

AGENDA MATERIALS
AND SUPPORTING DOCUMENTS
FOR THE MEETING OF
SEPTEMBER 13, 1968

13 C Pol
11:00 - Sept. 13, 1968

Comp R
Gen Ofc

Alt: Brown

Guerrilla -

(H)

(1) Re: Request of National Leachman (See statement)
Cost to get info - \$26,000

(K)

\$10,000 to get started - CC7

(2) Re: Pol. Cyber -

Excess Room on hand

Room: Business samples

- sub. to Agency Approval

(M)

Agreed -

Proceed with room. for Legation.

Edwards - Mr. G. H.

Rep. 7 Job Mem. 7 Am.

50th An. 7 J

Cost 75,000

Pol. subscription - 400 + contributors

50,000 retained to state (Kub. to 10,000

city 5,000)

(CC)

10,000 reported of state CC7

(A.G. - only President, etc)

3:15

AGENDA ITEMS

BUDGET AND CONTROL BOARD MEETING

11:00 A. M., FRIDAY, SEPTEMBER 13, 1968

CONFERENCE ROOM, GOVERNOR'S OFFICE

- o -

1. FORT JACKSON MONUMENT

✓ Messrs. W. G. Buck Edwards and John F. McGee, of Columbia, will appear before the Board in the interest of securing an allocation from the Civil Contingent Fund toward construction costs of the Andrew Jackson Statue at the entrance to Fort Jackson. *FJ Memorial Foundation*

2. RETIREMENT SYSTEM *(See notes) Tables (H) W*

Mr. Grissette will appear before the Board to request approval of revised mortality tables for use in the actuarial administration of the Retirement System. *+ (to Admin. Policy - Add 260,000 (to 1,798,698) (to 30 years open ditch - 150,000 same - 150,000)*

3. MENTAL HEALTH COMMISSION

(M) Dr. Hall will appear before the Board to request an increase of \$250,000.00 in the amount previously approved for construction of a long-term care facility. The amount originally approved was \$1,500,000.00.

✓ 4. MEDICAL COLLEGE NOTE

(M) In August 1967 the Board approved the issuance of a \$150,000.00 State Note to provide preliminary funds required to get the construction project of the Medical College underway. This Note was approved under the general statutory authorization to issue \$6,000,000.00 of State Notes for the College's program.

The 1967 Note for \$150,000.00 was of a temporary nature and is to be repaid out of proceeds of the ultimate issuance of the full \$6,000,000.00 authorized.

This original Note became due August 1, 1968. Since the full amount of the Notes has not yet been issued it is recommended that this \$150,000.00 Note be extended for six months.

✓ 5. DATA PROCESSING - DEPARTMENT OF PUBLIC WELFARE AND
EMPLOYMENT SECURITY COMMISSION

(11) At the last meeting of the Board requests from DPW and the Employment Security Commission for the installation of additional data processing equipment were referred to the Governor's Committee on Data Processing for their review and recommendation.

Copies of the reports of the Committee on each of these requests are attached. In both instances the requests are recommended for approval by the Committee.

Cond in Comp with Ed. Dept.

✓ 6. COLISEUM ADMISSION CHARGES

(32) A part of the financing of the Coliseum at the University of South Carolina and at Clemson was covered by the issuance of State Notes in the amount of \$4,000,000.00 (of which each institution received \$2,000,000.00).

The Act authorizing the issuance of these Notes provides for the collection of a student fee of \$2.50 per semester to retire the Notes and, further, that an "Admission Charge" be added to further provide funds for this purpose.

The Act does not stipulate the amount of such admission charge. Officials of both the University and Clemson have agreed to the following charges which are recommended to the Board for approval.

Tickets Selling for 50c or Less	NO Charge
Tickets Selling for More than 50c	25c Charge

(4) *Get E-1*
7. THE CITADEL

The Citadel has requested the Board's approval of a list of eight items of building repairs and renovations estimated to cost \$300,000.00, to be financed by the issuance of State Institution Bonds.

Engineering personnel of the State Auditor's Office recommends that approval of these items be given. The Citadel has submitted the usual information indicating its capacity to issue this amount of additional Institution Bonds.

✓ 8. DENMARK AREA TRADE SCHOOL

(B) The 1968 Supplemental Appropriation Act included an item of \$50,000.00 for construction of additional facilities at the Denmark Area Trade School. The appropriation was conditioned upon the availability of Federal Funds in an equal amount as matching funds.

At the time the appropriation was requested and added to the Bill, it was understood that \$50,000.00 of Federal Funds could be obtained for this project from the Department of Education. It later developed, however, that these funds were not available.

The Trade School is anxious to proceed with the project for which these funds were appropriated and has indicated that labor and material of value in excess of \$50,000.00 can be provided by instructional personnel and students at the School. This would in effect comply with the Legislative intent that the \$50,000.00 appropriation be matched although not specifically from Federal sources.

The School has requested the Board to approve their proceeding with this project on condition that labor and material be substituted for the Federal Funds originally anticipated for matching.

✓ 9. STATE COLLEGE

(B) The Board of Trustees of State College has recommended for the Board's approval a salary of \$23,625.00, plus an official expense allowance of \$5,000.00, for Dr. Maceo M. Nance for the fiscal year 1968-69.

The following are current salary amounts and allowances for Presidents of other institutions.

	1968-69	
	<u>Salary</u>	<u>Expense Allowance</u>
University of South Carolina	\$ 26,250.00	\$ 5,000.00
Clemson University	26,250.00	5,000.00
The Citadel	23,625.00	5,000.00
Winthrop College	23,625.00	5,000.00
Medical College	35,700.00	5,000.00

(M) H. Ed. Commission (See Paper (B))



The Industries Division includes the operation of the Tag Plant, Furniture Factory, Sign Shop, Book Bindery and Farm Operations. All funds involved in these operations are maintained separately from the basic operating expenses of the department covered by appropriated funds.

11. DILLON COUNTY INDUSTRIAL REVENUE BONDS

The Board is requested to approve the issuance of \$1,000,000.00 of Industrial Revenue Bonds by Dillon County, the proceeds of which will be applied on the construction of a textile plant by the Duplan Corporation. The business involves the "processing of stretch yarn".

The petition and other papers relating to the issuance of these bonds have been prepared by Huger Sinkler and follows the procedure established heretofore for bonds of this type.

12. 1967-68 GENERAL FUND STATEMENT

A final report on General Fund operations for 1967-68 will be submitted for adoption by the Board.

13. 1969-70 BUDGET

A preliminary look at 1968-70 budget prospects will be presented by personnel of the State Auditor's Office. Jim Morris will also be available to comment on economic prospects for next year.

14. Bone Samuels' Saloon

Mr. P.C. Smith

SOUTH CAROLINA STATE BUDGET & CONTROL BOARD
AGENDA

I. Approval of Budget for Data Processing - General Services

ok Central Data Processing operates in part on a cost recoverable basis. It is requested that the Board review the proposed budget and schedule of charges and grant approval for operation during 1968-69.

II. Water Rates - City of Columbia

Propose List for State Auditor's Budgets About a year ago the Mayor and City Council of Columbia appeared before the Board to request a water rate increase amounting to approximately \$ 100,000. The City Manager has asked for further consideration of their request. It is requested that the Board indicate whether this matter should be reviewed at this time. An increase to the average of the Industry Rate schedule would result in increased costs of about \$ 40,000.

Pursue w/ city for new agreement The City of Columbia finds that it will be impracticable to construct a parking facility on land they retained behind the old Post Office. They can, however, provide the area for parking spaces for the court and its staff, and for a cooling tower. They request concurrence of the Budget and Control Board in this change in plans. On this basis construction of the sub-Post Office can go forward immediately.

III. Use of State House Grounds

ok A Veterans Day observance is being planned for November 11, 1968 which will honor General William C. Westmoreland. It is recommended that the Board approve installation of a small platform and use of the State House grounds for addresses to the public on this occasion.

IV. Loans - Insurance Sinking Fund

ok A. The Department of Corrections was authorized by legislation to borrow \$ 700,000 less interest to be repaid in ten years from funds received from a gravel contract. It is recommended that the Board approve this loan.

pass over B. No action has been taken regarding the notes of Clemson University for the sewage treatment plant. It is requested that the Board recommend a method of repayment of this loan.

V. Agreement with Beaufort County

ok + Secretary Sign for Board Beaufort County has contracted to purchase the Mather Academy property from the Woman's Baptist Home Mission Society. The State Board of Education wishes to operate an Area Trade School at this site for the school year 1968-69.

The Office of the Attorney General has drawn up an agreement with the Budget and Control Board acting in behalf of the Board of Education stating the conditions for use of the property. The agreement specifically states that it does not constitute a commitment of the State or any of its agencies to purchase the real property, and provides for the full return of any and all property used in connection with the school upon conclusion of the arrangement.

VI. Mining Lease - Jasper County

ok

Freeport Sulphur Company has leased private property near Wright River in Jasper County, including an area in the tidelands which are under claim of private ownership. There has been no title litigation and Freeport Sulphur requests an exploration and mining permit covering the contested land. The rental rate would be the same as that given the owner, but there would be a 50% credit for full disclosure of all information obtained by the lessee through the exploration and evaluation, and a 25% credit against future royalties. The permit would further provide for a mining lease for a term of twenty-five (25) years at customary royalty rates if commercial quantities of minerals are found. It is recommended that the Board approve execution of the lease.

VII. Exploration and Mining Leases

pass over + recommend policy

- A. Kerr-McGee Corporation requests an exploration and mining lease on State-owned lands in Jasper County which are not presently covered by another lease. The offer is for \$ 3.00 per acre during the primary time with royalties to apply in case of commercial production.
- B. McClure Oil Company requests a lease for exploration and mining of oil and gas in ocean blocks A and B and land block A in Beaufort and Jasper counties. The original lease would provide for exploration and drilling of test wells, and for royalties in case of commercial production.

These proposals have been discussed with appropriate officials in the Wildlife Department, Water Resources Commission and the Office of the Attorney General. Although similar leases are now in existence, the agencies involved feel that the Budget and Control Board may wish to review policy in this matter.

VIII. Use of State Land

ok revert to for public use + 6 1/2 % interest on notes

- A. The Town of Pine Ridge wishes to purchase 1 3/4 acres of the Camp Styx property in Lexington County. This is a remainder parcel bounded by three streets. The property was appraised at \$ 5,000 in January, 1968. The Town of Pine Ridge wishes to pay for the property \$ 1,000 now, \$ 2,000 January 1, 1969 and \$ 2,000 January 1, 1970 with the deed to be delivered upon completion of payment. It is requested that the Board review this offer.

over
pending
determination
of use

B. The Town of Springdale requests free use of an area of State-owned property at the corner of Platt Springs and Ermine Roads in Lexington County for recreational purposes. A portion of this tract was recently sold for industrial development. In view of the fact that it has been necessary to deny requests from Boy Scouts and other groups in this area it is recommended that the Board deny this request.

IX. Fire Marshal Advisory Committee

ok In connection with a non-compliance case in Myrtle Beach, the Office of the Attorney General experienced difficulty in obtaining compliance because of the wording of Section 37-82.2. The Fire Marshal Advisory Committee, after reviewing the statute and discussing it with the Office of the Attorney General, recommends that the State Fire Marshal and the Division of General Services be authorized to request an amendment which will provide for injunctive relief rather than the present method of obtaining compliance.

X. Disposition of Records

The Departments involved, the Records Center and the Department of Archives and History recommend destruction of the following records:

ok

	<u>Cubic Feet</u>
Purchasing	57
Dept. of Agriculture	16
State Treasurer	7.5
Comptroller General	139.5

XI. Space Assignment and Relocation of Departments

The Comptroller General and the State Treasurer will require additional space to relieve crowded conditions and to provide for operation of a computer system. The Public Service Commission is presently cramped and a new function will be added within the near future.

ok Space is available through April, 1970 in the Owen Building and \$ 75,473.62 is available for transfer. While this could provide for rent for the remainder of this year and renovations to the Owen Building and moving expenses of the Public Service Commission it would not leave any funds for a renovation of the third floor of the Hampton Building for the Comptroller. This area was not renovated when other portions of the building were prepared for new occupants.

XII. Sale of Vehicle

ok Wildlife Department Director James W. Webb, requests authorization to sell a 1955 Ford to retiring employee W. L. Hill at its depreciated value. It is recommended that the Board approve this transaction.

XIII. Purchase of Vehicles

Department of Corrections - Exchange 1967 Chrysler New Yorker (35,000 miles as of 7/11/68) for 1969 model.

It is recommended that the Board approve exchange for a vehicle in the Chrysler Newport and Buick La Sabre class.

University of South Carolina

One Plymouth sedan exchange for 1962 model

One station wagon additional for motor pool

Two sedans additional for security

Citadel

Two sedans additional for motor pool and security

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Educational Television

Two sedans additional for area personnel

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Seven 1968 Ford 4-door sedan Custom 500 exchange for older vehicles

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State Ports Authority

One 1968 Plymouth Fury II additional for public relations department pool

Department of Education

Purchase one # 85 Multilith Offset Press

Office Space

The ABC Board moved from 1300 Pickens Street to 1700 Gervais Street for more adequate space. Funds were available for this relocation.

Nourishment of Beach - Hilton Head Island

A permit was issued for the nourishment of an area of the beach at Hilton Head Island to Palmetto Dunes Development Corporation. Plans were reviewed and approved by the Wildlife Department, Water Resources Commission and the State Highway Department.

A permit was granted to the Department of Navy for field maneuvers in Beaufort, Charleston and Colleton counties.

It is recommended that the Board approve the above listed actions.

Addenda

Approved

- I. The General Services Administration has offered the State of South Carolina 213.88 acres of land being released from the Cape Romain Wildlife Refuge for the sum of \$ 975.00. It is recommended that the Board approve the use of this amount from the Ordinary Sinking Fund for the purchase of this land.

The Ordinary Sinking Fund is the depository for funds resulting from sale of surplus land and personal property.

- II. State A & M College requests authorization to purchase an activities bus for approximately \$ 43,000.00. The Board passed over this item since there is no policy for State purchase of equipment of this kind. State institutions normally purchase such equipment with non-appropriated funds.

DIVISION OF GENERAL SERVICES
STATE BUDGET AND CONTROL BOARD
DATA PROCESSING
PROPOSED BUDGET 1968-69

8-15-68
JRT

	<u>Appropriation 1968-69</u>	<u>Other Funds</u>	<u>Total</u>
A - 1 Salaries			
Assistant Director (DP Mgr)		1 000 00	1 000 00
Systems Analysts 3	9 500 00	19 200 00	28 700 00
Programmers 5		34 300 00	34 300 00
Computer Operators 3	18 800 00		18 800 00
Key Punch Operators 5	22 500 00		22 500 00
Clerks 3		13 200 00	13 200 00
A - 3 Temporary Help		5 000 00	5 000 00
Freight		1 000 00	1 000 00
Contractual Services			
Dept. of Corrections		10 000 00	10 000 00
Repairs		500 00	500 00
Supplies		27 000 00	27 000 00
Rent IBM	36 000 00	114 000 00	150 000 00
Equipment		20 000 00	20 000 00
Special Projects		37 000 00	37 000 00
	86 800 00	282 200 00	369 000 00

Source of Funds 1968-69

Appropriation-General Services	86 800 00
Central Voter Registration and Election System*	170 000 00
Centrex Telephone System	15 000 00
Saleable Lists	5 000 00
Agriculture Department	2 500 00
Blind Commission	2 500 00
Wildlife Department	
Boating Division	5 000 00
Game Division-Fish	5 000 00
Probation, Pardon and Parole Board	1 500 00
Beaufort County	3 000 00
Insurance Department	5 000 00
Greenville County Health Department	7 000 00
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* In order to assure the power both as to computer hardware and personnel capability for the continuing successful operation of the State's Central Voter Registration and Election System the entire amount of \$170,00 appropriated to the Secretary of State's Office will be required on a year to year basis. As the systems and programming become more refined and routine, a portion of this power may be available for special projects involving other state agencies.

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get details of proposal
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(A)

THE SOUTH CAROLINA RETIRED EDUCATORS ASSOCIATION
LEGISLATIVE PROGRAM FOR 1968

Prepared by the Legislative Committee, meeting in Columbia,
1 February 1968

1. That the minimum retirement benefit of all retired members of the System having a service record of twenty or more years shall be raised to \$125 monthly.
2. That, whenever members in active service receive an increase in salary, retired members shall receive a proportional increase in benefits; and that the salaries of beginning teachers shall be taken as a guide in calculating such an increase.
3. That retired members of the system having a service record of ten or more years, but less than twenty, shall receive a minimum monthly benefit of \$5 multiplied by the number of years of service.
4. That all members who retired before July 1, 1964 shall have their benefits calculated according to the formula of 1964 (1% of salary up to \$4,800, plus 1 1/2% of salary in excess of \$4,800, multiplied by the number of years of service = annual benefit) if such recalculation will result in an improvement in benefits.
- 6,000+*

THE LEGISLATIVE COMMITTEE:

Mrs. Marion Wilson, Chairman

Arthur M. Taylor, Co-Chairman

Dr. J. W. Anderson

Dr. Wil Lou Gray

P. K. Harmon

Dr. Mary Eva Hite

Dr. L. P. Hollis

Dr. C. A. Johnson

Mrs. Hattie Rodgers

T. H. Uzzell

MEMORANDUM

DIVISION OF GENERAL SERVICES
STATE BUDGET AND CONTROL BOARD
COMPUTER OPERATIONS-August 21, 1968

Attached is a projected proposed financial budget for computer operations of the Division of General Services for the fiscal year 1968-69 based on our present level of work load, personnel and equipment. Our financial situation for the current fiscal year would appear to be in a very good position.

This budget contemplates securing the entire amount of \$170,000 which is appropriated to the Secretary of State for the central voter registration and election system. A cash balance of \$61,138.06 has been brought forward as of July 1, 1968. If the Computer Center is to continue to expand and provide the much needed services of all Governmental Agencies in the State, a broad financial base must be provided. It is suggested that one step to assure this base would be to appropriate the \$170,000 directly to the Division of General Services rather than to the Secretary of State's Office. This should be done with the understanding that all necessary functions in connection with the Central Voter Registration and Election System would be performed as is now being done, and the cost data would be maintained as to the cost to operating this particular program.

The present budget does not include any additional personnel. If major functions are taken on for agencies, additional personnel will be needed. Expansion of equipment will also be needed. For example, if the Division should take on the computer operations for an agency such as the Board of Health, additional systems analysts, programmers and expansion of hardware capability would be required.

As indicated on the attached budget, approximately \$37,000 can be used this year for special projects for state agencies without having to charge the costs to the agency. For example, special projects now being performed without recovering cost include, Personnel Classification System, Grant Information System, School Enrollment Projection (Moody Report), State Bonded Debt Report, Retirement System Investments, and Program test time for other state agencies. If special projects such as these are to be continued year to year, then consideration should be given as to how they should be funded.

In order to meet the need and move more aggressively toward providing computer oriented systems for state agencies, it is suggested that sufficient funding be assured the Division of General Services so that the initial cost of system design and programming may be absorbed by the Division. In this way the agency would pay for the production they receive. Oftentimes initiating costs can run as high as 8 to 10 times annual recurring costs.

It is believed that at the present time we should expand to the disc system. Included in the budget are the necessary funds to provide for two discs this year. It is requested that these discs be obtained as soon as possible. This would mean that we would eliminate one magnetic tape drive and have for use three magnetic tape drives and two discs. This would provide the computer center with a considerable increase in power and a capability to perform many jobs that require direct access equipment that we cannot now do with the tape system. In addition to this it would mean that the system here would be completely compatible and could provide backup to the system that is to be installed in the Comptroller-Treasurer-State Auditor Area. Necessary funds for equipment that would be needed with the disc system are also included in the attached budget.

J. R. T.

JRT:mch

DIVISION OF GENERAL SERVICES
STATE BUDGET AND CONTROL BOARD
DATA PROCESSING
PROPOSED BUDGET 1968-69

8-15-68
JRT

		<u>Appropriation</u> 1968-69	<u>Other</u> <u>Funds</u>	<u>Total</u>
A - 1 Salaries				
Assistant Director (DP Mgr)			1 000 00	1 000 00
Systems Analysts	3	9 500 00	19 200 00	28 700 00
Programmers	5		34 300 00	34 300 00
Computer Operators	3	18 800 00		18 800 00
Key Punch Operators	5	22 500 00		22 500 00
Clerks	3		13 200 00	13 200 00
A - 3 Temporary Help			5 000 00	5 000 00
Freight			1 000 00	1 000 00
Contractual Services				
Dept. of Corrections			10 000 00	10 000 00
Repairs			500 00	500 00
Supplies			27 000 00	27 000 00
Rent IBM		36 000 00	114 000 00	150 000 00
Equipment			20 000 00	20 000 00
Special Projects			37 000 00	37 000 00
		<u>86 800 00</u>	<u>282 200 00</u>	<u>369 000 00</u>

Source of Funds 1968-69

Appropriation-General Services	86 800 00
Central Voter Registration and Election System*	170 000 00
Centrex Telephone System	15 000 00
Saleable Lists	5 000 00
Agriculture Department	2 500 00
Blind Commission	2 500 00
Wildlife Department	
Boating Division	5 000 00
Game Division-Fish	5 000 00
Probation, Pardon and Parole Board	1 500 00
Beaufort County	3 000 00
Insurance Department	5 000 00
Greenville County Health Department	7 000 00
Cash-State Treasurer July 1, 1968	61 138 06
Total	<u>369 438 06</u>

* In order to assure the power both as to computer hardware and personnel capability for the continuing successful operation of the State's Central Voter Registration and Election System the entire amount of \$170, 00 appropriated to the Secretary of State's Office will be required on a year to year basis. As the systems and programming become more refined and routine, a portion of this power may be available for special projects involving other state agencies.

(5)

ADOPTION OF TABLES HEREIN PRESENTED

WHEREAS, The experience of members and beneficiaries of the South Carolina Retirement System indicates that the tables previously adopted by the Board require modification in order that they may reflect more closely the actual past experience of the membership, and

WHEREAS, The actuary has prepared new tables which he recommends for adoption, therefore be it

RESOLVED, That in accordance with Section 61-15 of the retirement law and on the basis of the recommendations of the actuary the State Budget and Control Board hereby discontinues the use of Tables 1, 2, 3, 6, 7, 8 and 9 which were adopted by the Board on February 18, 1946 and approves for use instead the attached active service tables and salary scales; and be it further

RESOLVED, That Table 4, the retirement table for men teachers, adopted on February 10, 1946 be used hereafter for employees as well; and be it further

RESOLVED, That the new tables be used hereafter in all actuarial valuations of the liabilities of the System.

The State Budget and Control Board of the South Carolina Retirement System at a meeting held on September 13, 1968 passed the preceding resolutions.

THE STATE BUDGET AND CONTROL BOARD
OF THE SOUTH CAROLINA RETIREMENT SYSTEM

By.....

Chairman

Attest:

Secretary

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TABLE 19

ACTIVE SERVICE TABLE

MEN TEACHERS AND ALL EMPLOYEES

AGE	LIVING	WITHDRAWALS	DEATHS	CASES OF DISABILITY
20	1,000,000	111,100	700	500
21	887,700	98,002	621	444
22	788,633	85,488	552	394
23	702,199	74,503	492	351
24	626,853	65,067	501	313
25	560,972	55,929	505	337
26	504,201	48,504	504	303
27	454,890	41,759	455	273
28	412,403	35,920	454	247
29	375,782	31,227	413	263
30	343,879	27,201	378	241
31	316,059	23,704	348	221
32	291,786	20,279	321	233
33	270,953	17,802	325	244
34	252,582	15,862	328	227
35	236,165	14,312	331	236
36	221,286	12,835	310	243
37	207,898	11,518	312	249
38	195,819	10,320	313	255
39	184,931	9,173	314	259
40	175,185	8,181	315	280
41	166,409	7,322	333	300
42	158,454	6,623	349	317
43	151,165	6,016	363	333
44	144,453	5,489	376	347
45	138,241	5,073	387	359
46	132,422	4,582	411	371
47	127,058	4,168	432	381
48	122,077	3,797	464	391
49	117,425	3,476	493	399
50	113,057	3,200	520	407
51	108,930	2,919	545	425
52	105,041	2,668	588	441
53	101,344	2,412	628	456
54	97,848	2,172	665	470
55	94,541	1,919	709	492
56	91,421	1,646	750	512
57	88,513	1,390	779	540
58	85,804	1,150	807	566
59	83,281	958	841	616
60	80,866			

TABLE 20
ACTIVE SERVICE TABLE
WOMEN TEACHERS

AGE	LIVING	WITHDRAWALS	DEATHS	CASES OF DISABILITY
20	1,000,000	137,900	500	400
21	861,200	118,157	431	344
22	742,268	101,023	371	297
23	640,577	86,158	320	256
24	553,843	72,553	277	222
25	480,791	61,685	240	192
26	418,674	50,660	209	167
27	367,630	41,580	184	147
28	325,727	34,429	163	130
29	291,005	28,664	146	116
30	262,079	23,902	131	105
31	237,941	20,344	143	95
32	217,359	16,954	152	87
33	200,166	13,892	140	80
34	186,054	11,573	149	74
35	174,258	9,776	157	70
36	164,255	8,410	148	82
37	155,615	7,283	140	93
38	148,099	6,250	148	104
39	141,597	5,409	142	113
40	135,933	4,663	150	122
41	130,998	4,087	157	131
42	126,623	3,647	165	152
43	122,659	3,275	172	172
44	119,940	2,976	179	190
45	115,695	2,696	197	208
46	112,594	2,455	214	225
47	109,700	2,271	219	241
48	106,969	2,107	235	267
49	104,360	1,941	240	292
50	101,887	1,773	255	326
51	99,533	1,612	269	348
52	97,304	1,489	282	379
53	95,154	1,351	295	409
54	93,099	1,210	317	438
55	91,134	1,075	328	465
56	89,266	937	348	491
57	87,490	822	367	534
58	85,767	712	386	592
59	84,077	589	412	681
60	82,395			

TABLE 21

SALARY SCALE

MEN TEACHERS AND ALL EMPLOYEES

AGE	SALARY SCALE		AGE	SALARY SCALE
20	1,093	::	46	3,405
21	1,140	::	47	3,463
22	1,194	::	48	3,520
23	1,248	::	49	3,577
24	1,309	::	50	3,632
25	1,376	::	51	3,685
26	1,457	::	52	3,737
27	1,551	::	53	3,789
28	1,646	::	54	3,840
29	1,760	::	55	3,890
30	1,889	::	56	3,939
31	2,024	::	57	3,987
32	2,158	::	58	4,034
33	2,293	::	59	4,080
34	2,415	::	60	4,125
35	2,536	::	61	4,164
36	2,644	::	62	4,199
37	2,752	::	63	4,232
38	2,842	::	64	4,264
39	2,924	::	65	4,295
40	3,000	::	66	4,326
41	3,076	::	67	4,357
42	3,148	::	68	4,388
43	3,217	::	69	4,419
44	3,283	::	70	4,450
45	3,345	::		

TABLE 22

SALARY SCALE

WOMEN TEACHERS

AGE	:	SALARY	:	AGE	:	SALARY
	:	SCALE	:		:	SCALE
20	:	379	:	46	:	886
21	:	395	:	47	:	899
22	:	411	:	48	:	911
23	:	433	:	49	:	923
24	:	454	:	50	:	935
25	:	476	:	51	:	947
26	:	500	:	52	:	959
27	:	526	:	53	:	971
28	:	553	:	54	:	982
29	:	579	:	55	:	993
30	:	604	:	56	:	1,004
31	:	628	:	57	:	1,015
32	:	651	:	58	:	1,026
33	:	674	:	59	:	1,037
34	:	696	:	60	:	1,048
35	:	717	:	61	:	1,058
36	:	737	:	62	:	1,067
37	:	755	:	63	:	1,075
38	:	772	:	64	:	1,083
39	:	788	:	65	:	1,091
40	:	804	:	66	:	1,099
41	:	819	:	67	:	1,107
42	:	833	:	68	:	1,115
43	:	847	:	69	:	1,123
44	:	860	:	70	:	1,130
45	:	873	:		:	



STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR

P. O. BOX 11333

COLUMBIA

P. C. SMITH
STATE AUDITOR

July 11, 1968

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

Attention: Mr. Grady L. Patterson, Jr., State Treasurer

Gentlemen:

The Committee which you appointed to review data processing equipment requests has met and has given consideration to the plans for expanding the system presently installed in the Employment Security Commission.

The following facts were felt to be pertinent to this matter:

1. A study of the record system of the Employment Security Program for the entire country is presently being made by Cresap, McCormick and Paget. Rules and procedures will be formulated at a national level.
2. All employment security agencies will be expected to conform to new procedures.
3. The proposed system has been approved by Federal authorities and will be financed entirely by Federal funds.
4. The type of equipment proposed lends itself to complete compatibility with other data processing systems when an exchange of data is desired between State Agencies.

Although it is the understanding of the Review Committee that the system will be initially used on a one-shift basis and would not be subject to joint utilization by more than one agency, the Committee members feel that additional computer capability in the Employment Security Commission will

2-
The Budget and Control Board
July 11, 1968

strengthen the possibility of a State Information System.

{ It is, therefore, suggested that the data processing system proposed for
this agency be approved. }

Yours truly,

Willis E. McMillan
Willis E. McMillan
Committee Member

William T. Putnam
William T. Putnam
Committee Member

John R. Turnbull
John R. Turnbull
Committee Member

WTP/rd



STATE OF SOUTH CAROLINA
OFFICE OF THE STATE AUDITOR
P. O. BOX 11333
COLUMBIA

P. C. SMITH
STATE AUDITOR

Date: July 15, 1968
To: State Budget and Control Board
From: Data Processing Review Committee
Willis E. McMillan *W. E. McMillan*
William T. Putnam *W. T. Putnam*
John R. Turnbull *J. R. Turnbull*
Re: Department of Public Welfare
Data Processing Equipment Request

Work Load

The facts presented by the Department of Public Welfare indicates an immediate sharp increase in the volume of work to be processed as a result of new welfare programs, such as "Medicaid". Eligibility files will increase from 75,000 in 1968 to 275,000 by 1970 and to 500,000 by 1972. In addition, new data requirements and reports are being demanded on old programs.

Hardware

The existing IBM 1440 system was installed in 1964 and has not been substantially upgraded since that time. The system is small, second generation model with limited capacities and slow input/output units. The present configuration of equipment would appear to be inadequate to efficiently handle the volume and massive record requirements of the new programs. However, the equipment seems to be in good condition and should bring between \$50,000-\$75,000 on the market.

The IBM 360/30 system which has been proposed appears to be an excellent configuration which lends itself to expansion and to hardware compatibility. The 24K memory provides the ability to use COBOL which is, at present, the most likely common programming language. The size and speed of this proposed system should provide the Department of Public Welfare with the ability to handle its currently anticipated work volume on a one-shift basis until

1971, at which time an extra shift will probably be needed. It should be noted, however, that the printer, card reader, card punch and magnetic tapes are slow speed units and none but the card reader can be field modified to give greater output.

Personnel

The proposal as submitted shows a computer staff of six as compared with a present staff of three. Also, the conversion time, from old system to the new, is stated as one year. Because of the volume of work required in such a change, the Review Committee seriously questions the ability of this staff to accomplish the change in the time allotted. (However, as a 1440 compatability feature is proposed, the conversion time can be extended.)

Purchase of Equipment

The Department of Public Welfare proposes to purchase the IBM 360/30 system at a cost of \$368,175. The proceeds from the sale of the present equipment would be applied to this price and the balance would be shared by the Agency and the Federal Government on a 50-50 basis. The Agency share will be in the form of earned funds and will not require an appropriation.

The Review Committee seriously questions the wisdom of buying the equipment at the present time. The question was raised because of the following conditions:

1. The agency will be administering new welfare programs whose total requirements are not yet determined.
2. The data processing climate in state agencies is changing and future needs may be distinctly different.
3. The input-output units are of such slow speeds that a need for upgrading this equipment in the very near future is almost a certainty.
4. The compatability feature would have to be purchased even though it would be used only a relatively short time.

Joint Usage

The Department of Public Welfare has for some time made its computer system available to the Department of Education on a second shift. The only charge for this usage has been a nominal amount for additional maintenance. Dr. Rivers expressed his intent to continue to make the system available and agreed that a more formal usage arrangement might be reached if desirable.

The Review Committee mentioned the possibility of connecting the two computer systems through switching devices, thus permitting the common usage of various hardware components. The Agency officials were receptive to the idea of further exploring this possibility with the Department of Education.

Summary

The Review Committee is convinced that the Department of Public Welfare will have to strengthen its data processing capability, and that the proposed configuration of equipment is necessary to handle the anticipated needs. While the work load can initially be processed on a one-shift basis a smaller system would be unable to adequately maintain the type of records involved. Also, the rapid growth which is indicated, dictates the need for more than a minimal system.

The Review Committee feels strongly that the immediate purchase of the proposed system would be inadvisable and strongly urges the consideration of a lease or lease-purchase agreement until such time as definite hardware needs have crystalized. The Committee realizes that certain fiscal factors may dictate the purchase of equipment rather than a lease agreement. If such is the case, we suggest that the hardware configuration be reviewed in order to obtain the best equipment for the dollars expended. (For example, the proposed card reader cost \$15,040 and reads 600 cards per minute. IBM advises that for \$240 more, the read speed can be increased to 1000 cpm.)

It is felt that the cooperation the Department of Public Welfare has already taken with the Department of Education is a positive step toward better hardware utilization. This should be continued. The joint usage of this system with the Department of Education will provide for an immediate two-shift operation with a third shift in the not too distant future.

In its deliberations, the Review Committee touched briefly on the possible disposal of the IBM 1440 system. The Committee members felt that such state agencies as Winthrop College, S. C. State College or the Mental Retardation Commission may be interested in acquiring equipment. If practicable, it would be to the State's economic advantage to retain this system in a state agency.

It is the suggestion of the Review Committee that the Department of Public Welfare be permitted to acquire the IBM 360/30 system in accord with whatever rules and directives the Budget and Control Board might wish to propound. It is further suggested that this approval be granted upon the expressed condition of continued cooperative usage with the Department of Education.

RESOLUTION

STATE OF SOUTH CAROLINA BUDGET AND CONTROL BOARD

WHEREAS, heretofore the County Board of Commissioners of Dillon County (the County Board) did, pursuant to Act No. 103 of the General Assembly of the State of South Carolina for the year 1967 (the Act), petition the State Budget and Control Board of South Carolina (the State Board) seeking the approval of the State Board to an undertaking by the County Board pursuant to the Act, and

WHEREAS, the proposed undertaking consists of the acquisition by the County Board of a parcel of land containing approximately 30 acres more or less, in Dillon County on which the County Board will finance the construction of a building or buildings to house equipment and machinery for the processing of stretch yarn; and which land and building or buildings will be leased to The Duplan Corporation, a Delaware corporation (Duplan) (said land, building or buildings being hereinafter referred to as the Project); and

WHEREAS, the Project is to be leased to Duplan at a rental sufficient to provide for the payment of the bonds of Dillon County hereafter referred to, and costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the Project the County Board proposes to provide for an issue of \$1,000,000 of Dillon County First Mortgage Industrial Revenue Bonds payable from the rentals derived from Duplan and additionally secured by a Trust Indenture; and

WHEREAS, the form of the Lease Agreement between Dillon County and Duplan and of the Trust Indenture have been submitted and considered by this Board,

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals of this Resolution are in all respects true and correct,

(b) That the County Board has filed a proper petition to the State Board establishing a reasonable estimate of the cost of the Project, a general summary of the terms and conditions of the Lease and the Trust Indenture to be made by the County Board and has established that Duplan will pay as additional rentals, in lieu of taxes, the sums prescribed by Section 6 of the Act,

(c) That the Project will provide employment in its operation, and will be of benefit to Dillon County and adjoining areas,

(d) That the Project is intended to promote the purposes of the Act and is reasonably anticipated to effect such results.

2. On the basis of the foregoing findings the proposed undertaking of the County Board to acquire the land included in the Project and to finance the construction thereon of a building or buildings (in which Duplan will install its manufacturing equipment and machinery which will be the property of Duplan and in which Dillon County will have no interest), to lease the said land and building or buildings to Duplan and to finance the cost of acquiring the land and constructing such building or buildings through the issuance of Bonds payable from the revenues to be derived from the operation of the Project and additionally secured by the said Trust Indenture, be and the same is hereby approved.

3. Notice of the action of the State Board in giving approval to the undertaking of Dillon County above described shall be published

in THE STATE, which is a newspaper having general circulation in Dillon County.

4. The notice to be published shall be in form substantially as set forth as Exhibit A of this Resolution.

NOTICE PURSUANT TO ACT NO. 103 OF
THE ACTS OF THE GENERAL ASSEMBLY
OF SOUTH CAROLINA FOR THE YEAR 1967

Notice is hereby given that following the filing of a Petition by the County Board of Commissioners of Dillon County (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, viz.:

The acquisition by the County Board of a parcel of land containing approximately 30 acres in Dillon County, on which the County Board will cause to be constructed a building or buildings to be leased to The Duplan Corporation, a Delaware corporation (Duplan). To finance the cost of the acquisition of the said land and the construction thereon of a building or buildings to be leased to Duplan (the Project), the County Board will issue \$1,000,000 of Dillon County First Mortgage Industrial Revenue Bonds. Duplan proposes to install its own machinery and equipment for the purpose of processing stretch yarn in the said building or buildings, but the County will have no interest in any such machinery or equipment and none of the same will be part of the Project owned by the County. The bonds of Dillon County will be payable solely from the rentals to be paid to the County by Duplan which has irrevocably covenanted and agreed to pay when due, all sums required for the principal and interest thereon, and such bonds will be additionally secured by a Trust Indenture which will constitute a foreclosable lien upon the Project.

In addition Duplan has agreed to pay as additional rentals to Dillon County, the School District, and all other political units wherein the Project is located, in lieu of taxes,

such amounts as would result from taxes levied on the Project by Dillon County, the said School District, and the said other political units wherein the Project is situate, if the Project were owned by Duplan but with appropriate reductions similar to the tax exemptions, if any, which would be afforded to Duplan if it were the owner of the Project.

Notice is further given that any interested party may at any time within twenty (20) days after the date of the publication of this Notice, 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 Dillon County.

THE STATE BUDGET AND CONTROL BOARD

By _____
Secretary

PUBLICATION DATE:

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

I, P. C. SMITH, Auditor of the State of South Carolina,
and Secretary to the State Budget and Control Board, DO HEREBY
CERTIFY:

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

His Excellency, Robert E. McNair, Governor of
South Carolina and Chairman of the Board;

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

The Honorable John Henry Mills, Comptroller
General of South Carolina;

The Honorable Edgar A. Brown, Chairman of the
Senate Finance Committee; and

The Honorable Robert James Aycock, Chairman
of the House Ways and Means Committee.

That due notice of meeting of said Board, called to
be held at the office of the State Auditor, in the Hampton Office
Building, at Columbia, South Carolina, at 11:00 ^{A.} M.,

Friday, Sept. 13, 1968, 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:

Mr. Brown

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

FOR MOTION

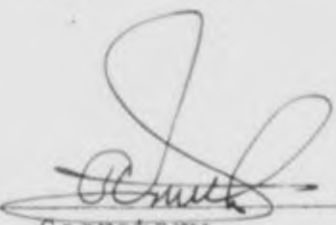
4

AGAINST MOTION

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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.

Sept. 18, 1968.


Secretary



STATE OF SOUTH CAROLINA
DIVISION OF GENERAL SERVICES
BUDGET AND CONTROL BOARD
300 GERVAIS STREET
COLUMBIA 29201

FURMAN E. McEACHERN, JR.
DIRECTOR

BUILDINGS AND GROUNDS
DEPARTMENTAL SERVICES
INSURANCE FOR PUBLIC
BUILDINGS
PRINTING AND OFFICE
SUPPLIES
PURCHASING
SINKING FUNDS
SURPLUS PROPERTY
PROCUREMENT
STATE FIRE MARSHAL

September 17, 1968

Mr. A. D. Amick
Public Service Commission
Wade Hampton State Office Building
Columbia, South Carolina

Dear Mr. Amick:

In an effort to find additional space for the Comptroller General and the State Treasurer for installation of computer equipment, your commission has indicated that it would be willing to relocate in the Owen Building until additional State offices can be provided. At its meeting on September 13 the Budget and Control Board approved this relocation, with an increase in space to 8,000 square feet. This will provide for offices for the commissioners, and will maintain the average space per person for the remainder of the division at approximately 160 square feet which is the average now applicable to employees in State government.

Mr. E. Cecil Mills will work with you in making a space lay-out and will be in charge of the renovation which will be necessary at your new location.

With kind regards.

Very truly yours,

F. E. McEachern, Jr.
Director

FEMir:lc

cc: Mr. P. C. Smith
Mr. Henry Mills
Mr. E. Cecil Mills, Jr.

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Mr. L. W. Michaelis
Secretary-Treasurer
The Medical College of South Carolina
Charleston, South Carolina

300 GERVAIS STREET
COLUMBIA, S. C.

July 16, 1968

TO DIVISION OF GENERAL SERVICES, DR.

NOTE OF THE MEDICAL COLLEGE OF SOUTH CAROLINA:

Principal Payment due August 1, 1968	\$ 150,000.00
Interest on \$150,000.00 (5 1/2%) From 2/1/67 to 8/1/67	4,125.00
Interest on \$150,000.00 (5 1/2%) From 8/1/67 to 8/1/68	8,250.00

Total due 8/1/68 . . \$ 162,375.00

CC: Mr. P. C. Smith
State Auditor
Wade Hampton State Office Bldg.
Columbia, South Carolina

STATE OF SOUTH CAROLINA

OFFICE OF STATE TREASURER

GRADY L. PATTERSON, JR.
TREASURER



COLUMBIA
29211

July 22, 1968

Honorable P. C. Smith
Secretary
State Budget and Control Board
Wade Hampton Office Building
Columbia, South Carolina 29201

Dear Mr. Smith:

I enclose herewith the results of a three-man Study Committee dealing with the Data Processing request of the Employment Security Commission.

Would you please include this on the Agenda for the next Budget and Control Board Meeting.

With kindest regards, I am

Very truly yours,

Grady L. Patterson, Jr.
State Treasurer

GLP,Jr/hc

Enclosures

STATE OF SOUTH CAROLINA

OFFICE OF STATE TREASURER

GRADY L. PATTERSON, JR.
TREASURER



COLUMBIA
29211

July 22, 1968

Honorable P. C. Smith
Secretary
State Budget and Control Board
Wade Hampton Office Building
Columbia, South Carolina 29201

Dear Mr. Smith:

I enclose herewith the results of a three-man Study Committee dealing with the Data Processing request of the Department of Public Welfare.

Would you please include this on the Agenda for the next Budget and Control Board Meeting.

With kindest regards, I am

Very truly yours,

A handwritten signature in cursive script, appearing to read "Grady".

Grady L. Patterson, Jr.
State Treasurer

GLP,Jr/hc

Enclosures



STATE OF SOUTH CAROLINA
OFFICE OF THE STATE AUDITOR
P. O. BOX 11333
COLUMBIA

P. C. SMITH
STATE AUDITOR

July 15, 1968

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

Attention: Mr. Grady L. Patterson, Jr., State Treasurer

Gentlemen:

The committee which you appointed to review requests for data processing equipment has considered the system proposed for the State Department of Public Welfare and herewith submits its report which is attached.

Prior to making a thorough study of the request, the Review Committee set forth certain guidelines for itself based upon its understanding of the desires of the State Budget and Control Board and the Governor's Committee on Data Processing. The Review Committee felt that the request should be considered in the light of achieving the following objectives:

1. More efficient utilization of data processing systems, both as to shift usage and personnel.
2. To ultimately establish a comprehensive State Information System.
3. More cooperative efforts between various state agencies.
4. More compatability between state agency systems including common programming languages, hardware compatability, common data elements, etc.

If the Board desires additional information, the Review
Committee will be glad to assist in any way possible.

Yours truly,

Willis E. McMillan
Willis E. McMillan
Committee Member

William T. Putnam
William T. Putnam
Committee Member

John R. Turnbull
John R. Turnbull
Committee Member

102

If the Board desires additional information, the Review
Committee will be glad to assist in any way possible.

Yours truly,

Willis E. McMillan
Willis E. McMillan
Committee Member

William T. Putnam
William T. Putnam
Committee Member

John R. Turnbull
John R. Turnbull
Committee Member

August 2, 1968

TO: Budget and Control Board
FROM: State Auditor's Office
RE: Coliseum Admission Charge

Act 491, Acts of 1965, ^{authorized} ~~permitted~~ the issuance of State notes in the amount of \$4,000,000 of which the University of South Carolina and Clemson University each received \$2,000,000 to apply ^{on} to the construction costs of their respective coliseums.

to return the notes, further,
This Act further provides that a student fee of \$2.50 per semester be charged and that an "admission charge" be added upon all performances which take place in the facilities. However, the Act does not stipulate the amount of such "admission charge."

Officials of both the University of South Carolina and Clemson University are agreed that the following be recommended to the Budget and Control Board for its approval:

Tickets selling for 50¢ or less.....no fee

Tickets selling for more than 50¢.....a fee of 25¢ per ticket

It is respectfully requested that this schedule be approved.

THE CITADEL

THE MILITARY COLLEGE OF SOUTH CAROLINA
CHARLESTON, S. C. 29409

OFFICE OF
THE COMPTROLLER

August 7, 1968

Mr. P. C. Smith, State Auditor,
P. O. Box 11333,
Columbia, So. Car.

Dear Mr. Smith:

I am forwarding The Citadel's application for the issuance of \$300,000.00 in Tuition Bonds to cover permanent improvements.

I would appreciate very much your presenting this application to the State Budget and Control Board for approval. Also, please authorize Mr. Huger Sinkler to commence work on drawing up the formal resolution and other necessary work in connection with the issuance of the bonds.

You will note that I have purposely made the principal payment small during the first thirteen years so that we will be able to meet the Budget and Control Board's 110% annual debt service requirement at a later date when the bonds are issued for the construction of the West Wing of Bond Hall. It may be necessary to further reduce this amount.

If I can be of any further assistance in this matter, please contact me.

Sincerely,

J. F. Bosch, Jr.
J. F. Bosch, Jr.
Colonel, Comptroller.

jfb/mp
encl.

APPLICATION

THE CITADEL

THE MILITARY COLLEGE OF SOUTH CAROLINA

FOR PERMANENT IMPROVEMENTS PURSUANT

TO THE STATE TUITION BOND ACT

Pursuant to the provisions of Act No. 139 of the Acts of South Carolina, Chapter 2, Title 22, Volume 6, Code of Laws of South Carolina, 1962, as amended (Section 21-22 to 22-39, inclusive), and further amended 22 April 1966 and 10 June 1968, the Board of Visitors of The Citadel, The Military College of South Carolina, herein makes application to the State Budget and Control Board of the State of South Carolina for \$300,000.00 to finance permanent improvements from the proceeds of State Tuition Bonds.

I. Description of Improvements Sought and Estimated Costs

(1) Realign storm and sewer lines discharging into the marsh, including construction of two lift stations in order to comply with Federal Water Pollution Laws.	\$65,000.00
(2) Convert boiler plant to gas, as primary fuel with fuel oil as alternate fuel; reduce height, clean and paint taller of two chimneys.	\$95,000.00
(3) Waterproof the exterior surface of Padgett-Thomas Barracks, including the repair of the stucco and masonry and paint all exterior trim.	\$40,000.00
(4) Waterproof the exterior surface of Murray Barracks, including repair of the stucco and masonry and paint all exterior trim.	\$30,000.00
(5) Install safety treads on the worn and slippery concrete steps and landings of all four barracks.	\$21,000.00
(6) Install safety treads on the stairways of LeTellier, Capers and Bond Hall, except West Wing.	\$ 7,500.00
(7) Improve lighting in Bond Hall.	\$ 5,000.00
(8) Other Deferred maintenance projects.	<u>\$36,500.00</u>
	<u>\$300,000.00</u>

II. Schedule of Tuition Fees in Effect

The Board of Visitors has established the registration and tuition fee for the 1968-69 academic year as follows:

	<u>Registration</u>	<u>Tuition</u>
South Carolina Residents	\$ 10.00	\$ 100.00
Out-of-State Residents	\$ 10.00	\$ 350.00

III. Schedule of Registration and Tuition Fees Collected for the Twelve Calendar Months Preceding Date of Application

Collections for Period 1 July 1967 through 30 June 1968:

<u>Month</u>	<u>Amount</u>
July 1967	\$ -0-
August 1967	25,329.25
September 1967	103,543.25
October 1967	7,509.75
November 1967	79,260.30
December 1967	18,128.00
January 1968	53,467.25
February 1968	72,340.32
March 1968	27,613.25
April 1968	89,282.30
May 1968	8,015.50
June 1968	- 115.00

\$484,374.37

IV. Registration and Tuition Fees on Deposit with State Treasurer

Registration and Tuition Fees on deposit with the State Treasurer on 30 June 1968 total \$584,272.98 and is available as a credit against the aggregate principal and interest requirements of all State Tuition Bonds.

V. Debt Service on Proposed Issue of \$300,000.00 State Tuition Bonds Bearing Interest at 5% for Twenty Years

<u>Installment and Year</u>	<u>Principal Installment Due 12/1/69</u>	<u>Interest Due June 1 and Dec. 1</u>	<u>Total Payment for Year</u>	
1 1969	\$ 10,000.00	19,500 \$ 15,000.00	\$ 25,000.00	29,500
2 1970	10,000.00	18,500 14,500.00	24,500.00	28,950
3 1971	10,000.00	17,200 14,000.00	24,000.00	28,200
4 1972	10,000.00	17,550 13,500.00	23,500.00	27,550
5 1973	10,000.00	16,900 13,000.00	23,000.00	26,900
6 1974	10,000.00	16,250 12,500.00	22,500.00	26,250
7 1975	10,000.00	15,600 12,000.00	22,000.00	25,600
8 1976	10,000.00	14,950 11,500.00	21,500.00	24,950
9 1977	10,000.00	14,300 11,000.00	21,000.00	24,300
10 1978	10,000.00	13,650 10,500.00	20,500.00	23,650
11 1979	10,000.00	13,000 10,000.00	20,000.00	23,000
12 1980	10,000.00	12,350 9,500.00	19,500.00	22,350
13 1981	10,000.00	11,700 9,000.00	19,000.00	21,700
14 1982	34,000.00	11,050 8,500.00	42,500.00	45,050
15 1983	34,000.00	8,200 6,800.00	40,800.00	42,800
16 1984	34,000.00	6,400 5,100.00	39,100.00	40,400
17 1985	34,000.00	4,600 3,400.00	37,400.00	38,000
18 1986	34,000.00	2,800 1,700.00	35,700.00	36,200

\$300,000.00

\$181,500.00

\$481,500.00

107

235,950

535,950.00

VI. Schedule of Principal and Interest Requirements of all State Tuition Bonds Issued for The Citadel as of 30 June 1968

	<u>Calendar Year</u>	<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Total Payment</u>
1	1968	\$ 260,000.00	\$ 66,251.25	\$326,251.25
2	1969	270,000.00	124,052.50	394,052.50
3	1970	270,000.00	115,277.50	385,277.50
4	1971	270,000.00	106,502.50	376,502.50
5	1972	270,000.00	97,727.50	367,727.50
6	1973	270,000.00	88,952.50	358,952.50
7	1974	270,000.00	80,302.50	350,302.50
8	1975	280,000.00	71,652.50	351,652.50
9	1976	305,000.00	62,702.50	367,702.50
10	1977	305,000.00	53,002.50	358,002.50
11	1978	305,000.00	43,302.50	348,302.50
12	1979	305,000.00	33,517.50	338,517.50
13	1980	305,000.00	23,622.50	328,622.50
14	1981	85,000.00	13,727.50	98,727.50
15	1982	85,000.00	11,007.50	96,007.50
16	1983	85,000.00	8,287.50	93,287.50
17	1984	85,000.00	5,525.00	90,525.00
18	1985	85,000.00	2,762.50	87,762.50
		<u>\$4,110,000.00</u>	<u>\$1,008,176.25</u>	<u>\$5,118,176.25</u>

VI. Schedule of Principal and Interest Requirements of all State Tuition Bonds Issued for The Citadel as of 30 June 1968

	<u>Calendar Year</u>	<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Total Payment</u>
1	1968	\$ 260,000.00	\$ 66,251.25	\$326,251.25
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4	1971	270,000.00	106,502.50	376,502.50
5	1972	270,000.00	97,727.50	367,727.50
6	1973	270,000.00	88,952.50	358,952.50
7	1974	270,000.00	80,302.50	350,302.50
8	1975	280,000.00	71,652.50	351,652.50
9	1976	305,000.00	62,702.50	367,702.50
10	1977	305,000.00	53,002.50	358,002.50
11	1978	305,000.00	43,302.50	348,302.50
12	1979	305,000.00	33,517.50	338,517.50
13	1980	305,000.00	23,622.50	328,622.50
14	1981	85,000.00	13,727.50	98,727.50
15	1982	85,000.00	11,007.50	96,007.50
16	1983	85,000.00	8,287.50	93,287.50
17	1984	85,000.00	5,525.00	90,525.00
18	1985	85,000.00	2,762.50	87,762.50
		<u>\$4,110,000.00</u>	<u>\$1,008,176.25</u>	<u>\$5,118,176.25</u>

VII. Schedule of Debt Service on all State Tuition Bonds to be Outstanding Including Proposed Issue

	<u>Calendar Year</u>	<u>Principal and Interest on Outstanding Issues Paragraph VI</u>	<u>Principal and Interest on Proposed Issue Paragraph V</u>	<u>Total</u>
1.	1968	\$ 326,251.25	\$ -0-	\$ 326,251.25
2	1969	394,052.50	25,000.00	419,052.50
3	1970	385,277.50	24,500.00	409,777.50
4	1971	376,502.50	24,000.00	400,502.50
5	1972	367,727.50	23,500.00	391,227.50
6	1973	358,952.50	23,000.00	381,952.50
7	1974	350,302.50	22,500.00	372,802.50
8	1975	351,652.50	22,000.00	373,652.50
9	1976	367,702.50	21,500.00	389,202.50
10	1977	358,002.50	21,000.00	379,002.50
11	1978	348,302.50	20,500.00	368,802.50
12	1979	338,517.50	20,000.00	358,517.50
13	1980	328,622.50	19,500.00	348,122.50
14	1981	98,727.50	19,000.00	117,727.50
15	1982	96,007.50	42,500.00	138,507.50
16	1983	93,287.50	40,800.00	134,087.50
17	1984	90,525.00	39,100.00	129,625.00
18	1985	87,762.50	37,400.00	125,162.50
19	1986		35,700.00	35,700.00
		<u>\$5,118,176.25</u>	<u>\$ 481,500.00</u>	<u>\$5,599,676.25</u>

VIII. Computation Establishing Compliance with the Provisions of Section 22-25 (3), Code of Laws of South Carolina, 1962, as Amended - Prepared as of 1 August 1968

1. Debt Service Requirements (Paragraph VII)	\$ 5,599,676.25	5,654,122.25
2. Less Sinking Fund (Paragraph IV)	- 584,272.98	
3. Total Net Debt	\$ 5,015,403.27	5,069,853.27
4. 150% of Item 3	\$ 7,523,104.91	7,604,779.90
5. Tuition Fees for 12 Calendar Months Preceding Calculation - Paragraph III	\$ 484,374.37	
6. Sum of Projected Income over Period Bonds are to be Outstanding - Item 5 Multiplied by 19 years \$484,374.37 X 19	\$ 9,203,113.03	
7. Less Item 4	\$ 7,523,104.91	7,604,779.90
8. Margin	\$ 1,680,008.12	1,598,322.12

Annual Debt Service Requirement by Budget and Control Board

Tuition Fees for Twelve Months	\$ 484,374.37	
Maximum Annual Debt Service	\$ 419,052.50	423,552.50
Budget and Control Board Requirement \$419,052.50 X 110%	\$ 460,957.75	465,907.75
Margin on Annual Basis	\$ 23,426.62	18,466.62

IX. Agreement to Maintain Adequate Tuition Fee Schedule

The Board of Visitors of The Citadel hereby agrees to pledge Registration and Tuition Fees for the amortization of tuition bonds issued or to be issued for financing permanent improvements and also agrees that the schedule of Registration and Tuition Fees will be revised from time to time whenever necessary to provide the annual principal and interest requirements on the proposed and outstanding tuition bonds of The Citadel, if and when issued by The Citadel.

SOUTH CAROLINA TRADE SCHOOLS



WEST COLUMBIA
SOUTH CAROLINA 29169



M. B. ROBINSON
DIRECTOR

August 19, 1968

Mr. P. C. Smith
State Auditor
State of South Carolina
Hampton Office Building
Columbia, S. C. 29201

Dear Mr. Smith:

This letter is in reference to our telephone conversation on Saturday, the 17th, and is concerning the \$50,000 ear-marked for construction at the Denmark Branch of the South Carolina Trade Schools.

Since it is apparent that we will not be able to get \$50,000 from the Vocational Act of '63 monies because of numerous reasons we discussed, we are now requesting the use of the \$50,000 appropriated to remodel and expand the existing dining room and kitchen facilities at the school in Denmark.

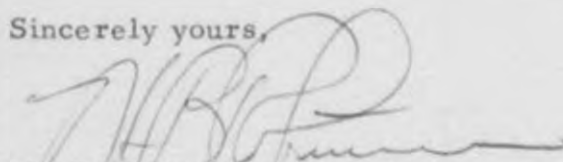
We propose to use our carpentry class, our electrical class, our masonry class and painting class to do the necessary work involved. We will also use such surplus material as we may acquire mostly in the line of electrical supplies and equipment.

If we are allowed to do this I firmly believe we will come up with far more building than we would have under the former circumstances. I would say that "in-kind" matching of this sort would amount to more than \$50,000 ultimately giving us a building perhaps worth \$150,000.

Any help you can give us on this will be greatly appreciated.

I am

Sincerely yours,



M. B. Robinson

MBR:hcc

L. 111



STATE OF SOUTH CAROLINA

THE SENATE

COLUMBIA

EDGAR A. BROWN
PRESIDENT PRO TEMPORE

HOME ADDRESS:
BARNWELL

Barnwell, South Carolina
August 21, 1968

Mr. M. B. Robinson, Director
South Carolina Trade Schools
West Columbia, South Carolina 29169

Dear Mr. Robinson:

Pursuant to information contained in letter from Mr. P. C. Smith, State Auditor, directed to me as Senator from the 12th Senatorial District, dated August 19th, regarding the substitution of material and labor for cash or matching money from the Federal Government in connection with the improvement at the Area Trade School in Denmark, I beg to advise that I am in complete accord with Mr. Smith's opinion that the substitution can be made and suggestion that we authorize the school to proceed with the project. I recommend that you go ahead with the project so that Professor Dawkins can get this work going in connection with his class work not later than October 1, 1968.

I have talked with Representative Kemp and he is in complete accord with the above outlined proposal.

It is understood that out of the funds provided under Section 7 of the Supplemental Appropriation Bill, 50% of the cost of this project may be charged against the \$50,000.00 appropriated for same and that Mr. Smith will prepare a proper resolution which we will ask the Budget and Control Board to approve.

Yours very truly,

A handwritten signature in dark ink, appearing to read "E. A. Brown", written over a horizontal line.

Edgar A. Brown

B:f

cc: Mr. P. C. Smith, State Auditor
Honorable R. W. Kemp
Professor L. H. Dawkins

August 30, 1968

Mr. Elliott F. Elam, Secretary
Board of Trustees
South Carolina State College
Orangeburg, South Carolina 29115

Dear Mr. Elam:

This will acknowledge your letter regarding compensation approved by your Board for Dr. Nance for this fiscal year.

Apparently you were not aware of the general requirement that salaries and other compensation of all state employees, including college personnel, must be approved by the State Budget and Control Board. Your proposal for Dr. Nance will be presented for consideration at the Board's next meeting, probably around the third week in September.

This is not to imply an unfavorable reaction by our Board but is merely to acquaint you with this requirement.

Very truly yours,

P. C. Smith
State Auditor

PCS:dr

SOUTH CAROLINA STATE COLLEGE

Orangeburg, South Carolina 29115

OFFICE OF THE SECRETARY
BOARD OF TRUSTEES

August 27, 1968

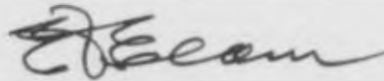
Mr. P. C. Smith
State Auditor
State of South Carolina
Columbia, South Carolina

Dear Mr. Smith:

The Board of Trustees of South Carolina State College at its meeting on August 21, 1968 approved the compensation of Dr. M. M. Nance, Jr., President of the college, at \$23,625 annually plus an expense account of \$5,000 annually, this rate of compensation to be retroactive to July 1, 1968, the date on which he became the President of the college. Please adjust your records accordingly.

With best regards,

Cordially yours,



ELLIOTT F. ELAM
Secretary

EFE/ew



William D. Leeke
DIRECTOR
DEPARTMENT OF CORRECTIONS

South Carolina
Department of Corrections

FISCAL DIVISION

P. O. BOX 766

Columbia, S. C. 29202

July 16, 1968

E. HEYWARD COOPER
ASSISTANT DIRECTOR - FISCAL AFFAIRS
PHONE 252-5642, EXT. 51-52

Mr. P. C. Smith
State Auditor
P. O. Box 11333
Columbia, South Carolina

Dear Mr. Smith:

Pursuant to our telephone conversation regarding use of Prison Industries funds to employ additional personnel in certain critical areas, we are pleased to enclose statement of Profit and Loss for the first nine months of fiscal year 1967-1968 ending March 31, 1968.

Also, in order that you may be familiar with the financial trend of Industries activities, we submit below sales and net profit during the past six years.

	<u>SALES</u>	<u>NET PROFIT</u>
Year ended June 30, 1963	\$ 1,213,250.15	136,960.48
Year ended June 30, 1964	1,407,645.47	115,787.50
Year ended June 30, 1965	1,422,981.22	138,851.37
Year ended June 30, 1966	1,546,819.83	98,892.81
Year ended June 30, 1967	1,821,842.78	180,800.71
Year ended June 30, 1968	2,160,000.00	-

Final preparation of the Profit and Loss statement for the year ending June 30, 1968 has not been completed, but we have every reason to believe that the results will be favorable.

You will note that sales have increased by almost \$ 1,000,000.00 during the past six years and the present trend indicates continued growth in this area.

In the event you need further information on this subject, same will be gladly furnished.

Respectfully submitted,

Heyward
E. H. Cooper, Assistant Director
Administrative Operations

EHC:rp

CC: Director William D. Leeke

SOUTH CAROLINA DEPARTMENT OF CORRECTIONS
DIVISION OF INDUSTRIES
STATEMENT OF PROFIT AND LOSS
9 MONTH PERIOD ENDING MARCH 31, 1968

	TAG PLANT	SIGN SHOP	BOOK BINDERY	APPAREL PLANT	FURNITURE FACTORY	CENTRAL LAUNDRY	CANNERY & FARM	PALLET FACTORY	TOTAL	ADMIN. OVERHEAD	TOTAL
Sales	342,014.12	580,779.14	72,393.68	62,708.73	151,217.16	282,887.43	33,655.47	59,093.75	1,584,749.48		
Cost of Goods Sold:											
Inventory 7-1-67	52,118.88	100,982.38	18,456.10	75,236.11	83,205.85	4,223.74	34,483.85	-0-	368,706.91		
Purchases	141,167.64	471,315.84	28,004.39	21,984.82	110,917.53	18,276.09	12,438.66	51,811.75	855,916.72		
	193,286.52	572,298.22	46,460.49	97,220.93	194,123.38	22,499.83	46,922.51	51,811.75	1,224,623.63		
Inventory 3-31-68	35,894.06	119,662.67	18,775.27	48,932.98	113,917.57	2,210.85	27,119.05	7,236.99	373,749.44		
Cost of Goods Sold	157,392.46	452,635.55	27,685.22	48,287.95	80,205.81	20,288.98	19,803.46	44,574.76	850,874.19		
Gross Profit	184,621.66	128,143.59	44,708.46	14,420.78	71,011.35	262,598.45	13,852.01	14,518.99	733,875.29		733,875.29
Expenses:											
Salaries	9,021.20	9,197.98	8,600.59	14,932.81	23,577.52	59,703.92	17,123.54	933.06	143,090.62	64,791.03	207,881.65
Bonuses	8,543.83	11,220.16	8,889.79	7,069.85	17,360.90	23,985.10	1,445.70	1,272.25	79,787.58	3,559.70	83,347.28
Professional Consultants	-0-	-0-	-0-	-0-	1,679.11	731.79	-0-	-0-	2,410.90	-0-	2,410.90
Office Supplies	49.03	207.76	47.62	92.73	275.89	368.15	37.20	-0-	1,078.38	2,792.61	3,870.99
Travel	169.18	39.09	-0-	75.60	56.14	390.15	81.06	61.20	872.42	4,127.39	4,999.81
Telephone	-0-	-0-	-0-	-0-	-0-	174.92	487.68	-0-	662.60	6,234.61	6,897.21
Maint. & Repairs, Equip.	7,234.80	7,127.06	2,736.45	1,027.78	5,328.57	38,775.00	3,155.76	2,069.29	67,454.71	1,426.29	68,881.00
Maint. & Rep., Building	2,167.13	187.57	196.36	1,568.39	441.21	1,139.71	300.13	644.71	6,645.21	4,330.08	10,975.29
Utilities	2,543.59	2,508.59	614.00	1,866.49	2,380.46	37,083.08	1,321.14	-0-	48,317.35	3.58	48,320.93
Advertising	-0-	-0-	-0-	-0-	-0-	-0-	313.30	-0-	313.30	1,710.23	2,023.53
Insurance	-0-	-0-	68.00	-0-	-0-	788.94	1,101.78	-0-	1,958.72	2,415.69	4,374.41
Freight	-0-	14.17	6.27	23.69	20.87	84.13	251.82	-0-	400.95	-0-	400.95
Dues & Contributions	-0-	-0-	-0-	-0-	-0-	60.00	-0-	-0-	60.00	250.95	310.95
Miscellaneous Expense	1,414.97	571.60	3.50	48.74	1,175.52	1,621.87	466.40	484.48	5,787.08	1,202.25	6,989.33
Equipment Rentals	338.05	25.75	-0-	-0-	650.50	961.98	1,363.08	-0-	3,339.36	546.11	3,885.47
Maint. & Rep. Motor Vehicle	-0-	-0-	-0-	-0-	-0-	2,101.47	1,207.14	1,705.08	5,013.69	3,278.56	8,292.25
Small Tools	-0-	482.68	194.56	35.79	455.58	97.14	-0-	16.66	1,282.41	23.77	1,306.18
Janitorial Supplies	245.29	207.22	175.43	139.58	736.62	1,527.22	249.99	-0-	3,281.35	381.79	3,663.14
Employee Subsistence	402.38	153.65	58.00	102.50	820.26	1,018.39	-0-	-0-	2,555.18	1,593.53	4,148.71
Waste Treatment	-0-	-0-	-0-	-0-	-0-	1,249.45	-0-	-0-	1,249.45	-0-	1,249.45
Gasoline & Oil	-0-	-0-	-0-	-0-	-0-	-0-	783.92	-0-	783.92	-0-	783.92
Harvesting	-0-	-0-	-0-	-0-	-0-	-0-	1,200.00	-0-	1,200.00	-0-	1,200.00
Music Installation	-0-	-0-	-0-	-0-	267.24	-0-	-0-	-0-	267.24	-0-	267.24
Medical Expense	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	686.92	686.92
Sales Promotion (Entertainment)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	152.81	152.81
Claims	-0-	-0-	-0-	-0-	-0-	733.07	-0-	-0-	733.07	-0-	733.07
Depreciation	7,237.83	4,202.85	2,521.35	2,187.45	11,831.73	59,203.35	15,750.00	173.43	103,107.99	4,114.35	107,222.34
Interest	-0-	-0-	-0-	-0-	-0-	49,312.50	-0-	-0-	49,312.50	-0-	49,312.50
Drainage	-0-	-0-	-0-	-0-	-0-	-0-	1,265.93	-0-	1,265.93	-0-	1,265.93
Social Security	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,450.62	2,450.62
State Retirement	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,599.08	3,599.08
Police Retirement	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,489.42	2,489.42
Net Profit or (Loss)	39,367.28	36,146.13	24,111.92	29,171.40	67,058.12	281,111.33	47,905.57	7,360.16	532,231.91	112,161.37	644,393.28
Other Income:	145,254.38	91,997.46	20,596.54	(14,750.62)	3,953.23	(18,512.88)	(34,053.56)	7,158.83	201,643.38	(112,161.37)	89,482.01
Discount Earned											4,873.17
Net Profit for 9 Months											94,355.18

SOUTH CAROLINA DEPARTMENT OF CORRECTIONS
DIVISION OF INDUSTRIES
BALANCE SHEET
MARCH 31, 1968

	DEBITS	CREDITS
Petty Cash	125.00	
Bank Account	284,764.52	
Accounts Receivable	277,527.44	
State Treasurer	13,476.32	
Inventories	373,749.44	
Prepaid Insurance	1,435.48	
Equipment - Administration	29,643.76	
Equipment - Tag Plant	198,549.34	
Equipment - Sign Shop	122,789.92	
Equipment - Book Bindery	66,732.31	
Equipment - Apparel Plant	54,283.76	
Building - Apparel Plant	5,381.49	
Equipment - Furniture Factory	147,396.89	
Equipment - Laundry	582,778.77	
Equipment - Pallet Factory	2,312.24	
Equipment - Cannery	172,014.94	
Equipment - Farm	39,328.10	
Laundry Building	378,692.25	
Boiler Plant - Laundry	189,651.41	
Boiler Plant Building - Laundry	83,387.56	
Waste Treatment - Laundry	285,554.69	
Electrical System - Laundry	34,465.53	
Gas System - Laundry	4,691.72	
Site Improvements & Right-of-Way (Land)	84,834.36	
Motor Vehicle Equipment - Administration	36,461.06	
Reserve for Depreciation - Administration		33,074.42
Reserve for Depreciation - Tag Plant		41,019.41
Reserve for Depreciation - Sign Shop		53,219.62
Reserve for Depreciation - Book Bindery		44,787.61
Reserve for Depreciation - Apparel Plant		41,600.34
Reserve for Depreciation - Furniture Factory		55,975.99
Reserve for Depreciation - Laundry		323,796.05
Reserve for Depreciation - Pallet Factory		173.43
Reserve for Depreciation - Cannery		12,898.50
Reserve for Depreciation - Farm		2,851.50
Accounts Payable		58,457.93
Use Tax Payable		668.64
Contract Payable (John R. Wald)		103,200.00
Accrued Interest		27,187.50
State Retirement System Bond		1,450,000.00
Donated Surplus		449,081.96
Restricted Surplus		13,476.32
Earned Surplus		753,541.56
Reserve for Bad Debts		5,017.52
	<u>3,470,028.30</u>	<u>3,470,028.30</u>

July 10, 1968

Mr. P. C. Smith
State Auditor
P. O. Box 11333
Columbia, South Carolina 29202

Dear Mr. Smith:

If you recall I was recently in your office and discussed with you the possibility of utilizing funds in the amount of \$68,400.00 from the Prison Industries fund to fill critical positions within the South Carolina Department of Corrections.

We have, within certain areas of the Department of Corrections, critically under-staffed areas which present tremendous security problems as well as a lack of assistance in our hospital to adequately deal with medical problems presented by our inmate population. I respectfully submit the following information concerning the Prison Industries' financial position:

Sales for fiscal year 1967 - 1968	\$ 2,160,000.00
-----------------------------------	-----------------

CURRENT ASSETS

Cash Balance June 30, 1968	269,582.77
Accounts Receivable June 30, 1968	<u>271,306.65</u>
Total Current Assets	540,889.42

CURRENT LIABILITIES

Current Accounts Payable	30,079.93
John R. Wald Contract Payment due July, 1968	28,500.00
Interest and Principal on State Retirement System Note due November 1, 1968	57,625.00
Interest on State Retirement System Note due May 1, 1968	32,062.50
Obligated to Apply on New Administration Building (Project 21-42) due June, 1969	<u>75,000.00</u>
Total Liabilities Through June 30, 1969	223,267.43

Mr. P. C. Smith
July 10, 1968
Page 2

You can readily see from the figures on the preceeding page that a total of \$317,621.99 is available without considering any operating profit for the fiscal year 1968 - 1969. Due to increased production of license plates and highway signs, which constitutes a large volume of sales, we have every reason to believe that the financial condition of the Industries Division will continue to improve during the fiscal year 1968 - 1969.

We are requesting approval to utilize approximately \$68,400.00 of surplus funds to get us through a crucial period with the hope that the 1969 Legislature will provide State funds for this purpose.

We have a serious situation in our hospital where we are forced to use inmate labor in areas which should be staffed by employed personnel. Recent inmate disturbances are attributed solely to the fact that the leaders of these disturbances were under the influence of drugs which were removed from the hospital by inmates working there. We request approval to employ the following additional personnel which will be of great help in alleviating this situation:

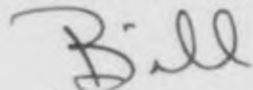
- | | |
|---|-----------|
| 1. Employ 4 additional Correctional Officers @ 4,400 | \$ 17,600 |
| Inmate Cafeteria (2) | |
| Security Building (1) | |
| Reception & Evaluation Center (1) | |
| 2. Place present part-time dentist on a full-time basis at a salary of \$15,000. This would require an additional | 7,800 |
| 3. Employ one X-Ray Technician | 6,500 |
| 4. Employ a full-time Pharmacist | 8,500 |
| 5. Employ 3 Medical Technicians @ 5,000 | 15,000 |
| 6. Employ Steno-Bookkeeper for Fiscal Office | 5,000 |
| 7. Employ Assistant Supervisor for Food Services and Canteens | 8,000 |

We have been instructed by the Federal Court to intergrate all sleeping quarters within one year. This action causes us great concern and we must be prepared to handle any situation which may arise. We must, therefore, proceed immediately to lay our ground work and it will require additional supervision and personnel in order to prevent situations which we do not wish to arise.

Mr. P. C. Smith
July 10, 1968
Page 3

Your cooperation in this matter will be greatly appreciated, and if you deem it advisable, I shall be glad to personally appear before the Budget and Control Board to review our problems in more detail.

Respectfully yours,

A handwritten signature in cursive script, appearing to read "Bill", written in dark ink.

William D. Leeke
Director

WDL/gh

Not on Suis
Not on Tenn

\$4 000 000 project
for Duglan Corporation
approved 1-29-69 and
included on list.

? Same project as this one
which shows the amount
as \$1,000,000 ?

REVISION OF ASSISTANCE AGREEMENT

TSI

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1. The Assistance Agreement by and between the State of South Carolina acting by and through the State Budget and Control Board (the State Board) and the Town of Kershaw (the Local Unit), dated January 15, 1974, relating to a certain sewage collection and/or treatment PROJECT declared eligible under the terms of Act 835 of the Acts and Joint Resolutions of 1973 and designated by the Department of Health and Environmental Control as PROJECT No. C450177 is hereby revised so as to (1) increase the total amount granted to the Local Unit by the State Board and (2) to reflect this increase appropriately in the Grant Repayment

SINKLER, GIBBS & SIMONS
ATTORNEYS & COUNSELLORS AT LAW

TELEPHONE 722-3367
AREA CODE 803

HUGER SINKLER
CHARLES H. GIBBS
ALBERT SIMONS, JR.
THEODORE B. GUERARD
G. DANA SINKLER
THOMAS D. BUIST
RUTH WILLIAMS

2 PRIOLEAU STREET
CHARLESTON, S. C. 29402

September 3, 1968

(Mailed September 6th, 1968)

P. C. Smith, Esquire
Secretary
State Budget & Control Board
200 Hampton Office Building
Columbia, South Carolina

Re: \$1,000,000 Dillon County, South
Carolina, First Mortgage Industrial
Revenue Bonds, Series 1968
(Duplan Corporation - Lessee)

Dear Sir:

Enclosed you will find an executed copy of a Petition from the County Board of Commissioners of Dillon County seeking the approval of the State Budget and Control Board for the Project to be constructed from the proceeds of the captioned bonds, together with a certified copy of the Resolution of the County Board approving the Project and authorizing the Petition.

We also enclose twelve copies of a proposed Resolution to be adopted by the State Budget and Control Board in the event it should approve of the proposed Project. We ask that you submit this matter to the State Board as early as possible and when the enclosed Resolution has been adopted that you return to us ten certified copies thereof.

The Lease Agreement and the Trust Indenture referred to in the Petition will be in the usual form and when they have been finalized, we will provide you with printed copies thereof for your file.

Very truly yours,

Sinkler Gibbs & Simons

TBG:jg
Enclosures

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RESOLUTION

STATE OF SOUTH CAROLINA BUDGET AND CONTROL BOARD

WHEREAS, heretofore the County Board of Commissioners of Dillon County (the County Board) did, pursuant to Act No. 103 of the General Assembly of the State of South Carolina for the year 1967 (the Act), petition the State Budget and Control Board of South Carolina (the State Board) seeking the approval of the State Board to an undertaking by the County Board pursuant to the Act, and

WHEREAS, the proposed undertaking consists of the acquisition by the County Board of a parcel of land containing approximately 30 acres more or less, in Dillon County on which the County Board will finance the construction of a building or buildings to house equipment and machinery for the processing of stretch yarn; and which land and building or buildings will be leased to The Duplan Corporation, a Delaware corporation (Duplan) (said land, building or buildings being hereinafter referred to as the Project); and

WHEREAS, the Project is to be leased to Duplan at a rental sufficient to provide for the payment of the bonds of Dillon County hereafter referred to, and costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the Project the County Board proposes to provide for an issue of \$1,000,000 of Dillon County First Mortgage Industrial Revenue Bonds payable from the rentals derived from Duplan and additionally secured by a Trust Indenture; and

WHEREAS, the form of the Lease Agreement between Dillon County and Duplan and of the Trust Indenture have been submitted and considered by this Board,

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals of this Resolution are in all respects true and correct,

(b) That the County Board has filed a proper petition to the State Board establishing a reasonable estimate of the cost of the Project, a general summary of the terms and conditions of the Lease and the Trust Indenture to be made by the County Board and has established that Duplan will pay as additional rentals, in lieu of taxes, the sums prescribed by Section 6 of the Act,

(c) That the Project will provide employment in its operation, and will be of benefit to Dillon County and adjoining areas,

(d) That the Project is intended to promote the purposes of the Act and is reasonably anticipated to effect such results.

2. On the basis of the foregoing findings the proposed undertaking of the County Board to acquire the land included in the Project and to finance the construction thereon of a building or buildings (in which Duplan will install its manufacturing equipment and machinery which will be the property of Duplan and in which Dillon County will have no interest), to lease the said land and building or buildings to Duplan and to finance the cost of acquiring the land and constructing such building or buildings through the issuance of Bonds payable from the revenues to be derived from the operation of the Project and additionally secured by the said Trust Indenture, be and the same is hereby approved.

3. Notice of the action of the State Board in giving approval to the undertaking of Dillon County above described shall be published

in THE STATE, which is a newspaper having general circulation in Dillon County.

4. The notice to be published shall be in form substantially as set forth as Exhibit A of this Resolution.

NOTICE PURSUANT TO ACT NO. 103 OF
THE ACTS OF THE GENERAL ASSEMBLY
OF SOUTH CAROLINA FOR THE YEAR 1967

Notice is hereby given that following the filing of a Petition by the County Board of Commissioners of Dillon County (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, viz.:

The acquisition by the County Board of a parcel of land containing approximately 30 acres in Dillon County, on which the County Board will cause to be constructed a building or buildings to be leased to The Duplan Corporation, a Delaware corporation (Duplan). To finance the cost of the acquisition of the said land and the construction thereon of a building or buildings to be leased to Duplan (the Project), the County Board will issue \$1,000,000 of Dillon County First Mortgage Industrial Revenue Bonds. Duplan proposes to install its own machinery and equipment for the purpose of processing stretch yarn in the said building or buildings, but the County will have no interest in any such machinery or equipment and none of the same will be part of the Project owned by the County. The bonds of Dillon County will be payable solely from the rentals to be paid to the County by Duplan which has irrevocably covenanted and agreed to pay when due, all sums required for the principal and interest thereon, and such bonds will be additionally secured by a Trust Indenture which will constitute a foreclosable lien upon the Project.

In addition Duplan has agreed to pay as additional rentals to Dillon County, the School District, and all other political units wherein the Project is located, in lieu of taxes,

such amounts as would result from taxes levied on the Project by Dillon County, the said School District, and the said other political units wherein the Project is situate, if the Project were owned by Duplan but with appropriate reductions similar to the tax exemptions, if any, which would be afforded to Duplan if it were the owner of the Project.

Notice is further given that any interested party may at any time within twenty (20) days after the date of the publication of this Notice, 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 Dillon County.

THE STATE BUDGET AND CONTROL BOARD

By _____
Secretary

PUBLICATION DATE:

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

I, P. C. SMITH, Auditor of the State of South Carolina,
and Secretary to the State Budget and Control Board, DO HEREBY
CERTIFY:

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

His Excellency, Robert E. McNair, Governor of
South Carolina and Chairman of the Board;

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

The Honorable John Henry Mills, Comptroller
General of South Carolina;

The Honorable Edgar A. Brown, Chairman of the
Senate Finance Committee; and

The Honorable Robert James Aycock, Chairman
of the House Ways and Means Committee.

That due notice of meeting of said Board, called to
be held at the office of the State Auditor, in the Hampton Office
Building, at Columbia, South Carolina, at _____ P. M.,
_____, 1968, 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:

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

FOR MOTION

AGAINST MOTION

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.

_____, 1968.

Secretary

STATE OF SOUTH CAROLINA

COUNTY OF DILLON

TO THE STATE BUDGET AND CONTROL)

BOARD OF SOUTH CAROLINA)

P E T I T I O N

Petition of the County Board of Commissioners of
Dillon County (the County Board), pursuant to Act No. 103 of the
Acts of the General Assembly of the State of South Carolina for
the year 1967, respectfully shows:

1. The County Board is the governing body of Dillon
County and was so constituted by the statute now codified as
Article 2, Chapter 33, Title 14, Code of Laws of South Carolina,
1962, and as such it is the "County Board" referred to in Act
No. 103 of the General Assembly enacted at its 1967 Session
(the Act).

2. The Act authorizes and empowers the County Board,
if it shall comply with the provisions set forth in the Act, to
acquire land, buildings and other improvements deemed necessary,
suitable and useful by any manufacturing or processing enterprise;
to lease the same; and to finance the acquisition of the same
through the issuance of bonds payable from and secured by a
pledge of the revenues to be derived from the leasing of such land,
buildings and other improvements.

3. The County Board proposes to acquire a tract of
land in Dillon County, containing 30 acres, more or less, and
construct thereon a building or buildings (the Project) in which
The Duplan corporation, a Delaware corporation (Duplan) will
install equipment and machinery necessary for the processing of
stretch yarn. Such equipment and machinery will not be a part of
the Project to be constructed by the County and the County will
have no interest in any such equipment or machinery. The cost of
the Project (including land, building or buildings) will be approx-

imately \$1,000,000. The County Board will finance the cost thereof through the issuance of First Mortgage Industrial Revenue Bonds of Dillon County (the Bonds), in accordance with the provisions of a Purchase Agreement which the County Board proposes to enter into with McCarley & Company, Inc. and has agreed to lease the Project to Duplan.

4. The County Board, to implement the said Agreement, now proposes to issue the Bonds in the amount of \$1,000,000 in order to acquire the Project and lease the same to Duplan.

5. The construction of the Project will provide considerable employment during the period of construction, and will provide further employment in its operation.

6. For the reasons above set forth and hereafter disclosed, the County Board has found:

(a) That the proposed Duplan Project will subserve the purposes of the Act.

(b) That by reason of undertaking the Project no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing power.

(c) The proposed Lease between the County Board and Duplan will unconditionally obligate Duplan to pay rent in an amount adequate to provide for the principal and interest payments on the Bonds which mature and bear interest as follows:

October 1	PRINCIPAL PAYABLE	RATE OF INTEREST
1969	\$ 25,000	5.00%
1970	30,000	5.10%
1971	30,000	5.20%
1972	30,000	5.30%
1973	35,000	5.40%
1974	35,000	5.45%
1975	40,000	5.50%
1976	40,000	5.60%
* 1977	45,000	6.10%

(continued page 3)

October 1	PRINCIPAL PAYABLE	RATE OF INTEREST
1978	\$ 45,000	6.10%
1979	50,000	6.10%
1980	55,000	6.10%
1981	55,000	6.10%
1982	60,000	6.10%
1983	60,000	6.10%
1984	65,000	6.10%
1985	70,000	6.10%
1986	75,000	6.10%
1987	75,000	6.10%
1988	80,000	6.10%

* \$735,000 term bonds due October 1, 1988 are payable as set forth above in the years 1977 through 1988, inclusive, by virtue of mandatory redemption provisions of the Trust Indenture hereinafter mentioned.

(d) Duplan is a corporation with a well established credit and therefore it is unnecessary to establish reserve funds for the payment of such principal and interest.

(e) That the terms of the Lease will require Duplan to carry proper insurance and to pay all costs of maintaining the Project in good repair.

7. Pursuant to Section 14 of the Act, the County Board sets forth the following information:

(a) The Project to be undertaken consists of land, buildings and other improvements which will be necessary for, and part of, facilities for the processing of stretch yarns.

(b) The Project will provide considerable employment during the period of its construction and will provide employment for approximately 200 persons during the period of the operation of such processing facilities. It is therefore believed that the Project will have an extremely beneficial effect upon the economy of the County and areas adjacent thereto.

(c) The cost of the Project is approximately \$1,000,000, including construction cost, and cost of land.

8. The proposed Lease will provide, among other things, the following:

(a) To finance the cost of the acquisition and construction the County will issue \$1,000,000 of Dillon County First Mortgage Industrial Revenue Bonds. All bonds will be secured by a pledge of the rents to be paid by Duplan and will be further secured by a Trust Indenture, as authorized by Section 5 of the Act, to First Union National Bank of North Carolina, Charlotte, North Carolina, as Trustee.

(b) The proceeds derived from the payment of the Bonds will be deposited with the Trustee and will be withdrawn and applied solely for the payment of costs incident to the acquisition and construction of the Project, including the repayment of expenses incurred in connection with the issuance of the Bonds.

(c) The Lease contains a specific provision by which Duplan has unconditionally agreed to make payments to Dillon County, to any School District in Dillon County and to all other political units in which the Project is situated, in lieu of taxes, in such amounts as would result from taxes levied on the Project by Dillon County by any such School District and by said political units if the Project were owned by Duplan, but with appropriate reductions similar to the tax reductions, if any, which would be afforded by Duplan were it the owner of the Project.

(d) The Lease contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing power.

9. The proposed Trust Indenture is in conventional form and constitutes a forecloseable mortgage upon the Project. Included in the granting clause of the mortgage will be:

(a) All real property and interests therein, acquired or to be acquired for the Project.

(b) The right, title and interest of the County in the Lease.

(c) All rentals and revenues derived by the County under the Lease, except those payments to be made in lieu of taxes.

The Indenture makes provision for the issuance of \$1,000,000 of Bonds to be secured thereunder. It provides for the payment and redemption of the Bonds, the establishment of a Bond Fund into which the proceeds of the rents payable by Duplan are placed and the use of said fund for the payment of the Bonds. It imposes upon Duplan as Lessee of the Project, the obligation to pay, in addition to the moneys required for the payment of the principal and interest of the Bonds, all other costs and expenses resulting from the execution and delivery of the Indenture and the issuance of the Bonds pursuant thereto.

10. Presented with this Petition are copies of the proposed Lease and the proposed Trust Indenture. While there may be changes in these documents before their execution, the changes will relate to matters of form and not to matters of substance.

Upon the basis of the foregoing, the County Board respectfully prays,

THAT the State Budget and Control Board accept the filing of the Petition presented herewith and that it do, thereafter, and as soon as practicable, make its independent investi-

gation of the Project and the terms and provisions of the Lease and the Trust Indenture, as it deems advisable, and that thereafter, the said State Board make a finding that the proposed Project will promote the purpose of the Act and that it is reasonably anticipated to effect such result, and on the basis of such finding that it does approve the Project, and give published notice of its approval in the manner set forth in Section 14 of the Act.

Respectfully submitted,

(SEAL)

COUNTY BOARD OF COMMISSIONERS OF
DILLON COUNTY

E. H. Amette

Chairman, County Board of Commissioners of Dillon County.

Attest:

Medad G. Grew

Secretary, County Board of
Commissioners of Dillon County.

As an incident to the adoption of this Resolution the County Board of Commissioners of Dillon County (the County Board) has made the following findings of fact:

1. Heretofore the County Board and The Duplan Corporation, a Delaware corporation (Duplan) did agree that the County Board should cause to be undertaken the construction of a building or buildings in Dillon County in which Duplan would install equipment and machinery necessary for the processing of stretch yarn and that the County Board would finance the cost of constructing such building or buildings and acquiring the necessary land therefor (such building or buildings and land being referred to hereinafter as the "Project") through the issuance of First Mortgage Industrial Revenue Bonds of Dillon County (the Bonds) pursuant to Act No. 103 enacted by the General Assembly of South Carolina at its 1967 Session (the Act).

2. In order that the Bonds may be issued to finance the Project, it is necessary that there be presented to the State Budget and Control Board of South Carolina a petition setting forth the facts required by Section 14 of the Act.

3. The County Board has determined that neither the Project nor the Bonds will give rise to any pecuniary liability of Dillon County or a charge against its general credit or taxing power.

4. The amount necessary to finance the Project is One Million Dollars (\$1,000,000).

5. Duplan has submitted to the County Board the form of a proposed Lease under which Duplan agrees to pay as rent the amount necessary to provide the annual payments of principal and interest on the Bonds, which bear interest and mature as set forth

in paragraph 4 (c) in the Petition attached hereto.

6. The terms under which Duplan will lease the Project require Duplan to maintain the Project and to carry proper insurance with respect thereto.

7. In view of the well established credit of Duplan, it is unnecessary to establish reserve funds for the payment of principal and interest.

8. The proposed Lease obligates Duplan unconditionally to pay the amount necessary to provide the annual payments of principal and interest to become due on the Bonds and to pay other costs in connection therewith and contains an appropriate provision requiring Duplan to pay in lieu of taxes, such amounts as would otherwise be paid if Duplan owned the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY BOARD OF COMMISSIONERS OF DILLON COUNTY, IN MEETING DULY ASSEMBLED:

That the County Board finds that the facts above set forth are in all respects true and correct and on such basis determines to finance the Project above described, and to authorize the Chairman and the Secretary of the County Board to enter into a Purchase Agreement with McCarley & Company, Inc. (the Underwriter) for the sale and purchase of the Bonds upon such terms and conditions as may be agreed to by the Chairman and Secretary with the approval of the County Attorney.

BE IT FURTHER RESOLVED:

That the Petition in form substantially as attached hereto be presented to the State Budget and Control Board of South Carolina to seek the approval required by Section 14 of the Act and that such Petition shall be accompanied by copies of :

(a) a copy of the proposed Lease between the County Board and Duplan;

(b) a copy of the proposed Trust Indenture; and

That said Petition shall be duly executed by the Chairman of the County Board and attested by its Secretary; and that the Chairman and Secretary are authorized to enter into a Purchase Agreement with the Underwriter for the sale and purchase of the Bonds upon such terms and conditions as may be agreed to by the Chairman and Secretary with the approval of the County Attorney.

(SEAL)

E.H. ARNETTE

Chairman
O.K. MC CUTCHEON

LARRY B. FORE

E.M. HYMAN

H.W. ALLEN

NEIL NORTON, JR.

EARL L. GLEASON

Constituting the members of the County Board of Commissioners of Dillon County.

Attest:

MILDRED FRASIER

Secretary of the County Board
of Commissioners of Dillon County.

STATE OF SOUTH CAROLINA

COUNTY OF DILLON

TO THE STATE BUDGET AND CONTROL)

BOARD OF SOUTH CAROLINA)

P E T I T I O N

Petition of the County Board of Commissioners of
Dillon County (the County Board), pursuant to Act No. 103 of the
Acts of the General Assembly of the State of South Carolina for
the year 1967, respectfully shows:

1. The County Board is the governing body of Dillon
County and was so constituted by the statute now codified as
Article 2, Chapter 33, Title 14, Code of Laws of South Carolina,
1962, and as such it is the "County Board" referred to in Act
No. 103 of the General Assembly enacted at its 1967 Session
(the Act).

2. The Act authorizes and empowers the County Board,
if it shall comply with the provisions set forth in the Act, to
acquire land, buildings and other improvements deemed necessary,
suitable and useful by any manufacturing or processing enterprise;
to lease the same; and to finance the acquisition of the same
through the issuance of bonds payable from and secured by a
pledge of the revenues to be derived from the leasing of such land,
buildings and other improvements.

3. The County Board proposes to acquire a tract of
land in Dillon County, containing 30 acres, more or less, and
construct thereon a building or buildings (the Project) in which
The Duplan corporation, a Delaware corporation (Duplan) will
install equipment and machinery necessary for the processing of
stretch yarn. Such equipment and machinery will not be a part of
the Project to be constructed by the County and the County will
have no interest in any such equipment or machinery. The cost of
the Project (including land, building or buildings) will be approx-

imately \$1,000,000. The County Board will finance the cost thereof through the issuance of First Mortgage Industrial Revenue Bonds of Dillon County (the Bonds), in accordance with the provisions of a Purchase Agreement which the County Board proposed to enter into with McCarley & Company, Inc. and has agreed to lease the Project to Duplan.

4. The County Board, to implement the said Agreement, now proposes to issue the Bonds in the amount of \$1,000,000 in order to acquire the Project and lease the same to Duplan.

5. The construction of the Project will provide considerable employment during the period of construction, and will provide further employment in its operation.

6. For the reasons above set forth and hereafter disclosed, the County Board has found:

(a) That the proposed Duplan Project will subserve the purposes of the Act.

(b) That by reason of undertaking the Project no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing power.

(c) The proposed Lease between the County Board and Duplan will unconditionally obligate Duplan to pay rent in an amount adequate to provide for the principal and interest payments on the Bonds which mature and bear interest as follows:

October 1	PRINCIPAL PAYABLE	RATE OF INTEREST
1969	\$ 25,000	5.00%
1970	30,000	5.10%
1971	30,000	5.20%
1972	30,000	5.30%
1973	35,000	5.40%
1974	35,000	5.45%
1975	40,000	5.50%
1976	40,000	5.60%
* 1977	45,000	6.10%

(continued page 3)

October 1	PRINCIPAL PAYABLE	RATE OF INTEREST
1978	\$ 45,000	6.10%
1979	50,000	6.10%
1980	55,000	6.10%
1981	55,000	6.10%
1982	60,000	6.10%
1983	60,000	6.10%
1984	65,000	6.10%
1985	70,000	6.10%
1986	75,000	6.10%
1987	75,000	6.10%
1988	80,000	6.10%

* \$735,000 term bonds due October 1, 1988 are payable as set forth above in the years 1977 through 1988, inclusive, by virtue of mandatory redemption provisions of the Trust Indenture hereinafter mentioned.

(d) Duplan is a corporation with a well established credit and therefore it is unnecessary to establish reserve funds for the payment of such principal and interest.

(e) That the terms of the Lease will require Duplan to carry proper insurance and to pay all costs of maintaining the Project in good repair.

7. Pursuant to Section 14 of the Act, the County Board sets forth the following information:

(a) The Project to be undertaken consists of land, buildings and other improvements which will be necessary for, and part of, facilities for the processing of stretch yarns.

(b) The Project will provide considerable employment during the period of its construction and will provide employment for approximately 200 persons during the period of the operation of such processing facilities. It is therefore believed that the Project will have an extremely beneficial effect upon the economy of the County and areas adjacent thereto.

(c) The cost of the Project is approximately \$1,000,000, including construction cost, and cost of land.

8. The proposed Lease will provide, among other things, the following:

(a) To finance the cost of the acquisition and construction the County will issue \$1,000,000 of Dillon County First Mortgage Industrial Revenue Bonds. All bonds will be secured by a pledge of the rents to be paid by Duplan and will be further secured by a Trust Indenture, as authorized by Section 5 of the Act, to First Union National Bank of North Carolina, Charlotte, North Carolina, as Trustee.

(b) The proceeds derived from the payment of the Bonds will be deposited with the Trustee and will be withdrawn and applied solely for the payment of costs incident to the acquisition and construction of the Project, including the repayment of expenses incurred in connection with the issuance of the Bonds.

(c) The Lease contains a specific provision by which Duplan has unconditionally agreed to make payments to Dillon County, to any School District in Dillon County and to all other political units in which the Project is situated, in lieu of taxes, in such amounts as would result from taxes levied on the Project by Dillon County by any such School District and by said political units if the Project were owned by Duplan, but with appropriate reductions similar to the tax reductions, if any, which would be afforded by Duplan were it the owner of the Project.

(d) The Lease contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing power.

9. The proposed Trust Indenture is in conventional form and constitutes a forecloseable mortgage upon the Project. Included in the granting clause of the mortgage will be:

(a) All real property and interests therein, acquired or to be acquired for the Project.

(b) The right, title and interest of the County in the Lease.

(c) All rentals and revenues derived by the County under the Lease, except those payments to be made in lieu of taxes.

The Indenture makes provision for the issuance of \$1,000,000 of Bonds to be secured thereunder. It provides for the payment and redemption of the Bonds, the establishment of a Bond Fund into which the proceeds of the rents payable by Duplan are placed and the use of said fund for the payment of the Bonds. It imposes upon Duplan as Lessee of the Project, the obligation to pay, in addition to the moneys required for the payment of the principal and interest of the Bonds, all other costs and expenses resulting from the execution and delivery of the Indenture and the issuance of the Bonds pursuant thereto.

10. Presented with this Petition are copies of the proposed Lease and the proposed Trust Indenture. While there may be changes in these documents before their execution, the changes will relate to matters of form and not to matters of substance.

Upon the basis of the foregoing, the County Board respectfully prays,

THAT the State Budget and Control Board accept the filing of the Petition presented herewith and that it do, thereafter, and as soon as practicable, make its independent investi-

gation of the Project and the terms and provisions of the Lease and the Trust Indenture, as it deems advisable, and that thereafter, the said State Board make a finding that the proposed Project will promote the purpose of the Act and that it is reasonably anticipated to effect such result, and on the basis of such finding that it does approve the Project, and give published notice of its approval in the manner set forth in Section 14 of the Act.

Respectfully submitted,

(SEAL)

COUNTY BOARD OF COMMISSIONERS OF
DILLON COUNTY

E.H. ARNETTE

Chairman, County Board of Commissioners of Dillon County.

Attest:

MILDRED FRASIER

Secretary, County Board of
Commissioners of Dillon County.

STATE OF SOUTH CAROLINA,

COUNTY OF DILLON.


I, the undersigned, Secretary of the County Board of Commissioners of Dillon County, DO HEREBY CERTIFY:

That the foregoing is a true, correct and verbatim copy of the Resolution duly adopted by said County Board of Commissioners at a meeting duly called and regularly held and attended by all members of the Board who remained present throughout the meeting on the 3rd day of September, 1968.

That said Resolution was proposed, seconded and unanimously adopted and the same is in full force and effect, and has not been modified, amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my Hand and the Seal of the said Board, this 3rd day of September, 1968.

(SEAL)



Secretary, County Board of
Commissioners of Dillon County.

State of South Carolina

Department of Education



CYRIL B. BUSBEE
STATE SUPERINTENDENT OF EDUCATION

COLUMBIA, S. C. 29201

September 10, 1968

The State Budget and Control Board
Wade Hampton State Office Building
Columbia, South Carolina 29202

Attention: Mr. P. C. Smith, Secretary

Dear Mr. Smith:

On June 10, 1968, in the case of Maryland et al versus Wertz, the supreme court declared valid wage and hour provisions of the Fair Labor Standards Act as it applied to certain employees of the states, their agencies and subdivisions.

Effective at once and retroactive to February 1, 1967, South Carolina school bus drivers come under the provision of the act and this decision.

In order to comply with the provisions of the Wage and Hour Law we are proposing that the State pay student bus drivers \$45 per month as base pay as directed in the 1968-69 General Appropriations Bill. The time of the bus drivers will be figured at \$1.15 per hour from now until February 1, 1969, when the rate will change to \$1.30 per hour. North Carolina implemented this law last year and they found that the average time per day per route was 2.7 hours per day for each driver. Since the average length of bus routes in the state of North Carolina is 36 miles per route and our average is 41 miles per route, we do not feel that we can get by with any less than the 2.7 hours per driver. It is the estimate of the Office of Transportation that the total increase for bus drivers' salaries will be

approximately \$780,000 over the amount appropriated. We are requesting your approval to pay the bus drivers during this school term in accordance with the proposal outlined above, which is what it will take to conform to requirements of the Wage and Hour Law. The Attorney General's office has stated that we should implement this law as soon as it is possible for us to do so. We are requesting your permission for implementation because it is possible that a deficiency appropriation in the amount of \$780,000 will have to be considered by the 1969 General Assembly.

Please advise us as to what action we should take as soon as it is possible for you to do so.

Sincerely yours,

Cyril B. Busbee

Cyril B. Busbee
State Superintendent of Education

CBB:et

In 1968-69 only.

Not retroactive to Feb. 1, 1967

Bus Drivers only.

Not including shop mechanics, who may have to be included also.

September 12, 1968

GENERAL FUND

CONDENSED OPERATING STATEMENT

1967-68

- o -

Actual

Operating Reserves at Beginning
of Year

For Appropriations Brought Forward

\$ 18,227,953.12

Revenue

336,399,537.05

Total Available Funds

\$ 354,627,490.17

Appropriations

Expenditures -

Maintenance and Operation

314,624,738.25

Permanent Improvements

9,467,074.60

Aid to Subdivisions

30,551,201.53

Appropriations Carried Forward to 1968-69

8,631,830.13

Total Appropriations

\$ 363,274,844.51

Loss for Year

\$ (8,647,354.34)

GENERAL FUND RESERVE

- o -

Balance - June 30, 1968

\$ 21,758,667.72

Less: Transfers for Appropriations

from General Fund Reserve

\$ 5,641,750.00

Transfer to General Fund

5,000,000.00

(10,641,750.00)

Balance

\$ 11,116,917.72

Less: Operating Loss for Year 1967-68

(8,647,354.34)

Balance - July 1, 1968

\$ 2,469,563.38

RECURRING GENERAL FUND APPROPRIATIONS - 1969-70

<u>Department or Institution</u>	<u>Appropriation 1968-69</u>
Legislative Department	\$ 1 744 424
Judicial Department	1 034 411
Governor's Office	1 434 019
Lieutenant Governor	11 150
Secretary of State	705 263
Comptroller General	1 129 699
Attorney General	653 207
State Treasurer	3 783 865
Adjutant General	288 372
University of South Carolina	12 203 325
The Citadel	2 763 529
Clemson University (Educational & General)	8 274 825
Winthrop College	3 240 253
State Medical College	10 183 597
S. C. State College	2 979 075
John de la Howe School	389 484
School for the Deaf and the Blind	1 411 952
State Department of Education	171 940 133
S. C. Opportunity School	306 757
Educational Television Commission	3 182 300
State Library Board	598 524
Advisory Committee for Technical Training	6 854 925
Department of Archives & History	274 871
State Library	17 887
S. C. Arts Commission	99 154
Confederate Relic Room	4 631
Department of Public Welfare	11 522 872
Commission for the Blind	680 287
Department of Mental Health	13 441 073
Department of Mental Retardation	8 002 249
State Agency of Vocational Rehabilitation	1 631 080
South Carolina Sanatorium	1 418 539
S. C. Commission on Alcoholism	95 483
Children's Bureau	220 186
Probation, Parole and Pardon Board	849 616
Department of Corrections	2 960 711
Department of Juvenile Corrections	1 354 230
State Budget and Control Board	38 894 599
Board of Health	5 040 789
S. C. Pollution Control Authority	241 793
State Dairy Commission	95 114
Tax Commission	4 876 798
Alcoholic Beverage Control Commission	587 615
Insurance Department	889 748
Contractors' Licensing Board	40 758

<u>Department or Institution</u>	<u>Appropriation 1968-69</u>
Department of Veterans Affairs	380 313
Department of Agriculture	1 153 665
Agricultural Marketing Commission	73 080
State Forestry Commission	2 761 817
Clemson University (Public Service Activities)	4 180 590
Soil and Water Conservation Committee	283 897
Water Resources Committee	150 030
Department of Labor	334 854
Industrial Commission	516 349
Wildlife Resources Committee	604 849
S. C. Recreation Commission	38 480
Board of Bank Control	360 247
Public Service Commission	622 041
Aeronautics Commission	275 517
State Development Board	1 184 324
Department of Parks, Recreation and Tourism	1 633 546
Tricentennial Commission	498 770
Civil Defense Agency	126 156
Council on Aging	26 695
Miscellaneous Appropriations	2 544 410
Contributions	110 225
Aid to Subdivisions	<u>35 473 615</u>
Total	\$381 686 642

September 12, 1968

PRELIMINARY PROJECTED BUDGETS

- 0 -

<u>Recurring Appropriations, Year Before</u>	<u>\$ 381,686,642</u>	<u>416,012,642</u>
	<u>1969-70</u>	<u>1970-71</u>
<u>Minimum Additions</u>		
State Treasurer	3,400,000	600,000
Colleges -	4,882,000	4,000,000
Medical College	500,000	500,000
Department of Education -		
Teachers	167,000	2,175,000
Supervision	180,000	90,000
S. & O. - M. & O.	20,000	20,000
Vocational Education	620,000	100,000
Transportation		
Operation	1,000,000	1,000,000
Purchase	250,000	250,000
Building Aid	30,000	30,000
Textbooks	(500,000)	500,000
Library Board	50,000	
Public Welfare -		
Regular Programs	200,000	200,000
Medicaid	7,750,000	1,225,000
Administration	1,900,000	225,000
Sub-Total (Public Welfare)	(9,850,000)	(1,650,000)
Mental Health	1,000,000	1,000,000
Mental Retardation	500,000	250,000
Children's Bureau	50,000	25,000
Probation, Parole & Pardon Board	50,000	50,000
Department of Corrections	100,000	100,000
Budget & Control Board -		
Computer Operation	27,000	79,000
Retirement System -		
Death Benefit	1,250,000	
Regular	4,225,000	4,750,000
Board of Health	350,000	350,000
Pollution Control	50,000	50,000
Department of Agriculture	75,000	75,000
Parks, Recreation & Tourism	200,000	300,000
Tricentennial Commission	300,000	100,000
Aid to Subdivisions	3,200,000	3,500,000
All Other	2,500,000	2,500,000
Total Additions	\$ 34,326,000	24,044,000
Total Minimum Budget	\$ 416,012,642	440,056,642
<u>Revenue Estimate</u>	<u>\$ 402,500,000</u>	<u>438,800,000</u>
<u>Balance</u>	<u>\$ (13,512,642)</u>	<u>(1,256,642)</u>

PUBLIC SCHOOLS
BASIC BUDGET DATA
September 12, 1968

	(Estimates)	
	<u>1969-70</u>	<u>1970-71</u>
<u>Teachers -</u>		
No. on State Aid	22,747	23,000
<u>Add - To Reduce Elementary</u>		
Ratio from 1:30 to 1:26	<u>1,036</u>	<u>1,046</u>
	23,783	24,046
<u>Teachers' Salaries -</u>		
Average State Aid	\$ 4,960	5,000
Additional Required to Raise -		
(a) \$100 - Salary	2,275,000	
Retirement	<u>450,000</u>	
Total	\$2,725,000	2,800,000
(b) 1% - Salary	\$1,128,000	
Retirement	<u>225,000</u>	
Total	\$1,353,000	1,425,000
<u>Supervisors & Special Teachers -</u>		
(a) 1:30 - Number	758	
Amount (@ \$6,000)	\$4,548,000	
(b) 1:20 - Number	1,138	
Amount	<u>\$6,828,000</u>	
Cost Increase (Salary)	\$2,280,000	
(Retirement)	<u>456,000</u>	
	\$2,736,000	3,000,000
<u>Kindergarten (Not Incl. Pre-School)</u>		
No. Pupils	14,300	
No. Teachers	275	
No. Aides	275	
<u>Cost -</u>		
Teachers - @ \$6,000	\$ 1,650,000	
Aides - @ \$3,000	825,000	
Retirement	400,000	
Transportation -		
14,300 - @ \$17.30	\$ 247,390	
Equipment - 275 X \$4,000	1,100,000	
ETV	<u>55,000</u>	
	\$ 4,277,390	9,277,390
<u>Adjust Education</u>		
For Planning	\$ 25,000	
For Operation		1,309,000
<u>Transportation</u>		
Drivers' Salaries	\$ 365,000	375,000
Operation Expense	<u>635,000</u>	<u>650,000</u>
	\$ 1,000,000	1,025,000



STATE OF SOUTH CAROLINA
DIVISION OF GENERAL SERVICES
BUDGET AND CONTROL BOARD
300 GERVAIS STREET
COLUMBIA 29201

FURMAN E. MCEACHERN, JR.
DIRECTOR

April 9, 1969

BUILDINGS AND GROUNDS
DEPARTMENTAL SERVICES
INSURANCE FOR PUBLIC
BUILDINGS
PRINTING AND OFFICE
SUPPLIES
PURCHASING
SINKING FUNDS
SURPLUS PROPERTY
PROCUREMENT

Mr. P. C. Smith
State Auditor
Wade Hampton State Office Building
Columbia, South Carolina

Dear Pat:

Although I have already received the contract of sale of property to the Town of Pineridge, I am attaching a photostat of my record of the Budget and Control Board meeting where this action was approved.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'Furman'.

F. E. McEachern, Jr.,
Director

lc
attachment

Sept. 13, 1968

SOUTH CAROLINA STATE BUDGET & CONTROL BOARD

AGENDA

I. Approval of Budget for Data Processing - General Services

OK

Central Data Processing operates in part on a cost recoverable basis. It is requested that the Board review the proposed budget and schedule of charges and grant approval for operation during 1968-69.

II. Water Rates - City of Columbia

Prepare
list for
State
Auditor's
Budgets

About a year ago the Mayor and City Council of Columbia appeared before the Board to request a water rate increase amounting to approximately \$ 100,000. The City Manager has asked for further consideration of their request. It is requested that the Board indicate whether this matter should be reviewed at this time. An increase to the average of the Industry Rate schedule would result in increased costs of about \$ 40,000.

Pursue
with City
for new
agreement

The City of Columbia finds that it will be impracticable to construct a parking facility on land they retained behind the old Post Office. They can, however, provide the area for parking spaces for the court and its staff, and for a cooling tower. They request concurrence of the Budget and Control Board in this change in plans. On this basis construction of the sub-Post Office can go forward immediately.

III. Use of State House Grounds

OK

A Veterans Day observance is being planned for November 11, 1968 which will honor General William C. Westmoreland. It is recommended that the Board approve installation of a small platform and use of the State House grounds for addresses to the public on this occasion.

IV. Loans - Insurance Sinking Fund

OK.

A. The Department of Corrections was authorized by legislation to borrow \$ 700,000 less interest to be repaid in ten years from funds received from a gravel contract. It is recommended that the Board approve this loan.

Pass over

B. No action has been taken regarding the notes of Clemson University for the sewage treatment plant. It is requested that the Board recommend a method of repayment of this loan.

V. Agreement with Beaufort County

OK +

Sec. sign
for Board

Beaufort County has contracted to purchase the Mather Academy property from the Woman's Baptist Home Mission Society. The State Board of Education wishes to operate an Area Trade School at this site for the school year 1968-69.

The Office of the Attorney General has drawn up an agreement with the Budget and Control Board acting in behalf of the Board of Education stating the conditions for use of the property. The agreement specifically states that it does not constitute a commitment of the State or any of its agencies to purchase the real property, and provides for the full return of any and all property used in connection with the school upon conclusion of the arrangement.

VI. Mining Lease - Jasper County

ok
Freeport Sulphur Company has leased private property near Wright River in Jasper County, including an area in the tidelands which are under claim of private ownership. There has been no title litigation and Freeport Sulphur requests an exploration and mining permit covering the contested land. The rental rate would be the same as that given the owner, but there would be a 50% credit for full disclosure of all information obtained by the lessee through the exploration and evaluation, and a 25% credit against future royalties. The permit would further provide for a mining lease for a term of twenty-five (25) years at customary royalty rates if commercial quantities of minerals are found. It is recommended that the Board approve execution of the lease.

VII. Exploration and Mining Leases

- pass over & recommend policy*
- A. Kerr-McCee Corporation requests an exploration and mining lease on State-owned lands in Jasper County which are not presently covered by another lease. The offer is for \$ 3.00 per acre during the primary time with royalties to apply in case of commercial production.
 - B. McClure Oil Company requests a lease for exploration and mining of oil and gas in ocean blocks A and B and land block A in Beaufort and Jasper counties. The original lease would provide for exploration and drilling of test wells, and for royalties in case of commercial production.

These proposals have been discussed with appropriate officials in the Wildlife Department, Water Resources Commission and the Office of the Attorney General. Although similar leases are now in existence, the agencies involved feel that the Budget and Control Board may wish to review policy in this matter.

VIII. Use of State Land

- ok
revert for public use & 6 1/2% increase on water*
- A. The Town of Pine Ridge wishes to purchase 1 3/4 acres of the Camp Styx property in Lexington County. This is a remainder parcel bounded by three streets. The property was appraised at \$ 5,000 in January, 1968. The Town of Pine Ridge wishes to pay for the property \$ 1,000 now, \$ 2,000 January 1, 1969 and \$ 2,000 January 1, 1970 with the deed to be delivered upon completion of payment. It is requested that the Board review this offer.

carry over pending determination June

B. The Town of Springdale requests free use of an area of state-owned property at the corner of Platt Springs and Ermine Roads in Lexington County for recreational purposes. A portion of this tract was recently sold for industrial development. In view of the fact that it has been necessary to deny requests from Boy Scouts and other groups in this area it is recommended that the Board deny this request.

IX. Fire Marshal Advisory Committee

ok

In connection with a non-compliance case in Myrtle Beach, the Office of the Attorney General experienced difficulty in obtaining compliance because of the wording of Section 37-82.2. The Fire Marshal Advisory Committee, after reviewing the statute and discussing it with the Office of the Attorney General, recommends that the State Fire Marshal and the Division of General Services be authorized to request an amendment which will provide for injunctive relief rather than the present method of obtaining compliance.

X. Disposition of Records

ok

The Departments involved, the Records Center and the Department of Archives and History recommend destruction of the following records:

	<u>Cubic Feet</u>
Purchasing	57
Dept. of Agriculture	16
State Treasurer	7.5
Comptroller General	139.5

XI. Space Assignment and Relocation of Departments

The Comptroller General and the State Treasurer will require additional space to relieve crowded conditions and to provide for operation of a computer system. The Public Service Commission is presently cramped and a new function will be added within the near future.

ok

Space is available through April, 1970 in the Owen Building and \$ 75,473.62 is available for transfer. While this could provide for rent for the remainder of this year and renovations to the Owen Building and moving expenses of the Public Service Commission it would not leave any funds for a renovation of the third floor of the Hampton Building for the Comptroller. This area was not renovated when other portions of the building were prepared for new occupants.

XII. Sale of Vehicle

ok

Wildlife Department Director James W. Webb, requests authorization to sell a 19 1/2 Ford to retiring employee W. L. Hill at its depreciated value. It is recommended that the Board approve this transaction.

XIII. Purchase of Vehicles

Department of Corrections - Exchange 1967 Chrysler New Yorker (35,000 miles as of 7/11/ 8) for 1969 model.

It is recommended that the Board approve exchange for a vehicle in the Chrysler Newport and Buick La Sabre class.

University of South Carolina

One Plymouth sedan exchange for 1962 model

One station wagon additional for motor pool

Two sedans additional for security

Citadel

Two sedans additional for motor pool and security

One station wagon exchange for 1963 model

Educational Television

Two sedans additional for area personnel

INTERIM ACTION

S. C. Department of Mental Health

Seven 1968 Ford 4-door sedan Custom 500 exchange for older vehicles

Civil Defense Agency

One 1968 Chevrolet Elcayne station wagon exchange for 1962 Falcon.

University of South Carolina

One 1968 Fiat 124 station wagon additional for janitorial services

One 1969 Ford Chateau wagon - 12 passenger additional for motor pool

S. C. Department of Corrections

One 1968 Chevrolet exchange - Warden J. W. Strickland

Vocational Rehabilitation

One 1968 Chevrolet station wagon exchange for 1962 model -Palmetto Alcoholic Center

Industrial Commission

One 1968 Chevrolet Elcayne exchange for 1963 Rambler for L. L. McKenzie, Director, State Workmen's Compensation Fund

State Ports Authority

One 1968 Plymouth Fury II additional for public relations department pool

Department of Education

Purchase one \$ 65 Multilith Offset Press

Office Space

The ABC Board moved from 1300 Pickens Street to 1700 Cervaie Street for more adequate space. Funds were available for this relocation.

Nourishment of Beach - Hilton Head Island

A permit was issued for the nourishment of an area of the beach at Hilton Head Island to Palmetto Dunes Development Corporation. Plans were reviewed and approved by the Wildlife Department, Water Resources Commission and the State Highway Department.

A permit was granted to the Department of Navy for field maneuvers in Beaufort, Charleston and Colleton counties.

It is recommended that the Board approve the above listed actions.

ADDENDA

- APPROVED
- I. The General Services Administration has offered the State of South Carolina 213.88 acres of land being released from the Cape Romain Wildlife Refuge for the sum of \$ 975.00. It is recommended that the Board approve the use of this amount from the Ordinary Sinking Fund for the purchase of this land.

The Ordinary Sinking Fund is the depository for funds resulting from sale of surplus land and personal property.

- II. State A & M College requests authorization to purchase an activities bus for approximately \$ 43,000.00. The Board passed over this item since there is no policy for State purchase of equipment of this kind. State institutions normally purchase such equipment with non- appropriated funds.

DIVISION OF GENERAL SERVICES
STATE BUDGET AND CONTROL BOARD
DATA PROCESSING
PROPOSED BUDGET 1968-69

8-15-68
JRT

	<u>Appropriation 1968-69</u>	<u>Other Funds</u>	<u>Total</u>
A - 1 Salaries			
Assistant Director (DP Mgr)		1 000 00	1 000 00
Systems Analysts 3	9 500 00	19 200 00	28 700 00
Programmers 5		34 300 00	34 300 00
Computer Operators 3	18 800 00		18 800 00
Key Punch Operators 5	22 500 00		22 500 00
Clerks 3		13 200 00	13 200 00
A - 3 Temporary Help		5 000 00	5 000 00
Freight		1 000 00	1 000 00
Contractual Services			
Dept. of Corrections		10 000 00	10 000 00
Repairs		500 00	500 00
Supplies		27 000 00	27 000 00
Rent IBM	36 000 00	114 000 00	150 000 00
Equipment		20 000 00	20 000 00
Special Projects		37 000 00	37 000 00
	86 800 00	282 200 00	369 000 00

Source of Funds 1968-69

Appropriation-General Services	86 800 00
Central Voter Registration and Election System*	170 000 00
Centrex Telephone System	15 000 00
Saleable Lists	5 000 00
Agriculture Department	2 500 00
Blind Commission	2 500 00
Wildlife Department	
Boating Division	5 000 00
Game Division-Fish	5 000 00
Probation, Pardon and Parole Board	1 500 00
Beaufort County	3 000 00
Insurance Department	5 000 00
Greenville County Health Department	7 000 00
Cash-State Treasurer July 1, 1968	61 138 06
Total	369 438 06

* In order to assure the power both as to computer hardware and personnel capability for the continuing successful operation of the State's Central Voter Registration and Election System the entire amount of \$170,00 appropriated to the Secretary of State's Office will be required on a year to year basis. As the systems and programming become more refined and routine, a portion of this power may be available for special projects involving other state agencies.

E N D