's Secretary at the same time such Form is submitted to the Internal Revenue Service.

6. The request of the County Council that a portion of the State Ceiling in the amount of \$3,000,000 be allocated to the Note is hereby approved and such amount of the State Ceiling is hereby allocated to the Note. This allocation of the State Ceiling shall be valid only for the current calendar year and shall expire automatically ninety (90) days following the adoption of the Resolution. This allocation is also subject to the condition that the Chairman of County Council or some other official of the County shall certify to the Secretary of the State Board the exact amount of the Note being issued; failure so to file a certificate of the amount of the Note issue shall cancel this allocation.

7. In compliance with the provisions of Section 103(n)(12) of the Internal Revenue Code of 1954, as amended, in voting on this Resolution each member of the State Board, the public body responsible for making the allocation of the State Ceiling, DOES HEREBY CERTIFY under penalty of perjury that the allocation of the State Ceiling granted in this Resolution was not made in consideration of any bribe, gift, gratuity or direct or indirect consideration to any political campaign..

## EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

# EXHIBIT

MAR 12 1985

NO. 1 2

STATE BUDGET & CONTROL BOARD

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 Richland 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 acquisition and installation of certain machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products to be owned and operated by Wheel Trueing Tool Company (the "Company"), a corporation organized and existing under the laws of the State of Delaware, and to be located on 10250 Two Notch Road, in Columbia, South Carolina 29223 in Richland County (the "County").

To finance the acquisition, construction and installation of the Project, the County will issue the \$3,000,000 Richland County, South Carolina, Industrial Revenue Note, Series 1985 (Wheel Trueing Tool Company 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 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 Note, and the Note will be secured by an Assignment of Loan Agreement under which the County will assign to The Citizens and Southern National Bank of South Carolina (the "Bank") substantially all of its rights under the Loan Agreement and by a Security Agreement between the Company and the Bank pursuant to which the Company will grant a security interest in the Project to the Bank. The Note will be issued pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by the County Board.

The Project will provide employment for approximately sixty (60) 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 Board by action de novo  
instituted in the Court of Common Pleas for Richland County.

THE STATE BUDGET AND CONTROL BOARD  
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:  
March 13, 1985

EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

# EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

TO THE STATE BUDGET AND CONTROL

BOARD OF SOUTH CAROLINA

## P E T I T I O N

The Petition of Richland County Council ("County Council") respectfully shows:

1. County Council is the governing body of Richland 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 in the Act, to acquire or cause to be acquired land, buildings, equipment, machinery 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, equipment and machinery and other improvements.

3. County Council has agreed with Wheel Trueing Tool Company (the "Company"), a corporation organized and existing under the laws of the State of Delaware, that the County will undertake to finance the acquisition and installation of machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products in the County through the issuance and delivery of an Industrial Revenue Note pursuant to the Act. In this connection, County Council has agreed to issue a Three Million Dollar (\$3,000,000) Richland County, South Carolina, Industrial Revenue Note, Series 1985 (Wheel Trueing Tool Company Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by County Council.

4. County Council is advised by the Company that the cost of the Project will be approximately Three Million

023349



Dollars (\$3,000,000) and that, therefore, in order to finance the acquisition and installation of the Project (the "Undertaking"), including the costs and charges incident to the issuance and delivery of the Note, it is necessary that County Council issue and deliver the Note in that amount.

5. When completed, the Project will provide employment for approximately sixty (60) persons.

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 Undertaking will 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;

(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 acquisition and installation of the Project is approximately \$3,000,000;

(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 Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance;

(f) in view of the well established credit of the Company 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; and

(g) the terms of the Loan Agreement require the Company to maintain 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 acquisition and installation of the Project the County will issue and

deliver the Note. The Note 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 Note will be used to pay the costs incident to the acquisition and installation of the Project and the issuance of the Note; and

(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 a proposed Assignment of Loan Agreement (the "Assignment") the County will assign to The Citizens and Southern National Bank of South Carolina (the "Bank"), as security for the payment of the Note, substantially all of the right, title and interest of the County in and to the Loan Agreement except tax payments and certain payments to be made by way of indemnification.

9. Pursuant to a proposed Security Agreement (the "Security Agreement") the Company will grant a security interest in the Project to the Bank as additional security for the payment of the Note.

10. The Note will be issued by the County pursuant to the proposed ordinance (the "Note Ordinance") which provides for the payment of the Note. The Note Ordinance imposes upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of and interest on the Note, all other costs and expenses resulting from the Note Ordinance and the issuance of the Note pursuant thereto and the transactions contemplated to take place in connection therewith.

Upon the basis of the foregoing, County Council respectfully prays:

That the State Budget and Control Board of South Carolina (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 Security Agreement, the Assignment, the Note Ordinance and the Note as it deems advisable; that the State Board 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.

March 5, 1985.

Respectfully Submitted,

By Lorne A. Castles  
Chairman, Richland County  
Council

Attest:

By Brenda Fuller  
Clerk, Richland County  
Council

EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

\_\_\_\_\_)  
TO THE STATE BUDGET AND CONTROL )

BOARD OF SOUTH CAROLINA )  
\_\_\_\_\_)

# EXHIBIT

MAR 12 1985

NO. 12

STATE BUDGET & CONTROL BOARD

## P E T I T I O N

The Petition of Richland County, South Carolina (the "County") respectfully shows:

1. The County is an "issuing authority" as such term is used in the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds (the "Regulations") promulgated by the State Budget and Control Board of South Carolina (the "State Board").

2. The County has agreed with Wheel Trueing Tool Company (the "Company"), a corporation organized and existing under the laws of the State of South Carolina, that the County will undertake to finance the acquisition and installation of machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products 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 "Act"). In this connection, the County has agreed to issue its \$3,000,000 Richland County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act and to an ordinance to be adopted by Richland County Council.

3. The County is advised by the Company that the Project will provide employment for approximately sixty (60) persons.

4. The Regulations authorize the County to submit its request to the State Board that a portion of the State Ceiling established by Section 103(n) of the Internal Revenue Code of 1954, as amended (the "Code") be allocated to the Note.

5. This Petition constitutes an "Authorized Request" within the meaning of the Regulations and, as required by the Regulations, is accompanied by a copy of the Inducement Contract executed by the County and the Company.

6. Pursuant to the Regulations, County Council hereby 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 at or used as part of the Project, other than the Note.

7. In compliance with the provisions of Section 103(n)(12) of the Code, the undersigned hereby certifies, under penalty of perjury, that this Petition of the County to the State Board for an allocation of the South Carolina private activity bond ceiling was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, the County respectfully prays that the State Board accept the filing of this Petition and that \$3,000,000 of the State Ceiling be allocated to the Note.

March 5, 1985.

Respectfully Submitted,

By Leone A. Castle  
Chairman, Richland County  
Council

Attest:

By Brenda Fuller  
Clerk, Richland County  
Council

EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

023354

EXHIBIT

MAR 12 1985

NO. 12

State of South Carolina  
State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLEE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

STATE BUDGET & CONTROL BOARD

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 12, 1985

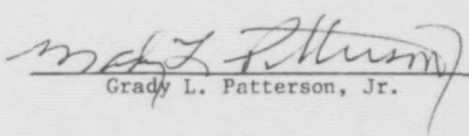
C E R T I F I C A T E

[Required by Section 103(n)(12)(A) of the Tax Reform Act of 1984  
(which is Part A of the Deficit Reduction Act of 1984)]

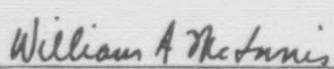
Re: \$3,000,000 Richland County, South Carolina  
Industrial Revenue Note  
(Wheel Trueing Tool Company Project)

This will confirm that an allocation of the State Ceiling established in the Deficit Reduction Act of 1984 has been made by the Budget and Control Board in the amount indicated for the referenced project. This allocation is valid for calendar year 1985 only and shall expire ninety (90) days from March 12, 1985 (the date the allocation was approved by the Board) if the bonds for which the allocation has been approved have not been issued.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

  
Grady L. Patterson, Jr.

Attest:

  
William A. McInnis, Secretary

023355

Received 3/21/85  
DW

EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

March 20, 1985

South Carolina State Budget  
and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

Attention: Mr. William A. McInnis, Secretary

Re: \$3,000,000 Richland County, South Carolina,  
Industrial Revenue Note, Series 1985 (Wheel  
Trueing Tool Company Project)


Dear Mr. McInnis:

This letter is for the purpose of certifying to the State Budget and Control Board the principal amount of obligations being issued pursuant to the approval granted by the State Budget and Control Board by resolutions adopted January 22, 1985, in connection with the above Note. Pursuant to Section 6(a) of the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds, adopted by the State Budget and Control Board on October 9, 1984, I hereby certify that the exact amount of obligations being issued pursuant to the aforesaid approval is \$3,000,000.

Please address your response pursuant to Section 6(b) of said Regulations to bond counsel for this issue at the following address:

Sinkler Gibbs & Simons  
Attention: Thomas A. Hutcheson, Esq.  
Post Office Box 340  
Charleston, South Carolina 29402

Yours very truly,

  
Chairman, Richland County  
Council

023356

# EXHIBIT

State of South Carolina

MAR 12 1985

NO. 12

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 21, 1985

Richland County  
c/o Thomas A. Hutcheson, Esq.  
Sinkler Gibbs & Simons  
Box 340  
Charleston, SC 29402

Dear Mr. Hutcheson:

RE: Issue of \$3,000,000 Richland County, South Carolina  
Industrial Revenue Note  
(Wheel Trueing Tool Company Project)

This will confirm that the referenced issue when issued and combined with the total amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1985 will not exceed the 1985 State Ceiling for South Carolina.

For your information, our records as of this date indicate the following:

<b>Certified State Ceiling:</b>	<b>\$495,000,000</b>
<b>A. State Agency and Exempt Facilities Pool Amount</b>	<b>198,000,000</b>
1. Allocations Approved Through 3/12/85	200,000
2. Balance of Pool Available	197,800,000
3. Certified for Issue	0
<b>B. Local Pool Amount</b>	<b>297,000,000</b>
1. Allocations Approved Through 3/12/85	54,355,000
2. Balance of Pool Available	242,645,000
3. Certified for Issue 3/21/85 (Including Referenced Issue)	9,850,000

Sincerely,

*William A. McInnis*

William A. McInnis  
Secretary

WAM:dw

023357



APR 12 1985  
8:30 a.m. *LL*

# EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

April 5, 1985

South Carolina State Budget  
and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

Attention: Mr. William A. McInnis, Secretary

Re: \$3,000,000 Richland County, South Carolina,  
Industrial Revenue Note, Series 1985 (Wheel  
Trueing Tool Company Project)

Dear Mr. McInnis:

In connection with the above-captioned Note, enclosed  
herewith please find the following:

(1) copy of Form 8038 filed with the United  
States Treasury, Internal Revenue Service and

(2) publisher's affidavit with newspaper clipping  
attached evidencing publication of notice of State  
Budget and Control Board approval.

Yours very truly,

*Leone L. Castles*  
Chairman, Richland County  
Council

023358



**Part III** Proceeds of Issue

12 Total purchase price (regs. section 1.103-13(d)(2)) . . . . .	\$ 3,000,000
13 Face amount of issue . . . . .	\$ 3,000,000
14 Bond issuance costs . . . . .	\$ 35,000
15 Amounts allocated to reasonably required reserve or replacement fund (regs. section 1.103-14(d)) . . . . .	\$ 0
16 Lendable proceeds of the issue (see instructions) . . . . .	\$ 2,965,000

**Part IV** Description of Financed Property (Do not complete for student loan bonds)

17 a Cost of 3-yr. ACRS property (or portion thereof financed by issue) . . . . .	\$ 216,000
b Cost of 5-yr. ACRS property (or portion thereof financed by issue) . . . . .	\$ 2,749,000
c Cost of 10-yr. ACRS property (or portion thereof financed by issue) . . . . .	
d Cost of 15-yr. ACRS property (or portion thereof financed by issue) . . . . .	
e Cost of land (or portion thereof financed by issue) . . . . .	
f Cost of other property financed by the issue . . . . .	
18 a Proceeds used to refund prior issue . . . . .	
b If issue is an advance refunding, enter the earliest call date . . . . .	
19 Average weighted economic life of the project (complete only for IDBs) . . . . .	11.1 years

**Part V** Description of Initial Principal Users (Do not complete for student loan bonds)

## 20 Initial Principal Users:

(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Wheel Trueing Tool	10250 Two Notch Rd.,	38-1165680
(ii)	Tool Company	Columbia, S. C. 29206	
(iii)			
(iv)			
(v)			
(vi)			
(vii)			

## 21 Common parents (if any) of initial principal users listed above:

(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number

**Part VI** Approval of Issue (Complete only for IDBs)

- 22 Name of Governmental units approving issue ▶ Richland County Council, State Budget and Control Board of South Carolina
- 23 Names and positions of applicable elected representatives or date of referendum approving issue ▶ Leone S. Castles, Chairman, Richland County Council

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
	/s/Leone S. Castles		04/05/85	Chairman, Richland County Council
Paid Preparer's Use Only	Preparer's signature	/s/Thomas A. Hutcheson	Date	04/05/85
	Firm's name (or yours, if self-employed) and address	Sinkler Gibbs & Simons, P. A. Post Office Box 340, Charleston, SC		Zip code
				29402

023360

023360

## COLUMBIA NEWSPAPERS, INC.

Columbia, South Carolina

Publishers of

**The State**  
Mornings and Sunday

AND

**The Columbia Record**  
Evenings except Sunday

EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET &amp; CONTROL BOARD

STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

Personally appeared before me Carl M. Regal, Retail Advertising Manager  
of THE STATE, and makes oath that the advertisement,

Notice - \$3,000,000 Richland County, Industrial Revenue Note, Series 1985  
(Wheel Trueing Tool Company Project)

a clipping of which is attached hereto, was printed in THE STATE,  
a daily newspaper of general circulation published in the City  
of Columbia, State and County aforesaid, in the issues of

March 13, 1985

Carl M. Regal

Subscribed and sworn to before me  
this 13 day of March 1985.

Emmie Lee Snodden Notary Public

023361



## NOTICE

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 Richland 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 acquisition and installation of certain machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products to be owned and operated by Wheel Truing Tool Company (the "Company"), a corporation organized and existing under the laws of the State of Delaware, and to be located on 10250 Two Notch Road, in Columbia, South Carolina 29223 in Richland County (the "County").

To finance the acquisition, construction and installation of the Project, the County will issue the \$3,000,000 Richland County, South Carolina, Industrial Revenue Note, Series 1985 (Wheel Truing Tool Company 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 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 Note, and the Note will be secured by an Assignment of Loan Agreement under which the County will assign to The Citizens and Southern National Bank of South Carolina (the "Bank") substantially all of its rights under the Loan Agreement and by a Security Agreement between the Company and the Bank pursuant to which the Company will grant a security interest in the Project to the Bank. The Note will be issued pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by the County Board.

The Project will provide employment for approximately sixty (60) 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 State Board in approving the undertaking of the County Board by action de novo instituted in the Court of Common Pleas for Richland County.

THE STATE BUDGET AND  
CONTROL BOARD  
OF SOUTH CAROLINA  
By: William A. McInnis  
92784

# EXHIBIT

MAR 12 1985

NO. 12

STATE BUDGET & CONTROL BOARD

023362

# EXHIBIT

MAR 12 1985      no. 12

D

## STATE BUDGET & CONTROL BOARD

APPROVING THE FINANCING OF THE ACQUISITION AND INSTALLATION OF MACHINERY, EQUIPMENT AND BUILDING IMPROVEMENTS AT INDUSTRIAL FACILITIES IN RICHLAND COUNTY, SOUTH CAROLINA, OWNED AND OPERATED BY WHEEL TRUEING TOOL COMPANY THROUGH THE ISSUANCE AND DELIVERY OF A \$3,000,000 RICHLAND COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE NOTE, SERIES 1985 (WHEEL TRUEING TOOL COMPANY PROJECT) (THE "NOTE"); 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 NOTE; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY RICHLAND COUNTY COUNCIL IN MEETING DULY ASSEMBLED:

### ARTICLE I

#### FINDINGS OF FACT

##### SECTION 1.01

Incident to the adoption of this resolution, Richland County Council ("County Council"), the governing body of Richland County, South Carolina (the "County"), has made the following findings:

1. Wheel Trueing Tool Company (the "Company"), a corporation organized and existing under the laws of the State of Delaware, has proposed that the County assist in financing the acquisition and installation of certain machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products in the County at an estimated cost of \$3,000,000 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").

2. The Company has advised County Council that its 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 \$3,000,000 (the "Note") pursuant to the Act and to a proposed ordinance (the "Note Ordinance") to be adopted by County Council.

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3. County Council has agreed to finance the acquisition and installation of the Project and adopts this Resolution to evidence its approval of the issuance and delivery of the Note as aforesaid, 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 to provide for a public hearing to be held in connection with the issuance and delivery of the Note.

4. County Council has determined that the financing of the acquisition and installation 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.

5. When completed, the Project will provide employment for approximately sixty (60) 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 amount necessary to finance the acquisition and installation of the Project is Three Million Dollars (\$3,000,000).

7. The Company has submitted to County Council a draft of a proposed Loan Agreement (the "Loan Agreement") pursuant to which the County will lend Three Million Dollars (\$3,000,000) to the Company and under which the Company will unconditionally agree:

(a) to pay the amounts necessary to provide the payments of principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance,

(b) to maintain the Project in good repair, and

(c) to carry all proper insurance with respect to the Project.

8. The Company has also submitted to County Council a draft of a proposed Assignment of Loan Agreement pursuant to which the County will assign substantially all of its rights in the Loan Agreement to The Citizens and Southern National Bank of South Carolina (the "Bank") as security for the payment of the Note.

9. The Company has also submitted to County Council a draft of a proposed Security Agreement pursuant to which the

Company will grant a security interest in the Project to the Bank as additional security for the payment of the Note.

10. The Company has arranged for the issuance and delivery of the Note to the Bank.

11. In view of the well established credit of the Company 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.

## 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 103(k) of the Internal Revenue Code of 1954, as amended, a public hearing shall be held in connection with the issuance and delivery of the Note by the County. Such public hearing shall be held before final action by County Council authorizing the issuance and delivery of the Note.

#### SECTION 3.02

Not less than fourteen (14) days prior to the hearing provided for in Section 3.01 hereof, the Chairman shall cause notice of such hearing to be published in THE STATE, a newspaper of general circulation in the County. Such notice shall be in substantially the form attached hereto as Exhibit "B".



# EXHIBIT

MAR 12 1985

NO. 12 EXHIBIT "A"

STATE OF SOUTH CAROLINA

STATE BUDGET & CONTROL BOARD

COUNTY OF RICHLAND

TO THE STATE BUDGET AND CONTROL

BOARD OF SOUTH CAROLINA

## P E T I T I O N

The Petition of Richland County Council ("County Council") respectfully shows:

1. County Council is the governing body of Richland 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 in the Act, to acquire or cause to be acquired land, buildings, equipment, machinery 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, equipment and machinery and other improvements.

3. County Council has agreed with Wheel Trueing Tool Company (the "Company"), a corporation organized and existing under the laws of the State of Delaware, that the County will undertake to finance the acquisition and installation of machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products in the County through the issuance and delivery of an Industrial Revenue Note pursuant to the Act. In this connection, County Council has agreed to issue a Three Million Dollar (\$3,000,000) Richland County, South Carolina, Industrial Revenue Note, Series 1985 (Wheel Trueing Tool Company Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by County Council.

4. County Council is advised by the Company that the cost of the Project will be approximately Three Million Dollars (\$3,000,000) and that, therefore, in order to

finance the acquisition and installation of the Project (the "Undertaking"), including the costs and charges incident to the issuance and delivery of the Note, it is necessary that County Council issue and deliver the Note in that amount.

5. When completed, the Project will provide employment for approximately sixty (60) persons.

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 Undertaking will 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;

(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 acquisition and installation of the Project is approximately \$3,000,000;

(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 Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance;

(f) in view of the well established credit of the Company 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; and

(g) the terms of the Loan Agreement require the Company to maintain 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 acquisition and installation of the Project the County will issue and deliver the Note. The Note 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 Note will be used to pay the costs incident to the acquisition and installation of the Project and the issuance of the Note; and

(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 a proposed Assignment of Loan Agreement (the "Assignment") the County will assign to The Citizens and Southern National Bank of South Carolina (the "Bank"), as security for the payment of the Note, substantially all of the right, title and interest of the County in and to the Loan Agreement except tax payments and certain payments to be made by way of indemnification.

9. Pursuant to a proposed Security Agreement (the "Security Agreement") the Company will grant a security interest in the Project to the Bank as additional security for the payment of the Note.

10. The Note will be issued by the County pursuant to the proposed ordinance (the "Note Ordinance") which provides for the payment of the Note. The Note Ordinance imposes upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of and interest on the Note, all other costs and expenses resulting from the Note Ordinance and the issuance of the Note pursuant thereto and the transactions contemplated to take place in connection therewith.

Upon the basis of the foregoing, County Council respectfully prays:

That the State Budget and Control Board of South Carolina (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 Security Agreement, the Assignment, the Note Ordinance and the Note as it deems advisable; that the State Board 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.

March 5, 1985.

Respectfully Submitted,

By/s/Leone Castles  
Chairman, Richland County  
Council

Attest:

By/s/Brenda W. Fuller  
Clerk, Richland County  
Council



PUBLIC NOTICE

Notice is hereby given by Richland County, South Carolina (the "County") that a public hearing will be held relating to the proposed issuance and delivery by the County of a \$3,000,000 Industrial Revenue Note, Series 1985 (Wheel Trueing Tool Company Project) (the "Note") pursuant to the Industrial Revenue Bond Act of the State of South Carolina (the "Act"), which Note is to be issued to finance the acquisition and installation of industrial facilities (the "Project") to increase the productive capacity of the existing facility for the manufacture of industrial diamond products in the County to be owned by Wheel Trueing Tool Company (the "Company"). The Project will be located on 10250 Two Notch Road, Columbia, South Carolina 29223 in Richland County.

The Note will be issued pursuant to a Note Ordinance to be adopted by Richland County Council and 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 Note, and the Note will be secured by an Assignment of Loan Agreement under which the County will assign to the purchaser of the Note (the "Purchaser") substantially all of its rights under the Loan Agreement and by a Security Agreement granting to the Purchaser a security interest in the Project. As required by the Act, the Note will not impose any pecuniary liability upon the County or constitute a charge upon the County's general credit or taxing power.

The hearing will be held at County Council Chambers, 1701 Main Street, Richland County Judicial Center, Columbia, South Carolina, at 3:00 p.m., March 19, 1985. Any person interested in the issuance of the Note or the location or purpose of the Project may appear and be heard. Draft copies of the Loan Agreement, the Assignment of Loan Agreement, the Security Agreement, and the Note Ordinance and other information and documents relating to the Note and the Project may be inspected at the office of Richland County Council, 4th Floor, Richland County Judicial Center, Columbia, South Carolina, during business hours.

RICHLAND COUNTY, SOUTH  
CAROLINA

By \_\_\_\_\_  
Chairman, Richland County  
Council

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

I, the undersigned Clerk of Richland County Council, do hereby certify that the foregoing is a true, correct and verbatim copy of a Resolution duly adopted by Richland County Council having been read at a duly called meeting of County Council on March 5, 1985.

Witness my Hand, this 5th day of March, 1985.

Brenda Fuller  
Clerk, Richland County Council

EXHIBIT

MAR 12 1985      NO. 12

STATE BUDGET & CONTROL BOARD

023371

# EXHIBIT

MAR 12 1985 NO. 12

C

STATE BUDGET & CONTROL BOARD

## A RESOLUTION

AUTHORIZING AN INDUCEMENT CONTRACT BETWEEN RICHLAND COUNTY, SOUTH CAROLINA (THE "COUNTY") AND WHEEL TRUEING TOOL COMPANY RELATING TO THE ISSUANCE AND DELIVERY BY THE COUNTY OF INDUSTRIAL REVENUE BONDS OR NOTES (THE "NOTE") 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 DEFICIT REDUCTION ACT OF 1984 BE ALLOCATED TO THE NOTE.

WHEREAS, Wheel Trueing Tool Company (the "Company"), a corporation organized and existing under the laws of the State of South Carolina, has requested that Richland County Council ("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 Richland County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") the proceeds of which would be made available to the Company for the payment of costs and expenses relating to the acquisition and installation of machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products in Richland 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 Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note; and

WHEREAS, County Council is informed by the Company that upon completion the Project will provide employment for approximately sixty (60) 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 Company 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 Richland County Council in meeting duly assembled:

1. That the County shall issue the Note in the amount not exceeding Three Million Dollars (\$3,000,000) to finance the cost of the proposed undertaking of the Company.

2. That an agreement to implement the action to be taken pursuant to paragraph 1 above in substantially the

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form presented to this meeting and attached hereto (but with such changes, if any, as the officers herein authorized to execute the same shall approve, their approval to be evidenced by the execution thereof) shall be executed 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 Note.

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.

5. This Resolution shall take effect immediately.

## EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD



INDUCEMENT CONTRACT

THIS CONTRACT made and entered into between RICHLAND COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), and WHEEL TRUEING TOOL COMPANY (the "Company"), a corporation organized and existing under the laws of the State,

WITNESSETH:

EXHIBIT

ARTICLE I

MAR 12 1985

NO. 12

RECITATION OF FACTS

STATE BUDGET & CONTROL BOARD

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 Company proposes to acquire and install machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products in the County. The cost of this undertaking is estimated to be approximately Three Million Dollars (\$3,000,000). Upon completion, the Project will provide employment for approximately sixty (60) persons.

3. The Company 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 Richland County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act whereby the County would finance the acquisition and installation of the Project.

4. The County has given due consideration to all of the proposals and requests of the Company and has agreed to endeavor to effect the issuance and delivery pursuant to the

Act of the Note at the time and on the terms and conditions hereafter set forth.

## ARTICLE II

### UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

#### Section 2.01

That it will authorize the issuance of the Note in an amount not exceeding Three Million Dollars (\$3,000,000) at such time as the Company may request the County to do so.

#### Section 2.02

That it will enter into a financing agreement (the "Agreement") with the Company upon such terms and conditions as shall be mutually agreed upon between the County and the Company pursuant to which the proceeds of the Note will be made available to the Company to be applied to the cost of acquiring and installing the Project and to the expenses incident thereto including the costs of the financing.

#### Section 2.03

That it will permit the Company to arrange for the sale of the Note 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 Note.

#### Section 2.04

That if the Note 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 Note and the acquisition and installation of the Project including the repayment of any funds advanced or loans incurred by the Company or any related entity for such purposes.

#### Section 2.05

That if requested by the Company prior to the issuance and delivery of the Note, it will enter into a trust indenture (the "Indenture") with a trustee bank to be selected by the Company pursuant to which the Note 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 Note.

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.

ARTICLE III

UNDERTAKINGS ON THE PART OF THE COMPANY

The Company agrees as follows:

Section 3.01

That the County will have no obligation to find a purchaser of the Note, and the Company will endeavor to market the Note on behalf of the County to the extent required to finance the cost of issuing and delivering the Note and the cost of the acquisition and installation of the Project.

Section 3.02

If the plan proceeds<sup>in</sup> as contemplated, the Company 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 Note, 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 Company;

(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 its 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 Company may proceed with the acquisition and installation of the Project prior to the issuance and delivery of the Note.

Section 4.03

All commitments of the County and the Company hereunder are subject to the condition that the County and the Company do agree on mutually acceptable terms and conditions of all documents whose execution and delivery are contemplated by the provisions hereof.



IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Contract as of the 4th day of September, 1984.

RICHLAND COUNTY, SOUTH  
CAROLINA

By *McClellan*  
Chairman, Richland County  
Council

Attest:

By *Brenda Zulla*  
Clerk, Richland County  
Council

WHEEL TRUEING TOOL COMPANY

By *John J. Balvin*  
Its President

Attest:

By *Shirley A. Brooks*  
Its Notary Public Richland County

EXHIBIT

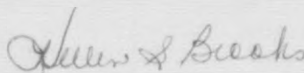
MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

John J. Galvin, personally known to me as President of Wheel Trueing Tool Company, appeared before me and executed the attached document in my presence this the 3rd day of October, 1984.



Notary Public

My commission expires May 5, 1988

EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

023379

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

TO THE STATE BUDGET AND CONTROL )

BOARD OF SOUTH CAROLINA )

P E T I T I O N

The Petition of Richland County, South Carolina (the "County") respectfully shows:

1. The County is an "issuing authority" as such term is used in the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds (the "Regulations") promulgated by the State Budget and Control Board of South Carolina (the "State Board").

2. The County has agreed with Wheel Trueing Tool Company (the "Company"), a corporation organized and existing under the laws of the State of South Carolina, that the County will undertake to finance the acquisition and installation of machinery, equipment and building improvements (the "Project") to increase the productive capacity of the Company's existing facility for the manufacture of industrial diamond products 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 "Act"). In this connection, the County has agreed to issue its \$3,000,000 Richland County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act and to an ordinance to be adopted by Richland County Council.

3. The County is advised by the Company that the Project will provide employment for approximately sixty (60) persons.

4. The Regulations authorize the County to submit its request to the State Board that a portion of the State Ceiling established by the Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note.

5. This Petition constitutes an "Authorized Request" within the meaning of the Regulations and, as required by the Regulations, is accompanied by a copy of the Inducement Contract executed by the County and the Company.

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 an amount not to exceed \$3,000,000.

September 4, 1984.

Respectfully Submitted,

By s/James C. Leventis  
Chairman, Richland County  
Council

Attest:

By s/Brenda W. Fuller  
Clerk, Richland County  
Council




STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

I, the undersigned, Clerk of Richland County Council DO  
HEREBY CERTIFY:

That the foregoing constitutes a true, correct and  
verbatim copy of a resolution adopted by Richland County  
Council at a duly called and regularly held meeting on  
September 4, 1984, 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  
4th day of September, 1984.

  
Clerk, Richland County  
Council

EXHIBIT

MAR 12 1985 NO. 12

STATE BUDGET & CONTROL BOARD

023382

## EXHIBIT

MAR 12 1985 NO. 12

## TRANSMITTAL FORM, REVENUE BONDS STATE BUDGET &amp; CONTROL BOARD

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

Date: March 6, 1985

FROM: Sinkler Gibbs & Simons  
Name of Law Firm  
160 East Bay Street  
Street  
Charleston, SC 29401  
City, State, Zip Code

Telephone Area Code (803)  
Number: 722-3366

Submitted for BCB Meeting of:  
March 12, 1985

RE: \$3,000,000 Richland County, SC  
Amount of Issue, Local Government Issuer  
Industrial Revenue Note  
Type of Bonds/Notes  
Wheel Trueing Tool Company Project  
Name of Project

Private Activity Bonds:  
X YES        NO

Projected Issue Date:  
April 1, 1985

**Project Description:**  
acquiring and installing certain machinery, equipment and building  
improvements to increase the productive capacity of the Company's  
existing facility for the manufacture of industrial diamond products  
in the County  
Number of persons to be employed: approximately sixty (60) persons

**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)
- D. X Standard Form Investment Letter from purchaser of bonds (executed original)  
OR (C+S National Bank)  
Audited financial statements for three most recent years
- E.        Department of Health and Environmental Control certificate  
       Required X Not Required
- F. X Budget and Control Board Resolution and Public Notice  
Original (and 9 copies for certification and return)
- G. X Processing fee  
Amount \$ 3,000.00 Check No. 20724  
Payor Wheel Trueing Tool Company

Bond Counsel: Thomas A. Hutcheson

Typed Name

By: Thomas A. Hutcheson

Signature

023383

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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

November 12, 1985

Mr. Samuel W. Howell, IV  
McKay & Guerard  
Box 7157  
Columbia, SC 29202

Dear Mr. Howell:

Re: \$1,500,000 Lexington County, South Carolina  
Industrial Revenue Bonds  
(Wellington Synthetic Fibres, Inc., Project)

By means of a certificate dated March 12, 1985, executed by State Treasurer Grady L. Patterson, Jr., and me, you were advised that an allocation of \$1,500,000 of the State Ceiling established in the Deficit Reduction Act of 1984 had been made by the Budget and Control Board for the referenced project.

At its meeting on June 11, 1985, the Board extended that allocation for 60 days to November 9, 1985.

The life of this allocation has now elapsed and no evidence that the bonds were issued during that period has been supplied to us. Therefore, in accord with Regulation §19-103.08, this letter cancels the referenced certificate and its effect is to reduce the \$1,500,000 allocation to zero.

Sincerely,

*William A. McInnis*

William A. McInnis  
Deputy Executive Director

WAM:dw

023384

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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

August 27, 1985

Mr. Samuel W. Howell, IV  
McKay & Guerard, P.A.  
P. O. Drawer 7157  
Columbia, SC 29202

Dear Mr. Howell:

Re: \$1,500,000 Lexington County, South Carolina  
Industrial Revenue Bonds  
(Wellington Synthetic Project)

At its meeting on August 27, 1985, the Budget and Control Board granted an extension on the life of the ceiling allocation for the referenced project. This allocation will expire on November 9, 1985.

Sincerely,

*William A. McInnis*  
William A. McInnis  
Deputy Executive Director

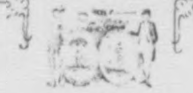
WAM:dw

023385



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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

June 12, 1985

Mr. Samuel W. Howell, IV  
McKay & Guerard, P.A.  
Post Office Drawer 7157  
Columbia, South Carolina 29202

Dear Mr. Howell:

Re: \$1,500,000 Lexington County, South Carolina  
Industrial Revenue Bonds  
(Wellington Synthetic Fibers, Inc., Project)

This will confirm that the Budget and Control Board, at its June 11, 1985 meeting, extended the life of the \$1,500,000 allocation of the State Ceiling for the referenced project for ninety days. This allocation will expire September 10, 1985.

The Board took this action in response to your June 5, 1985 letter to me.

Sincerely,

*William A. McInnis*  
William A. McInnis  
Secretary

WAM:nl

3/12  
exhibit

023386

# EXHIBIT

MAR - 6 1985

12:00 Noon *L*

MAR 12 1985

NO. 13

## TRANSMITTAL FORM, REVENUE BONDS

STATE BUDGET & CONTROL BOARD

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

Date: March 6, 1985

FROM: McKay & Guerard, P.A.  
Name of Law Firm  
Post Office Box 7157  
Street  
Columbia, South Carolina 29202  
City, State, Zip Code

Telephone Area Code 803  
Number: 765-2396

Submitted for BCB Meeting of:  
March 12, 1985

RE: \$1,500,000 Lexington County, S.C.  
Amount of Issue, Local Government Issuer  
Industrial Revenue Bonds  
Type of Bonds/Notes  
Wellington Synthetic Fibres, Inc.  
Name of Project

Private Activity Bonds:  
☒ YES ☐ NO

Projected Issue Date:

### Project Description:

Expansion of building at Industry's Leesville plant and acquisition of equipment  
for the manufacture of fibers for use in cushions, webbing, belts, nursery materials  
and other products.  
Number of persons to be employed: Twenty to Thirty (20-30) additional employees

### Documents Enclosed:

(All required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)
- B. ☐ Resolution or ordinance (executed copy)
- C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)
- D. ☐ Standard Form Investment Letter from purchaser of bonds (executed original)  
OR  
☐ Audited financial statements for three most recent years
- E. ☐ Department of Health and Environmental Control certificate  
☐ Required ☐ Not Required
- F. ☐ Budget and Control Board Resolution and Public Notice  
Original (and ☐ copies for certification and return)
- G. ☐ Processing fee  
Amount \$ ☐ Check No. ☐  
Payor ☐

Bond Counsel: Samuel W. Howell, IV

Typed Name

By:

*Samuel W. Howell, IV*  
Signature

023387

# EXHIBIT

State of South Carolina

MAR 12 1985

NO. 13

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 12, 1985

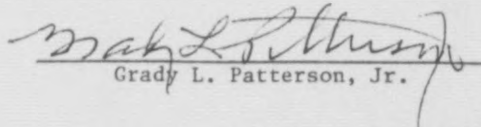
### C E R T I F I C A T E

[Required by Section 103(n)(12)(A) of the Tax Reform Act of 1984  
(which is Part A of the Deficit Reduction Act of 1984)]

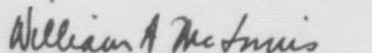
Re: \$1,500,000 Lexington County, South Carolina  
Industrial Revenue Bonds  
(Wellington Synthetic Fibres, Inc., Project)

This will confirm that an allocation of the State Ceiling established in the Deficit Reduction Act of 1984 has been made by the Budget and Control Board in the amount indicated for the referenced project. This allocation is valid for calendar year 1985 only and shall expire ninety (90) days from March 12, 1985 (the date the allocation was approved by the Board) if the bonds for which the allocation has been approved have not been issued.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

  
Grady L. Patterson, Jr.

Attest:

  
William A. McInnis, Secretary

023388

EXHIBIT

MAR 12 1985 NO. 13

STATE BUDGET & CONTROL BOARD

PETITION

TO

THE STATE BUDGET AND CONTROL BOARD

OF

SOUTH CAROLINA

Ex Parte: County Council of Lexington County, South Carolina

023389



TO: The Honorable Richard W. Riley, Governor  
The Honorable Grady L. Patterson, Jr., State Treasurer  
The Honorable Earle E. Morris, Jr., Comptroller General  
The Honorable Rembert C. Dennis, Chairman  
Senate Finance Committee  
The Honorable Tom G. Mangum, Chairman  
House Ways and Means Committee

## EXHIBIT

MAR 12 1985

NO. 13

Your Petitioner respectfully shows:

STATE BUDGET & CONTROL BOARD

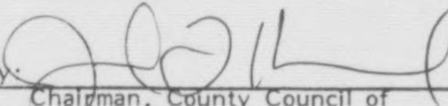
That Lexington County has heretofore entered into an Assistance Contract dated as of March 5, 1985, with Wellington Synthetic Fibres, Inc., (the Company), a copy of which is attached hereto, providing for the issuance of not exceeding \$1,500,000 Lexington County, South Carolina, Industrial Revenue Bonds pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended, for the purpose of defraying the cost of (i) the expansion of improvements located on a tract of land owned by the Company and located at Route 4, Box 90, Leesville, in Lexington County, and (ii) the acquisition and installation of machinery and equipment therein and thereon, all of which will constitute facilities for the manufacturing of fibres for use in cushions, webbing, belts, nursery materials, and other products (the Project).

WHEREFORE, Petitioner hereby requests an allocation of the state volume ceiling for private activity bonds for not exceeding ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000) DOLLARS Lexington County, South Carolina Industrial Revenue Bonds to finance the Project.

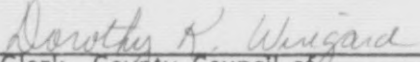
Respectfully submitted,

LEXINGTON COUNTY, SOUTH CAROLINA

(SEAL)

By:   
Chairman, County Council of  
Lexington County, South Carolina

ATTEST:

  
Clerk, County Council of  
Lexington County, South Carolina

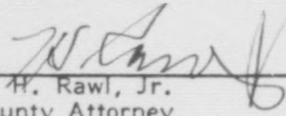
Dated: March 5, 1985

EXHIBIT

MAR 12 1985 NO. 13

STATE BUDGET & CONTROL BOARD

APPROVED AS TO FORM AND CONTENT:

  
T. H. Rawl, Jr.  
County Attorney  
Lexington County, South Carolina

# EXHIBIT

MAR 12 1985 NO. 13

## A RESOLUTION

STATE BUDGET & CONTROL BOARD

AUTHORIZING AN ASSISTANCE CONTRACT BETWEEN LEXINGTON COUNTY AND WELLINGTON SYNTHETIC FIBRES, INC., TO PROVIDE FOR THE ISSUANCE OF LEXINGTON COUNTY INDUSTRIAL REVENUE BONDS (WELLINGTON SYNTHETIC FIBRES, INC., PROJECT), THE PROCEEDS OF WHICH WILL BE LOANED TO WELLINGTON SYNTHETIC FIBRES, INC., TO PROVIDE FOR INDUSTRIAL FACILITIES IN LEXINGTON COUNTY AND A PETITION TO THE STATE BUDGET AND CONTROL BOARD REQUESTING AN ALLOCATION OF THE STATE VOLUME CEILING ON PRIVATE ACTIVITY BONDS FOR THE SAID BONDS.

BE IT RESOLVED by the County Council of Lexington County (County Council) In meeting duly assembled:

That, subject to the provisions of Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended (the Enabling Statute), the County Council approves the issuance of not exceeding \$1,500,000 Lexington County, South Carolina, Industrial Revenue Bonds (the Bonds), on behalf of Wellington Synthetic Fibres, Inc., a corporation organized and existing under the Laws of the State of Delaware (the Industry), for financing the expansion of improvements owned by the Industry, and the acquisition and installation of machinery and equipment therein (such improvements, machinery, and equipment, as so acquired, constructed, and installed, being referred to herein as the Project), all of which will constitute facilities for the manufacturing of fibres for use in cushions, webbing, belts, nursery materials, and other products and that the proposed Project will qualify as a "project" under the Enabling Statute;

023392

That the Bonds shall never constitute an indebtedness of Lexington County (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;

That the Chairman, or, in his absence, the Vice Chairman, of the County Council is authorized to sign, with the approval of the County Attorney, attested by the Clerk of the County Council, an assistance contract, substantially in the form attached hereto as Exhibit A, providing for the issuance of the Bonds;

That the Chairman, or in his absence, the Vice Chairman of County Council, be and he hereby is, authorized and directed on behalf of the County Council to take all action necessary to obtain an allocation from the State Budget and Control Board of the private activity bond limit for the Bonds, including the filing of an appropriate Petition with the State Budget and Control Board, substantially in the form attached hereto, as Exhibit B, with such changes as the executing officer and the County Attorney shall approve;

That County Council and its duly elected officers shall take any and all further action required to implement this Resolution and the assistance contract entered into with the Industry pursuant hereto; and

That this Resolution shall take effect immediately.

023393



ASSISTANCE CONTRACT

THIS CONTRACT made and entered into by and between LEXINGTON COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the County), and WELLINGTON SYNTHETIC FIBRES, INC., a corporation organized and existing under the Laws of the State of Delaware (the Industry),

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 of South Carolina and is authorized and empowered by the provisions of Chapter 29, Title 4, Volume 1, Laws of South Carolina 1976, as amended (the Enabling Statute): (i) to enter into agreements with any industry (as defined in the Enabling Statute) necessary or incidental to the issuance of bonds pursuant to the Enabling Statute; (ii) to enter into loan agreements (as defined in the Enabling Statute) with such industries prescribing the payments to be made by such industries to the County or its assignee to meet the

payments that shall become due on any bonds issued by the County pursuant to the Enabling Statute, including terms and conditions relative to the acquisition and use of the facilities and the issuance of bonds; and (iii) to issue bonds for the purpose of financing the acquisition, enlarging, improving, expanding, equipping, furnishing, owning, leasing, and disposing of properties through which the Industrial development of the State will be promoted and trade developed by inducing new industries to locate in South Carolina and by encouraging industries now located in South Carolina to expand their investments and thus utilize and employ manpower and other resources of South Carolina.

2. The Industry proposes that the County finance the (i) expansion of improvements owned by the Industry and located on Route 4, Box 90, Leesville, in Lexington County, and (ii) acquisition and installation of machinery and equipment therein and thereon, at a cost of not exceeding \$1,500,000. Such Improvements, machinery and equipment, as so acquired, constructed, and installed, are hereinafter called the Project. The Project will provide employment for approximately twenty to thirty (20-30) additional employees.

3. The Industry has advised the County that it wishes to avail itself of the assistance which the County might render through the sale of Lexington County Industrial Revenue Bonds pursuant to the Enabling Statute, 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 Industry submitted to it and has agreed to endeavor to effect the issuance of the bonds hereinafter spoken of at the time and on the terms and conditions hereinafter set forth.

# EXHIBIT

MAR 12 1985

NO. 13

## ARTICLE II

STATE BUDGET & CONTROL BOARD

### UNDERTAKINGS OF THE COUNTY

#### SECTION 2.01

The County agrees, subject to the provisions of the Enabling Statute and compliance therewith, as follows:

1. That it will enter into a Loan Agreement (the Loan Agreement) with the Industry, upon such terms and conditions as shall be mutually agreed upon between the County and the Industry, pursuant to which it will lend to the Industry the proceeds of not exceeding \$1,500,000 Industrial Revenue Bonds (Wellington Synthetic Fibres, Inc., Project), in order that such proceeds be applied to the cost of the Project and expenses incident thereto, including the costs of the financing;

2. That it will, subject to the approval by the State Budget and Control Board required by the Enabling Statute, authorize the issuance of not exceeding ONE MILLION FIVE HUNDRED THOUSAND and no/100 (\$1,500,000.00) DOLLARS Lexington County, South Carolina, Industrial Revenue Bonds (Wellington Synthetic Fibres, Inc., Project) (the Bonds), under the Enabling Statute, as a single issue or as several separate issues, at such time as the Industry may request the County to do so;

3. That it will permit the Industry to arrange for the sale of the Bonds, and, if successful marketing arrangements can be made, the County will adopt such proceedings as are necessary for the making of the Loan Agreement and the issuance and securing of the Bonds;



4. That if the Bonds shall be sold, the County will provide that the proceeds thereof shall be applied to the payment of the costs theretofore and thereafter to be incurred in the acquisition, construction, and installation of the Project, including advances made or loans incurred by the Industry for such purposes, costs incident to the issuance of the Bonds, and the payment, to the extent permitted by the Enabling Statute, of interest on the Bonds;

5. That, prior to the issuance of the Bonds, the County will, if requested by the Industry, enter into an indenture, providing for the issuance and securing of the Bonds, with a bank or banks, as trustee, to be selected by the Industry with the approval of the County. Such indenture shall be substantially in the form used in connection with the issuance of South Carolina Industrial revenue bonds, upon such terms and conditions as the Industry shall propose and shall be agreeable to the County. In this connection, the parties recognize that such terms and conditions will be initially agreed upon between the Industry and the purchasers of the Bonds, and the County will not unreasonably disagree with any terms and conditions so agreed upon;

6. That simultaneously with the issuance of the Bonds, the County will assign to the trustee or the initial purchaser of the Bonds, as the case may be, its Interest in the Loan Agreement and a first mortgage upon the Project between the Industry and the County (the Mortgage), securing the obligations of the Industry under the Loan Agreement; and

7. That the County will perform such other acts and adopt such further proceedings as may be required to implement faithfully its undertakings under this Contract.

ARTICLE III

UNDERTAKINGS OF THE INDUSTRY

SECTION 3.01

The Industry agrees as follows:

1. That the Industry will market the Bonds on behalf of the County and, in this connection, the Industry expressly acknowledges that the County has no obligation with regard to the marketing of the Bonds;

2. That the Industry will enter into the Loan Agreement with the County under the terms of which the Industry will unconditionally obligate itself to pay to the County sums sufficient to pay the principal of, premium, if any, and interest on the Bonds as and when the same become due and payable; and the Loan Agreement shall be in such form and content satisfactory to the County and to the Industry;

3. That the Industry will enter into the Mortgage, securing its obligations to the County under the Loan Agreement;

4. That the Industry will obligate itself to perform all obligations required of it pursuant to the Enabling Statute;

5. That the Industry will hold the County harmless from all pecuniary liability and will reimburse it for all expenses to which the County might be put in the fulfillment of its obligations under this Contract and the Loan Agreement and in the implementation of the respective terms and provisions thereof; and

6. That the Industry will perform such further acts and adopt such further proceedings as may be required to implement faithfully its undertakings under this Contract.

#### ARTICLE IV

#### GENERAL PROVISIONS

##### SECTION 4.01

Neither the performance of this Contract by the County, nor any obligation of the County resulting from the execution and delivery, or performance, of this Contract, nor any failure by the County to perform under this Contract, shall constitute or give rise to a pecuniary liability of the County or charge against its general credit or taxing powers; but all undertakings by the County hereunder are otherwise fully binding and enforceable by a suit for specific performance or by mandamus.

##### SECTION 4.02

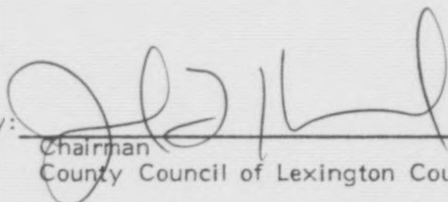
The parties agree that the Industry may proceed with the acquisition, construction, and installation of the Project prior to the issuance of the Bonds.



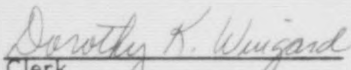
IN WITNESS WHEREOF, the parties hereto, each after due authorization, have caused this Contract to be executed in their respective names and under their respective seals as of March 5, 1985, but on the respective dates indicated below.

LEXINGTON COUNTY, SOUTH CAROLINA

(SEAL)

By:   
Chairman  
County Council of Lexington County

ATTEST:

  
Clerk  
County Council of Lexington County

Dated: March 5, 1985

WELLINGTON SYNTHETIC FIBRES, INC.

(SEAL)

By: \_\_\_\_\_

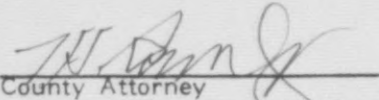
Its: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Its: \_\_\_\_\_

Dated: March \_\_\_\_, 1985

APPROVED AS TO FORM AND CONTENT:

  
County Attorney  
Lexington County, South Carolina

PETITION  
TO  
THE STATE BUDGET AND CONTROL BOARD  
OF  
SOUTH CAROLINA

Ex Parte: County Council of Lexington County, South Carolina

**023404**

TO: The Honorable Richard W. Riley, Governor  
The Honorable Grady L. Patterson, Jr., State Treasurer  
The Honorable Earle E. Morris, Jr., Comptroller General  
The Honorable Rembert C. Dennis, Chairman  
Senate Finance Committee  
The Honorable Tom G. Mangum, Chairman  
House Ways and Means Committee

Your Petitioner respectfully shows:

That Lexington County has heretofore entered into an Assistance Contract dated as of March 5, 1985, with Wellington Synthetic Fibres, Inc., (the Company), a copy of which is attached hereto, providing for the issuance of not exceeding \$1,500,000 Lexington County, South Carolina, Industrial Revenue Bonds pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended, for the purpose of defraying the cost of (i) the expansion of improvements located on a tract of land owned by the Company and located at Route 4, Box 90, Leesville, in Lexington County, and (ii) the acquisition and installation of machinery and equipment therein and thereon, all of which will constitute facilities for the manufacturing of fibres for use in cushions, webbing, belts, nursery materials, and other products (the Project).

WHEREFORE, Petitioner hereby requests an allocation of the state volume ceiling for private activity bonds for not exceeding ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000) DOLLARS Lexington County, South Carolina Industrial Revenue Bonds to finance the Project.


023405



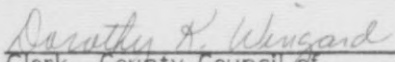
(SEAL)

Respectfully submitted,

LEXINGTON COUNTY, SOUTH CAROLINA

By:   
Chairman, County Council of  
Lexington County, South Carolina

ATTEST:

  
Clerk, County Council of  
Lexington County, South Carolina

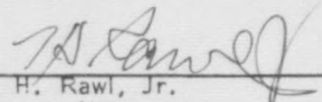
Dated: March 5, 1985

EXHIBIT

MAR 12 1985 NO. 13

STATE BUDGET & CONTROL BOARD

APPROVED AS TO FORM AND CONTENT:

  
T. H. Rawl, Jr.  
County Attorney  
Lexington County, South Carolina

023406

# EXHIBIT

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

MAR 12 1985

NO. 13

STATE BUDGET & CONTROL BOARD

THIS IS TO CERTIFY that the foregoing is an exact, verbatim copy of a Resolution unanimously adopted at a duly called and held regular meeting of the County Council of Lexington County, South Carolina, held in Council Chambers at 212 South Lake Drive, Lexington, South Carolina 29072, on March 5, 1985, at which meeting a quorum was present and remained throughout.

That the said Resolution was offered by Councilmember Frick seconded by Councilmember Neal, and has been recorded in the County Council's records of proceedings and remains in my custody as Clerk, and that the said Resolution remains in full force and effect and has not been amended, modified, or repealed.

WITNESS my Hand and the Seal of Lexington County, South Carolina, this 5th day of March, A.D. 1985.

(SEAL)

Dorothy K. Wingard  
Dorothy K. Wingard, Clerk  
County Council of  
Lexington County, South Carolina

023407

MAR - 5 1985

The State of South Carolina



Office of the Attorney General

EXHIBIT

MAR 12 1985

NO. 14

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-756-2072

March 4, 1985

Mr. William A. McInnis  
Executive Deputy Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: Not Exceeding \$500,000 Oconee County,  
South Carolina, Industrial Revenue Bonds,  
(Nacan)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-10, et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "D. Eckstrom", written over a horizontal line.

David C. Eckstrom  
Assistant Attorney General

DCE/cs

Enclosures

023408

## EXHIBIT

MAR 12 1985 NO. 14

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

STATE BUDGET &amp; CONTROL BOARD

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

RE: Sale by Oconee County (the "Issuer")  
Of its Not Exceeding \$500,000 Ind. Dev. Rev. Note (the "Bonds")  
On behalf of Nacan, a South Carolina Partnership (the "Company")  
Nacan, a South Carolina Partnership (the "Project")  
To Southern Bank and Trust Company (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 25 day  
of February, 1985.

Francis G. Carter  
Notary Public

My Commission expires

Dec. 19, 1989.

## PURCHASER:

Name: Southern Bank and Trust Company

Address: Post Office Box 68

Walhalla, S.C. 29691

023409

BY: C. F. Stewart Vice President  
Signature of Authorized Official



# EXHIBIT

MAR 12 1985 NO. 14

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )

Nacan Project

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

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

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

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 A. M., on Tuesday, March 12, 1985, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of: Senator Dennis, who was represented by Senate Finance Committee Vice Chairman James M. Waddell, Jr., and Mr. Patterson.

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; said motion was seconded by Senator Waddell, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

4

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Secretary.

That any and all conditions attached to the referenced Board action except that relating to the submission of IRS Form 8038 have been satisfied as of the date of this certificate.

March 12, 1985

William A. McInnis

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EXHIBIT

MAR 12 1985 NO. 14

STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY OCONEE COUNTY, SOUTH CAROLINA, OF A NOT EXCEEDING \$500,000 PRINCIPAL AMOUNT INDUSTRIAL DEVELOPMENT REVENUE NOTE (NACAN, A SOUTH CAROLINA PARTNERSHIP, PROJECT) 1985, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED.

WHEREAS, the County Council of Oconee County, South Carolina (the "Governing Board"), has heretofore, by submitting a petition (the "Petition") under and pursuant to the provisions of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), requested the approval by the State Budget and Control Board of the issuance by Oconee County (the "County") pursuant to the Act of its Industrial Development Revenue Note (Nacan, a South Carolina Partnership, Project) in the aggregate principal amount of not exceeding \$500,000 (the "Note"); and

WHEREAS, the County proposes to issue the Note for the purpose of defraying the cost of acquiring, by construction and purchase, certain land and a building or buildings and other improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be used for the purpose of manufacturing temperature and pressure switches and warehousing filters and related products; and

WHEREAS, the Project is to be made available to Nacan, a South Carolina Partnership (the "Partnership"), upon terms which require the Partnership to make payments to or for the account of the County in amounts sufficient to pay the principal and interest on the Note and which secure the obligation of the Partnership by a mortgage and security interest in the Project; and

WHEREAS, the Note will be payable from and secured by an assignment of the obligations of the Partnership 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 March 5, 1985.

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

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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 4-29-140 of the Act; and

(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.

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 Partnership, to finance the cost thereof and expenses incidental thereto by the execution and delivery of the Note, 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 Partnership, 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.

<sup>7</sup> Section 3. Notice of the action taken by this Board in approving the above described undertaking of the County shall be published in The Seneca Journal, which is a newspaper having general circulation in Oconee County.

Section 4. The Notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit "A" 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 at the same time such form is submitted to the IRS.

Section 6. This Resolution shall take effect immediately.

**023412**

# EXHIBIT

MAR 12 1985

NO. 14

STATE BUDGET & CONTROL BOARD

EXHIBIT A

NOTICE PURSUANT TO THE PROVISIONS  
OF SOUTH CAROLINA CODE ANNOTATED,  
TITLE 4, CHAPTER 29  
(1976), AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (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 Oconee County, South Carolina, has given its approval to the following undertaking by Oconee County, South Carolina:

The issuance by Oconee County of its Industrial Development Revenue Note (Nacan, a South Carolina Partnership, Project) in the original principal amount of not exceeding \$500,000 (the "Note"), to defray the costs of acquiring, by construction and purchase, certain land and a building or buildings and improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings by Nacan, a South Carolina Partnership (the "Partnership"), to be used as an industrial facility for the purpose of manufacturing temperature and pressure switches and warehousing filters and related products (the "Project") to be located in Oconee County. The Project will be made available to the Partnership which will lease the Project to The Nason Company and to Can-Flo Corporation. The Partnership will unconditionally covenant to make payments sufficient to pay the principal and interest on the Note. The Note will be payable solely and exclusively out of payments to be made by the Partnership for the use of the Project, and is to be additionally secured by a mortgage and security interest in 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 Note by Oconee County to finance the same, by action de novo instituted in the Circuit Court for Oconee County, South Carolina.

STATE BUDGET AND CONTROL BOARD

BY: WILLIAM A. McINNIS, Secretary

Dated: March 12, 1985.

023413



# EXHIBIT

MAR 12 1985

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State of South Carolina

## State Budget and Control Board BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 12, 1985

### C E R T I F I C A T E

[Required by Section 103(n)(12)(A) of the Tax Reform Act of 1984  
(which is Part A of the Deficit Reduction Act of 1984)]

Re: \$500,000 Oconee County, South Carolina  
Industrial Development Revenue Note  
(Nacan Project)

This will confirm that an allocation of the State Ceiling established in the Deficit Reduction Act of 1984 has been made by the Budget and Control Board in the amount indicated for the referenced project. This allocation is valid for calendar year 1985 only and shall expire ninety (90) days from March 12, 1985 (the date the allocation was approved by the Board) if the bonds for which the allocation has been approved have not been issued.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

  
Grady L. Patterson, Jr.

Attest:

  
William A. McInnis, Secretary

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# EXHIBIT

STATE OF SOUTH CAROLINA )  
 )  
OCONEE COUNTY )

MAR 12 1985 NO. 14

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 Oconee County, South Carolina (the "County"), pursuant to South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), and specifically Section 4-29-140 thereof, respectfully shows:

1. The County Council of Oconee County (the "County Council") is the governing body of the County and as such is the "governing board" of the County referred to in the Act.

2. The Act, among other things, empowers the County, subject to obtaining the approval of the State Budget and Control Board, pursuant to Section 4-29-140 of the Act: (i) to acquire, and, in connection with such acquisition, to enlarge, improve and expand, whether by construction, purchase, gift or lease, one or more projects (as defined in the Act) which shall be located within the jurisdiction of the County; (ii) to make available to any industry or industries any or all of its projects for such payments and upon such terms and conditions as the governing board may deem advisable and as shall not conflict with the provisions of the Act; and (iii) to issue revenue bonds, as defined in the Act to include notes, for the purpose of defraying the cost of acquiring, by construction and purchase, and in connection with any such acquisition, to enlarge, improve and expand any project and to secure the payment of such bonds all as in the Act provided.

3. The County has agreed to assist Nacan, a South Carolina Partnership qualified to do business as a partnership in South Carolina (the "Partnership"), by issuing its revenue note for the purpose of defraying the cost of acquiring certain facilities located in the County (the "Project") more fully described in Exhibits A and B to the Mortgage and Financing Agreement and Indenture.

4. The County has been advised by the Partnership that the estimated cost of the Project will be not exceeding \$500,000 and it has requested the County to execute and deliver its Industrial Development Revenue Note (Nacan, a South Carolina Partnership, Project) (the "Note") in the principal amount of not exceeding \$500,000 to defray such costs.

5. Pursuant to Section 4-29-60 of the Act, the County Council has made the requisite findings that: (i) the Project will subserve the purposes of the Act; (ii) it is anticipated that the Project will benefit the general public welfare of the County by providing employment and other public benefits not otherwise provided locally; (iii) the Project will give rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iv) the principal amount of the Note required to finance the Project is expected to be not exceeding \$500,000; (v) the County does not deem it necessary to establish any reserve funds in connection with the retirement of the proposed Note and the maintenance of the Project; and (vi) the terms under which the Project is to be made available to the Partnership provide that the Partnership shall maintain the Project and carry all proper insurance with respect thereto, and as a part of the proceedings of the County, the County Council will make the requisite finding as to the amount necessary in each year to pay the principal and the interest on the Note proposed to be issued to defray the cost of the Project.

6. Pursuant to Section 4-29-140 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 land, a building or buildings and other improvements thereon and certain machinery, apparatus, equipment, office facilities and furnishings to be used for the purpose of manufacturing temperature and pressure switches and warehousing filters and related products. It is anticipated that, upon completion, the Project will provide directly 25 additional full-time jobs in the County and neighboring areas and that the Project will provide stimulation to the economy of the County and neighboring areas thereto by increased payrolls, capital investment and tax revenues.

(b) It is estimated that the cost of the Project, including the items of cost authorized in the Act, will be not exceeding \$500,000.

(c) Copies of the Mortgage and Financing Agreement and the Indenture are available from the County. The following summary of terms is in no wise intended to affect or alter the actual terms of the documents themselves:

(i) The proposed Mortgage and Financing Agreement between the Partnership and the County provides in general:

(A) Proceeds derived from the placement of the Note will be used and applied by the County upon request of the Partnership solely for the payment of the costs (as that term is defined in the Act) incident to the acquisition, by construction and purchase, of the Project.

(B) The Partnership obligates itself: to effect the completion of the Project if the proceeds derived from the placement of the Note prove insufficient therefor without diminution of any payments to the County required by the Mortgage and Financing Agreement; to meet the payments of principal and interest on the Note as the same become due; and to pay the cost of maintaining and insuring the Project to the extent and in the manner provided in the Mortgage and Financing Agreement.

(C) The County does not incur any pecuniary liability or charge upon its general credit or taxing powers.

(D) The County acquires a mortgage and security interest in the Project as security for the obligations of the Partnership under the Mortgage and Financing Agreement.

(ii) The proposed Indenture between the County and Southern Bank and Trust Company, as Lender (the "Lender"), provides in general:

(A) An irrevocable pledge and assignment for the benefit of the Lender or its assigns as holder of the Note 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.

(B) The terms of the Note, the provisions for exchange and transfer of the Note, the prepayment provisions, the means of disbursement, default provisions and remedies



therefor and various other matters relating to the Note.

(C) 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.

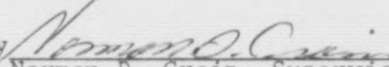
7. Neither the approvals granted in connection with the Note nor the request for an allocation granted by the State Budget and Control Board have been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

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 Note 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), (iv) allocate to the Note such portion of the state ceiling as established by the Deficit Reduction Act of 1984 as is necessary for the issuance of the Note, and (v) give published notice of its approval in the manner set forth in Section 4-29-140 of the Act.

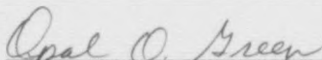
Respectfully submitted,

OCONEE COUNTY, SOUTH CAROLINA

By

  
Norman D. Crain, Supervisor and  
Chairman of the County Council of  
Oconee County, South Carolina

ATTEST:

  
Opal O. Green, Clerk,  
County Council of Oconee  
County, South Carolina

Dated: March 4, 1985.

EXHIBIT

MAR 12 1985 NO. 14

STATE BUDGET & CONTROL BOARD

# EXHIBIT

MAR 12 1985

NO. 14

## 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 OCONEE COUNTY, SOUTH CAROLINA, OF ITS INDUSTRIAL DEVELOPMENT REVENUE NOTE (NACAN, A SOUTH CAROLINA PARTNERSHIP, PROJECT) 1985, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$500,000.

WHEREAS, Oconee County, South Carolina (the "County"), acting by and through its County Council, is authorized and empowered under and pursuant to the provisions of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), to acquire and cause to be acquired properties that are projects under the Act through which the industrial development of the State of South Carolina will be promoted and trade developed by inducing industrial enterprises to locate in and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is further authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such financing agreement; and

WHEREAS, the County and Nacan, a South Carolina partnership (the "Partnership"), entered into an Assistance Agreement (the "Assistance Agreement") executed by the Partnership on November 20, 1984, and executed by the County on November 20, 1984, pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the undertakings of the County pursuant to the Assistance Agreement, the County proposes to issue its Industrial Development Revenue Note (Nacan, a South Carolina Partnership, Project) in the principal amount of not exceeding \$500,000 (the "Note") under and pursuant to the Act to defray the costs of acquiring by construction and purchase certain land, a building or buildings and other improvements thereon, and machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be located in the jurisdiction of the County and, subject to the approval of the State Budget and Control Board of South Carolina, to

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make the Project available to the Partnership under and pursuant to the terms of a Mortgage and Financing Agreement (the "Agreement") to be entered into between the County and the Partnership; 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 4-29-140 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 Oconee County, South Carolina, as follows:

Section 1. It is hereby found, determined and declared as follows:

(a) The Project will constitute a "project" as said term is referred to and defined in Section 4-29-10 of the Act, and the issuance of the Note in the principal amount of not exceeding \$500,000 to defray the cost of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(b) It is anticipated that the Project will benefit the general public welfare of the County by providing employment for those engaged in construction of the Project, and by providing additional permanent employment for approximately 25 people from the County and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of industrial operations not otherwise provided locally.

(c) Neither the Project, the Note proposed to be issued by the County to defray the cost of the Project, 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.

(d) The issuance of the Note by the County in the principal amount of not exceeding \$500,000 will be required to defray the cost of the Project.

(e) Inasmuch as the Partnership is a partnership with established credit, the establishment of reserve funds in connection with the retirement of the Note and the maintenance of the Project is deemed unnecessary.

(f) The Project will be made available by the County to the Partnership upon terms which will require the Partnership, at its own expense, to maintain the Project in

good repair and to carry all proper insurance with respect thereto.

(g) The Project will consist of the items described in Exhibits A and B to the Agreement and the Indenture to be entered into between the County and Southern Bank and Trust Company, as lender (the "Lender").

(h) A reasonable estimate of the cost of the Project including necessary expenses incident thereto is \$500,000.

(i) Neither the approvals granted in connection with the Note nor the request for an allocation granted by the State Budget and Control Board have been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

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 Note by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 4-29-140 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 Supervisor and 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 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 March 5, 1985.

OCONEE COUNTY, SOUTH CAROLINA

By

Norman D. Crain  
Norman D. Crain, Supervisor and  
Chairman of the County Council of  
Oconee County, South Carolina

ATTEST:

Opal O. Green  
Opal O. Green, Clerk of the  
County Council of Oconee  
County, South Carolina

EXHIBIT

MAR 12 1985

NO. 14

STATE BUDGET & CONTROL BOARD

023422

# EXHIBIT

MAR 12 1985 NO. 14

STATE BUDGET & CONTROL BOARD

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN ASSISTANCE AGREEMENT BY AND BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND NACAN PARTNERSHIP, WHEREBY, UNDER CERTAIN CONDITIONS, OCONEE COUNTY WILL ISSUE NOT EXCEEDING FIVE HUNDRED THOUSAND DOLLARS (\$500,000) INDUSTRIAL DEVELOPMENT REVENUE BONDS OR NOTES.

WHEREAS, Oconee 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 4, Chapter 29, Code of Laws of South Carolina, 1976, as amended (the "Act"), to acquire, or cause to be acquired, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry to construct, operate, maintain and improve such projects; to enter into financing agreements with respect to such projects; to issue revenue bonds to defray the costs of such projects; and to accept any grants for such projects through which powers the industrial development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely out of the revenues derived from a financing agreement with respect to such project and may further be secured by a pledge of said revenues, a trust indenture or indenture covering all or any part of such project, and a pledge of any financing agreement with respect to such project; and

WHEREAS, Nacan Partnership, a South Carolina partnership to be formed consisting of Earle G. Hawke, Milton J. Opie III, R. C. Bell and Peter LeRoy (the "Obligor"), has requested the County to issue not exceeding \$500,000 of its Industrial Development Revenue Bonds or Notes (Nacan Partnership Project) pursuant to the Act for the purpose of defraying the cost of acquiring by construction and purchase certain land, a building or buildings or other improvements thereon, and all machinery, apparatus, equipment, office facilities and furnishings to be installed therein for the purpose of manufacturing temperature and pressure switches and warehousing filters and related products, constituting an industrial facility (the "Project"), all as more fully set forth in the Assistance Agreement attached hereto; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Obligor that the

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Project would be a "project" as that term is defined in the Act and that the Project would subserve the purposes of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the County Council as follows:

Section 1. Pursuant to the authority of the Act and subject to the approval by the State Budget and Control Board, and for the purpose of defraying a portion of the cost (as defined in the Act) of acquiring the Project there is hereby authorized to be issued revenue bonds or notes of the County in the principal amount of not exceeding Five Hundred Thousand Dollars (\$500,000) to be designated "Oconee County, South Carolina, Industrial Development Revenue Bonds or Notes (Nacan Partnership Project)" (the "Bonds").

Section 2. The provisions, terms and conditions of the financing agreement by and between the County and the Obligor, the provisions, terms and conditions of the trust indenture or indenture by and between the County and the Trustee or Bondholder, yet to be named, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds shall be prescribed by subsequent resolution or ordinance of the County Council.

Section 3. The Chairman of the County Council is hereby authorized and directed to execute the Assistance Agreement attached hereto in the name and on behalf of the County, and the Clerk of the County Council is hereby authorized and directed to affix thereto the seal of the County and to attest the same; and the Chairman of the County Council is hereby further authorized and directed to deliver said executed Assistance Agreement to the Obligor.

Section 4. Prior to the issuance of any Bonds, the County Council will comply with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions.

Section 5. All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and after its passage by the County Council.

Section 6. It is the intention of the 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 United States Treasury Department relating to the issuance of industrial revenue bonds.

023424

Done in meeting duly assembled this 20 day of  
November, 1984.

OCONEE COUNTY, SOUTH CAROLINA

By:

Norman D. Crain  
Norman D. Crain, Supervisor and  
Chairman, County Council of  
Oconee County, South Carolina

(SEAL)

ATTEST:

By:

Opal O. Green  
Opal O. Green, Clerk.  
County Council of Oconee  
County, South Carolina

023425



## ASSISTANCE AGREEMENT

THIS AGREEMENT made and entered into by and between Oconee County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), and Nacan Partnership, a South Carolina partnership to be formed consisting of Earle G. Hawke, Milton J. Opie III, R. C. Bell and Peter LeRoy (the "Obligor").

W I T N E S S E T H:

### ARTICLE I

#### RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The County is a body politic and corporate, and a political subdivision of the State of South Carolina, 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, or cause to be acquired, and to 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 South Carolina and by encouraging industries now located in South Carolina to expand their investments and thus utilize and employ manpower and other resources of South Carolina.

Section 1.02. The Obligor desires to acquire certain land located within the jurisdiction of the County, and a building or buildings and other improvements thereon and all machinery, apparatus, equipment, office facilities and furnishings to be used as an industrial facility for the for the purpose of manufacturing temperature and pressure switches and warehousing filters and related products (the "Project"). The Project when completed and in operation will provide additional permanent employment in the County for approximately 25 people.

Section 1.03. The Obligor has requested the County to assist it with its contemplated program through the sale of Industrial Development Revenue Bonds (or Notes) pursuant to the Act, whereby the County would defray a portion of the cost of the Project.

Section 1.04. The County has given due consideration to all the proposals and requests of the

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Obligor and has agreed to endeavor to effect the issuance of the bonds at the time and on the terms and conditions hereafter set forth.

## ARTICLE II

### UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

Section 2.01. The County will, subject to the approval by the State Budget and Control Board required by the Act, authorize the issuance of not exceeding Five Hundred Thousand Dollars (\$500,000) Oconee County, South Carolina, Industrial Development Revenue Bonds (or Notes) (Nacan Partnership Project) (the "Bonds"), at such time as the Obligor may request the County to do so.

Section 2.02. The County will permit the Obligor to arrange for the sale of the Bonds to defray the cost of the Project as aforesaid and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds shall be applied to the payment of the costs of the Project as determined under the Act including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition by construction and purchase of the Project including land, buildings, necessary machinery and equipment and other items permitted by the Act, and the repayment of any funds advanced or loans incurred by the Obligor for such purposes.

Section 2.04. Prior to issuing any Bonds, the County may enter into a trust indenture with a trustee bank to be selected by the Obligor or an indenture with the purchasers of the Bonds pursuant to which the Bonds will be issued. Such trust indenture or indenture shall be substantially in the form used in connection with the issuance of other South Carolina industrial revenue bonds and may constitute a lien on the Project and the revenues derived from the financing agreement with respect to the Project to secure the payment of the Bonds.

Section 2.05. If requested by the Obligor and in order to provide interim financing pending the issuance of the Bonds, the County will adopt the necessary proceedings and provide for the issuance of bond anticipation notes pursuant to Title 11, Chapter 17, Code of Laws of South Carolina, 1976, in anticipation of the issuance of the Bonds.

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Section 2.06. The County 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.

### ARTICLE III

#### UNDERTAKINGS ON THE PART OF THE OBLIGOR

Section 3.01. The Obligor agrees that the County will have no obligation to find a purchaser of the Bonds.

Section 3.02. The Obligor further agrees, if the plan proceeds as contemplated:

(a) to accuire by construction and purchase the land, buildings, equipment and machinery constituting the Project;

(b) to enter into a financing agreement with the County under the terms of which the Obligor will obligate itself to pay to the County sums sufficient to pay the principal, interest and premium, if any, on the Bonds, as and when the same become due and payable, said financing agreement shall be in such form and contain such provisions as shall be satisfactory to the County and to the Corporation;

(c) to obligate itself to make the additional payments required by the Act, including, but not limited to, payments in lieu of taxes if necessary;

(d) 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 Agreement in the implementation of its terms and provisions;

(e) to perform such further acts and adopt such further proceedings as may be required to faithfully implement its undertakings and consummate the proposed financing; and

(f) to covenant and agree in the financing agreement referred to hereinbefore to install in the buildings which are to become a part of the Project all necessary equipment and machinery and thereafter to operate the Project as a facility for the purpose of manufacturing temperature and pressure switches and warehousing filters and related products or for such other purposes as may hereafter be deemed appropriate.

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## 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 Agreement shall constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

Section 4.02. The parties hereto agree that the Obligor may proceed with the Project including the construction of a building or buildings and acquisition and installation of the equipment and machinery prior to the issuance of the Bonds.

Section 4.03. All commitments of the County and the Obligor hereunder are subject to the condition that the County and the Obligor do agree on acceptable terms and conditions of all documents the execution and delivery of which are contemplated by provisions hereof.

Section 4.04. The parties understand that the Obligor may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.05. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the County within the meaning of the applicable regulations of the United States Treasury Department relating to the issuance of industrial revenue bonds.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

023429



OCONEE COUNTY, SOUTH CAROLINA

By:

Norman D. Crain  
Norman D. Crain, Supervisor and  
Chairman, County Council of  
Oconee County, South Carolina

(SEAL)

ATTEST:

By:

Opal O. Green  
Opal O. Green, Clerk,  
County Council of Oconee  
County, South Carolina

EXHIBIT

MAR 12 1985

NO. 14

STATE BUDGET & CONTROL BOARD

Dated: November 20, 1984.

023430

NACAN PARTNERSHIP

By:

Its:

*Ernie Hanks*  
*Kenneth C. Bell*  
Managing Partners

Dated: November 20, 1984.

EXHIBIT

MAR 12 1985

NO. 14

STATE BUDGET & CONTROL BOARD

023431

MAR 29 1985  
9:16 a.m. LK

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.  
ATTORNEYS AND COUNSELORS AT LAW  
SUITE 401  
BANKERS TRUST PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, SOUTH CAROLINA 29601  
803-271-4940

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
O. WAYNE CORLEY  
E. MCLEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN  
JOHN H. LUMPKIN, JR.  
JOHN W. CURRIE  
SCOTT Y. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL R. MCLEOD, JR.  
WILLIAM S. ROSE, JR.  
BERNARD J. WUNDER, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFCOAT  
ROBERT T. BOCKMAN  
PETER L. MURPHY  
C. ALAN RUNYAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY  
\*D.C. AND NEW YORK BARS ONLY  
\*D.C. AND OHIO BARS ONLY  
\*D.C. BAR ONLY  
MISSOURI BAR ONLY

WILMOT B. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN E. CRUM  
FRANKLIN G. POLK  
JOHN W. HUNTER  
HUEL D. ADAMS, JR.  
JAMES P. FIELDS, JR.  
LAWRENCE P. HIGGINST  
W. STEPHEN CANNON  
BARBARA GEORGE BARTON  
J. SIMON FRASER  
E. RUSSELL JETER, JR.  
DOROTHY M. HELMS  
PAUL B. NIX, JR.  
NANCY PAGE  
SANDRA L. RANDLEMAN  
JANE W. TRINKLEY  
J. LYLES GLENN, IV  
CELESTE TILLEN JONES  
JOSEPH D. WALKER  
NANCY R. JEFFERIS  
ALISON RENEE LEE  
MARTHA P. McMILLIN  
GREGORY D. DELOACH

EXHIBIT

MAR 12 1985 NO. 14

STATE BUDGET & CONTROL BOARD

March 28, 1985

JAMES E. CARR  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

COLUMBIA OFFICE  
EIGHTEENTH FLOOR  
BANKERS TRUST TOWER  
POST OFFICE BOX 11390  
COLUMBIA, S.C. 29211  
803-799-9800

HILTON HEAD ISLAND OFFICE  
BANKERS TRUST BUILDING  
FIFTY-NINE POPE AVENUE  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 710  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

Mr. William A. McInnis  
State Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

Re: \$500,000 Oconee County, South Carolina, Industrial  
Development Revenue Note (Nacan, a South Carolina  
Partnership, Project) 1985

Dear Mr. McInnis:

In accordance with the regulations of the State Budget  
and Control Board, I am submitting on behalf of Oconee County  
and Nacan, a South Carolina Partnership, IRS Form 8038 in  
connection with the Nacan Partnership Project. Please confirm  
the allocation of \$500,000 of the State volume to the above-  
captioned issue. This issue is scheduled to close April 4,  
1985.

Sincerely,

MCNAIR GLENN KONDUROS CORLEY  
SINGLETARY PORTER & DIBBLE, P.A.

*Nancy Page*  
Nancy Page

NP/dcp  
Enclosure

023432

**Information Return  
for Private Activity Bond Issues**  
Under Section 103(l)  
(Section references are to the Internal Revenue Code.)

OMB No. 1545-0720  
Expires 1-31-85

1 Issuer's name OCONEE COUNTY, SOUTH CAROLINA	3 Issuer's employer identification number
2 Present address (including city, town or post office, State and ZIP code) OCONEE COUNTY COUNCIL, COUNTY MAILROOM	57-6000391
WALHALLA, SOUTH CAROLINA 29691	4 Date of issue April 4, 1985

**Part I** Type of Issue (Check box(es) that apply)

Private Activity Bonds other than Industrial Development Bonds (IDBs):		SIC code	Amount \$	SIC code	Amount \$
5	<input type="checkbox"/> Student loan bond . . . . .				
6	<input type="checkbox"/> Private exempt entity bond . . . . .				
Industrial Development Bonds:					
7	<input type="checkbox"/> Industrial park bond . . . . .				
8	a <input checked="" type="checkbox"/> \$1 million small issue IDB . . . . .		\$500,000	3999	\$500,000
	b <input type="checkbox"/> \$10 million small issue IDB . . . . .				
9	Exempt Activity Bond (check type(s) below):				
a	<input type="checkbox"/> Residential rental projects (section 103(b)(4)(A)) . . . . .	<div style="text-align: center;"> <h1>EXHIBIT</h1> <p>MAR 12 1985 NO. 14</p> <p>STATE STREET &amp; CONTROL BOARD</p> </div>			
b	<input type="checkbox"/> Sports facilities (section 103(b)(4)(B)) . . . . .				
c	<input type="checkbox"/> Convention facilities (section 103(b)(4)(C)) . . . . .				
d	<input type="checkbox"/> Airports, docks, etc., (section 103(b)(4)(D)) . . . . .				
e	<input type="checkbox"/> Sewage or waste disposal facilities (section 103(b)(4)(E)) . . . . .				
f	<input type="checkbox"/> Pollution control facilities (section 103(b)(4)(F)) . . . . .				
g	<input type="checkbox"/> Water furnishing facilities (section 103(b)(4)(G)) . . . . .				
h	<input type="checkbox"/> Hydroelectric generating facilities (section 103(b)(4)(H)) . . . . .				
i	<input type="checkbox"/> Mass commuting vehicles (section 103(b)(4)(I)) . . . . .				
j	<input type="checkbox"/> Local district heating or cooling facilities (section 103(b)(4)(J)) . . . . .				
k	<input type="checkbox"/> Facilities for the local furnishing of electric energy or gas (section 103(b)(4)(E)) . . . . .				

**Part II** Description of Obligations (See instructions)[illegible]

11 Weighted average maturity of the issue (in years) (complete only for IDBs) (see instructions) . . . . 13 years

For Paperwork Reduction Act Notice, see page 1 of the Instructions.

Form 8038 (1/83)

**023433**



**Part III** Proceeds of Issue

12 Total purchase price (regs. section 1.103-13(d)(2)) . . . . .	\$500,000
13 Face amount of issue . . . . .	500,000
14 Bond issuance costs . . . . .	40,000
15 Amounts allocated to reasonably required reserve or replacement fund (regs. section 1.103-14(d)) . . . . .	-0-
16 Lendable proceeds of the issue (see instructions) . . . . .	460,000

**Part IV** Description of Financed Property (Do not complete for student loan bonds)

17 a Cost of 3-yr. ACRS property (or portion thereof financed by issue) . . . . .	-0-
b Cost of 5-yr. ACRS property (or portion thereof financed by issue) . . . . .	110,000
c Cost of 10-yr. ACRS property (or portion thereof financed by issue) . . . . .	-0-
d Cost of 15-yr. ACRS property (or portion thereof financed by issue) . . . . .	300,000
e Cost of land (or portion thereof financed by issue) . . . . .	50,000
f Cost of other property financed by the issue . . . . .	
18 a Proceeds used to refund prior issue . . . . .	
b If issue is an advance refunding, enter the earliest call date . . . . .	SEE ATTACHED EXHIBIT B
19 Average weighted economic life of the project (complete only for IDBs) . . . . .	years.

**Part V** Description of Initial Principal Users (Do not complete for student loan bonds)

## 20 Initial Principal Users:

(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Nacan, a South Carolina Partnership	c/o J-1 Marina Villas, Rt. 2 Salem, S. C. 29676	applied for
(ii)			
(iii)	The Nason Company	10388 Enterprise Drive	38-131-6962
(iv)		Davisberg, Michigan 48019	
(v)	Can-Flo Corporation	4223 Edgeland	38-181-7172
(vi)		Royal Oak, Michigan 48073	
(vii)			

## 21 Common parents (if any) of initial principal users listed above:

(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number
	NONE		

**Part VI** Approval of Issue (Complete only for IDBs)

22 Name of Governmental units approving issue ▶	OCONEE COUNTY COUNCIL
23 Names and positions of applicable elected representatives or date of referenda approving issue ▶	SEE EXHIBIT C

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of officer	Date	Title
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours, if self-employed) and address	SEE EXHIBIT D	Zip code

EXHIBIT A

The \$500,000 Oconee County, South Carolina, Industrial Development Revenue Note (Nacan, a South Carolina Partnership, Project) 1985 (the "Note"), bears interest from the date of its initial delivery until maturity at the rate per annum of sixty-eight percent (68%) of the prime rate of Southern Bank and Trust Company as such prime rate changes. Additional interest in the amount of \$3,000 shall be due and payable on the date of delivery of the Note. The interest rate on the Note shall be increased to the rate per annum of the prime rate plus one-half percent ( $\frac{1}{2}\%$ ) per annum upon a Determination of Taxability or upon an Event of Default. The interest rate is also subject to adjustment in the event the maximum Federal corporate income tax rate applicable to the registered owner, including the holder of any interest in the Note, whether by participation or otherwise, shall either be increased or reduced on or after the date of the initial delivery of the Note. The interest rate shall be adjusted to equal the product obtained by multiplying such interest rate by a fraction, the numerator of which shall be one minus the new Federal corporate income tax rate (expressed as a decimal) and the denominator of which shall be fifty-four hundredths (the "Adjusted Interest Rate"). The Adjusted Interest Rate shall be rounded to the nearest one-tenth of one percent. In no event shall the Adjusted Interest Rate exceed the taxable rate or be applicable with respect to any holder of the Note not subject to corporate income tax.

In the event of any change in law (other than a change in the Bank Tax Rate) which results, in the opinion of counsel to any registered owner hereof, in the imposition of any tax (including, but not limited to, any preference tax imposed by Sections 55-58 of the IRC, an excess profits tax, a minimum tax or any other tax which increases the basis of taxation of the payments of interest on or principal of this note to the registered owner or owners hereof) or which, in the opinion of counsel to any registered owner hereof, adversely affects the deductibility of any amount attributable, directly or indirectly, to the purchase and carrying of this note, the interest rate shall be adjusted to that rate which will result in each holder of this note realizing a net return on the principal amount of this note outstanding while held by such holder, net of all taxes, charges, or disallowances of deductibility imposed with respect to the interest paid or to be paid on this note or the principal amount hereof as a result of such change in law equal to a tax-exempt yield to such holder at the rate per annum of sixty-eight percent (68%) of the Prime Rate.

023435

ACCOUNTANT'S CERTIFICATE  
AS TO AVERAGE ECONOMIC LIFE

Oconee County  
Mailroom  
Walhalla, South Carolina 29691

McNair Glenn Konduros Corley  
Singletary Porter & Dibble, P.A.  
Suite 401, Bankers Trust Plaza  
Greenville, South Carolina 29601

Re: Not Exceeding \$500,000 Oconee County, South  
Carolina, Industrial Development Revenue Note  
(Nacan, a South Carolina Partnership, Project)  
1985

Gentlemen:

This letter is being given to you with regard to the Oconee County, South Carolina, Industrial Development Revenue Note (Nacan, a South Carolina Partnership, Project) 1985 (the "Note"). I have reviewed the description of the property to be financed with the proceeds of the Note provided me by Nacan, a South Carolina Partnership, which is set forth as Exhibit A hereto, and based upon that description have made the following determination:

1. The average reasonably expected economic life of the buildings, machinery, equipment, apparatus, and office furnishings to be financed with the proceeds of the Note is not less than 22.1 years as shown by Exhibit A attached hereto.

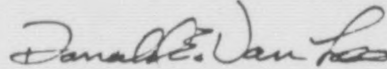
2. The average maturity of the Note does not exceed 120% of the average reasonably expected economic life of the buildings, machinery, equipment, apparatus, office furnishings and any other items to be financed in whole or in part with the proceeds of the Note as shown by Exhibit A attached hereto.

3. The economic useful life of each item has been derived in accordance with the administrative guidelines

023436

established for the useful lives used for depreciation prior to the ACRS system (i.e., the midpoint lives under the ADR system where applicable and the guideline lives under Rev. Proc. 62-21, 1962 C.B. 18, in case of structures).

Very truly yours,

A handwritten signature in dark ink, appearing to read "Donald E. Van Loo". The signature is fluid and cursive, with the first name "Donald" and last name "Van Loo" clearly distinguishable.

Donald E. Van Loo, CPA  
Janz & Knight  
110 North Woodward Avenue  
Birmingham, Michigan 48011

April 4, 1985

023437



EXHIBIT A

Items proposed to be financed:

<u>Description</u>	<u>Cost</u>	<u>Economic Life (in years)</u>	
Costs of Issuance	\$ 40,000	0 years	\$ -0-
Land*	50,000	0 years	-0-
Buildings	300,000	35 years	10,500,000
Machines	110,000	5 years	550,000
	<hr/>		<hr/>
Total	\$500,000		\$11,050,000

Average Economic Life: 22.1 years

\*Land is assigned an economic life of 0 years unless it represents over 25% of the bond issue.

..

023438

OCONEE COUNTY COUNCIL

1985

Mr. Norman D. Crain, Supervisor/Chairman  
Route 3  
Westminister, South Carolina 29693

Dr. Julius Earle  
Route 2, Earlestead Drive  
Walhalla, South Carolina 29691

Mr. Jerry Dyar  
Post Office Box 544  
Walhalla, South Carolina 29691

Mr. Michael E. Harper  
Post Office Box 977  
Seneca, South Carolina 29678

Mr. Larry A. Butts  
Route 1, Box 223  
Westminister, South Carolina 29693

Mr. Alton K. Williams  
Route 3, Box 219  
Seneca, South Carolina 29678

..

023439

EXHIBIT D

Prepared by:

McNair Glenn Konduros Corley  
Singletary Porter & Dibble, P.A.  
Suite 401, Bankers Trust Plaza  
7 North Laurens Street  
Greenville, South Carolina 29601  
Attention: Kathleen E. Crum, Esquire

With advice of:

Mr. Donald E. Van Loo  
Janz & Knight  
Certified Public Accountants  
1100 North Woodward Avenue  
Birmingham, Michigan 48011

023440

# EXHIBIT

MAR - 1 1985

MAR 12 1985

NO. 14

## TRANSMITTAL FORM, REVENUE BONDS BOARD

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 Glenn Konduros Corley  
Singletary Porter & Dibble, P.A.  
Name of Law Firm  
Suite 401, Bankers Trust Plaza  
Street  
Greenville, South Carolina 29601  
City, State, Zip Code

RE: Not Exceeding \$500,000 Oconee County  
Amount of Issue, Local Government Issuer  
Industrial Development Revenue Note  
Type of Bonds/Notes  
Nacan, a South Carolina Partnership  
Name of Project

Date: March 1, 1985

Telephone Area Code 803  
Number: 271-4940

Submitted for BCB Meeting of:  
March 12, 1985

Private Activity Bonds:  
X YES NO

Projected Issue Date:  
April 4, 1985

Project Description: The proceeds will be used for the acquisition of land, buildings and equipment for the purpose of manufacturing temperature and pressure switches and warehousing filters and related products. The facility will be leased to The Nason Company and Can-Flo Corporation.  
Number of persons to be employed: approximately 25

### Documents Enclosed:

(All required for State law approval; A and C only for ceiling allocation only.)

- A. \* Petition (executed original and two copies)
- B. \* Resolution or ordinance (executed copy)
- C. X Inducement Resolution or comparable preliminary approval (executed copy)
- D. X Standard Form Investment Letter from purchaser of bonds (executed original)  
OR  
   Audited financial statements for three most recent years
- E.    Department of Health and Environmental Control certificate  
   Required X Not Required
- F. X Budget and Control Board Resolution and Public Notice  
Original (and 4 copies for certification and return)
- G. X Processing fee  
Amount \$ 2,000 Check No. 2  
Payor Nacan

Bond Counsel: Nancy Page

Typed Name

By: Nancy Page

Signature

\*Unexecuted copy attached. Executed copy to be forwarded.

023441



APR - 5 1985  
9:10 a.m. LL

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

SUITE 401

BANKERS TRUST PLAZA

7 NORTH LAURENS STREET

GREENVILLE, SOUTH CAROLINA 29601

803-271-4940

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
D. WAYNE CORLEY  
E. McLEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN\*  
JOHN H. LUMPKIN, JR.  
JOHN W. CURRIE  
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JOHN W. HUNTER\*\*  
HUEL D. ADAMS, JR.  
JAMES P. FIELDS, JR.  
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JANE W. TRINKLEY  
J. LYLES GLENN, IV  
CELESTE TILLER JONES  
JOSEPH D. WALKER  
NANCY R. JEFFERIS  
ALISON RENEE LEE  
MARTHA F. McMILLIN  
GREGORY D. DELOACH

EXHIBIT

MAR 12 1985

no. 14

STATE BUDGET & CONTROL BOARD

April 4, 1985

JAMES E. CARR  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

COLUMBIA OFFICE  
EIGHTEENTH FLOOR  
BANKERS TRUST TOWER  
POST OFFICE BOX 11390  
COLUMBIA, S.C. 29211  
803-799-9800

HILTON HEAD ISLAND OFFICE  
BANKERS TRUST BUILDING  
FIFTY-NINE POPE AVENUE  
HILTON HEAD ISLAND, S.C. 29928  
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WASHINGTON OFFICE  
SUITE 710  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

Mr. William A. McInnis  
State Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

Re: \$500,000 Oconee County, South Carolina, Industrial  
Development Revenue Note (Nacan, a South Carolina  
Partnership, Project) 1985

Dear Mr. McInnis:

This is to confirm with you that Nacan, a South Carolina  
Partnership, bond issue closed on April 4, 1985 as scheduled.

Sincerely,

MCNAIR GLENN KONDUROS CORLEY  
SINGLETARY PORTER & DIBBLE, P.A.

*Nancy Page*

Nancy Page

NP/fb

023442

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

SUITE 401

BANKERS TRUST PLAZA

7 NORTH LAURENS STREET

GREENVILLE, SOUTH CAROLINA 29601

803-271-4940

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
C. WAYNE CORLEY  
E. MCLEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN\*  
JOHN H. LUMPKIN, JR.  
JOHN W. CURRIE  
SCOTT Y. BARNES  
M. ELIZABETH CRUM  
WILLIAM M. DIEFFENDERFER  
THEODORE J. HOPKINS, JR.  
DANIEL R. MCLEOD, JR.  
WILLIAM S. ROSE, JR.  
JAMES P. FIELDS, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFCOAT  
ROBERT T. SOCKMAN  
PETER L. MURPHY  
C. ALAN RUNYAN

JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY  
WILMOT B. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN E. CRUM  
FRANKLIN G. POLK\*  
JOHN W. HUNTER\*\*  
BERNARD J. WUNDER, JR.  
HUEL D. ADAMS, JR.  
BARBARA GEORGE BARTON  
J. SIMON FRASER  
E. RUSSELL JETER, JR.  
DOROTHY M. HELMS  
PAUL B. NIX, JR.  
NANCY PAGE  
SANDRA L. RANDLEMAN  
JANI W. TRINKLEY  
J. LYLES GLENN, IV  
CELESTE TILLER JONES  
JOSEPH D. WALKER  
NANCY R. JEFFERIS  
MARTHA P. McMILLIN  
GREGORY D. DeLOACH  
ALISON R. LEE

\*D.C. AND NEW YORK BARS ONLY  
\*PENNSYLVANIA BAR ONLY  
\*D.C. AND OHIO BARS ONLY  
\*\*D.C. BAR ONLY

EXHIBIT

MAR 12 1985

NO. 14

STATE BUDGET & CONTROL BOARD

March 6, 1985

JAMES E. CARR  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

COLUMBIA OFFICE  
EIGHTEENTH FLOOR  
BANKERS TRUST TOWER  
POST OFFICE BOX 11390  
COLUMBIA, S.C. 29211  
803-799-9600

HILTON HEAD ISLAND OFFICE  
BANKERS TRUST BUILDING  
FIFTY-NINE POPE AVENUE  
HILTON HEAD ISLAND, S.C. 29928  
803-785-6169

WASHINGTON OFFICE  
SUITE 710  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

Mr. William A. McInnis  
State Budget and Control Board  
Room 600, Wade Hampton Office Building  
Columbia, South Carolina 29211

Re: \$500,000 Oconee County, South Carolina, Industrial  
Development Revenue Note (Nacan, a South Carolina  
Partnership, Project) 1985

Dear Mr. McInnis:

I am enclosing the following documents which have been executed  
in connection with the above-referenced bond issue:

1. Petition (executed original and two copies)
2. Resolution or Ordinance (executed copy)

These should replace the unexecuted copies I sent you on March 1, 1985.  
I have also enclosed a copy of the transmittal form I sent you on that  
date.

Please let me know if you have any questions or need anything  
further. Thank you for your help.

Sincerely,

MCNAIR GLENN KONDUROS CORLEY  
SINGLETARY PORTER & DIBBLE, P.A.

*Nancy Page*  
Nancy Page

NP/dcp  
Enclosures

023443

EXHIBIT

The State of South Carolina

MAR 12 1985

NO. 15



STATE BUDGET & CONTROL BOARD

Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-758-2072

March 14, 1985

Mr. William A. McInnis  
Executive Deputy Director  
State Budget and Control Board  
Columbia, South Carolina 29201

Re: Not Exceeding \$1,100,000 Anderson County,  
South Carolina, Industrial Revenue Bonds,  
(Craft Bonded Warehouse, Inc.)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-10 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "D. Eckstrom", written over a horizontal line.

David C. Eckstrom  
Assistant Attorney General

DCE/cs

Enclosures

023444

# EXHIBIT

MAR 12 1985

NO. 15

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 Anderson County, South Carolina (the "Issuer")  
Of its Not Exceeding \$1,000,000 IDRN (the "Bonds")  
On behalf of Craft Bonded Warehouse, Inc. (the "Company")  
Craft Bonded Warehouse, Inc. (the "Project")  
To The South Carolina National 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 5<sup>th</sup> day  
of MARCH, 1985.

*Christine E. Richardson*  
Notary Public

My Commission expires  
3-5-91.

PURCHASER:

**023445**

Name: The South Carolina National Bank

Address: P. O. Box 1907

Anderson, SC 29612  
BY: *[Signature]*  
Signature of Authorized Official



# EXHIBIT

MAR 12 1985

NO. 15

STATE OF SOUTH CAROLINA )

STATE BUDGET & CONTROL BOARD  
Craft Bonded Warehouse, Inc., Project

COUNTY OF RICHLAND )

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the said State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

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

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

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 A. M., on Tuesday, March 12, 1985, was given to all members in writing, and at least four (4) days prior to said meeting; that all members of said Board were present at said meeting, with the exception of: Senator Dennis, who was represented by Senate Finance Committee Vice Chairman James M. Waddell, Jr., and Mr. Patterson.

That at said meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Morris, who moved its adoption; said motion was seconded by Senator Waddell, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

4

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board in my custody as its Secretary.

That any and all conditions attached to the referenced Board action except that relating to the submission of IRS Form 8038 have been satisfied as of the date of this certificate.

March 15, 1985

William A. McInnis

023446

# EXHIBIT

MAR 12 1985

NO. 15

## STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY ANDERSON COUNTY, SOUTH CAROLINA, OF A NOT EXCEEDING \$1,000,000 PRINCIPAL AMOUNT INDUSTRIAL DEVELOPMENT REVENUE NOTE (CRAFT BONDED WAREHOUSE, INC. PROJECT) 1985, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED.

WHEREAS, the County Council of Anderson County, South Carolina (the "Governing Board"), has heretofore, by submitting a petition (the "Petition") under and pursuant to the provisions of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), requested the approval by the State Budget and Control Board of the issuance by Anderson County (the "County") pursuant to the Act of its Industrial Development Revenue Note (Craft Bonded Warehouse, Inc. Project) in the aggregate principal amount of not exceeding \$1,000,000 (the "Note"); and

WHEREAS, the County proposes to issue the Note for the purpose of defraying the cost of acquiring, by construction and purchase, certain land and a building or buildings and other improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be used for the purpose of the general distribution and warehousing of industrial and commercial products; and

WHEREAS, the Project is to be made available to Craft Bonded Warehouse, Inc. (the "Corporation") upon terms which require the Corporation to make payments to or for the account of the County in amounts sufficient to pay the principal and interest on the Note and which secure the obligation of the Corporation by a mortgage and security interest in the Project; and

WHEREAS, the Note will be payable from and secured by an assignment of the obligations of the Corporation 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 March 5, 1985;

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

023447

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 4-29-140 of the Act; and

(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.

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 Corporation, to finance the cost thereof and expenses incidental thereto by the execution and delivery of the Note, 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 Corporation, 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 Anderson Independent, which is a newspaper having general circulation in Anderson County.

Section 4. The Notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit "A" 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 at the same time such form is submitted to the IRS.

023448

Section 6. This Resolution shall take effect immediately.

023449



EXHIBIT A

NOTICE PURSUANT TO THE PROVISIONS  
OF SOUTH CAROLINA CODE ANNOTATED,  
TITLE 4, CHAPTER 29  
(1976), AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (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 Anderson County, South Carolina, has given its approval to the following undertaking by Anderson County, South Carolina:

The issuance by Anderson County of its Industrial Development Revenue Note (Craft Bonded Warehouse, Inc. Project) in the original principal amount of not exceeding \$1,000,000 (the "Note"), to defray the costs of acquiring, by construction and purchase, certain land and a building or buildings and improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings by Craft Bonded Warehouse, Inc., a South Carolina corporation (the "Corporation"), to be used as an industrial facility for the purpose of the general distribution and warehousing of industrial and commercial products (the "Project") to be located in Anderson County. The Project will be made available to the Corporation which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Note. The Note will be payable solely and exclusively out of payments to be made by the Corporation for the use of the Project, and is to be additionally secured by a mortgage and security interest in 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 Note by Anderson County to finance the same, by action de novo instituted in the Circuit Court for Anderson County, South Carolina.

STATE BUDGET AND CONTROL BOARD

BY: WILLIAM A. McINNIS, Secretary

Dated: March 12, 1985.

023450

# EXHIBIT

MAR 12 1985

NO. 15

State of South Carolina

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLEE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 12, 1985

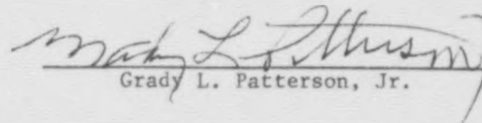
### C E R T I F I C A T E

[Required by Section 103(n)(12)(A) of the Tax Reform Act of 1984  
(which is Part A of the Deficit Reduction Act of 1984)]

Re: \$1,000,000 Anderson County, South Carolina  
Industrial Development Revenue Note  
(Craft Bonded Warehouse, Inc., Project)

This will confirm that an allocation of the State Ceiling established in the Deficit Reduction Act of 1984 has been made by the Budget and Control Board in the amount indicated for the referenced project. This allocation is valid for calendar year 1985 only and shall expire ninety (90) days from March 12, 1985 (the date the allocation was approved by the Board) if the bonds for which the allocation has been approved have not been issued.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

  
Grady L. Patterson, Jr.

Attest:

  
William A. McInnis, Secretary

023451

# EXHIBIT

STATE OF SOUTH CAROLINA )  
 )  
ANDERSON COUNTY )

MAR 12 1985 NO. 15

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 Anderson County, South Carolina (the "County"), pursuant to South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), and specifically Section 4-29-140 thereof, respectfully shows:

1. The County Council of Anderson County (the "County Council") is the governing body of the County and as such is the "governing board" of the County referred to in the Act.

2. The Act, among other things, empowers the County, subject to obtaining the approval of the State Budget and Control Board, pursuant to Section 4-29-140 of the Act: (i) to acquire, and, in connection with such acquisition, to enlarge, improve and expand, whether by construction, purchase, gift or lease, one or more projects (as defined in the Act) which shall be located within the jurisdiction of the County; (ii) to make available to any industry or industries any or all of its projects for such payments and upon such terms and conditions as the governing board may deem advisable and, as shall not conflict with the provisions of the Act; and (iii) to issue revenue bonds, as defined in the Act to include notes, for the purpose of defraying the cost of acquiring, by construction and purchase, and in connection with any such acquisition, to enlarge, improve and expand any project and to secure the payment of such bonds all as in the Act provided.

3. The County has agreed to assist Craft Bonded Warehouse, Inc., a South Carolina corporation qualified to do business as a corporation in South Carolina (the "Corporation"), by issuing its revenue note for the purpose of defraying the cost of acquiring certain facilities located in the County (the "Project") more fully described in Exhibits A and B to the Mortgage and Financing Agreement and Indenture.

4. The County has been advised by the Corporation that the estimated cost of the Project will be not exceeding \$1,000,000 and it has requested the County to execute and deliver its Industrial Development Revenue Note (Craft Bonded Warehouse, Inc. Project) (the "Note") in the

principal amount of not exceeding \$1,000,000 to defray such costs.

5. Pursuant to Section 4-29-60 of the Act, the County Council has made the requisite findings that: (i) the Project will subserve the purposes of the Act; (ii) it is anticipated that the Project will benefit the general public welfare of the County by providing employment and other public benefits not otherwise provided locally; (iii) the Project will give rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iv) the principal amount of the Note required to finance the Project is expected to be not exceeding \$1,000,000; (v) the County does not deem it necessary to establish any reserve funds in connection with the retirement of the proposed Note and the maintenance of the Project; and (vi) the terms under which the Project is to be made available to the Corporation provide that the Corporation shall maintain the Project and carry all proper insurance with respect thereto, and as a part of the proceedings of the County, the County Council will make the requisite finding as to the amount necessary in each year to pay the principal and the interest on the Note proposed to be issued to defray the cost of the Project.

6. Pursuant to Section 4-29-140 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 land, a building or buildings and other improvements thereon and certain machinery, apparatus, equipment, office facilities and furnishings to be used for the purpose of the general distribution and warehousing of industrial and commercial products. It is anticipated that, upon completion, the Project will provide directly 1-5 additional full-time jobs in the County and neighboring areas and that the Project will provide stimulation to the economy of the County and neighboring areas thereto by increased payrolls, capital investment and tax revenues.

(b) It is estimated that the cost of the Project, including the items of cost authorized in the Act, will be not exceeding \$1,000,000.

(c) Copies of the Mortgage and Financing Agreement and the Indenture are available from the County. The following summary of terms is in no wise intended to affect or alter the actual terms of the documents themselves:



(i) The proposed Mortgage and Financing Agreement between the Corporation and the County provides in general:

(A) Proceeds derived from the placement of the Note, will be used and applied by the County upon request of the Corporation solely for the payment of the costs (as that term is defined in the Act) incident to the acquisition, by construction and purchase, of the Project.

(B) The Corporation obligates itself: to effect the completion of the Project if the proceeds derived from the placement of the Note prove insufficient therefor without diminution of any payments to the County required by the Mortgage and Financing Agreement; to meet the payments of principal and interest on the Note as the same become due; and to pay the cost of maintaining and insuring the Project to the extent and in the manner provided in the Mortgage and Financing Agreement.

(C) The County does not incur any pecuniary liability or charge upon its general credit or taxing powers.

(D) The County acquires a mortgage and security interest in the Project as security for the obligations of the Corporation under the Mortgage and Financing Agreement.

(ii) The proposed Indenture between the County and The South Carolina National Bank, as Lender (the "Lender"), provides in general:

(A) An irrevocable pledge and assignment for the benefit of the Lender or its assigns as holder of the Note 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.

(B) The terms of the Note, the provisions for exchange and transfer of the Note, the prepayment provisions, the means of disbursement, default provisions and remedies therefor and various other matters relating to the Note.

(C) 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.

7. Neither the approvals granted in connection with the Note nor the request for an allocation granted by the State Budget and Control Board have been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

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 Note 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), (iv) allocate to the Note such portion of the state ceiling as established by the Deficit Reduction Act of 1984 as is necessary for the issuance of the Note, and (v) give published notice of its approval in the manner set forth in Section 4-29-140 of the Act.

Respectfully submitted,

ANDERSON COUNTY, SOUTH CAROLINA

By *Daniel A. Rhodes*  
Daniel A. Rhodes, Chairman,  
County Council, Anderson County,  
South Carolina

By *J. David Watson*  
J. David Watson, Administrator,  
Anderson County, South Carolina

ATTEST:

*Linda N. Gilstrap*  
Linda N. Gilstrap, Clerk, County  
Council, Anderson County,  
South Carolina

Dated: March 5, 1985.

# EXHIBIT

MAR 12 1985 NO. 15

11

STATE BUDGET & CONTROL BOARD

## RESOLUTION

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY ANDERSON COUNTY, SOUTH CAROLINA, OF ITS INDUSTRIAL DEVELOPMENT REVENUE NOTE (CRAFT BONDED WAREHOUSE, INC. PROJECT) 1985, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$1,000,000.

WHEREAS, Anderson County, South Carolina (the "County"), acting by and through its County Council is authorized and empowered under and pursuant to the provisions of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), to acquire and cause to be acquired properties that are projects under the Act through which the industrial development of the State of South Carolina will be promoted and trade developed by inducing industrial enterprises to locate in and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is further authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such financing agreement; and

WHEREAS, the County and Craft Bonded Warehouse, Inc., a South Carolina corporation (the "Corporation"), entered into an Assistance Agreement (the "Assistance Agreement") executed by the Corporation on March 5, 1985, and executed by the County on March 5, 1985, pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the undertakings of the County pursuant to the Assistance Agreement, the County proposes to issue its Industrial Development Revenue Note (Craft Bonded Warehouse, Inc. Project) in the principal amount of not exceeding \$1,000,000 (the "Note") under and pursuant to the Act to defray the costs of acquiring by construction and purchase certain land, a building or buildings and other improvements thereon, and machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be located in the jurisdiction of the County and, subject to the approval of the State Budget and Control Board of South Carolina, to

023457



make the Project available to the Corporation under and pursuant to the terms of a Mortgage and Financing Agreement (the "Agreement") to be entered into between the County and the Corporation; 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 4-29-140 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 Anderson County, South Carolina, as follows:

Section 1. It is hereby found, determined and declared as follows:

(a) The Project will constitute a "project" as said term is referred to and defined in Section 4-29-10 of the Act, and the issuance of the Note in the principal amount of not exceeding \$1,000,000 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) It is anticipated that the Project will benefit the general public welfare of the County by providing employment for those engaged in construction of the Project, and by providing additional permanent employment for approximately 1-5 people from the County and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of industrial operations not otherwise provided locally.

(c) Neither the Project, the Note proposed to be issued by the County to defray the cost of the Project, 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.

(d) The issuance of the Note by the County in the principal amount of not exceeding \$1,000,000 will be required to defray the cost of the Project.

(e) Inasmuch as the Corporation is a corporation with established credit, the establishment of reserve funds in connection with the retirement of the Note and the maintenance of the Project is deemed unnecessary.

(f) The Project will be made available by the County to the Corporation upon terms which will require the Corporation, at its own expense, to maintain the Project in

good repair and to carry all proper insurance with respect thereto.

(g) The Project will consist of the items described in Exhibits A and B to the Agreement and the Indenture to be entered into between the County and The South Carolina National Bank, as lender (the "Lender").

(h) A reasonable estimate of the cost of the Project including necessary expenses incident thereto is not exceeding \$1,000,000.

(i) Neither the approvals granted in connection with the Note nor the request for an allocation granted by the State Budget and Control Board have been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

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 Note by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 4-29-140 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 and the Administrator of the County be and are 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 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 March 5, 1985.

ANDERSON COUNTY, SOUTH CAROLINA

By *Daniel A. Rhodes*  
Daniel A. Rhodes, Chairman,  
County Council, Anderson County  
South Carolina

By *J. David Watson*  
J. David Watson, Administrator,  
Anderson County, South Carolina

ATTEST:

*Linda N. Gilstrap*  
Linda N. Gilstrap, Clerk of  
County Council, Anderson County,  
South Carolina

EXHIBIT

MAR 12 1985 NO. 15

STATE BUDGET & CONTROL BOARD

A RESOLUTION AUTHORIZING THE EXECUTION  
AND DELIVERY OF AN ASSISTANCE AGREEMENT  
BY AND BETWEEN ANDERSON COUNTY, SOUTH  
CAROLINA, AND CRAFT BONDED WAREHOUSE,  
INC., WHEREBY, UNDER CERTAIN CONDITIONS,  
ANDERSON COUNTY WILL ISSUE NOT EXCEEDING  
ONE MILLION DOLLARS (\$1,000,000)  
INDUSTRIAL DEVELOPMENT REVENUE BONDS OR  
NOTES.

EXHIBIT

MAR 12 1985 NO. 15

STATE BUDGET & CONTROL BOARD

WHEREAS, Anderson 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 4, Chapter 29, Code of Laws of South Carolina, 1976, as amended (the "Act"), to acquire, or cause to be acquired, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry to construct, operate, maintain and improve such projects; to enter into financing agreements with respect to such projects; to issue revenue bonds to defray the costs of such projects; and to accept any grants for such projects through which powers the industrial development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely out of the revenues derived from a financing agreement with respect to such project and may further be secured by a pledge of said revenues, a trust indenture or indenture covering all or any part of such project, and a pledge of any financing agreement with respect to such project; and

WHEREAS, Craft Bonded Warehouse, Inc., a South Carolina corporation (the "Corporation"), has requested the County to issue not exceeding \$1,000,000 of its Industrial Development Revenue Bonds or Notes (Craft Bonded Warehouse, Inc. Project) pursuant to the Act for the purpose of defraying the cost of acquiring by construction and purchase certain land, a building or buildings or other improvements thereon, and all machinery, apparatus, equipment, office facilities and furnishings to be installed therein for the purpose of the general distribution and warehousing of industrial and commercial products, constituting an industrial facility (the "Project"), all as more fully set forth in the Assistance Agreement attached hereto; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Corporation that the

023461



Project would be a "project" as that term is defined in the Act and that the Project would subserve the purposes of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the County Council as follows:

Section 1. Pursuant to the authority of the Act and subject to the approval by the State Budget and Control Board, and for the purpose of defraying a portion of the cost (as defined in the Act) of acquiring the Project there is hereby authorized to be issued revenue bonds or notes of the County in the principal amount of not exceeding One Million Dollars (\$1,000,000) to be designated "Anderson County, South Carolina, Industrial Development Revenue Bonds or Notes (Craft Bonded Warehouse, Inc. Project)" (the "Bonds").

Section 2. The provisions, terms and conditions of the financing agreement by and between the County and the Corporation, the provisions, terms and conditions of the trust indenture or indenture by and between the County and the Trustee or Bondholder, yet to be named, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds shall be prescribed by subsequent resolution or ordinance of the County Council.

Section 3. The Chairman of the County Council and the Administrator of the County are hereby authorized and directed to execute the Assistance Agreement attached hereto in the name and on behalf of the County, and the Clerk of the County Council is hereby authorized and directed to attest the same; and the Chairman of the County Council and the Administrator of the County are hereby further authorized and directed to deliver said executed Assistance Agreement to the Corporation.

Section 4. Prior to the issuance of any Bonds, the County Council will comply with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions.

Section 5. All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and after its passage by the County Council.

Section 6. It is the intention of the 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 United States Treasury Department relating to the issuance of industrial revenue bonds.

023462

Done in meeting duly assembled this 5th day of  
March, 1985.

ANDERSON COUNTY, SOUTH CAROLINA

By: Daniel A. Rhodes  
Daniel A. Rhodes, Chairman,  
County Council, Anderson County,  
South Carolina

By: David Watson  
J. David Watson, Administrator,  
Anderson County, South Carolina

(SEAL)

ATTEST:

By: Linda N. Gilstrap  
Linda N. Gilstrap, Clerk,  
County Council of Anderson  
County, South Carolina

023463

# EXHIBIT

MAR 12 1985

NO. 15

## TRANSMITTAL FORM, REVENUE BONDS

### STATE BUDGET & CONTROL BOARD

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 Glenn Konduros Corley  
Singletary Porter & Dibble, P.A.  
Name of Law Firm  
Suite 401, Bankers Trust Plaza  
Street  
Greenville, South Carolina 29601  
City, State, Zip Code

RE: Not Exceeding \$1,000,000 Anderson County  
Amount of Issue, Local Government Issuer  
Industrial Development Revenue Note  
Type of Bonds/Notes  
Craft Bonded Warehouse, Inc.  
Name of Project

Date: March 6, 1985

Telephone Area Code 803  
Number: 271-4940

Submitted for BCB Meeting of:  
March 12, 1985

Private Activity Bonds:  
☒ YES ☐ NO

Projected Issue Date:  
April 3, 1985

### Project Description:

Industrial facility for the purpose of the general distribution and warehousing  
of industrial and commercial products.

Number of persons to be employed: approximately 1-5 people

### Documents Enclosed:

(All required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)
- B. ☒ Resolution or ordinance (executed copy)
- C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)
- D. ☒ Standard Form Investment Letter from purchaser of bonds (executed original)  
OR  
☐ Audited financial statements for three most recent years
- E. ☐ Department of Health and Environmental Control certificate  
☐ Required ☒ Not Required
- F. ☒ Budget and Control Board Resolution and Public Notice  
Original (and ☐ 4 copies for certification and return)
- G. ☒ Processing fee  
Amount \$ 2,000 Check No. 9901  
Payor Thomas G. Craft

Bond Counsel: Nancy Page  
Typed Name

By: Nancy Page  
Signature

023464

3/27/85 3:16pm

McNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

SUITE 401

BANKERS TRUST PLAZA

7 NORTH LAURENS STREET

GREENVILLE, SOUTH CAROLINA 29601

803-271-4940

EXHIBIT

MAR 12 1985

NO. 15

STATE BUDGET & CONTROL BOARD

March 27, 1985

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
O. WAYNE CORLEY  
E. McLEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN\*  
JOHN H. LUMPKIN, JR.  
JOHN W. CURRIE  
SCOTT Y. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL R. McLEOD, JR.  
WILLIAM S. ROSE, JR.  
BERNARD J. WUNDER, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFCOAT  
ROBERT T. BOCKMAN  
PETER L. MURPHY  
C. ALAN RURYAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY

\*D.C. AND NEW YORK BARS ONLY

\*D.C. AND OHIO BARS ONLY

\*D.C. BAR ONLY

MISSOURI BAR ONLY

WILMOT S. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN E. CRUM  
FRANKLIN G. POLK\*  
JOHN W. HUNTER\*\*  
HUEL D. ADAMS, JR.  
JAMES P. FIELDS, JR.  
LAWRENCE P. HIGGINS  
W. STEPHEN CANNON  
BARBARA GEORGE BARTON  
J. SIMON FRASER  
E. RUSSELL JETER, JR.  
DOROTHY M. HELMS  
PAUL B. NIX, JR.  
NANCY PAGE  
SANDRA L. RANDELMAN  
JANE W. TRINKLEY  
J. LYLES GLENN, IV  
CELESTE TILLER JONES  
JOSEPH D. WALKER  
NANCY R. JEFFERIS  
ALISON RENEE LEE  
MARTHA P. McMILLIN  
GREGORY D. DELOACH

JAMES E. CARR  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

COLUMBIA OFFICE  
EIGHTEENTH FLOOR  
BANKERS TRUST TOWER  
POST OFFICE BOX 11390  
COLUMBIA, S.C. 29211  
803-799-9800

HILTON HEAD ISLAND OFFICE  
BANKERS TRUST BUILDING  
FIFTY-NINE POPE AVENUE  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 710  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-658-3900

VIA ANDERSON ARMORED CAR

Mr. William A. McInnis  
State Budget and Control Board  
Wade Hampton Office Building, Room 600  
Post Office Box 12444  
Columbia, South Carolina 29201

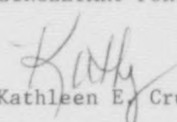
Re: \$1,000,000 Anderson County, South Carolina, Industrial  
Development Revenue Note (Craft Bonded Warehouse, Inc.  
Project) 1985

Dear Mr. McInnis:

In accordance with the regulations of the State Budget and Control  
Board, I am submitting on behalf of Anderson County and Craft Bonded  
Warehouse, Inc. IRS Form 8038. Please confirm the allocation of \$1,000,000  
of the State volume to the above-captioned issue. This issue is scheduled  
to close on April 3, 1985.

Sincerely,

McNAIR GLENN KONDUROS CORLEY  
SINGLETARY PORTER & DIBBLE, P.A.

  
Kathleen E. Crum

KEC/fb  
Enclosure

023465



023466

**Part III** Proceeds of Issue

12 Total purchase price (regs. section 1.103-13(d)(2)) . . . . .	1,000,000
13 Face amount of issue . . . . .	1,000,000
14 Bond issuance costs . . . . .	20,000
15 Amounts allocated to reasonably required reserve or replacement fund (regs. section 1.103-14(d)) . . . . .	-0-
16 Lendable proceeds of the issue (see instructions) . . . . .	980,000

**Part IV** Description of Financed Property (Do not complete for student loan bonds)

17 a Cost of 3-yr. ACRS property (or portion thereof financed by issue) . . . . .	208,000
b Cost of 5-yr. ACRS property (or portion thereof financed by issue) . . . . .	
c Cost of 10-yr. ACRS property (or portion thereof financed by issue) . . . . .	682,000
d Cost of 15-yr. ACRS property (or portion thereof financed by issue) . . . . .	90,000
e Cost of land (or portion thereof financed by issue) . . . . .	
f Cost of other property financed by the issue . . . . .	
18 a Proceeds used to refund prior issue . . . . .	
b If issue is an advance refunding, enter the earliest call date . . . . .	
19 Average weighted economic life of the project (complete only for IDBs) . See Exhibit B. . . . .	36 years.

**Part V** Description of Initial Principal Users (Do not complete for student loan bonds)

## 20 Initial Principal Users:

(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Craft Bonded Warehouse, Inc.	1206 Briarwood	Applied For
(ii)		Anderson, South Carolina 29621	
(iii)			
(iv)			
(v)			
(vi)			
(vii)			

## 21 Common parents (if any) of initial principal users listed above:

(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number

**Part VI** Approval of Issue (Complete only for IDBs)

22 Name of Governmental units approving issue ► Anderson County Council

23 Names and positions of applicable elected representatives or date of referenda approving issue ► See Exhibit C

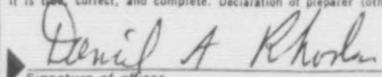
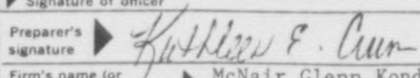
Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	<div style="display: flex; justify-content: space-between;"> <div>             Signature of officer         </div> <div>           4-3-85            Date         </div> <div>           Chairman            Title         </div> </div>		
Paid Preparer's Use Only	<div style="display: flex; justify-content: space-between;"> <div>             Preparer's signature         </div> <div>           4-3-85            Date         </div> <div> <input type="checkbox"/>            Check if self-employed         </div> </div>		
	<div style="display: flex; justify-content: space-between;"> <div>           McNair Glenn Konduros Corley            Firm's name (or yours, if self-employed) and address         </div> <div>           Singletary Porter &amp; Dibble, P.A.            Firm's name (or yours, if self-employed) and address         </div> <div>           Exhibit D            Zip code         </div> </div>		

EXHIBIT A

The \$1,000,000 Anderson County, South Carolina, Industrial Development Revenue Note (Craft Bonded Warehouse, Inc. Project) 1985 (the "Note"), bears interest from the date of its initial delivery until April 30, 1990 at the rate of 7.75% per annum, and thereafter until maturity at the rate per annum of sixty-six percent (66%) of the prime rate of The South Carolina National Bank as such prime rate changes. The interest rate on the Note shall be increased to the taxable equivalent rate upon a Determination of Taxability and to the prime rate plus one percent upon an Event of Default. The interest rate is also subject to adjustment in the event the maximum Federal corporate income tax rate applicable to the registered owner, including the holder of any interest in the Note, whether by participation or otherwise, shall either be increased or reduced on or after the date of the initial delivery of the Note. The interest rate shall be adjusted to equal the product obtained by multiplying such interest rate by a fraction, the numerator of which shall be one minus the new Federal corporate income tax rate (expressed as a decimal) and the denominator of which shall be fifty-four hundredths (the "Adjusted Interest Rate"). The Adjusted Interest Rate shall be rounded to the nearest one-tenth of one percent. In no event shall the Adjusted Interest Rate exceed the Taxable Rate or be applicable with respect to any holder of the Note not subject to corporate income tax.

In the event of any change in law (other than a change in the Bank Tax Rate) which results, in the opinion of counsel to any registered owner hereof, in the imposition of any tax (including, but not limited to, any preference tax imposed by Sections 55-58 of the IRC, an excess profits tax, a minimum tax or any other tax which increases the basis of taxation of the payments of interest on or principal of this note to the registered owner or owners hereof) or which, in the opinion of counsel to any registered owner hereof, adversely affects the deductibility of any amount attributable, directly or indirectly, to the purchase and carrying of this note, the interest rate shall be adjusted to that rate which will result in each holder of this note realizing a net return on the principal amount of this note outstanding while held by such holder, net of all taxes, charges, or disallowances of deductibility imposed with respect to the interest paid or to be paid on this note or the principal amount hereof as a result of such change in law equal to the tax-exempt yield.

023468

Greene, Lindley & Company

JOHN M. GREENE, CPA, PA  
CHARLES D. LINDLEY, CPA  
ROBERT C. DANIEL, CPA  
JAMES M. WALLACE, CPA  
JERALD E. POWER, CPA

CERTIFIED PUBLIC ACCOUNTANTS  
300 NORTH MAIN STREET  
POST OFFICE BOX 1406  
ANDERSON, SOUTH CAROLINA 29622  
(803) 226-7202

BELTON, S.C.  
GREENVILLE, S.C.  
MEMBER OF THE  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTANT'S CERTIFICATE  
AS TO AVERAGE ECONOMIC LIFE

Anderson County  
P.O. Box 4046  
Anderson, South Carolina 29622

McNair Glenn Konduros Corley  
Singletary Porter & Dibble, P.A.  
Suite 401, Bankers Trust Plaza  
Greenville, South Carolina 29601

Re: Not Exceeding \$1,000,000 Anderson County, South  
Carolina, Industrial Development Revenue Note  
(Craft Bonded Warehouse, Inc. Project) 1985

Gentlemen:

This letter is being given to you with regard to the Anderson County, South Carolina, Industrial Development Revenue Note (Craft Bonded Warehouse, Inc. Project) 1985 (the "Note"). I have reviewed the description of the property to be financed with the proceeds of the Note provided me by Craft Bonded Warehouse, Inc., which is set forth as Exhibit A hereto, and based upon that description have made the following determination:

1. The average reasonable expected economic life of the buildings, machinery, equipment, apparatus, and office furnishings to be financed with the proceeds of the Note is not less than 36 years as shown by Exhibit A attached hereto.

2. The average maturity of the Note does not exceed 120% of the average reasonable expected economic life of the buildings, machinery, equipment, apparatus, office furnishings and any other items to be financed in whole or in part with the proceeds of the Note as shown by Exhibit A attached hereto.

3. The economic useful life of each item has been derived in accordance with the administrative guidelines established for the useful lives used for depreciation prior to the ACRS system (i.e., the midpoint lives under the ADR system where applicable and the guideline lives under Rev. Proc. 62-21, 1962 C.B. 18, in case of structures).

Very truly yours,

GREENE, LINDLEY & COMPANY

023469

March 25, 1985

*Greene, Lindley & Company*



# EXHIBIT A

Items proposed to be financed:

<u>Description</u>	<u>Cost</u>	<u>Economic Life (in Years)</u>	
Costs of Issuance	\$ 20,000	-0- Years	\$ -0-
Land*	90,000	-0- Years	-0-
Buildings	682,000	51 Years	34,782,000
Machines	208,000	8 Years	1,664,000
Total	\$ 1,000,000		\$36,446,000

Average Economic Life: 36 Years

\*Land is assigned an economic life of 0 years unless it represents over 25% of the bond issue.

023470

EXHIBIT C

ANDERSON COUNTY COUNCIL

1985

District #1	James M. Cox, Jr. Post Office Box 475 Williamston, South Carolina 29697
District #2	David L. Hooper 607 Rantowles Road Anderson, South Carolina 29621
District #3	Robert L. Wiles Route 1 Starr, South Carolina 29684
District #4	Daniel A. Rhodes, Chairman Route 2, Box 301-A Anderson, South Carolina 29621
District #5	Harold E. Beebe 516 Pearman Dairy Road Anderson, South Carolina 29621

J. David Watson, County Administrator  
Linda N. Gilstrap, Clerk to County Council

I.D. #57-6000303

023471

EXHIBIT D

Prepared by:

McNair Glenn Konduros Corley  
Singletary Porter & Dibble, P.A.  
Suite 401, Bankers Trust Plaza  
7 North Laurens Street  
Greenville, South Carolina 29601  
Attention: Kathleen E. Crum, Esquire

With advice of:

Greene, Lindley & Company  
Certified Public Accountants  
300 North Main Street  
Post Office Box 1406  
Anderson, South Carolina 29622

023472

Form SS-4  
(Rev. 9-82)  
Department of the Treasury  
Internal Revenue Service

### Application for Employer Identification Number

(For use by employers and others as explained in the instructions.  
Please read the instructions before completing this form.)

OMB No. 1545-0003 Expires 9-30-85

1 Name (True name and not trade name. If partnership, see page 4.) <u>Craft Bonded Warehouse, Inc.</u>		2 Social security no., if sole proprietor	3 Ending month of accounting year <u>Dec.</u>
4 Trade name, if any, of business (if different from item 1)		5 General partner's name, if partnership; principal officer's name, if corporation; or grantor's name, if trust <u>Gary Craft</u>	
6 Address of principal place of business (Number and street) <u>1206 Briarwood</u>		7 Mailing address, if different	
8 City, State, and ZIP code <u>Anderson, SC 29621</u>		9 County of principal business location <u>Anderson</u>	
10 Type of organization <input type="checkbox"/> Governmental <input type="checkbox"/> Individual <input type="checkbox"/> Nonprofit organization <input type="checkbox"/> Trust <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Other (specify)		11 Date you acquired or started this business (Mo., day, year) <u>March 4, 1985</u>	
12 Reason for applying <input type="checkbox"/> Started new business <input checked="" type="checkbox"/> Purchased going business <input type="checkbox"/> Other (specify)		13 First date you paid or will pay wages for this business (Mo., day, year) <u>April 4, 1985</u>	
14 Nature of principal business activity (See instructions on page 4.) <u>Textile Warehousing</u>		15 Do you operate more than one place of business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
16 Peak number of employees expected in next 12 months (If none, enter "0") <u>8</u>		17 If nature of business is manufacturing, state principal product and raw material used. <u>N-A</u>	
18 To whom do you sell most of your products or services? <input checked="" type="checkbox"/> Business establishments (wholesale) <input type="checkbox"/> General public (retail) <input type="checkbox"/> Other (specify)		023473	
19 Have you ever applied for an identification number for this or any other business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," enter name and trade name. Also enter approx. date, city, and State where you applied and previous number if known.		Telephone number (include area code) <u>803-225-7764</u>	
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief it is true, correct, and complete.		Reas. for appl.	
Signature and Title <u>Gary Craft</u>		Date <u>3/25/85</u>	
Please leave blank ▶		Part I	



# APPLICATION FOR S.C. EMPLOYER WITHHOLDING NUMBER

SOUTH CAROLINA TAX COMMISSION  
INCOME AND ESTATE DIVISION  
WITHHOLDING CONTROL UNIT  
P.O. BOX 125  
COLUMBIA, SOUTH CAROLINA 29214

WH-106 (Rev. 12/83)

DO NOT WRITE IN THIS SPACE

## PRINT-DO NOT WRITE

Business Name Craft Bonded Warehouse, Inc.

Street or P.O. Box 1206 Briarwood

City - State Anderson, SC Zip Code 29621 County Anderson

1. Type of ownership (Check applicable block)
- |  |   |
|--|---|
| (1) <input type="checkbox"/> Individual Proprietor | (3) (a) <input checked="" type="checkbox"/> Corporation |
| (2) <input type="checkbox"/> Partnership           | (b) <input type="checkbox"/> Governmental               |
|  | (c) <input type="checkbox"/> Nonprofit Organization     |

Give name, address, and social security number of owner, each partner, or principal officer:

Name	Mailing Address	City, State, and Zip Code	Social Security Number
<u>Gary Craft</u>	<u>1206 Briarwood</u>	<u>Anderson, SC 29621</u>	<u>251-60-7212</u>

2. Federal Employer Identification Number Applied For

3. Classification of Employer (Check applicable block)
- (1) ☐ Qualified farmer or fisherman under Federal law who elects to report annually.  
(2) ☐ Federal withholding and FICA Taxes will not exceed \$500 quarterly.  
(3) ☒ Federal withholding and FICA Taxes will exceed \$500 quarterly.

4. Expected date of first payroll April 4, 1985 Approximate number of employees 8

5. Business Address 1206 Briarwood Anderson SC 29621

(Actual South Carolina location of Activity)

6. Date you acquired or started this business March 4 1985

(MONTH)

(DATE)

(YEAR)

7. Nature of Principal business activity Textile Warehousing

(GROCERY, HARDWARE, SERVICE STATION, ETC.)

8. If individually owner, give home address \_\_\_\_\_

9. Business phone number (\_\_\_\_\_) \_\_\_\_\_ Home phone number (803) 226-0148

10. If applicant has one or more withholding numbers presently assigned, list the Name, Address, and the South Carolina Employer Withholding Number of each:

Application **Must** be Signed by Owner, Partner, or if Corporation, Authorized Person.

023474

3/25/85  
DATE

Thomas G. Craft  
SIGNATURE

President  
TITLE

APR - 4 1985

9:15 a.m. *LF*

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

SUITE 401

BANKERS TRUST PLAZA

7 NORTH LAURENS STREET

GREENVILLE, SOUTH CAROLINA 29601

803-271-4940

EXHIBIT

MAR 12 1985

NO. 15

STATE BUDGET & CONTROL BOARD

April 3, 1985

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
D. WAYNE CORLEY  
E. MLEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN  
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JOHN W. FOSTER  
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\*D.C. AND NEW YORK BARS ONLY

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\*D.C. BAR ONLY

MISSOURI BAR ONLY

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CELESTE TALLER JONES  
JOSEPH D. WALKER  
NANCY R. JEFFERS  
ALISON RENEE LEE  
MARTHA F. McMILLIN  
GREGORY D. DELGADACH

JAMES E. GARR  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

COLUMBIA OFFICE  
EIGHTEENTH FLOOR  
BANKERS TRUST TOWER  
POST OFFICE BOX 11390  
COLUMBIA, S.C. 29211  
803-799-9600

HILTON HEAD ISLAND OFFICE  
BANKERS TRUST BUILDING  
FIFTY-NINE POPE AVENUE  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5189

WASHINGTON OFFICE  
SUITE 710  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

Mr. William A. McInnis  
State Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

Re: \$1,000,000 Anderson County, South Carolina, Industrial  
Development Revenue Note ( Craft Bonded Warehouse, Inc.  
Project) 1985

Dear Mr. McInnis:

This is to confirm with you that the Craft Bonded Warehouse, Inc.  
bond issue closed on April 3, 1985 as scheduled.

Sincerely,

MCNAIR GLENN KONDUROS CORLEY  
SINGLETARY PORTER & DIBBLE, P.A.

*Nancy Page*

Nancy Page

NP/fb

023475

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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

May 10, 1985

Clarendon County  
c/o Ms. April Lucas  
McNair Law Office  
Box 11390  
Columbia, SC 29211

Dear Ms. Lucas:

Re: \$1,000,000 Clarendon County, South Carolina,  
Industrial Revenue Note  
(Aircap Realty Associates Project)

By means of a certificate dated March 12, 1985 executed by State Treasurer Grady L. Patterson, Jr., and me, you were advised that an allocation of \$1,000,000 of the State Ceiling established in the Deficit Reduction Act of 1984 had been made by the Budget and Control Board for the referenced project.

You now have advised us that these bonds will not be issued in the foreseeable future and that, therefore, a calendar year 1985 allocation would not be used and is not needed.

This letter cancels the referenced certificate and its effect is to reduce the \$1,000,000 allocation to zero.

Sincerely,

*William A. McInnis*  
William A. McInnis  
Secretary

WAM:dw

023476

MAY 10 1985  
4:33 p.m. *KL*

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

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WASHINGTON, D.C. 20005  
202-659-3900

May 7, 1985

William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, South Carolina 29201

HAND DELIVERED

RE: Clarendon County, South Carolina Industrial Development Revenue Bonds  
or Notes (Aircap Realty Associates Project)

Dear Mr. McInnis:

This is to advise you that the above-captioned transaction is not likely to close before year end. Aircap Realty Associates has authorized me to indicate to you that it is unlikely to utilize the State ceiling allocation previously made by the Board on its behalf in the foreseeable future. Please contact me if you have any questions.

Sincerely,

*April C. Lucas*  
April C. Lucas

cc Pat Boyle

023477



MAY 10 1985  
4:33 p.m. *AK*

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

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Sincerely,

*April C. Lucas*  
April C. Lucas

cc Pat Boyle

023478

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State Budget and Control Board

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WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

May 10, 1985

Clarendon County  
c/o Ms. April Lucas  
McNair Law Office  
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Industrial Revenue Note  
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Sincerely,

*William A. McInnis*  
William A. McInnis  
Secretary

WAM:dw

874620

023478-A

MAY 10 1985  
4:33 p.m. *LR*

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

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May 7, 1985

William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, South Carolina 29201

HAND DELIVERED

RE: Clarendon County, South Carolina Industrial Development Revenue Bonds  
or Notes (Aircap Realty Associates Project)

Dear Mr. McInnis:

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Sincerely,

*April C. Lucas*  
April C. Lucas

cc Pat Boyle

084520

023479

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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

May 10, 1985

Clarendon County  
c/o Ms. April Lucas  
McNair Law Office  
Box 11390  
Columbia, SC 29211

Dear Ms. Lucas:

Re: \$1,000,000 Clarendon County, South Carolina,  
Industrial Revenue Note  
(Aircap Realty Associates Project)

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You now have advised us that these bonds will not be issued in the foreseeable future and that, therefore, a calendar year 1985 allocation would not be used and is not needed.

This letter cancels the referenced certificate and its effect is to reduce the \$1,000,000 allocation to zero.

Sincerely,

*William A. McInnis*  
William A. McInnis  
Secretary

WAM:dw

023480

BTACSO



MAY 10 1985  
4:33 p.m. *LR*

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

EIGHTEENTH FLOOR

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May 7, 1985

William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, South Carolina 29201

HAND DELIVERED

RE: Clarendon County, South Carolina Industrial Development Revenue Bonds  
or Notes (Aircap Realty Associates Project)

Dear Mr. McInnis:

This is to advise you that the above-captioned transaction is not likely to close before year end. Aircap Realty Associates has authorized me to indicate to you that it is unlikely to utilize the State ceiling allocation previously made by the Board on its behalf in the foreseeable future. Please contact me if you have any questions.

Sincerely,

*April C. Lucas*

April C. Lucas

cc Pat Boyle

584620

023481

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

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
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STATE TREASURER  
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May 10, 1985

Clarendon County  
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McNair Law Office  
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Sincerely,

*William A. McInnis*  
William A. McInnis  
Secretary

WAM:dw

184520

023482

MAY 10 1985  
4:33 p.m. *LC*

McNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

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Sincerely,

*April C. Lucas*  
April C. Lucas

cc Pat Boyle

023483

184620

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**State Budget and Control Board**

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By means of a certificate dated March 12, 1985 executed by State Treasurer Grady L. Patterson, Jr., and me, you were advised that an allocation of \$1,000,000 of the State Ceiling established in the Deficit Reduction Act of 1984 had been made by the Budget and Control Board for the referenced project.

You now have advised us that these bonds will not be issued in the foreseeable future and that, therefore, a calendar year 1985 allocation would not be used and is not needed.

This letter cancels the referenced certificate and its effect is to reduce the \$1,000,000 allocation to zero.

Sincerely,

*William A. McInnis*  
William A. McInnis  
Secretary

WAM:dw

EPDCCO

023484



# EXHIBIT

MAR 12 1985

NO. 16

## TRANSMITTAL FORM, REVENUE BONDS BUDGET & CONTROL BOARD

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

Date: March 6, 1985

FROM: McNair Law Firm  
Name of Law Firm  
P.O. Box 11390 - 1301 Gervias St.  
Street  
Columbia, SC 29211  
City, State, Zip Code

Telephone Area Code 803  
Number: 799-9800

Submitted for BCB Meeting of:  
March 12, 1985

RE: Not Exceeding \$1,000,000 - Clarendon County  
Amount of Issue, Local Government Issuer  
Note  
Type of Bonds/Notes  
Aircap Realty Associates Project  
Name of Project

Private Activity Bonds:  
☒ YES ☐ NO

Projected Issue Date:

### Project Description:

enlarging, improving or expanding an existing facility for use as a warehouse

in connection with manufacturing lawnmowers

Number of persons to be employed: 5 to 10

### Documents Enclosed:

(All required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition <sup>Non-</sup>(executed original and two copies)
- B. ☐ Resolution or ordinance (executed copy)
- C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)
- D. ☐ Standard Form Investment Letter from purchaser of bonds (executed original)  
OR  
☐ Audited financial statements for three most recent years
- E. ☐ Department of Health and Environmental Control certificate  
☐ Required ☐ Not Required
- F. ☐ Budget and Control Board Resolution and Public Notice  
Original (and ☐ copies for certification and return)
- G. ☐ Processing fee  
Amount \$  Check No.   
Payor

Bond Counsel: April C. Lucas  
Typed Name

By:

*April C. Lucas*  
Signature

023485

# EXHIBIT

State of South Carolina

MAR 12 1985

NO. 16

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 12, 1985

### C E R T I F I C A T E

[Required by Section 103(n)(12)(A) of the Tax Reform Act of 1984  
(which is Part A of the Deficit Reduction Act of 1984)]

Re: \$1,000,000 Clarendon County, South Carolina  
Industrial Revenue Note  
(Aircap Realty Associates Project)

This will confirm that an allocation of the State Ceiling established in the Deficit Reduction Act of 1984 has been made by the Budget and Control Board in the amount indicated for the referenced project. This allocation is valid for calendar year 1985 only and shall expire ninety (90) days from March 12, 1985 (the date the allocation was approved by the Board) if the bonds for which the allocation has been approved have not been issued.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

023486

# EXHIBIT

MAR 12 1985

NO. 16

## RESOLUTION

### STATE BUDGET & CONTROL BOARD

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA WITH RESPECT TO THE ISSUANCE BY CLARENDON COUNTY, SOUTH CAROLINA, OF ITS INDUSTRIAL DEVELOPMENT REVENUE NOTE (AIRCAP REALTY ASSOCIATES PROJECT) 1985 AMENDED IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$1,000,000 FOR AN ALLOCATION OF THE STATE CEILING FOR PRIVATE ACTIVITY BONDS PURSUANT TO SECTION 103(N) OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED.

WHEREAS, Clarendon County, South Carolina (the "County"), acting by and through its County Council is authorized and empowered under and pursuant to the provisions of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended, (the "Act") to acquire and cause to be acquired properties that are projects under the Act through which the industrial development of the State of South Carolina will be promoted and trade developed by inducing industrial enterprises to locate in and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is further authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such financing agreement; and

WHEREAS, the County and Aircap Realty Associates, a Mississippi limited partnership (the "Partnership"), entered into an Assistance Agreement (the "Assistance Agreement") executed by the County on September 10, 1984, and thereafter by the Partnership, pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the under takings of the County pursuant to the Assistance Agreement, the County proposes to issue its Industrial Development Revenue Note (Aircap Realty Associates Project) in the principal amount of not exceeding \$1,000,000 (the "Note") under and pursuant to the Act to defray the costs of enlarging, improving or expanding certain facilities including certain land, a building or buildings and other improvements thereon, and machinery, apparatus, equipment, office facilities and furnishings to be leased to Aircap Industries Incorporated, a Mississippi corporation authorized to do business as a foreign corporation in the State of South

Carolina (the "Tenant") (the "Project") to be 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 Partnership under and pursuant to the terms of a Financing Agreement (the "Agreement") to be entered into between the County and the Partnership; and

WHEREAS, it is now deemed advisable by the County Council to file with the State Budget and Control Board of South Carolina, a Petition of the County requesting an allocation by the State Budget and Control Board of the State ceiling for private activity bonds (the "Volume Cap") imposed by Section 103(N) of the Internal Revenue Code of 1954, as amended in the amount of not exceeding \$1,000,000 with respect to the Note;

NOW, THEREFORE, BE IT RESOLVED by the County Council of Clarendon County, South Carolina, as follows:

Section 1. There be and is hereby authorized and directed the submission on behalf of the County, of a Petition requesting the allocation by the State Budget and Control Board of South Carolina of the Volume Cap in the amount of not exceeding \$1,000,000 with respect to the Note, said Petition, which constitutes and is hereby made a part of this authorizing resolution, to be in substantially the form attached hereto.

Section 2. A reasonable estimate of the total cost of the Project is \$1,000,000.

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 March 11, 1985.

CLARENDON COUNTY, SOUTH CAROLINA

By

Marion S. Riggs  
Marion S. Riggs, Esquire,  
Chairman of County Council,  
Clarendon County, South Carolina

(SEAL)

ATTEST:

Cynthia Drayton  
Cynthia Drayton, Clerk  
of County Council,  
Clarendon County, South Carolina

EXHIBIT

MAR 12 1985 NO. 16

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA )  
 )  
CLARENDON COUNTY )

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

P E T I T I O N

This Petition of Clarendon County, South Carolina (the "County"), pursuant to South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended, (the "Act") and specifically Section 4-29-140 thereof, respectfully shows:

1. The County Council of Clarendon County (the "County Council"), is the governing body of the County and as such is the "governing board" of the County\*referred to in the Act.

2. The Act, among other things, empowers the County, subject to obtaining the approval of the State Budget and Control Board, pursuant to Section 4-29-140 of the Act: (i) to acquire, and, in connection with such acquisition, to enlarge, improve and expand, whether by construction, purchase, gift or lease, one or more projects (as defined in the Act) which shall be located within the jurisdiction of the County; (ii) to make available to any industry or industries any or all of its projects for such payments and upon such terms and conditions as the governing board may deem advisable and as shall not conflict with the provisions of the Act; and (iii) to issue revenue bonds, as defined in the Act to include notes, for the purpose of defraying the cost of acquiring, by construction and purchase, and in connection with any such acquisition, to enlarge, improve and expand any project and to secure the payment of such bonds all as in the Act provided.

3. Pursuant to the provisions of Act No. 512 of the Acts and Joint Resolutions for the General Assembly of the State of South Carolina for the year 1984, the State Budget and Control Board and the Joint Bond Review Committee have been assigned certain responsibilities with respect to allocation of the private activity bond ceiling (the "Volume Cap") applicable to the State of South Carolina under Section 103(N) of the Internal Revenue Code of 1954, as amended.

4. The County has agreed to assist Aircap Realty Associates, a Mississippi limited partnership (the "Partnership"), by issuing its revenue note for the purpose of defraying the cost of enlarging, improving or expanding certain facilities located in the County (the "Project") for

lease to Aircap Industries Incorporated, a Mississippi corporation authorized to do business as a foreign corporation in the State of South Carolina (the "Tenant").

5. The County has been advised by the Partnership that the estimated cost of the Project will be \$1,000,000 and it has requested the County to execute and deliver its Industrial Development Revenue Note (Aircap Realty Associates Project) (the "Note") in the principal amount of not exceeding \$1,000,000 to defray such costs.

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 allocate not exceeding \$1,000,000 of the Volume Cap for the Note.

Respectfully submitted,

CLARENDON COUNTY, SOUTH CAROLINA

By

Marion S. Riggs  
Marion S. Riggs, Esquire,  
Chairman, County Council,  
Clarendon County, South Carolina

Dated: March 11, 1985.

(SEAL)

ATTEST:

Cynthia Drayton  
Cynthia Drayton, Clerk,  
County Council,  
Clarendon County, South Carolina

# EXHIBIT

MAR 12 1985 NO. 16

STATE BUDGET & CONTROL BOARD

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN ASSISTANCE AGREEMENT BY AND BETWEEN CLARENDON COUNTY, SOUTH CAROLINA AND AIRCAP REALTY ASSOCIATES, WHEREBY, UNDER CERTAIN CONDITIONS, CLARENDON COUNTY WILL ISSUE NOT EXCEEDING ONE MILLION DOLLARS DOLLARS (\$1,000,000) INDUSTRIAL DEVELOPMENT REVENUE BONDS OR NOTES.

WHEREAS, Clarendon 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 4, Chapter 29, Code of Laws of South Carolina, 1976, as amended, (the "Act") to acquire, or cause to be acquired, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry to construct, operate, maintain and improve such projects; to enter into financing agreements with respect to such projects; to issue revenue bonds to defray the costs of such projects; and to accept any grants for such projects through which powers the industrial development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely out of the revenues derived from a financing agreement with respect to such project and may further be secured by a pledge of said revenues, a trust indenture or indenture covering all or any part of such project, and a pledge of any financing agreement with respect to such project; and

WHEREAS, Aircap Realty Associates, a Mississippi limited partnership (the "Partnership"), has requested the County to issue not exceeding \$1,000,000 of its Industrial Development Revenue Bonds or Notes (Aircap Realty Associates Project) pursuant to the Act for the purpose of defraying the cost of acquiring by construction and purchase a building or buildings or other improvements to be leased by the Partnership to Aircap Industries, Inc., a Mississippi corporation, for use as a warehouse in connection with the existing facility for manufacturing lawnmowers operated by Aircap Industries, Inc. (the "Project"), all as more fully set forth in the Assistance Agreement attached hereto; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Partnership that the Project would be a "project" as that term is defined in the Act and that the Project would subserve the purposes of the Act.



NOW, THEREFORE, BE IT RESOLVED, by the County Council as follows:

Section 1. Pursuant to the authority of the Act and subject to the approval by the State Budget and Control Board, and for the purpose of defraying a portion of the cost (as defined in the Act) of acquiring the Project there is hereby authorized to be issued revenue bonds or notes of the County in the principal amount of not exceeding One Million Dollars Dollars (\$1,000,000) to be designated "Clarendon County, South Carolina, Industrial Development Revenue Bonds or Notes (Aircap Realty Associates Project)" (the "Bonds").

Section 2. The provisions, terms and conditions of the financing agreement by and between the County and the Partnership, the provisions, terms and conditions of the trust indenture or indenture by and between the County and the Trustee or Bondholder, yet to be named, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds shall be prescribed by subsequent resolution or ordinance of the County Council.

Section 3. The Chairman of the County Council is hereby authorized and directed to execute the Assistance Agreement attached hereto in the name and on behalf of the County, and the Clerk of the County Council is hereby authorized and directed to affix thereto the seal of the County and to attest the same; and the Chairman of the County Council is hereby further authorized and directed to deliver said executed Assistance Agreement to the Corporation.

Section 4. Prior to the issuance of any Bonds, the County Council will comply with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions.

Section 5. All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and after its passage by the County Council.

Section 6. It is the intention of the 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 United States Treasury Department relating to the issuance of industrial revenue bonds.

Done in meeting duly assembled this 10<sup>th</sup> day of  
September, 1984.

CLARENDON COUNTY, SOUTH CAROLINA

By: W.C. Gibbons  
W.C. Gibbons, Chairman, County  
Council of Clarendon County,  
South Carolina

(SEAL)

ATTEST:

By: Cynthia Drayton  
Cynthia Drayton, Clerk  
County Council of  
Clarendon County, South Carolina

EXHIBIT

MAR 12 1985

NO. 16

STATE BUDGET & CONTROL BOARD

# EXHIBIT

MAR 12 1985

NO. 16

## ASSISTANCE AGREEMENT

STATE BUDGET & CONTROL BOARD

THIS AGREEMENT made and entered into by and between Clarendon County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), and Aircap Realty Associates, a Mississippi limited partnership (the "Partnership").

### WITNESSETH:

#### ARTICLE I

#### RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The County is a body politic and corporate, and a political subdivision of the State of South Carolina, 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, or cause to be acquired, and to 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 South Carolina and by encouraging industries now located in South Carolina to expand their investments and thus utilize and employ manpower and other resources of South Carolina.

Section 1.02. The Partnership desires to acquire within the jurisdiction of the County, a certain building or buildings and other improvements thereon to be leased by the Partnership to Aircap Industries, Inc. ("Aircap"), a Mississippi corporation, for use as a warehouse in connection with Aircap's existing facility for manufacturing lawn mowers (the "Project"). The Project when completed and in operation will provide additional permanent employment in the County for approximately five to ten people.

Section 1.03. The Partnership has requested the County to assist it with its contemplated program through the sale of Industrial Development Revenue Bonds (or Notes) pursuant to the Act, whereby the County would defray a portion of the cost of the Project.

Section 1.04. The County has given due consideration to all the proposals and requests of the Partnership and has agreed to endeavor to effect the issuance of the bonds at the time and on the terms and conditions hereafter set forth.

## ARTICLE II

### UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

Section 2.01. The County will, subject to the approval by the State Budget and Control Board required by the Act, authorize the issuance of not exceeding One Million Dollars Dollars (\$1,000,000) Clarendon County, South Carolina, Industrial Development Revenue Bonds (or Notes) (Aircap Realty Associates Project) (the "Bonds"), at such time as the Partnership may request the County to do so.

Section 2.02. The County will permit the Partnership to arrange for the sale of the Bonds to defray the cost of the Project as aforesaid and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds shall be applied to the payment of the costs of the Project as determined under the Act including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition by construction and purchase of the Project including buildings and other items permitted by the Act, and the repayment of any funds advanced or loans incurred by the Partnership for such purposes.

Section 2.04. Prior to issuing any Bonds, the County may enter into a trust indenture with a trustee bank to be selected by the Partnership or an indenture with the purchasers of the Bonds pursuant to which the Bonds will be issued. Such trust indenture or indenture shall be substantially in the form used in connection with the issuance of other South Carolina industrial revenue bonds and may constitute a lien on the Project and the revenues derived from the financing agreement with respect to the Project to secure the payment of the Bonds.

Section 2.05. If requested by the Partnership and in order to provide interim financing pending the issuance of the Bonds, the County will adopt the necessary proceedings and provide for the issuance of bond anticipation notes pursuant to Title 11, Chapter 17, Code of Laws of South Carolina, 1976, in anticipation of the issuance of the Bonds.

Section 2.06. The County 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.



### ARTICLE III

#### UNDERTAKINGS ON THE PART OF THE PARTNERSHIP

Section 3.01. The Partnership agrees that the County will have no obligation to find a purchaser of the Bonds.

Section 3.02. The Partnership further agrees, if the plan proceeds as contemplated:

(a) to acquire by construction and purchase the buildings constituting the Project;

(b) to enter into a financing agreement with the County under the terms of which the Partnership will obligate itself to pay to the County sums sufficient to pay the principal, interest and premium, if any, on the Bonds, as and when the same become due and payable, said financing agreement shall be in such form and contain such provisions as shall be satisfactory to the County and to the Partnership;

(c) to obligate itself to make the additional payments required by the Act, including, but not limited to, payments in lieu of taxes if necessary;

(d) 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 Agreement in the implementation of its terms and provisions;

(e) to perform such further acts and adopt such further proceedings as may be required to faithfully implement its undertakings and consummate the proposed financing; and

(f) to covenant and agree in the financing agreement referred to hereinbefore to install in the buildings which are to become a part of the Project and thereafter to operate the Project as a facility for the purpose of warehousing lawnmowers or for such other purposes as may hereafter be deemed appropriate.

### 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 Agreement shall constitute or give rise to a pecuniary

liability of the County or a charge against its general credit or taxing power.

Section 4.02. The parties hereto agree that the Partnership may proceed with the Project including the construction of a building or buildings and acquisition and installation of equipment and machinery prior to the issuance of the Bonds.

Section 4.03. All commitments of the County and the Partnership hereunder are subject to the condition that the County and the Partnership do agree on acceptable terms and conditions of all documents the execution and delivery of which are contemplated by provisions hereof.

Section 4.04. The parties understand that the Partnership may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.05. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the County within the meaning of the applicable regulations of the United States Treasury Department relating to the issuance of industrial revenue bonds.

Section 4.06. This Agreement may be assigned by the Partnership to Aircap or to any other person, corporation or entity which undertakes to construct and operate the Project.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

CLARENDON COUNTY, SOUTH CAROLINA

By: W.C. Gibbons  
W.C. Gibbons, Chairman, County  
Council of Clarendon County,  
South Carolina

(SEAL)

ATTEST:

By: Cynthia Drayton  
Cynthia Drayton, Clerk  
County Council of  
Clarendon County, South Carolina

Dated: September 10th 1984.

EXHIBIT

MAR 12 1985 NO. 16

STATE BUDGET & CONTROL BOARD

AIRCAP REALTY ASSOCIATES

By: *Ray L. Moore*  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Its \_\_\_\_\_  
Dated: September \_\_, 1984.

EXHIBIT

MAR 12 1985 NO. 16

STATE BUDGET & CONTROL BOARD

# EXHIBIT

MAR 12 1985

NO. 16

McNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW  
EIGHTEENTH FLOOR  
BANKERS TRUST TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

STATE BUDGET & CONTROL BOARD

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
D. WAYNE CORLEY  
E. McLEOD SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN\*  
JOHN H. LUMPKIN, JR.  
JOHN W. CURRIE  
SCOTT V. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL R. McLEOD, JR.  
WILLIAM S. ROSE, JR.  
BERNARD J. WUNDER, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFCOAT  
ROBERT T. BOCKMAN  
PETER L. MURPHY  
C. ALAN RURYAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY  
\*D.C. AND NEW YORK BARS ONLY  
\*D.C. AND OHIO BARS ONLY  
\*D.C. BAR ONLY  
\*MISSOURI BAR ONLY

WILMOT B. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN E. CRUM  
FRANKLIN G. POLK\*\*  
JOHN W. HUNTER\*\*  
HUEL D. ADAMS, JR.  
JAMES P. FIELDS, JR.  
LAWRENCE P. HIGDONET  
W. STEPHEN CANNON  
BARBARA GEORGE BARTON  
J. SIMON FRASER  
E. RUSSELL JETER, JR.  
DOROTHY M. HELMS  
PAUL B. NIX, JR.  
NANCY PAGE  
SANDRA L. RANDLEMAN  
JANE W. TRINKLEY  
J. LYLES OLSEN, IV  
CELESTE TILLER JONES  
JOSEPH D. WALKER  
NANCY R. JEFFERIS  
ALISON RENEE LEE  
MARTHA P. McMILLIN  
GREGORY D. DeLOACH

JAMES E. GARR  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

GREENVILLE OFFICE  
SUITE 401  
BANKERS TRUST PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
BANKERS TRUST BUILDING  
FIFTY-NINE POPE AVENUE  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 710  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

March 11, 1985

William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, South Carolina 29201

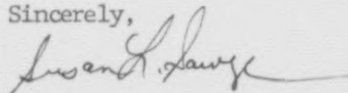
RE: Clarendon County, South Carolina Industrial Development Revenue  
Note (Aircap Realty Associates Project)1985

Dear Mr. McInnis:

Enclosed please find an executed original and two copies of a Resolution and Petition relating to Volume Cap allocation in regard to the above-captioned transaction.

Should you have any questions, please call.

Sincerely,



Susan L. Sawyer  
Paralegal - Bond Department

Enclosures

023500



# EXHIBIT

MAR 12 1985

NO. 1 6

MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, P.A.

ATTORNEYS AND COUNSELORS AT LAW

EIGHTEENTH FLOOR

BANKERS TRUST TOWER

POST OFFICE BOX 11390

COLUMBIA, SOUTH CAROLINA 29211

803-799-9800

STATE BUDGET & CONTROL BOARD

ROBERT E. MCNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
O. WAYNE CORLEY  
E. MCLEOD SINGLETARY  
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J. LYLES GLENN, IV  
CELESTE TILLER JONES  
JOSEPH D. WALKER  
NANCY R. JEFFERIS  
ALISON RENEE LEE  
MARTHA P. MCILLIN  
GREGORY D. DILLGACH

March 6, 1985

JAMES E. CARR  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

GREENVILLE OFFICE  
SUITE 401  
BANKERS TRUST PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
BANKERS TRUST BUILDING  
FIFTY-NINE POPE AVENUE  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5189

WASHINGTON OFFICE  
SUITE 710  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-689-3900

HAND DELIVERED

Mr. William A. McInnis  
State Budget and Control Board  
Wade Hampton Office Building  
6th Floor  
Columbia, SC 29202

Re: Clarendon County, South Carolina Industrial  
Development Revenue Note (Aircap Realty Associates  
Project) 1985

Dear Mr. McInnis:

This letter is in reference to our telephone conversation this morning in connection with the above-captioned matter. As I explained, the City of Manning has requested that this transaction be processed in conjunction with an Urban Development Action Grant so the City may benefit from recycling of the grant moneys. As part of the UDAG documentation, we submitted our opinion as bond counsel as to the viability of the financing during mid-January, but we did not then process State approval because the company has not decided upon a lender.

We learned this morning, however, that HUD's Washington office will require that Budget and Control Board make its allocation under the State Volume Cap in sufficient time to make a March 15, 1985 filing deadline. Missing this deadline would delay the Project by approximately six months.

Accordingly, I have arranged a special meeting of the Clarendon County Council for the end of this week to consider a Resolution and Petition relating to the Volume Cap. We will submit a separate

023501

Mr. William A. McInnis  
March 6, 1985  
Page 2

Resolution and Petition for approval under State law when the Company has made its decision as to a lender.

Please place consideration of the volume cap allocation for this transaction on the agenda for the Board's March 12, 1985 meeting. If we may facilitate this matter in any way, please let me know.

Also, please accept my apologies for the last minute nature of this request. We are still learning some of the ramifications of the new Volume Cap requirements.

Sincerely,

*April Lucas*  
April C. Lucas

ss

023502

# EXHIBIT

MAR 12 1985

NO. 17

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
ITEM NUMBER

6

AGENCY: Budget Division

SUBJECT: Transfer Requests

The Budget Division recommends approval of the following transfer requests:

- (a) Board of Optometry: \$997.77 appropriated general fund monies from temporary position to contractual services to provide funding to cover the cost of the approved contract with Multiple Management Services which now provides services previously provided by a temporary employee.
- (b) Legislative Audit Council: \$39,566.59 appropriated general fund monies from personal services to other operating expenses to add computer equipment in an effort to increase productivity.
- (c) Youth Services: \$77,455 appropriated general fund monies from classified positions (\$65,022) and employer contributions (\$12,433) to other operating expenses; and consolidation of two new programs (Secure Shelter Home and Beaufort Marine Institute) into a single program to better serve the Beaufort-Jasper-Colleton-Hampton area.

BOARD ACTION REQUESTED:

Approve the following transfer requests:

- (a) Board of Optometry: \$997.77 appropriated general fund monies from temporary position to contractual services;
- (b) Legislative Audit Council: \$39,566.59 appropriated general fund monies from personal services to other operating expenses; and
- (c) Youth Services: \$77,455 appropriated general fund monies from classified positions (\$65,022) and employer contributions (\$12,433) to other operating expenses; and consolidation of two new programs (Secure Shelter Home and Beaufort Marine Institute) into a single program.

ATTACHMENTS:

Agenda item worksheets and attachments

023503

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

For meeting scheduled for:

March 12, 1985

Blue Agenda☒ Regular Session AgendaExecutive Session Agenda

## 1. Submitted By:

(a) Agency: State Budget Division(b) Authorized Official Signature: *[Signature]*2. Subject: Board of Optometry Request to Transfer \$997.77 From Personal Service to Other Operating Expenses.

## 3. Summary Background Information:

The South Carolina Board of Examiners in Optometry requests the Budget and Control Board's approval to transfer \$997.77 appropriated General Fund Temporary Position to Contractual Services. This transfer is necessary to provide the funding needed to cover the cost of the approved contract with Multiple Management Services which is now providing the services previously provided by the temporary employee.

## EXHIBIT

MAR 12 1985 NO. 17

STATE BUDGET &amp; CONTROL BOARD

## 4. What is Board asked to do?

Approve the transfer of \$997.77 from Personal Service to Other Operating Expenses.

## 5. What is recommendation of the Board Division involved?

Recommend Approval.

*[Signature]*  
Recommended By:

## 6. Recommendation of other office (as required)?

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

## 7. Supporting Documents:

List Those Attached

1. Agency Letter
2. Transfer Form #30

List Those Not Attached But Available from Submitter

(a)

023504





# The South Carolina Board of Examiners in Optometry

Post Office Box 8725



(803) 254-3661

Columbia, South Carolina 29202

## EXHIBIT

MAR 12 1985

NO. 17

STATE BUDGET & CONTROL BOARD

February 20, 1985

Mr. Scott Barnes  
Finance Division  
Budget and Control Board  
407 Wade Hampton Building  
Columbia, South Carolina 29201

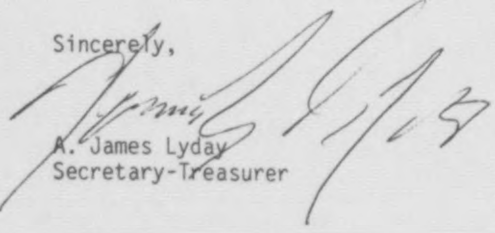
Dear Mr. Barnes:

The South Carolina Board of examiners in Optometry (\$18) requests an appropriation transfer of the \$997.77 balance in line item 0171 (Temporary Positions) to line item 0200 (Contractual Services). Multiple Management Services began contractual services with the Board on August 1, 1984. As of this date, the position of Temporary Services became vacant after previously being provided by Gwen Ann Owens.

The Board requests the transfer as Multiple Management Services is now providing the services allocated for Temporary Positions.

Thank you for your assistance in this matter.

Sincerely,

  
A. James Lyday  
Secretary-Treasurer

023506

# EXHIBIT

STATE OF SOUTH CAROLINA

MAR 12 1985

NO. 17

## SERVICES CONTRACT

STATE BUDGET & CONTROL BOARD

THIS AGREEMENT, made the 1st day of August, 1984,  
by and between the South Carolina Board of Examiners in  
Optometry, an agency or institution of the State of South  
Carolina, (hereafter Agency) and Multiple Management  
Services, Inc. (hereafter Contractor), Address: 914 Richland  
Street, Suite C-1 Bonham Center, Columbia, South Carolina,  
for and in consideration of the mutual promises herein made,

### 1. SERVICES.

Contractor will provide to Agency the following  
contractor services:

#### TASK 1

Telephone and Written Communications Services -  
Contractor will provide information to the public  
on request, create a communications link between  
licensees and the Agency, establish record-keeping  
systems and provide a location for meetings and  
records in the following manner:

- Establish a Columbia telephone line in Contractor's offices with service during regular business hours, 8:30 A.M. to 5:00 P.M., Monday through Friday. This number will be listed in the Columbia, South Carolina telephone directory under State of South Carolina, Board of Examiners in Optometry.

- Secure a post office box at the Main Office in Columbia which will be checked daily and routinely prepare responses to correspondence, upon conferring with the appropriate Agency member.

- Provide meeting space for six meetings each six months in the conference room of Offices with

023507

scheduling dependent on availability; prepare and disseminate notices and minutes of the meetings in a timely manner.

#### TASK 2

Records of Licensees and Applicants - Contractor will receive all current records of licensees and applicants and provide access to these records during business hours to authorized individuals, as determined by the Agency in the following manner:

- Develop a system, to the satisfaction of the Agency, for assuring that confidential information will not be improperly released and maintain insurance coverage for any negligent release.
- Develop a program and data base for handling applications for licenses and notices for testing and handle all correspondence regarding applications and testing. Such program must be satisfactory to the Agency and the data base will be the property of the Agency.
- Maintain records of Continuing Education Units, complaints, annual renewal information and other information as determined by the Agency for all licensed Optometrists in an automated system with each file clearly marked CONFIDENTIAL. No information from licensees' file shall be given out by Contractor except to Agency members.
- Make full arrangements to the satisfaction of the Agency for its participation at Optometry-related functions and education programs (to be limited to 2 during the contract period).

#### TASK 3

General Administrative Support - Contractor will function as the "administrative office" for the Agency by providing these services:

- Maintain all records of the Agency in Contractor's offices and provide access to these records during regular business hours according to policy established by the Agency and maintain insurance coverage for any losses occurring for failure to follow Agency policies or for loss or destruction of any records or supplies.
- Receive all revenues due and owing to the Agency as license fees, application fees or any other




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

For meeting scheduled for:

Blue Agenday Regular Session AgendaExecutive Session AgendaMarch 12, 1985

1. Submitted By:

(a) Agency: State Budget Division(b) Authorized Official Signature: 2. Subject: Legislative Audit Council Request the Transfer of Personal Service Appropriated State Fund to Other Operating Expense.

3. Summary Background Information:

The Legislative Audit Council requests the transfer of \$39,566.59 Personal Service appropriated State Funds to Other Operating Expense. The source of these funds is as follows: \$2,573.59 of agency appropriated unclassified Legislative Personal Service funds, \$24,648.00 general base pay funding, \$5,674.00 merit increment, and \$6,671.00 state employer contributions. The agency makes this request to increase Other Operating Expense in an effort to increase its productivity.

EXHIBIT

MAR 12 1985 NO. 17

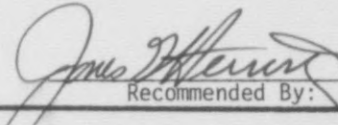
STATE BUDGET &amp; CONTROL BOARD

4. What is Board asked to do?

Approve the transfer of \$39,566.59 Personal Service appropriated State Funds to Other Operating Expense.

5. What is recommendation of the Board Division involved?

Recommend Approval.

  
Recommended By:

6. Recommendation of other office (as required)?

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

7. Supporting Documents:

List Those AttachedList Those Not Attached But Available from Submitter

1. Agency Letter
2. Transfer Form #30

023509

(b)

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

3

AGENCY VOUCHER NUMBER

## STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

CG WARRANT NUMBER

AGENCY TRANSFERRED TO (CRI)

AGENCY TRANSFERRED FROM (DIR)

NAME  
LEG AUDIT COUNCIL  
ADDRESS  
620 BANKERS TRUST TOWER  
COLUMBIA, SC 29201

## APPROPRIATION TRANSFER

NAME  
B&C BOARD  
ADDRESS  
P O BOX 11333  
COLUMBIA, SC 29211

## 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: AGENCY REQUEST FOR 1984-85 SALARY ADJUSTMENT (BPI), MERIT INC., AND EMPLOYER CONT  
FUNDS RESERVED/ALLOCATED BY BUDGET AND CONTROL BOARD

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
08	350	F30 <del>F28</del>	2229	1001						0195	36,993.00	

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
08	300	A20	0009	1001						0194	5,674.00	
08	300	A20	0009	1001						9703	1,931.00	
08	300	A20	0009	1001						9856	1,005.00	
08	300	A20	0009	1001						9704	871.00	
08	300	A20	0009	1001						9705	739.00	
08	300	A20	0009	1001						9706	7,640.00	
08	300	A20	0009	1001						9707	10,044.00	
08	300	A20	0009	1001						9708	1,515.00	
08	300	A20	0009	1001						9709	903.00	
08	300	A20	1193	1001						1300	6,671.00	
TOTAL											79,272	36,993.00

REQUESTED BY George L. Schroeder, Dir. DATE 2-12-85 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 023510 DATE \_\_\_\_\_

AGENCY NUMBER      AGENCY BATCH NUMBER      OBJECT CODE HASH TOTAL      TOTAL BATCH AMOUNT      BATCH DATE      BATCH NUMBER      DOCUMENT  
 3

## AGENCY VOUCHER NUMBER

LAC-81

AGENCY TRANSFERRED TO (CRI)

NAME

LEG AUDIT COUNCIL

ADDRESS

620 BANKERS TRUST TOW

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.

## CG WARRANT NUMBER

AGENCY TRANSFERRED FROM (DRI)

NAME

LEG AUDIT COUNCIL

ADDRESS

620 BANKERS TRUST TOW

COLUMBIA, SC 29201

## BUDGET AND CONTROL BOARD AUTHORIZE TRANSFER OF PERSONAL SERVICE ALLOCATION

REASON FOR TRANSFER:

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
08	350	A20	0009	1001						9707	13,425.09	
08	350	A20	0009	1001						9708	17,447.11	
08	350	A20	0009	1001						9709	7,590.38	
08	350	A20	0009	1001						0194	5,674.00	
08	350	A20	1193	1001						1300	6,671.00	
TOTAL										30,618	50,807.58	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
08	300	A20	0009	1001						9703	2,238.40	
08	300	A20	0009	1001						9704	1,955.30	
08	300	A20	0009	1001						9705	77.33	
08	300	A20	0009	1001						9856	1,305.56	
08	300	A20	0009	1001						9706	5,664.40	
08	300	A20	0009	1001						0200	5,000.00	
08	300	A20	0009	1001						0300	3,000.00	
08	300	A20	0009	1001						0600	31,566.59	
TOTAL										49,774	50,807.58	

REQUESTED BY George J. Schroeder, Dir.

DATE 2/12/85

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

023511

DATE





# LEGISLATIVE AUDIT COUNCIL

## STATE OF SOUTH CAROLINA

620 BANKERS TRUST TOWER  
COLUMBIA, SOUTH CAROLINA 29201

TELEPHONE:  
803-758-5322

February 12, 1985

### PUBLIC MEMBERS

JERRY D. GAMBRELL  
*Chairman*  
F. HALL YARBOROUGH  
ROBERT S. SMALL, JR.

Mr. Charles Case  
Budget Analyst  
Finance Division  
Budget and Control Board  
Wade Hampton Office Building  
Columbia, SC 29201

Dear Charles:

### EX-OFFICIO MEMBERS

#### SENATE

MICHAEL R. DANIEL  
*Lt. Governor*  
*Pres. - Senate*

L. MARION GRESSETTE  
*Pres. Pro Tempore*  
*Chm. - Judiciary Comm.*

REMBERT C. DENNIS  
*Chm. - Finance Comm.*

#### HOUSE

RAMON SCHWARTZ, JR.  
*Speaker of House*

TOM G. MANGUM  
*Chm. - Ways & Means Comm.*

ROBERT J. SHEHEEN  
*Chm. - Judiciary Comm.*

Confirming your conversation with Lois Tarte of my staff, we need to add to our computer equipment in an effort to increase our productivity. We presently have three terminals for use by our audit staff of 19, and we have reached an 85-90% use time for this equipment.

We also need to replace a Copier II which we have used for the past 8-1/2 years and we are experiencing a lot of down-time because of this machine.

We have reconciled our personal services accounts and find that we will have a surplus of \$2,573.59 which is due to turn-over and our not filling the positions immediately. We also have available from the General Fund account \$24,648 for base pay increases; \$5,674 for merit increment payout; and \$6,671 for employer contributions for a total of \$36,993 available funds for a grand total of \$39,566.59.

Since we will not require a transfer of funds from the General Fund account for base pay increases, we ask that we be allowed to transfer \$5,000 to 0200 - Contractual Services to cover maintenance on equipment; \$3,000 to 0300 - Supplies; and \$31,566.59 to 0600 - Equipment to purchase technological equipment for our staff.

We feel the above information will justify our request for this transfer of funds within our organization; however, if you need any additional information, please let us know.

Thank you for your prompt assistance and consideration of this proposed transfer. Please keep us advised of the status of this request.

GEORGE L. SCHROEDER  
*Director*

Sincerely,

*George L. Schroeder*  
George L. Schroeder  
Director

RECEIVED  
FEB 19 1985

GLS:t  
Enclosures  
Budget & Control Board  
STATE BUDGET DIVISION

023512



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

For meeting scheduled for:

March 12, 1985

Blue Agenda

☒ Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: C. L. [Signature]

2. Subject: Youth Services Request a Budget Realignment Which Includes the Transfer of Personal Service Appropriated State Funds to Other Operating

3. Summary Background Information: Expenses.

The Department of Youth Services herewith requests a budget realignment consolidating two new Programs, Secure Shelter Home and the Beaufort Marine Institute, into a single program. The request also includes the transfer of \$77,455.00 Personal Service appropriated State Funds to Contractual Services. It is agreed that the children located in the Beaufort - Jasper - Colleton - Hampton area could be better serviced if the residential component was merged with the Beaufort Marine Institute.

## EXHIBIT

MAR 12 1985 NO. 17

STATE BUDGET &amp; CONTROL BOARD

4. What is Board asked to do?

Approve the budget realignment which includes the transfer of \$77,455.00 Personal Service appropriated State Funds to Contractual Services.

5. What is recommendation of the Board Division involved?

Recommend that the budget realignment and transfer be approved. The staff also recommend that the agency head count be reduced by ten (10.00) FTE positions.

[Signature]  
Recommended By:

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

1. Agency Letter
2. Transfer Form #30
3. Staff Analysis & Recommendations

023513

(c)

AGENCY NUMBER N 12 AGENCY BATCH NUMBER T 034 OBJECT CODE HASH TOTAL 9258 TOTAL BACCH AMOUNT 240,126.00 BATCH DATE BATCH NUMBER DOCUMENT 3

AGENCY VOUCHER NUMBER

012

## STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

CG WARRANT NUMBER

AGENCY TRANSFERRED TO (CRI)

NAME

Youth Services

ADDRESS

## APPROPRIATION TRANSFER

AGENCY TRANSFERRED FROM (DRI)

NAME

Youth Services

ADDRESS

## 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.

Realign 84/85 additional increase funds

REASON FOR TRANSFER:

COM

M	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	C G R
8	350	N12	3745	1001						0158	65,022.00		
8	350	N12	3745	1001						0300	6,148.00		
8	350	N12	3745	1001						0400	3,847.00		
8	350	N12	3745	1001						0500	6,613.00		
8	350	N12	3745	1001						0600	21,500.00		
8	350	N12	3745	1001						1100	750.00		
8	350	N12	3745	1001						2300	3,000.00		
TOTAL											(Cont.)		

M	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	C G R
8	300	N12	3745	1001						0200	120,063.00		
TOTAL										0200	120,063.00		

REQUESTED BY Kathleen Thibault DATE Feb 27, 1985 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 023514 DATE \_\_\_\_\_

AGENCY NAME	AGENCY BATCH NUMBER	OBJECT CODE	HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMENT
-------------	---------------------	-------------	------------	--------------------	------------	--------------	----------

N 12 T 034  
AGENCY VOUCHER NUMBER

9258	240,126.00
------	------------

3

AGENCY VOUCHER NUMBER

## STATE OF SOUTH CAROLINA

CG WARRANT NUMBER

012

BUDGET AND CONTROL BOARD - FINANCE DIVISION

AGENCY TRANSFERRED TO ICRI

AGENCY TRANSFERRED FROM (OR)

AME

NAME \_\_\_\_\_

◎◎◎◎◎

ADDRESS

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.

ASON FOR TRANSFER:

ROM

TM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT		AGENCY REFERENCE NUMBER	OBJECT		TRANSACTION AMOUNT	MULTI PURPOSE CODE
								CODE			CODE			
08	350	N12	3745	1001							2400		750.00	
08	350	N12	1491	1001							1300		12,433.00	
TOTAL											9058		120,063.00	

Q

[illegible]

EQUESTED B

REQUESTED BY Kathleen M. Miller DATE Feb 27, 1985 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

DATE \_\_\_\_\_





Harry W. Davis, Jr.  
Commissioner

## Youth Services

P.O. Box 7367/Columbia, S.C. 29202  
Telephone (803) 758-3610

February 27, 1985

### EXHIBIT

MAR 12 1985 NO. 17

STATE BUDGET & CONTROL BOARD

Mr. Allan Kincaid  
Budget Analyst  
S. C. Budget and Control Board  
P. O. Box 11333  
Columbia, S. C. 29221

Dear Mr. Kincaid:

For FY'85, the Department of Youth Services received appropriations to fund two new programs for a period of six months. One of the programs, a secure shelter home, was to be located in the state's southwest corner and serve as an alternative to placing juveniles in adult jails for detention. The department intended to operate this group home by employing full-time state personnel. The Beaufort Marine Institute was the second new program funded. It was conceived as a day program modeling successful marine oriented programs in Florida, Texas and Charleston, S. C.

With only six months funding, the programs were scheduled to begin on January 1, 1985. During the interim period, an attempt was made to locate compatible sites for both projects. An exhaustive site search coupled with a complete programmatic reassessment suggested that the marine program would be better designed if it were residential in nature. It was also determined that the rural, underdeveloped nature of the counties to be served by the shelter home with the related number of juveniles needing alternative placement did not appear to warrant a separate residential program.

Discussions were held with the Governor's Office and with those legislators who were interested in these specific programs and instrumental in getting them funded. All agreed that the children located in the Beaufort-Jasper-Colleton-Hampton area and surrounding counties could be better served if the residential component of the shelter home were merged with the Beaufort Marine Institute.

The result would be a consolidated program offering a complete range of services, thus avoiding the need for a state owned shelter home which would be ineffectively utilized. We did not receive additional headcount for the shelter home therefore no adjustment in our current FTE is necessary. Your assistance in processing the attached transfer is appreciated.

Sincerely,

Katheryn S. Meetze

Attachment (T034)

023516



STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD  
STATE BUDGET DIVISION  
406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201  
(803) 758-3106



RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

REMBERT C. DENNIS  
CHAIRMAN  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

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

M E M O R A N D U M

TO: Dr. Jesse Coles, State Budget Director

FROM: Allan Kincaid, Budget Analyst *AK*

DATE: March 5, 1985

SUBJECT: Department of Youth Services - Headcount

During the 1984-85 Budget process the Budget and Control Board recommended \$200,000 for the Jail Removal Project. The Board also recommended that any positions for the project would have to be absorbed within its existing vacancies. As part of the Department's request for 1985-86, it requested annualization for 10 positions for the Jail Removal Project due to the 50% reduction in new position funds in 1984-85. Based upon the transfer of the agency (see attached) personal service and other operating expenses will be transferred to contractual services, thus there is not a need for any headcount.

I recommend that the agency's authorized headcount be reduced by 10.00 State FTE. Even though the headcount was absorbed, if they could absorb those positions then, they can absorb them now. (See Attached Vacancy Schedule)

AK/pas

023517

AGENCY N12 DEPT OF YOUTH SERVICES

PERSONAL SERVICE FUNDS PER PSD	TOTAL AMOUNT	***** SOURCE OF FUNDS *****		
		STATE	FEDERAL	OTHER
AGENCY DIRECTOR	54,435	54,435	0	0
CLASSIFIED	14,860,964	14,187,711	673,253	0
UNCLASSIFIED	1,792,715	938,824	273,054	580,837
ADJUSTMENTS FOR BPI DELAY	-318,345	-318,345	0	0
TOTAL PER PSD	16,389,769	14,862,625	946,307	580,837
FULL-TIME EQUIVALENTS	1,017.00	929.75	64.25	23.00
PERSONAL SERVICE FUNDS APPROPRIATED				
AGENCY DIRECTOR	54,435	54,435	0	0
CLASSIFIED	13,398,058	12,829,744	566,314	0
UNCLASSIFIED	1,371,906	654,405	230,627	486,674
INCREMENTS CONTINUED 83-84	0	0	0	0
BASE PAY INCREASE	367,617	308,592	34,428	24,597
TOTAL APPROPRIATED	15,192,016	13,847,176	833,569	511,271
FULL-TIME EQUIVALENTS	1,017.50	939.00	55.50	23.00
FUNDING PERCENTAGE LEVEL	92.69	93.16	88.08	88.02
RECONCILIATION				
PSD FUNDS IN EXCESS OF FUNDS APPROPRIATED	1,197,753	1,015,449	112,738	69,566
FULL-TIME EQUIVALENTS			8.75	
FUNDS APPROPRIATED IN EXCESS OF PSD FUNDS				
FULL-TIME EQUIVALENTS	.50	9.25		

023518

	DEPARTMENT	OF	YOUTH	SERVICES
DATE	AUTHORIZED HDCT	FILLED POSITIONS	# OF VACANCIES	% OF POS. VACANT
28-Feb-85	933.62	823.30	110.32	11.816%
15-Feb-85	933.62	810.30	123.32	13.209%
01-Feb-85	933.62	797.30	136.32	14.601%
15-Jan-85	934.62	796.05	138.57	14.826%
02-Jan-85	934.62	790.05	144.57	15.468%
03-Dec-84	934.62	793.05	141.57	15.147%
15-Nov-84	939.00	787.55	151.45	16.129%
01-Nov-84	939.00	787.05	151.95	16.182%
15-Oct-84	939.00	782.55	156.45	16.661%
02-Oct-84	939.00	769.30	169.70	18.072%
17-Sep-84	939.00	777.30	161.70	17.220%
16-Aug-84	939.00	783.80	155.20	16.528%
13-Jul-84	939.00	766.30	172.70	18.392%
12-Jul-84	939.00	766.30	172.70	18.392%
15-Jun-84	877.80	777.30	100.50	11.449%
01-Jun-84	877.80	777.30	100.50	11.449%
15-May-84	877.80	781.30	96.50	10.993%
01-May-84	877.80	778.80	99.00	11.278%
16-Apr-84	877.80	779.55	98.25	11.193%
02-Apr-84	877.80	778.30	99.50	11.335%
15-Mar-84	877.80	773.80	104.00	11.848%
01-Mar-84	877.80	775.30	102.50	11.677%
16-Feb-84	877.80	770.55	107.25	12.218%
01-Feb-84	877.80	771.55	106.25	12.104%
16-Jan-84	877.80	753.55	124.25	14.155%
05-Jan-84	877.80	756.55	121.25	13.813%
AVERAGES	906.50	777.09	129.40	14.275%

# EXHIBIT

MAR 12 1985 NO. 17

STATE BUDGET & CONTROL BOARD

023519

# EXHIBIT

85-51

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

MAR 12 1985

NO. 18

For meeting scheduled for:

Blue Agenda

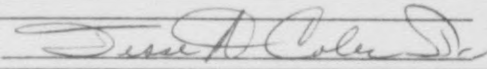
March 12, 1985

STATE BUDGET &amp; CONTROL BOARD

XX Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: State Budget Division(b) Authorized Official Signature: 

2. Subject:

Recommended Changes to the Authorized FTE Position Base

3. Summary Background Information:

The Joint Legislative Committee on Personal Service Financing and Budgeting, by poll, on March 6, 1985, approved for recommendation to the Budget and Control Board at its next meeting the following changes:

- 1) Adjutant General - One (1.00) new, Federal Fund, FTE position
- 2) Secretary of State - One (1.00) new, State Fund, FTE position.

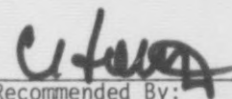
4. What is Board asked to do?

Approve the establishment of two (2.00) new FTE positions as follows:

Adjutant General - one (1.00) Federal Fund and Secretary of State - one (1.00) State Fund.

5. What is recommendation of the Board Division involved?

Recommend Approval.

  
Recommended By:

6. Recommendation of other office (as required)?

(a) Office Name \_\_\_\_\_

Authorized

(b) Signature \_\_\_\_\_

7. Supporting Documents:

List Those AttachedList Those Not Attached But Available  
from Submitter

1. Joint Committee's Letter
2. Agency Requests

023520



JAMES M. WADDELL, JR.

SENATOR, BEAUFORT AND  
JASPER COUNTIES  
SENATORIAL DISTRICT NO. 46

HOME ADDRESS:  
BOX 1026  
BEAUFORT, S.C. 29901



March 6, 1985

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

## EXHIBIT

MAR 12 1985 NO. 18

STATE BUDGET & CONTROL BOARD

Dr. Jesse A. Coles, Jr., Director  
State Budget Division  
407 Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Dr. Coles:

The Joint Legislative Committee on Personal Service  
Financing and Budgeting is, by poll, recommending approval  
of the following:

85-43 Adjutant General's Office requests  
authorization to establish one (1.00) new,  
Federal Fund, FTE position above number  
authorized.

Recommendation: Approval

85-44 Secretary of State - requests authorization  
to establish one (1.00) new, State Fund, FTE  
position.

Recommendation: Approval

If you have any questions, or if I can be of further  
assistance, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "James M. Waddell, Jr.".

James M. Waddell, Jr.  
Senatorial District No. 46

mn

enclosure

023521

REQUEST FOR INCREASE  
IN AUTHORIZED POSITION  
COUNT

EXHIBIT

MAR 12 1985

NO. 18

DATE: 1/25/85

STATE BUDGET & CONTROL BOARD  
ITEM NUMBER: 05R03

AGENCY: E24 Adjutant General's Office (13)

SUBJECT: Establishment of FTE Position Above the Number Authorized.

The Adjutant General requests authorization to establish one (1.00) new, Federal Fund, FTE position above the number authorized. This request is made to meet the needs of a just funded federal program for the period January 1, 1985 to June 30, 1985. Person selected to fill the position will be informed that the job will be terminated when federal funding ends.

BOARD ACTION REQUESTED:

Authorize the establishment of one (1.00) new federal funded FTE position.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend Approval

ATTACHMENTS:

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

023522

NEW FTE POSITION REQUEST

DATE: 1-25-85

FROM: (AGENCY) ADJUTANT GENERAL

CODE NO. E24

TO: Budget and Control Board  
State Budget Division

SUBJECT: Request for positions exceeding number authorized in 1984-85 Appropriation Act.

Request is to establish one new positions at Adjutant General  
as follows:

No. Positions	Positions Title	Grade	Class Code	Annual Salary	Source of Funds (Percent)		
					State	Federal	Other
(1.00)	Trades Craftsman	24	7771	\$7,113		100%	

**EXHIBIT**

MAR 12 1985 NO. 1 8

STATE BUDGET & CONTROL BOARD

REQUEST JUSTIFICATION:

Needed for Federally Funded duty at the Leesburg Weekend Training Site.

REQUESTED BY: Paul E Elliott

DATE: 01/25/85

STATE BUDGET DIVISION:

- ☒ Recommend Approval  
☐ Recommend Disapproval

Sean Barnes  
State Budget Analyst

1-25-85  
Date

Porter T. Carter  
Assistant Director  
State Budget Division

2-6-85  
Date

BUDGET & CONTROL BOARD ACTION:

**023523**

POSITION SUMMARY

AGENCY: E24 Adjutant General's Office (13)

DATE COMPILED: 1/25/85

	TOTAL FUND	STATE FUND	FEDERAL FUND	OTHER FUND
AUTHORIZED	156.00	54.75	94.75	6.50
NOT ESTABLISHED	0	0	0	0
ESTABLISHED	156.00	54.75	94.75	6.50
FILLED	145.00	49.00	90.00	6.00
VACANT	11.00	5.75	4.75	0.50

COMMENTS:

1. Item #85-43

023524





SOUTH CAROLINA ARMY NATIONAL GUARD  
TRAINING CENTER (LEESBURG)

ROUTE 1, BOX 265

EASTOVER, S.C. 29044

7 December 1984

Honorable Curtis Holt  
State Budget Division  
405 Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Mr Holt:

I urgently request that one new position be approved for this agency. This position will be 100% federally funded for duty at Leesburg Weekend Training Site. There will be no cost whatsoever as far as the State is concerned. Person selected to fill the position will be notified that the job is terminated when federal funding is terminated.

The Federal Government has authorized funding beginning immediately for a Trades Craftsman. The position, program and costs are listed below:

Program

V. Training Sites  
Personal Services  
New Position  
(1) Trades Craftsman (Class Code 7771) Grade 24 - \$7,113

XI. Employee Benefits  
C. State Employer Contributions  
Fringe Benefits  
Employer Contributions \$1,444.50

NOTE: The above salary and fringe benefits are for the period 1 January 1985 through 30 June 1985.

Your assistance in this matter will be greatly appreciated.

Sincerely,

023525



SOUTH CAROLINA ARMY NATIONAL GUARD  
TRAINING CENTER (LEESBURG)

ROUTE 1, BOX 265

EASTOVER, S.C. 29044

7 December 1984

Honorable Curtis Holt  
State Budget Division  
405 Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Mr Holt:

I urgently request that one new position be approved for this agency. This position will be 100% federally funded for duty at Leesburg Weekend Training Site. There will be no cost whatsoever as far as the State is concerned. Person selected to fill the position will be notified that the job is terminated when federal funding is terminated.

The Federal Government has authorized funding beginning immediately for a Trades Craftsman. The position, program and costs are listed below:

Program

- V. Training Sites
  - Personal Services
  - New Position
  - (1) Trades Craftsman (Class Code 7771) Grade 24 - \$7,113
- XI. Employee Benefits
  - C. State Employer Contributions
    - Fringe Benefits
    - Employer Contributions

\$1,444.50

NOTE: The above salary and fringe benefits are for the period 1 January 1985 through 30 June 1985.

Your assistance in this matter will be greatly appreciated.

Sincerely,

*Curtis, Please give me a call @ 748-4220  
Daryl Stucky Thank,*

023526

REQUEST FOR INCREASE  
IN AUTHORIZED POSITION  
COUNT

DATE: 1/30/85

ITEM NUMBER: 85-44

---

AGENCY: E08 Secretary of State (7)

---

SUBJECT: Establishment of FTE Position Above the Number Authorized

The Secretary of State requests authorization to establish one (1.00) new, State Fund, FTE position above the number authorized. This position is needed to operate the newly installed computer equipment which will be used in automation of the office. No new funds are requested.

---

BOARD ACTION REQUESTED:

Authorize the establishment of one (1.00) new, State Fund, FTE position.

---

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend Approval

---

ATTACHMENTS:

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

023527

POSITION SUMMARY

AGENCY: E08 Secretary of State (7)

DATE COMPILED: 1/28/85

	TOTAL FUND	STATE FUND	FEDERAL FUND	OTHER FUND
AUTHORIZED	28.00	28.00		
NOT ESTABLISHED	0	0		
ESTABLISHED	28.00	28.00		
FILLED	28.00	28.00		
VACANT	0	0		

COMMENTS:

1. Item #85-44

EXHIBIT

MAR 12 1985 NO. 18

STATE BUDGET & CONTROL BOARD

023528



## REQUEST FOR NEW FTE POSITION

DATE: 1-8-85

FROM: SECRETARY OF STATE

CODE NO. E08

AGENCY

TO: Budget and Control Board  
Finance Division - Budget DevelopmentSUBJECT: Request for positions exceeding number authorized in 1984-85 Appropriation Act  
Request is to establish 1 new positions at Secretary of State  
as follows:

No. Positions	Positions Title	Grade	Class Code	Annual Salary	Source of Funds (Percent)		
					State	Federal	Other
(1.00)	Data Coordinator I	22	2841	13,152	100%		

EXHIBIT

MAR 12 1985

NO. 18

STATE BUDGET &amp; CONTROL BOARD

REQUEST JUSTIFICATION: Needed to support computer equipment recently installed. No funds are needed. Position will be input specialist for computer base.

REQUESTED BY:

DATE 1-8-85

## BUDGET DEVELOPMENT:

☒ Recommend Approval☐ Recommend Disapproval

State Budget Analyst

Date

Budget Development Director

Date

## GRANTS &amp; REVIEW SECTION:

☐ Recommend Approval☐ Recommend Disapproval

Grants &amp; Review Analyst

Date

Grants &amp; Review Director

Date

State Auditor

Date

BUDGET AND CONTROL BOARD ACTION:

023529

State of South Carolina

Department of State

P.O. BOX 11350  
COLUMBIA 29211

JOHN T. CAMPBELL  
SECRETARY OF STATE  
JOHN P. STOKES  
DEPUTY SECRETARY OF STATE

January 3, 1985

STANLEY V. LEWIS  
DEPUTY SECURITIES COMMISSIONER  
816 Keenan Building  
ERIC W. PANTSARI  
DIRECTOR PUBLIC CHARITIES  
816 Keenan Building

EXHIBIT

MAR 12 1985 NO. 18

STATE BUDGET & CONTROL BOARD

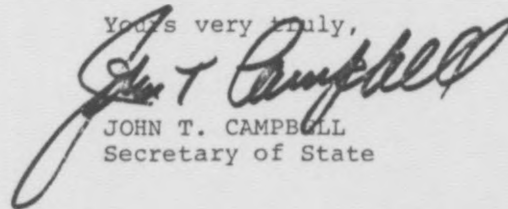
Dr. Jesse A. Coles, Jr.  
Budget Division Director  
Wade Hampton Office Building  
Columbia, S.C.

Dear Dr. Coles:

This letter is a request to establish a position in this office to be titled DATA COORDINATOR I, Grade 22. This position is requested for the reason that this office has now installed computer equipment and we are now ready to put the data into this equipment. This is not a request for funds as the funds have been previously approved, with an adequate amount allocated for a data input specialist.

We feel that this position is important and necessary as we do not have any employees at this time that are qualified to fill this position.

Yours very truly,



JOHN T. CAMPBELL  
Secretary of State

JTC/er

023530

# EXHIBIT

MAR 12 1985

NO. 19

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

REGULAR SESSION

ITEM NUMBER

7

AGENCY: General Services

SUBJECT: Procurement Exemption

The Division of General Services frequently uses appraisers to handle property matters for the Property Management Section and this requires extensive paperwork to comply with the Procurement Code.

The Division requests an exemption for appraisers handling property matters for the Division under Section 11-35-710 of the Procurement Code.

Exemptions granted previously by Board actions have been categorical (like appraisers) but not categorical for certain governmental bodies.

BOARD ACTION REQUESTED:

Grant an exemption under Section 11-35-710 of the Procurement Code to the Division of General Services for appraisers handling property matters for the Division.

ATTACHMENTS:

Agenda item worksheet

023531

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

For meeting scheduled for:

March 12, 1985

Blue Agenda

X Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Joy R. Alb

2. Subject: Procurement Exemption

3. Summary Background Information:

The frequent use of appraisors and attorneys to handle property matters for the Property Management Section of the Division of General Services requires extensive paperwork to comply with the State Procurement Code. It is recommended that an exemption be granted to General Services for appraisors and attorneys handling property matters for the Division under Section 11-35-710 of the Code.

EXHIBIT

MAR 12 1985

NO. 19

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

APPROVE

5. What is recommendation of the Board Division involved?

APPROVE

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

023532



# EXHIBIT

MAR 12 1985

NO. 20

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

REGULAR SESSION  
ITEM NUMBER

8

AGENCY: General Services

SUBJECT: Procurement Audit, Vocational Rehabilitation

In accordance with the Consolidated Procurement Code, Section 11-35-710, the Division of General Services has audited the Vocational Rehabilitation Department's procurement system and recommends its certification within the parameters described in the audit report for the following limits for a period of two years:

Purchases made by the Director of Purchasing from Case Service funds specifically for handicapped clients in the area of vocational rehabilitative equipment of \$10,000 per commitment.

BOARD ACTION REQUESTED:

Grant procurement certification to the Vocational Rehabilitation Department within the parameters described in the audit report for the following limits for a period of two years: Purchases made by the Director of Purchasing from Case Service funds specifically for handicapped clients in the area of vocational rehabilitative equipment of \$10,000 per commitment.

ATTACHMENTS:

Agenda item worksheet and referenced audit

023533

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

For meeting scheduled for:

March 12, 1985

Blue Agenda

☒ Regular Session Agenda

☐ Executive Session Agenda

1. Submitted By:

(a) Agency: South Carolina Vocational Rehabilitation Department

(b) Authorized Official Signature: J. R. Mc

2. Subject: Procurement Audit of South Carolina Vocational Rehabilitation Dept.

3. Summary Background Information: In accordance with the Consolidated Procurement Code Section 11-35-1210, the Division of General Services has audited the Vocational Rehabilitation Department's procurement system and recommends its certification within the parameters described in the audit report for the following limits for a period of two years: Purchases made by the Director of Purchasing from Case Service funds specifically for handicapped clients in the area of vocational rehabilitative equipment of \$10,000 per commitment.

EXHIBIT

MAR 12 1985 NO. 20

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Grant procurement certification for the Vocational Rehabilitation Department.

5. What is recommendation of the Board Division involved?

Grant Certification.

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

16 Copies of Procurement Audit and Certification Report.

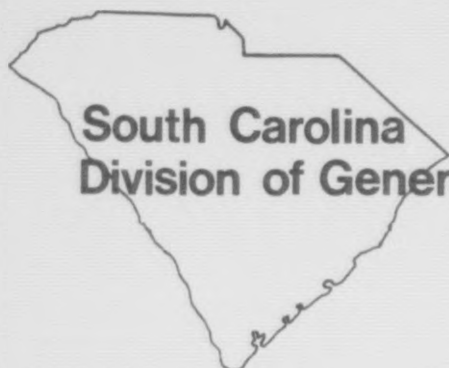
List Those Not Attached But Available  
from Submitter

023534

# EXHIBIT

MAR 12 1985 NO. 20

STATE BUDGET & CONTROL BOARD



## PROCUREMENT AUDIT AND CERTIFICATION

S.C. VOCATIONAL REHABILITATION DEPT.

AGENCY

FEBRUARY 26, 1985

DATE

023535

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
DIVISION OF GENERAL SERVICES  
300 GERVAIS STREET  
COLUMBIA, SOUTH CAROLINA 29201  
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



RICHARD W. KELLY  
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS  
CHAIRMAN,  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN,  
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN  
EXECUTIVE DIRECTOR

**EXHIBIT**

February 26, 1985

MAR 12 1985 NO. 20

STATE BUDGET & CONTROL BOARD

Mr. Tony R. Ellis  
Division Director  
Division of General Services  
300 Gervais Street  
Columbia, South Carolina 29201

Dear Tony:

Attached is the final S. C. Vocational Rehabilitation Department audit report and recommendations made by the Audit and Certification Office. I concur and recommend the Budget and Control Board grant Vocational Rehabilitation two years certification as outlined in the audit report.

Sincerely,

Richard W. Kelly  
Director of Agency Services

RWK:kl

Attachment

**023536**



# EXHIBIT

MAR 12 1985 NO. 20

STATE BUDGET & CONTROL BOARD

S. C. VOCATIONAL REHABILITATION DEPARTMENT

AUDIT REPORT

June 22, 1984

023537

TABLE OF CONTENTS

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Summary of Audit Findings.....	7
Results of Examination.....	8
Certification Recommendations.....	15

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
DIVISION OF GENERAL SERVICES  
300 GERVAIS STREET  
COLUMBIA, SOUTH CAROLINA 29201  
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



RICHARD W. KELLY  
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS  
CHAIRMAN,  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN,  
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN  
EXECUTIVE DIRECTOR

June 22, 1984

Mr. Richard W. Kelly  
Director of Agency Certification and  
Engineering Management  
Columbia, South Carolina 29201

We have examined the procurement policies and procedures of S. C. Vocational Rehabilitation Department for the period July 1, 1981 - December 31, 1983. 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 department 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 S. C. Vocational Rehabilitation Department is responsible for establishing and maintaining a system of internal control over procurement transactions. In fulfilling 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 disclose conditions enumerated in this report which we believe to be subject to correction or improvement.

Corrective action based on the recommendations described in these findings will in all material respects place S. C. Vocational Rehabilitation Department in compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.

## EXHIBIT

MAR 12 1985 NO. 20

STATE BUDGET & CONTROL BOARD

*R. Voight Shealy*

R. Voight Shealy  
Director of Audit and Certification



### INTRODUCTION

The Audit and Certification Section conducted an examination of the internal procurement operating procedures and policies and related manual of S. C. Vocational Rehabilitation Department.

Our on-site review was conducted February 14, 1984 through March 15, 1984, and was made under the authority as described in Section 11-35-1230(1) of the South Carolina Consolidated Procurement Code and Regulation 19-445.2020.

The examination was directed principally to determine whether, in all material respects, the procurement system's internal controls were adequate and the procurement procedures, as outlined in the Internal Procurement Operating Procedures Manual, were in compliance with the South Carolina Consolidated Procurement Code and its ensuing regulations.

#### BACKGROUND

Section 11-35-1210 of the South Carolina Consolidated Procurement Code states:

The (Budget and Control) Board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The Materials Management Office shall review the respective governmental body's internal procurement operation, shall certify in writing that it is consistent with the provisions of the code and the ensuing regulations, and recommend to the board those dollar limits for the respective governmental body's procurement not under term contract.

On March 23, 1984, S. C. Vocational Rehabilitation Department requested certification to make procurements to a maximum of \$10,000 per purchase for goods and services purchased from case service funds which are specifically for handicapped clients of the department. No additional certification was requested in any other area.

### SCOPE

Our examination encompassed a detailed analysis of the internal procurement operating procedures of S. C. Vocational Rehabilitation Department 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.

The Audit and Certification team statistically selected random samples for the period July 1, 1981 - December 31, 1983, of procurement transactions for compliance testing and performed other auditing procedures that we considered necessary in the circumstances to formulate this opinion. As specified in the Consolidated Procurement Code and related regulations, our review of the system included, but was not limited to, the following areas:

- (1) adherence to provisions of the South Carolina Consolidated Procurement Code and Regulations;
- (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) reporting of Fiscal Accountability Act;

- (10) disposition of surplus property;
- (11) economy and efficiency of the procurement process;
- (12) Minority Business Enterprise Utilization Plan approval.



## SUMMARY OF AUDIT FINDINGS

Our audit of the procurement system of S. C. Vocational Rehabilitation Department produced findings and recommendations in the following areas:

I.	<u>Compliance - Sole Source &amp; Emergency Procurements</u>	Page
	In a review of quarterly reports, we found the majority of these transactions to be proper and accurately reported, but we did encounter some exceptions.	8
II.	<u>Review of the Procurement Procedures Manual</u>	9
	Our review of the current manual indicated several areas that needed to be added, changed or expanded.	
III.	<u>Transaction Control</u>	11
	Purchase order forms should be modified in order to state terms and conditions.	
IV.	<u>Compliance - Consultants</u>	12
	One purchase was made from another State agency without obtaining competition.	
V.	<u>Compliance - Goods and Services</u>	12
	A contract for lease of equipment was not rebid at anniversary date.	

## RESULTS OF EXAMINATION

### I. Compliance - Sole Source & Emergency Procurements

We examined the quarterly reports of sole source and emergency procurements and all available supporting documents for the period July 31, 1981 - December 31, 1983. This review was performed to determine the appropriateness of the procurement actions taken and the accuracy of the reports submitted to the Division of General Services as required by Section 11-35-2440 of the Code. We found the majority of these transactions to be proper and accurately reported, but we did encounter the following problems:

<u>P. O. #</u>	<u>Amount</u>	<u>SOLE SOURCE PROCUREMENTS</u> <u>Exception</u>
83-17043	1,190.00	These procurements were for pre-recorded 16mm films which are exempted from the Code and should not be reported.
83-17051	655.00	
84-12025	1,350.50	
83-10245	605.00	These procurements were justified as sole source procurements in the purchasing files but were never reported to the Division of General Services as required by the Code.
83-10214	1,664.00	
83-11033	2,222.00	
83-11688	631.00	
83-11689	4,236.00	
83-10240	740.00	
83-13573	695.00	
83-14525	64,950.00	

### EMERGENCY PROCUREMENTS

83-1582	1,034.31	This emergency purchase was not reported to General Services.
---------	----------	---

There were no sole source or emergency procurements reported for the period 07/01/81 - 12/31/81 although some were documented in the purchasing files which indicated such activity did occur.

The Case Services section is responsible for reporting sole source and emergency procurement in their area to the purchasing director. These reports are in the form of a computer printout. However, most transactions forwarded to purchasing are exempted items such as hospital or doctors services or purchases less than \$500. This reporting system should be refined to eliminate such transactions. The purchasing officer should combine the sole source procurement transactions as defined in the Code from case services with those from central purchasing and report them together to General Services.

Further, we recommend that the procurement section make a more concerted effort to insure that all sole source and emergency purchases are reported.

## EXHIBIT

MAR 12 1985

NO. 20

### II. Review of the Procurement Procedures Manual

STATE BUDGET & CONTROL BOARD

S. C. Vocational Rehabilitation Department has submitted a draft copy of their Internal Procurement Operating Procedures Manual for review to determine if their written procedures are consistent with the Consolidated Procurement Code and its regulations.

Our review of the current manual revealed that the following areas need to be added, changed or expanded:

In addition to the reference to the South Carolina ethical standards, a copy of the Code of Ethics as adopted by the National Association of Purchasing Management or similar national organization should be included in the manual appendix.

An organizational chart in the appendix section of the manual would clarify further the responsibility of procurement personnel.

Most areas of the Consolidated Procurement Code have been adequately addressed in the manual through a policy statement or procedural write-up. A number of additional sections, however, need to be addressed initially, expanded and/or updated.

1. Lease/Purchase of Equipment
2. Unauthorized Procurements
3. Professional Development
4. Exempted Commodity List
5. Sample Submission
6. Property Control Procedures
7. Changes to Purchase Orders
8. Confirmation Purchases
9. Blanket Agreements/Orders (when applicable)
10. Quarterly Reporting Procedures
11. Purchasing Procedures for Case Services

Additionally, a copy of the agency's Information Technology and Minority Business Plans, along with their appropriate approvals, should be included or its location referenced in the manual.

Other Needed Minor Changes or Additions

- a. References to the "Emergency Regulations" should be changed to "Permanent".
- b. Clarification of the distinction between Vendor Complaints and Grievances.
- c. Exhibit of Vocational Rehabilitation Purchase Order/Requisition.
- d. Exhibit of Property Disposal Form.
- e. Exhibit of Vendor Complaint Form.
- f. Sole Source and Emergency Determination documents.



### III. Transaction Control

S. C. Vocational Rehabilitation Department currently uses a purchase order form which was adopted from State Purchasing's requisition form. This form was not intended to be used as a formal purchase order.

The Department has modified the form to be used both as the requisition and as the formal purchase order. In its present form, however, we believe it does not constitute a proper contract document between the department and the vendor.

Also without the terms and conditions stated on the form, the Agency is assuming an unnecessary liability.

We believe the form will be acceptable as a formal purchase order with the below listed changes.

1. Change top right corner to read "Purchase Order number" and delete same from top left portion of form.
2. State at top center of form that it is "State of South Carolina - Purchase Order". The department name should be listed below.
3. Add terms and conditions similar to those on the state purchase order form to the reverse side of the form.
4. Mail out purchase order form to vendor when applicable.

#### IV. Compliance - Consultants

S. C. Vocational Rehabilitation Department commissioned a documentary film in the amount of \$900 from another state agency without obtaining competitive bids. Agency management though competition between state agencies or department was not required.

Section 11-35-4830 of the Code, as amended, states: "Any public procurement unit may sell to, acquire from, or use any supplies belonging to another public procurement unit or external procurement activity in accordance with the requirements of Articles 5 and 15."

S. C. Vocational Rehabilitation Department by not soliciting competitive bids may not have obtained the best price for the service provided.

The Code states that state agencies and departments are to be treated only as another bidder or vendor and quotes or bids must be obtained in accordance with the provisions of the Code.

## EXHIBIT

#### V. Compliance - Goods & Services

MAR 12 1985 NO. 20

STATE BUDGET & CONTROL BOARD

Our examination of a sample of transactions in the area of goods and services revealed the following procurement was not made in compliance with the Consolidated Procurement Code and regulations:

<u>Description</u>	<u>Amount</u>	<u>Voucher #</u>
Rental of IBM OS 6/430 Information Processor and 6640 Document Printer	\$1,723	518616

S. C. Vocational Rehabilitation Department considered this procurement in compliance with the Code as there was a contract in effect prior to July 31, 1981. A rubber stamp notation is on the face of the invoice as follows: "Contract in effect prior to July 31, 1981, and applicable state laws have been complied with".

This contract was entered into prior to the inception of the Consolidated Procurement Code and is basically an open end contract with no specified term. Generally, the department will "rollover" this contract from year to year without soliciting a new proposal.

Section 11-35-2030 of the Consolidated Procurement Code and regulation 19-445.2135 address the conditions for the use of multi-term contracts. Specifically, this section of the Code states in part, "Unless otherwise provided by law, a contract for supplies or services shall not be entered into for any period of more than one year unless approved in a manner prescribed by regulation of the board ...." These require that a multi-term contract determination and finding be prepared justifying why a multi-year contract is advantageous to the State, that the contract was originally solicited as a multi-year agreement and that the contract has specific guidelines for establishing charges and rate increases for subsequent years within the life of the agreement.

Further, Section 17 of the Appropriations Act for fiscal year 1983/84 requires the following:

Any contract entered into prior to July 30, 1981, by a governmental body as defined in Item (18) of Section 11-35-310 of the 1976 Code and which is proposed to be renewed must be renewed in accordance with the provisions of the South Carolina Consolidated Procurement Code (Chapter 35 of Title 11 of the 1976 Code).

This contract and others like it should be resolicited at the end of the current contract year(s).




CERTIFICATION RECOMMENDATIONS

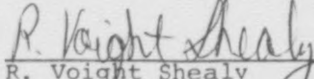
As enumerated in our transmittal letter, corrective action based on the recommendations described in the findings contained in the body of this report, we believe, will in all material respects place S. C. Vocational Rehabilitation Department in compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.

Under the authority described in Section 11-35-1210 of the Procurement Code, subject to this corrective action, we recommend S. C. Vocational Rehabilitation Department be certified to make direct agency procurements as follows:

Purchases made by the Director of Purchasing from Case Service funds specifically for handicapped clients in the area of vocational rehabilitative equipment of \$10,000 per commitment.

All other procurements are to remain at \$2,500.

  
Marshall B. Williams, Jr.  
Audit Manager

  
R. Voight Shealy  
Director, Audit and Certification



South Carolina  
Vocational Rehabilitation Department



JOE S. DUSENBURY, Commissioner

1410 Boston Avenue • Post Office Box 15 • West Columbia, South Carolina 29171-0015

February 19, 1985

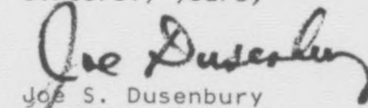
Mr. Richard W. Kelly  
Director of Agency Services  
S. C. Budget and Control Board  
Division of General Services  
300 Gervais Street  
Columbia, South Carolina 29201

Dear Mr. Kelly:

This letter is in response to the draft audit and certification report issued by your office. We were pleased with the audit results and have implemented the recommendations made in the audit report.

Thank you for your cooperation, as well as your staff, throughout this process.

Sincerely yours,

  
Joe S. Dusenbury  
Commissioner

JSD/jam

023554

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
DIVISION OF GENERAL SERVICES  
300 GERVAIS STREET  
COLUMBIA, SOUTH CAROLINA 29201  
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



RICHARD W. KELLY  
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS  
CHAIRMAN,  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN,  
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN  
EXECUTIVE DIRECTOR

## EXHIBIT

February 26, 1985

MAR 12 1985 NO. 20

STATE BUDGET & CONTROL BOARD

Mr. Richard W. Kelly  
Director of Agency Certification  
and Engineering Management  
Columbia, South Carolina 29201

Dear Rick:

We have returned to the South Carolina Vocational Rehabilitation Department to determine the progress made toward implementing the recommendations in our audit report covering the period of July 31, 1981 - December 31, 1983. During this visit, we followed up on each recommendation made in the audit report through inquiry, observation and limited testing.

The Audit and Certification Section observed that the Vocational Rehabilitation Department has corrected the problem areas found in the audit thus strengthening the internal controls over the procurement system. We feel that the system's internal controls are adequate to ensure that procurements are handled in compliance with the Consolidated Procurement Code and ensuing regulations.

We, therefore, recommend that the certification limits for the Vocational Rehabilitation Department, as outlined in the audit report, be granted for a period of two (2) years.

Sincerely,

A handwritten signature in cursive script that reads "R. Voight Shealy".

R. Voight Shealy  
Director of Audit and Certification

023555

# EXHIBIT

MAR 12 1985

NO. 21

STATE BUDGET AND CONTROL BOARD

STATE BUDGET & CONTROL BOARD

REGULAR SESSION

MEETING OF March 12, 1985

ITEM NUMBER

9

AGENCY: Executive Director

SUBJECT: Proposed Legislation on Payment of Moving Expenses

The following language is suggested:

Any State agency may pay the cost of moving the personal and household effects for newly-employed personnel if all of the following conditions are met:

- (a) the new employee's place of residence is outside of the State of South Carolina at the time of employment by the agency;
- (b) the agency can demonstrate that paying these costs is necessary to fill the position;
- (c) the maximum payment in any instance to any new employee may not exceed \$5,000;
- (d) the payment is certified by the agency head (or the board or commission chairman if the new employee is the agency head) as the total paid by the agency toward the total moving cost incurred by the new employee; and
- (e) the amount certified by the agency is approved by the Budget and Control Board.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

023556



# EXHIBIT

MAR 12 1985

NO. 22

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION

MEETING OF March 12, 1985

ITEM NUMBER

10

AGENCY: Executive Director

SUBJECT: Permanent Law on Disposition of Surplus Armory Property

The following language is suggested:

Section \_\_\_\_\_.

The Budget and Control Board may allow a credit to any political subdivision for the value of real property donated for use as a site for a replacement National Guard armory toward the acquisition by the political subdivision of the armory property being replaced and declared surplus in any instance in which such political subdivision has asked that title to such surplus armory property be transferred to it.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

023557

# EXHIBIT

MAR 12 1985

NO. 23

STATE BUDGET AND CONTROL BOARD  
MEETING OF March 12, 1985

REGULAR SESSION

ITEM NUMBER

11

AGENCY: Division of General Services

SUBJECT: Sale of Property by USC Gamecock Club

A tract of land approximately 1.4 acres in area, located in Brevard County, Florida, was donated to the USC Gamecock Club by deed of Benny T. Bootle of Greenville. Proceeds from the sale of this property along with a cash donation given by Mr. Bootle in 1981 are to be deposited in an endowment fund in accord with a memorandum of agreement to establish the Benny T. Bootle Endowment Fund.

An agreement has been entered into covering the sale of this property to a Mr. Richard W. McQuiggan for \$7,500.

Although there is some question as to whether or not the USC Gamecock Club is subject to the proviso in Section 14 of the 1984-85 Appropriations Act, the University asks that Board approval of this transaction be granted.

In addition, the University asks that the Board exempt this transaction from its policy of processing these matters in accord with the Board's procedures for disposing of surplus State land and, more specifically, that an exemption be granted to remove the 45 day review time by State agencies. Legal counsel for the University advises that time is of the essence and subjecting this property to the 45 day requirements could result in a loss of the offer to buy it.

BOARD ACTION REQUESTED:

Approve sale of 1.4 acres of land located in Brevard County, Florida, donated to the USC Gamecock Club by Benny T. Bootle.

ATTACHMENTS:

Agenda item worksheet; Hensel February 26 letter to Taylor plus attachments.

023558

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

For meeting scheduled for:

Blue Agenda

☒ Regular Session Agenda

Executive Session Agenda

March 12, 1985

1. Submitted By:

(a) Agency:

GENERAL SERVICES

(b) Authorized Official Signature:

E.A. LAURENT

2. Subject:

Sale of property received as gift by USC Gamecock Club

3. Summary Background Information:

This property was transferred to the University of South Carolina Gamecock Club on December 19, 1980, by Deed of Benny T. Bootle of Greenville, South Carolina. A description of the property is contained in the Deed, a copy of which is attached. This property was given as a gift to the University of South Carolina Gamecock Club and the proceeds from the sales of this property, along with a cash donation given by Mr. Bootle in 1981, will be deposited in an endowment fund in accordance with a memorandum of agreement to establish the Benny T. Bootle Endowment Fund executed by Mr. Bootle and the University of South Carolina in December of 1981.

EXHIBIT

MAR 12 1985

NO. 23

4. What is Board asked to do?

STATE BUDGET & CONTROL BOARD

Approve the sale of this property in accordance with the 1984 Proviso (Act #512) attached.

5. What is recommendation of the Board Division involved?

Approve the sale of this property in accordance with the 1984 Proviso (Act #512) attached.

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

1. Copy of Act #512 (proviso only)
2. Copy of letter dated 2/26/85  
from USC Legal Systems
3. Copy of Comparable Sales  
information
4. Copy of Warranty Deed
5. Copy of Contract for Sale  
and Purchase

023559

# EXHIBIT

MAR 12 1985

NO. 23

STATE BUDGET & CONTROL BOARD



UNIVERSITY OF SOUTH CAROLINA

COLUMBIA, S. C. 29208

SYSTEM LEGAL DEPARTMENT

February 26, 1985

(803) 777-7854

Mr. Bruce Taylor  
Division of Property Management  
Division of General Services  
300 Gervais Street  
Columbia, South Carolina 29201

Dear Bruce:

This letter will confirm our telephone conversation on this date regarding a piece of property which is owned by the Gamecock Club in Brevard County, Florida. As we discussed, I have been trying to contact Mr. Charles Small for several days.

This property was transferred to the University of South Carolina Gamecock Club on December 19, 1980 by Deed of Benny T. Bootle of Greenville, South Carolina. A description of the property is contained in the Deed, a copy of which is attached. This property was given as a gift to the University of South Carolina Gamecock Club and the proceeds from the sales of this property along with a cash donation given by Mr. Bootle in 1981 will be deposited in an endowment fund in accordance with a memorandum of agreement to establish the Benny T. Bootle Endowment Fund executed by Mr. Bootle and the University of South Carolina in December of 1981.

This property was appraised in 1981 by Harvey Rosen. I have enclosed a copy of this appraisal. This property was also listed with the Baird Realty of Melvin, Florida in April of 1984. On January 17, 1985 Mr. Larry Whitney with the Baird Realty Company proposed an offer from Mr. Richard W. McQuiggan for the purchase of the property for the sum of \$7,500. I have enclosed a copy of the Contract of Sale and Purchase which was forwarded to the Gamecock Club by Mr. Whitney.

As we discussed, the University of South Carolina Board of Trustees has reviewed this matter and has approved the acceptance of the offer and has requested the System Legal

023560



Mr. Bruce Taylor  
February 26, 1985  
Page Two

# EXHIBIT

MAR 12 1985 NO. 23

STATE BUDGET & CONTROL BOARD

Department to proceed with the sale. The University would appreciate an exemption from the requirements of the Budget and Control Board which require state agencies who have property for sale to advertise and offer the property for a period of 45 days to state agencies. In this situation, it is felt that time is of the essence and to cause this property to be subject to these requirements could result in a loss of the offer from Mr. McQuiggan. After you have had a chance to review this matter, please contact me so that we can meet and discuss this matter further.

Very truly yours,

*Lyn H. Hensel / jm*

Lyn H. Hensel  
Associate Legal Counsel

LHH/jm

Enclosures

cc: Dr. John Moore  
Mr. Dave Rinker



023561

## EXHIBIT

COMPARABLE SALES

MAR 12 1985

NO. 23

STATE BUDGET &amp; CONTROL BOARD

A minimum marl roadway, to give physical access to the subject would cost approximately \$7.00 per linear foot; giving the following calculation:

Subject - 1.40 Acres @ \$8,000 per Acre = \$11,200

Road - 750 Lin.Ft. @ \$7.00 per Lin.Ft. = \$ 5,250

Remaining Land Value \$ 5,950

From a marketing and value standpoint, the subject property is a non-accessible parcel. Until such time has a road is constructed, a limited marketing appeal as compared to parcels with access at present time. The purchase of the subject property would have to have cash available for construction of the road and go to the trouble and inconvenience of making arrangements to have road construction. It is felt that these negative marketing factors would result in an approximate 50% discount on the remaining land value estimated above.

\$5,950 Remaining Land Value X Market Factor of 50% = \$2,975

Rounded to: \$3,000

ESTIMATE OF VALUE MARKET APPROACH \$ 3,000

# EXHIBIT

MAR 12 1985

NO. 23

STATE BUDGET & CONTROL BOARD

\$ \_\_\_\_\_ Recording Fee  
 \$ \_\_\_\_\_ Documentary Stamps  
 \$ \_\_\_\_\_ Surtax  
 \$ \_\_\_\_\_ Total

Deed No. \_\_\_\_\_  
 Acct. No. \_\_\_\_\_

## WARRANTY DEED

(Wherever used herein the term "Party" shall include the heirs, personal representatives, successors and/or assigns of the respective parties hereto, and use of singular shall include plural, and use of any gender shall include all genders)

THIS INDENTURE, made this 19th day of December, 1980, between B. T. Bootle, party of the first part, and U.S.C. Gamecock Club, whose address is: c/o Development Office, University of South Carolina, 29208, party of the second part WITNESSETH:

That the said party of the First Party, for and in consideration of the sum of One Dollar & No/100 (\$1.00)-----GIFT-----the receipt of which is hereby acknowledged, has granted and released unto the said party of the second part, its successors and assigns forever, the following described land being situate, and lying in the County of Brevard and State of Florida, to-wit:

TRACT 71, in SECTION 2, Township 29 South, Range 37 East, described as follows: E 1/2 of the North 200 feet to the South 600 feet of the North 3/4 of Lot 20, Section 2, Township 29 South, Range 37 East, plat of Florida Indian River Land Co., Plat Book 1, page 165, Brevard County, Florida, less the East 25 feet for road, utility, and drainage right of way.

Lots along section lines and half section lines are measured from section lines or half section lines, disregarding reservations shown on the plat.

Subject to restrictions, conditions, limitations, easements and reservations of record. Also, subject to taxes for year in which dated and subsequent years.

And the said party of the first part hereby fully warrants the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the said party of the first part has caused these presents to be signed in his name, the day and year first above written.

B. T. Bootle  
 Box 8187 A, Greenville, S. C. 29604

(L.S.)

In the Presence of:

\_\_\_\_\_  
 \_\_\_\_\_

Deed prepared by Robert A. Clay, Attorney  
 see address

Return deed: Robert A. Clay, Attorney  
 Corner Park & Bennett St.  
 Greenville, S. C. 29601

023563

OFF. REC. -1-

PAGE



## CONTRACT FOR SALE AND PURCHASE

MAR 12 1985

NO. 23

PARTIES: University of South Carolina Gamecock Club

STATE BUDGET &amp; CONTROL BOARD

of Richard W. McQuiggan (A Married Man)

(Phone \_\_\_\_\_),

and \_\_\_\_\_ (Phone \_\_\_\_\_),

hereby agree that the Seller shall sell and Buyer shall buy the following property upon the following terms and conditions WHICH INCLUDE the Standards For Real Estate Transactions on the reverse hereof or attached hereto, hereinafter referred to as "Standard(s)".

## I. DESCRIPTION:

(a) Legal description of real estate ("Property") located in Brevard County, Florida:S2-29-37 (66) E<sub>2</sub> of N200' of S600' of N 3/4 of Lot 20 Ex E25' As Des in ORB 2248/2382

(b) Street address, if any, of the Property being conveyed is \_\_\_\_\_

(c) Personal property included:

-None-

II. PURCHASE PRICE: 7,500.00

## PAYMENT:

(a) Deposit(s) to be held in escrow by Baird Realtyin the amount of \$ 500.00

(b) Subject to AND assumption of Mortgage in favor of \_\_\_\_\_ bearing interest at \_\_\_\_\_ % per annum and payable as to principal and interest \$ \_\_\_\_\_ per month, having an approximate present principal balance of \_\_\_\_\_ \$

(c) Purchase money mortgage and note bearing interest at \_\_\_\_\_ % on terms set forth herein below, in the principal amount of \_\_\_\_\_ \$

(d) Other \_\_\_\_\_ \$

(e) Balance to close, (U.S. cash, certified or cashier's check) subject to adjustments and prorations \$ 7,000.00TOTAL \$ 7,500.00

III. FINANCING: If the purchase price or any part thereof is to be financed by a third party loan, this Contract for Sale and Purchase, ("Contract"), is conditioned upon the Buyer obtaining a firm commitment for said loan within \_\_\_\_\_ days from date hereof, at an interest rate not to exceed \_\_\_\_\_ %; term of \_\_\_\_\_ years; and in the principal amount of \$ \_\_\_\_\_. Buyer agrees to make application for, and to use reasonable diligence to obtain said loan. Should Buyer fail to obtain same or to waive Buyer's rights hereunder, within said time, either party may cancel Contract.

IV. TITLE EVIDENCE: Within at close days from date of Contract, Seller shall, at his expense, deliver to Buyer or his attorney, in accordance with Standard A., either (CHECK) ☐ (1) or ☒ (2) (1) abstract, or (2) title insurance commitment with fee owner's title policy premium to be paid by Seller at closing.V. TIME FOR ACCEPTANCE AND EFFECTIVE DATE: If this offer is not executed by both of the parties hereto on or before January 27, 1985, the aforesaid deposit(s) shall be, at the option of Buyer, returned to him and this offer shall thereafter be null and void. The date of Contract ("Effective Date") shall be the date when the last one of the Seller and Buyer has signed this offer.VI. CLOSING DATE: This transaction shall be closed and the deed and other closing papers delivered on the 27 day of February, 1985, unless extended by other provisions of Contract.

VII. RESTRICTIONS, EASEMENTS, LIMITATIONS: The Buyer shall take title subject to: Zoning, restrictions, prohibitions and other requirements imposed by governmental authority; Restrictions and matters appearing on the plat or otherwise common to the subdivision; Public utility easements of record, (provided said easements are located contiguous throughout the property lines and are not more than 10 feet in width as to the rear or front lines and 7 1/2 feet in width as to the side lines, unless otherwise specified herein); Taxes for year of closing and subsequent years, assumed mortgages and purchase money mortgages, if any, other: \_\_\_\_\_

provided, however, that none of the foregoing shall prevent use of the Property for the purpose of Single Family Residential Construction

VIII. OCCUPANCY: Seller represents that there are no parties in occupancy other than Seller, but if Property is intended to be rented or occupied beyond closing, the fact and terms thereof shall be stated herein, and the tenant(s) shall be disclosed pursuant to Standard G. Seller agrees to deliver occupancy of Property at time of closing unless otherwise specified below. If occupancy is to be delivered prior to closing, Buyer assumes all risk of loss to Property from date of occupancy, shall be responsible and liable for maintenance thereof from said date, and shall be deemed to have accepted the Property, real and personal, in its existing condition as of time of taking occupancy unless otherwise noted in writing.

IX. ASSIGNABILITY: (CHECK ONE) Buyer ☒ may assign ☐ may not assign, Contract.

X. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Typewritten or handwritten provisions inserted herein or attached hereto as Addenda shall control all printed provisions in conflict therewith.

XI. INSULATION RIDER: If Contract is used for the sale of a new residence, the Insulation Rider shall be attached hereto and made a part hereof.

XII. SPECIAL CLAUSES: Buyer to have 7 days subsequent to seller acceptance of this offer to verify the subject land qualifies as a homesite, subject to certain improvements which will be at buyers expense. Buyer understands and agrees that any improvements to and/or maintenance of the access road serving subject land will be at buyers expense in accordance with existing ordinances. On acceptance of this offer buyer assigns a 1/2 interest in and to this contract to his wife Janice McQuiggan. THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT.

Janice

IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING.

THIS FORM HAS BEEN APPROVED BY THE FLORIDA ASSOCIATION OF REALTORS AND THE FLORIDA BAR

Copyright 1981 by The Florida Bar and the Florida Association of REALTORS

WITNESSES: (Two recommended but NOT required)

[Signature]Executed by Buyer on January 17, 1985[Signature] (SEAL)

(Buyer) (SEAL)

(Buyer)

WITNESSES: (Two recommended but NOT required)

[Signature]

Executed by Seller on \_\_\_\_\_

[Signature] (SEAL)

(Seller) (SEAL)

(Seller)

Deposit(s) under (1) (2) received in check, subject to clearance

By: [Signature] (Escrow Agent)BROKERAGE FEE: Seller agrees to pay the registered real estate Broker named below, at time of closing, from the disbursements of the proceeds of sale, compensation in the amount of 10 % of gross purchase price or \$ \_\_\_\_\_ for his services in effecting the sale by finding a Buyer, ready willing and able to purchase pursuant to the foregoing Contract. In the event Buyer fails to perform and deposit(s) is retained, 50% thereof, but not exceeding the Broker's fee above computed, shall be paid to the Broker, as full consideration for Broker's services including costs expended by Broker, and the balance shall be paid to Seller. If the transaction shall not be closed because of refusal or failure of Seller to perform, the Seller shall pay said fee in full to Broker on demand.Baird Realty, 12 E Ave C,  
Melbourne, FL 32901 (305) 721-1000

(SEAL)

[Signature]

(SEAL)

023564





UNIVERSITY OF SOUTH CAROLINA  
COLUMBIA, S. C. 29208

*Tony Ellis*

EXHIBIT

MAR 12 1985 NO. 23

STATE BUDGET & CONTROL BOARD

SYSTEM LEGAL DEPARTMENT

(803) 777-7854

March 6, 1985

Mr. Bruce Taylor  
Division of General Services  
Division of Property Management  
300 Gervais Street  
Columbia, South Carolina 29201

Re: Property of University of South Carolina  
Gamecock Club  
Brevard County, Florida

Dear Bruce:

This letter will confirm our telephone conversation on today's date. As we discussed, Mr. McQuiggan has withdrawn his offer to purchase the above-referenced property. However, the University still desires to obtain an exemption from having to offer this property to other state agencies for 45 days, etc.

Please let me know when you and Mr. Laurent have had an opportunity to discuss this matter.

Very truly yours,

Lyn H. Hensel  
Associate Legal Counsel

LHH/jm

cc: Dr. John Moore

023565



# EXHIBIT

MAR 12 1985

NO. 24

State of South Carolina

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

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29211

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

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

March 11, 1985

MEMORANDUM TO:

W. T. Putnam

FROM:

Naomi Kellum *NK*

SUBJECT:

Civil Contingent Fund - Heritage World Expo  
Authority

The Heritage World Expo Authority was created by Act No. 341, 1982, and met one time that year. Those expenses for travel of the members were paid from the Civil Contingent Fund.

The Expo Authority met again on March 1, 1985. Andy Laurent and I attended this meeting at your request. The cost of this meeting was \$106 (three members filed for reimbursement, for mileage only). It is expected that the Chairman (Virgil Summer) will call another meeting in a month.

The act sets forth in §51-13-1330 that: "...The members shall receive per diem and mileage as provided by law for members of state boards...for each day of official duties."

*OK*  
*limit to 4 meeting a year*

023566