

MINUTES OF BUDGET AND CONTROL BOARD MEETING

JUNE 6, 1961

- o -

The State Budget and Control Board met in the Governor's Office at 3:00 P. M. on June 6, 1961. All members of the Board except Senator Edgar A. Brown were present at this meeting.

The Board had before it a request from the Commissioner of Agriculture for an allotment of \$22,500.00 from the 1961-1962 Civil Contingent Fund for the employment of three auditors and their expense costs, to be used in auditing the records of out-of-state manufacturers of feed mixtures. The Board declined to approve this request at this meeting.

There was before the Board a request for a \$15,000.00 allotment from the Civil Contingent Fund to be used in research work to discover the cause and a cure for a disease which is at present threatening the peach orchards of the State. At the request of Governor Hollings this matter was turned over to him without action, the Governor stating that he wished to discuss the matter further with the President of Clemson College.

A request from Clemson College for an allotment of \$14,500.00 from the fund appropriated for An Expanded Program of Research, for the purpose of setting up a research project through the Chemical Engineering Research Department, was ordered submitted to the Director of the State Development Board for his recommendation as to the priority of such a project.

The following resolution was adopted by the Board:

"That the State Ports Authority, with the approval of the State Budget and Control Board, is hereby authorized to issue revenue bonds, according to the terms and conditions of Section 54-61, Code of Laws, 1952, for the construction of additional facilities when it can be determined that such facility can be leased, or otherwise managed, so that the revenue derived from it will be sufficient to liquidate the bonds, and interest charges thereon, within a period of time not to exceed twenty years; together with all other costs to the Authority incident to the operation of the facility, and a reasonable profit to the Authority during the period of the lease or agreement. Provided, that not more than \$5,000,000.00 of such bonds be outstanding at any time."

The following resolution was adopted by the Board:

"Resolved, That the State Treasurer may invest in his discretion in insured Building and Loan Associations and insured Savings and Loan Associations not to exceed the amount of Ten Thousand Dollars (\$10,000.00) in each Association. Provided, That no federal funds may be invested and that all interest from such investments shall be credited to the General Fund."

A request by Mr. E. H. Talbert, Director of the Surplus Property Procurement Division, for authority to erect two buildings to house surplus property, at an estimated cost of \$180,000.00, to be paid for from the Surplus Property Revolving Fund, was deferred for further study.

The Board agreed to the transfer of the sum of \$18,860.00 from the Income Tax Revenue to the State Treasurer's office to cover additional expense in the State Treasurer's office during the year 1961-1962, because of the additional expense entailed there by the withholding of income tax.

The Board agreed to allot to the State Auditor's office approximately \$2,500.00 from the current year Civil Contingent Fund for the purchase of additional equipment.

The Board agreed to permit the Director of the State Dairy Commission to supplement his own salary by the amount of \$1,000.00, and that of his supervising auditor by the amount of \$1,640.00, from funds which are assessed by law against milk producers in the State.

The Board agreed to go along with the judgement of the State Auditor in approving salaries for the fiscal year 1961-1962, except that unusual increases requested for key individuals in any of the departments or institutions would be brought to the attention of the Board.

The Board agreed to a plan submitted by the Director of the Sinking Funds and Property Division involving reinsurance of all risks carried by the Division in its insurance business, with a \$250,000.00 deductible clause and further involving a reduction in premiums charged to owners of such risks.

The Board assigned to Governor Hollings and the Director of the Sinking

Funds and Property Division the matter of the sale of certain lands at the Camp Styx area to the Pennsylvania Glass and Sand Corporation, this concern having changed its location plans within the area. This Committee was authorized to act on the matter according to its best judgement as to the price of the tract of land desired by the corporation.

There being no further business the Board adjourned.



STATE OF SOUTH CAROLINA
OFFICE OF THE STATE AUDITOR
P. O. BOX 333
COLUMBIA

J. M. SMITH
STATE AUDITOR

July 21, 1961

OK - [Signature]

Honorable Ernest F. Hollings
Honorable Jeff B. Bates
Honorable Edgar A. Brown
Honorable E. C. Rhodes
Honorable R. J. Aycock

Gentlemen:

On May 25, 1961, the Board authorized the State Hospital to issue \$3,000,000.00 in bonds against the revenue from pay patients.

Dr. Hall wishes to get this authorization increased to \$3,500,000.00 so he can go ahead with two or three small projects which are needed immediately.

On the basis of last year's receipts the revenue from pay patients is more than ample to take care of a \$3,500,000.00 issue, and in addition to this, the hospital has accumulated some \$700,000.00 since this revenue was authorized to be pledged, all of which can be used to retire any bonds issued under the authorization.

I feel sure that it would be all right to increase the authorization to \$3,500,000.00, and unless there is some objection I shall so advise Dr. Hall in order that he may go ahead with the few small projects he wishes to undertake immediately.

Very truly yours,

[Signature]

J. M. Smith
State Auditor

JMS:vl

*No objection was filed by
either Board members*

JMS



1562

E N D

END OF FISCAL YEAR 1960-61