

MINUTES OF MEETINGS
SOUTH CAROLINA
STATE BUDGET AND CONTROL BOARD

1963-64

J. M. Smith, State Auditor
- Secretary

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Governor Donald S. Russell, Chairman

Jeff B. Bates, State Treasurer

E. C. Rhodes, Comptroller General

Edgar A. Brown, Chairman of Senate Finance Committee

R. J. Aycock, Chairman of House Ways and Means Committee

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MINUTES OF BUDGET AND CONTROL BOARD MEETING

JULY 10, 1963

- o -

The Budget and Control Board met in the Conference Room of the Governor's Office at 10:30 A. M., Wednesday, July 10, 1963, with all members present. Also present were P. C. Smith, Assistant State Auditor and Walter B. Brown, Director of the Division of Sinking Funds and Property.

The following business was transacted.

1. SECRETARY OF STATE - Allocation from Civil Contingent Fund

Mr. O. Frank Thornton, Secretary of State, appeared before the Board with a request for an allocation of \$6,379.90 from the Civil Contingent Fund for office equipment and other expenses of his office. Mr. Thornton stated that the corporation laws of the State were revised during the closing days of the 1963 session of the General Assembly which will necessitate considerable additional clerical processes in his office. Additional equipment and supplies will be needed.

He estimated total needs to be \$9,379.90, for which an appropriation of only \$3,000.00 was available.

The Board unanimously approved this request.

2. MENTAL HEALTH COMMISSION - Salary Transfer

The Mental Health Commission requested the Board to approve a transfer of \$14,000.00 from the 1963-64 appropriation for the position of Director of the Mental Health Commission to a new position of Deputy Director of Community Mental Health Services.

This request was to conform to a change in organization whereby Dr. W. P. Beckman, formerly Director of the Mental Health Commission, is to become Deputy Director of Community Mental Health Services without change in salary.

The Board unanimously approved the requested transfer.

3. WILDLIFE RESOURCES COMMISSION - Survey of Records

At the request of the Wildlife Resources Commission, the Board unanimously approved their employment of Arthur Andersen & Company, Certified Public Accountants, to make a study and recommendations of the financial records system of the Commission. It was understood that this service will cost approximately \$5,000.00 and will be paid from funds available to the Commission.

4. SOUTH CAROLINA SANATORIUM - Transfer for Detention Ward

Dr. Rudolph Farmer, Superintendent of the South Carolina Sanatorium, requested the Board to approve a transfer of \$25,000.00 from the 1963-64 appropriation for County Sanatoria to provide funds to construct a detention ward at the Sanatorium. The purpose of this ward would be to prevent certain patients committed to the Sanatorium by local authorities from leaving before being formally dismissed by Sanatorium authorities.

The Board noted that this request had previously been before it for consideration. After full discussion, the request was rejected.

5. STATE HIGHWAY DEPARTMENT

The Highway Department requested advice of the Budget and Control Board regarding a bill the department has against the Governor's office, in the amount of \$131.40, for moving household furniture of an employee of that office on October 30, 1962. Governor Russell was of the opinion that he did not have authority to pay obligations concerned with the previous administration.

The Board took no specific action with respect to the request, but indicated that there would be no objection to the cancellation of this charge by the Highway Department on its records.

6. STATE DEVELOPMENT BOARD - Adjustment of Appropriated Salaries

The State Development Board authorities called attention to three line item salaries in their appropriation for 1963-64 in which it was rather obvious that the General Assembly had unintentionally appropriated less for these

positions for 1963-64 than were paid in 1962-63. The apparent error arose from the fact that these positions were filled for only part of the year 1962-63. The amounts appropriated for 1963-64 were the same as were expended during the partial year 1962-63.

The Board approved a transfer to make available a full year's salary for each of these positions at the same rates paid in 1962-63.

7. MEDICAL COLLEGE - Approval of Porter Academy Deed

In accord with provisions of the 1963-64 General Appropriations Act the Medical College submitted for the Board's approval a draft of the proposed deed by which Porter Military Academy would convey to the Medical College the 11.3 acres now under purchase option of the Medical College.

The Board reviewed the terms as proposed and approved them unanimously without change.

(See letter of Dr. Pratt-Thomas attached) (No. 1)

8. RESOLUTION ON ISSUANCE OF \$1,305,000.00 OF STATE NOTES

Following action of the Board at its meeting June 5, 1963, the Board had before it at this meeting a formal resolution regarding the issuance of \$1,305,000.00 of State Notes. These notes are to be issued under authorization of the 1963-64 General Appropriations Act which provides for a total issuance of \$5,040,000.00 of notes.

Proceeds of the \$1,305,000.00 of notes acted upon at this time will be allocated as follows: \$1,150,000.00 to the Medical College for purchase of the Porter Military Academy property, and \$155,000.00 to the State Board of Corrections for purchase of property for the establishment of a new unit of the Penitentiary for youthful offenders.

The resolution was unanimously approved by the Board. (A copy of the resolution is attached herewith as a part of the minutes.) (No. 2)

9. FORESTRY COMMISSION - Construction of Facilities at State Parks

At the meeting of the Board March 27, 1963 the Board temporarily passed over two requests of the Forestry Commission for approval of the construction of park facilities at Huntington Beach and Hunting Island State Parks. The Commission requested that these applications be reconsidered by the Board.

After further consideration the Board was of the opinion that the proposals should be carried over again for action at some later date.

10. EDUCATIONAL FINANCE COMMISSION - Temporary transfer

The Board had before it a request of the Director of the Educational Finance Commission to approve a temporary transfer of \$2,000,000.00 from the 1963-1964 appropriation for Operation of School Busses to provide funds for the purchase of new school busses needed for 1963-64. As presented, this request was made to avoid the immediate issuance of bonds to provide funds for bus purchases in the hope that a deficiency appropriation might be obtained from the 1964 meeting of the General Assembly. Such an appropriation would eliminate the necessity of issuing bonds. In requesting this transfer it was noted that a deficiency appropriation had been made in 1962-63.

The Board unanimously approved this request.

11. RETIREMENT SYSTEM

Mr. Bates noted that the General Assembly had appropriated \$33,700.00 to the State Retirement System to cover additional administrative costs resulting from the transfer of the affairs of the Police Insurance and Annuity Fund to the State Retirement System office July 1, 1963. He called the Board's attention to the fact that the new Police Officers' Retirement System would also place additional responsibilities on employees of the State Treasurer's office. He accordingly asked the Board's approval of a portion of the above mentioned appropriation to supplement salaries of employees in his office affected by creation of the new Police Officers' Retirement System.

The Board unanimously approved Mr. Bates' request.

Mr. Bates also asked the Board's approval of an increase in the amount paid Moody's Investment Service for service rendered the State Treasurer's Office in the field of investment counseling. He indicated that for several years this service has cost \$1,800.00 per year but that he expected some increase in the future. The Board authorized the payment of such charges as may appear reasonable to Mr. Bates.

At the suggestion of Mr. Bates the Board reviewed the retirement regulation adopted January 28, 1959 relating to employment of retired persons.

The following regulation was adopted January 28, 1959:

"A person retired on a service retirement allowance from the South Carolina Retirement System with an allowance not exceeding \$1,200.00 per fiscal year may return to covered employment and earn an amount not exceeding \$1,200.00 per fiscal year without affecting his retirement allowance."

The Board approved an amendment to the above regulation whereby the words "with an allowance not exceeding \$1,200.00 per fiscal year" were deleted so that the regulation as amended will hereafter read as follows:

"A person retired on a service retirement allowance from the South Carolina Retirement System may return to covered employment and earn an amount not exceeding \$1,200.00 per fiscal year without affecting his retirement allowance."

12. COLLEGE BUILDING PROGRAMS

The Board had before it for consideration several permanent improvement projects proposed by Clemson College, Winthrop College and the University of South Carolina.

In most instances the construction of these projects would require the issuance of State Institution Bonds. In view of the extent of bonds issued under the program in recent years and the consequent addition of facilities at these institutions, the Board was of the opinion that a general study of the needs

of the State's Institution of Higher Learning should be made before an extensive building program should be undertaken.

The Board accordingly deferred action on the request of these institutions at this time until such a study can be made.

13. EMPLOYEE SALARY INCREASES - 1963-64

The State Auditor's office presented to the Board a list of proposed increases in salaries of certain supervisory personnel within the State Government to become effective July 1, 1963. (A list of these positions with the proposed increases is attached herewith as a part of the minutes.) (No. 3)

The Board reviewed the list in detail and approved it without change.

The Board had before it a request of General Mark Clark, President of The Citadel, to allow the payment of amounts ranging from \$100.00 to \$500.00 for certain personnel at The Citadel for meritorious service during the year 1962-1963.

The Board considered this as being somewhat in the nature of a "bonus" at the end of the fiscal year and felt that it had no authority to authorize this type of compensation. The request was accordingly disapproved.

14. REQUEST FOR LICENSE TO MINE PHOSPHATE DEPOSITS - BEAUFORT COUNTY

Mr. Joab Dowling, Dick Pollitzer and former Senator Burt Rodgers, of Beaufort County, appeared before the Board representing the Carolina Mining Company, a Beaufort County organization interested in the mining of phosphate deposits located on State-owned lands in Beaufort County. Their application for a license was being made under the terms of an Act of the 1963 General Assembly.

After reviewing the request and a general discussion of the proposed mining operation, the Board agreed to grant a license as authorized by the Act. Details of the license, including royalties and other terms, are to be determined by the State Geologist and the Director of the Division of Sinking Funds and Property. It was understood that royalties at the rate of 2½% of gross sales would be included in the terms.

15. BUSHY PARK AUTHORITY

The Board briefly discussed the status of the State's loans to Bushy Park Authority. It was decided that a full discussion of this matter would be scheduled for the next meeting of the Board. Mr. Walter Brown, Director of the Division of Sinking Funds and Property, was accordingly requested to prepare a report on this subject for the next meeting.

16. CLEMSON ARMORY

Adjutant General Frank D. Pinckney appeared before the Board in the interest of securing funds for the construction of a new armory to serve the general community around Clemson College.

It was noted that the 1963 General Assembly had discussed an appropriation for this purpose but that no amount had been included in the Appropriations Act finally passed. It was also indicated that the Legislative Delegations of Anderson, Oconee and Pickens Counties had agreed to advance a total of \$45,000.00 for the construction of this armory provided the Budget and Control Board would agree to recommend an appropriation of this amount to the 1964 General Assembly.

The Board unanimously adopted the following resolution regarding this matter:

"WHEREAS, The Budget and Control Board has been informed that the Free Conference Committee on the 1963-64 General Appropriation Act intended to include in its report an item of \$45,000.00 to the Adjutant General's Office for construction of an armory at Clemson; and

WHEREAS, Apparently through misunderstanding, the item was not carried in the Committee's Report; and,

WHEREAS, In order that construction of this armory may not be further delayed, the Legislative Delegations of Anderson, Oconee and Pickens Counties have agreed to advance a total of \$45,000.00 to the Adjutant General's Office for this purpose, provided the Budget and Control Board will agree to recommend to the 1964 General Assembly that an appropriation of \$45,000.00 be made to reimburse them for this advance;

NOW, THEREFORE, BE IT RESOLVED by the Budget and Control Board that it will recommend to the 1964 General Assembly that it appropriate \$45,000.00 to reimburse Anderson, Oconee and Pickens Counties for funds advances for the construction of the Clemson Armory."

17. STATE PORTS AUTHORITY - Engineering Survey

Governor Russell informed the Board that he had had considerable discussion with officials of the State Ports Authority regarding the general need of a study of certain phases of the Authority's physical facilities. It has been generally agreed that an engineering study would be appropriate.

In view of the fact that the Santee-Cooper Authority would likewise be interested in that part of the study relating to the Cooper River, the matter has been discussed with them also, with the following being recommended:

"The State Ports Authority and the Public Service Authority shall employ an engineering firm (1) to review all available material, including any studies, models and tables prepared by the Corps of Engineers, relating to the operation and maintenance of the Charleston port, and (2) to consider, evaluate, and advise with said Ports and Public Service Authorities, as well as any other responsible agency of the State Government, with reference to a means to improve the present and future operation and maintenance of such port, to enlarge its channels, to promote sanitation, to protect fish and game, and to reduce any avoidable silting therein.

The costs of such employment shall be divided between the Ports Authority and the Public Service Authority.

The engineering firm shall be jointly selected by the Ports Authority and the Public Service Authority. Should they be unable to agree on an engineer, each shall submit to the Budget and Control Board the names of these engineering firms, from which the Budget and Control Board shall select the engineer."

The Board unanimously approved the above proposed action.

18. STATE-OWNED AUTOMOBILES

Governor Russell called the Board's attention to the fact that considerable interest has developed in the matter of regulations of the use of State-owned automobiles and other vehicles and suggested that the Board give consideration to the development of suitable rules for the use of such equipment.

The State Auditor's Office was accordingly requested to secure information from the various departments and institutions as to the number of vehicles owned and general practices as to restricted use of them. Further consideration will be given this subject when this information has been secured.

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19. CONSOLIDATION OF APPROPRIATIONS

The Board authorized the Comptroller General to consolidate into a single maintenance appropriation account the detailed appropriations in the 1963-1964 General Appropriations Act for those departments and institutions generally referred to as "lump sum" departments. The Board was of the opinion that the itemization of appropriations for these departments and institutions would bring about unreasonable administrative difficulties and that the efficiency of operation of these departments would be best served by the proposed consolidation. It was also noted that appropriations to these departments and institutions had formerly been made in a single maintenance account.

20. OIL LEASES

Mr. Walter Brown informed the Board that negotiations were in process with several prospects for the lease of off-shore oil rights. As yet no arrangements have been concluded and he was authorized by the Board to continue these negotiations.

21. EASEMENTS GRANTED

The Board authorized the Director of the Division of Sinking Funds and Property to grant two right-of-way easements on State property of the John G. Richards Industrial School and the S. C. Department of Corrections.

22. CONVERSION OF STATE BUILDINGS TO GAS HEAT

The Board was informed by Mr. Walter Brown that a preliminary study of the feasibility of converting the heating systems of several State-owned buildings and other facilities in the City of Columbia had indicated that a substantial reduction in heating costs might result from such a conversion. At his suggestion the Board authorized a more intensive study of this matter and authorized an expenditure of \$5,000.00 for this purpose from the Ordinary Sinking Fund.

23. EMPLOYMENT OF WILLIAM N. GEIGER, JR.

The Board authorized the employment of William N. Geiger, Jr., formerly associated with the State Engineer, as a consultant in connection with

the planning and construction of the proposed new State Office Building on Senate Street, and the new administrative facilities for the State Board of Health. Details of the arrangement were left to the Director of the Division of Sinking Funds and Property.

24. USE OF STATE WAREHOUSE BY PENITENTIARY

The Board authorized the authorities of the State Penitentiary the temporary use of the State-owned warehouse building located at the corner of Lady and Lincoln Streets in the City of Columbia. (This property is generally known as the "Fish House".)

25. PURCHASE OF MCCOY PROPERTY AUTHORIZED

Mr. Walter Brown informed the Board that the McCoy property, located on the South side of the 1400 Block of Senate Street in the City of Columbia, was available for purchase by the State for \$55,000.00 and recommended its purchase. After full consideration of the matter, Mr. Brown was authorized to contract for the purchase of this property at the price indicated, provided a favorable opinion could be had from the Attorney General as to the purchase of this property as an investment of the Ordinary Sinking Fund.

No further business was transacted and the meeting adjourned at 12:30 P. M.

MEDICAL COLLEGE OF SOUTH CAROLINA
16 LUCAS STREET
CHARLESTON, SOUTH CAROLINA

OFFICE OF THE PRESIDENT

June 27, 1963

The Honorable The State Budget and
Control Board
Columbia, South Carolina

No. 1
(July 10, 1963)

Re: Property of the Porter Academy in Charleston

Gentlemen:

This letter is written for the purpose of obtaining the approval of the State Budget and Control Board to the terms and conditions of the conveyance by which The Medical College of South Carolina seeks to acquire the present school site and properties of the Porter Academy located in the City of Charleston.

Under date of March 8, 1963, The Medical College procured an option for this property, a conformed copy of which is enclosed. Appended to the option was a plat, also enclosed, which sets forth certain areas of the property which are to become immediately available to the Medical College following the delivery of the Deed. The remaining properties are to be utilized by Porter for school purposes until it decides to vacate them or until July 1, 1965, whichever shall first occur. Following the delivery of the option certain modifications have been made therein.

The first and most important of these relates to the amount of the purchase price. It was originally provided that Porter should have the option to accept in payment of the property the sum of \$975,000, plus certain property of the Medical College referred to as "The Fort Johnson Property," or in lieu thereof the sum of \$1,136,000. Porter has decided that it does not require the Fort Johnson property and hence it has been agreed between representatives of the College and Porter Academy that the purchase price for the property is to be entirely in cash, and will be the sum of \$1,136,000. Under the terms of the option the land to be made available to the College on the occasion of the closing was subject to the condition that the Medical College utilize such properties for construction purposes. That provision has

June 27, 1963

The State Budget and Control Board

now been deleted and it has been agreed that no limitation whatsoever is to be put upon the use of the areas to be made available to the Medical College at the time of the closing. This has some significance as the College has plans to utilize the western property for parking and other purposes.

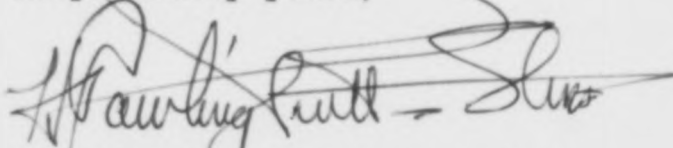
Porter is to have the right, if it elects, to dismantle and to utilize the salvage of two buildings on the property. These are the buildings known as The Old Federal Arsenal (shown on the enclosed plat as the 3-1/2 story brick main building) and the Chapel.

To sum up, the transaction is as follows:

Porter will convey the property to the Medical College upon payment of the sum of \$1,136,000. There will be no conditions or reversions in this Deed, but, simultaneously with the settlement, the Medical College will give written assurance to Porter that it may utilize all of the property not marked on the enclosed plat as being made available to the College, for school purposes until July 1, 1965, and Porter is to have the salvage rights above set forth.

This letter is written in order that the Medical College may obtain the approval of your Board to the terms and conditions of the transaction, as required by Section 9 of Part II of the State Appropriations Act for the fiscal year beginning July 1, 1963.

Respectfully yours,



H. Rawling Pratt-Thomas, M. D.
President

HRP-T:jch

Enclosure

cc: The Right Reverend Gray Temple
Mr. Huger Sinkler
Mr. de Rosset Myers

1 1818

A RESOLUTION

No. 2

July 10, 1963

MAKING PROVISION FOR THE ISSUANCE OF \$1,305,000 OF NOTES OF THE STATE OF SOUTH CAROLINA FOR THE PURPOSE OF RAISING MONEYS FOR THE MEDICAL COLLEGE OF SOUTH CAROLINA AND FOR THE STATE BOARD OF CORRECTIONS FOR FURTHER FACILITIES FOR SUCH INSTITUTIONS.

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

ARTICLE I

FINDINGS OF FACT

As an incident to the adoption of this Resolution the State Budget and Control Board of the State of South Carolina finds that the facts set forth in this Article are in all respects true and correct:

1. By the provisions of Section 9 of Part II of an Act of the General Assembly of the State of South Carolina, entitled "AN ACT TO MAKE APPROPRIATIONS TO MEET THE ORDINARY EXPENSES OF THE STATE GOVERNMENT FOR THE FISCAL YEAR BEGINNING JULY 1, 1963....., TO PROVIDE FOR THE ISSUANCE OF STATE NOTES IN THE AMOUNT OF \$5,040,000ETC." (the Enabling Act), it is provided that if the State Budget and Control Board (the State Board) shall express its approval by proper resolution, the Governor and the State Treasurer shall be empowered to issue Notes of the State of South Carolina to the extent of not exceeding \$5,040,000 and to apply the proceeds thereof to the purposes enumerated in Paragraphs numbered 1, 2, 3, 4 and 5 of said Section 9.

2. By paragraph numbered 1 of said Section 9 it is provided, among other things, that the sum of \$1,150,000 may be raised through the issuance of Notes for the purpose of paying the consideration and other expenses incident to a conveyance by which the Porter Academy will deed to the Medical College of South Carolina (the Medical College) certain property in the City of Charleston, more particularly set forth in said paragraph 1. Said paragraph 1 requires, as a condition precedent to such action, that the State Board shall approve the consideration to

be paid to the Porter Academy and the terms and conditions of the conveyance to the Medical College.

3. A memorandum outlining the consideration (the sum of \$1,136,000) and the terms and conditions of the conveyance has been presented to the State Board and has been approved.

4. By paragraph 2 of said Section 9 of the Enabling Act the State Board of Corrections (the Board of Corrections) is empowered to acquire an appropriate site and to construct thereon facilities estimated to cost \$1,500,000. Acting on the assumption that it would be empowered to acquire a site, the Board of Corrections has procured an option for the purchase of a tract of land in Berkeley County, South Carolina, at a cost of \$155,000. It is necessary that such option be exercised, and for that reason it is necessary to raise \$155,000.

5. The State Board has given due consideration to the other matters for which State Notes may be issued pursuant to said Section 9 of the Enabling Act, but has decided to defer action thereon until a later date. In so determining, the State Board does not waive, but on the contrary, expressly reserves its rights to issue the remaining notes authorized pursuant to said Section 9 of the Enabling Act under the conditions hereafter stated.

6. Notes issued pursuant to said Section 9 are to be payable from, and secured by a pledge of, the revenues derived from the tax imposed pursuant to Article 1, Chapter 12, Title 65, Code of Laws of South Carolina, 1962.

7. Such revenues are, as of this occasion pledged to secure the following outstanding obligations of the State of South Carolina, all of which are held by the State Board in its capacity as Trustee of the funds of the South Carolina Retirement System, viz.:

(a) The now outstanding \$1,062,500 of an original issue of \$2,125,000 State Notes, dated 2-1-58, issued for various State Institutions.

(b) The now outstanding \$200,000 of an original issue of \$300,000 State Notes, dated 10-1-57, issued for Clemson College.

(c) The now outstanding \$130,000 of an original issue of \$150,000 State Notes, dated 8-1-60, issued for Clemson College.

(d) The now outstanding \$130,000 of an original issue of \$150,000 State Notes, dated 8-1-60, issued for the University of South Carolina.

(e) The now outstanding \$200,000 of an original issue of \$300,000 State Notes, dated 10-1-57, issued for the University of South Carolina.

(f) The now outstanding \$140,000 of an original issue of \$200,000 State Notes, dated 7-1-59, issued for the Archives Department.

(g) The now outstanding \$1,500,000 State Penitentiary Notes, dated 11-1-62.

8. In order that no question may arise as to whether the pledge made to secure the Notes to be issued pursuant to said Section 9 of the Enabling Act shall be on a parity with the pledges securing the aforesaid obligations, it has been determined that the State Board, in its capacity as aforesaid, should agree thereto and shall cause evidence of such agreement to be made known as hereinafter provided.

On the basis of the foregoing findings and for the purpose of raising the sum of \$1,305,000, the State Board by this Resolution undertakes to:

(1) Approve the consideration and the terms and conditions of the acquisition by the Medical College of the Porter Academy property, and to make the sum of \$1,150,000 available for such acquisition and such other expenses as may be incident thereto;

(2) Approve the acquisition by the Board of Corrections of a tract of land in Berkeley County, South Carolina, and to make the sum of \$155,000 available therefor; and

(3) Authorize the Governor and the State Treasurer to issue Notes of the State of South Carolina to the extent of \$1,305,000.

(4) Fully reserve to itself the right to issue additional notes pursuant to Section 9 of the Enabling Act under the terms and conditions hereinafter set forth; and

(5) Consent that the pledge securing the notes authorized hereby and other notes issued pursuant to Section 9 of the Enabling Act shall be on a parity with the pledges made to secure the present outstanding obligations of the State of South Carolina enumerated in Paragraph 7, supra.

ARTICLE II

ISSUANCE OF NOTES

Section 1.

Pursuant to the provisions of Section 9 of the Enabling Act, the State Board authorizes and empowers the Governor and the State Treasurer to issue \$1,305,000 of Notes of the State of South Carolina, to be designated "State Notes, First Series of 1963" (the Notes), whose proceeds shall be expended as follows:

(a) Not exceeding \$1,150,000 shall be made available to the Medical College in order that it may pay the consideration and other expenses incident to the acquisition of certain property in the City of Charleston from Porter Academy, more fully described in said Section 9 of the Enabling Act; and

(b) Not exceeding \$155,000 shall be made available to the Board of Corrections to enable it to acquire a tract of land in Berkeley County, South Carolina.

Section 2.

The Notes shall be issued in fully registered form and as a single fully registered note, in the name of the State Budget and Control Board of South Carolina, as Trustee of the funds of the South Carolina Retirement System, and payable to said Budget and Control Board of South Carolina, as Such Trustee, or to its assigns.

Section 3.

The Notes shall be dated July 1, 1963, shall bear interest at the rate of four and one-half per centum (4-1/2%) per annum, from the date of the delivery thereof (as established by the certification endorsed thereon), payable on the 1st days of January and July of each year, commencing January 1st, 1964, until the principal amount shall be paid in full, and shall mature in annual instalments on July 1 in the years and in the amounts set forth below, as follows, viz.:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
1964	\$90,000	1971	\$85,000
1965	90,000	1972	85,000
1966	90,000	1973	85,000
1967	90,000	1974	85,000
1968	90,000	1975	85,000
1969	90,000	1976	85,000
1970	85,000	1977	85,000
		1978	85,000

Section 4.

The State of South Carolina reserves the right to effect the prepayment, on any interest payment due after July 1, 1965, of any portion of the indebtedness evidenced by said Notes that it may determine upon, in the inverse chronological order of the maturities of the principal instalments, and in multiples of \$5,000, at a redemption price equal to the par value of the principal amount so redeemed, and accrued interest to the date fixed for redemption, plus a redemption premium equal to 2% of the principal amount so redeemed.

If the option to redeem shall be exercised, notice of redemption shall be given to the holder of said Notes, at least thirty (30) days prior to the prepayment date, by mailing to such holder a notice prescribing such prepayment date and specifying the amount of principal (and premium) to be prepaid.

Section 5.

Payment of interest and instalments of principal of said Notes and portions thereof (if the privilege of prepayment be

exercised) shall be effected by check or draft drawn by the State Treasurer. Such payments shall be effected by the use of funds pledged for the payment of the principal and interest of the Notes. All payments of principal and interest shall be duly endorsed upon the payment record appended to said registered note.
Section 6.

The Notes shall be executed on behalf of the State of South Carolina by the Governor and State Treasurer. The Great Seal of the State shall be affixed thereto and the same shall be attested by the Secretary of State.

Section 7.

For the payment of the principal of and interest on said Notes there are hereby irrevocably pledged so much of the revenues derived from the tax imposed pursuant to Article 1, Chapter 12, Title 65, Code of Laws of South Carolina, 1962, as shall be required to effect the prompt payment of the principal and interest thereof, as the same shall respectively mature. The pledge made to secure the Notes of this issue is hereby declared to be on a parity with the pledges now existing and hereafter made to secure the following obligations, viz.:

(a) All Notes hereafter issued pursuant to Section 9 of the Enabling Act;

(b) All obligations of the State of South Carolina authorized hereafter by legislation subsequently enacted; and

(c) The obligations enumerated in paragraph 7 of Article I, supra, secured in whole or in part by a pledge of the revenues derived from the tax imposed pursuant to Article 1, Chapter 12, Title 65, Code of Laws of South Carolina, 1962.

All moneys received by the State Treasurer from the tax above referred to shall be duly impounded by him to the extent required to provide for the payment of the principal of and interest on the Notes herein authorized, other notes hereafter issued on a parity therewith, and all existing obligations here-

tofore issued, secured in whole or in part by a pledge of the aforesaid revenues:

Section 8.

The State Budget and Control Board, in its capacity as the owner and holder of the following outstanding Notes, viz.:

- (1) The now outstanding \$1,062,500 of an original issue of \$2,125,000 State Notes, dated 2-1-58, issued for various State Institutions;
- (2) The now outstanding \$200,000 of an original issue of \$300,000 State Notes, dated 10-1-57, issued for Clemson College;
- (3) The now outstanding \$130,000 of an original issue of \$150,000 State Notes, dated 8-1-60, issued for Clemson College;
- (4) The now outstanding \$130,000 of an original issue of \$150,000 State Notes, dated 8-1-60, issued for the University of South Carolina;
- (5) The now outstanding \$200,000 of an original issue of \$300,000 State Notes, dated 10-1-57, issued for the University of South Carolina;
- (6) The now outstanding \$140,000 of an original issue of \$200,000 State Notes, dated 7-1-59, issued for the Archives Department; and
- (7) The now outstanding \$1,500,000 State Penitentiary Notes, dated 11-1-62.

hereby consents that the pledge securing the Notes hereunder shall be on a parity in all respects with the pledges securing the outstanding Notes now held by it and above described. The State Treasurer is hereby authorized and empowered to place upon the face of each of said Notes enumerated above a written statement as follows:

"The pledge of revenues derived from the tax imposed pursuant to Article 1, Chapter 12, Title 65, Code of Laws of South Carolina, 1962, has been placed on a parity with a pledge made to secure all notes issued pursuant to Section 9 of Part II of an act entitled "AN ACT TO MAKE APPROPRIATIONS TO MEET THE ORDINARY EXPENSES OF THE STATE GOVERNMENT FOR THE FISCAL YEAR BEGINNING JULY 1, 1963....., TO PROVIDE FOR THE ISSUANCE OF STATE NOTES IN THE AMOUNT OF \$5,040,000.....ETC." (The State Appropriation Act for 1963-1964).

State Treasurer."

Section 9.

The form of the Notes as issued in fully registered form shall be as follows:

UNITED STATES OF AMERICA

STATE OF SOUTH CAROLINA

SOUTH CAROLINA STATE NOTE, FIRST SERIES OF 1963

NUMBER R-1

\$1,305,000

The STATE OF SOUTH CAROLINA hereby acknowledges itself indebted, and for value received, promises to pay to the

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA as Trustee of the funds of the South Carolina Retirement System, or its registered assigns, the principal sum of

ONE MILLION THREE HUNDRED FIVE THOUSAND DOLLARS

on the first day of July in the years and amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
1964	\$90,000	1971	\$85,000
1965	90,000	1972	85,000
1966	90,000	1973	85,000
1967	90,000	1974	85,000
1968	90,000	1975	85,000
1969	90,000	1976	85,000
1970	85,000	1977	85,000
		1978	85,000

and to pay to the registered holder hereof interest on the balance of said principal sum from time to time remaining unpaid, at the rate of four and one-half per centum (4-1/2%) per annum, from the date of the delivery hereof (as established by the certification endorsed hereon), payable semi-annually on January 1 and July 1 of each year, commencing January 1, 1964, until the principal amount hereof has been fully paid. Both the principal of and interest on this Note are payable in any coin or currency which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts, by check or draft issued by the State Treasurer of the State of South Carolina to the registered holder hereof.

THIS NOTE, designated as SOUTH CAROLINA STATE NOTE, FIRST SERIES OF 1963, is issued pursuant to and in accordance with the Constitution and Laws of the State of South Carolina,

including particularly the provisions of an Act of the General Assembly of the State of South Carolina, entitled "AN ACT TO MAKE APPROPRIATIONS TO MEET THE ORDINARY EXPENSES OF THE STATE GOVERNMENT FOR THE FISCAL YEAR BEGINNING JULY 1, 1963 , TO PROVIDE FOR THE ISSUANCE OF STATE NOTES IN THE AMOUNT OF \$5,040,000 ETC." (the Enabling Act), and Resolutions duly adopted by the State Budget and Control Board of South Carolina, for the purpose of raising moneys for The Medical College of South Carolina and for the State Board of Corrections for further facilities for such institutions.

In addition to the instalments of principal required to be paid as hereinabove set forth, the right is reserved to the State of South Carolina to prepay on July 1, 1965, and all subsequent interest payment dates, instalments of principal in inverse chronological order, and in multiples of \$5,000, and at the price of 102% (expressed in terms of percentage amount of such prepayment), plus accrued interest to the date of prepayment.

Notice of any such optional prepayment shall be given at least thirty days prior to the prepayment date by mailing to the registered holder of this Note a notice fixing such prepayment date, the amount of principal and the premium, if any, to be prepaid.

THIS NOTE may be assigned and upon such assignment the assignor shall promptly notify the State Treasurer in the City of Columbia, South Carolina, by registered mail, and upon the surrender of this Note to the State Treasurer for transfer on the registration records and verification of the endorsements made on the Payment Record attached hereto of the portion of the principal amount hereof and interest hereon paid or prepaid, and every such assignee shall take this Note subject to such condition.

For the payment of the instalments of principal of and interest on this Note, as the same respectively mature, there are hereby pledged so much as may be needed of the revenues derived from the tax imposed pursuant to Article 1, Chapter 12,

Title 65, Code of Laws of South Carolina, 1962.

The pledge of the revenues derived from the tax imposed pursuant to Article 1, Chapter 12, Title 65, Code of Laws of South Carolina, 1962, is on a parity with existing pledges made to secure the following outstanding obligations, viz.:

- (1) The now outstanding \$1,062,500 of an original issue of \$2,125,000 State Notes, dated 2-1-58, issued for various State Institutions;
- (2) The now outstanding \$200,000 of an original issue of \$300,000 State Notes, dated 10-1-57, issued for Clemson College;
- (3) The now outstanding \$130,000 of an original issue of \$150,000 State Notes, dated 8-1-60, issued for Clemson College;
- (4) The now outstanding \$130,000 of an original issue of \$150,000 State Notes, dated 8-1-60, issued for the University of South Carolina;
- (5) The now outstanding \$200,000 of an original issue of \$300,000 State Notes, dated 10-1-57, issued for the University of South Carolina;
- (6) The now outstanding \$140,000 of an original issue of \$200,000 State Notes, dated 7-1-59, issued for the Archives Department; and
- (7) The now outstanding \$1,500,000 State Penitentiary Notes, dated 11-1-62.

The right is further reserved to issue additional obligations of the State of South Carolina pursuant to the Enabling Act or pursuant to legislation subsequently enacted, and to be secured by a pledge on a parity with the pledge of revenues derived from the tax imposed pursuant to Article 1, Chapter 12, Title 65, Code of Laws of South Carolina, 1962, to the extent and under the conditions related in the Enabling Act.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts and things required by the Constitution or Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this Note, exist, have been performed and have happened, and that the amount of this Note, together with all other indebtedness of the State of South Carolina, does not exceed any limit prescribed by such Constitution or Statutes.

IN WITNESS WHEREOF, the STATE OF SOUTH CAROLINA has caused this NOTE to be signed by the Governor of South Carolina and by the State Treasurer of South Carolina, and has caused the Great Seal of the State to be affixed hereto or impressed hereon and attested by the Secretary of State, and this Note to be dated the first day of July, 1963.

Governor

State Treasurer

(SEAL)

Attest:

Secretary of State

THIS NOTE delivered at Columbia, South Carolina, this _____ day of _____, 1963. Interest hereon accrues from the said date.

State Treasurer

FORM OF ASSIGNMENT

(A form similar to this but not attached to the within Note may also be used)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____

the within Note of the State of South Carolina, and hereby irrevocably constitutes and appoints _____

Attorney, to transfer the same on books of the State Treasurer with full power of substitution in the premises.

Dated: _____

<u>Date of</u> <u>Registration</u>	<u>Name of Registered Holder</u>	<u>Signature of State</u> <u>Treasurer or Deputy</u>
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July 1, 1963

State Budget and Control
Board of South Carolina,
as Trustee

1829

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due	Interest Payment 4-1/2%	Date Paid	Signature of State Treasurer or his Deputy
Jan. 1, 1964	:	:	:	:	:
July 1, 1964	:	:	:	:	:
Jan. 1, 1965	:	:	:	:	:
July 1, 1965	:	:	:	:	:
Jan. 1, 1966	:	:	:	:	:
July 1, 1966	:	:	:	:	:
Jan. 1, 1967	:	:	:	:	:
July 1, 1967	:	:	:	:	:
Jan. 1, 1968	:	:	:	:	:
July 1, 1968	:	:	:	:	:
Jan. 1, 1969	:	:	:	:	:
July 1, 1969	:	:	:	:	:
Jan. 1, 1970	:	:	:	:	:
July 1, 1970	:	:	:	:	:
Jan. 1, 1971	:	:	:	:	:
July 1, 1971	:	:	:	:	:
Jan. 1, 1972	:	:	:	:	:
July 1, 1972	:	:	:	:	:
Jan. 1, 1973	:	:	:	:	:
July 1, 1973	:	:	:	:	:
Jan. 1, 1974	:	:	:	:	:
July 1, 1974	:	:	:	:	:

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due	Interest Payment 4-1/2%	Date Paid	Signature of State Treasurer or his Deputy
Jan. 1, 1975	:	:	:	:	:
July 1, 1975	:	:	:	:	:
Jan. 1, 1976	:	:	:	:	:
July 1, 1976	:	:	:	:	:
Jan. 1, 1977	:	:	:	:	:
July 1, 1977	:	:	:	:	:
Jan. 1, 1978	:	:	:	:	:
July 1, 1978	:	:	:	:	:

ARTICLE III

ADDITIONAL NOTES

Section 1.

The State Board expressly reserves the right to issue additional notes pursuant to Section 9 of the Enabling Act to the extent therein authorized, and further prescribes that the pledges made to secure the principal and interest of the notes now authorized and hereafter to be issued pursuant to the Enabling Act may be placed on a parity with the pledges made to secure other obligations of the State of South Carolina when authorized by appropriate legislation.

ARTICLE IV

REPEALING CLAUSE

Section 1.

All resolutions or parts of resolutions inconsistent herewith are hereby repealed.

PROPOSED SALARY INCREASES

No. 3
(July 10, 1963)

Retirement System
Tatum Gressette
Claude Chester

	<u>1962-63</u>	<u>Proposed Increase</u>	<u>1963-64</u>
Director	14 474 00	3 000 00	17 474 00
Asst. Director	8 525 00	2 000 00	10 525 00

Board of Health

G. S. T. Peoples	Health Officer	17 880 00	120 00	18 000 00
C. L. Guyton	Asst. Health Officer	15 855 00	1 350 00	17 205 00
G. E. McDaniel	Division Director	15 855 00	1 350 00	17 205 00
P. L. Geiger	Chief, Cancer, Heart	15 180 00	1 350 00	16 530 00
Robert W. Ball	Chief, VD, CC, RHD	15 180 00	1 350 00	16 530 00
Eleanor Townsend	Director, Lab	15 180 00	1 350 00	16 530 00
G. A. Bunch	Director, Dental Bldg.	14 505 00	675 00	15 180 00
W. T. Linton	Dir., Water Pollution	12 057 00	2 129 00	14 186 00
Willie S. Zarbat	Dir., Mat. Child Bldg.	15 855 00	675 00	16 530 00

Insurance Department

Jack Hayward (From Analyst to Div. Director)	7 000 00	2 500 00	9 500 00
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Educational Television Commission

Increases are proposed for all but top management personnel, due to expansion of program. Following are typical proposals:

Lucille R. Turney-High	French Teacher	9 750 00	1 500 00	11 250 00
Chas. E. Morris	Chief Engr.	10 000 00	1 000 00	11 000 00
Sam E. Craig	Engineer	4 500 00	1 000 00	5 500 00
Wm. D. Hay	Engineer	5 775 00	1 725 00	7 500 00
Robert Donly	Engineer	5 775 00	475 00	6 250 00
Robert Frierson	Dir. of Studio Operation	6 600 00	900 00	7 500 00
John Lilley	Jr. Lab Tech.	4 600 00	400 00	5 000 00
Harve S. Dowdy	Office Manager	5 200 00	190 00	5 390 00
Gertrude R. Hancock	Accountant	4 070 00	700 00	4 770 00
Peter C. Ziques	Cameraman	4 000 00	400 00	4 400 00

State Hospital, Pineland, and
Mental Health Commission

Wm. S. Ball	Hospital-Salary	16 874 00		16 874 00
	Hospital-Expense	3 600 00		3 600 00
	Pineland-Salary	1 560 00	3 003 00	4 563 00
		22 034 00	3 003 00	25 037 00
W. F. Beckman	Mental Health	17 016 00	1 000 00	18 016 00
Edwin A. Rondaau	Asst. Med. Dir.	15 002 00	507 00	15 509 00
J. G. Morris	Dir., Adm. Services	13 000 00	1 001 00	14 001 00
Ed M. Burt	Ch. Pay. Res. Trn.	17 628 00	377 00	18 005 00
Lawson H. Bowling	Dir., Prof. Serv.	19 266 00	741 00	20 007 00
Sol B. McLendon	Dir., Prof. Serv.	19 266 00	741 00	20 007 00
Karl V. Dookocil	Ch. Psychiatrist	16 016 00	494 00	16 510 00
Albert M. Baddy	Psychiatrist	16 510 00	494 00	17 004 00
Chas. D. Whetley	M. E. Consultant	9 828 00	780 00	10 608 00

		<u>1962-63</u>	<u>Proposed Increase</u>	<u>1963-64</u>
<u>State Hospital (Cont'd)</u>				
Elsye McKown	M. H. Consultant	9 295 00	728 00	10 023 00
John E. Zuidema	M. H. Consultant	7 800 00	2 418 00	10 218 00
A. Anne N. Skorups	M. H. Consultant	7 553 00	728 00	8 281 00
Wm. B. Newton, Jr.	Psychiatrist	16 000 00	1 000 00	17 000 00
Alex G. Donald	Psychiatrist	16 000 00	1 000 00	17 000 00
Wm. G. Morehouse	Psychiatrist	16 000 00	1 000 00	17 000 00

The Citadel (1962-63)

The Citadel proposes a "bonus" for 38 employees for meritorious service during 1962-63. Amounts range from \$100. to \$300. each.

Rejected
(1962-63)

Medical College

Ackerman, R. E.	Resident	7 400 00	4 600 00	12 000 00
Krisely, M. H.	Professor	16 200 00	1 300 00	17 500 00
Jenkins, Margaret Q.	Asst. Professor	6 000 00	2 400 00	8 400 00
Kinard, F. W.	Professor	12 360 00	1 640 00	14 000 00
Metz, Bernard	Assoc. Prof.	8 500 00	1 500 00	10 000 00
Michaelis, L. W.	Business Mgr.	12 000 00	1 000 00	13 000 00
Paul, John R., Jr.	Prof.	10 000 00	2 500 00	12 500 00
Price, Richard G.	Resident	1 200 00	4 800 00	6 000 00
Richardson, J. A.	Prof.	12 500 00	1 500 00	14 000 00
Summerall, Charles F.	Instructor	4 000 00	6 000 00	10 000 00
Walton, Robert F.	Prof.	19 400 00	2 500 00	21 900 00
Webb, Hazel M.	Instr.	6 000 00	3 000 00	9 000 00

Clemson and University

	<u>Clemson</u>	<u>University</u>
President - Salary	20 000 00	20 000 00
Expense	5 000 00	5 000 00
Comptroller	16 500 00	11 500 00
Increase to	17 508 00	12 000 00
Dean of College	15 504 00	15 500 00
Increase to	17 004 00	17 300 00
Dean of Student Affairs	12 996 00	14 500 00
Increase to	14 004 00	16 000 00

Salary Ranges - 1963-64

Deans (12 mos.)	From	14 028 00	12 800 00
	To	16 020 00	16 800 00
Dept. Heads (12 mos.)	From	10 834 00	12 000 00
	To	15 084 00	16 000 00

1834

Cleason and University (Cont'd.)

Professors (9 mos.)	From	8 220 00	6 000 00
	To	11 400 00	13 000 00

AGENDA MATERIALS
AND SUPPORTING DOCUMENTS
FOR THE MEETING OF
JULY 10, 1963

1836

ITEMS FOR CONSIDERATION
OF
THE STATE BUDGET AND CONTROL BOARD

AT MEETING

July 10, 1963

Beaufort 11:00
Adj. Gen. 11:30

1. SECRETARY OF STATE

Thornton appears before Bd.

Frank Thornton has written each member of the Board regarding his need of additional funds for office equipment. This need arises out of an amendment to the Corporation Laws passed near the end of the 1963 General Assembly. There was not sufficient time to request additional funds in the Appropriation Act.

His letter states that he will need between \$9,000.00 and \$12,000.00.

2. MENTAL HEALTH COMMISSION

Dr. Beckman has resigned as Director of the Mental Health Commission and has taken the position of Deputy Director-Community Mental Health Services. Dr. Hall has assumed the responsibilities of Director.

There is no appropriation for Deputy Director-Community Mental Health Services. It is proposed that the \$14,000.00 appropriated for Director of the Mental Health Commission be transferred to Deputy Director - Community Mental Health Services. Dr. Beckman will thus move to the new position without change in salary. Dr. Hall will not receive any compensation specifically as Director of the Mental Health Commission.

3. WILDLIFE RESOURCES COMMISSION

Mr. Edwin W. Johnson, Chairman of the Wildlife Resources Commission has proposed the employment of Arthur Andersen and Company, a national public accounting firm to review the records system of the Commission. It is estimated that the cost of this service will be approximately \$5,000.00. The Board's approval of this study is requested.

4. S. C. SANATORIUM

Dr. Farmer has submitted a request for an appropriation transfer of \$25,000.00 from the item for "County Sanatoria" for 1963-64 for the purpose of constructing a detention ward at the Sanatorium. He states that some provision should be made for the detention of patients committed to the Institution by the several Probate Judges over the State with authorization enacted by the General Assembly some years ago. These patients do not come to the Institution voluntarily, and should not be allowed to leave until dismissed by the medical staff.

A request for an appropriation for this purpose was submitted in 1961 to the budget and Control Board, but was not recommended to the General Assembly. No request was made for this purpose in 1962.

The appropriation for County Sanatoria was reduced in 1963-64 to \$90,000.00 from \$120,000.00 last year at the request of Dr. Farmer. The proposed transfer would further reduce this item to \$65,000.00.

✓ 5. STATE HIGHWAY DEPARTMENT

The Department has a bill against the Governor's Office in the amount of \$131.40 for moving household furniture of Mr. John Altman, formerly Press Secretary to Governor Hollings, from Columbia to Charleston, October 30, 1962. Governor Russell's Office feels they do not have the authority to pay this bill.

The Highway Department has accordingly asked the Budget and Control Board for authority to write off this charge, or dispose of the matter in any other manner in which the Board may direct.

6. STATE DEVELOPMENT BOARD

Apparently through a misunderstanding, three of the line-item salaries in the Board's section of the 1963-64 Appropriation Act do not carry as much as were paid for these positions in 1962-63.

The following figures represent this situation:

	Expended 1962-63	Requested 1963-64	Appropriated 1963-64
Chief of Research	8,123.08	9,600.00	8,123.00
Research Assistant	4,569.24	5,400.00	5,000.00
Research Secretary	<u>3,300.00</u>	<u>3,900.00</u>	<u>3,300.00</u>

The amounts as shown expended in 1962-63 do not represent a full years salary for any of these three positions. The request for 1963-64 was based on the same rates, but for a full year. This was not explained when the appropriation request was made, and the amounts recommended were accordingly reduced to the amount being paid in 1962-63.

The Board thus needs additional funds to retain these employees at exactly the same rate of pay prevailing last year. A transfer of funds is proposed to provide the amount needed. The question arises as to whether or not such a transfer can be made which will have as its purpose the increasing of line-item salaries.

It is recommended that the transfer be approved on the basis of an obvious error in appropriating for these positions.

7. MEDICAL COLLEGE

Under the terms of the 1963-64 General Appropriation Act authorizing the issuance of notes for the Medical College, the Budget and Control Board is required to approve the deed conveying the Porter Property to the Medical College.

The proposed deed has been drafted with the following provisions:

The property involves eleven acres more or less immediately adjoining the existing Medical College property.

The purchase will be by a cash consideration of \$1,136,000.00. No property exchanges will be involved.

The deed carries no limitations or restrictive provisions as to use that may be made of the property by the Medical College.

The College will receive immediate possession of certain areas. Porter is allowed to continue the operation of their school until July 1, 1965.

Porter has a right to dismantle and salvage two of the older structures on the property.

It is recommended that the proposed deed be approved.

8. ISSUANCE OF \$1,305,000.00 OF STATE NOTES

At the meeting of the Board on June 5, preliminary approval was given to the issuance of State Notes in the amount of \$1,305,000.00 for the Medical College and the Board of Corrections. A formal resolution on the matter has been prepared by Mr. Huger Sinkler for approval by the Board.

Following are the principal provisions of the resolution.

Notes are authorized by the 1963-64 General Appropriation Act.

The proceeds will be allocated as follows:

\$1,150,000.00 to the Medical College for purchase of Porter Property, and \$155,000.00 to the Board of Corrections for the purchase of property for establishment of a unit of the Penitentiary for youthful offenders.

The notes will extend over a fifteen-year period to be retired by annual principal payments of \$85,000.00 to \$90,000.00. Interest is at 4½%.

The resolution provides for the purchase of these notes as an investment by the State Retirement System.

Revenue notes - not full faith & credit.

8. FORESTRY COMMISSION

At the meeting of the Board on March 27, 1963, the Board temporarily passed over two requests of the Forestry Commission for approval of the construction of cabins at Huntington Beach and Hunting Island State Park. The Commission has asked that these applications be presented for consideration again.

The Huntington Beach cabin will cost \$11,500.00, and the one at Hunting Island \$5,450.00. They will be constructed from funds derived by the Forestry Commission from timber sales and from an appropriation given them in 1961.

9. EDUCATIONAL FINANCE COMMISSION

✓ The Commission has proposed a temporary transfer of \$2,000,000.00 from its appropriation for the operation of school buses for 1963-64 to pay for the purchase of new buses needed for 1963-64. The Commission requested a direct appropriation of the General Assembly to purchase buses for 1963-64. No appropriation was made by the General Assembly, it being understood that the Commission has authorization to issue bonds for this purpose.

In view of the fact that a deficiency appropriation made funds available for the purchase of buses in 1962-63, the Commission proposes to withhold the issuance of bonds this year with the hope that a deficiency appropriation may again become available when the Legislature meets in 1964.

Ⓟ X It is recommended that the transfer request be rejected, and the Commission be required to issue bonds now as was obviously intended by the General Assembly.

10. RETIREMENT SYSTEM

Mr. Bates will bring the following matters before the Board for consideration.

- ✓ 1) The old Police Insurance and Annuity Fund is being transferred to the new Police Officers' Retirement System as of July 1. The General Assembly appropriated \$33,700.00 to the Retirement System Office to administer the new system. Some personnel in the State Treasurer's office will be effected by this additional responsibility, and should be considered in the allocation of this appropriation.
- ✓ 2) An amendment to the retirement regulations will be presented regarding maximum limitations on the amount of money that may be earned by a person on retirement.
- 3) Moody's Investment Service has been retained by the Treasurer's Office for several years in connection with the investment of retirement and other State funds. It is likely that charges for this service will be increased with the addition of investments arising out of the new Police Officers' Retirement System.

11. COLLEGE BUILDING PROGRAMS

Clemson, Winthrop and the University are currently concerned with proposed building projects and would like the Board's initial reaction to them. If no objections are raised by the Board, college authorities will proceed with further plan development, and will submit detailed, formal applications at a later date. The following are the projects under consideration:

University of South Carolina

The Board has previously passed over two applications of the University involving the construction of a Science Center estimated to cost \$2,900,000.00, and an Extension to the Administration Building estimated to cost \$180,000.00.

These projects would be financed by the issuance of \$1,250,000.00 of State Institution Bonds, the balance being on hand from a previous issue.

Clemson

Clemson proposed the construction of a new Library estimated to cost \$2,500,000.00. Funds would be provided by State Institution Bonds in the amount of \$1,000,000.00, and the issuance of \$1,500,000.00 of Clemson College Library Bonds as authorized by a 1962 Act.

Also proposed is an Addition to Facilities for the Chemistry Department estimated to cost \$950,000.00. State Institution Bonds would provide the funds.

Also, Additional and Improved Facilities for Mechanical and Industrial Engineering estimated to cost \$250,000.00. State Institution Bonds would be issued for this project also.

Also, a Central Motor Vehicle Facility estimated to cost \$50,000.00. The new Library would be constructed on the location of the present motor vehicle facility, thus necessitating this project.

Winthrop

Winthrop proposed the construction of a Student Union Building at an estimated cost of \$800,000.00 to be provided by State Institution Bonds.

The above projects would require the issuance of approximately \$4,500,000.00 of State Institution Bonds. The three institutions have agreed that the projects can be scheduled so that funds would not be needed before November 1, 1963, at which time the full amount could be made available in a single issue.

This financing would require action of the Board to use available funds to call bonds now outstanding as has been discussed by the Board previously.

✓ 11. SALARY INCREASES - 1963-64

The attached salary increases have been proposed by the several departments, and are presented for the Board's action.

✓ 12. APPLICATION FOR LICENSE TO MINE PHOSPHATE DEPOSITS

A group of citizens in Beaufort County will appear before the Board in the interest of their application to mine phosphate deposits located in Beaufort County. The application is being made under the terms of an Act of the 1963 General Assembly.

The group is scheduled to appear at 11:00 A. M. Mr. Joab Dowling of Beaufort is attorney for the group.

✓ 13. BUSHY PARK

Review and discussion of the present status of the State's loans to the Bushy Park authorities.

✓ 14. Adjutant General
Cameron Army

✓ 15. Probation, Parole & Pardon Bd.
Spt'ing probation officer

✓ 16. Highway Budget 1963-64

✓ 17. Consolidation of Lumpy Summ Accts.



STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD

117 WADE HAMPTON STATE OFFICE BUILDING

COLUMBIA

WALTER B. BROWN, DIRECTOR
SINKING FUNDS AND PROPERTY

July 15, 1963

INTER-OFFICE MEMO TO P. C. SMITH:

At the meeting of the Budget and Control Board on July 10, 1963 the following was approved, discussed, or suggested pertaining to my requests:

- ✓ 1) Oil Rights - The Sinking Fund and State Geologist were advised to continue negotiations with various prospects for lease of offshore oil rights.
- 2) Authorized the Sinking Fund Director to sign two easements of right-of-way on state property, John G. Richards Industrial School and S. C. Department of Corrections.
- ✓ 3) Authorized that an expenditure, not to exceed \$5,000, be made to continue survey of feasibility of converting various state buildings and institutions to natural gas.
- ✓ 4) Granted permission to retain William N. Geiger, Jr. on a consultant basis to determine space needs and various changes to be made in the old and new office building space allotments.
- ✓ 5) Granted to Carolina Mining Company of Beaufort, S. C., phosphate rock leases in Beaufort County; terms and royalties of lease to be determined by State Geologist and Sinking Fund.
- ✓ 6) Authorized Board of Corrections permission to use State warehouse on a temporary basis.
- 7) Instructed Sinking Fund to acquire McCoy property on Senate Street, if money and other conditions meet with the approval of the Attorney General's office.
- ✓ 8) Bushy Park - Governor Russell requests that a full report of the Bushy Park project be given at the next meeting of the Board.

WALTER B. BROWN
DIRECTOR

WBB/cbt

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State of South Carolina
Department of State

Columbia

O. FRANK THORNTON
SECRETARY OF STATE

July 2, 1963

JOHN P. STOKES, JR.
DEPUTY SECRETARY OF STATE

BRADLEY HEALD
DEPUTY SECURITIES COMMISSIONER

State Budget and Control Board
c/o Mr. Pat Smith, Assistant Secretary
Wade Hampton Office Building
Columbia, South Carolina

Gentlemen:

In my budget request to you of last fall, I called your attention to the fact that South Carolina had passed a new Corporation Act and that it would necessitate a complete change in our filing system in this office. At that time, I could not determine the cost of the new equipment but I did put in a token request for an increase in the amount for office equipment which you very kindly agreed with.

This year the committee further amended the Corporation Act and did not complete it until June 6, 1963, when it was signed by the Governor. Printed copies of the Act were not available until about June 15th. For that reason, it was not practical for me to attempt to secure the funds needed during the last session of the legislature.

On completion of the Act, I immediately started working on a survey to determine what we would be required to do under the Act.

I would like to appear before your group at your meeting on July 10th, to present to you the completed survey. Under the new Act, we are required to make at least ten additional filings which were not required under the old Act; such as:

1. Reservation of corporation name.
2. Registration of corporation name.
3. Transfer of corporation name.
4. Registered office of corporation.
5. Registered agent of corporation.
6. Annual Statements by domestic corporations.
7. Application for reinstatement of dissolved corporations.
8. Transfer of corporate name registered.
9. Renewal of registered corporation name.
10. Application changing registered office and agent.

This cannot physically be done using our present equipment.

State of South Carolina

Department of State

Columbia

O. FRANK THORNTON
SECRETARY OF STATE

July 2, 1963

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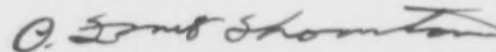
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This cannot physically be done using our present equipment.

July 2, 1963

We have three bids on the equipment running between \$9,000 and \$12,000. In addition, we will have to have some clerical help as we have over twenty five thousand corporations filed that must be typed up on new cards.

Yours very truly,



O. FRANK THORNTON
Secretary of State

OFT/er

CC: Hon. R. J. Aycock
Hon. Donald S. Russell, Governor
Hon. Edgar A. Brown
Hon. E. C. Rhodes
Hon. Jeff B. Bates
Hon. Pat Smith

State of South Carolina

Department of State

Columbia

O. FRANK THORNTON
SECRETARY OF STATE

July 10, 1963

JOHN P. STOKES, JR.
DEPUTY SECRETARY OF STATE

BRADLEY HEALD
DEPUTY SECURITIES COMMISSIONER

State Budget and Control Board
Wade Hampton Office Building
Columbia, South Carolina

Gentlemen:

In accordance with the figures furnished by R. L. Bryan Company, we hereby request the following funds be made available to this office as quickly as possible:

Purchase of cards and equipment	\$8,379.90
Extra clerical help	<u>1,000.00</u>
Total	\$9,379.90
Available in current Appropriation Bill	<u>3,000.00</u>
Total <i>Balance</i>	\$6,379.90

I hereby request the sum of \$5,379.90 for additional office equipment and \$1,000.00 for extra clerical help, a total of \$6,379.90.

Yours very truly,

O. Frank Thornton

O. FRANK THORNTON
Secretary of State

OFT/er

JOAB M DOWLING
MARVIN H. DUKES
ASSOCIATE

G G DOWLING
DOWLING, DOWLING, SANDERS & DUKES
~~DOWLING, DOWLING & SANDERS~~
ATTORNEYS AT LAW
BEAUFORT, S. C.
TELEPHONE JACKSON 4-4138

JAMES G SANDERS

June 13, 1963

Mr. Pat Smith
South Carolina Budget & Control Board
c/o State Auditor's Office
Columbia, South Carolina

Dear Pat:

Now that the Legislature has adjourned, I would greatly appreciate your setting up a meeting with the Budget and Control Board so that Beaufort County citizens may present to the Board their proposed plan for the development of the phosphate resources of this part of South Carolina.

With kindest regards and best wishes, I am

Sincerely,

G. G. Dowling

GGD/w

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DONALD RUSSELL
GOVERNOR

State of South Carolina
Executive Department
Columbia

May 8, 1963

Mr. G. G. Dowling
Dowling, Dowling, Sanders & Dukess
Attorneys at Law
Beaufort, South Carolina

Dear "G":

I have mailed your letter of the 3rd
to Dr. J. M. Smith with the request that he fix
a date for a hearing before the Budget & Control Board
for your group after the General Assembly adjourns.

With warm personal regards, I am

Sincerely yours,

DR:hc

BC: Dr. J. M. Smith

JOAB M. DOWLING
MICHAEL J. BURKETT
ASSOCIATE

G. G. DOWLING

JAMES C. SANDERS

MARVIN H. DUKES

DOWLING, DOWLING, SANDERS & DUKES

DOWLING, DOWLING & SANDERS

ATTORNEYS AT LAW

BEAUFORT, S. C.

TELEPHONE JACKSON 4-4138

May 3, 1963

The Honorable Donald Russell
Governor of South Carolina
Columbia, South Carolina

Dear Governor:

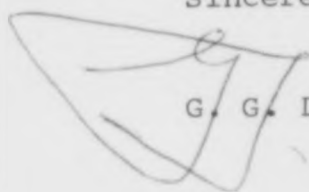
Thank you for your letter of April 29, 1963 regarding my request for an opportunity for a group of Beaufort County citizens to appear before the Budget and Control Board.

I think that it would be well, as you suggested to delay our appearance before the Board until after the General Assembly has disposed of the current Appropriations Bill.

It would be appreciated if you would make arrangements with Mr. Smith for our group to appear before the Board accordingly.

Thanking you and with kindest personal regards and best wishes, I am

Sincerely,



G. G. Dowling

GGD/w

JOAB M. DOWLING
MICHAEL J. BURKETT
ASSOCIATE

G. G. DOWLING

JAMES C. SANDERS

MARVIN H. DUKES

DOWLING, DOWLING, SANDERS & DUKES

DOWLING, DOWLING & SANDERS

ATTORNEYS AT LAW
BEAUFORT, S. C.

TELEPHONE JACKSON 4-4138

May 3, 1963

Mr. P. C. Smith
Assistant State Auditor
P. O. Box 333
Columbia, S. C.

Dear Pat:

Thank you for your nice letter of May 2, 1963
regarding the Budget and Control Board's meetings.

We certainly will appreciate your letting us
know when it will be convenient for the group of
Beaufort citizens interested in developing phosphate
deposits in this area may appear before the Board.

Thanking you and with kindest personal regards,
I am

Sincerely,



G. G. Dowling

GGD/w

JOAB M. DOWLING

MICHAEL J. BURKETT
ASSOCIATE

G. G. DOWLING

JAMES C. SANDERS

MARVIN H. DUKES

DOWLING, DOWLING, SANDERS & DUKES

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ATTORNEYS AT LAW

BEAUFORT, S. C.

TELEPHONE JACKSON 4-4138

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Mr. P. C. Smith
Assistant State Auditor
P. O. Box 333
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Dear Pat:

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regarding the Budget and Control Board's meetings.

We certainly will appreciate your letting us
know when it will be convenient for the group of
Beaufort citizens interested in developing phosphate
deposits in this area may appear before the Board.

Thanking you and with kindest personal regards,
I am

Sincerely,


G. G. Dowling

GGD/w

May 2, 1963

Mr. G. G. Dowling
Dowling, Dowling, Sanders and Dukes
Attorneys at Law
Beaufort, South Carolina

Dear "G":

Governor Russell has referred to us your letter regarding the interest of a group of Beaufort County Citizens in developing the phosphate deposits in your area.

The Budget and Control Board does not hold regular meetings but we will keep your request on file for their consideration. We will let you know as far in advance as possible just when it will be convenient for them to appear.

Very truly yours,

P. C. Smith
Assistant State Auditor

PCS:dr

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DONALD RUSSELL
GOVERNOR

State of South Carolina
Executive Department
Columbia

April 29, 1963

Mr. G. G. Dowling
Dowling, Dowling, Sanders and Dukes
Attorneys at Law
Beaufort, South Carolina

Dear "G":

I am transmitting to Mr. James M. Smith, Budget and Control Board, your letter of the 27th with the request that he suggest a satisfactory date for the appearance of your group before the Budget and Control Board. I am sure it would be more convenient to have this meeting after the General Assembly has disposed of the current Appropriations Bill. I assume this delay would be satisfactory to you and your group.

Virginia and I both enjoyed our trip to Beaufort about ten days ago, especially the opportunity of seeing you and your charming wife.

With warm regards, I am

Sincerely yours,

DR:ag

CC: Mr. James M. Smith
State Budget and Control Board
120 Hampton Office Building
Columbia, South Carolina

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JOAB M. DOWLING

MARVIN H. DUKES
ASSOCIATE

G. G. DOWLING

JAMES C. SANDERS

DOWLING, DOWLING, SANDERS & DUKES



ATTORNEYS AT LAW

BEAUFORT, S. C.

TELEPHONE JACKSON 4-4138

April 27, 1963

Governor Donald S. Russell
Columbia, South Carolina

Dear Governor:

A group of Beaufort County citizens who are interested in developing the phosphate deposits of this county have asked me to write you to inquire whether it would be possible for them to meet with the Budget and Control Board at some time in the near future to discuss the possibility of developing this resource.

As you know, about the turn of the century phosphate mining in this section of South Carolina was a highly developed and profitable activity and it is hoped by these citizens that this resource of South Carolina can again be made productive.

It would be greatly appreciated if it were possible to have this matter placed on the agenda of the Budget and Control Board at some early meeting of the Board.

All of us enjoyed seeing you in Beaufort last Sunday and just wish that you could have stayed longer.

With kindest regards and best wishes, I am

Sincerely,

G. G. Dowling

GGD/w

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