

MINUTES OF  
BUDGET AND CONTROL BOARD  
MEETING

October 7, 1986

State of South Carolina  
State Budget and Control Board

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



Box 12444  
Columbia  
29211

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

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

October 7, 1986

MEMORANDUM

TO: Budget and Control Board Division Directors  
FROM: William A. McInnis, Deputy Executive Director  
SUBJECT: Summary of Board Actions at October 7, 1986 Meeting *WAM*

This listing of actions is not the minutes of the referenced meeting. It is an unofficial (meaning it has not been approved by the Board) summary of the Board actions taken at that meeting. The minutes of the meeting are presented in a separate, much more detailed document which becomes official when approved by the Board at a subsequent meeting.

1. On the occasion of the unexpected and sudden death of Board member Tom Gibson Mangum on Saturday, October 4, 1986, adopted a resolution expressing appreciation for his years of service to South Carolina, mourning his passing and the loss it represents, and extending its deepest sympathy to his wife and family;
2. Received as information a report on the receipt and disbursement of funds received pursuant to the provisions of Act 540 of 1986, Part II, Section 15 (Low Level Radioactive Waste Surcharge) as of August 31, 1986;
3. Approved the following right-of-way easements:
  - (a) To MCI Telecommunications Corporation to install, operate and maintain a subaqueous fiber optic cable across the South Fork Edisto River adjacent to the SCLRR trestle crossing connecting Orangeburg and Bamberg Counties; and
  - (b) To Spartanburg Sanitary Sewer District to construct, operate and maintain an aerial sewer line across Lawson Fork Creek in Spartanburg County;
4. Received as information a Budget Division report that 2 transfers of State personal service funds to other operating expenses totalling \$118,335 were authorized during September and that a total of 6 transfers totalling \$238,616 (\$106,423 State, \$16,193 federal, and \$116,000 other) of 1986-87 personal service funds had been authorized;

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5. Received as information the FTE position operating report for the month of September 1986 which showed no net change during the month, resulting in the total authorized position base at September 30, 1986, of 65,031.48 of which 58,766.89 positions were filled and 6,264.59 were vacant;
6. Received as information a report that the following permanent improvement project actions had been reviewed favorably by the Joint Bond Review Committee and approved by staff:
  - On Summary 5-87: Items 1 through 3 and 6 (involving Clemson, TEC, Mental Health, and Wildlife & Marine Resources);
  - On Summary 6-87: Items 1 and 2 (involving USC and Agriculture);
7. Received as information a report that the following permanent improvement project actions had been approved by staff and that Joint Bond Review Committee review is not required:
  - On Summary 5-87: Items 7 through 14 (involving Citadel, Clemson, TEC, School for Deaf & Blind, Corrections and Agriculture);
8. Received as information reports on the reimbursement of interviewee travel expenses by Francis Marion College (2) and Clemson University (9);
9. Approved the minutes of the September 16, 17, 18, and 19, 1986, Budget and Control Board meetings;
10. Asked Executive Director Coles to advise some twenty members of the General Assembly who had asked the Board to break the Board's lease on 135,000 square feet of space in the AT&T Building that the Board considers the lease to be a legally binding agreement entered into after months of serious negotiation;
11. Heard a request by the Statewide Health Coordinating Council for supplemental funding to replace federal funds to support health planning efforts;
12. Certified 9,212 as the safe and reasonable operating capacity of facilities of the Department of Corrections effective October 1, 1986;
13. Was advised that first quarter revenue collections information will be available for submission at the October 21 Board meeting, after reviewing various Appropriations Act provisos relating to the quarterly revenue forecast process;
14. Approved payment of 95% (\$689,244.95) of the 1986-87 appropriation to the planning districts as follows: Appalachian, \$121,881.20; Upper Savannah, \$53,688.30; Catawba, \$58,856.30; Central Midlands, \$85,466.75; Lower Savannah, \$61,296.70; Santee-Lynches, \$53,632.25; Pee Dee, \$68,456.05; Waccamaw, \$54,565.15; Berkeley-Charleston-Dorchester, \$81,981.20; Low Country, \$48,791.05;

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15. Authorized the Department of Education to transfer and use \$26,230 of EIA Teacher Loan funds to cover the cost of administering a federal grant (Carl D. Perkins scholarship program) which will provide additional student loan funding;
16. Allocated \$12,500 from the Civil Contingent Fund to the Florence Crittenton Program for its operation;
17. Adopted resolutions approving the Sumter County proposal to issue \$2,700,000 Industrial Revenue Note on behalf of the MetoKote Corporation and the Pickens/Richland Counties proposal to issue \$25,000,000 Hospital Revenue Refunding Bonds on behalf of the South Carolina Baptist Hospital project, on the condition that the required reviews are completed with satisfactory results; allocated a portion of the State Ceiling to the MetoKote project; and received as information the status report on the State Ceiling;
18. Adopted resolutions approving the issuance of Agricultural Development Revenue Bonds by the Family Farm Development Authority for (a) Alton J. Barnett, Jr., \$130,000, and (b) Vince Timpson Arrington, \$190,000, on the condition that the Attorney General's Office review is completed with satisfactory results; and allocated a portion of the state ceiling to both projects;
19. Approved a permanent improvement project establishment request of the Department of Youth Services for the roof replacements--phase III project (Summary 5-87, item 5), to be financed by State-appropriated funds;
20. Approved the Orangeburg-Calhoun Technical College request that Projects H59-7369 and H59-8429 be considered in the aggregate for the purpose of meeting the 20% local area matching requirement;
21. Approved a Petition to the City of Folly Beach to annex a marsh area bounded by Folly Road (Hwy. 171), Sol Legare Island, and the Stono River so the City can preserve the water quality and the aesthetic beauty of the marsh area near Folly Island;
22. Approved a University of South Carolina request for blanket approval of the travel of approximately twelve faculty/staff members from the College of Health who will be participating in the Vector Control Project in the Dominican Republic during the September 11, 1986 - September 11, 1989, period;
23. Agreed to hold a regular meeting at 10 a.m. on Tuesday, October 21, 1986, in the Governor's conference room in the State House;

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24. Approved salaries in excess of 97% of the USC President's salary for 28 unclassified USC employees;
25. Asked staff to develop for consideration by the Board at a future meeting a policy on surplus property sales to departing employees which is strict and clear and which considers length of service and salary level of employees;
26. Ratified actions taken during executive session;
27. Adjourned the meeting in the memory of fellow Board member Tom G. Mangum who died on Saturday, October 4.

WAM:dw

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MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

OCTOBER 7, 1986

10 A. M.

The Budget and Control Board met at 10 a.m. on Tuesday, October 7, 1986, in the Governor's Office conference room in the State House with the following members in attendance:

Governor Richard W. Riley, Chairman;  
Mr. Grady L. Patterson, Jr., State Treasurer;  
Mr. Earle E. Morris, Jr., Comptroller General;  
Senator Rembert C. Dennis, Chairman, Senate Finance Committee.

Representative T. W. Edwards, Vice Chairman of the House Ways and Means Committee, also attended the meeting.

Also attending were:

Jesse A. Coles, Jr., Ph.D.	Executive Director
William A. McInnis	Secretary
E. A. Laurent, Ph.D.	Deputy Executive Director
Katherine M. Hepfer	Governor's Executive Assistant
Joseph A. Wilson, II	Chief Deputy Attorney General
Charles H. Smith	Special Projects Administrator
Donna K. Williams	Assistant to Board Secretary
Other Board staff	

**Memorial Resolution on Death of Board Member Tom Gibson Mangum**

[Secretary's Note: Board member and Chairman of the House Ways and Means Committee Tom G. Mangum died Saturday, October 4, 1986, in Lancaster. His chair at the conference table was draped in black throughout the meeting.]

Governor Riley noted that, after he had discussed with other Board members whether to hold this meeting in view of Mr. Mangum's death, he had concluded that it would be appropriate to do so.

Governor Riley then read the following Resolution which he asked the Board to consider:

WHEREAS, fellow Budget and Control Board member Tom Gibson Mangum died suddenly and unexpectedly in Lancaster as a result of a massive heart attack on Saturday, October 4, 1986;

WHEREAS, it was somehow fitting that, like many South Carolinians, some of us first learned of his death when it was announced just prior to the football game in Columbia between the University of Nebraska and the University of South Carolina because he attended USC and because, in April of this year, a scholarship endowment fund was established in his name in recognition of his support of that institution and, especially, the development of its Lancaster campus;

WHEREAS, Tom was serving in his ninth year as a member of the Budget and Control Board, having attended his first Board

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meeting as a member in March of 1977, after his election as Chairman of the House Ways and Means Committee;

WHEREAS, he was a conscientious Board member who was respected for his understanding of the State budget and for his careful and practical approach to the State's financial matters whose counsel in these areas will be missed;

WHEREAS, "Mr. Chairman" was in his thirtieth year as a member of the House of Representatives, having served from 1955 through 1958 and then continuously since 1961;

WHEREAS, during his public service career he also served on numerous important committees of the General Assembly including especially in more recent years the Joint Bond Review Committee and the Joint Appropriations Review Committee; and

WHEREAS, the State of South Carolina paid its respects to Chairman Mangum in services held yesterday in Lancaster.

NOW, THEREFORE, BE IT RESOLVED that the State Budget and Control Board, on the occasion of the death of fellow Board member Tom Gibson Mangum, acting for itself and on behalf of the people of South Carolina, expresses appreciation for his years of service to South Carolina, mourns his passing and the loss it represents to each of us and extends its deepest sympathy to Louise, his wife of forty-seven years, and to his entire family.

Upon a motion by Mr. Patterson, seconded by Senator Dennis, the Board, on the occasion of the unexpected and sudden death of Board member Tom Gibson Mangum on Saturday, October 4, 1986, adopted the referenced resolution expressing appreciation for his years of service to South Carolina, mourning his passing and the loss it represents, and extending its deepest sympathy to his wife and family.

Mr. Patterson stated that Tom Mangum believed in fiscal responsibility, in fiscal disciplines and in living within our means. He said that Mr. Mangum was a kind, sensitive and compassionate man who had rendered great public service to South Carolina and who will be long remembered.

Mr. Morris expressed sorrow at the thought of turning, for the first time in nine years, and not seeing Tom Mangum to his left. He described Mr. Mangum as a quiet, modest and unassuming man who was a giant in public service. He also said Mr. Mangum was a rock of reliability and a pillar of principle who will be missed greatly.

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Senator Dennis said he had a great feeling of loss coming into the conference room today knowing that Tom Mangum was not present. He said he had lost a very valued and beloved personal friend and that South Carolina had lost a great public servant. Senator Dennis recalled having served with Mr. Mangum on many conference committees and said that he had always found Tom Mangum to be a very diligent protector of the taxpayer's dollars. He expressed the view that Mr. Mangum had had a lot to do with the State's conservative fiscal policies and that his real value to the State has never been publicized. Senator Dennis described Mr. Mangum as a great legislator and a fine gentleman.

Governor Riley recognized Representative T. W. Edwards, vice chairman of the House Ways and Means Committee, and expressed appreciation for his attendance.

Mr. Edwards said this is a difficult time for him. He observed that he sits in a very big seat and that he has very big shoes to follow. On behalf of the members of the Ways and Means Committee and its staff, he said that they had lost a great friend and a great leader they had depended on for his knowledge of the budget and of the fiscal affairs of the State. Mr. Edwards pledged his complete cooperation to the Board and concluded by noting that the show must go on.

Mr. Morris observed that it will take only one Board meeting for Mr. Edwards to really appreciate Tom Mangum.

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

**Blue Agenda**

Dr. Coles advised that there were six items included on the blue agenda relating to low-level radioactive waste surcharge funds, easements, authorized transfers, FTE positions, permanent improvement projects and interviewee travel expenses.

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

Blue agenda items are identified as such in these minutes.

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**State Treasurer: Low Level Radioactive Waste Surcharge Funds (Blue #1)**

The Board received as information a report on the receipt and disbursement of funds received pursuant to the provisions of Act 540 of 1986, Part II, Section 15 (Low Level Radioactive Waste Surcharge) as of August 31, 1986.

Governor Riley noted that the figures involved are very significant (\$904,891 to the General Fund for 1985-86 and \$631,907 to the General Fund for July and August of 1986-87). Governor Riley asked that the Board be kept well-informed on the receipt and disbursements of the low-level radioactive waste surcharge funds.

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

**General Services: Right-of-way Easements (Blue Agenda #2)**

The Division of General Services recommended approval of the following right-of-way easements which have been approved by the Attorney General's Office:

- (a) To MCI Telecommunications Corporation to install, operate and maintain a subaqueous fiber optic cable across the South Fork Edisto River adjacent to the SCLRR trestle crossing connecting Orangeburg and Bamberg Counties (\$4.68 has been paid for the use of the 0.02 acre); and
- (b) To Spartanburg Sanitary Sewer District to construct, operate and maintain an aerial sewer line across Lawson Fork Creek in Spartanburg County.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved the following right-of-way easements: (a) To MCI Telecommunications Corporation to install, operate and maintain a subaqueous fiber optic cable across the South Fork Edisto River adjacent to the SCLRR trestle crossing connecting Orangeburg and Bamberg Counties; and (b) To Spartanburg Sanitary Sewer District to construct, operate and maintain an aerial sewer line across Lawson Fork Creek in Spartanburg County.

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

**Budget Division: 1986-87 Authorized Transfers Report, September (Blue #3)**

The Board received as information a Budget Division report that 2 transfers of State personal service funds to other operating expenses totalling \$118,335 were authorized during September and that a total of 6 transfers totalling \$238,616 (\$106,423 State, \$16,193 federal, and \$116,000 other) of 1986-87 personal service funds had been authorized.

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

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

The Board received as information the FTE position operating report for the month of September 1986 which showed no net change during the month, resulting in the total authorized position base at September 30, 1986, of 65,031.48 of which 58,766.89 positions were filled and 6,264.59 were vacant.

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

**Executive Director: Permanent Improvement Projects (Blue Agenda #5)**

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

On Summary 5-87: Items 1 through 3 and 6 (involving Clemson, TEC, Mental Health, and Wildlife & Marine Resources);

On Summary 6-87: Items 1 and 2 (involving USC and Agriculture).

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

On Summary 5-87: Items 7 through 14 (involving Citadel, Clemson, TEC, School for Deaf & Blind, Corrections and Agriculture).

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

**Executive Director: Interviewee Travel Expense Reimbursement (Blue #6)**

The Board received as information reports on the reimbursement of interviewee travel expenses by Francis Marion College (2) and Clemson University (9).

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

**AT&T Building Lease (Addendum)**

Governor Riley said that he had received a letter from twenty Republican members of the General Assembly which, in strong terms, calls on the Board to break the lease entered into for space in the AT&T Building. He said he had asked the Board's former executive director, Mr. William T. Putnam, recently retired from State service, to review generally and briefly what had transpired in connection with that lease. He described the letter as being "right strong" from members of the legislature.

Mr. Putnam said that, in the summer of 1984, the Development Properties, Inc. (DPI) firm determined it would build an office building and that the firm had approached the Division of General Services to ask if the State were interested in leasing 200,000 square feet in the building. The idea then was for General Services to lease that much space and sublease it to other State agencies. He noted that, at the time, discussions on the Mt. Vernon Mill and Robert Mills projects were underway.

He said that General Services brought the DPI question to the Board and that the Board took no action on it other than to ask General Services to look into the idea and to give others an opportunity to make presentations if they were interested.

Mr. Putnam said the Board asked staff for information on the office space rental situation in the Columbia area. He stated that a lengthy discussion of the rental space situation in Columbia took place at the October 23, 1984, meeting which he said was liberally covered by news media representatives. Mr. Putnam said that the Board again took no action on the matter other than to ask staff to pursue all proposals offered.

Mr. Putnam stated that staff over the next few months received seven formal proposals to provide space for State agencies. He advised Mr.

Patterson that the State then owned about 1.4 million square feet of office space and leased over 500,000 square feet of commercial office space. He said additional requests for space called for more office space than would be provided in the Mt. Vernon Mill and the Robert Mills Building which meant that the State would still have been leasing over 500,000 square feet of space after those two projects were occupied.

With regard to the seven proposals, Mr. Putnam said one of them was for a very short term and a small amount of space and that it was not competitive. He said the other six were lease purchase or lease proposals at different locations. He said most called for the State to lease entire buildings for prolonged periods and then sublet to other agencies. He noted that staff had recommended rejecting the idea of the Board acting as a prime lessee because of the involvement on that basis at the time with the Mt. Vernon and Robert Mills projects and because the picture had changed (with the PSC asking to remain where it was located and the Adjutant General's Office asking to move out of the Dennis Building). He observed that staff felt then was not a propitious time for the Board to be a prime lessee.

Mr. Putnam then recalled, when the Board's Office of Executive Director was organized eight years ago, that the desire was to pull Board divisions together into one unit. He recalled he had advised the Board then that two things were needed. The first of these cited by Mr. Putnam was the pulling together of the administrative operations (budgeting, accounting, etc.) which he reported now has been done. The second cited by Mr. Putnam was getting the Board's administrative functions which were in twelve different locations (7 in commercial space) into close physical proximity.

Mr. Putnam indicated that he felt that the AT&T Building (DPI, Inc., proposal) represented a prime opportunity to pull the Board's operations (which occupied about 186,000 square feet) together.

He stated that he had recommended in February of 1985 that the Board reject the idea of leasing space for subleasing to others. He also said he recommended then that, because of its location and because of rents he felt were competitive, the Board lease between 135,000 and 150,000 square feet of space in the DPI, Inc., building for use by Board divisions.

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Mr. Putnam noted that the Board had concurred in his recommendation but it had limited the space to be leased for Board use to 135,000 square feet. He said that the cost for the first two years, under the agreement negotiated, is \$13.75 per square foot and that the average per square foot cost over the 10-year lease period cannot exceed \$17.50. He noted the initial rental rate is less than other comparable space.

Mr. Putnam stated that he felt the Board's lease agreement on the AT&T Building space was a good arrangement at the time he recommended it and that he feels that same way about it now. He expressed the strong belief that the rental rate in the agreement is competitive and that it will prove to be so over the 10-year lease term. He again stressed the opportunity that agreement gave to the Board to enhance its operations by pulling its several administrative units together.

Governor Riley noted that Board minutes indicate that the matter was discussed in numerous meetings and that final approval was given at the June 25, 1985, meeting.

Mr. Putnam stated that it takes a while to hammer out the details of a lease. He said the Board authorized General Services in February of 1985 to work out the details. He also pointed out that leases normally do not come to the Board for approval and that this one did because it was a Board lease for Board staff making it the Board's internal business.

Governor Riley then recalled that Springs Mills had submitted a very appealing proposal as one of the seven considered.

Mr. Putnam reminded the Board that the Springs proposal, which was a financing proposal for a building on State property, was withdrawn well before detailed negotiations were reached. He noted that it was one of two proposals to build on State land. The other one, he said, was not an attractive proposal.

Mr. Morris observed that the State faced then and faces now a need for additional space. He noted no great acclaim for more State buildings. He expressed the view that renting space is the better way. He also noted that the Board rented 135,000 square feet in the AT&T Building and that other space for State agencies was leased by them.

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Mr. Putnam pointed out that other agencies decided on their own to lease space in the AT&T Building but that ultimately their leases are negotiated and approved by General Services.

Mr. Morris noted that it would be interesting to see the number of firms leasing space to State agencies in and around Columbia and he asked that this information be made available.

Mr. Putnam said that the information desired by Mr. Morris very definitely is available. He noted that some agencies need very specific locations and he stated that he wouldn't imagine anybody arguing that the Board's staff did not belong in the Capitol Complex.

Governor Riley noted that issues of privatization are involved but he said he felt that politics were involved in the letter from Republican members of the General Assembly. He noted that those who signed the letter had a great opportunity, if they were so concerned about this sort of thing, to have voted to uphold instead of of override his vetoes of \$97 million of bond projects all around the State and, in that way, to save \$97 million plus interest. He and Mr. Patterson also commented that comparing the rental charge on State-owned space and commercial space is very misleading because the State space cost is not set at the market.

Governor Riley then expressed the view that candidates owe it to citizens to keep politics out of these sorts of matters. He noted again that the letter from the 20 General Assembly members asked that the Board break its lease on the AT&T Building space. He also said that he thought it would be irresponsible for the State to break that lease which was entered into after months of negotiation.

In response to Mr. Morris' question about any grounds for breaking the lease, Mr. Wilson said he knew of no grounds for doing so and that the Board would be potentially liable for breach of contract if it did so on that basis.

Governor Riley suggested that the Board ask Dr. Coles to respond to the letter and advise the writers that entering the lease agreement was a studied judgment by the Board and that it would be irresponsible for the Board to attempt to break a legally binding lease which was entered into after months of serious negotiations.

Senator Dennis noted that he could stay out of this discussion since he was away during most of the negotiations although he said he was advised of it while it was in process and that he knew of the June 1985 decision of the Board. He said he felt it was a good proposition then and now. Senator Dennis went on to respectfully suggest to his colleagues that the worst thing for the State would be that it not have any regard for contracts. He expressed surprise at the temerity of the authors of the letter, which included some are lawyers, to suggest that the State break this lease contract. He described the suggestion as being absolutely ridiculous and characterized it as political poppycock.

Following this discussion, upon a motion by Senator Dennis, seconded by Mr. Patterson, the Board asked Executive Director Coles to advise some twenty members of the General Assembly who had asked the Board to break the Board's lease on 135,000 square feet of space in the AT&T Building that the Board considers the lease to be a legally binding agreement entered into after months of serious negotiation.

Mr. Morris asked again that the Board be provided with a list of agencies occupying rental space in the Columbia area.

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

**Budget and Control Board: Minutes of Previous Meetings (Regular #1)**

The Board was provided with a draft version of the minutes of meetings held on September 16, 17, 18 and 19, 1986.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved the minutes of the September 16, 17, 18, and 19, 1986, Budget and Control Board meetings.

**Statewide Health Coordinating Council: 1987-88 Supplemental Funding (R#2)**

Chairman Edwin R. Mohrmann of the S. C. Statewide Health Coordinating Council appeared before the Board on this matter.

In a letter to Dr. Coles, Mr. Mohrmann requested \$800,000 in supplemental funding for fiscal year 1987-88 to allow continuation of State and local health planning efforts for the remainder of that fiscal year after federal funds for this purpose are no longer available.

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Mr. Mohrmann suggested in his letter that the supplemental funding needed for health planning could be obtained by reallocating funds of health-related State agencies such as the Governor's Office, Health and Environmental Control, Health and Human Services Finance Commission, Mental Health, Mental Retardation, Social Services, and Commission on Aging.

At the meeting, Mr. Mohrmann stated that the supplemental funds are needed before June of 1987, the end of the current year, or the health planning efforts in South Carolina will be out of business.

Governor Riley expressed appreciation for the planning efforts by groups represented by Mr. Mohrmann, saying the State has profited from their work. He observed that this federal funds cutoff is a major occurrence of the sort to be expected more under Gramm-Rudman-Hollings. He also expressed doubt the Board could decide on the request today.

Dr. Coles recommended that the request be referred to Dr. Holmes and the Budget Division. He noted that the agencies Mr. Mohrmann suggested seeking funds from for reallocation face the same problem as that which confronts health planning.

Governor Riley asked that the whole situation be analyzed and Mr. Morris asked who would do the health planning if the agencies represented by Mr. Mohrmann were to go out of business.

Following this discussion, the Board received as information and referred to the State Budget Division for further study a request by the Statewide Health Coordinating Council for supplemental funding to replace federal funds to support health planning efforts.

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

**Department of Corrections: Safe and Reasonable Operating Capacity (Re #3)**

The Board was advised that the Department of Corrections certified that the safe and reasonable operating capacity of its facilities has increased from 8,414 to 9,212 effective October 1, 1986.

The Department advised that this 798-bed increase is a result of the opening of 318 additional beds at Lieber Correctional Institution (for a total there of 696 beds) and the addition of five 96-bed temporary barracks that are located at Goodman, Manning, MacDougall, Northside and Walden.

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The Department noted that the continued use of the barracks is subject to court rulings.

As of October 1, 10,147 inmates were housed in Department of Corrections institutions. The number on September 30 was 10,225, an all-time high. On October 2, the number in SCDC facilities was 9,884. End-of-month releases account for the declines, according to Corrections officials, who say that these inmate population swings can reach 600 or so.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board certified 9,212 as the safe and reasonable operating capacity of facilities of the Department of Corrections effective October 1, 1986.

Information relating to this matter has been retained in these files and is identified as Exhibit 10.

**Budget Division: First Quarter Revenue Collections (Regular #4)**

The Board was advised in the agenda materials that revenue collections information for the first quarter of the fiscal year would be presented at the meeting if available.

Dr. Coles advised the Board that various parts of the Appropriations Act will have to be considered when the revenue information is available. He noted the following, in particular:

- (1) Part II, Section 46, which requires the Board to take action to avoid a year-end deficit within fifteen days of its determination at the end of the first or second quarter that quarterly collections are 4% or more below the Board of Economic Advisors projections.
- (2) Part II, Section 47, which requires that the Capital Expenditure Fund be applied to any shortfall before any actions to reduce budgets (restrict rate of expenditure) are taken.
- (3) Part I, Section 135 and 144, which authorize the Board to restrict the rate of expenditure under certain circumstances.

Dr. Coles advised the Board that first quarter revenue collections information will be available for submission at the October 21 Board meeting after it reviewed various Appropriations Act provisos relating to the quarterly revenue forecast process.

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

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**Budget Division: 1986-87 Planning Districts Appropriation (Regular #5)**

Budget Division Director A. Baron Holmes, IV, appeared before the Board on this matter.

The Budget Division advised that the Councils of Governments have requested payment of the 1986-87 appropriated funds (\$725,521) for Aid to Planning Districts.

The Budget Division recommended allocating 95% of the appropriation at this time, as follows:

<u>District</u>	<u>100%</u>	<u>95%</u>
Appalachian	\$128,296.00	\$121,881.20
Upper Savannah	56,514.00	53,688.30
Catawba	61,954.00	58,856.30
Central Midlands	89,965.00	85,466.75
Lower Savannah	65,186.00	61,296.70
Santee-Lynches	56,455.00	53,632.25
Pee Dee	72,059.00	68,456.05
Waccamaw	57,437.00	54,565.15
Berkeley-Charleston-Dorchester	86,296.00	81,981.20
Low Country	<u>51,539.00</u>	<u>48,791.05</u>
Total	\$725,521.00	\$689,244.95

The Board was advised that a Section 125 proviso requires that, upon Board approval, the State Treasurer shall remit each planning district's share.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved payment of 95% (\$689,244.95) of the 1986-87 appropriation to the planning districts as follows: Appalachian, \$121,881.20; Upper Savannah, \$53,688.30; Catawba, \$58,856.30; Central Midlands, \$85,466.75; Lower Savannah, \$61,296.70; Santee-Lynches, \$53,632.25; Pee Dee, \$68,456.05; Waccamaw, \$54,565.15; Berkeley-Charleston-Dorchester, \$81,981.20; Low Country, \$48,791.05.

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

**Budget Division: Use of EIA Teacher Loan Funds (Regular #6)**

Budget Analyst Charles Case and Governor's Office staff member Terry Peterson appeared before the Board on this matter.

The Budget Division advised that the Department of Education has requested that it be allowed to use \$26,230 of Education Improvement Act (EIA) Teacher Loan funds to cover the cost of administering a federal grant. It pointed out that South Carolina could receive \$131,106 under the Carl D. Perkins scholarship program for outstanding students if the State would be responsible for the administrative cost projected at \$26,230.

The Division advised that the program is consistent with the EIA objectives and will provide additional student loan funding.

The Division also pointed out that this request is before the Board because the request is to change legislative intent with respect to the \$26,230. If the request is approved, a transfer of funds would have to be made.

Following a brief discussion, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board authorized the Department of Education to transfer and use \$26,230 of EIA Teacher Loan funds to cover the cost of administering a federal grant (Carl D. Perkins scholarship program) which will provide additional student loan funding.

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

**Budget Division: Civil Contingent Fund (Florence Crittenton Program) (R7)**

The Budget Division advised that the Florence Crittenton Program of South Carolina has requested a \$12,500 Civil Contingent Fund allocation for its operation. The Program is designed to provide a home for pregnant teenagers who need special placement.

The Division advised that the Program is experiencing severe financial difficulties and appears to be running a \$4,000 monthly deficit. The Program has increased its bank line of credit and has reduced current operating costs.

The Division pointed out that State contributions to the program were made as far back as 1945-46 (\$2,500) and as recently as 1981-82 (\$7,500). Since 1977, the Program has contracted with DSS, Youth Services, and the Health and Human Services Finance Commission to handle clients.

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The Division recommended approval of the request.

Dr. Coles reviewed the status of the Civil Contingent Fund. He noted that this request originally was for \$25,000.

Upon a motion by Mr. Morris, seconded by Senator Dennis, the Board allocated \$12,500 from the Civil Contingent Fund to the Florence Crittenton Program for its operation.

Governor Riley asked staff to be sure the funds go to South Carolina residents.

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

**Executive Director: Private Activity Bonds; Ceiling Allocation (R8)**

Board Secretary/Deputy Executive Director William A. McInnis appeared before the Board on this matter.

He advised that the required reviews on the following local government proposals to issue revenue bonds/notes have not yet been completed and asked that the Board grant conditional approval to both items.

He also advised that an allocation of a portion of the Ceiling is requested for item (a).

- (a) Issuing Authority: Sumter County  
 Amount of Issue: \$2,700,000 Industrial Revenue Note  
 Name of Project: MetoKote Corporation  
 Employment Impact: approximately 50  
 Project Description: Facility for chemical coating of component parts for automobiles, appliances and other manufactured products
  
- (b) Issuing Authority: Pickens County/Richland County  
 Amount of Issue: \$25,000,000 Hospital Revenue REFUNDING Bonds  
 Name of Project: South Carolina Baptist Hospital  
 Project Description: Refund outstanding revenue bonds; fund a reserve bond for Series 1986 bonds; pay cost of issuing 1986 bonds

The Board was also provided with a status report on the State Ceiling as of September 26, 1986, (year elapsed 74%) which showed:

	CY 1986 Ceiling	Allocated (%)	Not Allocated (%)
State Pool	\$200,820,000	\$ 8,830,000 (4%)	\$191,990,000 (96%)
Local Pool	301,230,000	132,352,670 (44%)	168,877,330 (56%)
Total	\$502,050,000	\$141,182,670 (28%)	\$360,867,330 (72%)

Minutes of State Budget and Control Board Meeting  
Regular Session -- October 7, 1986 -- Page 16

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Mr. McInnis advised the Board that the status report will be presented in a new format at the next meeting to show allocations and issues made after August 15, 1986.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board adopted resolutions approving the Sumter County proposal to issue \$2,700,000 Industrial Revenue Note on behalf of the MetroKote Corporation and the Pickens/Richland Counties proposal to issue \$25,000,000 Hospital Revenue Refunding Bonds on behalf of the South Carolina Baptist Hospital project, on the condition that the required reviews are completed with satisfactory results; allocated a portion of the State Ceiling to the MetroKote project; and received as information the status report on the State Ceiling.

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

**Family Farm Development Authority: Agricultural Development Bonds (R9)**

Board Secretary/Deputy Executive Director William A. McInnis appeared before the Board on this matter.

Mr. McInnis advised that the required reviews were incomplete on Family Farm Development Authority requests for Board approval of the issuance of Agricultural Development Revenue Bonds for the following projects and for an allocation of a portion of the State Ceiling for each. He recommended that the Board approve the following requests on the condition that the required review is completed with satisfactory results:

- |                    |  |
|--------------------|--|
| (1) Borrower:      | Alton J. Barnett, Jr.  |
| Principal Amount:  | \$130,000 Agricultural Development Revenue Bonds   |
| Purpose:           | Construction of 2 automated broiler houses   |
| Maturity Schedule: | 40 quarterly payments of principal in the amount of \$3,250 plus interest at a rate not to exceed 12%  |
| Bond Purchaser:    | NCNB South Carolina  |
| (2) Borrower:      | Vince Timpson Arrington  |
| Principal Amount:  | \$150,000 Agricultural Development Revenue Bonds   |
| Purpose:           | Construction of 2 automated broiler houses   |
| Maturity Schedule: | 40 quarterly payments of principal in the amount of \$3,750 plus interest at a rate not to exceed 12%. |
| Bond Purchaser:    | NCNB South Carolina  |

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Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board adopted resolutions approving the issuance of Agricultural Development Revenue Bonds by the Family Farm Development Authority for (a) Alton J. Barnett, Jr., \$130,000, and (b) Vince Timpson Arrington, \$190,000, on the condition that the Attorney General's Office review is completed with satisfactory results; and allocated a portion of the State ceiling to both projects.

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

**Executive Director: Permanent Improvement Projects (Regular #10)**

Board Secretary/Deputy Executive Director William A. McInnis appeared before the Board on this matter.

He advised that approval is requested for the following permanent improvement project establishment request which has been reviewed favorably by the Joint Bond Review Committee:

On Summary 5-87:

Item 5: Agency: Youth Services  
Project: Roof Replacements-Phase III  
Request: Establish project and budget  
Amount: \$300,000  
Source: Appropriated State funds  
Purpose: To replace older existing roofs on approximately 13 buildings and will help prevent further deterioration by protecting buildings from water damage.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved the permanent improvement project establishment request of the Department of Youth Services for the roof replacements--phase III project (Summary 5-87, item 5), to be financed by State-appropriated funds.

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

**Orangeburg-Calhoun TEC: Local Matching, Allied Health Center Project (R11)**

Board Secretary/Deputy Executive Director William A. McInnis appeared before the Board on this matter.

He advised the Board that Orangeburg-Calhoun Technical College is asking approval of the revision of the budget of its Medical Lab/Classroom Building

project (H59-8429). The proposal is to add the \$2,808,892 of capital improvement bond funds authorized in 1986 and released as a new start in Priority Group 9.

Mr. McInnis reported that the request also raises a question about the requirement that 20% of the cost of capital improvements be borne by the local area. He noted that the College makes the argument that this current project (H59-8429) is Phase II of what was considered originally as a single, larger project. He said the College also pointed out that the local area provided more than 20% of the cost of Phase I and that the overmatch there should be counted toward the 20% requirement on Phase II.

The project costs and sources of the two phases are:

	Phase I <u>Project H59-7369</u>	Phase II <u>Project H59-8429</u>	<u>Total</u>
State	\$1,000,000 (51.5%)	\$2,808,892 (97.8%)	\$3,808,892 (79.1%)
Local	<u>941,510 (48.5%)</u>	<u>63,510 ( 2.2%)</u>	<u>1,005,020 (20.9%)</u>
Total	\$1,941,510	\$2,872,402	\$4,813,912

The Board was advised that the documents submitted supported the contention that what turned into two phases was conceived originally as a single project.

Mr. McInnis pointed out that, in a somewhat similar situation at Florence-Darlington TEC a few years ago, the Board agreed that local overmatch on one project could be applied toward the 20% requirement of another project if the projects were closely related.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved the Orangeburg-Calhoun Technical College request that Projects H59-7369 and H59-8429 be considered in the aggregate for the purpose of meeting the 20% local area matching requirement.

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

**General Services: Petition for Annexation, Folly Beach (Regular #12)**

General Services Division Director Rick Kelly appeared before the Board on this matter which had been carried over at the September 23 meeting.

The City Council of Folly Beach requested that the Budget and Control Board approve a Petition to the City to annex a marsh area bounded by Folly Road (Hwy. 171), Sol Legare Island, and the Stono River so the City can preserve the water quality and the aesthetic beauty of the marsh area near Folly Island.

The State will retain full power to regulate the annexed property.

The Attorney General's Office has approved the proposed Petition.

Upon a motion by Mr. Patterson, seconded by Mr. Edwards, the Board approved a Petition to the City of Folly Beach to annex a marsh area bounded by Folly Road (Hwy. 171), Sol Legare Island, and the Stono River so the City can preserve the water quality and the aesthetic beauty of the marsh area near Folly Island.

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

**University of South Carolina: Foreign Travel Blanket Approval (Reg #13)**

The University of South Carolina requested blanket approval of the travel of approximately twelve faculty/staff members from the College of Health who are participating in the Vector Control Project in the Dominican Republic.

The University advised that the Vector Control Project was approved for grant funds by the Agency for International Development effective September 11, 1986, through September 11, 1989. All travel expenses will be paid by the grant, and no State funds will be involved.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved a University of South Carolina request for blanket approval of the travel of approximately twelve faculty/staff members from the College of Health who will be participating in the Vector Control Project in the Dominican Republic during the September 11, 1986 - September 11, 1989, period.

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

**Minutes of State Budget and Control Board Meeting**  
**Regular Session -- October 7, 1986 -- Page 20**

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**Budget and Control Board: Future Meeting (Regular #14)**

The Board agreed to hold a regular meeting at 10 a.m. on Tuesday, October 21, 1986, in the Governor's conference room in the State House.

**Executive Session**

Dr. Coles advised that two personnel items had been proposed for consideration during executive session.

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

**Ratification of Executive Session Actions**

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

- (1) Approved salaries in excess of 97% of the USC President's salary for 28 unclassified USC employees; and
- (2) Asked staff to develop for consideration by the Board at a future meeting a policy on surplus property sales to departing employees which is strict and clear and which considers length of service and salary level of employees.

**Adjournment**

Upon a motion by Mr. Patterson, seconded by Senator Dennis, the Board at 11:45 a.m. adjourned the meeting in the memory of fellow Board member Tom G. Mangum who died on Saturday, October 4, 1986.

[Secretary's Note: In compliance with Code §30-4-80, public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Press Secretary and in the Press Room in the State House, near the Board Secretary's office in the Wade Hampton Building, and in the lobby of the Wade Hampton Office Building at 2:30 p.m. on Friday, October 3, 1986.]

# EXHIBIT

OCT 7 1986 NO. 1

STATE BUDGET & CONTROL BOARD

## STATE BUDGET AND CONTROL BOARD

### A MEMORIAL RESOLUTION ON THE DEATH OF BOARD MEMBER TOM GIBSON MANGUM

WHEREAS, fellow Budget and Control Board member Tom Gibson Mangum died suddenly and unexpectedly in Lancaster as a result of a massive heart attack on Saturday, October 4, 1986;

WHEREAS, it was somehow fitting that, like many South Carolinians, some of us first learned of his death when it was announced just prior to the football game in Columbia between the University of Nebraska and the University of South Carolina because he attended USC and because, in April of this year, a scholarship endowment fund was established in his name in recognition of his support of that institution and, especially, the development of its Lancaster campus;

WHEREAS, Tom was serving in his ninth year as a member of the Budget and Control Board, having attended his first Board meeting as a member in March of 1977, after his election as Chairman of the House Ways and Means Committee;

WHEREAS, he was a conscientious Board member who was respected for his understanding of the State budget and for his careful and practical approach to the State's financial matters whose counsel in these areas will be missed;

WHEREAS, "Mr. Chairman" was in his thirtieth year as a member of the House of Representatives, having served from 1955 through 1958 and then continuously since 1961;

WHEREAS, during his public service career he also served on numerous important committees of the General Assembly including especially in more recent years the Joint Bond Review Committee and the Joint Appropriations Review Committee; and

WHEREAS, the State of South Carolina paid its respects to Chairman Mangum in services held yesterday in Lancaster.

NOW, THEREFORE, BE IT RESOLVED that the State Budget and Control Board, on the occasion of the death of fellow Board member Tom Gibson Mangum, acting for itself and on behalf of the people of South Carolina, expresses appreciation for his years of service to South Carolina, mourns his passing and the loss it represents to each of us and extends its deepest sympathy to Louise, his wife of forty-seven years, and to his entire family.

ADOPTED this seventh day of October, 1986, at Columbia.



*Richard W. Riley*  
Richard W. Riley, Governor, Chairman

*Grady L. Patterson, Jr.*  
Grady L. Patterson, Jr.  
State Treasurer

*Earle E. Morris, Jr.*  
Earle E. Morris, Jr.  
Comptroller General

*Rembert C. Dennis*  
Rembert C. Dennis  
Chairman, Senate Finance Committee

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# EXHIBIT

OCT 7 1986 NO. 2

STATE BUDGET AND CONTROL BOARD AGENDA  
MEETING OF October 7, 1986 ITEM NUMBER 1

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AGENCY: State Treasurer's Office

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SUBJECT: Low Level Radioactive Waste Surcharge Funds

Attached is a report on the receipt and disbursement of funds received pursuant to the provisions of Act 540 of 1986, Part II, Section 15 (Low Level Radioactive Waste Surcharge) as of August 31, 1986.

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BOARD ACTION REQUESTED:

Receive as information a report on the receipt and disbursement of funds received pursuant to the provisions of Act 540 of 1986, Part II, Section 15 (Low Level Radioactive Waste Surcharge) as of August 31, 1986.

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ATTACHMENTS:

Patterson September 23 letter to McInnis; referenced report

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SEP 29 1986

STATE OF SOUTH CAROLINA

OFFICE OF STATE TREASURER

GRADY L. PATTERSON, JR.  
TREASURER



P. O. DRAWER 1177B

COLUMBIA  
29211

EXHIBIT

September 23, 1986

OCT 7 1986 NO. 2

STATE BUDGET & CONTROL BOARD

Honorable Jesse A. Coles, Jr.,  
Executive Director  
Budget and Control Board  
612 Wade Hampton Office Building  
Columbia, South Carolina 29211

Dear Dr. Coles:

I am enclosing for your information a report on the receipt and disbursement of funds received pursuant to the provisions of Section 15 of Part II of Act 540 of 1986 (Low Level Radioactive Waste Surcharge) as of August 31, 1986.

With kindest regards, I am

Very truly yours,

*Grady L. Patterson*  
Grady L. Patterson, Jr.  
State Treasurer

GLPJr:cbd

Enclosure

CC: Honorable William A. McInnis  
Deputy Executive Director

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# EXHIBIT

OCT 7 1986 NO. 2

LOW LEVEL RADIOACTIVE WASTE  
SURCHARGE  
AS OF AUGUST 31, 1986

STATE BUDGET & CONTROL BOARD

Fiscal Year - 1986

Surcharge Received		\$1,206,517.00
Disbursement:		
U. S. Dept. of Energy	\$ 301,625.25	
General Fund	<u>904,891.75</u>	
		<u>1,206,517.00</u>
Balance Fiscal Year 1986		\$ <u>- 0 -</u>

Fiscal Year - 1987

Surcharge Received July 1986		\$532,561.00
Disbursement:		
U. S. Dept. of Energy	\$133,144.25	
Barnwell County	39,942.00	
General Fund	<u>359,474.75</u>	
		<u>532,561.00</u>
Balance July 1986		\$ <u>- 0 -</u>
Surcharge Received August 1986		\$403,604.00
Disbursement:		
U. S. Dept. of Energy	\$100,901.00	
Barnwell County	30,270.30	
General Fund	<u>272,432.70</u>	
		<u>403,604.00</u>
Balance August 1986		\$ <u>- 0 -</u>

# EXHIBIT

OCT 7 1986 NO. 3

STATE BUDGET AND CONTROL BOARD  
MEETING OF October 7, 1986

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

2

AGENCY: General Services

SUBJECT: Right-of-way Easements

The Division of General Services recommends approval of the following right-of-way easements which have been approved by the Attorney General's Office:

- (a) To MCI Telecommunications Corporation to install, operate and maintain a subaqueous fiber optic cable across the South Fork Edisto River adjacent to the SCLRR trestle crossing connecting Orangeburg and Bamberg Counties (\$4.68 has been paid for the use of the 0.02 acre); and
- (b) To Spartanburg Sanitary Sewer District to construct, operate and maintain an aerial sewer line across Lawson Fork Creek in Spartanburg County.

BOARD ACTION REQUESTED:

Approve the following right-of-way easements:

- (a) To MCI Telecommunications Corporation to install, operate and maintain a subaqueous fiber optic cable across the South Fork Edisto River adjacent to the SCLRR trestle crossing connecting Orangeburg and Bamberg Counties; and
- (b) To Spartanburg Sanitary Sewer District to construct, operate and maintain an aerial sewer line across Lawson Fork Creek in Spartanburg County.

ATTACHMENTS:

Agenda item worksheet and referenced easements

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

For meeting scheduled for:

Blue Agenda  
 Regular Session Agenda  
 Executive Session Agenda

October 7, 1986

1. Submitted By:

(a) Agency: Division of General Services

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

2. Subject:

Right-of-Way Easement

3. Summary Background Information:

This is a proposed easement from the State to MCI Telecommunications Corporation. MCI proposes to install, operate and maintain a subaqueous fiber optic cable across the South Fork Edisto River adjacent to the SCLRR trestle crossing, connecting Orangeburg and Bamberg Counties, South Carolina.

This proposed easement has been reviewed and approved by the Attorney General's Office and executed by Mr. H. P. Scott, Vice President, Transmission Systems Construction, on behalf of MCI.

A consideration in the amount of Four and 68/100 (\$4.68) Dollars has been paid by MCI for use of the 0.02 acre of State land to be used in the project.

4. What is Board asked to do?

Review, approve and execute the proposed easement.

**EXHIBIT**

OCT 7 1986 NO. 3

5. What is recommendation of the Board Division involved?

STATE BUDGET & CONTROL BOARD

That the proposed easement be executed.

6. Recommendation of other office (as required)?

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

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

1. Original Easement (6 pages)
2. Drawing dated April 17, 1986

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EXHIBIT

OCT 7 1986 NO. 3

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF BAMBERG )  
COUNTY OF ORANGEBURG )

EASEMENT STATE BUDGET & CONTROL BOARD

THIS EASEMENT, made and entered into this 19th day of September, 1986, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and MCI Telecommunications Corporation, as Grantee (hereinafter "MCI").

WITNESSETH

WHEREAS, MCI is an inter-state long distance telecommunica-  
tions company, having an office at 1133 19th Street, N.W., Washington, D.C. 20036  
~~MCI's mailing address is 100 International Parkway, Richardson, Texas 75081;~~ and



WHEREAS, MCI proposes to install, operate and maintain a subaqueous fiber optic cable across the South Fork Edisto River adjacent to the SCLRR trestle crossing, connecting Orangeburg and Bamberg Counties, South Carolina. The subaqueous cable and easement area are more particularly shown and delineated on a plat entitled "FIBER OPTIC CABLE EASEMENT CROSSING SOUTH FORK EDISTO RIVER FOR M.C.I. TELECOMMUNICATIONS CORP., BAMBERG, ORANGEBURG COUNTY, SOUTH CAROLINA," dated April 17, 1986, by Timothy A. Summerall, R.L.S., which is attached hereto and incorporated herein by reference as Exhibit A.

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

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WHEREAS, MCI is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Bamberg and Orangeburg Counties, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One (\$1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto MCI, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Bamberg and Orangeburg Counties and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the installation, operation, and maintenance of said subaqueous fiber optic cable across the South Fork Edisto River adjacent to the SCLRR trestle crossing, connecting Bamberg and Orangeburg Counties. The easement area is more particularly described as follows:

A 10' wide easement beginning at a point on the north bank of the South Fork Edisto River which is 75.99' south of marker post (conc.) SC-002474; thence on a bearing of South 76 Degrees 59 Minutes 40 Seconds East a distance of 10.06'; thence South 07 Degrees 00 Minutes 20 Seconds West a distance of 101.86'; thence North 76 Degrees 59 Minutes 40 Seconds West a distance of 10.06'; thence North 07 Degrees 00 Minutes 20 Seconds East a distance of 101.86' to the point of beginning. The easement area is bounded on the north by property of Cindy H. Lancaster and on the west by Seaboard Systems Railroad.

The subaqueous fiber optic cable and easement area are more particularly shown and delineated on a plat entitled "FIBER OPTIC CABLE EASEMENT CROSSING SOUTH FORK EDISTO RIVER FOR M.C.I. TELECOMMUNICATIONS CORP., BAMBERG, ORANGEBURG COUNTY, SOUTH CAROLINA," dated April 17, 1986, by Timothy A. Summerall, R.L.S., which is attached hereto and incorporated herein by reference as Exhibit A.

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

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

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

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

MCI WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

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

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

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 7 day of October, 1986.

WITNESSES:

STATE OF SOUTH CAROLINA  
BUDGET & CONTROL BOARD

Kathleen M. Hester  
William A. McInnis

BY: Richard W. Riley  
Governor Richard W. Riley

EXHIBIT

OCT 7 1986 NO. 3

STATE BUDGET & CONTROL BOARD

ATTEST:

MCI TELECOMMUNICATIONS CORPORATION

BY: Lynn Darrow Carson  
Lynn Darrow Carson  
Assistant Secretary

BY: H. P. Scott  
H. P. Scott  
TITLE: Vice President, Transmission Systems Construction

(signatures continue)

WITNESSES:

Kevin L. Ferris  
[Signature]

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ATTORNEY GENERAL'S OFFICE

Approved: Keneth L. Woody

EXHIBIT

OCT 7 1986 NO. 3

STATE BUDGET & CONTROL BOARD

EXHIBIT

STATE OF SOUTH CAROLINA )  
  )  
COUNTY OF RICHLAND )

OCT 7 1986 NO. 3

STATE BUDGET & CONTROL BOARD

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

William A. McInnis

SWORN to before me this 7th  
day of October, 1986.

Joana K. Williams (L.S.)  
Notary Public for South Carolina

My Commission Expires: 5/3/89

\*\*\*\*\*

STATE OF TEXAS )  
  )  
COUNTY OF Dallas )

PERSONALLY appeared before me Kevin K Ferrin  
and made oath that he/she saw the within named MCI  
Telecommunications Corporation by H.P. Scott,  
its Vice President, sign, seal, and as its act and  
deed deliver the within written Easement, and that he/she, along  
with Jean Van Tuyle, witnessed the execution thereof.

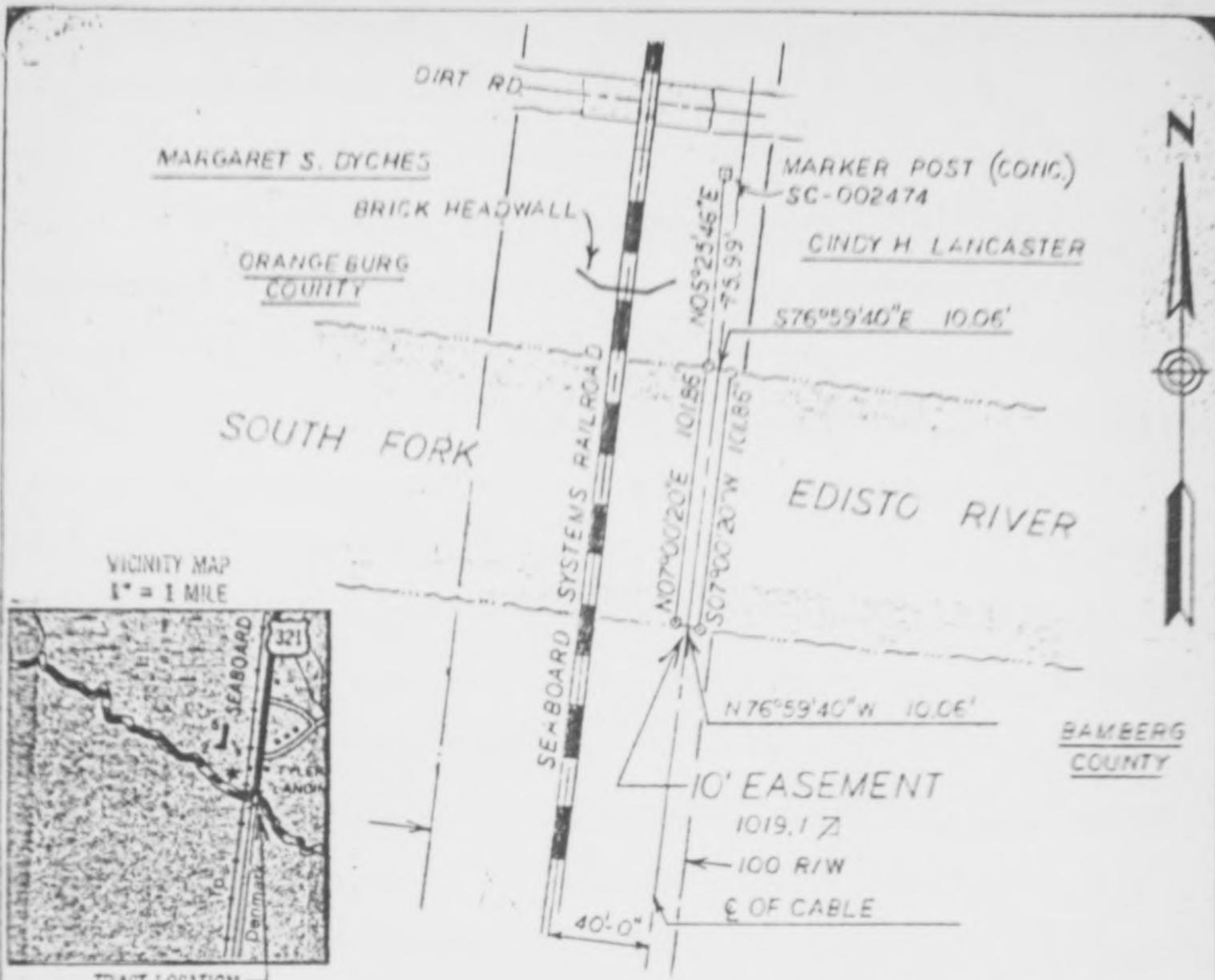
Kevin K. Ferrin

SWORN to before me this 19th  
day of September, 1986.

Patti Bond (L.S.)  
Notary Public for Texas

My Commission Expires: June, 1988

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TRACT LOCATION

NIVENS ENGINEERING, INC. ORANGEBURG, S.C.

■ CONCRETE MONUMENT SET □ CONCRETE MONUMENT FOUND ● IRON PIPE OR PIN SET ○ IRON PIPE OR PIN FOUND

FIBER OPTIC CABLE EASEMENT  
 PLAT OF SURVEY OF 'CROSSING SOUTH FORK  
 OF EDISTO RIVER

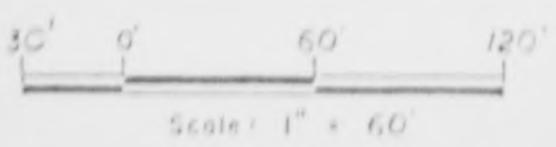
FOR  
 M.C.I. TELECOMMUNICATIONS CORP.  
 BAMBERG, ORANGEBURG COUNTY, SOUTH CAROLINA



REFERENCE: ORANGEBURG CO. TAX MAP 43

ALL BEARINGS REFERENCED TO MAG. NORTH.  
 ONLY EASEMENTS SHOWN ON REFERENCED  
 PLATS ARE SHOWN HEREON.

I HEREBY CERTIFY THAT THE RATIO OF  
 PRECISION OF THIS FIELD SURVEY IS  
 1/10,000 AS SHOWN HEREON AND THE  
 AREA WAS DETERMINED BY THE "DMQ"  
 METHOD OF AREA CALCULATION.



03738

DATE: 17 APRIL 1986

*Timothy A. Summerall*  
 TIMOTHY A. SUMMERALL, R.L.S.

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

For meeting scheduled for:

October 7, 1986

Blue Agenda  
 Regular Session Agenda  
 Executive Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

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

2. Subject: Right-of-Way Easement

3. Summary Background Information:

This is an easement between the State and Spartanburg Sanitary Sewer District. The District proposes to construct, operate and maintain an aerial sewer line across Lawson Fork Creek in Spartanburg County, South Carolina.

The Attorney General's Office has reviewed and approved the proposed easement and Mr. Darrell R. Hinson, Chairman, has executed the easement on behalf of the District.

EXHIBIT

OCT 7 1986 NO. 3

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Review, approve and execute the proposed easement.

5. What is recommendation of the Board Division involved?

That the proposed easement be executed.

6. Recommendation of other office (as required)?

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

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

1. Original Easement (6 pages)
2. Drawing dated May 28, 1986 (Exhibit A)

03739



certain rights-of-way or easements through and over riverbeds and marshlands for construction, operation, and maintenance of sewer lines over, on, or under such land or marshland as are owned by the STATE; and

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

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One (\$1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto DISTRICT, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Spartanburg County and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the construction, operation and maintenance of said aerial sewer line across Lawson Fork Creek in Spartanburg County, South Carolina. The easement area is more particularly described as follows:

An easement 25 feet in width, extending 12.5 feet on either side of a centerline which begins at a point, said point being located South 89 Degrees 57 Minutes 54 Seconds East 20 feet from the northwesternmost property corner of adjacent property on the south bank of Lawson Fork Creek and marked 0 + 47.81; thence running North 47 Degrees 54 Minutes 00 Seconds West 96.2 feet to the north bank of Lawson Fork Creek and a point marked 1 + 44. The easement area is bounded on the northwest by Mark III Properties.

The aerial sewer line and easement area are more particularly shown and delineated on a plat entitled "SURVEY FOR SPARTANBURG SANITARY SEWER DIST., BIG SHOALLY CREEK AREA" by B. P. Barber & Associates, Inc., dated May 28, 1986, which is attached hereto and incorporated herein by reference as Exhibit A.

EXHIBIT

OCT 7 1986 NO. 3

STATE BUDGET & CONTROL BOARD

03741

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

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

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

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

DISTRICT WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

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

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

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 7 day of October, 1986.

WITNESSES:

STATE OF SOUTH CAROLINA  
BUDGET & CONTROL BOARD

Karen M. Hepler  
William A. Theunis

BY: Richard W. Riley  
Governor Richard W. Riley

(signatures continue)

EXHIBIT  
OCT 7 1986 NO. 3  
STATE BUDGET & CONTROL BOARD

03743

SPARTANBURG SANITARY SEWER  
DISTRICT

Edwin D. Mitchell  
Don A. Worley

BY: Charles R. Hanson

TITLE: Chairman of Commission

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth Q. Worley

EXHIBIT

OCT 7 1986 NO. 3

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

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

William A. McInnis

SWORN to before me this 7th  
day of October, 1986.

Louise K. Williams (L.S.)  
Notary Public for South Carolina

My Commission Expires: 5/3/89

EXHIBIT

OCT 7 1986 NO. 3

STATE BUDGET & CONTROL BOARD

\*\*\*\*\*

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF SPARTANBURG )

PERSONALLY appeared before me Edwin D. Mitchell  
and made oath that he/she saw the within named Spartanburg  
Sanitary Sewer District by Darrell R. Hinson, its  
Chairman, sign, seal, and as its act and deed  
deliver the within written Easement, and that he/she, along with  
Don A. Worley, witnessed the execution thereof.

Edwin D. Mitchell

SWORN to before me this 28th  
day of August, 1986.

Leslie M. Bullman (L.S.)  
Notary Public for South Carolina

My Commission Expires: January 12, 1994

03745

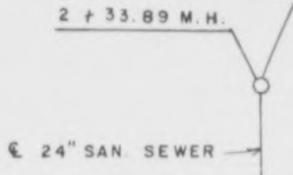
EXHIBIT A

NOTICE:

THE AREA INCLUDED IN THE SANITARY SEWER RIGHT OF WAY SHALL NOT BE FILLED, COVERED, FENCED OR CUT DOWN IN ANY MANNER WHICH WOULD CAUSE THE RAISING OR LOWERING OF THE GROUND GRADE LEVEL BEYOND THE ELEVATIONS WHICH EXIST AT THE TIME OF THE CONVEYANCE OF THE TRACT OR ANY KIND EITHER TEMPORARY OR PERMANENT, SHALL AT ANY TIME BE PLACED OR CONSTRUCTED WITHIN THE AREA OF THE SANITARY SEWER RIGHT OF WAY SHOWN. THE DISTRICT SHALL CLEAR AND GRUB THE ENTIRE WIDTH OF THE RIGHT OF WAY AND EASEMENT ALONG ITS ENTIRE LENGTH AS SHOWN.



LOCATION MAP

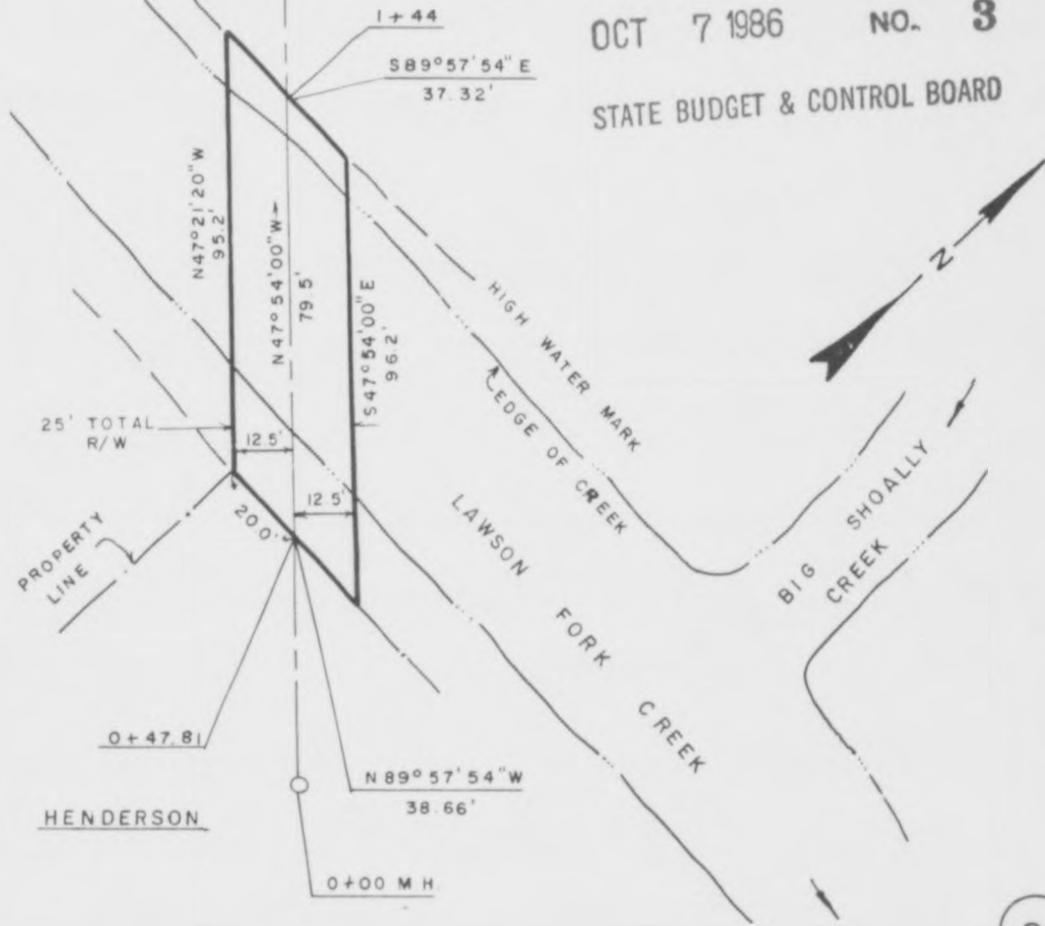


MARK III  
PROPERTIES

EXHIBIT

OCT 7 1986 NO. 3

STATE BUDGET & CONTROL BOARD



SHOWING RIGHT OF WAY REQUIRED FROM: S. C. BUDGET & CONTROL BOARD

	SURVEY FOR:		
	SPARTANBURG SANITARY SEWER DIST		
	LOCATION: BIG SHOALLY CREEK AREA		
	STATE: SOUTH CAROLINA	COUNTY: SPARTANBURG	DATE: MAY 28, 1986
	SCALE: 1" = 30'		
B P. BARBER & ASSOCIATES, INC. ENGINEERS - SURVEYORS - PLANNERS 351-C EAST BLACKSTOCK ROAD SPARTANBURG, S. C. 29301			

C3746

# EXHIBIT

OCT 7 1986 NO. 4

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD AGENDA  
MEETING OF October 7, 1986 ITEM NUMBER

3

---

AGENCY: Budget Division

---

SUBJECT: 1986-87 Authorized Transfers Report, September

The Budget Division reports that 2 transfers of State personal service funds to other operating expenses totalling \$118,334 were authorized during September and that a total of 6 transfers totalling \$238,616 (\$106,423 State, \$16,193 federal, and \$116,000 other) of 1986-87 personal service funds have been authorized.

---

BOARD ACTION REQUESTED:

Receive as information a Budget Division report that 2 transfers of State personal service funds to other operating expenses totalling \$118,335 were authorized during September and that a total of 6 transfers totalling \$238,616 (\$106,423 State, \$16,193 federal, and \$116,000 other) of 1986-87 personal service funds have been authorized.

---

ATTACHMENTS:

Agenda item worksheet and attachment

03747

# EXHIBIT

OCT 7 1986 NO. 4

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET STATE BUDGET & CONTROL BOARD

87-24

Meeting Scheduled for: October 7, 1986

Blue Agenda

1. Submitted By:
  - (a) Agency: State Budget Division
  - (b) Authorized Official Signature: A. Barron Holmes IV
2. Subject:

1986-87 Authorized Transfers Report for the Month of September, 1986.
3. Summary Background Information:

The State Budget Division Authorized Monthly Operating Report.
4. What is Board asked to do?

Information Only
5. What is recommendation of Board Division involved?

Information Only

*Colony*
6. Recommendation of other Division/agency (as required)?
  - (a) Authorized Signature: \_\_\_\_\_
  - (b) Division/Agency Name: \_\_\_\_\_
7. Supporting Documents:
  - (a) List Those Attached:
    1. Authorized Transfers Operating Report
  - (b) List Those Not Attached But Available From Submitter:

03748

STATE BUDGET DIVISION  
ANALYSIS OF 1986-87 AUTHORIZED PERSONAL SERVICE  
TRANSFER REQUESTS

DATE	REQUEST NO.	AGENCY	SOURCE OF FUNDS	FROM	TO	
				PERSONAL SERVICE	OTHER OPERATING EXPENSES	EQUIPMENT
Total Authorized Transfers 9/1/86 (4)				\$120,281	\$120,281	
<u>September Authorized Transfers</u>						
9/4/86	-	Mental Health	Other	\$ 15,000	\$ 15,000	
9/17/86	-	B & C Bd-State Auditor	State	103,335	103,335	
Total Authorized Transfers For September, 1986 (2)				\$118,335	\$118,335	
Total Authorized Transfers Year-To-Date (6)				\$238,616	\$238,616	

NOTE:	<u>Current Month</u>	<u>Year-To-Date</u>
State Funds	\$103,335	\$106,423
Federal Funds	-	16,193
Other Funds	15,000	116,000
<b>TOTAL FUNDS</b>	<b>\$118,335</b>	<b>\$238,616</b>

Prepared  
10/1/86

EXHIBIT  
OCT 7 1986 NO. 4  
STATE BUDGET & CONTROL BOARD

03749

AGENCY NUMBER: J12      AGENCY BATCH NUMBER:      OBJECT CODE HASH TOTAL: 0458      TOTAL BATCH AMOUNT: 30,000.00      BATCH DATE:      BATCH NUMBER:      DOCUM:

AGENCY VOUCHER NUMBER: T0024

**STATE OF SOUTH CAROLINA**  
BUDGET AND CONTROL BOARD - FINANCE DIVISION

CG WARRANT NUMBER:

AGENCY TRANSFERRED TO ICRI:  
NAME: Mental Health  
ADDRESS: P. O. Box 485  
Columbia, S. C. 29202

**APPROPRIATION TRANSFER**

AGENCY TRANSFERRED FROM II:  
NAME: Mental Health  
ADDRESS: P. O. Box 485  
Columbia, S. C. 29202

TO REQUESTING AGENCY:  
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

REASON FOR TRANSFER: Supplies - Other Funds

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
03	350	J12	4175	3000						0158	15,000.00	HPH
<b>EXHIBIT</b>												
OCT 7 1986 NO. 4												
STATE BUDGET & CONTROL BOARD												
TOTAL										0158	15,000.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
03	300	J12	4175	3000						0300	15,000.00	HPH
TOTAL										0300	15,000.00	

REQUESTED BY Thomas A. Mast DATE 9-2-86 STATE BUDGET ANALYST David R. ... DATE 9/4/86

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

STATE AUDITOR: **03750** DATE:



# South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 2414 Bull Street Columbia, South Carolina 29202  
Telephone (803) 758-7701

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

August 28, 1986

## EXHIBIT

OCT 7 1986 NO. 4

STATE BUDGET & CONTROL BOARD

### MENTAL HEALTH COMMISSION:

William L. Pope, Chairman  
Columbia

Bernard Warshaw, Vice-Chairman  
Walterboro

E. A. Hall, Jr.  
Columbia

C. Alex Harvin, Jr.  
Summerton

Elaine T. Freeman  
Spartanburg

Carol W. Garvin  
Aiken

Willie G. Boulware  
Rock Hill

C. M. Tucker, Jr.  
Chairman Emeritus  
Pageland

John M. Fewell, M.D.  
Member Emeritus  
Greenville

G. Werber Bryan  
Member Emeritus  
Sumter

Mr. David Anderson  
Budget Development  
P. O. Box 11333  
Columbia, S. C. 29211

Dear David:

Harris Psychiatric Hospital has no authorization in other funds for supplies. This was an oversight when the budget was prepared last year and we are requesting a transfer to correct that oversight. There will be no reduction in force as a result of this request. Your assistance is greatly appreciated.

Sincerely,

*Thomas A. Marsh*

Thomas A. Marsh  
Budget Supervisor  
Division of Financial Services

TAM/bjs

Encl.: T0024



03751

AGENCY NUMBER **F27** AGENCY BATCH NUMBER **39** OBJECT CODE HASH TOTAL **0358** TOTAL BATCH AMOUNT **206,670.00** BATCH DATE **9-17-86** BATCH NUMBER \_\_\_\_\_ DOCUM \_\_\_\_\_

AGENCY VOUCHER NUMBER  
**AT 268**

AGENCY TRANSFERRED TO (CRI)  
NAME  
**STATE AUDITORS OFFICE**

ADDRESS  
**P O BOX 11333**

**COLUMBIA, SC 29211**

**STATE OF SOUTH CAROLINA**  
BUDGET AND CONTROL BOARD - FINANCE DIVISION

CG WARRANT NUMBER \_\_\_\_\_

AGENCY TRANSFERRED FROM (C)  
NAME  
**STATE AUDITORS OFFICE**

ADDRESS  
**P O BOX 11333**

**COLUMBIA, SC 29211**

**APPROPRIATION TRANSFER**

TO REQUESTING AGENCY:  
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

SEE ATTACHED LETTER

REASON FOR TRANSFER:

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
03	350	F27	0119	1001						0158	103,335.00	5048-1001
<b>EXHIBIT</b>												
OCT 7 1986												
STATE BUDGET & CONTROL BOARD												
TOTAL										0158	103,335.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
03	300	F27	0119	1001						0200	103,335.00	1001-5049
TOTAL										0200	103,335.00	

REQUESTED BY *[Signature]* DATE 9-17-86 STATE BUDGET ANALYST \_\_\_\_\_ DATE \_\_\_\_\_  
**GEORGE N. DORN, JR., DIRECTOR OF ADMINISTRATION**

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

STATE AUDITOR \_\_\_\_\_ DATE \_\_\_\_\_

# EXHIBIT

OCT 7 1986 NO. 4

STATE BUDGET & CONTROL BOARD

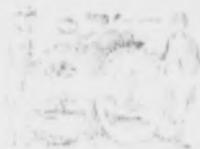
September 17, 1986

1. Approximate Cash Balance Audit Program 9/6/86		<u>\$263,000</u>
2. LESS Prior Commitments:		
a. General Operations, i.e. telephone, mnt., etc.:	\$ 45,000	
b. Audit contracts committed:	136,335	
c. Appeals Attorney Contract	<u>38,000</u>	
Subtotal	<u>219,335</u>	
3. Contingency:		
a. Medicaid contracts:	15,000	
b. Maintenance & other operating contingency	<u>15,000</u>	
4. Total estimated committed:	<u>249,335</u>	
5. Est. Bal. available, 9/17/86		<u>13,665</u>
6. Estimated gross needs:		
a. Peer Review Audit	15,000	
b. N.C.A.A.	32,000 *	
c. Retirement Contract	<u>70,000</u>	
	117,000	
7. Less available = net transfer		<u>103,335</u>

\* Maximum estimated

03753

State of South Carolina



EXHIBIT

OCT 7 1986 NO. 4

STATE BUDGET & CONTROL BOARD

State Budget and Control Board

OFFICE OF THE STATE AUDITOR  
P.O. BOX 11333  
COLUMBIA, S.C.  
29211  
(803) 734-1727

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR

MARGARET C. STILWELL, CPA  
DEPUTY STATE AUDITOR

MEMORANUM

TO: Mr. Charles Case  
State Budget Analyst

FROM: George Dorn *[Signature]*

DATE: September 17, 1986

SUBJECT: Transfer of Personnel Service Funds to Contractual Services.  
Transfer AT 268.

The first proviso on page 185 of the 1986-87 Appropriations Act reads as follows:

"Provided, Further, That in the event qualified personnel cannot be hired during the Fiscal Year 1986-87, any unused personal service funds in Subsection 16J, Item II, may be used to contract private firms to perform audits as prescribed by the State Auditor."

In the last two quarters of 85-86 this office experienced a high turnover rate. Our current staff has a large number of inexperienced auditors.

We currently have a major audit pending in Retirement which will have to be contracted. In addition we have to contract 4 college athletic department audits to comply with recent N.C.A.A. rulings, and a peer review audit is pending.

Please execute the attached transfer as soon as possible in order for us to carry out these contracts. The N.C.A.A. audits will be repaid sometime before the close of the fiscal year. This request is not a permanent reduction and there is no R.I.F. involved. Please see attached analysis of contractual service funds.

Thank you.

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

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

TOM G. MANGUM  
CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE  
JESSE A. COLES, JR.  
EXECUTIVE DIRECTOR

03754

# EXHIBIT

OCT 7 1986 NO. 5

STATE BUDGET AND CONTROL BOARD  
MEETING OF October 7, 1986

STATE BUDGET & CONTROL BOARD  
BLUE AGENDA  
ITEM NUMBER

4

---

AGENCY: Budget Division

---

SUBJECT: FTE Operating Report, September

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

---

BOARD ACTION REQUESTED:

Receive as information the FTE position operating report for the month of September 1986 which shows no net change during the month, resulting in the total authorized position base at September 30, 1986, of 65,031.48 of which 58,766.89 positions were filled and 6,264.59 were vacant.

---

ATTACHMENTS:

Agenda item worksheet and referenced report.

03755

# EXHIBIT

OCT 7 1986 NO. 5

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

87-23

Meeting Scheduled for: October 7, 1986 Blue Agenda

1. Submitted By:  
(a) Agency: State Budget Division

(b) Authorized Official Signature: A. Barry Holmes Jr.

2. Subject:  
1986-87 FTE Operating Report for the Month of September, 1986

3. Summary Background Information:  
The attached report is submitted in accordance with Section 152 of the 1986-87 Appropriation Act. The report exempts all Legislative Employees (725.00) and Judicial Employees (403.22) which totals (1,128.22).

4. What is Board asked to do?  
Information Only

5. What is recommendation of Board Division involved?  
Information Only

*[Handwritten signature]*

6. Recommendation of other Division/agency (as required)?  
  
(a) Authorized Signature: \_\_\_\_\_  
(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:  
(a) List Those Attached:  
1. Authorized FTE Position Operating Report  
  
(b) List Those Not Attached But Available From Submitter:

03756

# EXHIBIT

OCT 7 1986 NO. 5

STATE BUDGET DIVISION  
 FULL-TIME EQUIVALENT POSITION  
 OPERATIONAL REPORT  
 FOR THE MONTH OF SEPTEMBER, 1986

STATE BUDGET & CONTROL BOARD

SECTION NO.	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
Total Authorized FTE					
Positions Operational Base 8/31/86		65,031.48	38,018.21	8,205.34	18,807.93
SEPTEMBER					
Authorized Adjustments					
16C	B&C Bd-Research & Stats	1.00	-	-	1.00
16E	B&C Bd-General Services	(1.00)	-	-	(1.00)
16E	B&C Bd-General Services	(1.00)	(1.00)	-	-
16G	B&C Bd-MVM	1.00	1.00	-	-
22	Francis Marion College	-	-	(0.75)	0.75
34	School for the Deaf & Blind	-	(11.28)	4.41	6.87
37	State Library	-	(1.00)	1.00	-
40	HHSFC	14.00	3.50	10.50	-
41	DHEC	-	-	21.28	(21.28)
45	DSS	(14.00)	(3.50)	(10.50)	-
56	Paroles & Community Correct	-	(8.00)	-	8.00
Total Net Adjustment		-	(20.28)	25.94	(5.66)
Total Authorized FTE					
Positions Base 9/30/86		65,031.48	37,997.93	8,231.28	18,802.27
Total Filled FTE					
Positions 9/30/86		58,766.89	34,921.48	7,112.46	16,732.95
Total Vacant FTE					
Positions 9/30/86		6,264.59	3,076.45	1,118.82	2,069.32

Prepared:  
 October 1, 1986

03757

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD  
STATE BUDGET DIVISION  
406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201

EXHIBIT

OCT 7 1986 NO. 5

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



REMBERT C. DENNIS  
CHAIRMAN  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE

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

A. BARON HOLMES, IV, Ph.D.  
DIVISION DIRECTOR

October 1, 1986

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

Dear Senator Waddell:

Attached please find a copy of the September, 1986-87 Authorized  
FTE Position Operating Report. I have approved and adjusted the  
Authorized FTE Position Base accordingly.

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

Sincerely,

A handwritten signature in cursive script that reads "A. Baron Holmes IV".

A. Baron Holmes, IV, Ph.D.

ABH/dc

Attachment

03758

STATE OF SOUTH CAROLINA  
 BUDGET AND CONTROL BOARD  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

EXHIBIT

OCT 7 1986 NO. 5

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
 GOVERNOR

GRADY L. PATTERSON, JR.  
 STATE TREASURER

EARLE E. MORRIS, JR.  
 COMPTROLLER GENERAL



REMBERT C. DENNIS  
 CHAIRMAN  
 SENATE FINANCE COMMITTEE

TOM G. MANGUM  
 CHAIRMAN  
 HOUSE WAYS AND MEANS COMMITTEE

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

A. BARON HOLMES, IV, Ph.D.  
 DIVISION DIRECTOR

MEMORANDUM

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *CH*  
 DATE: September 2, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

- Action represents a net increase in authorized F.T.E. Positions
- Action represents a net decrease in authorized F.T.E. Positions
- Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: F08 B & C Board-Research & Statistical Services (16C)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base	9/1/86		65.30	54.67	-	10.63
	Adjusted FTE Position Base			66.30	54.67	-	11.63
	Authorized Adjustment			1.00	-	-	1.00

Authorization/Explanation:

Requested by the Budget and Control Board in accordance with Section 1-11-22 of the 1976 Code of Laws of South Carolina as amended. Transferred from General Services.

03759

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD** EXHIBIT  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

OCT 7 1986 NO. 5

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
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MEMORANDUM

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *CH*  
 DATE: September 2, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

- Action represents a net increase in authorized F.T.E. Positions
- Action represents a net decrease in authorized F.T.E. Positions
- Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: F12 B & C Board - General Services (16E)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/1/86	381.00	123.77	-	257.23
	Adjusted FTE Position Base			380.00	123.77	-	256.23
	Authorized Adjustment			(1.00)	-	-	(1.00)

Authorization/Explanation:

Requested by the Budget and Control Board in accordance with Section 1-11-22 of the 1976 Code of Laws of South Carolina as amended. Transferred to Research and Statistical Services.

03760 *a*

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

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



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 HOUSE WAYS AND MEANS COMMITTEE  
 JESSE A COLES, JR. Ph.D.  
 EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.  
 DIVISION DIRECTOR

M E M O R A N D U M

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *CH*  
 DATE: September 5, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

- Action represents a net increase in authorized F.T.E. Positions
- Action represents a net decrease in authorized F.T.E. Positions
- Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions a follows:

Agency: F12 B & C Board-General Services (16E)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/5/86	380.00	123.77	-	256.23
	Adjusted FTE Position Base			379.00	122.77	-	256.23
	Authorized Adjustment			(1.00)	(1.00)	-	-

Authorization/Explanation:

Requested by the Budget and Control Board in accordance with Section 1-11-22 of the 1976 Code of Laws of South Carolina as amended. Transferred to Motor Vehicle Management.

03761 *ct*

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

RICHARD W. RILEY, CHAIRMAN  
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JESSE A. COLES, JR. Ph.D.  
 EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.  
 DIVISION DIRECTOR

M E M O R A N D U M

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *CH*  
 DATE: September 5, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

- Action represents a net increase in authorized F.T.E. Positions
- Action represents a net decrease in authorized F.T.E. Positions
- Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: F16 B & C Board - MVM (16G)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/5/86	22.00	7.00	-	15.00
	Adjusted FTE Position Base			23.00	8.00	-	15.00
	Authorized Adjustment			1.00	1.00		

Authorization/Explanation:

Requested by the Budget and Control Board in accordance with Section 1-11-22 of the 1976 Code of Laws of South Carolina as amended. Transferred from General Services.

03762 *A*

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD

EXHIBIT

STATE BUDGET DIVISION  
406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201

OCT 7 1986 NO. 5

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
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CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE

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

A. BARON HOLMES, IV, Ph.D.  
DIVISION DIRECTOR

MEMORANDUM

TO: Mr. George Harris, Manager of Operations  
FROM: Curtis Holt, Jr., Assistant Director *CH*  
DATE: September 19, 1986  
SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

       Action represents a net increase in authorized F.T.E. Positions

       Action represents a net decrease in authorized F.T.E. Positions

  X   Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions follows:

Agency: H18 Francis Marion College (22)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/15/86	314.08	227.68	1.50	84.90
	Adjusted FTE Position Base			314.08	227.68	0.75	85.65
	Authorized Adjustment			-	-	(0.75)	0.75

Authorization/Explanation:  
Requested by the Agency

03763

*CA*

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

RICHARD W. RILEY, CHAIRMAN  
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 HOUSE WAYS AND MEANS COMMITTEE

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 EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.  
 DIVISION DIRECTOR

M E M O R A N D U M

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *CH*  
 DATE: September 4, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

       Action represents a net increase in authorized F.T.E. Positions

       Action represents a net decrease in authorized F.T.E. Positions

  X   Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: H75 School for the Deaf and the Blind (34)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL PTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/4/86	350.75	326.92	8.54	15.29
	Adjusted FTE Position Base			350.75	315.64	12.95	22.16
	Authorized Adjustment			-	(11.28)	4.41	6.87

Authorization/Explanation:  
 Requested by the Agency

03764 *✓*

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

RICHARD W. RILEY, CHAIRMAN  
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 EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.  
 DIVISION DIRECTOR

M E M O R A N D U M

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *CH*  
 DATE: September 2, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

       Action represents a net increase in authorized F.T.E. Positions

       Action represents a net decrease in authorized F.T.E. Positions

  X   Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: H87 State Library (37)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/1/86	50.00	44.00	6.00	
	Adjusted FTE Position Base			50.00	43.00	7.00	
	Authorized Adjustment			-	(1.00)	1.00	

Authorization/Explanation:  
 Requested by the Agency

03765

9

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

RICHARD W. RILEY, CHAIRMAN  
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 HOUSE WAYS AND MEANS COMMITTEE  
 JESSE A. COLES, JR. Ph.D.  
 EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.  
 DIVISION DIRECTOR

MEMORANDUM

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *C. Holt*  
 DATE: September 23, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

- Action represents a net increase in authorized F.T.E. Positions
- Action represents a net decrease in authorized F.T.E. Positions
- Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: J02 Health & Human Services Finance Commisison (40)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/15/86	291.00	113.05	176.95	1.00
	Adjusted FTE Position Base			305.00	116.55	187.45	1.00
	Authorized Adjustment			14.00	3.50	10.50	-

Authorization/Explanation:

Authorized by the Budget and Control Board under Act 84 of 1984. These FTE Positions were transferred from the Department of Social Services.

03766

*CA*

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

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 DIVISION DIRECTOR

M E M O R A N D U M

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *CH*  
 DATE: September 2, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

- Action represents a net increase in authorized F.T.E. Positions
- Action represents a net decrease in authorized F.T.E. Positions
- Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions a follows:

Agency: J04 Department of Health & Environmental Control (41)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/1/86	4275.00	2193.56	1068.42	1013.02
	Adjusted FTE Position Base			4275.00	2193.56	1089.70	991.74
	Authorized Adjustment			-	-	21.28	(21.28)

Authorization/Explanation:  
 Requested by the agency

03767 *d*

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
 STATE BUDGET DIVISION  
 406 WADE HAMPTON STATE OFFICE BUILDING  
 COLUMBIA, S.C. 29201

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A. BARON HOLMES, IV, Ph.D.  
 DIVISION DIRECTOR

M E M O R A N D U M

TO: Mr. George Harris, Manager of Operations  
 FROM: Curtis Holt, Jr., Assistant Director *Curtis Holt*  
 DATE: September 23, 1986  
 SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

       Action represents a net increase in authorized F.T.E. Positions

  X   Action represents a net decrease in authorized F.T.E. Positions

       Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: L04 Department of Social Services (45)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base		9/15/86	4276.15	1859.92	2391.22	25.01
	Adjusted FTE Position Base			4262.15	1856.42	2380.72	25.01
	Authorized Adjustment			(14.00)	(3.50)	(10.50)	-

Authorization/Explanation:

Authorized by the Budget and Control Board under Act 84 of 1984. These FTE Positions were transferred to the Health & Human Services Finance Commission.

03768 *9*

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD

EXHIBIT

STATE BUDGET DIVISION  
406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201

OCT 7 1986 NO. 5

STATE BUDGET & CONTROL BOARD

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

A. BARON HOLMES, IV, Ph.D.  
DIVISION DIRECTOR

MEMORANDUM

TO: Mr. George Harris, Manager of Operations  
FROM: Curtis Holt, Jr., Assistant Director *Curtis Holt*  
DATE: September 19, 1986  
SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

     Action represents a net increase in authorized F.T.E. Positions

     Action represents a net decrease in authorized F.T.E. Positions

  X   Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions follows:

Agency: N08 Paroles & Community Corrections (56)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
	Authorized FTE Position Base	9/15/86		655.00	518.00	10.00	127.00
	Adjusted FTE Position Base			655.00	510.00	10.00	135.00
	Authorized Adjustment			-	(8.00)	-	8.00

Authorization/Explanation:  
Requested by the Agency

03769

A

# EXHIBIT

OCT 7 1986 NO. 6

## STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF October 7, 1986

ITEM NUMBER

5

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AGENCY: Executive Director

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SUBJECT: Permanent Improvement Projects

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

- (1) On Summary 5-87: Items 1 through 3 and 6 (involving Clemson, TEC, Mental Health, and Wildlife & Marine Resources).
- (2) On Summary 6-87: Items 1 and 2 (involving USC and Agriculture).

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

- (1) On Summary 5-87: Items 7 through 14 (involving Citadel, Clemson, TEC, School for Deaf & Blind, Corrections and Agriculture).

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BOARD ACTION REQUESTED:

Receive as information.

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ATTACHMENTS:

Referenced summary extracts.

03770

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
 SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
 September 1, 1986 Through September 15, 1986

Item Agency: H12 Clemson University Project: 9247, E.Cmps Actv Cntr-Feasibility & Econ Study

CHE Approval Date: 09/08/86  
 Committee Review Date: \*  
 B&C Board Approval Date: \*

1. Action  
 Proposed: Establish project.

Total budget.....\$ 20,000.00  
 [9] Other, Book Store Operating Rev.....\$ 20,000.00

Budget After Action Proposed	
Source	Amount
Other	20,000.00

Purpose: To conduct a feasibility study to determine (1) the economic viability of retail activities on campus, (2) the mix and size of those activities, and (3) whether rent charged to these activities would support the indebtedness of a facility that would also house student activity spaces such as meeting rooms, post office, and a (text) book store.

Ref: Supporting document pages 1-4.

TOTAL FUNDS 20,000.00

Item Agency: H59 Tech & Comp Education Project: 8418, Denmark-Recreation Complex Area

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

2. Action  
 Proposed: Increase budget from \$ 160,000.00 to \$ 200,000.00

(Add \$ 40,000.00 [9] Other, Plant Fund)

Budget After Action Proposed	
Source	Amount
Other	200,000.00

Purpose: The revised projected cost exceeded original budget.

Ref: Supporting document pages 5-6.

TOTAL FUNDS 200,000.00

Item Agency: J12 Mental Health Project: 8519, Bldg 16 Conversion to ICF-MR

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

3. Action  
 Proposed: Increase budget from \$ 245,000.00 to \$ 280,000.00

(Add \$ 35,000.00 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	280,000.00

Purpose: Additional funds will be required to provide patient's visual privacy as required by the Federal Certification Program and also provide necessary equipment for the building.

Ref: Supporting document pages 7-13.

TOTAL FUNDS 280,000.00

03771

STATE BUDGET & CONTROL BOARD  
 OCT 7 1986  
 EXHIBIT  
 NO. 6

Item Agency: P24 Wildlife & Marine Res Project: 7894, Natural Area Acq (40 Acre Rock)  
6.

Action

Proposed: Increase budget from \$ 120,590.00 to \$ 197,590.00

(Add \$ 77,000.00 [9] Other, Heritage Land Trust Fund)

Purpose: To purchase two additional tracts of land, totalling approximately 310 acres  
to provide a buffer and improved public access to the existing preservation.

Ref: Supporting document pages 22-23.

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

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	45,590.00
Federal	75,000.00
Other	77,000.00

TOTAL FUNDS 197,590.00

EXHIBIT

OCT 7 1986 NO. 6

STATE BUDGET & CONTROL BOARD

03772

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
 SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
 September 19, 1986 Through September 19, 1986

SUMMARY 6-87 Page 1 of 1  
 Forwarded to JBRC 09/19/86

Item Agency: H32 USC - Coastal Project: 8488, Wlms Brice Gym Floor Replacement

1. Action Proposed: Increase budget from \$ 100,000.00 to \$ 140,000.00  
 (Add \$ 40,000.00 [9] Other, Renov Reserve)

Purpose: Bids taken on September 12 were in excess of estimated project costs.  
 Project must be completed prior to November 24, 1986.

Ref: Supporting document pages 1-4.

CHE Approval Date: 09/18/86  
 Committee Review Date: \*  
 B&C Board Approval Date: \*

Budget After Action Proposed	
Source	Amount
Excess Debt Service	100,000.00
Other	40,000.00

TOTAL FUNDS 140,000.00

Item Agency: P16 Dept of Agriculture Project: 8080, Closing in Warehouse Facility

2. Action Proposed: Increase budget from \$ 192,500.00 to \$ 237,500.00  
 (Add \$ 45,000.00 [9] Other, Market Revenue)

Purpose: Although bids received are good until November 16, the Department advises  
 that it has a tenant for the facility who is anxious to occupy the space.  
 Also, unforeseen problems with utilities resulted in higher than expected  
 costs for the project.

Ref: Supporting document pages 5-6.

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

Budget After Action Proposed	
Source	Amount
Other	237,500.00

TOTAL FUNDS 237,500.00

03773

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
 SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
 September 1, 1986 Through September 15, 1986

SUMMARY 5-87 Page 1 of 5  
 Forwarded to JBRC 09/17/86

Item Agency: H09 The Citadel Project: 8485, Stadium Restroom & Pressbox Renov

CHE Approval Date: 09/03/86  
 Committee Review Date: 99/99/99  
 B&C Board Approval Date: 09/15/86

7. Action  
Proposed: Close project.

Budget After Action Proposed	
Source	Amount
Athletic	49,000.00

Purpose: To close completed project.

Ref: Supporting document pages 24-26.

TOTAL FUNDS 49,000.00

Item Agency: H12 Clemson University Project: 8657, E.Campus-Auto Teller Machine

CHE Approval Date: 09/02/86  
 Committee Review Date: 99/99/99  
 B&C Board Approval Date: 09/15/86

8. Action  
Proposed: Decrease budget from \$ 54,629.04 to \$ 54,549.77

Budget After Action Proposed	
Source	Amount
Other	54,549.77

(Subtract \$ 79.27 [9] Other, Reimburse by Bank Tenants)

Purpose: To close project.

Ref: Supporting document pages 27-29.

TOTAL FUNDS 54,549.77

Item Agency: H59 Tech & Comp Education Project: 7857, F/D-Auto Diesel Lab/Campus Improve

CHE Approval Date: Not req'd  
 Committee Review Date: 99/99/99  
 B&C Board Approval Date: 09/15/86

9. Action  
Proposed: Decrease budget from \$ 2,007,019.00 to \$ 2,006,973.99

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	1,750,000.00
Other	256,973.99

(Subtract \$ 45.01 [9] Other, Local)

Purpose: To close completed project.

Ref: Supporting document pages 30-31.

TOTAL FUNDS 2,006,973.99

03774

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
 SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
 September 1, 1986 Through September 15, 1986

Item Agency: H75 School for Deaf & Blind Project: 8175, Dormitory Renovations & Roof Repair  
 10.

CHE Approval Date: Not req'd  
 Committee Review Date: 99/99/99  
 B&C Board Approval Date: 09/15/86

Action  
 Proposed: Decrease budget from \$ 54,228.00 to \$ 20,705.80

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	16,477.80
Appropriated State	4,228.00

(Subtract \$ 33,522.20 [0] Capital Improvement Bonds)

Purpose: To relinquish the balance of contingency revolving fund monies made available for emergency roof repairs, which are not required for these purposes. Roofs have been repaired and their cost have been paid from supplemental funds.

Ref: Supporting document pages 32-33.

TOTAL FUNDS 20,705.80

Item Agency: N04 Dept of Corrections Project: 8624, Midlands R & E (Nelson)  
 11.

CHE Approval Date: Not req'd  
 Committee Review Date: 99/99/99  
 B&C Board Approval Date: 09/15/86

Action  
 Proposed: Cancel project.

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	0.00
Appropriated State	0.00

(Subtract \$ 8,500,000.00 [0] Capital Improvement Bonds)  
 (Subtract \$ 2,000,000.00 [6] Appropriated State)

Purpose: To close the project and combine it with the Broad River Correctional Institution, project 9069. Originally, project 8624 was to provide 192-bed Reception and Evaluation Center. Subsequently, it was amended to make additional provision for a 96-bed maximum security building.

Ref: Supporting document pages 34-35.

TOTAL FUNDS 0.00

Item Agency: N04 Dept of Corrections Project: 9069, Broad River Correctional Inst (792 Beds) (Nelson)  
 12.

CHE Approval Date: Not req'd  
 Committee Review Date: 99/99/99  
 B&C Board Approval Date: 09/15/86

Action  
 Proposed: Increase budget from \$ 24,000,000.00 to \$ 34,500,000.00

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	32,500,000.00
Appropriated State	2,000,000.00

(Add \$ 8,500,000.00 [0] Capital Improvement Bonds)  
 (Add \$ 2,000,000.00 [6] Appropriated State)

Purpose: To add the Midlands R&E project 8624 to the Broad River Institution and to revise the scope of the project to reflect a 792 medium /maximum institution. Refer to Clements 8/26/86 letter, attached, for a listing of the major elements the institution is to contain when completed. Included are 504 medium security beds; 192-bed maximum security R&E unit; 96-bed maximum security building; capital punishment facility; and the Department "Courtroom".

Ref: Supporting document pages 36-39.

TOTAL FUNDS 34,500,000.00

03775

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
 SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
 September 1, 1986 Through September 15, 1986

SUMMARY 5-87 Page 3 of 5  
 Forwarded to JBRC 09/17/86

Item Agency: P16 Dept of Agriculture Project: 8201, Pee Dee Farmers Market  
 13.

Action  
 Proposed: Increase budget from \$ 776,000.00 to \$ 780,000.00

(Add \$ 4,000.00 [9] Other, Farmers Market Revenue)

Purpose: Increase is needed to complete project. Funds are being transferred from project 8415.

Ref: Supporting document pages 40-41.

CHE Approval Date: Not req'd  
 Committee Review Date: 95/95/95  
 B&C Board Approval Date: 09/12/86

Budget After Action Proposed  
 Source Amount

Appropriated State 776,000.00  
 Other 4,000.00

TOTAL FUNDS 780,000.00

Item Agency: P16 Dept of Agriculture Project: 8415, Columbia Market Site Work  
 14.

Action  
 Proposed: Decrease budget from \$ 275,000.00 to \$ 271,000.00

(Subtract \$ 4,000.00 [9] Other, Farmers Market Revenue)

Purpose: To transfer needed funds to project 8201.

Ref: Supporting document pages 42-43.

CHE Approval Date: Not req'd  
 Committee Review Date: 95/95/95  
 B&C Board Approval Date: 09/12/86

Budget After Action Proposed  
 Source Amount

Appropriated State 90,000.00  
 Other 181,000.00

TOTAL FUNDS 271,000.00

EXHIBIT  
 OCT 7 1986 NO. 6  
 STATE BUDGET & CONTROL BOARD

03776

EXHIBIT

OCT 7 1986 NO. 7

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

BLUE AGENDA

MEETING OF October 7, 1986

ITEM NUMBER

6

AGENCY: Executive Director

SUBJECT: Interviewee Travel Expense Reimbursement

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

<u>Agency</u>	<u>Number</u>	<u>Estimated Cost</u>
(a) Francis Marion College	2	90.00
(b) Clemson University	9	2,301.26

EXHIBIT

OCT 7 1986 NO. 7

STATE BUDGET & CONTROL BOARD

BOARD ACTION REQUESTED:

Receive as information reports on the reimbursement of interviewee travel expenses by Francis Marion College (2) and Clemson University (9).

ATTACHMENTS:

Referenced report

03777

INTERVIEWEE TRAVEL EXPENSE REIMBURSEMENT PAYMENTS

<u>Agency</u>	<u>Period</u>	<u>Total Number</u>	<u>Total Cost</u>	<u>Number of Payments</u>			
				<u>\$100 or Less</u>	<u>\$101 to \$300</u>	<u>\$301 to \$500</u>	<u>\$501 and Over</u>
Francis Marion College	June-August	2	90.00	2	0	0	0
Clemson University	Nov. 1985 (1) June-Sept 1986	9	2,301.26	2	4	3	0
Total		11	2,391.26	4	4	3	0

EXHIBIT  
OCT 7 1986 NO. 2  
STATE BUDGET & CONTROL BOARD

03778

# EXHIBIT

OCT 7 1986 NO. 7



## FRANCIS MARION COLLEGE

BUDGET & CONTROL BOARD

BOX F7500, FLORENCE, SOUTH CAROLINA 29501 / (803) 661-1281

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

June 30, 1986

VP		
VPA		
VPC		
VPS		
D. Athletics		
D. Library		
SGC		

TO: President Thomas C. Stanton

FROM: William C. Moran

Your approval is requested to invite Mr. Robert M. Jewett to campus to interview for the position of full-time, part-time instructor of English and to pay his travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, the participation of a number of Francis Marion College persons is vital to this particular interview; therefore, the costs of bringing Mr. Jewett to the campus would be far less than would be the expense of conducting the interview at his home area or elsewhere.

Estimated Costs:

Travel-----	\$ 40.00
Food-----	18.00
TOTAL-----	\$ 58.00

*William C. Moran*

William C. Moran  
Dean of the College

Initial Approval: *Thomas C. Stanton*  
Date: *July 1, 1986*

Actual Costs:

Travel-----	\$ 30.00
Food-----	
TOTAL-----	\$ 30.00

APPROVAL RECOMMENDED *William C. Moran*  
DATE *8-7-86*

APPROVED *Thomas C. Stanton*  
DATE *8/7/86*

*W. C. Moran*  
*8/13/86*

AUG 07 1986

JUL 01 1986

03779



SEP 23 1986



CLEMSON  
UNIVERSITY

BUSINESS & FINANCE  
Office of Financial Management

September 22, 1986

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

Dear Mr. McInnis:

Enclosed are Travel Disbursement forms for those individuals  
who were brought to Clemson University for employee interviews.

Yours very truly,

William A. Thompson  
Controller

WAT/jw

Enclosures

03781



CLEMSON UNIVERSITY

PRESIDENT

DATE November 4, 1985

384:14  
8-27-86

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: William B. Ledbetter  
CITY OF ADDRESS: College Station, Texas  
POSITION TO BE FILLED: Assistant Professor of Civil Engineering (Construction)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by:

R. H. Brown  
Department Head

[Signature]  
Dean or Director

W. David Maxwell  
Vice President

Approved by:

[Signature]  
Walter T. Cox, President

Distribution:

Original: President's Office  
Approved Copy: Executive Director, Budget and Control Board  
Attached to all related Direct Purchase Vouchers



CLEMSON UNIVERSITY

364.00  
8/28/86

RECEIVED  
1986 AUG 14 PM 4: 25  
FINANCIAL MANAGEMENT

PRESIDENT

DATE August 8, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Catherine G. Johnson

CITY OF ADDRESS: Charleston, S.C.

POSITION TO BE FILLED: Visiting Instructor of French

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by:

[Signature]  
Department Head

[Signature]  
Dean or Director

[Signature]  
Vice President

Approved by:

[Signature]  
Max Lennon, President

Distribution:

Original: President's Office

Approved Copy: Executive Director, Budget and Control Board  
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03783

EXHIBIT

NO. 2  
1986 7 130

STATE BUDGET & CONTROL BOARD

298.00  
9/2/86



PRESIDENT

DATE June 20, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Sanford D. Schemnitz  
CITY OF ADDRESS: Las Cruces, NM  
POSITION TO BE FILLED: Professor & Head, Department of A. F. & W.

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: *John Dweeery*  
Department Head

*[Signature]*  
Dean of Director

*W. David Maxwell*  
Vice President

Approved by: *[Signature]*  
~~President~~ President

Distribution:  
Original: President's Office  
Approved Copy: Executive Director, Budget and Control Board  
Attached to all related Direct Purchase Vouchers

03784



242-11-6974  
150.00

PRESIDENT

DATE June 3, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Rebecca L. Caldwell  
CITY OF ADDRESS: Florence, S. C.  
POSITION TO BE FILLED: Visiting Instructor of English

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

1986 JUN 12 11:58 AM  
FINANCE

Recommended by: *[Signature]*  
Department Head

*Robert A. Waller*  
Dean or Director

*W. David Grubwell*  
Vice President

Approved by: *[Signature]*  
Max Lennon, President

Distribution:

- Original: President's Office
- Approved Copy: Executive Director, Budget and Control Board
- Attached to all related Direct Purchase Vouchers

03785



CLEMSON UNIVERSITY

PRESIDENT

DATE June 4, 1986

RECEIVED  
1986 SEP 22  
FINANCIAL SERVICES

278.00

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Harold Hochman  
CITY OF ADDRESS: New York, NY  
POSITION TO BE FILLED: Abney Chair of Free Enterprise

I certify that in recruitment for the above position the following determinations were made:

- 1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: [Signature] Department Head
[Signature] Dean or Director
[Signature] Vice President

Approved by: [Signature] President

Distribution: Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

This form is to be completed when preparing an order which will cost \$200.00 or less. Excludes of freight charges and sales tax. It is not permissible to place more than one order via this form to the same vendor at the same time. If necessary to place an order in excess of \$200.00, use Form CUBO 203, Purchase Requisition.

INSTRUCTIONS

UNIVERSITY

PRESIDENT

DATE August 25, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Darin Atwell 65.52

CITY OF ADDRESS: Cornelius, NC 28031

POSITION TO BE FILLED: Student Services Specialist

I certify that in recruitment for the above position the following determinations were made:

- 1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: William C. Wooten
Department Head

Burton Trent
Dean or Director

Mary Thomas
Vice President

Approved by: Max Lennon
Max Lennon, President

Distribution:

Original: President's Office

Approved Copy: Executive Director, Budget and Control Board

Attached to all related Direct Purchase Vouchers



247.27

PRESIDENT

DATE 7/18/86

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Leslie B. Gamble

CITY OF ADDRESS: Dingmans Ferry, Pennsylvania

POSITION TO BE FILLED: Student Services Program Coordinator I  
(Outdoor Laboratory)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by:

*Leslie B. Gamble*  
Department Head

*W. D. ...*  
Dean or Director

*W. D. ...*  
Vice President

*M. L. ...*  
~~President~~ President

Approved by:

EXHIBIT NO. 7  
OCT 7 1986  
STATE BUDGET & CONTROL BOARD

Distribution:

Original: President's Office  
 Approved Copy: Executive Director, Budget and Control Board  
 Attached to all related Direct Purchase Vouchers

NOTE: Outdoor Laboratory funds will be used to reimburse candidate.



CLEMSON  
UNIVERSITY

PRESIDENT

DATE September 8, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Mary Gassmann

CITY OF ADDRESS: Champaign, IL

POSITION TO BE FILLED: Bibliographic Instruction Coordinator

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: \_\_\_\_\_  
Department Head

J. B. L. Jr.  
Dean or Director

\$ 492.00

\_\_\_\_\_  
Vice President

Approved by: J. M. L.  
President

Distribution:

Original: President's Office

Approved Copy: Executive Director, Budget and Control Board  
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CLEMSON UNIVERSITY

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1986 SEP 11 PM 4 17  
FINANCIAL MANAGEMENT

PRESIDENT

DATE September 8, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Mary Gassmann

CITY OF ADDRESS: Champaign, IL

POSITION TO BE FILLED: Bibliographic Instruction Coordinator

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: \_\_\_\_\_  
Department Head

J. B. Jr.  
Dean or Director

\_\_\_\_\_  
Vice President

Approved by: JML  
President

EXHIBIT

Distribution:

Original: President's Office

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Attached to all related Direct Purchase Vouchers

OCT 7 1986 NO. 7

STATE BUDGET & CONTROL BOARD

03790

# EXHIBIT

OCT 7 1986 NO. 8

WILLIAM T. PUTNAM  
109 Chartwell Road  
Columbia, South Carolina 29210

STATE BUDGET & CONTROL BOARD

October 7, 1986

MEMORANDUM TO: Budget and Control Board Members  
FROM: William T. Putnam *WTP*  
SUBJECT: AT&T Building Lease

At your request the following information is submitted pertaining to the leasing of space in the AT&T Building by the State Budget and Control Board. This building is presently under construction in Columbia, South Carolina on the corner of Main and Gervais Streets. The original developers were known as Developmental Properties Incorporated (DPI) and were referred to in that style in most minutes of the Budget and Control Board meetings. Subsequently, the building was designated as the AT&T Building and will be referred to in that fashion in this memorandum.

During the early part of the summer, 1984, representatives of DPI approached officials of the General Services Division advising them of DPI's intent to construct an office building directly across the street from the Capitol and inquiring as to the possibility of the Budget and Control Board leasing some 200,000 square feet in the name of the State of South Carolina for the purpose of subleasing all or a portion of this space to other state agencies. This request was presented to the Budget and Control Board at its meeting of July 24, 1984. The Board did not act upon the request but did authorize the General Services Division to examine the idea set forth in this proposal along with any other similar proposals as a part of its ongoing responsibility in the area of office leases.

At its meeting of October 9, 1984, the Budget and Control Board once again discussed the proposal for the leasing of office space in the Capitol area, and after lengthy discussion, directed the staff to diligently pursue the Mount Vernon Mill and the Robert Mills Building projects which were already under consideration but to also assemble information on State government office space in the Columbia area and to meet with any parties desiring to provide office space to the State. At that time the Board asked for additional information to be furnished at its next meeting.

On October 23, 1984, in open session, the Budget and Control Board received a report pertaining to space needs in the Columbia area and particularly in the Capitol Complex. After very lengthy discussions, additional time was requested for further study so that proposals from all interested developers could be received and studied. (A copy of the minutes of this meeting is attached for your review.)

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# EXHIBIT

OCT 7 1986

NO. 8

MEMO TO: Budget and Control Board Members

Page 2

October 7, 1986

STATE BUDGET & CONTROL BOARD

Ultimately, the staff of the Budget and Control Board received seven specific proposals for lease and lease/purchase arrangements for the furnishing of office space in the immediate vicinity of the Capitol. One of these was for a relatively small space and for a short period of time and was not considered at all competitive with the other proposals. Of the remaining six proposals, two addressed construction of buildings under lease/purchase arrangements on State owned property. One offered a lease or lease/purchase plan and three addressed straight lease arrangements. One of the lease/purchase proposals which seemed to be very advantageous was quickly withdrawn by the developers.

In considering the remaining proposals, staff found that it had to differentiate between lease/purchase and straight lease arrangements. A lease/purchase contract calls for a very long term plan and should be compared with the State's ability to acquire a like facility under its own bonding authority. I have always felt that the least expensive way for the State to provide offices for its employees is to construct appropriate space using its own bonding authority. As you are aware, I have advocated this procedure at every opportunity. A study of the lease/purchase proposal(s) in this instance further convinced me that the State should reassess its position of recent years and should once again give serious consideration to construction of a State office building with its own funding; preferably, General Obligation Bonds or as a secondary device, Revenue Bonds.

As previously indicated, for several years a strong feeling had existed among State officials and within the Legislature that new office buildings should not be constructed because of bonding limitations and certain revenue restrictions; however, in the fall of 1984 (during the time that the Budget and Control Board staff was evaluating these space proposals) bond recommendations were made by the Board for funding of office buildings for the Department of Mental Retardation, the Employment Security Commission and the Adjutant General's Office, and other funding was authorized for the office complex of the Department of Vocational Rehabilitation. This activity which received the approval of the Joint Bond Review Committee convinced our staff that perhaps the door might be open for the construction of a State owned office building to be paid for with bond funds. It was further determined that should this occur, the first such building would need to be located in the North area to provide additional office space for the Department of Health and Environmental Control and the Department of Social Services. Because of the foregoing reasons, staff determined to recommend to the Budget and Control Board that it delay any lease/purchase arrangement in the Capitol area until some resolution could be made of the space problem in the North area.

The staff of the Budget and Control Board then addressed the question of the Board's role in leasing extensive property in the immediate area of the Capitol with the idea of subleasing it to other agencies. The approval of the bonding recommendation for an office building for the Adjutant General would, if ultimately approved, provide additional space in the Capitol area. Also,

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# EXHIBIT

OCT 7 1986 NO. 8

MEMO TO: Budget and Control Board Members  
Page 3  
October 7, 1986

STATE BUDGET & CONTROL BOARD

the Public Service Commission, which had originally been considered as a prime prospect for locating in the Central Complex, requested permission to enter into a ten-year lease at its present location. One other agency, the State Board for Technical and Comprehensive Education, which had previously been considered for some location in the Senate Street area, located in an office park on the outskirts of the city and expressed its desire to remain there.

These developments along with the Budget and Control Board's previous commitment to assume the prime obligation for leasing of the Mount Vernon Mill and Robert Mills Building, with the obligation of subleasing to other agencies, prompted the Budget and Control Board staff to recommend that the Board not take on further responsibilities at that time for subleasing to other State agencies.

Prior to the Budget and Control Board establishing the Office of Executive Director some eight years ago, each division of the Board was treated as a separate agency of State government. When I was named to the position of Executive Director, one of the charges which you gave to me was to consolidate the activities of the Budget and Control Board staff and to pull the various divisions together into a single, smoothly operating unit. In order to do this I felt it necessary to: (1) combine the accounting, personnel, purchasing and budgeting functions, and (2) to relocate the twelve administrative locations into one contiguous area. The consolidation of the internal operations was completed sometime ago, but space has not been available for the combining of the various administrative units, seven of which were, and are, located in commercial office space. In my opinion the Budget and Control Board activities need to be in the immediate area of the Capitol and the availability of a large amount of space in one building fits the need of these units of the Board.

In the opinion of our staff, the DPI proposal (AT&T Building) most clearly met the needs of the Budget and Control Board and the lease proposal seemed to be the most advantageous. The initial rental of \$13.75 per square foot is less than some State agencies are presently paying for comparable space and approximately the same rate as that of one unit of the Board which is in a less desirable location. Some units of this agency which are located near the Capitol have experienced a very rapid escalation of rental rates during the past three or four years and can expect those rates to continue to rise. The average rental rate of approximately \$17.50 over the next ten years appears to be attractive.

I therefore recommended to you that the Board authorize its staff to lease between 135,000 and 150,000 square feet of space in the AT&T Building for use specifically by units of the Budget and Control Board. This request was approved in your meeting of February 14, 1985, but you limited the number of square feet to the lower figure of 135,000 square feet. Any other agencies which might have determined to locate in the same building have apparently made this decision on their own and will be individually responsible for rentals

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# EXHIBIT

MEMO TO: Budget and Control Board Members  
Page 4  
October 7, 1986

OCT 7 1986 NO. 8

STATE BUDGET & CONTROL BOARD

which might become due under such leases. Of course, the General Services Division has the responsibility of ultimately approving these negotiations.

I feel strongly that the decision which was made approximately two years ago was a good one, and that the rental will definitely prove to be competitive over the next ten years considering the location and type of space involved. If you have further questions pertaining to this transaction, please feel free to call upon me.

WTP/nk

ATTACHMENT

03794

EXHIBIT

OCT 7 1986 NO. 8

STATE BUDGET & CONTROL BOARD

EXECUTIVE DIRECTOR: SPACE PLANNING FOR STATE GOVERNMENT, COLUMBIA

Mr. Putnam, in a follow-up to the previous meeting, presented a report to the Board on the status of state government office space needs and plans in the Columbia area.

Mr. Putnam began by calling the Board's attention to the artist's conception of the Capitol Complex as it was conceived during the administration of Governor McNair and called particular attention to the two office buildings shown on Main Street south of Pendleton Street. He noted that, as envisioned at the time, these buildings were to be duplicates of the Blatt and Brown Buildings and would contain approximately 120,000 square feet of useable space in each. He also observed that, at that time, the idea was that practically all of state government other than some of the institutional functions would be located in the Capitol Complex area. He recalled that

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cars could be built along the west side of Main Street below Pendleton. He estimated the building would contain approximately 130,000 square feet of useable space.

Assistant Division Director Charles Small then presented an overview of the office space situation in the Columbia area and emphasized that the state is very much in the leasing business presently. He indicated that some 1,455,100 square feet of state-owned space exists in the Columbia area in some 27 buildings. He expressed the view that, for all practical purposes, these buildings are now fully occupied. In addition, Mr. Small stated that state agencies occupy 593,500 square feet of commercial space covered by some 60 leases which individually cover from very small footages up to 40,000 square feet. Mr. Small observed that the 2,048,600 square foot total occupied by state agencies equals the total commercial office space in all of downtown Columbia.

Mr. Small continued his presentation by pointing out that needs expressed by state agencies for additional space amount to 396,000 square feet (200,000 for the Museum Commission and 196,000 for thirty other agency requests). That need figure plus the 593,500 square feet now being leased produce a total of 989,500 square feet.

Mr. Small then noted that efforts in process will produce 325,000 square feet in the Mt. Vernon Mill property plus 85,000 square feet in the Mills Building on the State Hospital campus for a total of 410,000 square feet. That amount taken from the 989,500 total produces a remainder of 579,500 square feet of leased space occupied by or needed by state agencies.

Mr. Small expressed the view that 334,300 square feet of that remainder should be located in the immediate vicinity of the State House and that the remaining 245,200 square feet, most of which is in the health and human services functional area, could be located in the northeast area or elsewhere.

Mr. Small concluded his presentation by noting that most of the leases involved in the 593,500 square feet are for three years or less. He noted that moving costs increasingly are a significant factor in these considerations.

EXHIBIT

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OCT 7 1986 NO. 8

STATE BUDGET & CONTROL BOARD

CORRECTION

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EXHIBIT

OCT 7 1986 NO. 8

STATE BUDGET & CONTROL BOARD

**EXECUTIVE DIRECTOR: SPACE PLANNING FOR STATE GOVERNMENT, COLUMBIA**

Mr. Putnam, in a follow-up to the previous meeting, presented a report to the Board on the status of state government office space needs and plans in the Columbia area.

Mr. Putnam began by calling the Board's attention to the artist's conception of the Capitol Complex as it was conceived during the administration of Governor McNair and called particular attention to the two office buildings shown on Main Street south of Pendleton Street. He noted that, as envisioned at the time, these buildings were to be duplicates of the Blatt and Brown Buildings and would contain approximately 120,000 square feet of useable space in each. He also observed that, at that time, the idea was that practically all of state government other than some of the institutional functions would be located in the Capitol Complex area. He recalled that

03795

Board staff during the 1970's had asked the Board to change that concept so as to include three additional areas of state government development beyond the Capitol Complex itself. He described a sector east of the Capitol Complex along Senate Street as being envisioned for education. He pointed out that the Broad River Road area had been identified as one for criminal justice including the Department of Corrections, SLED and the Training Academy and for natural resources.

Mr. Putnam also noted the North Complex which was envisioned for health and human services in the North Bull Street area focused around the Mental Health, Blind, and DHEC facilities. He also reminded the Board that the last building proposed by Budget and Control Board staff was to have been located in the North Complex area.

Mr. Putnam also noted digressions from this broad plan taken when the Employment Security Building was located north and west of the Complex area and when Wildlife and Marine Resources returned to the Capitol Complex area. In similar fashion, he observed that the Adjutant General had returned to the Complex but had been located previously elsewhere.

Mr. Putnam emphasized that, during all of this time, the state government has continued to grow but that it has done so in rented space.

Governor Riley noted that the Congaree Vista proposal of the City of Columbia as conceived by landscape architect Robert Marvin envisioned that state government growth would be west along a Senate Street corridor. Mr. Putnam observed that the state does not own any property in that area and would have to acquire it if that course were to be followed. He also observed that parking facilities are going to present a special problem in all of these areas.

Mr. Mangum inquired about the availability of land along Main Street below Pendleton and if there is sufficient area there to erect a building 120,000 square feet to 200,000 square feet in size. Mr. Putnam indicated that there is if the parking needs could be met.

State Engineer John McPherson indicated that a building containing 166,000 gross square feet of space plus three levels of parking with a capacity of 571

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cars could be built along the west side of Main Street below Pendleton. He estimated the building would contain approximately 130,000 square feet of useable space.

Assistant Division Director Charles Small then presented an overview of the office space situation in the Columbia area and emphasized that the state is very much in the leasing business presently. He indicated that some 1,455,100 square feet of state-owned space exists in the Columbia area in some 27 buildings. He expressed the view that, for all practical purposes, these buildings are now fully occupied. In addition, Mr. Small stated that state agencies occupy 593,500 square feet of commercial space covered by some 60 leases which individually cover from very small footages up to 40,000 square feet. Mr. Small observed that the 2,048,600 square foot total occupied by state agencies equals the total commercial office space in all of downtown Columbia.

Mr. Small continued his presentation by pointing out that needs expressed by state agencies for additional space amount to 396,000 square feet (200,000 for the Museum Commission and 196,000 for thirty other agency requests). That need figure plus the 593,500 square feet now being leased produce a total of 989,500 square feet.

Mr. Small then noted that efforts in process will produce 325,000 square feet in the Mt. Vernon Mill property plus 85,000 square feet in the Mills Building on the State Hospital campus for a total of 410,000 square feet. That amount taken from the 989,500 total produces a remainder of 579,500 square feet of leased space occupied by or needed by state agencies.

Mr. Small expressed the view that 334,300 square feet of that remainder should be located in the immediate vicinity of the State House and that the remaining 245,200 square feet, most of which is in the health and human services functional area, could be located in the northeast area or elsewhere.

Mr. Small concluded his presentation by noting that most of the leases involved in the 593,500 square feet are for three years or less. He noted that moving costs increasingly are a significant factor in these considerations.

EXHIBIT

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OCT 7 1986 NO. 8

STATE BUDGET & CONTROL BOARD

Minutes of State Budget and Control Board Meeting  
Regular Session — October 23, 1984 — Page 8

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Mr. Putnam then observed that the space being leased by state government agencies presently is all over the Columbia area. He echoed and emphasized Mr. Small's comments about the costs of moving which Mr. Putnam described as "terribly expensive" because of computers and telephones in addition to the basic drayage costs. As a result, he noted that thinking now is in terms of longer term leases whether in the immediate Capitol Complex area or not.

Mr. Putnam then focused his attention on two prospective development areas. The first of these is in the immediate vicinity of the Capitol Complex and included approximately the properties fronting on the streets immediately adjacent to the Capitol Complex superblock. He observed that the idea of this area is to gain the benefits of the proximity to the Capitol which he basically translated to mean within walking distance. He noted that office space in the downtown area which is not in close proximity to the Capitol could just as easily be quite a distance removed if a car must be used.

Mr. Putnam then indicated that the eastern Senate Street corridor represented a second development area of interest. He observed that the state government would be interested in rental space for an eight to ten year period in that general area.

Mr. Putnam indicated that Board staff are aware of two or three developers who are prepared to respond to state agencies needs in the first area described and that staff is aware of one potential developer in the second area described. He recommended that the Board give consideration to long term leases in the second development area as well. Mr. Putnam also observed that if the state is to build its own facilities, for which he expressed a personal preference, that thought should be given in the bond bill recommendations to a companion to the DSS building. He observed that two such buildings could be provided and still not meet all of the needs in that area.

Mr. Putnam further observed that, if plans are to build in the first development area in the immediate vicinity of the Capitol Complex, efforts ought to begin soon. He expressed concern that bond issue capacity might not be adequate although he did observe that the private financing possibilities for the Mt. Vernon Mill project and for the Mills Building would free up some of that capacity.

03798

In response to Mr. Mangum's inquiry, Mr. McPherson estimated that an office building could be located on the west side of Main Street below Pendleton which would contain 166,900 gross square feet of space and parking area for 531 cars at a cost of \$16,500,000. Mr. McPherson expressed the view that that estimate would include the cost of purchasing the lot at the southwest corner of Pendleton and Main which he estimated would cost \$500,000.

Governor Riley then requested staff to run the numbers on a project like the one described by Mr. McPherson and he speculated about the possibility of using Retirement System funds to finance it. Mr. Putnam indicated that staff could do that and make the computation on the basis on what would have to be charged in order to get an adequate return on the Retirement System's investment. He also expressed the view that the state's concept on parking for its employees will have to change in any case. He expressed the view that the state will have to charge more for parking which presently exists in order that others in additional parking areas can pay less than what appears to be the going rate.

Governor Riley expressed the view that the possibility of investing Retirement System funds in a building is an interesting way to go and Mr. Mangum took the position that from a business standpoint the state would be better off to build its own buildings.

Mr. Putnam expressed agreement with Governor Riley and Mr. Mangum and indicated that staff would figure the cost of the structure with and without the cost of land. He did point out that streaming in any bond funds which may be involved in building state buildings may present a problem.

Governor Riley observed that, if Retirement System funds are used, it would not be a problem but Mr. Putnam pointed out that those funds cannot now be invested in real estate and if that is to be done the law would have to be changed. Senator Dennis observed that that possibility would mean that the proposal would be scrutinized very closely.

Governor Riley again expressed the view that it looks like that approach would be a major benefit to the state.

EXHIBIT

OCT 7 1986 NO. 8

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STATE BUDGET & CONTROL BOARD

Mr. Putnam again expressed his personal opinion that state ownership of its buildings is the best way to go but he emphasized that even if that approach is followed the state necessarily will have to do a lot of leasing of space for the next five to ten years and that the amount involved will be significant.

Mr. Putnam then noted that decisions about where agencies are to be located have to be made and that a plan on that needs to be devised. In response to Governor Riley's request, he then discussed the situation in the development areas mentioned previously.

Mr. Putnam observed that there is no significant amount of rentable space in the second development area mentioned (along the east Senate Street corridor) but that there is a developer in that area who probably could provide space. He indicated that the state had been approached by representatives of that party.

With regard to the first development area mentioned in the immediate vicinity of the Capitol, Mr. Putnam indicated that the staff is aware of two developers who are interested in providing space who have approached the state in that regard. He indicated that it appears that ten-year leases at acceptable prices apparently could be secured in that area.

Senator Dennis inquired about the possibility of looking elsewhere for state space such as in Charleston and elsewhere and Mr. Putnam acknowledged that that process will go on although he focused his discussion on those agencies and functions which have a need to be in close proximity to the Capitol Complex.

Governor Riley expressed the view that the public needs to know about these two development area concepts and expressed the hope that the press would show the diagrams of those areas to the public so that word of the state's interest in space in those areas could be known widely. He emphasized that these areas are zones for general planning purposes only.

This conversation was concluded by a brief discussion of the private financing approaches being pursued on the Mt. Vernon Mill and Mills Building projects. Mr. Small advised the Board that the Mills Building proposal

requests are out and that an advertisement of the Mt. Vernon Mill situation would be made at the end of this week. He indicated his expectation that these matters would be brought back to the Board for its consideration by mid-December.

EXHIBIT

OCT 7 1986 NO. 8

STATE BUDGET & CONTROL BOARD

03801

# EXHIBIT

State of South Carolina

OCT 7 1986

NO. 8

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

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



Box 12444  
Columbia  
29211

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

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

October 20, 1986

MEMORANDUM TO: Signatories  
FROM: Jesse A. Coles, Jr., Ph.D.   
SUBJECT: Letter Regarding the AT&T Building

At the direction of the Budget and Control Board, I am writing in response to your letter of October 3, 1986.

At its meeting of October 7, 1986, the Board asked me to advise you that it "considers the lease [for the AT&T Building] to be a legally binding agreement entered into after months of serious negotiation."

I have attached the referenced summary for your information.

JACj/nk

Attachment - Summary, Oct 7, 1986, p. 2 (not attached)

xc: McInnis

03802

The Honorable William S. Branton, Jr.  
The Senate  
602 Gressette Building  
Columbia, South Carolina 29201

# EXHIBIT

OCT 7 1986 NO. 8

STATE BUDGET & CONTROL BOARD

The Honorable Timothy A. Brett  
The House of Representatives  
530 D Blatt Building  
Columbia, South Carolina 29201

The Honorable Henry E. Brown, Jr.  
The House of Representatives  
532 A Blatt Building  
Columbia, South Carolina 29201

The Honorable T. Moffatt Burriss  
The House of Representatives  
503 A Blatt Building  
Columbia, South Carolina 29201

The Honorable William N. Cork  
The House of Representatives  
326 D Blatt Building  
Columbia, South Carolina 29201

The Honorable G. Ralph Davenport, Jr.  
The House of Representatives  
312 A Blatt Building  
Columbia, South Carolina 29201

The Honorable Parker Evatt  
The House of Representatives  
522 B Blatt Building  
Columbia, South Carolina 29201

The Honorable Michael L. Fair  
The House of Representatives  
323 A Blatt Building  
Columbia, South Carolina 29201

The Honorable Eugene D. Foxworth, Jr.  
The House of Representatives  
328 C Blatt Building  
Columbia, South Carolina 29201

The Honorable Joyce C. Hearn  
The House of Representatives  
404 C Blatt Building  
Columbia, South Carolina 29201

The Honorable Larry L. Koon  
The House of Representatives  
418 D Blatt Building  
Columbia, South Carolina 29201

03803

03803

The Honorable Thomas A Limehouse  
The House of Representatives  
308 D Blatt Building  
Columbia, South Carolina 29201

The Honorable Thomas M. Marchant III  
The House of Representatives  
503 B Blatt Building  
Columbia, South Carolina 29201

The Honorable John R. Russell  
The House of Representatives  
522 A Blatt Building  
Columbia, South Carolina 29201

The Honorable Charles R. Sharpe  
The House of Representatives  
310 A Blatt Building  
Columbia, South Carolina 29201

The Honorable Edward W. Simpson  
The House of Representatives  
418 B Blatt Building  
Columbia, South Carolina 29201

The Honorable Benjamin E. Thraillkill  
The House of Representatives  
434 D Blatt Building  
Columbia, South Carolina 29201

The Honorable Addison Graves Wilson  
The Senate  
606 Gressette Building  
Columbia, South Carolina 29201

The Honorable Daniel E. Winstead  
The House of Representatives  
326 C Blatt Building  
Columbia, South Carolina 29201

The Honorable Tom Griffin Woodruff, Jr.  
The House of Representatives  
310 D Blatt Building  
Columbia, South Carolina 29201

03804

# EXHIBIT

OCT 7 1986 NO. 8

3 October 1986

STATE BUDGET & CONTROL BOARD

Dear Governor Kiley:

At a time when our state government is facing a massive budget shortfall, the story in yesterday's Greenville News about the AT&T office building reveals some shocking and disturbing facts.

As you know, six state agencies are moving into the posh new AT&T building upon its completion. Most of these agencies will be paying considerably higher rent than they currently pay. In fact, it appears that this unnecessary move will cost the state well over one million dollars next year alone.

That is bad enough. But the situation gets worse. There is a very strong indication that this arrangement was made easy for a political insider with close ties to you. The Chairman of the Democratic Party, Don McElveen, "out-politicked" other developers to get this deal, according to the News article. That smacks of "good ol' boy" politics at its worst.

You told the News that you are "very comfortable" with this situation. That is unacceptable.

At a time when state employees are only granted a 3% pay raise, we cannot be "comfortable" with this outlandish monument to the "good ol' boy" system. Once again, state employees are being forced to bear the burdens of bad management and political cronyism.

Today, we Republican members of the General Assembly call on you to break these over-priced politically-greased rental contracts with the AT&T building. You should explore all possible avenues for getting state government out of this improper arrangement. Our state simply cannot afford this kind of insider-inspired extravagance.

03805

EXHIBIT

OCT 7 1986 NO. 8

STATE BUDGET & CONTROL BOARD

SIGNATORIES

2 Moffatt Berriss  
 Ben E. Thacker Jr.  
 William W. Cook Wm W Cook House  
 Mike Fair  
 Henry Brown Jr.  
 Larry L. Koon  
 Jayce C. Hearn  
 Charles Skyrp  
 Bill Branton WMS  
 Paul E. Winstead  
 Daniel E. Winstead

Tom Marchant  
 Thomas A. Linschme  
 Ralph Davenport  
 C. W. Foxworth Jr.  
 Ed Simpson  
 Parker East  
 Joe Wilson  
 John Powell  
 Sam H. Woodruff, Jr.  
 Liddy A. Britt

# EXHIBIT

OCT 7 1986 NO. 9

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF October 7, 1986

ITEM NUMBER

2

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AGENCY: SC Statewide Health Coordinating Council

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SUBJECT: 1987-88 Supplemental Funding

Chairman Edwin R. Mohrmann of the S. C. Statewide Health Coordinating Council requests \$800,000 in supplemental funding for fiscal year 1987-88 to allow continuation of State and local health planning efforts for the remainder of that fiscal year after federal funds for this purpose are no longer available.

Mr. Mohrmann suggests that the supplemental funding needed for health planning could be obtained by reallocating funds of health-related State agencies such as the Governor's Office, Health and Environmental Control, Health and Human Services Finance Commission, Mental Health, Mental Retardation, Social Services, and Commission on Aging.

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BOARD ACTION REQUESTED:

Consider.

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ATTACHMENTS:

Mohrmann September 29 letter to Coles

03807



**South Carolina  
Statewide Health Coordinating Council**

RECEIVED

SEP 29 1986

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR  
1801 Main Street  
Post Office Box 8206  
Columbia, S.C. 29202-8206  
(803) 758-0370

September 29, 1986

EXHIBIT

OCT 7 1986 NO. 9

STATE BUDGET & CONTROL BOARD

Jesse A. Coles, Ph.D.  
Executive Director  
Budget and Control Board  
612 Wade Hampton Office Building  
P.O. Box 12444  
Columbia, S.C. 29211

Dear Dr. Coles:

The S.C. Statewide Health Coordinating Council would like to be placed on the Budget and Control Board's Tuesday, October 7, 1986 meeting agenda.

As you are aware, health planning has not been included in a Continuing Resolution. The Statewide Health Coordinating Council and the Health Systems Agencies are seeking \$800,000 in supplemental funding for FY'87-'88 to allow continuation of State and local health planning efforts for the remainder of this fiscal year. This funding would provide for transition and allow the State to develop an appropriate structure for health planning to meet its needs.

The supplemental funding needed for health planning for this fiscal year could be obtained by reallocation of funds of health-related State agencies such as the Governor's Office, Department of Health and Environmental Control, Health and Human Services Finance Commission, Department of Mental Health, Department of Mental Retardation, Department of Social Services, and the Commission on Aging.

We would appreciate your support and assistance in this matter.

Sincerely,

*Ed Mohrmann*

Edwin R. Mohrmann  
Chairman

03808

# EXHIBIT

OCT 7 1986 NO. 10

STATE BUDGET AND CONTROL BOARD  
MEETING OF October 7, 1986

STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
ITEM NUMBER

3

AGENCY: Department of Corrections

SUBJECT: Safe and Reasonable Operating Capacity

The Department of Corrections certifies that the safe and reasonable operating capacity of its facilities has increased from 8,414 to 9,212 effective October 1, 1986.

The Department advises that this 798-bed increase is a result of the opening of 318 additional beds at Lieber Correctional Institution (for a total there of 696 beds) and the addition of five 96-bed temporary barracks that are located at Goodman, Manning, MacDougall, Northside and Walden.

The Department notes that the continued use of the barracks is subject to court rulings.

As of October 1, 10,147 inmates were housed in Department of Corrections institutions. The number on September 30 was 10,225, an all-time high. On October 2, the number in SCDC facilities was 9,884. End-of-month releases account for the declines, according to Corrections officials, who say that these inmate population swings can reach 600 or so.

BOARD ACTION REQUESTED:

Certify 9,212 as the safe and reasonable operating capacity of the Department of Corrections effective October 1, 1986.

ATTACHMENTS:

Leeke October 1 letter to Coles plus attachment

03809



south carolina  
department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221 1787  
TELEPHONE (803) 737 8555  
WILLIAM D. LEEKE, Commissioner

RECEIVED

OCT 30 1986

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

October 1, 1986

EXHIBIT

OCT 7 1986 NO. 10

STATE BUDGET & CONTROL BOARD

Dr. Jesse A. Coles, Jr.  
Executive Director  
Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

Dear Dr. Coles:

Section 3 of the Prison Overcrowding Powers Act requires the Department of Corrections to certify existing capacity quarterly.

This is to certify that our Safe and Reasonable Operating Capacity increased from 8,414 to 9,212 effective October 1, 1986. This increase of 798 beds is a result of the opening of the 696-bed Lieber Correctional Institution and the addition of five 96-bed temporary barracks. These barracks are located at Goodman Correctional Institution, Manning Correctional Institution, MacDougall Youth Correctional Center, Northside Correctional Center and Walden Correctional Center.

The continued use of these barracks is subject to court rulings.

Please let me know if you need additional information.

Sincerely,

William D. Leeke

WDL:bdd

cc: Mr. Bill McInnis  
Mr. Bill DeLoach  
Mr. Ritchie Tidwell  
Mr. Frank Sanders  
Mr. Grady Wallace  
Mr. Kenny Long  
Dr. Hubert M. Clements  
Mr. Larry Batson

03810

BOARD OF  
CORRECTIONS

GOETZ B. FATON  
Chairman  
Anderson, S.C.

NORMAN KIRKLAND  
Vice Chairman  
Banberg, S.C.

CHARLES C. MOORE  
Secretary  
Spartanburg, S.C.

CLARENCE E. WATKINS  
Member  
Camden, S.C.

BETTY M. CONDON  
Member  
Mt. Pleasant, S.C.

EUGENE N. ZEGLER  
Member  
Florence, S.C.

GOV. RICHARD W. RILEY, Member, Ex Officio, Columbia, S.C.

# EXHIBIT

OCT 7 1986

NO. 10

SOUTH CAROLINA DEPARTMENT OF CORRECTIONS STATE BUDGET & CONTROL BOARD  
 SAFE AND REASONABLE INMATE CAPACITIES  
 EMERGENCY OVERCROWDING POWERS ACT (S-258 - H-2618)

REGION/INSTITUTION	COLUMN 1 DESIGN CAPACITY	COLUMN 2 SAFE & REASONABLE OPERATING CAPACITY	COLUMN 3 COUNT	COLUMN 4 OVER (UNDER) OPERATING CAPACITY	
				#	%**
<u>APPALACHIAN CORRECTIONAL REGION</u>					
Blue Ridge Work Release Center	143	180	-----	-----	-----
Catawba Work Release Center	86	96	-----	-----	-----
Cross Anchor Correctional Institution	528	528	-----	-----	-----
Dutchman Correctional Institution	528	528	-----	-----	-----
Givens Youth Correction Center	68	102	-----	-----	-----
Greenwood Correctional Center	48	72	-----	-----	-----
Livesay Work Release Center	96	96	-----	-----	-----
Northside Correctional Center	270***	308***	-----	-----	-----
Perry Correctional Institution	<u>576</u>	<u>768</u>	-----	-----	-----
SUB-TOTAL	2,343	2,678	-----	-----	-----
<u>-----MIDLANDS CORRECTIONAL REGION:</u>					
Aiken Youth Correction Center	224	253	-----	-----	-----
Campbell Work Release Center	100	100	-----	-----	-----
Central Correctional Institution	1,340	1,354*	-----	-----	-----
Goodman Correctional Institution (Geriatrics/Handicapped Unit ____)	283***	283***	-----	-----	-----
Kirkland Correctional Institution (Gilliam Psychiatric Unit ____)	544	768	-----	-----	-----
Lower Savannah Work Release Center	45	48	-----	-----	-----
Manning Correctional Institution	452***	482***	-----	-----	-----
Midlands Reception & Evaluation Center	194	194	-----	-----	-----
State Park Correctional Center (Geriatric/Handicapped Unit ____)	250	250	-----	-----	-----
-----Stevenson Correctional Institution	129	152	-----	-----	-----
Walden Correctional Institution	246***	248***	-----	-----	-----
Wateree River Correctional Institution	456	492	-----	-----	-----
Watkins Pre-Release Center	144	144	-----	-----	-----
Women's Correctional Center	<u>173</u>	<u>269</u>	-----	-----	-----
SUB-TOTAL	4,580	5,037	-----	-----	-----
<u>COASTAL CORRECTIONAL REGION</u>					
Coastal Work Release Center	158	158	-----	-----	-----
Lieber Correctional Institution	696	696	-----	-----	-----
MacDougall Youth Correction Center	336***	568***	-----	-----	-----
Palmer Work Release Center	<u>50</u>	<u>75</u>	-----	-----	-----
SUB-TOTAL	1,240	1,497	-----	-----	-----
<b>TOTAL SCDC FACILITIES:</b>	<b>8,163</b>	<b>9,212</b>	-----	-----	-----

OTHER FACILITIES/PROGRAMS: (Break-out on back) - -

TOTAL SCDC JURISDICTION: (Excluding \_\_\_\_ - YOA Parolees) - -

\*Maximum population permitted by Consent Agreement in Mattison suit.  
 \*\*Percentage determined by dividing number of over/under by Safe and Reasonable Capacity.  
 \*\*\*includes 96-bed wooden barracks. Continued use subject to court rulings.

<sup>1</sup>Adopted by Board of Corrections on March 8, 1983. Increased to 7,880 (250 beds at State Park) January 1, 1984. Increased to 7,976 (96 beds at Gilliam Psychiatric Unit at KCI) in October 1984. Increased to 8,036 (addition of 60 beds) on April 1, 1986. Increased to 8,414 (378 beds at Lieber) on July 1, 1986). Increased to 9,212 on October 1, 1986 (addition of 318 beds at Lieber) on five temporary 96-Bed wooden barracks for total of 798 beds).

<sup>1</sup>Approved by Budget and Control Board on July 12, 1983.

Amended on January 24, 1984.  
 Amended on April 26, 1984.  
 Amended on October 1, 1984.

Amended on April 1, 1986  
 Amended on July 1, 1986  
 Amended on October 1, 1986



# EXHIBIT

OCT 7 1986 NO. 11

STATE BUDGET AND CONTROL BOARD  
STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
MEETING OF October 7, 1986  
ITEM NUMBER

4

AGENCY: Budget Division

SUBJECT: First Quarter Revenue Collections

If revenue collections information for the first quarter of the fiscal year can be assembled by meeting time, it will be presented to the Board.

Various parts of the Appropriations Act (copies attached) may have to be considered.

- (1) Part II, Section 46, requires the Board to take action to avoid a year-end deficit within fifteen days of its determination at the end of the first or second quarter that quarterly collections are 4% or more below the Board of Economic Advisors projections.
- (2) Part II, Section 47, requires that the Capital Expenditure Fund be applied to any shortfall before any actions to reduce budgets (restrict rate of expenditure) are taken.
- (3) Part I, Section 135 and 144, authorize the Board to restrict the rate of expenditure under certain circumstances.
- (4) But, the provision after Part III (page 952), provides that all acts inconsistent with Part I or Part III provisions are suspended for fiscal year 1986-87.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

Excerpts from 1986-87 Appropriations Act

03813

# EXHIBIT

OCT 7 1986 NO. 1 1

STATE BUDGET & CONTROL BOARD

## SECTION 46

TO AMEND ARTICLE 9, CHAPTER 9, TITLE 11, OF THE 1976 CODE, RELATING TO PROJECTING AND FORECASTING STATE REVENUES AND EXPENDITURES, BY ADDING SECTION 11-9-890 SO AS TO REQUIRE, BEGINNING AUGUST 15, 1986, THE BOARD OF ECONOMIC ADVISORS TO DELINEATE THE OFFICIAL FISCAL YEAR 1986-87 REVENUE ESTIMATES BY QUARTERS; AND TO PROVIDE THAT IF AT THE END OF THE FIRST OR SECOND QUARTER OF ANY FISCAL YEAR QUARTERLY REVENUE COLLECTIONS ARE FOUR PERCENT OR MORE BELOW THE AMOUNT PROJECTED BY THE BOARD OF ECONOMIC ADVISORS, THE BUDGET AND CONTROL BOARD, WITHIN FIFTEEN DAYS OF THAT DETERMINATION, SHALL TAKE ACTION TO AVOID A YEAR-END DEFICIT.

Article 9, Chapter 9, Title 11, of the 1976 Code is amended by adding:

"Section 11-9-890. A. Beginning August 15, 1986, the Board of Economic Advisors shall delineate the official fiscal year 1986-87 revenue estimates by quarters. In all subsequent revenue estimates made under the provisions of Section 11-9-880, the Board of Economic Advisors shall incorporate quarterly revenue estimates within the annual revenue estimate.

B. If at the end of the first or second quarter of any fiscal year quarterly revenue collections are four percent or more below the amount projected for that quarter by the Board of Economic Advisors, the Budget and Control Board, within fifteen days of that determination, shall take action to avoid a year-end deficit."

(1)

03814

SECTION 47

TO AMEND SECTION 11-11-310 OF THE 1976 CODE, RELATING TO LIMITATIONS ON ANNUAL APPROPRIATIONS AND THE CAPITAL EXPENDITURE FUND, SO AS TO REVISE THE AMOUNTS WHICH MUST BE APPROPRIATED EACH YEAR IN THE ANNUAL GENERAL APPROPRIATIONS ACT INTO THE CAPITAL EXPENDITURE FUND AND TO PROVIDE THAT THE BUDGET AND CONTROL BOARD IN MANDATING SPENDING CUTS TO MEET A PROJECTED DEFICIT DURING ANY FISCAL YEAR MUST FIRST REDUCE APPROPRIATIONS TO THE CAPITAL EXPENDITURE FUND FOR THAT YEAR BEFORE MANDATING ANY CUTS IN OPERATING APPROPRIATIONS.

The fourth and fifth paragraphs of Section 11-11-310 are amended to read:

"The General Assembly beginning with fiscal year 1985-86 in the annual General Appropriations Act shall appropriate into a Capital Expenditure Fund which is separate and distinct from the General Reserve Fund the following amounts:

1. For fiscal year 1985-86, the amount appropriated must be one-half of one percent of the general fund revenue estimate for that year;

2. For fiscal year 1986-87, the amount appropriated must be one percent of the general fund revenue estimate for that year;

3. For fiscal year 1987-88, the amount appropriated must be one and one-half percent of the general fund revenue estimate for that year;

4. For fiscal year 1988-89, the amount appropriated must be two percent of the general fund revenue estimate for that year;

5. For fiscal year 1989-90 and for each fiscal year thereafter, the amount appropriated must be two and one-half percent of the general fund revenue estimate for that year. This appropriation must be contained in the Ways and Means Committee report on the General Appropriations Bill, the General Appropriations Bill at the time of third reading in the House of Representatives, the Senate Finance Committee report on the General Appropriations Bill, the General Appropriations Bill at the time of a third reading in the Senate, and in any conference report on the General Appropriations Bill.

EXHIBIT

OCT 7 1986 NO. 11

STATE BUDGET & CONTROL BOARD

Revenues in this Capital Expenditure Fund may be appropriated by the General Assembly in separate legislation for the purpose of accelerating the retirement of state bonded indebtedness or for the purpose of avoiding the issuance of bonds for projects that are authorized but not issued. If the Board of Economic Advisors' revenue forecast to the Budget and Control Board at any time during a fiscal year projects that revenues at the end of the fiscal year will be less than appropriated expenditures for that year, the Budget and Control Board in mandating reductions during the fiscal year to eliminate the projected deficit must first reduce to the extent necessary the current year's appropriation to the Capital Expenditure Fund prior to mandating any cuts in operating appropriations."

End of Part II

(2)

03815

# EXHIBIT

OCT 7 1986 NO. 11

STATE BUDGET & CONTROL BOARD



SEC. 135. As far as practicable all departments, institutions, and agencies of the State are hereby directed to budget and allocate the appropriations herein made to them as quarterly allocations so as to provide for operation on uniform standards throughout the fiscal year and in order to avoid a deficiency in such appropriations. It should be recognized that academic year calendars of state institutions will affect the uniformity of the receipt and distribution of funds during the years. The Budget and Control Board is authorized to require any agency, institutions or department to file a quarterly allocations plan and is further authorized to restrict the rate of expenditures of the agency, institution or department if the Board determines that a deficit may occur. *Provided, Further,* That the bonds of State officials violating the terms of this section shall be held liable therefor, unless the Budget and Control Board has been advised of, and officially recognizes the necessity for such deficit.

03816

(3)



EXHIBIT

OCT 7 1986 NO. 111

STATE BUDGET & CONTROL BOARD

SEC. 144. Any appropriations made herein or by special Act now or hereafter, are hereby declared to be maximum, conditional and proportionate, the purpose being to make them payable in full in the amount named herein, if necessary, but only in the event the aggregate revenues available during the period for which the appropriation is made are sufficient to pay them in full. The State Budget and Control Board shall have full power and authority to survey the progress of the collection of revenue and the expenditure of funds by all departments and institutions. If the Budget and Control Board determines that a deficit may occur, it shall utilize such funds as may be available to avoid a year end deficit and thereafter take such action as necessary to restrict the rate of expenditure as provided in Section 135 of this Act. *Provided, Further,* That no institution, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this Act shall be discontinued, deleted, or deferred by the Budget and Control Board. *Provided, Further,* That any reduction of rate of expenditure by the said Board, under authority of this Act, shall be applied as uniformly as may be practicable except that no reduction shall be applied to funds encumbered by a written contract with an agency not connected with the State Government; and *Provided, Further,* That in making such reductions any amounts of State Revenues allocated by law to Counties and Municipalities (commonly referred to as Aid to Subdivisions) shall be subject to reduction the same as appropriations. Counties and Municipalities shall be immediately notified of any such action by the Board. *Provided, Further,* That no such reduction shall be ordered by the State Budget and Control Board while the General Assembly is in session without first reporting such necessity to the General Assembly.

*Provided, Further,* That the expenditure of funds, heretofore or hereafter provided, by any State Agency, except the Department of Highways and Public Transportation for improvements as defined in the shall be subject to approval of the State Budget and Control Board. The Board shall have authority to approve such projects from the following purposes, - the - de-

(3)

# EXHIBIT

OCT 7 1986 NO. 1 1

## STATE BUDGET & CONTROL BOARD

appropriated in Part III, the Budget and Control Board shall first fund all supplemental appropriations made for an operating deficiency and shall then reduce remaining supplemental appropriations on a pro rata basis.

End of Part III

All Acts or parts of Acts inconsistent with any of the provisions of Part I or Part III of this Act are hereby suspended for the Fiscal Year 1986-87.

All Acts or parts of Acts inconsistent with any of the provisions of Part II of this Act are hereby repealed.

Except as otherwise specifically provided herein this Act shall take effect immediately upon approval by the Governor.

In the Senate House the 5th day of June  
In the Year of Our Lord One Thousand Nine  
Hundred and Eighty-Six.

Michael R. Daniel,  
*President of the Senate*

Ramon Schwartz, Jr.,  
*Speaker of the House of  
Representatives*

### PLEASE NOTE

Became law without signature of the Governor.

An asterisk and boldface indicate items vetoed by the Governor on June 18, 1986. Because the General Assembly took no action on the vetoes prior to Sine Die adjournment, the effect is the same as if the vetoes were sustained.

Provisions not vetoed by the Governor took effect June 18, 1986.

Printer's Date -- 7/24/86 -- S.

-----XX-----

952

03818

(A)

# EXHIBIT

OCT 7 1986 NO. 12

STATE BUDGET AND CONTROL BOARD REGULAR SESSION  
MEETING OF October 7, 1986 ITEM NUMBER

5

AGENCY: Budget Division

SUBJECT: 1986-87 Planning Districts Appropriation

The Budget Division advises that the Councils of Governments have requested payment of the 1986-87 appropriated funds (\$725,521) for Aid to Planning Districts.

The Budget Division recommends allocating 95% of the appropriation at this time.

<u>District</u>	<u>100%</u>	<u>95%</u>
Appalachian	\$128,296.00	\$121,881.20
Upper Savannah	56,514.00	53,688.30
Catawba	61,954.00	58,856.30
Central Midlands	89,965.00	85,466.75
Lower Savannah	65,186.00	61,296.70
Santee-Lynches	56,455.00	53,632.25
Pee Dee	72,059.00	68,456.05
Waccamaw	57,437.00	54,565.15
Berkeley-Charleston-Dorchester	86,296.00	81,981.20
Low Country	51,539.00	48,791.05
Total	\$725,521.00	\$689,244.95

A Section 125 proviso (attached) requires that, upon Board approval, the State Treasurer shall remit each planning district's share.

BOARD ACTION REQUESTED:

Approve payment of 95% (\$689,244.95) of the 1986-87 appropriation to the planning districts as follows: Appalachian, \$121,881.20; Upper Savannah, \$53,688.30; Catawba, \$58,856.30; Central Midlands, \$85,466.75; Lower Savannah, \$61,296.70; Santee-Lynches, \$53,632.25; Pee Dee, \$68,456.05; Waccamaw, \$54,565.15; Berkeley-Charleston-Dorchester, \$81,981.20; Low Country, \$48,791.05.

ATTACHMENTS:

Agenda item worksheet and attachments

03819

State of South Carolina  
State Budget and Control Board

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



Box 12444  
Columbia  
29211

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

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

October 8, 1986

EXHIBIT

OCT 7 1986 NO. 12

STATE BUDGET & CONTROL BOARD

The Honorable Grady L. Patterson, Jr.  
State Treasurer  
Wade Hampton Building  
Columbia, SC 29201

Dear Mr. Patterson:

This confirms that the Budget and Control Board, at its meeting on October 7, 1986, approved the payment of 95% of the 1986-87 appropriation of \$725,521 for Aid to Planning Districts. The 95% total is \$689,244.95. Each planning district's share is shown in the materials enclosed.

Sincerely,

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

William A. McInnis  
Secretary

WAM:n1  
Enclosure

03820

# EXHIBIT

OCT 7 1986 NO. 12

STATE BUDGET & CONTROL BOARD

## SECTION 125 AID TO SUBDIVISIONS

operations, exclusive of salaries and fringe benefits, a like reduction shall be made in funds appropriated for the operating expenses of the local health department. Any year-end lapsed monies which result from this provision shall be returned to the appropriate county at the end of each fiscal year.

*Provided, Further, That* fifty (50%) percent of the amount appropriated in this section for "Aid to Planning Districts" shall be divided equally among the ten districts, the remaining fifty (50%) percent to be allocated in proportion to the population of each district according to the official United States Census for 1980.

*Provided, Further, That* each district shall, prior to receipt of funds, submit a plan for the expenditure of funds appropriated in this section to the Budget and Control Board. Within ninety (90) days following the end of the fiscal year, each district shall submit to the Budget and Control Board a copy of an audit of funds appropriated in this section, to be performed by an independent Certified Public Accountant.

*Provided, Further, That* the State Treasurer shall remit to each district its share upon approval by the Budget and Control Board.

*Provided, Further, That* of the amount appropriated under "Aid to Counties, Tax Forms and Supplies Expense," 4¢ per capita, based on the official United States Census for 1980, shall be remitted by the Comptroller General to the several counties of the state and shall be applied by the counties only on expense of printing tax forms and supplies for county auditors, treasurers and tax collectors. Payment shall be made to each county treasurer in one annual payment which shall be made as soon after the beginning of the fiscal year as practical.

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

Meeting Scheduled for: October 7, 1986 Regular Agenda 87-25

1. Submitted By:  
(a) Agency: State Budget Division  
(b) Authorized Official Signature: A. Brian Holmes IV

2. Subject:  
The Council of Governments Payments request for the 1986-87 Planning Districts appropriation.

3. Summary Background Information:  
The Council of Governments requests payment to the planning districts under Section 125, Item III C. Aid to Planning Districts, Part I, 1986-87 Appropriation of \$725,521. Information as required by the 1986-87 Appropriation Act has been submitted. The State Budget Division recommends allocating 95% or \$689,245 of the current appropriation at this time. Individual payments to be made per attached list.

4. What is Board asked to do?  
Approve the planning district allocation and payment of \$689,245 (95% of the total appropriation) per attached schedule.

5. What is recommendation of Board Division involved?  
Recommend approval - 95% allocation of the FY 1986-87 appropriation C. H. Cole

6. Recommendation of other Division/agency (as required)?  
  
(a) Authorized Signature: \_\_\_\_\_  
(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:  
(a) List Those Attached:  
1. Districts Letter Requesting Funds  
  
(b) List Those Not Attached But Available From Submitter:  
1. District Plans for 1986-87 Budget



03823



**SOUTH CAROLINA**  
 GOVERNOR'S OFFICE  
 STATE PLANNING & GRANTS DIVISION



**EXHIBIT**  
 OCT 7 1986  
 NO. 12  
 STATE BUDGET & CONTROL BOARD



**Upper Savannah  
Council of Governments**

Post Office Box 1366  
Greenwood, South Carolina 29646  
Telephone 803-229-6627

September 11, 1986

Mr. Preston Cantrell  
Office of the State Auditor  
Division of Budget Development  
Post Office Box 11333  
Columbia, SC 29211

Dear Mr. Cantrell:

Enclosed are the ten Requests for Payment from the Councils of Governments for the State appropriated funds for the period of July 1, 1986 through June 30, 1987.

Each Council has attached to the request a fiscal year 1987 proposed budget. Thank you for your continued support.

Sincerely,

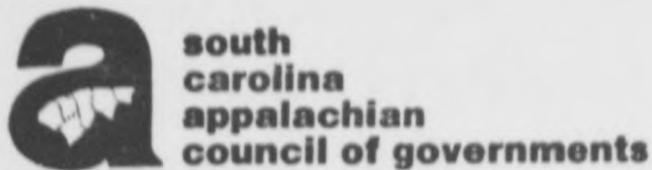
*Sandra M. Johnson*

Sandra M. Johnson  
Accountant

SMJ/pd

Enclosure

03824



**south  
carolina  
appalachian  
council of governments**

ANDERSON • CHEROKEE • GREENVILLE • OCONEE • PICKENS • SPARTANBURG COUNTIES

August 20, 1986

EXHIBIT

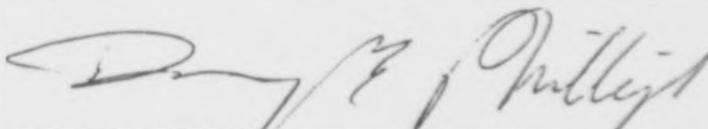
OCT 7 1986 NO. 1 2

STATE BUDGET & CONTROL BOARD

Mr. Edgar A. Vaughn, Jr., State Auditor  
State of South Carolina  
P.O. Box 11333  
Columbia, SC 29211

Request for Payment

State appropriated funds for the period of  
July 1, 1986 through June 30, 1987. . . . . \$128,296.00

  
\_\_\_\_\_  
Douglas E. Phillips, Executive Director

03825



August 19, 1986

**Upper Savannah  
Council of Governments**

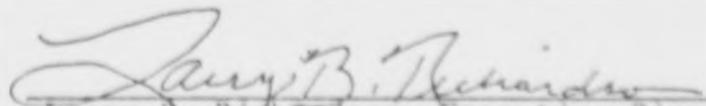
Post Office Box 1366  
Greenwood, South Carolina 29646  
Telephone 803 229-6627

Mr. Edgar A Vaughn, Jr., State Auditor  
State of South Carolina  
Post Office Box 11333  
Columbia, South Carolina 29211

---

REQUEST FOR PAYMENT

State appropriated funds for the period of  
July 1, 1986 through June 30, 1987 . . . . . \$56,514.00

  
Larry B. Richardson, Executive Director

03826



GATAWBA REGIONAL PLANNING COUNCIL  
Suite 300, SCN Center 100 Dave Lyle Boulevard  
P. O. Box 862 Rock Hill, S. C. 29730 Tele. (803) 327-9041

August 20, 1986

Mr. Edgar A. Vaughn, Jr.  
State Auditor  
State of South Carolina  
Post Office Box 11333  
Columbia, South Carolina 29211

EXHIBIT

OCT 7 1986 NO. 12

STATE BUDGET & CONTROL BOARD

REQUEST FOR PAYMENT

State appropriated funds for the period of  
July 1, 1986, through June 30, 1987 . . . . . \$61,954

  
William J. James, Executive Director

03827

EXHIBIT

OCT 7 1986 NO. 12

STATE BUDGET & CONTROL BOARD



CENTRAL MIDLANDS REGIONAL PLANNING COUNCIL  
DUTCH PLAZA, SUITE 155, 800 DUTCH SQUARE BLVD. COLUMBIA, SOUTH CAROLINA 29210 (803) 798-1243

August 13, 1986

State Budget & Control Board  
Budget Division  
408 Wade Hampton Office Building  
Columbia, South Carolina 29202  
Attn: Charles Case

REQUEST FOR PAYMENT

State appropriated funds for the period of  
July 1, 1986 through June 30, 1987..... \$89,965.00

Sidney P. Thomas, Jr.  
Executive Director

03828



# EXHIBIT

OCT 7 1986 NO. 12

STATE BUDGET & CONTROL BOARD

P.O. BOX 850

AIKEN, SOUTH CAROLINA 29802

TEL. 803-649-7981

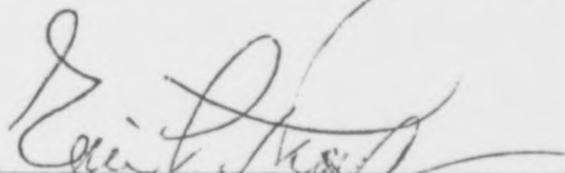
September 3, 1986

Mr. Edgar A. Vaughn, Jr., State Auditor  
State of South Carolina  
Post Office Box 11333  
Columbia, South Carolina 29211

---

REQUEST FOR PAYMENT

State appropriated funds for the period of  
July 1, 1986 through June 30, 1987 . . . . . \$65,186.00

  
Eric P. Thompson, Executive Director

03829



# SANTEE-LYNCHES COUNCIL FOR GOVERNMENTS

Serving Clarendon, Kershaw, Lee and Sumter Counties

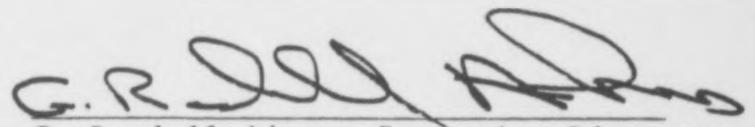
August 22, 1986

Mr. Edgar A. Vaughn, Jr., State Auditor  
State of South Carolina  
Post Office Box 11333  
Columbia, South Carolina 29211

---

## REQUEST FOR PAYMENT

State appropriated funds for the period of  
July 1, 1986 through June 30, 1987.....\$56,455.00

  
G. Randall Adams, Executive Director

03830

PEE DEE REGIONAL  
COUNCIL OF GOVERNMENTS

- An Economic Development District -

P. O. BOX 5719

FLORENCE, SOUTH CAROLINA 29502

PHONE (803) 669-3138

September 5, 1986

EXHIBIT

OCT 7 1986 NO. 12

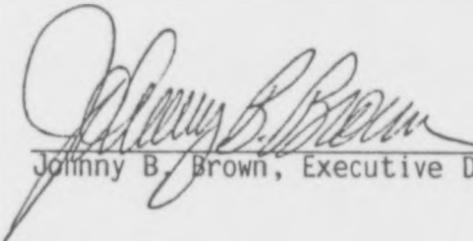
Mr. Edgar A. Vaughn, Jr., State Auditor  
State of South Carolina  
Post Office Box 11333  
Columbia, South Carolina 29211

STATE BUDGET & CONTROL BOARD

=====

REQUEST FOR PAYMENT

State appropriated funds for the period of  
July 1, 1986 through June 30, 1987. . . . . \$72,059.00

  
Johnny B. Brown, Executive Director

03831



WACCAMAW REGIONAL  
PLANNING AND DEVELOPMENT COUNCIL

P.O. DRAWER 419, GEORGETOWN, SOUTH CAROLINA 29442

PHONE (803) 546-8502

EXHIBIT

OCT 7 1986 NO. 12

STATE BUDGET & CONTROL BOARD

September 3, 1986

Mr. Edgar A. Vaughn, Jr.  
State Auditor  
State of South Carolina  
P.O. Box 11333  
Columbia, SC 29211

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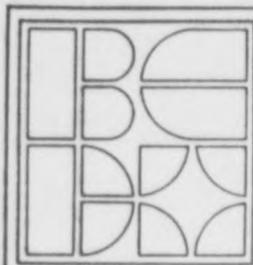
Request for payment:

State appropriated funds for the period of  
July 1, 1986 through June 30, 1987 ..... \$57,437.00

\*\*\*\*\*

*C. Kenneth Thompson*  
C. Kenneth Thompson  
Executive Director

CKT/pjb



**BERKELEY  
CHARLESTON  
DORCHESTER  
COUNCIL OF GOVERNMENTS**

**EXECUTIVE COMMITTEE MEMBERS**

<b>CHAIRMAN</b> John E. Huguley	Donald Handelman
<b>VICE CHAIRMAN</b> Hazel S. Parson	Michael J. Heizer
<b>SECRETARY</b> Gordon B. Stine, DDS	W. G. Henderson
<b>TREASURER</b> Johnnie T. Flynn	Hilda H. Jefferson
	Richard L. Jones
	Elizabeth Kerrison
	Vernon Kizer
	Beth McIntosh
	Moses Middleton, Jr.
	Mary Miller
	Joseph P. Riley, Jr.
	Imogene Russell
	Robert B. Scarborough
	McKinley Washington, Jr.
	<b>EXECUTIVE DIRECTOR</b> Thomas L. Hansen

August 29, 1986

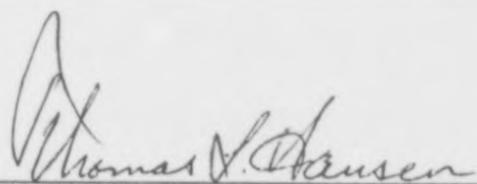
Mr. Edgar A. Vaughn, Jr., State Auditor  
State of South Carolina  
P.O. Box 11333  
Columbia, SC 29211

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**REQUEST FOR PAYMENT**

State appropriated funds for the period  
July 1, 1986 through June 30, 1987

\$86,296.00

  
Thomas L. Hansen, Executive Director

**03833**



LOWCOUNTRY COUNCIL OF GOVERNMENTS • P.O. BOX 98, YEMASSEE, SOUTH CAROLINA 29945 • (803) 726-5536

August 25, 1986

EXHIBIT

OCT 7 1986 NO. 12

STATE BUDGET & CONTROL BOARD

Mr. Edgar A. Vaughn, Jr., State Auditor  
State of South Carolina  
Post Office Box 11333  
Columbia, SC 29211

---

REQUEST FOR PAYMENT

State appropriated funds for the period of

July 1, 1986 through June 30, 1986.....\$51,359

N. S. Thompson, Executive Director

03834

# EXHIBIT

OCT 7 1986 NO. 18

STATE BUDGET AND CONTROL BOARD  
MEETING OF October 7, 1986

STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
ITEM NUMBER

6

AGENCY: Budget Division

SUBJECT: Use of EIA Teacher Loan Funds to Administer Federal Grant (Education)

The Budget Division advises that the Department of Education has requested that it be allowed to use \$26,230 of Education Improvement Act (EIA) Teacher Loan funds to cover the cost of administering a federal grant.

South Carolina could receive \$131,106 under the Carl D. Perkins scholarship program for outstanding students. The State would be responsible for the administrative cost projected at \$26,230.

The Division advises that the program is consistent with the EIA objectives and will provide additional student loan funding.

The Division also points out that this request is before the Board because the request is to change legislative intent with respect to the \$26,230. If the request is approved, a transfer of funds would have to be made.

BOARD ACTION REQUESTED:

Authorize the Department of Education to use \$26,230 of EIA Teacher Loan funds to cover the cost of administering a federal grant (Carl D. Perkins scholarship program) which will provide additional student loan funding.

ATTACHMENTS:

Agenda item worksheet and attachments

03835

# EXHIBIT

OCT 7 1986 NO. 13

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

Meeting Scheduled for: October 7, 1986

Regular Agenda

87-26

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: *A. Barn Holmes IV*

2. Subject:

The Department of Education request the use of EIA Teacher Loan Funds to administer a Federal Grant.

3. Summary Background Information:

The Department of Education requests the use of \$26,230 EIA Teacher Loan funds to cover the cost of administering a federal grant. The Federal Government has a scholarship program (Carl D. Perkins) for outstanding students. South Carolina could receive \$131,106 under this program. The state would be responsible for the administrative cost which is projected at \$26,230. This program is consistent with the EIA objectives and will provide additional student loan funding.

4. What is Board asked to do?

Approve the use of \$26,230 of the EIA Teacher Loan Program funding to cover the administrative cost of the Carl D. Perkins Student Scholarship Program.

5. What is recommendation of Board Division involved?

Recommend Approval

*C. M. Case*

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

(a) Authorized Signature: \_\_\_\_\_

(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:

(a) List Those Attached:

1. Letters: Robert R. Hill; State Department of Education; William M. Mackie, Jr.; Student Loan Corp; Statement of Projected Cost of Administration for Program

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

03836

Case

EXHIBIT



Charlie G. Williams  
State Superintendent of Education

STATE OF SOUTH CAROLINA  
DEPARTMENT OF EDUCATION  
COLUMBIA 29201

OCT 7 1986 NO. 13  
STATE BUDGET & CONTROL BOARD

September 17, 1986

RECEIVED

SEP 22 1986

Budget & Control Board  
STATE BUDGET DIVISION

Mr. A. Baron Holmes, IV  
Director, Budget Division  
State Budget and Control Board  
407 Wade Hampton Building  
Columbia, South Carolina 29201

Dear Baron:

During the late summer the Governor's office agreed to participate in a federal program designed to provide financial aid opportunities for outstanding students. It is anticipated that South Carolina's share of the federal funds will be \$131,106.00.

In order to participate the host state must provide all administrative support. The Governor's office designated the South Carolina Student Loan Corporation as the organization to administer the programs. I have been working with Bill Mackie at the Student Loan Corporation to develop a projected cost and a revenue source. The attached document represents the administrative cost.

Since there is no appropriation for the administrative cost, a funding source is needed. Dr. Terry Peterson and I are in agreement that the most logical source is the EIA Teacher Loan Program. This program is currently administered by the S. C. Student Loan Corporation and its mission is consistent with the federal program.

Based on the above I am requesting the Budget and Control Board's authorization to use \$26,230.00 for the administration of the Carl D. Perkins Scholarship Program.

Please advise.

Sincerely,

Robert R. Hill  
Deputy Superintendent  
Division of Administration and Planning

RRH:jma

Attachment

03837

South Carolina

File: Perkins Scholarship

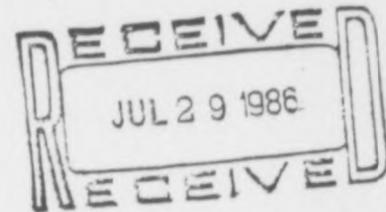
# STUDENT LOAN CORPORATION

LOAN PROGRAMS: P.O. BOX 21487  
PHONE (803) 798-0916

SUITE 210 INTERSTATE CENTER COLUMBIA, S.C. 29221

REPAYMENT: P.O. BOX 21337  
PHONE (803) 798-0946

July 25, 1986



Mr. Robert R. Hill  
Deputy Superintendent  
Administration and Planning Division  
S.C. Department of Education  
Rutledge Building  
1429 Senate Street  
Columbia SC 29201

EXHIBIT

OCT 7 1986 NO. 13

Dear Bob:

STATE BUDGET & CONTROL BOARD

Pursuant to your request, I am enclosing an itemization of the expenses the Corporation anticipates encountering in the administration of the Perkins Scholarship Program for the 1986-87 academic year. These expenses are based upon what is known of the program at this time and what is contained in the proposed regulations issued by the United States Department of Education in June. Although I am somewhat uncomfortable preparing this budget for a program as new as this and, especially, one in which regulations have not been promulgated, I feel that these projected expenditures should be adequate.

As I mentioned to you earlier, probably the most expensive aspect associated with any "start-up" costs is programming, which is included in loan service. Since there is some question concerning the continued funding of this program after 1986-87, and since final regulations have not yet been issued, I feel that the better part of wisdom is to delay these costs until next year. Therefore, we will do only that programming which is necessary on our personal computer for this year and consequently, the expenses should be minimal. If, however, this will be an ongoing program, our major loan servicing system must be modified to accommodate this program and we can address that next year.

Thank you for your assistance and cooperation with this matter, and if you would like any further information concerning the proposed budget, please let me know.

Sincerely,

William M. Mackie, Jr.  
Executive Director

vss

✓ xc: Frank Kinard

03838

SOUTH CAROLINA STUDENT LOAN CORPORATION

CONTRACTUAL SERVICES  
FOR  
SOUTH CAROLINA PERKINS SCHOLARSHIP

Annual Budget  
1986-87

Personnel Expenses	
Staff Salaries	\$ 11,000
Social Security	790
Group Insurance	1,765
Retirement	725
Unemployment	40
Total Personnel Expenses	<u>\$ 14,320</u>
Contractual Services	
Loan Servicing	\$ 2,000
Accounting	125
Total Contractual Expenses	<u>\$ 2,125</u>
General Operating Expenses	
Rent	\$ 1,460
Telephone	1,100
Printing	2,500
Postage	1,000
Supplies	525
Travel	1,000
Contingencies	1,000
Total General Operating Expenses	<u>\$ 8,585</u>
Capital Expenditures	
Equipment, Furniture & Fixtures	<u>\$ 1,200</u>
Total Expenditures	<u><u>\$ 26,230</u></u>

03839

# EXHIBIT

OCT 7 1986 NO. 14

STATE BUDGET AND CONTROL BOARD REGULAR SESSION  
MEETING OF October 7, 1986 ITEM NUMBER

7

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AGENCY: Budget Division

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SUBJECT: Civil Contingent Fund Allocation (Florence Crittenton Program)

The Budget Division advises that the Florence Crittenton Program of South Carolina has requested a \$12,500 Civil Contingent Fund allocation for its operation. The Program is designed to provide a home for pregnant teenagers who need special placement.

The Division advises that the Program is experiencing severe financial difficulties and appears to be running a \$4,000 monthly deficit. The Program has increased its bank line of credit and has reduced current operating costs.

The Division points out that contributions to the program were made as far back as 1945-46 (\$2,500) and as recently as 1981-82 (\$7,500). Since 1977, the Program has contracted with DSS, Youth Services, and the Health and Human Services Finance Commission to handle clients.

The Division recommends approval of the request.

---

BOARD ACTION REQUESTED:

Allocate \$12,500 from the Civil Contingent Fund to the Florence Crittenton Program for its operation.

---

ATTACHMENTS:

Agenda item worksheet and attachments

03840

# EXHIBIT

OCT 7 1986 NO. 14

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

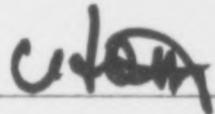
Meeting Scheduled for: October 7, 1986 Regular Agenda 87-27

1. Submitted By:  
(a) Agency: State Budget Division  
(b) Authorized Official Signature: A. Baron Holmes IV

2. Subject:  
Florence Crittenton Program-Civil Contingent Fund Allocation Request

3. Summary Background Information:  
The Florence Crittenton Program of South Carolina is requesting a \$12,500 Civil Contingent Fund allocation for its operation. The Program is experiencing severe financial difficulties and appears to be running a \$4,000 monthly deficit. The program has increased its bank line of credit and reduced current operating costs. (See attached staff memorandum)

4. What is Board asked to do?  
Approve a \$12,500 Civil Contingent Fund allocation request for the Florence Crittenton Home.

5. What is recommendation of Board Division involved?  
Recommend Approval 

6. Recommendation of other Division/agency (as required)?  
  
(a) Authorized Signature: \_\_\_\_\_  
(b) Division/Agency Name: \_\_\_\_\_

7. Supporting Documents:  
(a) List Those Attached:  
1. Florence Crittenton Program's Letter  
2. Staff Memo to Jesse Coles  
  
(b) List Those Not Attached But Available From Submitter:

03841

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD  
STATE BUDGET DIVISION  
406 WADE HAMPTON STATE OFFICE BUILDING  
COLUMBIA, S.C. 29201

EXHIBIT

OCT 7 1986 NO. 14

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



REMBERT C. DENNIS  
CHAIRMAN  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE

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

A. BARON HOLMES, IV, Ph.D.  
DIVISION DIRECTOR

MEMORANDUM

TO: Jesse A. Coles, Jr., Ph.D., Executive Director  
Budget and Control Board

FROM: Ed Brophy, State Budget Analyst *Ed Brophy*  
B & C Board - Budget Division

SUBJECT: Florence Crittenton Program

DATE: September 30, 1986

In response to the inquiry from the Executive Director's Office, the following information is submitted concerning the Florence Crittenton Program.

The Florence Crittenton Program is designed to provide a home for teenage pregnant girls who for various reasons are in need of special placement pending the outcome of their pregnancy.

The General Assembly has authorized "Contributions" for the program at least as far back as FY 45-46 (\$2,500) and ceased with FY 81-82 (\$7500). From FY 78-79 through FY 80-81, the authorized contributions were \$15,000 per annum; no known reason can be found as to why the "Contributions" ceased at this time, except that subsequent fiscal years were exceptionally lean in the "Contribution" Section of the Appropriation Acts.

Beginning in 1977, the program has contracted with DSS, DYS and SHHSFC since since FY 85-86 to handle clients. The contracts with DYS were required by proviso (\$95,000 FY 85-86 and \$65,000 FY 86-87) but the agency use of contracts have been low. This year beginning in October, 1986, for the SHHSFC contract, the client cost will be standardized for all providers and the clients will pick the provider. The unit cost of service reimbursement will be higher than the Florence Crittenton Programs cost but the contract does not guarantee that the client will pick any given provider, so Florence Crittenton Program may continue to have future problems.

EB:dh

03842

# EXHIBIT

SERVING FAMILIES SINCE 1897

## FLORENCE CRITTENTON PROGRAMS

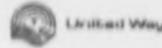
OF SOUTH CAROLINA

OCT 7 1986

NO. 14

STATE BUDGET & CONTROL BOARD

RESIDENTIAL PROGRAM  
19 ST. MARGARET STREET  
CHARLESTON, S.C. 29403  
(803) 722-7526



CWLA  
COUNCIL ON  
WELFARE  
ACCREDITED



DAY PROGRAM  
701 EAST BAY STREET  
CHARLESTON, S.C. 29403  
(803) 723-7123

RECEIVED

September 26, 1986

SEP 29 1986  
BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

The Honorable Richard W. Riley  
Governor of South Carolina  
The State House  
Box 11450  
Columbia, South Carolina 29211

Dear Governor Riley:

Enclosed is a copy of a letter I sent to Earle Morris. This will bring you up to date on our continued failing efforts to secure sufficient funding for this agency.

The response I have gotten from Earle is he will ask the Budget and Control Board to give us a portion of our request from the Civil Contingency Fund on October 7th.

. On behalf of the Board of Directors, myself, and the families we serve who are experiencing the crisis of an out-of-wedlock pregnancy, let me say we would appreciate your vote in support of our request.

When you return to Greenville you will be a neighbor of my niece, Sally Green Brunson, at 56 Club Forest Drive. I'm sorry to have missed you at the Tecklenberg's party.

Sincerely,

Mary Green, MSW  
Executive Director

MG:jb

Enclosure

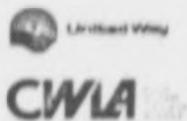
cc: Mr. Charlie Smith

03843

SERVING FAMILIES SINCE 1897

## FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA

RESIDENTIAL PROGRAM  
19 ST. MARGARET STREET  
CHARLESTON, S.C. 29403  
(803) 722-7526



DAY PROGRAM  
701 EAST BAY STREET  
CHARLESTON, S.C. 29403  
(803) 723-7123

September 8, 1986

The Honorable Earle E. Morris, Jr.  
Comptroller General  
302 Hampton Office Building  
Box 11228  
Columbia, SC 29211

Dear Earle:

After all the effort we put into getting relief for our financial problems and all the effort our friends put into it we were still unsuccessful. Frankly I am about at my wit's end and am very much in need of mental health.

I want to thank you for writing Dennis Caldwell. It turns out his hands were tied for our current contract but he was able to raise our per diem rate for the October 1st contract. He truly went to bat for us but the Procurement Code stopped him.

We then asked Joe Riley to write the Governor asking that he help us with his discretionary funds. We then heard he didn't have any discretionary funds.

What we had to do then was to increase our line of credit with the bank up to \$75,000. We currently owe the bank \$61,000 and are going into debt approximately \$4,000 a month. We have reduced staff by four (4) positions and have cut all salaries above \$10,000 five (5) percent.

Morale has been low - I haven't had a vacation and we have a house full of pregnant girls. At least the latter is an improvement over the last letter I wrote. You will remember we had an unexplainable drop in clients. This has changed but not rapidly enough to help our financial situation.

Because we have this cash flow problem and this debt with the bank we appealed to United Way for help. They have been very sympathetic (isn't everyone) but say we cannot raise funds publicly until January. Frankly I wonder if we will be here in January.

Earle, I'm asking you for an emergency contribution from your discretionary funds to help us over this hump. The last time I asked was too close to the end of the fiscal year. This time should find you in a better position to help if you can. We need

(continued)

03844

The Honorable Earle E. Morris, Jr.  
September 8, 1986  
Page 2

\$25,000 to insure our being here, otherwise we are going to have to find places for 25 pregnant young women. How about the Governor's door step?

I am taking the rest of the week off so will call you Monday the 15th. I am also taking the liberty of sending a copy of this letter to Allen Legare in case he can put in a good word for us.

My best to you.

Sincerely,

*Mary*

Mary Green, MSW  
Executive Director

MG:jb

cc: T. Allen Legare, Jr.  
Dennis Caldwell

03845

Budget & Control Board, Office of Executive Director  
CIVIL CONTINGENT FUND - 86-87

Fund Status Report at October 7, 1986

Appropriations:  
 General \$ \$494,624.00

Transfers:

Governor's Ofc Exec Policy and Pgms/CETA 75-76 Claim	37,523.00	
BCB/DRSS/Board of Economic Advisors	<u>21,110.00</u>	\$58,633.00

Direct Expenditures:

Budget and Control Board Meeting	1,304.16	
Board of Economic Advisors	390.00	
Construction Advisory Committee	277.76	
Governor's Youth Advisory Council	<u>1,754.75</u>	\$3,726.67

Encumbrances:

Water Resources Commission	83,900.00	
Budget and Control Board (RCB) Meetings	2,695.84	
BCB, OED, Microfilming, Binding Board Minutes	2,000.00	
Retirement/Preretirement Advisory Council	350.00	
Construction Advisory Council	322.24	
Governor's Youth Advisory Council Meetings	2,245.25	
Study Committee/Hunger and Nutrition	2,501.00	
NASBO Regional Meeting, SC Host	9,611.00	
Clemson University/Fire Ant Research	30,000.00	
Catawba Indian Suit/Legal Fees	125,000.00	
Commission on Women	6,000.00	
Board of Examiners, LPC, AC, M&FT*	<u>23,140.00</u>	\$287,765.33

EXHIBIT

OCT 7 1986 NO. 14

STATE BUDGET & CONTROL BOARD

YTD Encumbered (Total Trans, Expend and Encumb): \$350,125.00

\*\*\*\*\*

Year-to-date Disbursement: \$62,359.67

Balance (Cash available at 10/07/86): \$432,264.33

Balance Unencumbered (Total Available): \$144,499.00

03846

\*Licensed Professional Counselors, Associate Counselors, Marital and Family Therapists

# EXHIBIT

OCT 7 1986 NO. 15

8

STATE BUDGET AND CONTROL BOARD ~~STATE BUDGET & CONTROL BOARD~~ REGULAR SESSION  
MEETING OF October 7, 1986 ITEM NUMBER \_\_\_\_\_

AGENCY: Executive Director

SUBJECT: Private Activity Bonds; Allocation of State Ceiling

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

Both projects require approval under State law. An allocation of a portion of the Ceiling is requested for item (a).

- (a) Issuing Authority: Sumter County  
Amount of Issue: \$2,700,000 Industrial Revenue Note  
Name of Project: MetoKote Corporation  
Employment Impact: approximately 50  
Project Description: Facility for chemical coating of component parts for automobiles, appliances and other manufactured products
- (b) Issuing Authority: Pickens County/Richland County  
Amount of Issue: \$25,000,000 Hospital Revenue REFUNDING Bonds  
Name of Project: South Carolina Baptist Hospital  
Project Description: Refund outstanding revenue bonds; fund a reserve bond for Series 1986 bonds; pay cost of issuing 1986 bonds

The status report on the State Ceiling as of September 26, 1986, (year elapsed 74%) shows:

	<u>CY 1986 Ceiling</u>	<u>Allocated</u>	<u>(%)</u>	<u>Not Allocated</u>	<u>(%)</u>
State Pool	\$200,820,000	\$ 8,830,000	( 4%)	\$191,990,000	(96%)
Local Pool	301,230,000	132,352,670	(44%)	168,877,330	(56%)
Total	\$502,050,000	\$141,182,670	(28%)	\$360,867,330	(72%)

BOARD ACTION REQUESTED:

Adopt resolutions approving the Sumter County proposal to issue \$2,700,000 Industrial Revenue Note on behalf of the MetoKote Corporation and the Pickens/Richland Counties proposal to issue \$25,000,000 Hospital Revenue Refunding Bonds on behalf of the South Carolina Baptist Hospital project, on the condition that the required reviews are completed with satisfactory results, and allocate a portion of the State Ceiling to the MetoKote project; and receive as information the status report on the State Ceiling.

ATTACHMENTS:

Referenced status report on State Ceiling.

03847

STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

Certified State Ceiling (01/14/86):	\$502,050,000
A. State Agency and Exempt Facilities Pool (40%)	<u>200,820,000</u>
State Agency & Exempt Facilities Pool (40%)	<u>200,820,000</u>
B. Local Pool (60%)	<u>301,230,000</u>
Local Pool (60%)	<u>301,230,000</u>

EXHIBIT  
OCT 7 1995 NO. 1 R  
STATE BUDGET & CONTROL BOARD

03848

1986 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

Date of B&C Board Allocation	Governmental Unit	Name of Project	Pool Total	Amount of Pool Allocated	Balance of Pool Available	Amount Certified for Issue
01/02/86	STATE AGENCY AND	EXEMPT FACILITIES POOL	\$200,820,000			
01/23/86	Family Farm Dev.	Joseph A. Kesler		-350,000		350,000
01/23/86	Family Farm Dev.	James O. Brown		-220,000		220,000
01/23/86	Family Farm Dev.	W & W Farms		-15,000		15,000
02/11/86	Family Farm Dev.	Walter L. Paradise		-180,000		180,000
02/11/86	Family Farm Dev.	Martin I. Easler		-10,000		10,000
02/27/86	Family Farm Dev.	Joseph Scott Croxton		-200,000		200,000
02/27/86	Family Farm Dev.	Jon Edward Agerton		-130,000		130,000
03/25/86	JEDA	Congaree Vista Associates		-1,000,000		1,000,000
03/25/86	Family Farm Dev.	William G. Reese		-185,000		185,000
04/08/86	JEDA	Doty Scientific Incorporated		-500,000		500,000
05/13/86	Family Farm Dev.	Carl Joe Ables		-40,000		40,000
05/27/86	Fairfield County	SCE&G Co.		-1,100,000		1,100,000
05/27/86	Family Farm Dev.	Ralph O. Hartley		-40,000		40,000
05/27/86	Family Farm Dev.	Carol J. Clamp		-100,000		100,000
06/24/86	Family Farm Dev.	Melissa W. Rochester		-220,000		220,000
07/15/86	Lexington County	Technographics Decotone US		-1,200,000		1,200,000
07/15/86	Family Farm Dev.	Sandra K. Senn		-250,000		
07/15/86	Family Farm Dev.	Barbara Ann Senn		-250,000		
07/15/86	Family Farm Dev.	Frank M. Senn, Sr.		-240,000		
09/09/86	JEDA	Palmetto Tile Distributors		-1,000,000		
09/09/86	JEDA	Standish Associates		-1,000,000		
09/09/86	JEDA	Rainbow Oil Co., Inc.		-600,000		
	Total Allocated			-8,830,000		5,490,000
	Total, State Agency and Exempt Facilities Pool		\$200,820,000	-8,830,000	\$191,990,000	5,490,000

EXHIBIT  
OCT 7 1986 NO. 15  
STATE BUDGET & CONTROL BOARD

03849

Date of B&C Board Allocation	Governmental Unit	Name of Project	Pool Total	Amount of Pool Allocated	Balance of Pool Available	Amount Certified for Issue
01/02/86	LOCAL POOL		\$301,230,000			
01/23/86	Spartanburg County	Jimmy I. Gibbs		-1,000,000		1,000,000
02/11/86	Berkeley County	David Maybank, Jr.		-68,848		68,848
02/27/86	Marion County	Beneteau Manufacturing, Inc.		-3,000,000		3,000,000
02/27/86	Cherokee County	Ametex Fabrics, Inc.		-2,700,000		2,700,000
02/27/86	Cherokee County	Y Z Realty Trust		-1,850,000		1,850,000
02/27/86	Berkeley County	Pearlstine Distributors		-1,500,000		1,500,000
03/11/85	Spartanburg County	O'Mara Incorporated		-1,000,000		1,000,000
03/25/86	Horry County	Commercial Realty Ventures		-250,000		250,000
04/08/86	Lexington County	Clay Hyder		-6,100,000		6,100,000
04/08/86	Greenville County	Hart-Greenville Partnership		-3,500,000		3,500,000
04/22/86	Sumter, City of	Redevelopment Loan Program		-13,822		13,822
04/22/86	Greenville County	International Plastics		-500,000		500,000
05/13/86	York County	Meco Metal Finishing USA, Inc.		-1,800,000		1,800,000
05/13/86	Richland County	Dodd Investment		-620,000		620,000
06/10/86	Spartanburg County	J M Smith Corporation		-1,000,000		1,000,000
06/10/86	Richland County	William M. Gregg, II.		-1,500,000		1,500,000
06/10/86	Anderson County	Mount Vernon Mills, Inc.		-3,000,000		3,000,000
06/24/86	Laurens County	Dispoz-o Plastics, Inc.		-1,500,000		1,500,000
06/24/86	Lexington County	Kingston Metal South Corp.		-750,000		750,000
07/15/86	Sumter, City of	O. Mack Kolb/J.E. Eldridge Jr.		-50,000		
07/15/86	Florence County	*Bruce Hospital, Inc.		-8,000,000		8,000,000
07/15/86	Lancaster County	Aeroquip Corporation		-2,200,000		2,200,000
07/15/86	Richland County	Trinity Knoll		-3,500,000		
07/15/86	Fairfield County	Rite Aid of SC, Inc.		-10,000,000		
07/15/86	Spartanburg County	One Price Realty		-1,000,000		
07/15/86	Lancaster County	Continental Mfg. Service		-1,500,000		1,500,000
07/29/86	Spartanburg County	Holmberg Electronics Corp.		-650,000		650,000
07/29/86	Spartanburg County	Structofab, Inc.		-600,000		600,000
07/29/86	Cherokee County	Clarkson Associates		-1,800,000		
07/29/85	N. Chasn Redev Com	*Ben Tilliman Homes		-9,500,000		
08/13/86	Spartanburg County	Indever		-1,200,000		1,200,000
08/13/86	Lexington County	A. M. Quattlebaum, Sr.		-1,000,000		
08/28/86	Winnsboro, Town of	Natural Gas Distr.		-2,700,000		
08/28/86	Greenville County	Span America		-3,000,000		3,000,000
08/28/86	Spartanburg County	W J Partnership		-5,000,000		5,000,000
08/28/86	Greenville County	Merscot-Greenville		-25,000,000		
09/09/86	Charleston County	Coburg Dairy		-5,000,000		
09/23/86	Charleston County	NOCS S. Atlantic Storage		-4,000,000		
09/23/86	Congaree Vista	*Pavillion Towers		-15,000,000		
	Total Allocated			-132,352,670		53,802,670
	Total, Local Pool		\$301,230,000	-132,352,670	\$168,877,330	53,802,670

EXHIBIT  
OCT 7 1986  
NO. 15  
STATE BUDGET & CONTROL BOARD

03850

Date of B&C Board Allocation	Governmental Unit	Name of Project	Pool Total	Amount of Pool Allocated	Balance of Pool Available	Amount Certified for Issue
	Total, State Agency and Exempt Facilities Pool		\$200,820,000	-8,830,000	\$191,990,000	5,490,000
	Total, Local Pool		301,230,000	-132,352,670	168,877,330	53,802,670
	GRAND TOTAL		<u>\$502,050,000</u>	<u>-141,182,670</u>	<u>\$360,867,330</u>	<u>59,292,670</u>

\*Tax Reform Act of 1985

03851

9/26/86  
BCB/OED/dw

EXHIBIT  
OCT 7 1986 NO. 15  
STATE BUDGET & CONTROL BOARD

OCT - 8 1986

The State of South Carolina



Office of the Attorney General

EXHIBIT

OCT 7 1986 NO. 1 5

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-734-3680

October 6, 1986

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

Re: \$2,700,000 Charleston County, South Carolina  
Industrial Revenue Note  
(MetoKote Corporation)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 4-29-10 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

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

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

03852

# EXHIBIT

OCT 7 1986 NO. 15

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

STATE BUDGET & CONTROL BOARD

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

RE: Sale by Sumter County, South Carolina (the "Issuer")  
Of its \$2,700,000 Industrial Revenue Note (the "Bonds")  
On behalf of MetoKote Corporation (the "Company")  
a facility for the chemical coating of component ~~parts for automobiles, appliances and other manu-~~ (the "Project")  
~~factured products~~  
To Bank One, Lima, NA (the "Purchaser")

In connection with the referenced sale of Bonds by the Issuer, the Purchaser makes the following representations and certifications:

1. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds;
2. The Purchaser is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;
3. The Purchaser is familiar with the business affairs of the Company and has obtained and examined all financial and other information with respect to the Bonds, the Company and the officers and shareholders of the Company which it deems necessary in order to enable it to evaluate the merits and risks of its investment in the Bonds and to make an informed investment judgment in connection with the purchase of the Bonds;
4. The Purchaser has had the opportunity to ask questions of, and receive answers from, the Issuer and the Company concerning the terms and conditions of the offering and any other information which it has deemed relevant to the Bonds and its investment in the Bonds; and
5. The Bonds are being purchased for the account of the Purchaser and for the purpose of investment and not presently for resale, and the Purchaser has no present intention of offering the Bonds or any portion thereof for resale either currently or after the passage of a fixed period of time, or upon the occurrence or nonoccurrence of any predetermined event or circumstances.

SWORN to and subscribed  
before me this 30th day  
of September, 1986.

Cheryl A. Recker  
Notary Public

My Commission expires  
CHERYL A. RECKER  
Notary Public, State of Ohio  
My Commission Expires July 30, 1989

PURCHASER:

Name: Gerald J. Stechshulte  
Address: Bank One, Lima, NA  
121 West High Street  
Lima, Ohio 45801

BY:

[Signature]  
Signature of Authorized Official  
G. J. Stechshulte, Vice President

Date:

9-30-86

03853

# EXHIBIT

OCT 7 1986

NO. 15

STATE OF SOUTH CAROLINA )

MetoKote Corporation

COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

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

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

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

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

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

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

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

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, October 7, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of Mr. Mangum, who was represented by Ways and Means Committee Vice Chairman T. W. Edwards, Jr.

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

FOR MOTION

AGAINST MOTION

5

0

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

October 8, 1986

William A. McInnis

03854

# ORIGINAL

E

## A RESOLUTION

### STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Sumter County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act"), petition the State Budget and Control Board of South Carolina (the "State Board") seeking the approval of the State Board for an undertaking by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the acquisition, construction and installation of certain land, building, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of component parts for automobiles, appliances and other manufactured goods to be owned and operated by MetoKote Corporation (the "Company") in Sumter County, South Carolina (the "County") by the issuance and delivery of a \$2,700,000 Sumter County, South Carolina, Industrial Revenue Note, Series 1986 (MetoKote Corporation Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by the County Board; and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Note and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the acquisition, construction and installation of the Project, the County Board proposes to provide for the issuance and delivery of the Note pursuant to the Act and to the Note Ordinance, payable by the County from the amounts derived from the Loan Agreement and secured by an Assignment of Loan Agreement (the "Assignment") from the County to Bank One, Lima, NA (the "Bank"), a Mortgage and Security Agreement (the "Mortgage") between the Company and the Bank and by an Unconditional Guaranty Agreement (the "Guaranty Agreement") between the Company and the Bank; and

WHEREAS, the form of the Loan Agreement, the Assignment, the Mortgage, the Guaranty Agreement, the Note Ordinance and the Note have been considered by the Board,

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

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

## EXHIBIT

OCT 7 1986 NO. 15

03855

STATE BUDGET & CONTROL BOARD

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

(b) That the County Board has filed a proper petition with the State Board establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Assignment, the Mortgage, the Guaranty Agreement, the Note Ordinance and the Note and a brief description of the Project;

(c) That the Project is expected to provide employment for approximately fifty (50) persons and, therefore, is expected to have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County; and

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

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the cost of the acquisition, construction and installation of the Project through the issuance of a \$2,700,000 Sumter County, South Carolina, Industrial Revenue Note, Series 1986 (MetoKote Corporation Project) pursuant to the Note Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Assignment, the Mortgage and the Guaranty Agreement, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same is hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in the SUMTER DAILY ITEM, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

# EXHIBIT

OCT 7 1986

NO. 15

## EXHIBIT "A"

STATE BUDGET & CONTROL BOARD

### NOTICE PURSUANT TO TITLE 4, CHAPTER 29, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Sumter County Council (the "County Board") to the State Budget and Control Board of South Carolina (the "State Board") approval has been given by the State Board to the following undertaking (the "Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the acquisition, construction and installation of certain land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of component parts for automobiles, appliances and other manufactured goods to be owned and operated by MetoKote Corporation (the "Company"), a corporation organized and existing under the laws of the State of Ohio, and to be located in the Sumter County Industrial Complex at the intersection of Southgate Drive and Bethel Church Road in Sumter County, South Carolina (the "County").

To finance the acquisition, construction and installation of the Project, the County will issue the \$2,700,000 Sumter County, South Carolina, Industrial Revenue Note, Series 1986 (MetoKote Corporation Project) (the "Note") pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Note will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Note, and the Note will be secured by an Assignment of Loan Agreement under which the County will assign to Bank One, Lima, NA (the "Bank") substantially all of its rights under the Loan Agreement, by a Mortgage and Security Agreement between the Company and the Bank pursuant to which the Company will grant a mortgage lien on, and security interest in, the Project to the Bank and by an Unconditional Guaranty Agreement between the Company and the Bank pursuant to which the Company will unconditionally guarantee payment of the Note. The Note will be issued pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by the County Board.

The Project will provide employment for approximately fifty (50) persons.

Notice is further given that any interested party may at any time within twenty (20) days after the date of

publication of this Notice, but not afterwards, challenge the validity of the action of the State Board in approving the undertaking of the County Board by action de novo instituted in the Court of Common Pleas for Sumter County.

THE STATE BUDGET AND CONTROL BOARD  
OF SOUTH CAROLINA

By: William A. McInnis .

PUBLICATION DATE:  
October 8, 1986

# EXHIBIT

State of South Carolina

OCT 7 1986

NO. 15

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

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

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

October 7, 1986

### C E R T I F I C A T E

#### STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

#### TENTATIVE ALLOCATION, CALENDAR YEAR 1986

---

TO: Sumter County  
\$2,700,000  
Industrial Revenue Note  
(Metokote Corporation Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Deficit Reduction Act of 1984 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Board Regulation §19-103.06 and §19-103.07 require that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

In accord with Internal Revenue Code Section 103(n)(12)(A), I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

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OCT 7 1986 NO. 15

State of South Carolina

## State Budget and Control Board

STATE BUDGET &amp; CONTROL BOARD

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



Box 12444  
Columbia  
29211

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

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

November 3, 1986

## C E R T I F I C A T E

## STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Sumter County  
c/o Mr. F. Mitchell Johnson, Jr.  
Sinkler Gibbs & Simons  
Box 340  
Charleston, SC 29402

RE: Issue of \$2,700,000 Sumter County, South Carolina  
Industrial Revenue Bonds  
(MetoKote Corporation Project)  
Issue Date Projected By Issuing Authority: November 7, 1986  
Allocation Expiration Date: December 31, 1986  
Issue Amount Certificate Date: November 3, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Section 7(b) of the Governor's Executive Order #86-20, issued October 22, 1986, which certificate is dated not more than ten (10) business days prior to the projected date of issue which, as certified by the issuing authority, is within the time period during which the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project is valid, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

*William A. McInnis*

William A. McInnis, Secretary

NOV 3 1986

October 31, 1986

Mr. William A. McInnis, Secretary  
State Budget and Control  
Board of South Carolina  
Post Office Box 12444  
Columbia, South Carolina 29211

Re: Sumter County, South Carolina, Industrial Revenue  
Note, Series 1986 (MetoKote Corporation Project)

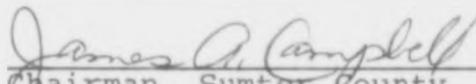
Dear Mr. McInnis:

This letter is for the purpose of certifying to the State Budget and Control Board of South Carolina (the "State Board") the principal amount and date of issue of obligations being issued pursuant to the approval granted by the State Board by resolution adopted October 7, 1986 in connection with the above-referenced Note. Pursuant to Section 6(a) of the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds, I hereby certify that the exact amount of obligations be issued on or about November 7, 1986 pursuant to the aforesaid approval is \$2,700,000.

Please address your response pursuant to Section 6(b) of said Regulations to bond counsel for this issue at the following address:

F. Mitchell Johnson, Jr.  
Sinkler Gibbs & Simons  
Post Office Box 340  
Charleston, South Carolina 29402

Yours very truly,

  
Chairman, Sumter County  
Council

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# EXHIBIT

STATE OF SOUTH CAROLINA

OCT 7 1986 NO. 15

COUNTY OF SUMTER

STATE BUDGET & CONTROL BOARD

\_\_\_\_\_) )  
TO THE STATE BUDGET AND CONTROL )

P E T I T I O N

BOARD OF SOUTH CAROLINA )  
\_\_\_\_\_) )

The Petition of Sumter County Council ("County Council") respectfully shows:

1. County Council is the governing body of Sumter County, South Carolina (the "County") as established by law, and, as such, is the Governing Board referred to in Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act").

2. The Act authorizes and empowers the County, if it shall comply with the provisions set forth in the Act, to acquire or cause to be acquired land, buildings, equipment, machinery and other improvements deemed necessary, suitable and useful by any industrial enterprise and to finance the acquisition and installation of the same through the issuance of bonds or notes payable from and secured by a pledge of the revenues to be derived from a financing agreement relating to such land, buildings, equipment and machinery and other improvements.

3. County Council has agreed with MetoKote Corporation (the "Company"), a corporation organized and existing under the laws of the State of Ohio, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of components parts for automobiles, appliances and other manufactured products in the County through the issuance and delivery of an Industrial Revenue Note pursuant to the Act. In this connection, County Council has agreed to issue a not exceeding Two Million Seven Hundred Thousand Dollar (\$2,700,000) Sumter County, South Carolina, Industrial Revenue Note, Series 1986 (MetoKote Corporation Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by County Council.

4. County Council is advised by the Company that the cost of the Project will be approximately Two Million Seven Hundred Thousand Dollars (\$2,700,000) and that, therefore, in order to finance the acquisition, construction and installation of the Project (the "Undertaking"), including the costs and charges incident to the issuance and delivery

of the Note, it is necessary that County Council issue and deliver the Note in an amount not exceeding Two Million Seven Hundred Thousand Dollars (\$2,700,000).

5. When completed, the Project will provide employment for approximately fifty (50) persons.

6. For the reasons above set forth and hereinafter disclosed, County Council has found that:

(a) the Undertaking will subserve the purposes of the Act;

(b) the Undertaking will have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County;

(c) by reason of the Undertaking, no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing powers;

(d) the amount required to finance the acquisition, construction and installation of the Project is approximately \$2,700,000;

(e) the proposed Loan Agreement (the "Loan Agreement") between the County and the Company unconditionally obligates the Company to pay an amount adequate to provide for the payments of the principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance;

(f) in view of the well established credit of the Company and the successful arrangements to effect the issuance and delivery of the Note without the establishment of a reserve fund for the payment of the principal of and interest on the Note, no such reserve fund will be established; and

(g) the terms of the Loan Agreement require the Company to maintain the Project in good repair and to carry all proper insurance with respect thereto.

7. The Loan Agreement will provide, among other things, the following:

(a) to finance the cost of the acquisition, construction and installation of the Project the County will issue and deliver the Note. The Note will be secured by a pledge of substantially all of the amounts to be paid to the County by the Company, as authorized by the Act;

(b) the proceeds derived from the issuance and delivery of the Note will be used to pay the costs incident to the acquisition, construction and installation of the Project and the issuance of the Note;

(c) the Loan Agreement obligates the Company to complete the acquisition, construction and installation of the Project and to pay such costs thereof as are in excess of the Note proceeds; and

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

8. Pursuant to a proposed Assignment of Loan Agreement (the "Assignment"), the County will assign to Bank One, Lima, NA (the "Bank"), as security for the payment of the Note, substantially all of the right, title and interest of the County in and to the Loan Agreement except tax payments and certain payments to be made by way of indemnification.

9. Pursuant to a proposed Mortgage and Security Agreement (the "Mortgage"), the Company will grant a mortgage lien on, and security interest in, the Project to the Bank as additional security for the payment of the Note.

10. Pursuant to a proposed Unconditional Guaranty Agreement, the Company will unconditionally guarantee the payment of the Note.

11. Pursuant to a proposed Tax Agreement (the "Tax Agreement"), the Company, the County and Bank One, Lima, NA, as Depositary seek to establish and insure the interest on the Note is, and will remain, exempt from federal income taxation.

12. The Note will be issued by the County pursuant to the proposed ordinance (the "Note Ordinance") which provides for the payment of the Note. The Note Ordinance imposes upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of and interest on the Note, all other costs and expenses resulting from the Note Ordinance and the issuance of the Note pursuant thereto and the transactions contemplated to take place in connection therewith.

13. The Loan Agreement, the Mortgage, the Assignment, the Guaranty Agreement, the Tax Agreement, the Note Ordinance and the Note will be substantially in the form heretofore used in the issuance of Industrial Revenue Bonds or Notes pursuant to the Act. While changes may be made in the forms thereof, it is not expected that there will be any

changes which will substantially affect the undertaking as now outlined therein.

14. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, County Council respectfully prays:

That the State Board accept the filing of the Petition presented herewith; and that, thereafter and as soon as practicable, it make such independent investigation of the Undertaking and the terms and provisions of the Loan Agreement, the Mortgage, the Assignment, the Guaranty Agreement, the Tax Agreement, the Note Ordinance and the Note as it deems advisable; that it find that the proposed Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and on the basis of such finding, that it approve the Undertaking, including changes in any details of the said financing as finally consummated which do not materially affect the Undertaking and give published notice of its approval in the manner set forth in the Act.

September 9, 1986.

Respectfully Submitted,

By James A. Campbell  
Chairman, Sumter County  
Council

Attest:

By Lorraine L. Pinner  
Clerk, Sumter County  
Council

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

# EXHIBIT

STATE OF SOUTH CAROLINA

OCT 7 1986 NO. 15

COUNTY OF SUMTER

STATE BUDGET & CONTROL BOARD

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

## P E T I T I O N

The Petition of Sumter County, South Carolina (the "County") respectfully shows:

1. The County is an "issuing authority" as such term is used in the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds (the "Regulations") promulgated by the State Budget and Control Board of South Carolina (the "State Board").

2. The County has agreed with MetoKote Corporation (the "Company"), a corporation organized and existing under the laws of the State of Ohio, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of component parts for automobiles, appliances and other manufactured products in the County through the issuance and delivery of Industrial Revenue Bonds or Notes pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act"). In this connection, the County has agreed to issue its not exceeding \$3,000,000 Sumter County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act and to an ordinance to be adopted by Sumter County Council.

3. The County is advised by the Company that the Project will provide employment for approximately fifty (50) persons.

4. The Regulations authorize the County to submit its request to the State Board that a portion of the State Ceiling established by the Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note.

5. This Petition constitutes an "Authorized Request" within the meaning of the Regulations and, as required by the Regulations, is accompanied by a copy of the Inducement Contract executed by the County and the Company.

6. A copy of this Petition has been forwarded to the Joint Bond Review Committee of the South Carolina General Assembly in accordance with the Regulations.

7. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

8. The County represents that it has not been requested to issue, nor is it considering the issuance of, any private activity bonds for the Project or any other facilities located or to be located at, or used or to be used as part of, an integrated operation with the Project.

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

That the State Board accept the filing of the Petition presented herewith, that it determine that the allocation amount requested is not disproportionately large in comparison with the State Ceiling not yet allocated or with the public benefits to be derived from the Project and that it approve an allocation for the Project in an amount not to exceed \$3,000,000.

April 29, 1986.

Respectfully Submitted,

By James A. Campbell  
Chairman, Sumter County  
Council

Attest:

By Lorraine L. Peay  
Clerk, Sumter County  
Council

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

# EXHIBIT

OCT 7 1986 NO. 1 5

STATE BUDGET & CONTROL BOARD<sub>D</sub>

## A RESOLUTION

APPROVING THE FINANCING OF THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF LAND, BUILDINGS, FIXTURES, MACHINERY AND EQUIPMENT AT INDUSTRIAL FACILITIES IN SUMTER COUNTY, SOUTH CAROLINA TO BE OWNED AND OPERATED BY METOKOTE CORPORATION THROUGH THE ISSUANCE AND DELIVERY OF A SUMTER COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE NOTE, SERIES 1986 (METOKOTE CORPORATION PROJECT) (THE "NOTE") IN AN AMOUNT NOT EXCEEDING \$2,700,000; AUTHORIZING A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR ITS APPROVAL OF SUCH UNDERTAKING PURSUANT TO TITLE 4, CHAPTER 29, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; PROVIDING FOR A PUBLIC HEARING TO BE HELD IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE NOTE; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY SUMTER COUNTY COUNCIL IN MEETING DULY ASSEMBLED:

### ARTICLE I

#### FINDINGS OF FACT

##### Section 1.01

Incident to the adoption of this resolution, Sumter County Council ("County Council"), the governing body of Sumter County, South Carolina (the "County"), has made the following findings:

1. MetoKote Corporation (the "Company"), a corporation organized and existing under the laws of the State of Ohio, has proposed that the County assist in financing the acquisition, construction and installation of certain land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of components parts for automobiles, appliances and other manufactured products in the County at an estimated cost of \$2,700,000 through the issuance and delivery of an Industrial Revenue Note pursuant to the authorization of Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act").

2. The Company has advised County Council that its proposed industrial project would be aided by the assistance which the County might render through the issuance and delivery of an Industrial Revenue Note in the principal amount of not exceeding \$2,700,000 (the "Note") pursuant to the Act and to a proposed ordinance (the "Note Ordinance") to be adopted by County Council.

3. County Council has agreed to finance the acquisition, construction and installation of the Project and

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adopts this Resolution to evidence its approval of the issuance and delivery of the Note as aforesaid, to authorize a Petition to the State Budget and Control Board of South Carolina (the "State Board") setting forth the facts required by the Act and to provide for a public hearing to be held in connection with the issuance and delivery of the Note.

4. County Council has determined that the financing of the acquisition, construction and installation of the Project (the "Undertaking") will subserve the purposes of the Act and that neither the Undertaking nor the Note will give rise to any pecuniary liability of the County or a charge against its general credit or taxing powers.

5. When completed, the Project will provide employment for approximately fifty (50) persons. It is therefore believed that the Undertaking will have a beneficial effect upon the economy of the County and areas adjacent thereto by providing employment not otherwise provided in the County.

6. The amount necessary to finance the acquisition, construction and installation of the Project does not exceed Two Million Seven Hundred Thousand Dollars (\$2,700,000).

7. The Company has submitted to County Council a draft of a proposed Loan Agreement (the "Loan Agreement") pursuant to which the County will lend not exceeding Two Million Seven Hundred Thousand Dollars (\$2,700,000) to the Company and under which the Company will unconditionally agree:

(a) to complete the acquisition, construction and installation of the Project and to pay such costs thereof as are in excess of the Note proceeds,

(b) to pay the amounts necessary to provide the payments of principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance,

(c) to maintain the Project in good repair, and

(d) to carry all proper insurance with respect to the Project.

8. The Company has also submitted to County Council a draft of a proposed Assignment of Loan Agreement pursuant to which the County will assign substantially all of its rights in the Loan Agreement to Bank One, Lima, NA (the "Bank") as security for the payment of the Note.

9. The Company has also submitted to County Council a draft of a proposed Mortgage and Security Agreement pursuant

to which the Company will grant a mortgage lien on, and security interest in, the Project to the Bank as additional security for the payment of the Note.

10. The Company has also submitted to County Council a draft of a proposed Unconditional Guaranty Agreement pursuant to which the Company will unconditionally guarantee the payment of the Note.

11. The Company has also submitted to County Council a draft of a proposed Tax Agreement pursuant to which the Company, the County and Bank One, Lima, NA, as Depositary seek to establish and insure the interest on the Note is, and will remain, exempt from federal income taxation.

12. The Company has arranged for the issuance and delivery of the Note to the Bank.

13. In view of the well established credit of the Company and the successful arrangements to effect the issuance and delivery of the Note without the establishment of a reserve fund for the payment of the principal of and interest on the Note, no such reserve fund will be established.

## ARTICLE II

### SUBMISSION OF PETITION

#### Section 2.01

The Petition in form substantially as attached hereto as Exhibit "A" shall be presented to the State Board to seek the approval required by the Act; said Petition shall be duly executed by the Chairman of County Council and the same shall be attested by the Clerk of County Council.

## ARTICLE III

### PUBLIC HEARING AND NOTICE

#### Section 3.01

Pursuant to Section 103(k) of the Internal Revenue Code of 1954, as amended, a public hearing shall be held in connection with the issuance and delivery of the Note by the County. Such public hearing shall be held before final action by County Council authorizing the issuance and delivery of the Note.

Section 3.02

Not less than fourteen (14) days prior to the hearing provided for in Section 3.01 hereof, the Chairman shall cause notice of such hearing to be published in the SUMTER DAILY ITEM, a newspaper of general circulation in the County. Such notice shall be in substantially the form attached hereto as Exhibit "B".

STATE OF SOUTH CAROLINA

COUNTY OF SUMTER

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

P E T I T I O N

The Petition of Sumter County Council ("County Council") respectfully shows:

1. County Council is the governing body of Sumter County, South Carolina (the "County") as established by law, and, as such, is the Governing Board referred to in Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act").

2. The Act authorizes and empowers the County, if it shall comply with the provisions set forth in the Act, to acquire or cause to be acquired land, buildings, equipment, machinery and other improvements deemed necessary, suitable and useful by any industrial enterprise and to finance the acquisition and installation of the same through the issuance of bonds or notes payable from and secured by a pledge of the revenues to be derived from a financing agreement relating to such land, buildings, equipment and machinery and other improvements.

3. County Council has agreed with MetoKote Corporation (the "Company"), a corporation organized and existing under the laws of the State of Ohio, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of components parts for automobiles, appliances and other manufactured products in the County through the issuance and delivery of an Industrial Revenue Note pursuant to the Act. In this connection, County Council has agreed to issue a not exceeding Two Million Seven Hundred Thousand Dollar (\$2,700,000) Sumter County, South Carolina, Industrial Revenue Note, Series 1986 (MetoKote Corporation Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by County Council.

4. County Council is advised by the Company that the cost of the Project will be approximately Two Million Seven Hundred Thousand Dollars (\$2,700,000) and that, therefore, in order to finance the acquisition, construction and installation of the Project (the "Undertaking"), including the costs and charges incident to the issuance and delivery

of the Note, it is necessary that County Council issue and deliver the Note in an amount not exceeding Two Million Seven Hundred Thousand Dollars (\$2,700,000).

5. When completed, the Project will provide employment for approximately fifty (50) persons.

6. For the reasons above set forth and hereinafter disclosed, County Council has found that:

(a) the Undertaking will subserve the purposes of the Act;

(b) the Undertaking will have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County;

(c) by reason of the Undertaking, no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing powers;

(d) the amount required to finance the acquisition, construction and installation of the Project is approximately \$2,700,000;

(e) the proposed Loan Agreement (the "Loan Agreement") between the County and the Company unconditionally obligates the Company to pay an amount adequate to provide for the payments of the principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance;

(f) in view of the well established credit of the Company and the successful arrangements to effect the issuance and delivery of the Note without the establishment of a reserve fund for the payment of the principal of and interest on the Note, no such reserve fund will be established; and

(g) the terms of the Loan Agreement require the Company to maintain the Project in good repair and to carry all proper insurance with respect thereto.

7. The Loan Agreement will provide, among other things, the following:

(a) to finance the cost of the acquisition, construction and installation of the Project the County will issue and deliver the Note. The Note will be secured by a pledge of substantially all of the amounts to be paid to the County by the Company, as authorized by the Act;

(b) the proceeds derived from the issuance and delivery of the Note will be used to pay the costs incident to the acquisition, construction and installation of the Project and the issuance of the Note;

(c) the Loan Agreement obligates the Company to complete the acquisition, construction and installation of the Project and to pay such costs thereof as are in excess of the Note proceeds; and

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

8. Pursuant to a proposed Assignment of Loan Agreement (the "Assignment"), the County will assign to Bank One, Lima, NA (the "Bank"), as security for the payment of the Note, substantially all of the right, title and interest of the County in and to the Loan Agreement except tax payments and certain payments to be made by way of indemnification.

9. Pursuant to a proposed Mortgage and Security Agreement (the "Mortgage"), the Company will grant a mortgage lien on, and security interest in, the Project to the Bank as additional security for the payment of the Note.

10. Pursuant to a proposed Unconditional Guaranty Agreement, the Company will unconditionally guarantee the payment of the Note.

11. Pursuant to a proposed Tax Agreement (the "Tax Agreement"), the Company, the County and Bank One, Lima, NA, as Depository seek to establish and insure the interest on the Note is, and will remain, exempt from federal income taxation.

12. The Note will be issued by the County pursuant to the proposed ordinance (the "Note Ordinance") which provides for the payment of the Note. The Note Ordinance imposes upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of and interest on the Note, all other costs and expenses resulting from the Note Ordinance and the issuance of the Note pursuant thereto and the transactions contemplated to take place in connection therewith.

13. The Loan Agreement, the Mortgage, the Assignment, the Guaranty Agreement, the Tax Agreement, the Note Ordinance and the Note will be substantially in the form heretofore used in the issuance of Industrial Revenue Bonds or Notes pursuant to the Act. While changes may be made in the forms thereof, it is not expected that there will be any

changes which will substantially affect the undertaking as now outlined therein.

14. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, County Council respectfully prays:

That the State Board accept the filing of the Petition presented herewith; and that, thereafter and as soon as practicable, it make such independent investigation of the Undertaking and the terms and provisions of the Loan Agreement, the Mortgage, the Assignment, the Guaranty Agreement, the Tax Agreement, the Note Ordinance and the Note as it deems advisable; that it find that the proposed Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and on the basis of such finding, that it approve the Undertaking, including changes in any details of the said financing as finally consummated which do not materially affect the Undertaking and give published notice of its approval in the manner set forth in the Act.

September \_\_, 1986.

Respectfully Submitted,

By /s/ James A. Campbell  
Chairman, Sumter County  
Council

Attest:

By /s/ Lorraine L. Player  
Clerk, Sumter County  
Council

PUBLIC NOTICE

Notice is hereby given by Sumter County Council (the "County Board") that a public hearing relating to the proposed issuance and delivery by Sumter County, South Carolina (the "County") of the \$2,700,000 Sumter County, South Carolina, Industrial Revenue Note, Series 1986 (MetoKote Corporation Project) (the "Note") pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended which Note is to be issued to finance the acquisition, construction and installation of certain land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of components parts for automobiles, appliances and other manufactured products to be owned and operated by MetoKote Corporation (the "Company") and to be located in the Sumter County Industrial Complex at the intersection of Southgate Drive and Bethel Church Road.

The hearing will be held at the Council Chambers of Sumter County Council, Sumter County Courthouse, North Main Street, Sumter, South Carolina, at \_\_\_\_\_ A.M./P.M., on September \_\_\_\_, 1986.

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

COUNTY OF SUMTER

I, the undersigned Clerk of Sumter County Council, do hereby certify that the foregoing is a true, correct and verbatim copy of a Resolution duly adopted by Sumter County Council having been read at a duly called meeting of County Council on September 9, 1986.

Witness my Hand, this 9 day of September, 1986.

  
Clerk, Sumter County Council

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

03877

# EXHIBIT

OCT 7 1986 NO. 15<sub>B</sub>

## A RESOLUTION STATE BUDGET & CONTROL BOARD

AUTHORIZING AN INDUCEMENT CONTRACT BETWEEN SUMTER COUNTY, SOUTH CAROLINA (THE "COUNTY") AND METOKOTE CORPORATION RELATING TO THE ISSUANCE AND DELIVERY BY THE COUNTY OF INDUSTRIAL REVENUE BONDS OR NOTES (THE "NOTE") PURSUANT TO TITLE 4, CHAPTER 29, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; AND AUTHORIZING A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA REQUESTING THAT A PORTION OF THE STATE CEILING ESTABLISHED BY THE DEFICIT REDUCTION ACT OF 1984 BE ALLOCATED TO THE NOTE.

WHEREAS, MetoKote Corporation (the "Company"), a corporation organized and existing under the laws of the State of Ohio, has requested that Sumter County Council ("County Council") exercise the powers vested in it by Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act") and make provision for the issuance and delivery of Sumter County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") the proceeds of which would be made available to the Company for the payment of costs and expenses relating to the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of component parts for automobiles, appliances and other manufactured products in Sumter County, South Carolina (the "County") including the filing of a Petition with the State Budget and Control Board of South Carolina (the "State Board") requesting that a portion of the State Ceiling established by the Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note; and

WHEREAS, County Council is informed by the Company that upon completion the Project will provide employment for approximately fifty (50) persons; and

WHEREAS, after due consideration, County Council has determined to grant such assistance and to that end has agreed to enter into a contract with the Company making provision for the issuance and delivery of bonds or notes pursuant to the Act and to petition the State Board for allocation of a portion of the State Ceiling.

NOW, THEREFORE, BE IT RESOLVED by Sumter County Council in meeting duly assembled:

1. That the County shall issue the Note in the amount not exceeding Three Million Dollars (\$3,000,000) to finance the cost of the proposed undertaking of the Company.

03878

2. That an agreement to implement the action to be taken pursuant to paragraph 1 above in substantially the form presented to this meeting and attached hereto (but with such changes, if any, as the officers herein authorized to execute the same shall approve, their approval to be evidenced by the execution thereof) shall be executed on behalf of the County by the Chairman of County Council and the same shall be attested by the Clerk of County Council.

3. That a Petition in form substantially as attached hereto as Exhibit "A" shall be presented to the State Board to request that a portion of the State Ceiling be allocated to the Note.

4. County Council and its duly elected officers, shall take any and all further action as may become necessary to effectuate the action herewith taken and the agreement herein authorized.

5. This Resolution shall take effect immediately.

INDUCEMENT CONTRACT

THIS CONTRACT made and entered into between SUMTER COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), and METOKOTE CORPORATION (the "Company"), a corporation organized and existing under the laws of the State of Ohio,

WITNESSETH:

ARTICLE I

RECITATION OF FACTS

Section 1.01

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

1. The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act") to acquire, enlarge, improve, expand, equip, furnish, own, lease and dispose of properties through which the industrial development of the State will be promoted and trade developed by inducing new industries to locate in the State and by encouraging industries now located in the State to expand their investments and thus utilize and employ manpower and other resources of the State.

2. The Company proposes to acquire, construct and install land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of component parts for automobiles, appliances and other manufactured products in the County. The cost of this undertaking is estimated to be approximately Three Million Dollars (\$3,000,000). Upon completion, the Project will provide employment for approximately fifty (50) persons.

3. The Company has advised the County that its contemplated program would be aided by the availability of the assistance which the County might render through the sale of Sumter County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act whereby the County would finance the acquisition, construction and installation of the Project.

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4. The County has given due consideration to all of the proposals and requests of the Company and has agreed to endeavor to effect the issuance and delivery pursuant to the Act of the Note at the time and on the terms and conditions hereafter set forth.

## ARTICLE II

### UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

#### Section 2.01

That it will authorize the issuance of the Note in an amount not exceeding Three Million Dollars (\$3,000,000) at such time as the Company may request the County to do so.

#### Section 2.02

That it will enter into a financing agreement (the "Agreement") with the Company upon such terms and conditions as shall be mutually agreed upon between the County and the Company pursuant to which the proceeds of the Note will be made available to the Company to be applied to the cost of acquiring, constructing and installing the Project and to the expenses incident thereto including the costs of the financing.

#### Section 2.03

That it will permit the Company to arrange for the sale of the Note and if successful marketing arrangements can be made, it will adopt such proceedings as are necessary for the making of the Agreement and the issuance and delivery of the Note.

#### Section 2.04

That if the Note shall be sold, the Agreement will provide that the proceeds thereof shall be applied to the payment of the costs theretofore and thereafter to be incurred in connection with the issuance and delivery of the Note and the acquisition, construction and installation of the Project including the repayment of any funds advanced or loans incurred by the Company or any related entity for such purposes.

#### Section 2.05

That if requested by the Company prior to the issuance and delivery of the Note, it will enter into a trust indenture (the "Indenture") with a trustee bank to be

selected by the Company pursuant to which the Note will be issued. The Indenture, if entered into, will be substantially in the form used in connection with the issuance of Industrial Revenue Bonds or Notes in the State and may constitute a lien on the Project to secure the payment of the Note.

Section 2.06

That it will perform such other acts and adopt such further proceedings as may be required to faithfully implement its undertakings and to consummate the proposed financing.

ARTICLE III

UNDERTAKINGS ON THE PART OF THE COMPANY

The Company agrees as follows:

Section 3.01

That the County will have no obligation to find a purchaser of the Note, and the Company will endeavor to market the Note on behalf of the County to the extent required to finance the cost of issuing and delivering the Note and the cost of the acquisition, construction and installation of the Project.

Section 3.02

If the plan proceeds as contemplated, the Company further agrees as follows:

(a) to enter into the Agreement with the County, under the terms of which it will obligate itself to pay to the County sums sufficient to pay the principal of, prepayment penalty or premium, if any, and interest on the Note, as and when the same become due and payable, the Agreement to be in form and to contain such provisions as shall be satisfactory to the County and to the Company;

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

(c) to hold the County harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Contract and in the implementation of its terms and provisions; and

(d) to perform such further acts and adopt such further proceedings as may be required to faithfully

implement its undertakings and consummate the proposed financing.

ARTICLE IV

GENERAL PROVISIONS

Section 4.01

All commitments of the County under Article II hereof are subject to all of the provisions of the Act and the condition that nothing contained in this Contract shall constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

Section 4.02

The parties agree that the Company may proceed with the acquisition, construction and installation of the Project prior to the issuance and delivery of the Note.

Section 4.03

All commitments of the County and the Company hereunder are subject to the condition that the County and the Company do agree on mutually acceptable terms and conditions of all documents whose execution and delivery are contemplated by the provisions hereof.

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IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Contract as of the 29th day of April, 1986.

SUMTER COUNTY, SOUTH CAROLINA

By James A. Campbell  
Chairman, Sumter County  
Council

Attest:

By Lorraine L. Payer  
Clerk, Sumter County  
Council

METOKOTE CORPORATION

By [Signature]  
Its Pres

Attest:

By Ronald Konydu  
Its Secretary / Treasurer

STATE OF SOUTH CAROLINA

COUNTY OF SUMTER

_____ )	
TO THE STATE BUDGET AND CONTROL )	
_____ )	
BOARD OF SOUTH CAROLINA )	<u>P E T I T I O N</u>
_____ )	

The Petition of Sumter County, South Carolina (the "County") respectfully shows:

1. The County is an "issuing authority" as such term is used in the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds (the "Regulations") promulgated by the State Budget and Control Board of South Carolina (the "State Board").

2. The County has agreed with MetoKote Corporation (the "Company"), a corporation organized and existing under the laws of the State of Ohio, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute a facility for the chemical coating of component parts for automobiles, appliances and other manufactured products in the County through the issuance and delivery of Industrial Revenue Bonds or Notes pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act"). In this connection, the County has agreed to issue its not exceeding \$3,000,000 Sumter County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act and to an ordinance to be adopted by Sumter County Council.

3. The County is advised by the Company that the Project will provide employment for approximately fifty (50) persons.

4. The Regulations authorize the County to submit its request to the State Board that a portion of the State Ceiling established by the Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note.

5. This Petition constitutes an "Authorized Request" within the meaning of the Regulations and, as required by the Regulations, is accompanied by a copy of the Inducement Contract executed by the County and the Company.

6. A copy of this Petition has been forwarded to the Joint Bond Review Committee of the South Carolina General Assembly in accordance with the Regulations.

7. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

8. The County represents that it has not been requested to issue, nor is it considering the issuance of, any private activity bonds for the Project or any other facilities located or to be located at, or used or to be used as part of, an integrated operation with the Project.

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

That the State Board accept the filing of the Petition presented herewith, that it determine that the allocation amount requested is not disproportionately large in comparison with the State Ceiling not yet allocated or with the public benefits to be derived from the Project and that it approve an allocation for the Project in an amount not to exceed \$3,000,000.

April 29, 1986.

Respectfully Submitted,

By /s/ James A. Campbell  
Chairman, Sumter County  
Council

Attest:

By /s/ Lorraine L. Player  
Clerk, Sumter County  
Council

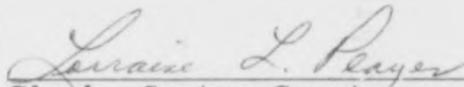
STATE OF SOUTH CAROLINA  
COUNTY OF SUMTER

I, the undersigned, Clerk of Sumter County Council DO  
HEREBY CERTIFY:

That the foregoing constitutes a true, correct and  
verbatim copy of a resolution adopted by Sumter County  
Council at a duly called and regularly held meeting on  
April 29, 1986, at which all/a majority of the members of  
said County Council were present, and voted unanimously in  
favor of the adoption of said resolution.

That the original of said resolution is duly entered in  
the permanent records of minutes of meetings of County  
Council in my custody as Clerk.

IN WITNESS WHEREOF, I have hereunto set my Hand this  
29th day of April, 1986.

  
Clerk, Sumter County  
Council

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

03887

**TRANSMITTAL FORM, REVENUE BONDS**

**TO:** William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
OR P. O. Box 12444, Columbia, SC 29211

Date: September 30, 1986  
Submitted for BCB Meeting on:  
October 7, 1986

**FROM:**

Sinkler Gibbs & Simons  
**Name of Law Firm**  
Charleston, SC 29402  
**City, State, Zip Code**

Post Office Box 340  
**Street Address/Box Number**  
(803) 722-3366  
**Telephone Area Code and Number**

**RE:** \$2,700,000  
**Amount of Issue**  
Sumter County, SC  
**Issuing Authority Name**

Industrial Revenue Note  
**Type of Bonds or Notes**  
October 23, 1986  
**Projected Issue Date**

EXHIBIT NO. 15  
OCT 7 1986  
STATE BUDGET & CONTROL BOARD

**Project Name:** MetoKote Corporation

**Project Description:**  
facility for the chemical coating of component parts for automobiles,  
appliances and other manufactured products

**Employment as result of project:** approximately fifty (50) persons

**CEILING ALLOCATION REQUIRED**

Yes (\$ 2,700,000)  No  
Amount

**REFUNDING INVOLVED**

Yes (\$           )  No  
Amount

**PROJECT APPROVED PREVIOUSLY**

Yes (            )  No  
Date

**DOCUMENTS ENCLOSED:**

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A.  Petition (executed original and two copies)
- B.  Resolution or ordinance (executed copy)
- C.  Inducement Resolution or comparable preliminary approval (executed copy)
- D.  Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: Bank One, Lima, NA)

OR  Audited financial statements for three most recent years

- E.  Department of Health and Environmental Control certificate IF REQUIRED
- F.  Budget and Control Board Resolution and Public Notice (original)  
[Plus 10 copies for certification and return to counsel]
- G.  Processing fee

Amount \$ 3,000.00 Check No. 8998  
Payor Sinkler Gibbs & Simons

**Bond Counsel:** F. Mitchell Johnson, Jr., Esq.  
Typed Name

By: F. Mitchell Johnson, Jr.  
Signature

\* Being forwarded to your office by the Purchaser

# EXHIBIT

OCT 7 1986      NO. 15

## REVENUE BOND CHECKLIST

STATE BUDGET & CONTROL BOARD

BCB Agenda: October 7, 1986  
 Issuer: Sumter County  
 Project: Metohote  
 Amount: 2,700,000  
 Type Bonds: Industrial Revenue Note

	<u>Yes</u>	<u>No</u>
1. <u>Petition:</u>		
a. Executed original and two copies	<u>✓</u>	<u>    </u>
b. Request for specific amount or not exceeding amount	<u>✓</u>	<u>    </u>
c. Ceiling allocation requested	<u>✓</u>	<u>    </u>
d. If allocation requested, for specific amount	<u>✓</u>	<u>    </u>
e. No consideration statement included	<u>✓</u>	<u>    </u>
2. <u>Issuing Authority Resolution:</u> (executed copy)	<u>✓</u>	<u>    </u>
3. <u>Inducement Resolution/Comparable Preliminary Approval:</u> (executed copy)	<u>✓</u>	<u>    </u>
4. <u>Standard Form Investment Letter:</u> (executed original)	<u>✓</u>	<u>    </u>
5. <u>Audited Financial Statements:</u> (in lieu of investment ltr)	<u>n/a</u>	<u>    </u>
6. <u>DHEC Certificate of Need</u> (if required)	<u>n/a</u>	<u>    </u>
7. <u>Budget and Control Board Resolution:</u>		
a. Original and <u>10</u> copies for certification and return	<u>✓</u>	<u>    </u>
b. Specific amount requested for State law approval	<u>✓</u>	<u>    </u>
c. If state ceiling allocation requested:		
(1) Reference to ceiling allocation (should NOT)	<u>    </u>	<u>✓</u>
(2) Reference to IRS 8038 form submission (should NOT)	<u>    </u>	<u>✓</u>
d. If state ceiling allocation is NOT requested:		
(1) Reference to IRS 8038 form submission (should)	<u>n/a</u>	<u>    </u>
8. <u>Processing Fee</u>	<u>✓</u>	<u>    </u>

**03889**

*Have election Dec 1986 10/6/86 Jim*

**TRANSMITTAL FORM, REVENUE BONDS**

**TO:** William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
**OR** P. O. Box 12444, Columbia, SC 29211

Date: September 30, 1986  
Submitted for BCB Meeting on:  
October 7, 1986

**FROM:**

Sinkler Gibbs & Simons  
**Name of Law Firm**  
Charleston, SC 29402  
**City, State, Zip Code**

Post Office Box 340  
**Street Address/Box Number**  
(803) 722-3366  
**Telephone Area Code and Number**

**RE:** \$2,700,000  
**Amount of Issue**  
Sumter County, SC  
**Issuing Authority Name**

Industrial Revenue Note  
**Type of Bonds or Notes**  
October 23, 1986  
**Projected Issue Date**

EXHIBIT NO. 15  
OCT 7 1986  
STATE BUDGET & CONTROL BOARD

**Project Name:** MetoKote Corporation  
**Project Description:**  
facility for the chemical coating of component parts for automobiles,  
appliances and other manufactured products

**Employment as result of project:** approximately fifty (50) persons

<b>CEILING ALLOCATION REQUIRED</b>	<b>REFUNDING INVOLVED</b>	<b>PROJECT APPROVED PREVIOUSLY</b>
<input checked="" type="checkbox"/> Yes (\$ <u>2,700,000</u> ) <input type="checkbox"/> No Amount	<input type="checkbox"/> Yes (\$ _____ ) <input type="checkbox"/> No Amount	<input type="checkbox"/> Yes ( _____ ) <input type="checkbox"/> No Date

**DOCUMENTS ENCLOSED:**

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A.  Petition (executed original and two copies)
- B.  Resolution or ordinance (executed copy)
- C.  Inducement Resolution or comparable preliminary approval (executed copy)
- D.  Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: Bank One, Lima, NA)

OR  Audited financial statements for three most recent years

- E.  Department of Health and Environmental Control certificate IF REQUIRED
- F.  Budget and Control Board Resolution and Public Notice (original)  
[Plus 10 copies for certification and return to counsel]
- G.  Processing fee  
Amount \$ 3,000.00 Check No. 8998  
Payor Sinkler Gibbs & Simons

**Bond Counsel:** F. Mitchell Johnson, Jr., Esq.  
Typed Name

By: *F. Mitchell Johnson, Jr.*  
Signature

\* Being forwarded to your office by the Purchaser

**03890**

OCT 21 1986

The State of South Carolina



Office of the Attorney General

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803.734.3680

October 16, 1986

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

Re: \$25,000,000 Pickens & Richland County, South  
Carolina, Hospital Revenue Refunding Bonds  
(South Carolina Baptist Hospital)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the  
Petition and other documents submitted to the State Budget and  
Control Board for its approval pursuant to Sections 44-7-1590, et  
seq., Code of Laws of South Carolina, 1976, as amended, and the  
same appear, in our opinion, to be in order.

Sincerely yours,

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

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

03891

State of South Carolina

OCT 28 1986

EXHIBIT

OCT 7 1986 NO. 15



STATE BUDGET & CONTROL BOARD

State Budget and Control Board

OFFICE OF THE STATE AUDITOR  
P.O. BOX 11333  
COLUMBIA, S.C.  
29211  
(803) 734-1727

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR

MARGARET C. STILWELL, CPA  
DEPUTY STATE AUDITOR

October 24, 1986

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

RE: Hospital Facilities Refunding Revenue Bond Issue - Pickens County and Richland County - \$25,000,000 (South Carolina Baptist Hospital)

1. The proposed issue is intended to provide funds to permit an advance refunding of approximately \$19,665,000, principal amount, Series 1978, 1980, and 1983 Revenue Bonds, currently outstanding, to establish a bond reserve fund, and to pay the bond issue costs.
2. Per discussions with Kathleen Crum McKinney, Esq., of the McNair lawfirm, bond counsel for the project, and Thomas Smith, Controller of the Hospital, the interest rate on the proposed issue is expected to be in the range of 7.5% to 7.625%. The outstanding Series Bonds were issued with the following interest rates:

<u>Series</u>	<u>Interest Rates</u>
1978	6.3 - 6.875%
1980	9.0 - 11.0%
1983	6.75 - 9.62%

Approximately \$6,500,000 of the Series 1983 Bonds were issued at 8.0% to 9.625%. The proposed issue will be approximately \$19,500,000. Because of the considerably lower interest rates on the proposed new issue, the Hospital expects to have total savings of approximately \$2,000,000 to \$3,000,000.

03892

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

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

TOM G. MANGUM  
CHAIRMAN  
HOUSE WAYS AND MEANS COMMITTEE  
JESSE A. COLES, JR.  
EXECUTIVE DIRECTOR

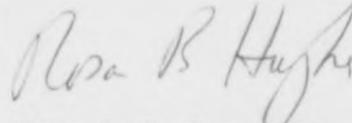
# EXHIBIT

OCT 7 1986 NO. 15

Mr. William A. McInnis  
Page Two  
October 24, 1986

STATE BUDGET & CONTROL BOARD

3. We also reviewed audited financial statements of the Hospital for the years ended September 30, 1985, 1984 and 1983. The statements for the years ended in 1984 and 1983 were examined by Clarkson, Harden and Gantt, Columbia, South Carolina whose opinions on the statements were unqualified. The statements for the year ending in 1985 were examined by Arthur Young & Company, Columbia, South Carolina whose opinion was also unqualified.
4. Based upon discussion with bond counsel and the Hospital's controller and review of the audited financial statements cited above, we see no reason to disapprove the proposed bond issue.



Rosa B. Hughes, CPA  
Audit Manager  
Office of the State Auditor

RBH/dc

03893

STATE OF SOUTH CAROLINA )

South Carolina Baptist Hospital

COUNTY OF RICHLAND )

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

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

- His Excellency, Richard W. Riley, Governor and Chairman of the Board;
- The Honorable Grady L. Patterson, Jr., State Treasurer;
- The Honorable Earle E. Morris, Jr., Comptroller General;
- The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and
- The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 A. M., on Tuesday, October 7, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting with the exception of Mr. Mangum, who was represented by Ways and Means Committee Acting Chairman T. W. Edwards, Jr..

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

FOR MOTION

AGAINST MOTION

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

October 28, 1986

William A. McInnis

03894

A RESOLUTION APPROVING THE ISSUANCE BY PICKENS COUNTY AND RICHLAND COUNTY, SOUTH CAROLINA, OF NOT EXCEEDING \$25,000,000 HOSPITAL REVENUE REFUNDING BONDS, SERIES 1986 (SOUTH CAROLINA BAPTIST HOSPITAL) PURSUANT TO THE PROVISIONS OF TITLE 44, CHAPTER \*7, ARTICLE 11, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED.

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

WHEREAS, the County Council of Pickens County and the County Council of Richland County, South Carolina (the "County Boards"), have heretofore, by submitting their petition (the "Petition") under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 176, as amended (the "Act"), requested the approval by the State Budget and Control Board of the issuance by Pickens County and Richland County (the "Counties") pursuant to the Act of their Hospital Revenue Refunding Bonds (as defined in the Act), Series 1986 (South Carolina Baptist Hospital), in the aggregate principal amount of not exceeding \$25,000,000 (the "Series 1986 Bonds"); and

WHEREAS, the Counties propose to issue the Bonds and loan the proceeds thereof to South Carolina Baptist Hospital, a hospital agency as defined under the Act (the "Hospital"), for the purpose of paying the costs of refunding the outstanding (i) \$11,600,000 Pickens County and Richland County, South Carolina, Hospital Facilities Revenue Bonds, Series 1978 (South Carolina Baptist Hospital) (the "Series 1978 Bonds"); (ii) \$5,750,000 Pickens County and Richland County, South Carolina, Hospital Facilities Revenue Bonds, Series 1980 (South Carolina Baptist Hospital) (the "Series 1980 Bonds"); and (iii) \$7,715,000 Pickens County and Richland County, South Carolina, Hospital Facilities Revenue Bonds, Series 1983 (South Carolina Baptist Hospital) (the "Series 1983 Bonds"); establishing a debt service reserve fund for the Series 1986 Bonds; and to pay costs of issuing the Series 1986 Bonds; and

WHEREAS, it is proposed that the Series 1986 Bonds will be secured under the provisions of a Bond Indenture between the Counties and The South Carolina National Bank, as bond trustee, will be entitled to the benefit of the Master Indenture between the Hospital and the master trustee, and are payable solely from the Pledged Revenues (as defined in the Bond Indenture) received by the Counties;

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

03895

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

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

(b) The Petition filed by the County Boards contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to the Act;

(c) The Hospital Facilities (as defined in the Act), which are the subject of the Petition of the County Boards, are intended to promote the purposes of the Act and it is reasonably anticipated to effect such result; and

(d) The proposed financing is economically feasible.

Section 2. In consequence of the foregoing, the proposal of the Counties to issue the Series 1986 Bonds and loan the proceeds thereof to the Hospital for the purpose of paying the cost of refunding the outstanding Series 1978 Bonds, Series 1980 Bonds, and Series 1983 Bonds; establishing a debt service reserve fund for the Series 1986 Bonds; and to pay costs of issuing the Series 1986 Bonds, be and the same is hereby in all respects approved.

Section 3. Notice of the action taken by this Board in approving the above-described undertaking of the Counties shall be published in a newspaper having general circulation in Pickens County and in Richland County.

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

Section 5. This Resolution shall take effect immediately.

NOTICE PURSUANT TO THE PROVISIONS  
OF SECTION 44-7-1501, CODE OF LAWS  
OF SOUTH CAROLINA, 1976, AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 1976, as amended (the "Act"), that the State Budget and Control Board of South Carolina, pursuant to Petitions filed by the County Council of Pickens County and the County Council of Richland County, South Carolina, has given its approval to the following undertaking by Pickens County and Richland County, South Carolina:

The issuance by Pickens County and Richland County, South Carolina, of their Hospital Revenue Refunding Bonds (as defined in the Act), Series 1986 (South Carolina Baptist Hospital), in the aggregate principal amount of not exceeding \$30,000,000 (the "Series 1986 Bonds"), and the loaning of the proceeds of the Series 1986 Bonds for the purpose of paying the cost of refunding the outstanding (i) \$11,600,000 Pickens County and Richland County, South Carolina, Hospital Facilities Revenue Bonds, Series 1978 (South Carolina Baptist Hospital) (the "Series 1978 Bonds"); (ii) \$5,750,000 Pickens County and Richland County, South Carolina, Hospital Facilities Revenue Bonds, Series 1980 (South Carolina Baptist Hospital) (the "Series 1980 Bonds"); and (iii) \$7,715,000 Pickens County and Richland County, South Carolina, Hospital Facilities Revenue Bonds, Series 1983 (South Carolina Baptist Hospital) (the "Series 1983 Bonds"); establishing a debt service reserve fund for the Series 1986 Bonds; and to pay costs of issuing the Series 1986 Bonds.

The South Carolina Department of Health and Environmental Control has issued its statement that no certificate of need is required for the above undertaking.

Notice is further given that any interested party may, within twenty (20) days after the date of the publication of this notice, but not afterwards, challenge the validity of the action taken by the State Budget and Control Board, the County Council of Pickens County, the County Council of Richland County, or the Department of Health and Environmental Control of South Carolina, by action de novo instituted in the Court of Common Pleas for Pickens County or the Court of Common Pleas for Richland County, South Carolina.

STATE BUDGET AND CONTROL BOARD

By: William A. McInnis, Secretary

Dated: October \_\_, 1986.

03897

EXHIBIT

EXHIBIT A OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF PICKENS )

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

P E T I T I O N

This Petition of the County Council of Pickens County, South Carolina, is submitted pursuant to Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 1976 (the "Act"), and specifically Section 44-7-1590 thereof, and respectfully shows:

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

2. The Act, among other things, empowers Pickens County (the "County"), functioning through its County Council (the "County Board"), subject to obtaining approval from the State Budget and Control Board (the "State Board"), required by Section 44-7-1590 of the Act and from the Department of Health and Environmental Control (the "Department"), if applicable, required by Section 44-7-1490 of the Act to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds as defined in the Act to include notes; to enter into loan agreements with any hospital agency or public agency, prescribing the payments to be made by the hospital agency or public agency to the County or its assignee to meet the payments that shall become due on the bonds, including terms and conditions relative to the acquisition and use of hospital facilities and the issuance of bonds; to issue bonds for the purpose of defraying the cost of providing hospital facilities and to secure the payment of such bonds; to issue bonds to refinance or refund outstanding obligations, mortgages or advances heretofore or hereafter issued, made or given by a hospital agency or public agency for the cost of hospital facilities; and to make the proceeds of any bonds available by way of a loan to a hospital agency or public agency pursuant to a loan agreement.

3. The County Board has agreed with South Carolina Baptist Hospital, a not-for-profit corporation organized and existing under the laws of the State of South Carolina (the "Hospital"), having hospital facilities as

defined in the Act in the County and in Richland County, that the County Board will undertake to issue not exceeding \$30,000,000 Hospital Facilities Revenue Refunding Bonds of Pickens County and Richland County, South Carolina (the "Series 1986 Bonds"), pursuant to the Act and loan a portion of the proceeds thereof to the Hospital in order to refund the \$11,600,000 Hospital Facilities Revenue Bonds, Series 1978 (South Carolina Baptist Hospital), \$5,750,000 Hospital Facilities Revenue Bonds, Series 1980 (South Carolina Baptist Hospital), and \$7,715,000 Hospital Facilities Revenue Bonds, Series 1983 (South Carolina Baptist Hospital), of which approximately \$20,790,000 principal amount is currently outstanding (the "Outstanding Bonds"), together with any interest then or thereafter to become due, and certain expenses in connection therewith.

4. The County Board has found and determined that:

(a) The proceeds of the Series 1986 Bonds will be used to refund the Outstanding Bonds, together with any interest then or thereafter to become due and certain expenses in connection therewith.

(b) The Hospital is a hospital agency as defined in the Act with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Loan Agreement to be entered into by and between the County and the Hospital.

(c) Adequate provision shall be made for the payment of principal of and interest on the Outstanding Bonds and the Series 1986 Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Hospital Facilities financed with the proceeds of the Outstanding Bonds to be refunded with the proceeds of the Series 1986 Bonds at the expense of the Hospital.

(d) The public facilities, including utilities and public services necessary for the Hospital Facilities, will be made available.

(e) The issuance of the Series 1986 Bonds will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(f) Neither the Hospital Facilities, the Series 1986 Bonds, nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation shall never constitute nor give rise to a pecuniary liability of the

County or a charge against its general credit or taxing powers.

(g) The County has been informed by the Hospital that the existing covenants and agreements in the proceedings authorizing the Outstanding Bonds payable by the Hospital hamper or impede the ability of the Hospital to borrow monies which are then or thereafter required to provide for improvements, enlargements and extensions to the Hospital.

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

(a) In connection with the Hospital Facilities, the Department of Health and Environmental Control has issued its letter stating that no certificate of need is required.

(b) In general, the terms and conditions of the proposed Loan Agreement provide that:

(i) To refund the Outstanding Bonds, together with any interest then or thereafter to become due, and certain other expenses to be incurred in connection therewith, the County will, at the request of the Hospital, jointly issue not exceeding \$30,000,000 Hospital Facilities Refunding Revenue Bonds, Series 1986, of Pickens County and Richland County, South Carolina.

(ii) The Loan Agreement contains no provisions imposing an indebtedness on the County within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

(iii) The Loan Agreement contains provisions whereby the Hospital pledges and assigns to the County and agrees to pay to the Trustee for the benefit of the County all gross revenues of the Hospital.

(iv) The Loan Agreement contains covenants (i) obligating the Hospital to effect the completion of the Hospital Facilities if the proceeds of the Bonds prove insufficient, and (ii) obligating the Hospital to make payments which shall be sufficient (a) to pay the principal of and interest on the Series 1986 Bonds, (b) to build up and maintain any reserves deemed by the County Board to be advisable in connection therewith, and

(c) to pay the costs of maintaining the Hospital Facilities in good repair and the cost of keeping it properly insured.

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

That the State Budget and Control Board (i) accept the filing of the Petition presented herewith; (ii) as soon as practicable, make its independent investigation of the refunding of the Outstanding Bonds, together with any interest then or thereafter to become due, and certain other expenses to be incurred in connection therewith, and the terms and provisions of the Loan Agreement, Bond Indenture and Refunding Trust Agreement, as it deems advisable; (iii) thereafter, make a finding that the refunding of the Outstanding Bonds is intended to promote the purposes of the Act and that it is reasonably anticipated the refunding of the Outstanding Bonds will effect such result; (iv) make a finding that the proposed financing is economically feasible, and on the basis of such finding, approve the joint issuance of not exceeding \$30,000,000 Hospital Facilities Revenue Refunding Bonds, Series 1986, of Pickens County and Richland County, South Carolina, including changes in any details of the said financing as finally consummated which do not materially affect the refunding of the Outstanding Bonds, together with any interest then or thereafter to become due, and certain other expenses to be incurred in connection therewith; and (v) give published notice of its approval in the manner set forth in Section 44-7-1590 of the Act.

Respectfully submitted,

PICKENS COUNTY, SOUTH CAROLINA

(SEAL)

ATTEST:

By: *Norman C. Burns*  
Chairman, County Council

By: *Doris P. Watson*  
Clerk, County Council

EXHIBIT

Dated: March 17, 1986.

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

EXHIBIT A

EXHIBIT

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

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

P E T I T I O N

This Petition of the County Council of Richland County, South Carolina, is submitted pursuant to Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 1976 (the "Act"), and specifically Section 44-7-1590 thereof, and respectfully shows:

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

2. The Act, among other things, empowers Richland County (the "County"), functioning through its County Council (the "County Board"), subject to obtaining approval from the State Budget and Control Board (the "State Board"), required by Section 44-7-1590 of the Act and from the Department of Health and Environmental Control (the "Department"), if applicable, required by Section 44-7-1490 of the Act to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds as defined in the Act to include notes; to enter into loan agreements with any hospital agency or public agency, prescribing the payments to be made by the hospital agency or public agency to the County or its assignee to meet the payments that shall become due on the bonds, including terms and conditions relative to the acquisition and use of hospital facilities and the issuance of bonds; to issue bonds for the purpose of defraying the cost of providing hospital facilities and to secure the payment of such bonds; to issue bonds to refinance or refund outstanding obligations, mortgages or advances heretofore or hereafter issued, made or given by a hospital agency or public agency for the cost of hospital facilities; and to make the proceeds of any bonds available by way of a loan to a hospital agency or public agency pursuant to a loan agreement.

3. The County Board has agreed with South Carolina Baptist Hospital, a not-for-profit corporation organized and existing under the laws of the State of South Carolina (the "Hospital"), having hospital facilities as

defined in the Act in the County and in Pickens County, that the County Board will undertake to issue not exceeding \$30,000,000 Hospital Facilities Revenue Refunding Bonds of Pickens County and Richland County, South Carolina (the "Series 1986 Bonds"), pursuant to the Act and loan a portion of the proceeds thereof to the Hospital in order to refund the \$11,600,000 Hospital Facilities Revenue Bonds, Series 1978 (South Carolina Baptist Hospital), \$5,750,000 Hospital Facilities Revenue Bonds, Series 1980 (South Carolina Baptist Hospital), and \$7,715,000 Hospital Facilities Revenue Bonds, Series 1983 (South Carolina Baptist Hospital), of which approximately \$20,790,000 principal amount is currently outstanding (the "Outstanding Bonds"), together with any interest then or thereafter to become due, and certain expenses in connection therewith.

4. The County Board has found and determined that:

(a) The proceeds of the Series 1986 Bonds will be used to refund the Outstanding Bonds, together with any interest then or thereafter to become due and certain expenses in connection therewith.

(b) The Hospital is a hospital agency as defined in the Act with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Loan Agreement to be entered into by and between the County and the Hospital.

(c) Adequate provision shall be made for the payment of principal of and interest on the Outstanding Bonds and the Series 1986 Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Hospital Facilities financed with the proceeds of the Outstanding Bonds to be refunded with the proceeds of the Series 1986 Bonds at the expense of the Hospital.

(d) The public facilities, including utilities and public services necessary for the Hospital Facilities, will be made available.

(e) The issuance of the Series 1986 Bonds will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(f) Neither the Hospital Facilities, the Series 1986 Bonds, nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation shall never constitute nor give rise to a pecuniary liability of the

County or a charge against its general credit or taxing powers.

(g) The County has been informed by the Hospital that the existing covenants and agreements in the proceedings authorizing the Outstanding Bonds payable by the Hospital hamper or impede the ability of the Hospital to borrow monies which are then or thereafter required to provide for improvements, enlargements and extensions to the Hospital.

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

(a) In connection with the Hospital Facilities, the Department of Health and Environmental Control has issued its letter stating that no certificate of need is required.

(b) In general, the terms and conditions of the proposed Loan Agreement provide that:

(i) To refund the Outstanding Bonds, together with any interest then or thereafter to become due, and certain other expenses to be incurred in connection therewith, the County will, at the request of the Hospital, jointly issue not exceeding \$30,000,000 Hospital Facilities Revenue Refunding Bonds, Series 1986, of Pickens County and Richland County, South Carolina.

(ii) The Loan Agreement contains no provisions imposing an indebtedness on the County within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

(iii) The Loan Agreement contains provisions whereby the Hospital pledges and assigns to the County and agrees to pay to the Trustee for the benefit of the County all gross revenues of the Hospital.

(iv) The Loan Agreement contains covenants (i) obligating the Hospital to effect the completion of the Hospital Facilities if the proceeds of the Bonds prove insufficient, and (ii) obligating the Hospital to make payments which shall be sufficient (a) to pay the principal of and interest on the Series 1986 Bonds, (b) to build up and maintain any reserves deemed by the County Board to be advisable in connection therewith, and

(c) to pay the costs of maintaining the Hospital Facilities in good repair and the cost of keeping it properly insured.

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

That the State Budget and Control Board (i) accept the filing of the Petition presented herewith; (ii) as soon as practicable, make its independent investigation of the refunding of the Outstanding Bonds, together with any interest then or thereafter to become due, and certain other expenses to be incurred in connection therewith, and the terms and provisions of the Loan Agreement, Bond Indenture and Refunding Trust Agreement, as it deems advisable; (iii) thereafter, make a finding that the refunding of the Outstanding Bonds is intended to promote the purposes of the Act and that it is reasonably anticipated the refunding of the Outstanding Bonds will effect such result; (iv) make a finding that the proposed financing is economically feasible, and on the basis of such finding, approve the joint issuance of not exceeding \$30,000,000 Hospital Facilities Revenue Refunding Bonds, Series 1986, of Pickens County and Richland County, South Carolina, including changes in any details of the said financing as finally consummated which do not materially affect the refunding of the Outstanding Bonds, together with any interest then or thereafter to become due, and certain other expenses to be incurred in connection therewith; and (v) give published notice of its approval in the manner set forth in Section 44-7-1590 of the Act.

Respectfully submitted,

(SEAL)

RICHLAND COUNTY, SOUTH CAROLINA

ATTEST:

By: Lillie E. Herndon  
Chairman, County Council

By: Dorinda Fuller  
Clerk, County Council

EXHIBIT

Dated: April 1, 1986.

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

# EXHIBIT

OCT 7 1986 NO. 15

RESOLUTION

STATE BUDGET & CONTROL BOARD

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY PICKENS COUNTY, SOUTH CAROLINA, JOINTLY WITH RICHLAND COUNTY, SOUTH CAROLINA, OF HOSPITAL FACILITIES REVENUE REFUNDING BONDS, SERIES 1986 (SOUTH CAROLINA BAPTIST HOSPITAL PROJECT), AS DEFINED IN AND PURSUANT TO THE PROVISIONS OF TITLE 44, CHAPTER 7, ARTICLE 11, CODE OF LAWS OF SOUTH CAROLINA, 1976, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$30,000,000.

WHEREAS, Pickens County, South Carolina, (the "County"), acting by and through its County Council (the "County Council") is authorized and empowered under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 1976 (the "Act"), to promote the public health and welfare by providing for the constructing, equipping and providing of hospital facilities to serve the people of the State and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities; and

WHEREAS, the County is further authorized to issue revenue bonds, defined in the Act to include notes, for the purpose of defraying the cost of providing hospital facilities and to refinance or to refund outstanding obligations, mortgages or advances issued, made or given by a hospital or public agency for the cost of hospital facilities; and

WHEREAS, the County is further authorized to make the proceeds of any revenue bonds available by way of a loan to a hospital or public agency pursuant to a loan agreement; and

WHEREAS, the County is further authorized to pledge or assign any money, rents, charges, fees or other revenues, including any proceeds of insurance or condemnation awards pursuant to any loan agreement to the payment of the bonds issued pursuant to such loan agreement; and

WHEREAS, the County and Richland County propose to jointly issue not exceeding \$30,000,000 aggregate principal amount Hospital Facilities Revenue Refunding Bonds, Series 1986 (South Carolina Baptist Hospital) (the "Series 1986 Bonds") under and pursuant to the Act, and to make certain of the proceeds of the Series 1986 Bonds available to the Hospital by way of a loan for the purpose of refunding the

\$11,600,000 Hospital Facilities Revenue Bonds, Series 1978 (South Carolina Baptist Hospital), \$5,750,000 Hospital Facilities Revenue Bonds, Series 1980 (South Carolina Baptist Hospital), and \$7,715,000 Hospital Facilities Revenue Bonds, Series 1983 (South Carolina Baptist Hospital), of which approximately \$20,790,000 aggregate principal amount is currently outstanding (the "Outstanding Bonds"), together with any interest then or thereafter to become due by way of a loan pursuant to a loan agreement; and

WHEREAS, the existing covenants and agreements in the proceedings authorizing the Outstanding Bonds payable by the Hospital hamper or impede the ability of the Hospital to borrow monies which are then or thereafter required to provide for improvements, enlargements and extensions to the Hospital; and

WHEREAS, it is now deemed advisable by the County Council to file with the State Budget and Control Board of South Carolina, in compliance with Section 44-7-1590 of the Act, the petition of th County requesting approval of the proposed financing by the State Budget and Control Board;

NOW, THEREFORE, BE IT RESOLVED by the County Council of Pickens County, South Carolina, as follows:

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

(a) The County Council constitutes the "County Board" as that term is defined in the Act.

(b) The Hospital is a hospital agency as defined in the Act with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Loan Agreement to be entered into by and between the County and the Hospital.

(c) Adequate provisions shall be made for the payment of principal of and interest on the Outstanding Bonds and the Series 1986 Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Hospital Facilities financed with the proceeds of the Outstanding Bonds to be refunded with the proceeds of the Series 1986 Bonds at the expense of the Hospital.

(d) The public facilities, including utilities and public services necessary for the Hospital Facilities, will continue to be made available.

(e) The issuance of the Series 1986 Bonds will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(f) Neither the Hospital Facilities financed with the proceeds of the Outstanding Bonds to be refunded by the Series 1986 Bonds, the Series 1986 Bonds nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

(g) The issuance of the Series 1986 Bonds in the aggregate principal amount of not exceeding \$30,000,000 will be required in order to loan the proceeds thereof to the Hospital for the purpose of refunding the Outstanding Bonds, together with any interest then or thereafter to become due, and certain expenses in connection therewith.

Section 2. There is hereby authorized and directed to be submitted, on behalf of the County, a petition to this County Council requesting the approval of the proposed financing by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 44-7-1590 of the Act, said petition to be in substantially the form attached hereto as Exhibit A with such changes, insertions and omissions as may be approved by the Chairman, said execution being conclusive evidence of such approval.

Section 3. The Chairman of the County Council is hereby authorized and directed to execute said petition in the name and on behalf of the County and the Clerk is hereby authorized and directed to affix the seal of the County Council to said petition and to attest the same and thereafter to submit an executed copy of this resolution along with said petition to the State Budget and Control Board in Columbia, South Carolina.

Section 4. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved this 17th day of March, 1986.

Marion C. Owen  
Chairman, County Council of  
Pickens County, South Carolina

(SEAL)

ATTEST:

Lois P. Watson  
Clerk, County Council  
of Pickens County,  
South Carolina

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

RESOLUTION

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY RICHLAND COUNTY, SOUTH CAROLINA, JOINTLY WITH PICKENS COUNTY, SOUTH CAROLINA, OF HOSPITAL FACILITIES REVENUE REFUNDING BONDS, SERIES 1986 (SOUTH CAROLINA BAPTIST HOSPITAL PROJECT), AS DEFINED IN AND PURSUANT TO THE PROVISIONS OF TITLE 44, CHAPTER 7, ARTICLE 11, CODE OF LAWS OF SOUTH CAROLINA, 1976, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$30,000,000.

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

WHEREAS, Richland County, South Carolina, (the "County"), acting by and through its County Council (the "County Council") is authorized and empowered under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 1976 (the "Act"), to promote the public health and welfare by providing for the constructing, equipping and providing of hospital facilities to serve the people of the State and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities; and

WHEREAS, the County is further authorized to issue revenue bonds, defined in the Act to include notes, for the purpose of defraying the cost of providing hospital facilities and to refinance or to refund outstanding obligations, mortgages or advances issued, made or given by a hospital or public agency for the cost of hospital facilities; and

WHEREAS, the County is further authorized to make the proceeds of any revenue bonds available by way of a loan to a hospital or public agency pursuant to a loan agreement; and

WHEREAS, the County is further authorized to pledge or assign any money, rents, charges, fees or other revenues, including any proceeds of insurance or condemnation awards pursuant to any loan agreement to the payment of the bonds issued pursuant to such loan agreement; and

WHEREAS, the County and Pickens County propose to jointly issue not exceeding \$30,000,000 aggregate principal amount Hospital Facilities Revenue Refunding Bonds, Series 1986 (South Carolina Baptist Hospital) (the "Series 1986 Bonds") under and pursuant to the Act, and to make certain of the proceeds of the Series 1986 Bonds available to the Hospital by way of a loan for the purpose of refunding the

\$11,600,000 Hospital Facilities Revenue Bonds, Series 1978 (South Carolina Baptist Hospital), \$5,750,000 Hospital Facilities Revenue Bonds, Series 1980 (South Carolina Baptist Hospital), and \$7,715,000 Hospital Facilities Revenue Bonds, Series 1983 (South Carolina Baptist Hospital), of which approximately \$20,790,000 aggregate principal amount is currently outstanding (the "Outstanding Bonds"), together with any interest then or thereafter to become due by way of a loan pursuant to a loan agreement; and

WHEREAS, the existing covenants and agreements in the proceedings authorizing the Outstanding Bonds payable by the Hospital hamper or impede the ability of the Hospital to borrow monies which are then or thereafter required to provide for improvements, enlargements and extensions to the Hospital; and

WHEREAS, it is now deemed advisable by the County Council to file with the State Budget and Control Board of South Carolina, in compliance with Section 44-7-1590 of the Act, the petition of th County requesting approval of the proposed financing by the State Budget and Control Board;

NOW, THEREFORE, BE IT RESOLVED by the County Council of Richland County, South Carolina, as follows:

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

(a) The County Council constitutes the "County Board" as that term is defined in the Act.

(b) The Hospital is a hospital agency as defined in the Act with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Loan Agreement to be entered into by and between the County and the Hospital.

(c) Adequate provisions shall be made for the payment of principal of and interest on the Outstanding Bonds and the Series 1986 Bonds and any necessary reserves therefor and for the operation, repair and maintenance of the Hospital Facilities financed with the proceeds of the Outstanding Bonds to be refunded with the proceeds of the Series 1986 Bonds at the expense of the Hospital.

(d) The public facilities, including utilities and public services necessary for the Hospital Facilities, will continue to be made available.

(e) The issuance of the Series 1986 Bonds will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(f) Neither the Hospital Facilities financed with the proceeds of the Outstanding Bonds to be refunded by the Series 1986 Bonds, the Series 1986 Bonds nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

(g) The issuance of the Series 1986 Bonds in the aggregate principal amount of not exceeding \$30,000,000 will be required in order to loan the proceeds thereof to the Hospital for the purpose of refunding the Outstanding Bonds, together with any interest then or thereafter to become due, and certain expenses in connection therewith.

Section 2. There is hereby authorized and directed to be submitted, on behalf of the County, a petition to this County Council requesting the approval of the proposed financing by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 44-7-1590 of the Act, said petition to be in substantially the form attached hereto as Exhibit A with such changes, insertions and omissions as may be approved by the Chairman, said execution being conclusive evidence of such approval.

Section 3. The Chairman of the County Council is hereby authorized and directed to execute said petition in the name and on behalf of the County and the Clerk is hereby authorized and directed to affix the seal of the County Council to said petition and to attest the same and thereafter to submit an executed copy of this resolution along with said petition to the State Budget and Control Board in Columbia, South Carolina.

Section 4. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved this 1st day of April, 1986.

*Leticia E. Hernan*  
Chairman, County Council of  
Richland County, South Carolina

(SEAL)

ATTEST:

*Brenda Fuller*  
Clerk, County Council  
of Richland County,  
South Carolina

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

DEC - 5 1986

9:10 A.M.

LG

McNAIR LAW FIRM, P. A.

ATTORNEYS AND COUNSELORS AT LAW

NCNB TOWER

POST OFFICE BOX 11390

COLUMBIA, SOUTH CAROLINA 29211

803-799-9800

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDUROS  
D. WAYNE CORLEY  
E. MALEDO SINGLETARY  
CHARLES ROYER  
ROBERT W. DRIBBLE, JR.  
EMORY W. SNEEDEN  
STEPHEN W. KORLAN\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
JOHN H. LUMPKIN, JR.  
M. WILLIAM YOUNGBLOOD, JR.  
JOHN W. CURRIE  
RHETT DAWSON\*  
SCOTT T. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL B. WLEDD, JR.  
WILLIAM S. ROSE, JR.  
HUEL D. ADAMS, JR.

JAMES R. FIELDS, JR.  
M. CRAIG GARNER, JR.  
BRENTON D. JEFFOGAT  
ROBERT T. BOCKMAN  
EDWIN W. JOHNSON S.  
PETER L. MURPHY  
C. ALAN RUYAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY  
WILMOT B. IRVIN  
ARIEL C. LUCAS  
ROBERT E. STEFF  
KATHLEEN CRUM MCKINNEY  
E. RUSSELL JETER, JR.  
WILLIAM MICHAEL HOUSE\*  
CARL B. CARRUTH  
JOHN W. HUNTER\*  
J. WESLEY CRUM II  
RICHARD J. MORGAN  
J. SIMON FRASER  
CHRISTOPHER M.C. HOLMES  
DEBORAH K. OWEN\*

SARA S. ROGERS  
DOROTHY M. HELMS  
NANCY PAGE  
SANDRA L. BANDLEMAN  
JANE W. FRINKLEY  
J. LYLES GLENN IV  
CELESTE TILLEY JONES  
KATHERINE ELIZABETH MIMS  
JOSEPH D. WALKER  
NANCY B. JEFFERS  
ALISON RENEE LEE  
MARTHA B. MERRILLIN  
GREGORY D. DRUGACH  
WILLIAM ASHLEY JORDAN, JR.  
MICHAEL M. BEAL  
DEBORAH ANN DAVIS  
ELIZABETH BOWE ANDERS  
WILLIAM M. MURGER  
SHARON E. CRANLEY  
T. BARBARA HUNTER  
ROBERT F. McMAHAN, JR.

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL

GREENVILLE OFFICE  
SUITE 1201  
NCNB PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940

HILTON HEAD ISLAND OFFICE  
NCNB BUILDING  
POPE AVENUE  
POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29928  
803-785-5169

WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

\*NOT ADMITTED IN SOUTH CAROLINA

December 4, 1986

Donna Williams  
State Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29211

EXHIBIT

OCT 7 1986 NO. 15

STATE BUDGET & CONTROL BOARD

Re: \$19,840,000 Pickens County and Richland County,  
South Carolina Hospital Revenue Refunding Bonds  
South Carolina Baptist Hospital Issue, Series 1986

Dear Donna:

Enclosed to complete your file in the captioned matter is an executed copy of the Resolution and an executed copy of the Petition from the Richland County Counsel in connection with the bond issue. If I may provide further information please give me a call.

With warm personal regards,

*Bill Youngblood*

M. William Youngblood, Jr.

MWY/lb

Enclosures

03914





# EXHIBIT

OCT 7 1986 NO. 16

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD  
MEETING OF October 7, 1986 REGULAR SESSION  
ITEM NUMBER

9

AGENCY: Family Farm Development Authority

SUBJECT: Agricultural Development Bonds

The Family Farm Development Authority requests Board approval of the issuance of Agricultural Development Revenue Bonds for the following projects and asks that an allocation of a portion of the State Ceiling be made for each:

- (1) Borrower: Alton J. Barnett, Jr.  
Principal Amount: \$130,000 Agricultural Development Revenue Bonds  
Purpose: Construction of 2 automated broiler houses  
Maturity Schedule: 40 quarterly payments of principal in the amount of \$3,250 plus interest at a rate not to exceed 12%  
Bond Purchaser: NCNB South Carolina
- (2) Borrower: Vince Timpson Arrington  
Principal Amount: \$150,000 Agricultural Development Revenue Bonds  
Purpose: Construction of 2 automated broiler houses  
Maturity Schedule: 40 quarterly payments of principal in the amount of \$3,750 plus interest at a rate not to exceed 12%.  
Bond Purchaser: NCNB South Carolina

BOARD ACTION REQUESTED:

Adopt resolutions approving the issuance of Agricultural Development Revenue Bonds by the Family Farm Development Authority for (a) Alton J. Barnett, Jr., \$130,000, and (b) Vince Timpson Arrington, \$190,000; and allocate a portion of the state ceiling to both projects.

ATTACHMENTS:

Referenced resolutions

03917



South Carolina State Family Farm Development Authority

Members

JOE W. KING, CHAIRMAN  
MELVIN L. CRUM, VICE CHAIRMAN  
ROY L. GRAHAM, JR., SECRETARY  
J. EDWARD BROWN  
JAMES G. FOODY  
STEVEN P. NIVENS  
STANLEY E. WASKIEWICZ

P. O. Box 11735  
Columbia, S. C. 29211  
(803) 758-5956  
October 1, 1986

Ex Officio

GOVERNOR RICHARD W. RILEY  
WALLACE BROWN, DESIGNEE  
COMMISSIONER D. LESLIE TINDAL  
HARRY BUSBEE, DESIGNEE  
SENATOR WILLIAM W. DOAR  
SENATOR T. ED GARRISON, DESIGNEE  
REPRESENTATIVE JOHN J. SNOW, JR.

Chairman Emeritus

RAYMOND S. CAUGHMAN

EXECUTIVE DIRECTOR  
CLYDE B. LIVINGSTON

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

RE: Alton J. Barnett, Jr.  
Vincent T. Arrington

Dear Mr. McInnis:

We have gotten the cap on the interest rate lowered to 12 percent on the above-mentioned bonds by North Carolina National Bank of Anderson, and we wish to submit these bonds for approval at the October 7 board meeting.

Sincerely,

A handwritten signature in cursive script that reads "Charlie I. Crews".

Charlie I. Crews  
Bond Director

CIC:mg

03918

OCT - 8 1986

The State of South Carolina

EXHIBIT



OCT 7 1986 NO. 16

STATE BUDGET & CONTROL BOARD

Office of the Attorney General

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803-734-3680

October 6, 1986

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

Re: \$130,000 Richland County, South Carolina  
State Family Farm Development Revenue Bond  
(Alton J. Barnett, Jr.)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 46-47-10 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

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

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

03919

# EXHIBIT

OCT 7 1986 NO. 16

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )

Alton J. Barnett, Jr.

STATE BUDGET & CONTROL BOARD

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

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

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

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

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

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

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

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, October 7, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of Mr. Mangum, who was represented by Ways and Means Committee Vice Chairman T. W. Edwards, Jr.

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

FOR MOTION

5

AGAINST MOTION

0

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

October 8, 1986

William A. McInnis

03920

# EXHIBIT

OCT 7 1986 NO. 16

A RESOLUTION

STATE BUDGET & CONTROL BOARD

OF THE STATE BUDGET AND CONTROL BOARD APPROVING THE ISSUANCE BY THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY OF A \$130,000 AGRICULTURAL DEVELOPMENT BOND (ALTON J. BARNETT, JR. PROJECT), 1986.

WHEREAS, it is provided by the South Carolina State Family Farm Development Act, Section 15 of Act No. 179 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, Regular Session of 1981, now codified as Chapter 47, Title 46 of the Code of Laws of South Carolina, 1976, as amended, (the "Act"), that upon approval by the State Budget and Control Board (the "Board"), the South Carolina State Family Farm Development Authority (the "Authority") may borrow money through the issuance of its negotiable bonds in order to finance its programs; and

WHEREAS, the Authority has established a direct loan program (the "Direct Loan Program") as provided in Section 15 of the Act (now codified as section 46-47-90); and

WHEREAS, the Authority has submitted its petition (the "Petition") to the Board requesting approval by the Board of the issuance by the Authority pursuant to the Act of its \$130,000 Agricultural Development Bond (Alton J. Barnett, Jr. Project), 1986 (the "Bond"), which Bond has been authorized to be issued pursuant to Resolution No. 86-0018 adopted on August 22, 1986, by the Authority.

WHEREAS, the Bond shall be dated, shall mature, shall bear interest at the rate set forth on Exhibit B attached to the Authority's Petition and shall otherwise contain such terms and conditions as previously authorized by the Resolution of the Authority and shall be sold to NCNB South Carolina, in Anderson, South Carolina; and

WHEREAS, the Authority has presented to the Board the Petition which, together with exhibits and schedule thereto attached, sets forth certain information with respect to the Direct Loan Program and the Bond.

WHEREAS, the Board has determined, based upon such information, that the funds estimated to thereafter be available for the repayment of the Bond will be sufficient to provide for the payment of the principal and interest on the Bond as they become due;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD, AS FOLLOWS:

Section 1. It is found and determined that the facts set forth in the preambles to this Resolution and in the Petition are in all respects true and correct.

Section 2. The Petition filed by the Authority contain all matters required by the Act and the rules of the Board to be set forth therein.

Section 3. Approval is hereby granted by the Board to the issuance and sale by the Authority of its \$130,000 Agricultural Development Bond (Alton J. Barnett, Jr. Project), 1986, in order to make a mortgage loan or secured loan to the Alton J. Barnett, Jr. (the "Farmer") to facilitate the acquisition of agricultural land, agricultural improvements and depreciable agricultural property by the Farmer.

The Bond shall be issued and secured as provided in the Resolution of the Authority.

Section 4. This Resolution shall take effect immediately upon its adoption.

Dated: September 23, 1986

03922

# EXHIBIT

State of South Carolina

OCT 7 1986

NO. 16

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

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



Box 12444  
Columbia  
29211

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

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

October 9, 1986

### C E R T I F I C A T E

#### STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Family Farm Development Authority  
c/o Mr. Daniel R. McLeod, Jr.  
McNair Law Firm  
Box 11390  
Columbia, SC 29211

RE: Issue of \$130,000 Family Farm Development Authority  
Agricultural Development Revenue Bond  
(Alton J. Barnett, Jr., Project)  
Issue Date Certified by Issuing Authority: October 10, 1986  
Issue Amount Certificate Received by Board Secretary: October 9, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Board Regulation \$19-103.06 and \$19-103.07 not more than ten (10) business days prior to the date of issue which, as certified by the issuing authority, is within the time period for the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

*William A. McInnis*

William A. McInnis, Secretary

03923



**Part V Description of Property Financed by Non-refunding Proceeds**  
(Do not complete for student loan bonds or mortgage bonds)

<b>22 Type of Property Financed (or portion thereof financed by non-refunding proceeds)</b>		
a	3-yr. ACRS property	
b	5-yr. ACRS property	
c	10-yr. ACRS property	
d	15-yr. ACRS property	128,600
e	18-yr. ACRS property	
f	Cost of land	
g	Cost of other property (see instructions)	
<b>23 Other use of non-refunding proceeds (subtract lines 22a-g from Part IV, line 21)(see instructions)</b>		

<b>24 Standard industrial classification (SIC) of non-refunding proceeds for the financed project.</b>					
	SIC Code	Non-refunding proceeds \$		SIC Code	Non-refunding proceeds \$
a	0400	\$128,600	d		
b			e		
c			f		

**25 Average weighted economic life of the project (complete only for IDBs) .See Schedule A . . .** ▶ Not less than 10 years.

**Part VI Description of Initial Principal Users**  
(Do not complete for student loan bonds or mortgage bonds)

<b>26 Initial Principal Users</b>			
(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Alton J. Barnett, Jr.	Rt. 1, Box 376 Westminster, S.C. 29693	249-33-8207
(ii)			
(iii)			
(iv)			
(v)			

<b>27 Common parents (if any) of initial principal users listed above:</b>			
(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number

**Part VII Approval of Issue (Complete only for IDBs)**

**28 Name of Governmental units approving issue** ▶ South Carolina State Family Farm Development Authority;  
South Carolina State Budget and Control Board - See Schedule B

**29 Names and positions of applicable elected representatives or date of referenda approving issue** ▶ See Schedule C

**Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds**

<b>1</b>	Issuer's volume limitation	
<b>2</b>	Amount of volume limitation surrendered to other issues (e.g., under section 103A(g)(3)(B) or 25(c)(2)(A)(ii))	
<b>3</b>	Amount of bonds previously issued	
<b>4</b>	Unused volume limitation (subtract lines 2 and 3 from line 1)	

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature: *[Signature]* Date: 10/10/86 Title: Executive Director

**Paid Preparer's Use Only**

Preparer's signature: *[Signature]* Check if self-employed:  Preparer's social security no.:

Firm's name (or yours, if self-employed) and address: McNAIR LAW FIRM, P.A.  
P.O. Box 11390, Columbia, SC E.I. No. 57-0703244  
ZIP code 29211

[To be retyped on CPA's letterhead]

Schedule A

October 10, 1986

South Carolina State Family Farm  
Development Authority  
915 South Main Street  
Columbia, South Carolina 29201

McNair Law Firm, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211

Re: South Carolina State Family Farm Development  
Authority, Agricultural Development Revenue  
Bonds (Alton J. Barnett, Jr. Project), 1986,  
\$130,000

This letter is being given to you with regard to the \$130,000 South Carolina State Family Farm Development Authority, Agricultural Development Bond (Alton J. Barnett, Jr. Project), 1986 (the "Bond"). I have reviewed the description of the property to be financed with the proceeds of the Bond provided me by Alton J. Barnett, Jr. which is set forth as Exhibit A hereto, and based upon that description I have made the following determination:

The average maturity of the Bond does not exceed 120% of the average reasonably expected economic life of the buildings, machinery, equipment, apparatus, office furnishings and any other items to be financed in whole or in part with the proceeds of the Bond as shown on Exhibit A attached hereto.

The economic useful life of each item has been derived in accordance with administrative guidelines established for the useful lives used for depreciation prior to the ACRS System.

Very truly yours,

---

Certified Public Accountant

**03926**

Exhibit A

Description:

Construction of two broiler houses

03927

# EXHIBIT

OCT 7 1986 NO. 16

Schedule B

STATE BUDGET & CONTROL BOARD

SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY

Joseph W. King, Chairman  
Steven P. Nivens  
John E. Brown  
Roy L. Graham, Jr.  
Melvin L. Crum  
Stanley E. Waskiewicz  
James Foody

SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD

Governor Richard W. Riley, Chairman  
Grady L. Patterson, Jr., State Treasurer  
Earle E. Morris, Jr., Comptroller General  
Rembert C. Dennis, Chairman, Senate Finance  
Committee  
T. W. Edwards, Vice-Chairman, Ways and Means Committee

03928

Schedule C

The Honorable Richard W. Riley  
Governor, State of South Carolina  
Box 11450  
Columbia, South Carolina 29211

03929

Schedule D

Prepared by:

McNair Law Firm, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211

With Assistance from:

South Carolina State Family Farm  
Development Authority  
915 South Main Street  
Columbia, South Carolina 29201

Alton J. Barnett, Jr.  
Route 1, Box 376  
Westminster, South Carolina 29693

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
CPA

**03930**

# EXHIBIT

OCT 7 1986 NO. 16

State of South Carolina

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

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



Box 12444  
Columbia  
29211

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

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

October 7, 1986

### C E R T I F I C A T E

#### STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Family Farm Development Authority  
\$130,000  
Agricultural Development Revenue Bonds  
(Alton J. Barnett, Jr., Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Deficit Reduction Act of 1984 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Board Regulation §19-103.06 and §19-103.07 require that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority before the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

In accord with Internal Revenue Code Section 103(n)(12)(A), I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

03931

# EXHIBIT

OCT 7 1986 NO. 16

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

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

PETITION

This Petition of the South Carolina State Family Farm Development Authority (the "Authority") is submitted to the State Budget and Control Board of South Carolina (the "Board") pursuant to the South Carolina State Family Farm Development Authority Act, Section 15 of Act No. 179 of the Acts and Joint Resolutions of the General Assembly of 1981, now codified as Chapter 47 of Title 46 of the Code of Laws of South Carolina, 1976, as amended (the "Act") and respectfully shows:

1. The Act, among other things, provides that following a determination made by the Authority that it is necessary to sell bonds to develop and implement one of the programs authorized by the Act and a finding that the revenues or other moneys estimated to thereafter be available therefor will provide moneys required for the payment of the principal and interest on the bond then proposed to be issued, upon obtaining the approval of the Board pursuant to the Act, the Authority is authorized to issue bonds for such purposes.

2. The Authority has developed its Direct Loan Program for Farmers of the Beneficiary Class.

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

4. By resolution duly adopted by the Authority on August 22, 1986 (certified copy of which is attached hereto as Exhibit A), the Authority has authorized the issuance of its \$130,000 Agricultural Development Bond (Alton J. Barnett, Jr. Project) 1986 (the "Bond") being described on Exhibit B attached hereto.

5. The Bond shall be a special obligation of the Authority secured by and payable solely from the moneys, income and receipts of the Authority to be pledged under a Loan Agreement between the Authority and the Farmer.

6. Attached hereto as Schedule 1 and by reference incorporated herein in its entirety is a schedule showing the annual debt service requirements and the amount and source of revenues available for the payment thereof on all outstanding bonds of the Authority.

7. The information contained in this Petition provides the Board with all the information required by Section 15 of Act No. 179 (1981 Acts) (now codified as Section 46-47-140 of the 1976 Code of Laws of South Carolina, as amended) to be presented by the Authority in connection with the Bond.

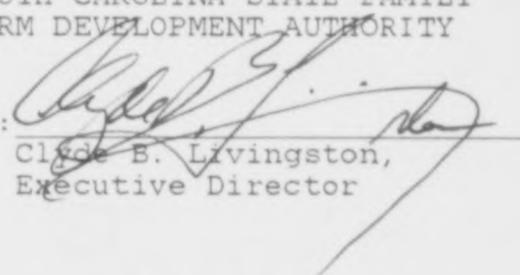
8. The Authority stands ready to produce any further information with respect to the Bond or other bonds of the Direct Loan Program required by the Board.

WHEREFORE, on the basis of the foregoing the Authority prays approval of the Board of the issuance and sale of the Authority's Bond in the principal amount and on the terms and conditions prescribed in the Resolution No. 86-0018 as described in this Petition and allocate \$130,000 of the State Ceiling for the Bond.

To the best of my knowledge the approval of the Alton J. Barnett, Jr. Project is not made in consideration of any bribe, gift, gratuity, or direct or indirect contributions to any political campaign.

Respectfully submitted,

SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

By:   
Clyde B. Livingston,  
Executive Director

(SEAL)

September 17, 1986

Copy of Petition also forwarded to Joint Bond Review  
Committee.

EXHIBIT

OCT 7 1986 NO. 16

2

STATE BUDGET & CONTROL BOARD

03933

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

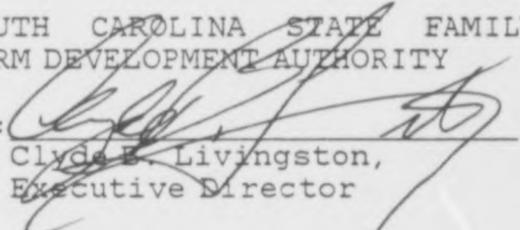
CERTIFIED COPY OF RESOLUTION  
NO. 86-0018

I, the undersigned being the duly qualified and acting Executive Director of the South Carolina State Family Farm Development Authority (the "Authority"), do hereby certify that attached hereto is a copy of Resolution No. 86-0018 authorizing the issuance of a \$130,000 Agricultural Development Bond (Alton J. Barnett, Jr. Project), 1986, adopted by the Authority at a meeting duly called and held on August 22, 1986, at which a quorum was present and acting throughout, which resolution has been compared by me with the original thereof, and that such resolution has been duly adopted and has not been modified, amended or repealed and is in full force and effect on and as of the date hereof in the form attached hereto.

In witness whereof, I have hereunto set my hand and the official seal of the Authority this 22nd day of August, 1986.

SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

By:

  
Clyde E. Livingston,  
Executive Director

(SEAL)

EXHIBIT

OCT 7 1986      NO. 16

STATE BUDGET & CONTROL BOARD

# EXHIBIT

OCT 7 1986 NO. 16

RESOLUTION NO. 86-0018

STATE BUDGET & CONTROL BOARD

AUTHORIZING THE ISSUANCE OF A \$130,000 AGRICULTURAL DEVELOPMENT BOND (ALTON J. BARNETT, JR. PROJECT), 1986, OF THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND LENDER LOAN AGREEMENT; APPROVING THE SUBMISSION OF A PETITION TO THE STATE BUDGET AND CONTROL BOARD; AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY, AS FOLLOWS:

Section 1. Findings and Determinations. The Authority hereby finds and determines:

(a) Pursuant to the South Carolina State Family Farm Development Act as amended (the "Act"), the Authority is authorized and empowered to undertake programs which assist farmers of the beneficiary class in acquiring agricultural land, agricultural improvements and/or depreciable agricultural property for the purpose of farming.

(b) The Authority is authorized and has developed under the Act a direct loan program for farmers (the "Direct Loan Program") of the beneficiary class by making mortgage loans or secured loans to such farmers to facilitate the acquisition of agricultural land, agricultural improvements and depreciable agricultural property by such farmers.

(c) The Authority is further authorized to borrow money through the issuance of its negotiable bonds as provided in the Act in order to finance its Direct Loan Program.

(d) The Authority has received a request from Alton J. Barnett, Jr. (the "Borrower") to issue its agricultural development bond for the purpose of facilitating the acquisition of agricultural land, agricultural improvements and/or depreciable agricultural property as more particularly described in the Borrower's Application heretofore submitted to the Authority (the "Project").

(e) In order to raise the sum of \$130,000 and loan such moneys to the Borrower under a Loan Agreement hereinafter described, the Authority finds it necessary and in its best interest to sell its agricultural development

bond to NCNB South Carolina, in Anderson, South Carolina (the "Lender").

(f) The Authority further finds that:

(i) the Borrower receiving the mortgage loan or secured loan under the Direct Loan Program is a member of the "beneficiary class" as defined in the Act;

(ii) the Borrower satisfies the underwriting and credit standards as have been determined by the proposed regulations of the Authority so as to insure payment of the principal and interest on the Bond; and

(iii) the mortgage loan or secured loan authorized hereby is not otherwise available to the Borrower, wholly or in part, without the assistance of financing under the Direct Loan Program, upon reasonably equivalent terms and conditions.

(g) The Authority has caused to be prepared and presented to this meeting the following documents which the Authority proposes to enter into, execute and deliver:

(i) The form of Loan Agreement by and between the Authority and the Borrower including the form of promissory note of the Borrower;

(ii) The form of Lender Loan Agreement by and between the Authority and the Lender; and

(iii) The form of bond to be executed by the Authority.

It appears that each of the Agreements above referred to is in appropriate form and is an appropriate instrument to be executed and delivered by the Authority for the purposes intended.

(h) It is now necessary and in the best interest of the Authority to authorize the issuance of a \$130,000 Agricultural Development Bond, 1986 (Alton J. Barnett, Jr. Project) in order to develop and implement its Direct Loan Program and to authorize the execution and delivery of the aforementioned Loan Agreement, Lender Loan Agreement and other documents relating to this transaction.

Section 2. Authorization. Pursuant to the Act and the Direct Loan Program in order to finance the Project, including financial, legal, administrative and other costs of the Authority and other fees, there is hereby authorized to be issued a \$130,000 Agricultural Development Bond, (Alton J. Barnett, Jr. Project) 1986, (the "Bond"), of the Authority. The revenues and other monies estimated to be

available will provide monies required for the payment of the principal and interest on the Bond.

Neither the Commissioners of the Authority nor any persons executing the Bond shall be subject to personal liability on the Bond or accountability by reason of the issuance thereof.

The Bond shall be issued in the form submitted at this meeting of the Authority and shall be payable upon such terms and at such interest rate as specified therein with such variations, omissions and insertions as are permitted or required by this Bond Resolution, the Loan Agreement or the Lender Loan Agreement.

The Bond shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Section 3. Execution. The Bond shall be executed in the name of the Authority by the manual or facsimile signature of its Chairman or Vice Chairman, attested by the manual or facsimile signature of its Executive Director or any person duly designated by the Authority, or in such other manner as may be required by law; provided that at least one of such signatures shall be manual. In case any one or more of the members, officers or employees of the Authority who shall have signed the Bond or whose signature appears on the Bond shall cease to be such member, officer or employee before the Bond is actually delivered, the Bond may, nevertheless, be delivered as herein provided, and may be issued as if the persons who signed it or whose signatures appear thereon had remained in office or remained so employed.

Section 4. Tax Covenant. The Authority shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bond shall be exempt from all Federal income taxation, particularly the requirements of Section 103 of the Internal Revenue Code of 1954, as amended (the "Code"). The Authority covenants to comply with the amendments imposed by the provisions of the Tax Reform Act of 1985 (H.R. 3838) that relate to the Bonds; however, the Authority is not required to comply with the amendments to the extent that the Authority receives an opinion from bond counsel to the effect that non-compliance will not make the interest on the Bonds subject to federal income taxation.

The Authority covenants and certifies to and for the benefit of the purchaser and holder of the Bond that so long as the Bond remains outstanding, the proceeds thereof will not be used in a manner which will cause the Bond to be

classified as an "arbitrage bond" within the meaning of Section 103(c) of the Code. Pursuant to such covenant, the Authority obligates itself to comply throughout the term of the issue of the Bond with the requirements of Section 103(c) of the Code and any regulations promulgated thereunder.

Section 5. Approval of Loan Agreement and Lender Loan Agreement. The respective forms, terms and provisions of the Loan Agreement and Lender Loan Agreement presented to this meeting and filed with the records of the Authority be and hereby are approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if such Agreements were set out in this Bond Resolution in their entirety. The Chairman, Secretary and Executive Director of the Authority be and are hereby authorized, empowered and directed to execute, acknowledge and deliver such Agreements in the name of and on behalf of the Authority, and thereupon to cause such Agreements to be delivered to the Borrower and the Lender. Such Agreements are to be in substantially the form now before this meeting and hereby approved by the officials of the Authority executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of such Agreements now before this meeting.

Section 6. Petition to State Budget and Control Board. The Executive Director of the Authority be and is hereby authorized and directed to submit, by petition, the information required under the Act to the State Budget and Control Board in the name of and on behalf of the Authority.

Section 7. Severability. If any provision of this Bond Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 8. Applicable Provisions of Law. This Bond Resolution shall be governed by and construed in accordance with the laws of the State.

Section 9. No Recourse on Bond. No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this Bond Resolution against any member or officer of the Authority or any person executing the Bond.

Section 10. Additional Documents. The Chairman, Secretary and Executive Director of the Authority or either of them, are hereby authorized to execute and deliver on behalf of the Authority the Loan Agreement, Lender Loan

Agreement, Bond and such other documents and certificates as are required to accomplish the issuance of the Bond.

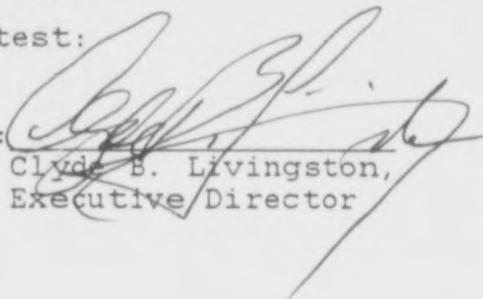
Section 11. This Bond Resolution shall be in full force and effect upon its adoption.

Adopted by the South Carolina State Family Farm Development Authority the 22nd day of August, 1986.

(SEAL)

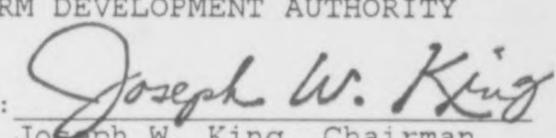
Attest:

By:

  
Clyde B. Livingston,  
Executive Director

SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

By:

  
Joseph W. King, Chairman

EXHIBIT

OCT 7 1986 NO. 16

STATE BUDGET & CONTROL BOARD

EXHIBIT B

Resolution No.: 86-0018

Principal Amount: \$130,000

Name of Borrower: Alton J. Barnett, Jr.

Purpose: (Construction of two broiler houses)

Maturity Schedule: 40 quarterly payments of principal in the amount of \$3,250 plus interest at a rate not to exceed 14%.

Method of Sale: Negotiation

Purchaser: NCNB South Carolina

SCHEDULE 1

OUTSTANDING AGRICULTURAL DEVELOPMENT BONDS OF THE  
SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY

	<u>DATE</u>	<u>FARMER</u>	<u>PRINCIPAL AMOUNT</u>	<u>MATURITY SCHEDULE</u>	<u>AMOUNT &amp; SOURCE OF REVENUES</u>
1.	5/3/85	Moore	\$300,000	120 equal monthly payments of \$3,882 each at 9½%.	Payments under a \$300,000 Promissory Note dated 5/3/85.
2.	7/24/85	Hall	\$ 15,000	2 annual installments at 8%.	Payments under a \$15,000 Promissory Note dated 7/24/85.
3.	7/24/85	Woods	\$ 43,000	Quarterly payments of \$1572 for 10 years at 8%.	Payments under a \$43,000 dated 7/24/85.
4.	9/6/85	East	\$250,000	138 monthly payments from April 6, 1986; interest (not exceeding 15%).	Payments under a \$250,000 Promissory Note dated 9/6/85.
5.	9/6/85	Double H Hog Farm	\$ 25,000	3 annual payments at 7.75%.	Payments under a \$25,000 Promissory Note dated 9/6/85.
6.	9/10/85	J. R. Bowen	\$180,000	48 quarterly payments of \$3,750 from March 10, 1986; interest not exceeding 15%.	Payments under a \$180,000 Promissory Note dated 9/10/85.

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7.	9/18/85	Davis	\$125,000	20 equal annual payments of principal of \$6,250; interest not exceeding 15%.	Payments under a \$125,000 Promissory Note dated 9/18/85.
8.	10/18/85	McPhail	\$142,000	5 equal payments per year for 10 years at 8%.	Payments under a \$142,000 Promissory Note dated 10/18/85.
9.	10/18/85	Etheredge	\$ 17,000	48 equal monthly payments of \$354.17; interest not exceeding 15%.	Payments under a \$17,000 Promissory Note dated 10/18/85.
10.	10/18/85	J. R. Bowen	\$ 20,000	48 quarterly payments of \$416.67 from March 10, 1986; interest not exceeding 15%.	Payments under a \$20,000 Promissory Note dated 10/18/85.
11.	11/13/85	Neel's Poultry Farm, Inc.	\$300,000	120 equal monthly payments of \$3,883 each, from June 13, 1986; at 9.5%.	Payments under a \$300,000 Promissory Note dated 11/13/85.
12.	11/27/85	Thomas L. Doremus and Marilyn Doremus	\$150,000	120 equal monthly payments of \$1,983, from December 27, 1985 at 10%.	Payments under a \$150,000 Promissory Note dated 11/27/85.
13.	12/18/85	Riley	\$325,000	120 equal monthly payments of \$4,117, commencing 7/18/86 at 9%.	Payments under a \$325,000 Promissory Note dated 12/18/85.

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14.	12/20/85	R. L. Martin	\$180,000	Equal monthly payments of \$2,307 from 7/20/86 to 12/20/95 at 8.5% adjusted on 1/20/91 to N/E 15%.	Payments under a \$180,000 Promissory Note dated 12/20/85.
15.	12/20/85	Earls	\$180,000	Equal monthly payments of \$2,307 from 7/20/86 to 12/20/95 at 8.5% adjusted on 1/20/91 to N/E 15%.	Payments under a \$180,000 Promissory Note dated 12/20/85.
16.	12/20/85	Bates	\$75,000 (1985-A)	120 equal monthly payments of \$981 from 1/30/86 at 9.75%.	Payments under a \$75,000 Promissory Note dated 12/30/85.
17.	12/30/85	Bates	\$85,000 (1985-B)	Equal monthly payments of \$806.24 from 1/16/86 to 12/16/95 at 9.75% adjusted on 1/16/96 to N/E 15%.	Payments under a \$85,000 Promissory Note dated 12/30/85.
18.	12/20/85	Wheeler	\$50,000	40 equal quarterly payments of \$1,828 commencing 3/30/86 at 8%.	Payments under a \$50,000 Promissory Note dated 12/30/85.
19.	12/30/85	Corder	\$42,100	20 equal quarterly payments of \$2,650 commencing 6/30/86 at 9.5%.	Payments under a \$42,100 Promissory Note dated 12/30/85.

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20.	12/21/85	G. E. Martin	\$45,000	28 equal quarterly payments of \$2,184 commencing 4/1/86 at 9%.	Payments under a \$45,000 Promissory Note dated 12/31/85.
21.	12/31/85	Greene	\$25,000	84 equal monthly payments of \$378.85 commencing 1/30/86 at 7.125%.	Payments under a \$25,000 Promissory Note dated 12/31/85.
22.	12/31/85	Ables	\$225,000	40 equal quarterly payments of principal in the amount of \$5,625 from 4/1/86 plus interest at N/E 15%.	Payments under a \$225,000 Promissory Note dated 12/31/85.
23.	12/31/85	Myers	\$105,000	40 equal quarterly payments of principal in the amount of \$2,625 from 7/1/86 plus interest at N/E 15%.	Payments under a \$105,000 Promissory Note dated 12/31/85.
24.	1/30/86	Brown	\$220,000	28 equal quarterly payments of \$10,535 commencing 7/25/86 at 8%.	Payments under a \$220,000 Promissory Note dated 1/30/86.
25.	2/5/86	Kesler	\$350,000	120 equal monthly payments of \$4,434 commencing 9/5/86 at 9%.	Payments under a \$350,000 Promissory Note dated 2/5/86.

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26.	2/25/86	Paradice	\$180,000	40 equal quarterly payments of \$6,652.80 commencing 9/1/86 at 8.25%	Payments under a \$180,000 Promissory Note dated 2/25/86
27.	3/14/86	Agerton	\$130,000	120 equal monthly payments of \$1,646.79 commencing 4/14/86 at 9%.	Payments under a \$130,000 Promissory Note dated 3/14/86.
28.	3/14/86	Easler	\$10,000	5 equal annual payments of \$2,570.92 commencing 3/14/87 at 9%.	Payments under a \$10,000 Promissory Note dated 3/14/86.
29.	4/4/86	Reese	\$185,000	Equal semiannual payments of \$13,908.59 from 4/4/87 to 10/4/96 at 8.5%; adjusted on 4/4/92 to N/E 15%.	Payments under a \$185,000 Promissory Note dated 4/4/86.
30.	4/4/86	Croxton	\$200,000	Equal semiannual payments of \$15,036.32 from 4/4/87 to 10/4/96 at 8.5%; adjusted on 4/4/92 to N/E 15%.	Payments under a \$200,000 Promissory Note dated 4/4/86
31.	4/4/86	W&W Farms	\$15,000	5 equal annual payments of \$3,000 commencing 1/15/87 at 8.5%.	Payments under a \$15,000 Promissory Note dated 4/4/86.
32.	5/28/86	Ables	\$40,000	40 equal quarterly payments of principal in the amount of \$1,000 commencing 8/28/86 plus accrued interest at N/E 14%.	Payments under a \$40,000 Promissory Note dated 5/28/86.

33.	6/16/86	Hartley	\$40,000	28 equal quarterly payments of \$1,941 commencing 12/16/86 at 9%.	Payments under a \$40,000 Promissory Note dated 6/16/86.
34.	6/16/86	Clamp	\$100,000	40 quarterly payments of \$3,777 commencing 12/16/86 at 8.75%	Payments under a \$100,000 Promissory Note dated 6/16/86.
35.	7/3/86	Rochester	\$220,000	40 equal quarterly payments of principal in the amount of \$5,500 plus accrued interest at N/E 14%.	Payments under a \$220,000 Promissory Note dated 7/3/86.

03946

TRANSMITTAL FORM, REVENUE BONDS

TO: William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
OR P. O. Box 12444, Columbia, SC 29211

Date: 9/17/86  
Submitted for BCB Meeting on:  
9/23/86

FROM:  
McNair Law Firm, P.A.  
Name of Law Firm  
Columbia, SC 29211  
City, State, Zip Code

P.O. Box 11390  
Street Address/Box Number  
803 799-9800  
Telephone Area Code and Number

RE: \$130,000  
Amount of Issue  
SC State Family Farm Development  
Issuing Authority Name Authority

Agricultural Development Revenue Bonds  
Type of Bonds or Notes  
On or before 12/19/86  
Projected Issue Date

EXHIBIT

Project Name: Alton J. Barnett, Jr.  
Project Description: Construction of 2 automated broiler houses OCT 7 1986 NO. 1 6

Employment as result of project: \_\_\_\_\_ STATE BUDGET & CONTROL BOARD

<u>CEILING ALLOCATION REQUIRED</u>	<u>REFUNDING INVOLVED</u>	<u>PROJECT APPROVED PREVIOUSLY</u>
<u>X</u> Yes (\$ _____) <u>No</u>	<u>Yes</u> (\$ _____) <u>X</u> <u>No</u>	<u>Yes</u> ( _____) <u>X</u> <u>No</u>
Amount	Amount	Date

DOCUMENTS ENCLOSED:  
(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. X Petition (executed original and two copies)
- B. X Resolution or ordinance (executed copy)
- C. \_\_\_ Inducement Resolution or comparable preliminary approval (executed copy)
- D. \_\_\_ Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: \_\_\_\_\_)

OR \_\_\_ Audited financial statements for three most recent years

- E. \_\_\_ Department of Health and Environmental Control certificate IF REQUIRED
- F. X Budget and Control Board Resolution and Public Notice (original)  
[Plus \_\_\_\_\_ copies for certification and return to counsel]
- G. \_\_\_ Processing fee  
Amount \$ \_\_\_\_\_ Check No. \_\_\_\_\_  
Payor \_\_\_\_\_

Bond Counsel: McNair Law Firm, P.A.  
Typed Name

By: Daniel R. McLeod  
Signature

03947

Dec 10/21/86

TRANSMITTAL FORM, REVENUE BONDS

TO: William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
OR P. O. Box 12444, Columbia, SC 29211

Date: 9/17/86  
Submitted for BCB Meeting on:  
9/23/86

FROM: McNair Law Firm, P.A.  
Name of Law Firm  
Columbia, SC 29211  
City, State, Zip Code

P.O. Box 11390  
Street Address/Box Number  
803 799-9800  
Telephone Area Code and Number

RE: \$130,000  
Amount of Issue  
SC State Family Farm Development  
Issuing Authority Name Authority

Agricultural Development Revenue Bonds  
Type of Bonds or Notes  
On or before 12/19/86  
Projected Issue Date

Project Name: Alton J. Barnett, Jr.  
Project Description:  
Construction of 2 automated broiler houses

EXHIBIT

OCT 7 1986 NO. 16

Employment as result of project: STATE BUDGET & CONTROL BOARD

CEILING ALLOCATION REQUIRED REFUNDING INVOLVED PROJECT APPROVED PREVIOUSLY  
X Yes (\$ ) No Yes (\$ ) X No Yes ( ) X No  
Amount Amount Date

DOCUMENTS ENCLOSED:  
(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. X Petition (executed original and two copies)
- B. X Resolution or ordinance (executed copy)
- C. Inducement Resolution or comparable preliminary approval (executed copy)
- D. Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: )

OR Audited financial statements for three most recent years

- E. Department of Health and Environmental Control certificate IF REQUIRED
- F. X Budget and Control Board Resolution and Public Notice (original)  
[Plus copies for certification and return to counsel]
- G. Processing fee  
Amount \$ Check No.  
Payor

Bond Counsel: McNair Law Firm, P.A.  
Typed Name

By: David R. McLeod  
Signature

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OCT - 8 1986

The State of South Carolina



EXHIBIT

OCT 7 1986 NO. 1 6

Office of the Attorney General

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK  
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING  
POST OFFICE BOX 11549  
COLUMBIA, S.C. 29211  
TELEPHONE 803 734 3680

October 6, 1986

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

Re: \$150,000 Richland County, South Carolina  
State Family Farm Development Revenue Bond  
(Vince Timpson Arrington)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Sections 46-47-10 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

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

David C. Eckstrom  
Assistant Attorney General

DCE/dac

Enclosures

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# EXHIBIT

OCT 7 1986 NO. 16

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )

Vince Timpson Arrington

STATE BUDGET & CONTROL BOARD

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

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

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

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

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

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

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

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, October 7, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of Mr. Mangum, who was represented by Ways and Means Committee Vice Chairman T. W. Edwards, Jr.

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

FOR MOTION

AGAINST MOTION

5

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

October 8, 1986

William A. McInnis

03950

# EXHIBIT

OCT 7 1986 NO. 16

## A RESOLUTION

## STATE BUDGET & CONTROL BOARD

OF THE STATE BUDGET AND CONTROL BOARD APPROVING THE ISSUANCE BY THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY OF A \$150,000 AGRICULTURAL DEVELOPMENT BOND (VINCE TIMPSON ARRINGTON PROJECT), 1986.

WHEREAS, it is provided by the South Carolina State Family Farm Development Act, Section 15 of Act No. 179 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina, Regular Session of 1981, now codified as Chapter 47, Title 46 of the Code of Laws of South Carolina, 1976, as amended, (the "Act"), that upon approval by the State Budget and Control Board (the "Board"), the South Carolina State Family Farm Development Authority (the "Authority") may borrow money through the issuance of its negotiable bonds in order to finance its programs; and

WHEREAS, the Authority has established a direct loan program (the "Direct Loan Program") as provided in Section 15 of the Act (now codified as section 46-47-90); and

WHEREAS, the Authority has submitted its petition (the "Petition") to the Board requesting approval by the Board of the issuance by the Authority pursuant to the Act of its \$150,000 Agricultural Development Bond (Vince Timpson Arrington Project), 1986 (the "Bond"), which Bond has been authorized to be issued pursuant to Resolution No. 86-0017 adopted on August 22, 1986, by the Authority.

WHEREAS, the Bond shall be dated, shall mature, shall bear interest at the rate set forth on Exhibit B attached to the Authority's Petition and shall otherwise contain such terms and conditions as previously authorized by the Resolution of the Authority and shall be sold to NCNB South Carolina, in Anderson, South Carolina; and

WHEREAS, the Authority has presented to the Board the Petition which, together with exhibits and schedule thereto attached, sets forth certain information with respect to the Direct Loan Program and the Bond.

WHEREAS, the Board has determined, based upon such information, that the funds estimated to thereafter be available for the repayment of the Bond will be sufficient to provide for the payment of the principal and interest on the Bond as they become due;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD, AS FOLLOWS:

Section 1. It is found and determined that the facts set forth in the preambles to this Resolution and in the Petition are in all respects true and correct.

Section 2. The Petition filed by the Authority contain all matters required by the Act and the rules of the Board to be set forth therein.

Section 3. Approval is hereby granted by the Board to the issuance and sale by the Authority of its \$150,000 Agricultural Development Bond (Vince Timpson Arrington Project), 1986, in order to make a mortgage loan or secured loan to the Vince Simpson Arrington (the "Farmer") to facilitate the acquisition of agricultural land, agricultural improvements and depreciable agricultural property by the Farmer.

The Bond shall be issued and secured as provided in the Resolution of the Authority.

Section 4. This Resolution shall take effect immediately upon its adoption.

## EXHIBIT

Dated: September 23, 1986

OCT 7 1986 NO. 1 6

STATE BUDGET & CONTROL BOARD

State of South Carolina  
State Budget and Control Board

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



Box 12444  
Columbia  
29211

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

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

October 9, 1986

C E R T I F I C A T E  
STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS  
FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Family Farm Development Authority  
c/o Mr. Daniel R. McLeod, Jr.  
McNair Law Firm  
Box 11390  
Columbia, SC 29211

EXHIBIT

OCT 7 1986 NO. 16

RE: Issue of \$150,000 Family Farm Development Authority  
Agricultural Development Revenue Bond  
(Vince T. Arrington Project)  
Issue Date Certified By Issuing Authority: October 10, 1986  
Issue Amount Certificate Received by Board Secretary: October 9, 1986

STATE BUDGET & CONTROL BOARD

Based upon my receipt of the issue amount certificate required of the issuing authority by Board Regulation §19-103.06 and §19-103.07 not more than ten (10) business days prior to the date of issue which, as certified by the issuing authority, is within the time period for the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

*William A. McInnis*

William A. McInnis, Secretary

03953



**Part V Description of Property Financed by Non-refunding Proceeds**  
(Do not complete for student loan bonds or mortgage bonds)

<b>22 Type of Property Financed (or portion thereof financed by non-refunding proceeds)</b>		
a	3-yr. ACRS property	
b	5-yr. ACRS property	
c	10-yr. ACRS property	
d	15-yr. ACRS property	149,400
e	18-yr. ACRS property	
f	Cost of land	
g	Cost of other property (see instructions)	

**23** Other use of non-refunding proceeds (subtract lines 22a-g from Part IV, line 21)(see instructions)

<b>24</b> Standard industrial classification (SIC) of non-refunding proceeds for the financed project					
	SIC Code	Non-refunding proceeds \$		SIC Code	Non-refunding proceeds \$
a	0400	\$149,400	d		
b			e		
c			f		

**25** Average weighted economic life of the project (complete only for IDBs) See Schedule A . . . ▶ Not less than 10 years.

**Part VI Description of Initial Principal Users**  
(Do not complete for student loan bonds or mortgage bonds)

<b>26</b> Initial Principal Users			
(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Vince T. Arrington	Rt. 1, Box 117	250-98-1006
(ii)		Fair Play, S.C. 29643	
(iii)			
(iv)			
(v)			

<b>27</b> Common parents (if any) of initial principal users listed above:			
(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number

**Part VII Approval of Issue (Complete only for IDBs)**

**28** Name of Governmental units approving issue ▶ South Carolina State Family Farm Development Authority; South Carolina State Budget and Control Board - See Schedule B

**29** Names and positions of applicable elected representatives or date of referenda approving issue ▶ See Schedule C

**Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds**

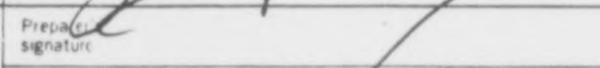
<b>1</b>	Issuer's volume limitation	
<b>2</b>	Amount of volume limitation surrendered to other issues (e.g., under section 103A(g)(3)(B) or 25(c)(2)(A)(ii))	
<b>3</b>	Amount of bonds previously issued	
<b>4</b>	Unused volume limitation (subtract lines 2 and 3 from line 1)	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature:  Date: 10/10/86 Title: Executive Director

Paid Preparer's Use Only

Preparer's signature:  Check if self-employed  Preparer's social security no. \_\_\_\_\_

Firm's name (or yours, if self-employed) and address: McNAIR LAW FIRM, P.A. E.I. No. 57-0703244  
P.O. Box 11390, Columbia, SC ZIP code 29211

03955

[To be retyped on CPA's letterhead]

Schedule A

October 10, 1986

EXHIBIT

South Carolina State Family Farm  
Development Authority  
915 South Main Street  
Columbia, South Carolina 29201

OCT 7 1986 NO. 1 6

STATE BUDGET & CONTROL BOARD

McNair Law Firm, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211

Re: South Carolina State Family Farm Development  
Authority, Agricultural Development Revenue  
Bonds (Vince Timpson Arrington Project),  
1986, \$150,000

This letter is being given to you with regard to the \$150,000 South Carolina State Family Farm Development Authority, Agricultural Development Bond (Vince Timpson Arrington Project), 1986 (the "Bond"). I have reviewed the description of the property to be financed with the proceeds of the Bond provided me by Vince Simpson Arrington which is set forth as Exhibit A hereto, and based upon that description I have made the following determination:

The average maturity of the Bond does not exceed 120% of the average reasonably expected economic life of the buildings, machinery, equipment, apparatus, office furnishings and any other items to be financed in whole or in part with the proceeds of the Bond as shown on Exhibit A attached hereto.

The economic useful life of each item has been derived in accordance with administrative guidelines established for the useful lives used for depreciation prior to the ACRS System.

Very truly yours,

\_\_\_\_\_  
Certified Public Accountant

03956

Exhibit A

Description:

Construct 2 automated broiler houses

03957

Schedule B

SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY

Joseph W. King, Chairman  
Steven P. Nivens  
John E. Brown  
Roy L. Graham, Jr.  
Melvin L. Crum  
Stanley E. Waskiewicz  
James Foody

SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD

Governor Richard W. Riley, Chairman  
Grady L. Patterson, Jr., State Treasurer  
Earle E. Morris, Jr., Comptroller General  
Rembert C. Dennis, Chairman, Senate Finance  
Committee  
T. W. Edwards, Vice-Chairman, Ways and Means Committee

Schedule C

The Honorable Richard W. Riley  
Governor, State of South Carolina  
Box 11450  
Columbia, South Carolina 29211

**03959**

Schedule D

Prepared by:

McNair Law Firm, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211

With Assistance from:

South Carolina State Family Farm  
Development Authority  
915 South Main Street  
Columbia, South Carolina 29201

Vince Timpson Arrington  
Route 1, Box 117  
Fair Play, South Carolina 29643

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ CPA

03960

OCT - 9 1986

McNAIR LAW FIRM, P. A.  
ATTORNEYS AND COUNSELORS AT LAW  
NCNB TOWER  
POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
803-799-9800

ROBERT E. McNAIR  
TERRELL L. GLENN  
JAMES S. KONDOROS  
O. WAYNE CORLEY  
E. MILEED SINGLETARY  
CHARLES PORTER  
ROBERT W. DIBBLE, JR.  
EMORY M. SNEEDEN  
EDWARD H. FORGOTSON\*  
STEPHEN KORLAN\*  
RICHARD S. WOODS  
RICHARD L. C. SULLIVAN  
M. JOHN BOWEN, JR.  
DENNIS C. THELEN\*  
JOHN H. LUMPKIN, JR.  
JOHN W. CURRIE  
SCOTT Y. BARNES  
M. ELIZABETH CRUM  
THEODORE J. HOPKINS, JR.  
DANIEL R. MILEED, JR.  
WILLIAM S. ROSE, JR.  
BERNARD J. WANDER, JR.

HUEL D. ADAMS, JR.  
JAMES R. FIELDS, JR.  
M. CRAIG GARNER, JR.  
LAWRENCE R. HIGGINS\*  
BRENTON D. JEFFCOAT  
ROBERT T. BOCKMAN  
EDWIN W. JOHNSON  
PETER L. MURPHY  
C. ALAN RUNYAN  
JOHN W. FOSTER  
ELIZABETH VAN DOREN GRAY  
WILMOT B. IRVIN  
APRIL C. LUCAS  
ROBERT E. STEPP  
KATHLEEN CRUM MCKINNEY  
E. RUSSELL JETER, JR.  
M. WILLIAM YOUNGBLOOD  
CARL B. CARRUTH  
JOHN W. HUNTER\*  
RICHARD J. MORGAN  
J. SIMON FRASER  
CHRISTOPHER M.G. HOLMES

DEBORAH K. OWEN\*  
SARA S. ROGERS  
PAUL E. SULLIVAN\*  
DOROTHY M. HELMS  
NANCY RAGE  
SANDRA L. RANDLEMAN  
JANE W. TRINKLEY  
J. LYLES GLENN IV  
CELESTE TILLER JONES  
KATHERNE ELIZABETH MIMS  
JOSEPH D. WALKER  
NANCY R. JEFFERS  
ALISON RENEE LEE  
MARTHA R. MUMLLIN  
GREGORY D. DKLADACH  
WILLIAM ASHLEY JORDAN, JR.  
ELIZABETH BOWE ANDERS  
WILLIAM M. MUSSER  
SHARON E. CRAWLEY  
T. PARKIN HUNTER  
ROBERT F. McMAHAN, JR.  
MARY DONNE PETERS

THOMAS H. BARKSDALE, JR.\*  
JAMES E. CARR  
RALPH W. KITTLE\*  
JOHN H. LUMPKIN, SR.  
OF COUNSEL  
  
GREENVILLE OFFICE  
SUITE 1201  
NCNB PLAZA  
7 NORTH LAURENS STREET  
GREENVILLE, S.C. 29601  
803-271-4940  
  
HILTON HEAD ISLAND OFFICE  
NCNB BUILDING  
POPE AVENUE  
POST OFFICE BOX 5914  
HILTON HEAD ISLAND, S.C. 29938  
803-785-5169  
  
WASHINGTON OFFICE  
SUITE 400  
MADISON OFFICE BUILDING  
1155 15TH STREET, N.W.  
WASHINGTON, D.C. 20005  
202-659-3900

October 8, 1986

HAND DELIVERED

\*NOT ADMITTED IN SOUTH CAROLINA

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

Re: South Carolina State Family Farm Development Authority,  
Agricultural Development Bond

Dear Mr. McInnis:

Enclosed is a copy of the Internal Revenue Service Form 8038 which has been executed by Clyde Livingston, Executive Director of the Family Farm Development Authority, for the following bond issues:

- 1. \$150,000 Agricultural Development Bond (Vince T. Arrington Project); and
- 2. \$130,000 Agricultural Development Bond (Alton J. Barnett, Jr. Project).

The closing for these issues is scheduled for October 10, 1986. I request that you provide me an Allocation Certificate relating to the State Ceiling for each bond issue.

Thank you for your cooperation. With kind regards, I am

Yours very truly,

*Sandra S. Chastain*

Sandra S. Chastain  
Paralegal, Bond Department

SSC/nes  
Enclosure  
cc: Mr. Clyde Livingston

03961

# EXHIBIT

State of South Carolina

OCT 7 1986

NO. 16

## State Budget and Control Board

STATE BUDGET & CONTROL BOARD

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



Box 12444  
Columbia  
29211

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

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

October 7, 1986

### C E R T I F I C A T E

#### STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Family Farm Development Authority  
\$150,000  
Agricultural Development Revenue Bonds  
(Vince Timpson Arrington Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Deficit Reduction Act of 1984 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire at midnight on December 31, 1986, if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Board Regulation §19-103.06 and §19-103.07 require that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority before the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

In accord with Internal Revenue Code Section 103(n)(12)(A), I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

03962



5. The Bond shall be a special obligation of the Authority secured by and payable solely from the moneys, income and receipts of the Authority to be pledged under a Loan Agreement between the Authority and the Farmer.

6. Attached hereto as Schedule 1 and by reference incorporated herein in its entirety is a schedule showing the annual debt service requirements and the amount and source of revenues available for the payment thereof on all outstanding bonds of the Authority.

7. The information contained in this Petition provides the Board with all the information required by Section 15 of Act No. 179 (1981 Acts) (now codified as Section 46-47-140 of the 1976 Code of Laws of South Carolina, as amended) to be presented by the Authority in connection with the Bond.

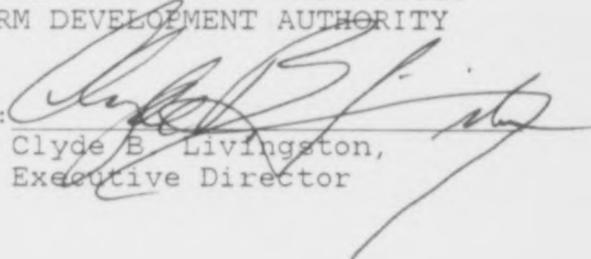
8. The Authority stands ready to produce any further information with respect to the Bond or other bonds of the Direct Loan Program required by the Board.

WHEREFORE, on the basis of the foregoing the Authority prays approval of the Board of the issuance and sale of the Authority's Bond in the principal amount and on the terms and conditions prescribed in the Resolution No. 86-0017 as described in this Petition and allocate \$150,000 of the State Ceiling for the Bond.

To the best of my knowledge the approval of the Vince Timpson Arrington Project is not made in consideration of any bribe, gift, gratuity, or direct or indirect contributions to any political campaign.

Respectfully submitted,

SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

By:   
Clyde B. Livingston,  
Executive Director

(SEAL)

September 17, 1986

Copy of Petition also forwarded to Joint Bond Review  
Committee.

EXHIBIT

OCT 7 1986 NO. 1 6

2

03964

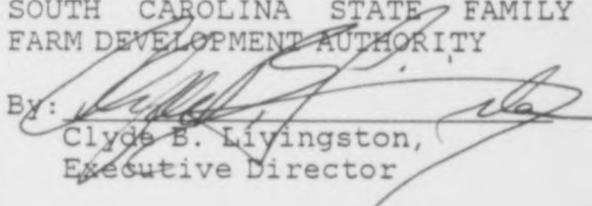
STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA	)	
	)	CERTIFIED COPY OF RESOLUTION
COUNTY OF RICHLAND	)	NO. 86-0017

I, the undersigned being the duly qualified and acting Executive Director of the South Carolina State Family Farm Development Authority (the "Authority"), do hereby certify that attached hereto is a copy of Resolution No. 86-0017 authorizing the issuance of a \$150,000 Agricultural Development Bond (Vince Timpson Arrington Project), 1986, adopted by the Authority at a meeting duly called and held on August 22, 1986, at which a quorum was present and acting throughout, which resolution has been compared by me with the original thereof, and that such resolution has been duly adopted and has not been modified, amended or repealed and is in full force and effect on and as of the date hereof in the form attached hereto.

In witness whereof, I have hereunto set my hand and the official seal of the Authority this 22nd day of August, 1986.

SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

By: 

Clyde B. Livingston,  
Executive Director

(SEAL)

EXHIBIT

OCT 7 1986 NO. 16

STATE BUDGET & CONTROL BOARD

RESOLUTION NO. 86-0017

AUTHORIZING THE ISSUANCE OF A \$150,000 AGRICULTURAL DEVELOPMENT BOND (VINCE TIMPSON ARRINGTON PROJECT), 1986, OF THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND LENDER LOAN AGREEMENT; APPROVING THE SUBMISSION OF A PETITION TO THE STATE BUDGET AND CONTROL BOARD; AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY, AS FOLLOWS:

Section 1. Findings and Determinations. The Authority hereby finds and determines:

(a) Pursuant to the South Carolina State Family Farm Development Act as amended (the "Act"), the Authority is authorized and empowered to undertake programs which assist farmers of the beneficiary class in acquiring agricultural land, agricultural improvements and/or depreciable agricultural property for the purpose of farming.

(b) The Authority is authorized and has developed under the Act a direct loan program for farmers (the "Direct Loan Program") of the beneficiary class by making mortgage loans or secured loans to such farmers to facilitate the acquisition of agricultural land, agricultural improvements and depreciable agricultural property by such farmers.

(c) The Authority is further authorized to borrow money through the issuance of its negotiable bonds as provided in the Act in order to finance its Direct Loan Program.

(d) The Authority has received a request from Vince Timpson Arrington (the "Borrower") to issue its agricultural development bond for the purpose of facilitating the acquisition of agricultural land, agricultural improvements and/or depreciable agricultural property as more particularly described in the Borrower's Application heretofore submitted to the Authority (the "Project").

(e) In order to raise the sum of \$150,000 and loan such moneys to the Borrower under a Loan Agreement hereinafter described, the Authority finds it necessary and in its best interest to sell its agricultural development

bond to NCNB South Carolina, in Anderson, South Carolina (the "Lender").

(f) The Authority further finds that:

(i) the Borrower receiving the mortgage loan or secured loan under the Direct Loan Program is a member of the "beneficiary class" as defined in the Act;

(ii) the Borrower satisfies the underwriting and credit standards as have been determined by the proposed regulations of the Authority so as to insure payment of the principal and interest on the Bond; and

(iii) the mortgage loan or secured loan authorized hereby is not otherwise available to the Borrower, wholly or in part, without the assistance of financing under the Direct Loan Program, upon reasonably equivalent terms and conditions.

(g) The Authority has caused to be prepared and presented to this meeting the following documents which the Authority proposes to enter into, execute and deliver:

(i) The form of Loan Agreement by and between the Authority and the Borrower including the form of promissory note of the Borrower;

(ii) The form of Lender Loan Agreement by and between the Authority and the Lender; and

(iii) The form of bond to be executed by the Authority.

It appears that each of the Agreements above referred to is in appropriate form and is an appropriate instrument to be executed and delivered by the Authority for the purposes intended.

(h) It is now necessary and in the best interest of the Authority to authorize the issuance of a \$150,000 Agricultural Development Bond, 1986 (Vince Simpson Arrington Project) in order to develop and implement its Direct Loan Program and to authorize the execution and delivery of the aforementioned Loan Agreement, Lender Loan Agreement and other documents relating to this transaction.

Section 2. Authorization. Pursuant to the Act and the Direct Loan Program in order to finance the Project, including financial, legal, administrative and other costs of the Authority and other fees, there is hereby authorized to be issued a \$150,000 Agricultural Development Bond, (Vince Timpson Arrington Project) 1986, (the "Bond"), of the Authority. The revenues and other monies estimated to be

available will provide monies required for the payment of the principal and interest on the Bond.

Neither the Commissioners of the Authority nor any persons executing the Bond shall be subject to personal liability on the Bond or accountability by reason of the issuance thereof.

The Bond shall be issued in the form submitted at this meeting of the Authority and shall be payable upon such terms and at such interest rate as specified therein with such variations, omissions and insertions as are permitted or required by this Bond Resolution, the Loan Agreement or the Lender Loan Agreement.

The Bond shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Section 3. Execution. The Bond shall be executed in the name of the Authority by the manual or facsimile signature of its Chairman or Vice Chairman, attested by the manual or facsimile signature of its Executive Director or any person duly designated by the Authority, or in such other manner as may be required by law; provided that at least one of such signatures shall be manual. In case any one or more of the members, officers or employees of the Authority who shall have signed the Bond or whose signature appears on the Bond shall cease to be such member, officer or employee before the Bond is actually delivered, the Bond may, nevertheless, be delivered as herein provided, and may be issued as if the persons who signed it or whose signatures appear thereon had remained in office or remained so employed.

Section 4. Tax Covenant. The Authority shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bond shall be exempt from all Federal income taxation, particularly the requirements of Section 103 of the Internal Revenue Code of 1954, as amended (the "Code"). The Authority covenants to comply with the amendments imposed by the provisions of the Tax Reform Act of 1985 (H.R. 3838) that relate to the Bonds; however, the Authority is not required to comply with the amendments to the extent that the Authority receives an opinion from bond counsel to the effect that non-compliance will not make the interest on the Bonds subject to federal income taxation.

The Authority covenants and certifies to and for the benefit of the purchaser and holder of the Bond that so long as the Bond remains outstanding, the proceeds thereof will not be used in a manner which will cause the Bond to be

classified as an "arbitrage bond" within the meaning of Section 103(c) of the Code. Pursuant to such covenant, the Authority obligates itself to comply throughout the term of the issue of the Bond with the requirements of Section 103(c) of the Code and any regulations promulgated thereunder.

Section 5. Approval of Loan Agreement and Lender Loan Agreement. The respective forms, terms and provisions of the Loan Agreement and Lender Loan Agreement presented to this meeting and filed with the records of the Authority be and hereby are approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if such Agreements were set out in this Bond Resolution in their entirety. The Chairman, Secretary and Executive Director of the Authority be and are hereby authorized, empowered and directed to execute, acknowledge and deliver such Agreements in the name of and on behalf of the Authority, and thereupon to cause such Agreements to be delivered to the Borrower and the Lender. Such Agreements are to be in substantially the form now before this meeting and hereby approved by the officials of the Authority executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of such Agreements now before this meeting.

Section 6. Petition to State Budget and Control Board. The Executive Director of the Authority be and is hereby authorized and directed to submit, by petition, the information required under the Act to the State Budget and Control Board in the name of and on behalf of the Authority.

Section 7. Severability. If any provision of this Bond Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 8. Applicable Provisions of Law. This Bond Resolution shall be governed by and construed in accordance with the laws of the State.

Section 9. No Recourse on Bond. No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this Bond Resolution against any member or officer of the Authority or any person executing the Bond.

Section 10. Additional Documents. The Chairman, Secretary and Executive Director of the Authority or either of them, are hereby authorized to execute and deliver on behalf of the Authority the Loan Agreement, Lender Loan

Agreement, Bond and such other documents and certificates as are required to accomplish the issuance of the Bond.

Section 11. This Bond Resolution shall be in full force and effect upon its adoption.

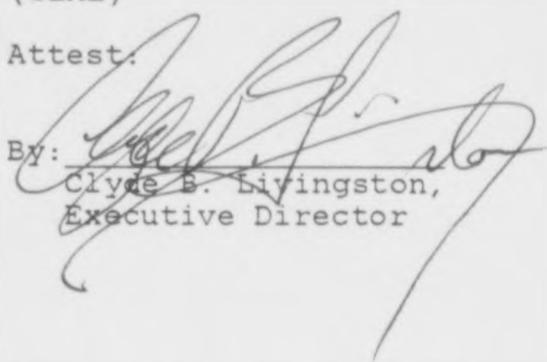
Adopted by the South Carolina State Family Farm Development Authority the 22nd day of August, 1986.

(SEAL)

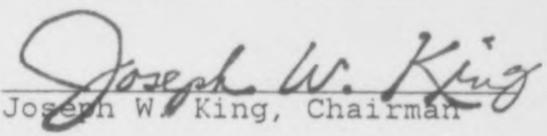
SOUTH CAROLINA STATE FAMILY  
FARM DEVELOPMENT AUTHORITY

Attest:

By:

  
Clyde B. Livingston,  
Executive Director

By:

  
Joseph W. King, Chairman

EXHIBIT

OCT 7 1986 NO. 1 6

STATE BUDGET & CONTROL BOARD

EXHIBIT B

Resolution No.: 86-0017

Principal Amount: \$150,000

Name of Borrower: Vince Timpson Arrington

Purpose: (Construct 2 automated broiler houses)

Maturity Schedule: 40 quarterly payments of principal in the amount of \$3,750 plus interest at a rate not to exceed 14%.

Method of Sale: Negotiation

Purchaser: NCNB South Carolina

03971

SCHEDULE 1

OUTSTANDING AGRICULTURAL DEVELOPMENT BONDS OF THE  
SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY

	<u>DATE</u>	<u>FARMER</u>	<u>PRINCIPAL AMOUNT</u>	<u>MATURITY SCHEDULE</u>	<u>AMOUNT &amp; SOURCE OF REVENUES</u>
1.	5/3/85	Moore	\$300,000	120 equal monthly payments of \$3,882 each at 9½%.	Payments under a \$300,000 Promissory Note dated 5/3/85.
2.	7/24/85	Hall	\$ 15,000	2 annual installments at 8%.	Payments under a \$15,000 Promissory Note dated 7/24/85.
3.	7/24/85	Woods	\$ 43,000	Quarterly payments of \$1572 for 10 years at 8%.	Payments under a \$43,000 dated 7/24/85.
4.	9/6/85	East	\$250,000	138 monthly payments from April 6, 1986; interest (not exceeding 15%).	Payments under a \$250,000 Promissory Note dated 9/6/85.
5.	9/6/85	Double H Hog Farm	\$ 25,000	3 annual payments at 7.75%.	Payments under a \$25,000 Promissory Note dated 9/6/85.
6.	9/10/85	J. R. Bowen	\$180,000	48 quarterly payments of \$3,750 from March 10, 1986; interest not exceeding 15%.	Payments under a \$180,000 Promissory Note dated 9/10/85.

03972

7.	9/18/85	Davis	\$125,000	20 equal annual payments of principal of \$6,250; interest not exceeding 15%.	Payments under a \$125,000 Promissory Note dated 9/18/85.
8.	10/18/85	McPhail	\$142,000	5 equal payments per year for 10 years at 8%.	Payments under a \$142,000 Promissory Note dated 10/18/85.
9.	10/18/85	Etheredge	\$ 17,000	48 equal monthly payments of \$354.17; interest not exceeding 15%.	Payments under a \$17,000 Promissory Note dated 10/18/85.
10.	10/18/85	J. R. Bowen	\$ 20,000	48 quarterly payments of \$416.67 from March 10, 1986; interest not exceeding 15%.	Payments under a \$20,000 Promissory Note dated 10/18/85.
11.	11/13/85	Neel's Poultry Farm, Inc.	\$300,000	120 equal monthly payments of \$3,883 each, from June 13, 1986; at 9.5%.	Payments under a \$300,000 Promissory Note dated 11/13/85.
12.	11/27/85	Thomas L. Doremus and Marilyn Doremus	\$150,000	120 equal monthly payments of \$1,983, from December 27, 1985 at 10%.	Payments under a \$150,000 Promissory Note dated 11/27/85.
13.	12/18/85	Riley	\$325,000	120 equal monthly payments of \$4,117, commencing 7/18/86 at 9%.	Payments under a \$325,000 Promissory Note dated 12/18/85.

03973

14.	12/20/85	R. L. Martin	\$180,000	Equal monthly payments of \$2,307 from 7/20/86 to 12/20/95 at 8.5% adjusted on 1/20/91 to N/E 15%.	Payments under a \$180,000 Promissory Note dated 12/20/85.
15.	12/20/85	Earls	\$180,000	Equal monthly payments of \$2,307 from 7/20/86 to 12/20/95 at 8.5% adjusted on 1/20/91 to N/E 15%.	Payments under a \$180,000 Promissory Note dated 12/20/85.
16.	12/20/85	Bates	\$75,000 (1985-A)	120 equal monthly payments of \$981 from 1/30/86 at 9.75%.	Payments under a \$75,000 Promissory Note dated 12/30/85.
17.	12/30/85	Bates	\$85,000 (1985-B)	Equal monthly payments of \$806.24 from 1/16/86 to 12/16/95 at 9.75% adjusted on 1/16/96 to N/E 15%.	Payments under a \$85,000 Promissory Note dated 12/30/85.
18.	12/20/85	Wheeler	\$50,000	40 equal quarterly payments of \$1,828 commencing 3/30/86 at 8%.	Payments under a \$50,000 Promissory Note dated 12/30/85.
19.	12/30/85	Corder	\$42,100	20 equal quarterly payments of \$2,650 commencing 6/30/86 at 9.5%.	Payments under a \$42,100 Promissory Note dated 12/30/85.

03974

20.	12/21/85	G. E. Martin	\$45,000	28 equal quarterly payments of \$2,184 commencing 4/1/86 at 9%.	Payments under a \$45,000 Promissory Note dated 12/31/85.
21.	12/31/85	Greene	\$25,000	84 equal monthly payments of \$378.85 commencing 1/30/86 at 7.125%.	Payments under a \$25,000 Promissory Note dated 12/31/85.
22.	12/31/85	Ables	\$225,000	40 equal quarterly payments of principal in the amount of \$5,625 from 4/1/86 plus interest at N/E 15%.	Payments under a \$225,000 Promissory Note dated 12/31/85.
23.	12/31/85	Myers	\$105,000	40 equal quarterly payments of principal in the amount of \$2,625 from 7/1/86 plus interest at N/E 15%.	Payments under a \$105,000 Promissory Note dated 12/31/85.
24.	1/30/86	Brown	\$220,000	28 equal quarterly payments of \$10,535 commencing 7/25/86 at 8%.	Payments under a \$220,000 Promissory Note dated 1/30/86.
25.	2/5/86	Kesler	\$350,000	120 equal monthly payments of \$4,434 commencing 9/5/86 at 9%.	Payments under a \$350,000 Promissory Note dated 2/5/86.

03975

26.	2/25/86	Paradice	\$180,000	40 equal quarterly payments of \$6,652.80 commencing 9/1/86 at 8.25%	Payments under a \$180,000 Promissory Note dated 2/25/86
27.	3/14/86	Agerton	\$130,000	120 equal monthly payments of \$1,646.79 commencing 4/14/86 at 9%.	Payments under a \$130,000 Promissory Note dated 3/14/86.
28.	3/14/86	Easler	\$10,000	5 equal annual payments of \$2,570.92 commencing 3/14/87 at 9%.	Payments under a \$10,000 Promissory Note dated 3/14/86.
29.	4/4/86	Reese	\$185,000	Equal semiannual payments of \$13,908.59 from 4/4/87 to 10/4/96 at 8.5%; adjusted on 4/4/92 to N/E 15%.	Payments under a \$185,000 Promissory Note dated 4/4/86.
30.	4/4/86	Croxton	\$200,000	Equal semiannual payments of \$15,036.32 from 4/4/87 to 10/4/96 at 8.5%; adjusted on 4/4/92 to N/E 15%.	Payments under a \$200,000 Promissory Note dated 4/4/86
31.	4/4/86	W&W Farms	\$15,000	5 equal annual payments of \$3,000 commencing 1/15/87 at 8.5%.	Payments under a \$15,000 Promissory Note dated 4/4/86.
32.	5/28/86	Ables	\$40,000	40 equal quarterly payments of principal in the amount of \$1,000 commencing 8/28/86 plus accrued interest at N/E 14%.	Payments under a \$40,000 Promissory Note dated 5/28/86.

03976

33.	6/16/86	Hartley	\$40,000	28 equal quarterly payments of \$1,941 commencing 12/16/86 at 9%.	Payments under a \$40,000 Promissory Note dated 6/16/86.
34.	6/16/86	Clamp	\$100,000	40 quarterly payments of \$3,777 commencing 12/16/86 at 8.75%	Payments under a \$100,000 Promissory Note dated 6/16/86.
35.	7/3/86	Rochester	\$220,000	40 equal quarterly payments of principal in the amount of \$5,500 commencing 10/3/86 plus accrued interest at N/E 14%.	Payments under a \$220,000 Promissory Note dated 7/3/86.

03977

TRANSMITTAL FORM, REVENUE BONDS

TO: William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
OR P. O. Box 12444, Columbia, SC 29211

Date: 9/17/86  
Submitted for BCB Meeting on:  
9/23/86

FROM:  
McNair Law Firm, P.A.  
Name of Law Firm  
Columbia, SC 29211  
City, State, Zip Code

P.O. Box 11390  
Street Address/Box Number  
803 799-9800  
Telephone Area Code and Number

RE: \$150,000  
Amount of Issue  
SC State Family Farm Development  
Issuing Authority Name Authority

Agricultural Development Revenue Bonds  
Type of Bonds or Notes  
On or before 12/19/86  
Projected Issue Date

Project Name: Vince Timpson Arrington  
Project Description:  
Construction of 2 automated broiler houses

**EXHIBIT**  
OCT 7 1986 NO. 16

Employment as result of project: \_\_\_\_\_

STATE BUDGET & CONTROL BOARD

CEILING ALLOCATION REQUIRED      REFUNDING INVOLVED      PROJECT APPROVED PREVIOUSLY  
X Yes (\$ \_\_\_\_\_) No      Yes (\$ \_\_\_\_\_) X No      Yes (\_\_\_\_\_) X No  
Amount                                      Amount                                      Date

**DOCUMENTS ENCLOSED:**

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A.  Petition (executed original and two copies)
- B.  Resolution or ordinance (executed copy)
- C.  Inducement Resolution or comparable preliminary approval (executed copy)
- D.  Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: \_\_\_\_\_)

OR  Audited financial statements for three most recent years

- E.  Department of Health and Environmental Control certificate IF REQUIRED
- F.  Budget and Control Board Resolution and Public Notice (original)  
[Plus \_\_\_\_\_ copies for certification and return to counsel]
- G.  Processing fee  
Amount \$ \_\_\_\_\_ Check No. \_\_\_\_\_  
Payor \_\_\_\_\_

Bond Counsel: McNair Law Firm, P.A.  
Typed Name

By: Daniel R. McFad  
Signature

TRANSMITTAL FORM, REVENUE BONDS

TO: William A. McInnis, Secretary  
State Budget and Control Board  
600 Wade Hampton Office Building  
Columbia, SC 29201  
OR P. O. Box 12444, Columbia, SC 29211

Date: 9/17/86  
Submitted for BCB Meeting on:  
9/23/86

FROM: McNair Law Firm, P.A.  
Name of Law Firm  
Columbia, SC 29211  
City, State, Zip Code

P.O. Box 11390  
Street Address/Box Number  
803 799-9800  
Telephone Area Code and Number

RE: \$150,000  
Amount of Issue  
SC State Family Farm Development  
Issuing Authority Name Authority

Agricultural Development Revenue Bonds  
Type of Bonds or Notes  
On or before 12/19/86  
Projected Issue Date

Project Name: Vince Timpson Arrington  
Project Description:  
Construction of 2 automated broiler houses

EXHIBIT

OCT 7 1986 NO. 16

Employment as result of project:

STATE BUDGET & CONTROL BOARD

CEILING ALLOCATION REQUIRED  
X Yes (\$ ) No  
Amount

REFUNDING INVOLVED  
Yes (\$ ) X No  
Amount

PROJECT APPROVED PREVIOUSLY  
Yes ( ) X No  
Date

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. X Petition (executed original and two copies)
- B. X Resolution or ordinance (executed copy)
- C. Inducement Resolution or comparable preliminary approval (executed copy)
- D. Standard Form Investment Letter from bonds purchaser (executed original)  
(Purchaser: )

OR Audited financial statements for three most recent years

- E. Department of Health and Environmental Control certificate IF REQUIRED
- F. X Budget and Control Board Resolution and Public Notice (original)  
[Plus copies for certification and return to counsel]
- G. Processing fee  
Amount \$ Check No.  
Payor

Bond Counsel: McNair Law Firm, P.A.

Typed Name

By: David R. McLeod

Signature

# EXHIBIT

OCT 7 1986

NO. 17

STATE BUDGET AND CONTROL BOARD  
MEETING OF October 7, 1986

STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
ITEM NUMBER

10

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

Budget and Control Board approval is requested for the following permanent improvement project establishment request which has been reviewed favorably by the Joint Bond Review Committee:

On Summary 5-87:

Item 5: Agency: Youth Services

Project: Roof Replacements-Phase III

Request: Establish project and budget

Amount: \$300,000

Source: Appropriated State funds

Purpose: To replace older existing roofs on approximately 13 buildings and will help prevent further deterioration by protecting buildings from water damage.

BOARD ACTION REQUESTED:

Approve project establishment request for the Department of Youth Services roof replacements--phase III project (Summary 5-87, item 5).

ATTACHMENTS:

Referenced summary extract plus attachment.

03980

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR  
 SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES  
 September 1, 1986 Through September 15, 1986

SUMMARY 5-87 Page 1 of 5  
 Forwarded to JBRC 09/17/86

Item Agency: N12 Youth Services Project: 9249, Roof Replacements-Phase III  
 5.

Action  
 Proposed: Establish project.

Total budget.....\$ 300,000.00  
 [6] Appropriated State.....\$ 300,000.00

Purpose: To replace older existing roofs on approximately 13 buildings and will help prevent further deterioration by protecting buildings from water damage.

Ref: Supporting document pages 19-21.

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

Budget After Action Proposed	
Source	Amount
Appropriated State	300,000.00
TOTAL FUNDS	300,000.00

EXHIBIT  
 OCT 7 1986 NO. 17  
 STATE BUDGET & CONTROL BOARD

03981



7. C. Total estimated cost of project by broad purpose: Total cost: \$ 300,000  
 (equals 1 through 8, below and is same as 7A)

- |                                  |          |                      |                   |
|----------------------------------|----------|----------------------|-------------------|
| 1. Purchase land                 | \$ _____ | 5. Restore facility  | \$ _____          |
| 2. Purchase facility             | \$ _____ | 6. Maintain facility | \$ <u>300,000</u> |
| 3. Demolish facility             | \$ _____ | 7. Replace facility  | \$ _____          |
| 4. Construct additional facility | \$ _____ | 8. Other: _____      | \$ _____          |

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

- A. Estimated expenditures and expenditure purposes, this FY: 1987 \$ 300,000  
 (Expenditure purposes (use 7B categories): (1) 12,000  
(2) 288,000)
- B. Estimated expenditures after this FY: \$ 0
- C. Total (Same as 7A, 7B and 7C): \$ 300,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	\$ _____					
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State <i>Supplemental Part III</i>	300,000	8895	68800100	3600	9001	8895
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	\$ 300,000					

EXHIBIT  
 OCT 7 1986  
 NO. 17  
 STATE BUDGET & CONTROL BOARD

10. Submitted By: Pearce Thomson  
 Authorized Official: Pearce Thomson, Director of Physical Plant Date Submitted Sept. 9, 1986  
 Typed Name and Title and Signature FY Submitted \_\_\_\_\_

11. APPROVED (For Board Use Only):

\_\_\_\_\_  
 Typed Name and Title and Signature Date  
 PROJECT NUMBER \_\_\_\_\_  
 PROJECT NAME: \_\_\_\_\_ **03983** 20

# EXHIBIT

OCT 7 1986 NO. 18

STATE BUDGET AND CONTROL BOARD  
MEETING OF October 7, 1986

REGULAR SESSION  
ITEM NUMBER

11

AGENCY: Orangeburg-Calhoun Technical College

SUBJECT: Local Matching for Allied Health Center Project

Orangeburg-Calhoun Technical College is asking approval of the revision of the budget of its Medical Lab/Classroom Building project (H59-8429). The proposal is to add the \$2,808,892 of capital improvement bond funds authorized in 1986 and released as a new start in Priority Group 9.

The request also raises a question about the requirement that 20% of the cost of capital improvements be borne by the local area. The College makes the argument that this current project (H59-8429) is Phase II of what was considered originally as a single, larger project. They point out that the local area provided more than 20% of the cost of Phase I and that the overmatch there should be counted toward the 20% requirement on Phase II.

The project costs and sources of the two phases are:

	Phase I <u>Project H59-7369</u>	Phase II <u>Project H59-8429</u>	<u>Total</u>
State	\$1,000,000 (51.5%)	\$2,808,892 (97.8%)	\$3,808,892 (79.1%)
Local	<u>941,510 (48.5%)</u>	<u>63,510 ( 2.2%)</u>	<u>1,005,020 (20.9%)</u>
Total	\$1,941,510	\$2,872,402	\$4,813,912

The documents submitted support the contention that what turned into two phases was conceived originally as a single project.

In a somewhat similar situation at Florence-Darlington TEC a few years ago, the Board agreed that local overmatch on one project could be applied toward the 20% requirement of another project if the projects were closely related.

BOARD ACTION REQUESTED:

Approve the Orangeburg-Calhoun Technical College request that Projects H59-7369 and H59-8429 be considered in the aggregate for the purpose of meeting the 20% local area matching requirement.

ATTACHMENTS:

Peterson September 19, 1986, letter to McInnis plus attachments

03984

SEP 22 1986



**STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION**

111 Executive Center Drive, Columbia, South Carolina 29210 Tel. 737-9320

**EXHIBIT**

OCT 7 1986 NO. 18

STATE BUDGET & CONTROL BOARD

September 19, 1986

JAMES R. MORRIS, JR.  
EXECUTIVE DIRECTOR

**THE STATE BOARD**

**OFFICERS**

P. HENDERSON BARNETTE  
CHAIRMAN

**MEMBERS**

HERBERT J. SCHOLZ, JR.  
Summerville, S.C.  
First Congressional District

RODNEY R. HULL  
Columbia, S.C.  
Second Congressional District

P. HENDERSON BARNETTE  
Greenwood, S.C.  
Third Congressional District

BENNETT L. HELMS  
Spartanburg, S.C.  
Fourth Congressional District

CLARENCE H. HORNSBY, JR.  
Rock Hill, S.C.  
Fifth Congressional District

J. BANKS SCARBOROUGH  
Timmonsville, S.C.  
Sixth Congressional District

H. CARL GOODING  
Allendale, S.C.  
At-Large

OSCAR E. PRIOLEAU  
Greenville, S.C.  
At-Large

CHARLIE G. WILLIAMS  
Columbia, S.C.  
Superintendent of Education  
Ex-Officio

J. MAC HOLLADAY  
Columbia, S.C.  
State Development Board  
Ex-Officio

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

Dear Bill:

In response to the proviso of Section 1 sub-part 12 of Act 538 Acts of 1986, the attached documentation is submitted to support the 20% matching requirement for the Orangeburg-Calhoun Allied Health Center.

If any additional data is needed, please let me know.

Sincerely,

Donald R. Peterson  
Fiscal Affairs Coordinator

DRP:ws

03985

(c) Building 200- Renovations	30,000
(d) Building 300- Renovation damage	10,000
** 6. Horry-Georgetown Technical College/ Charles Hodges Tourism Center	<u>300,000</u>
TOTAL, Technical Education	\$13,618,892

\*\* Provided, that prior to the withdrawal from the State Treasurer of any of the funds authorized above for the Orangeburg/Calhoun Allied Health Center, Midlands Multipurpose Resource Center, Tri-county Learning Resource/Administration Building, and Piedmont Engineer Technology Buildings, the State Board for Technical and Comprehensive Education shall obtain and transmit to the Budget and Control Board a certificate from the appropriate official at such technical institutions stating that, as required by Section 6 of Act 654 of 1976, a minimum of twenty percent of the cost of each of the projects authorized in this subitem has been provided by the local support area.

13) Opportunity School

1. Repairs/improvements	<u>\$250,000</u>
TOTAL, Opportunity School	\$250,000

\*\*14) Vocational Rehabilitation

1. Rock Hill Center	<u>\$775,000</u>
TOTAL, Vocational Rehabilitation	\$775,000

Provided, that, the Department of Vocational Rehabilitation is authorized to accept as a gift from Greenville County the Holmesview Rehabilitation Center now leased by the department.

15) School for Deaf/Blind

\*\* 1. Vocational Education

Facility	<u>\$600,000</u>
2. Improvements	<u>200,000</u>
TOTAL, School for Deaf/Blind	\$800,000

16) Department of Mental Health

1. Anderson Veterans Hospital	<u>3,000,000</u>
TOTAL, Department of Mental Health	\$3,000,000

The Department of Mental Health may use the \$3,000,000 in Capital Improvement Bonds authorized in this subitem to finance a portion

# EXHIBIT

BUDGET AND CONTROL BOARD FORM A-23 PAGE OCT 7 1986 NO. 18  
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)  
STATE BUDGET & CONTROL BOARD  
REVISION OF PROJECT BUDGET OR PROJECT SCOPE  
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86/87

For Board Use Only
Packet Number

1. PROJECT IDENTIFIERS:

A. Agency: Number H-59 Name Orangeburg-Calhoun Technical College  
B. Contact person: Larry D. Leslie, VP of Bus. Aff. Phone: 737-1746  
C. Project Number: 8429 Name: Medical Lab/Classroom Bldg. Design Development

2. PROJECT ACTION PROPOSED:

Increase total project budget       Change source of funds  
 Decrease total project budget       Revise scope

3. WHAT IS THE REVISION PROPOSED?:

Capital Improvement Funds have been approved in the amount of \$2,808,892.00  
The project now is funded to include constructing and equipping the  
Medical Lab/Classroom building.

4. JUSTIFICATION FOR REVISION (Why is it needed?):

Funds authorized to date have been expended for design development.  
Funding has now been approved to complete the project.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision? Yes  No   
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: \$ 2,872,402.00

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

(1)	\$ <u>172,510.00</u>	Planning/design services
(2)	<u>245,000.00</u>	Site work (including utilities)
(3)	_____	Central energy systems repair/replacement
(4)	_____	Mechanical systems repair/replacement
(5)	_____	General renovation/repair of floor space: (Gross sq. ft. _____)
(6)	_____	Roof repair/replacement
(7)	<u>2,257,490.00</u>	Construction of additional floor space (Gross sq. ft. _____)
(8)	<u>197,402.00</u>	Equipment/supplies
(9)	_____	Purchase of facilities: (Floor space, gross sq. ft. _____) (Land, acres: _____)
(10)	_____	Other (Specify) _____

\$ 2,872,402.00 Total (Same as 6A)

03987

6 C Total estimated cost of project, as revised, by broad purpose: Total cost \$2,872,402.00  
 (equals 1 through 8, below, and is same as 6A)

1. Purchase land	\$ <u>-0-</u>	5. Restore facility	\$ _____
2. Purchase facility	\$ _____	6. Maintain facility	\$ _____
3. Demolish facility	\$ _____	7. Replace facility	\$ _____
4. Construct additional facility	<u>\$2,872,402.00</u>	8. Other _____	\$ _____

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 86/87 \$1,436,201.00  
 (expenditure purposes (use 6B categories): \_\_\_\_\_  
(1)\$122,510.00; (2)\$245,000.00; (7)\$1,068,691.00

B. Estimated expenditures after this FY \$1,436,201.00

C. Total (Same as 6A, 6B and 6C) \$2,872,402.00

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + <del>DECREASE</del>	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	\$ <u>-0-</u>	\$ <u>2,808,892.24</u>	\$ <u>2,808,892.24</u>	<u>8115</u>	<u>02803600</u>	<u>3043</u>
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
	<u>63,509.76</u>	<u>.24</u>	<u>63,510.</u>			
TOTAL	<u>\$63,509.76</u>	<u>\$2808892.24</u>	<u>\$2,872,402.</u>			

9. Submitted By:

Authorized Official M. Rudy Grooms Date Submitted Sept. 11, 19  
 Typed Name and Title and Signature  
M. Rudy Grooms, President FY Submitted FY86/87

10. APPROVED (For Board Use Only):

\_\_\_\_\_  
 Typed Name and Title and Signature

\_\_\_\_\_  
 Date



# EXHIBIT

OCT 7 1986 NO. 18

STATE BUDGET & CONTROL BOARD

## ORANGEBURG-CALHOUN

## TECHNICAL COLLEGE

Accredited by The Southern Association of Colleges and Schools  
3250 ST. MATTHEWS ROAD, NE  
ORANGEBURG, S.C. 29115-8299 803-536-0311

June 8, 1984

### TO WHOM IT MAY CONCERN:

The building project described as Lab/Classroom Building shows projected funding to include only \$10,712 or .4% of matching local funds instead of the usual 20%. The reason for the request being presented in this manner is as follows.

This building was originally a part of a larger building project (See Form A-1 attached) first submitted in 1977 for 1978-79. The project received \$1 million in state funds for 1979-80 which necessitated having to divide the project into the Agriculture Training/Industrial Training Building as Phase I and the Lab Classroom as Phase II. In order to complete Phase I, it was necessary to use all local funding projected for the original project plus an additional amount. Our two counties agreed to this with the understanding that Phase II would be resubmitted with no further requirement for local county funds. The actual funding for the project (see E-11 attached) was as follows:

<u>Source</u>	<u>Amount</u>	<u>%</u>
State Bonds	\$1,000,000	51.5%
Local funds	941,510	48.5%
Total	\$1,941,510	100.0%
Local match	941,510	
Match required (20%)	388,302	
Over match	553,208	

Since its first submission, the scope of Phase II, Lab/Classroom Building, has not changed. However, due to inflation, the cost has increased. Projected funding is now as follows:

<u>Source</u>	<u>Amount</u>	<u>%</u>
State funds	\$2,808,892	99.6%
Local funds	10,712	.4
	2,819,604	100.0%

03989

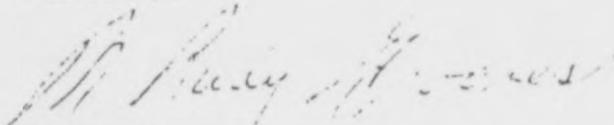
June 8, 1984  
Page 2

The two projects bring the local funding to the following:

Phase I Overmatch	553,208
Phase II	<u>10,712</u>
20% of \$2,819,604	563,920

We feel that our counties have fulfilled their obligation in matching funds and that only the \$10,712 should be required in local matching funds. Therefore, we request that this project be approved as submitted.

Sincerely,



M. Rudy Groomes  
President

MRG:r

Attachments

03990

# EXHIBIT

OCT 7 1986      NO. 18

## STATE BUDGET & CONTROL BOARD

INDIVIDUAL PROJECT PROPOSAL - FORM A-1  
 PERMANENT IMPROVEMENT PROGRAM PROPOSED FOR 1978-79 and 1979-80

1. AGENCY: Orangeburg-Calhoun Technical College      CONTACT PERSON: M. Rudy Grooms  
 PHONE: 536-0311      DATE FORM COMPLETED: 11-15-77

2. PROJECT NAME: Special Industrial Training and Upgrading Shops/Labs, Agri-Business Classrooms/Labs and Allied Health Classrooms/Labs

3. PROJECT PRIORITY:  
 A. This project is priority # 1 among the 1 projects proposed for approval in this period

B. Month/year funds needed: (1) For A&E costs 7/78; For construction & other costs 7/78

4. PROJECT PURPOSE: Provide adequate space for special industrial training and upgrading, for Agri-Business programs & upgrading and for existing Allied Health programs and projected programs to meet health care needs.

5. PROJECT DESCRIPTION:  
Shop Building: 15,860 sq. ft. one-story building containing shops and classrooms  
Agri-Business Building: 8,660 sq. ft. one-story building containing classrooms and labs suitable for agri-business  
Agriculture Outbuilding: 15,860 sq. ft. semi-enclosed building with 10 stalls and space for working with large animals.  
Allied Health Building: 36,208 sq. ft. one-story, labs & classrooms for A. H.

6. PROJECT JUSTIFICATION (DESCRIBE SPECIFIC NEEDS ADDRESSED BY THIS PROJECT):  
Shop Building: High utilization of present facilities has made it difficult to provide space for special training & upgrading for new & expanding industry & has also created crowded conditions in curriculum programs.  
Agri-Business Building: Animal & Plant Science, which serves counties where agri-business is one of the most important industries, shares classrooms & labs with other curriculums, creating crowded conditions & limiting the number of upgrading courses and workshops.  
Agriculture Outbuilding: will provide space for large animals - none available.  
Allied Health Building: will provide space for existing programs & allow space for projected needs.

7. ALTERNATIVE MEANS OF MEETING NEEDS DESCRIBED IN #6:  
Without additional facilities, needs cannot be fully met.

8. IMPACT OF PROJECT UPON AGENCY PROGRAM(S):  
 A. IF PROJECT IS NOT APPROVED:  
Crowding in classrooms & labs for existing programs will worsen, with students having to be turned away. Upgrading will continue to be limited. Adequate space to provide special training for new and expanding industry will continue to be unavailable.

B. IF PROJECT IS APPROVED:  
Existing programs will be adequately provided for, and more upgrading opportunities can be provided. Adequate space will be made available to provide the special training needed to attract and serve new industry and to serve expanding industry.

9. STATUS OF PROJECT PLANS:  
 A. A&E PLANS ARE: (1)    completed; (2)    underway (est. completion date   );  
 (3) X not started; (4)    not required.  
Note: Sketch plans have been drawn.

B. If work on any required A&E plans has not been started, (1) what is the estimated cost of such work? \$ 149,000; (2) estimated months to prepare plans 6 mos.

10. ESTIMATED PROJECT COSTS AND PROPOSED SOURCES OF FUNDS:  
 A. TOTAL ESTIMATED COST OF PROJECT ..... \$ 2,799,000

B. DESCRIBE HOW TOTAL ESTIMATED COST OF PROJECT WAS DETERMINED:  
Sketch plans have been drawn by A/E and estimates prepared.

C. PROPOSED SOURCE(S) OF FUNDS:	ALTERNATE #1	ALTERNATE #2
(1) Capital Improvement Bond Funds:		
(a) Release of funds previously authorized .....	\$ _____	\$ _____
(b) New authorization .....	_____	<u>1,000,000</u>
(2) Institution (tuition) Bond Funds .....	_____	_____
(3) Plant Improvement Bond Funds .....	_____	_____
(4) Other: <u>EDA &amp; Coastal Plains</u> .....	<u>1,999,200</u>	<u>999,200</u>
<u>Local (Counties)</u> .....	<u>499,800</u>	<u>499,800</u>
(5) Other: <u>State TEC (equipment)</u> .....	<u>300,000</u>	<u>300,000</u>
TOTAL (Same as 10A) .....	<u>\$ 2,799,000</u>	<u>\$ 2,799,000</u>

03991

AGENCY: Orangeburg-Calhoun TEC

FORM A-1 d 1

PROJECT CLOSE-OUT

Form E-11  
(Rev. 7-72)  
Submit In Duplicate

REVISION OF PROJECT COST ESTIMATE

Date January 20 1982

Institution or Agency Orangeburg-Calhoun TEC  
 Name of Project Industrial Shops, Agri-Business Shops/Labs and Lecture Room/Classrooms No. 7369 H59-009

To: State Budget and Control Board  
Columbia, South Carolina

Your approval of the following revised cost estimate on the above project is requested.

A statement is attached indicating the necessity of these revisions. \*

Item	Last Estimate	Revised Estimate	Change
Site	\$	\$	\$
Grading		4,711.27	+ 4,711.27
Construction	1,820,000	1,820,502.00	+ 502.00
Fees	79,000	107,068.71	+28,068.71
Renovation			
Basic Equipment and Supplies			
Landscaping			
Builder's Risk Insurance	1,800	4,450.25	+ 2,650.25
Other	2,000	2,000.00	-0-
Bond Sale			
Advertising		243.54	+ 243.54
Printing Checks & Bank Chgs.		28.49	+ 28.49
Soil & Concrete Testing		2,505.80	+ 2,505.80
Contingencies	54,600	-0-	-54,600.00
Total Estimated Cost	\$ 1,957,400	\$ 1,941,510.06	\$ -15,889.94

Source of Funds:  
 Orangeburg County \$ 660,705  
 Calhoun County 116,595  
 O-C TEC College  
 Capital Impr. Acct. 164,210\*  
 State Bonds 1,000,000  
\$1,941,510

(Signed) Donald R. Peterson  
 Title Fiscal Affairs Coordinator

\* If the total estimated cost of the project has been increased, the source of the additional funds required should be indicated also.

\*Reduced by \$15,839.94 - Local Funds

APPROVE John D. Pluvot  
STATE ENGINEER

DATE 2-11-82

FEB 12 1982

03992

BUDGET AND CONTROL BOARD FORM A-1 PAGE 1  
INDIVIDUAL PROJECT PROPOSAL

See # 5  
1746  
1985-86

PERMANENT IMPROVEMENT PROJECT PROPOSED FOR INITIATION IN FISCAL YEAR: \_\_\_\_\_

1. Agency Number 1159 Name Orangeburg-Calhoun Technical College  
Contact Person Rose H. Berry Phone 536-0311, Ext. 220 Date 5/1/84

2. Project Name: Lab/Classroom Building - Construction \*

3. Project Priority:  
A This project is priority number 1 among 1 projects proposed for initiation in this fiscal year  
TEC State Board Priority 2 of 38  
B Estimated number of months needed to complete project if authorized 18 months

4. Project Description (What does it consist of?):  
Construction of a one-story building consisting of labs and classrooms suitable for Allied Health programs: 36,208 gross square feet.

EXHIBIT

OCT 7 1986 NO. 18

Site Description (Attach a map showing project location)  
Location Orangeburg 38 Orangeburg O-C TEC Campus  
county county code city site

5. Project Justification (Why is the project needed?):  
To provide adequate space for existing Allied Health Programs to meet local health care needs. Programs are: Associate Degree Nursing, Practical Nursing, Radiologic Technology, Medical Lab Technology, Medical Office Assistant and Respiratory Therapy Technology. These programs are now housed in different buildings, one of which is a shop building.

6. What specific needs does this project address?  
Will provide centralized labs and classrooms suitable for health programs, will release space designed for training for new industries and classrooms needed for other curricula.

7. What alternatives were considered as a means of meeting needs specified in #6?  
Programs would continue to be housed in cramped or unsuitable quarters, such as Nursing which is located in a high-ceilinged shop facility.

8. Impact of proposed project upon agency programs and budgets:  
No change in programs offered or state budget. Housing for Allied Health Programs and other curricula gaining released space will greatly improve. Shop space designed for training for new industries will revert to that use.

9. Are additional annual operating costs related to this project? Yes X No \_\_\_\_\_  
If yes, complete and attach Addendum A-49

03993

\*Project has prior approval from State TEC Board and CHE. Priority #2 in system.

10. Estimates of proposed project costs:

A Total estimated cost of project \$ 2,819,604

B Total estimated cost of project includes the following. (1 through 10 below = 10A above)

- (1) \$ 147,565 Planning/design services
  - (2) \_\_\_\_\_ Site/work (including utilities)
  - (3) \_\_\_\_\_ Central energy systems repair/replacement
  - (4) \_\_\_\_\_ Mechanical systems repair/replacement
  - (5) \_\_\_\_\_ General renovation/repair of floor space (Gross sq ft \_\_\_\_\_)
  - (6) \_\_\_\_\_ Roof repair/replacement
  - (7) 2,588,872 Construction of additional floor space (Gross sq ft 36,208)
  - (8) \_\_\_\_\_ Equipment/supplies
  - (9) \_\_\_\_\_ Purchase of facilities (Floor space, Gross sq ft \_\_\_\_\_)  
(Land, acres \_\_\_\_\_)
  - (10) 83,167 Other (Specify) \_\_\_\_\_
- \$ 2,819,604 Total (Same as 10A)

C Total estimated cost of project by broad purpose Total cost \$ 2,819,604  
(equals 1 through 8, below and is same as 10A above)

- (1) Purchase land \$ \_\_\_\_\_
- (2) Purchase facility \$ \_\_\_\_\_
- (3) Demolish facility \$ \_\_\_\_\_
- (4) Construct Additional facility \$ 2,819,604
- (5) Restore facility \$ \_\_\_\_\_
- (6) Maintain facility \$ \_\_\_\_\_
- (7) Replace facility \$ \_\_\_\_\_
- (8) Other \_\_\_\_\_ \$ \_\_\_\_\_

11. Proposed Sources Of Funds:	Amount	Revenue Code
Type of Funds.		
(0) Capital Improvement Bonds	\$ 2,808,892*	
(1) Departmental Capital Improvement Bonds		
(2) Institution (tuition) Bonds		
(3) Revenue Bonds (Specify _____)		
(4) Excess Debt Service (Specify _____)		
(6) Appropriated State		
(7) Federal		
(8) Athletic		
(9) Other (Specify <u>Local</u> )	10,712	
<b>TOTAL (Same as 10 A)</b>	<b>\$ 2,819,604</b>	

\*No county funds projected, as our two counties provided match for this building in last building project, of which this building was originally a part. Therefore, they overmatched on that project.

03994

# Memo

Date \_\_\_\_\_

from:

RICHARD WILLIAMS

To:

*Charles Shaw*

Budget & Control Board

Project: # 8429- DRA-CALHOUN TECH  
Medical Lab/classroom

Attached for your approval are the  
following forms with required back-up  
information.

\_\_\_\_\_ SPIRS Form A-13

SPIRS Form A-23

If additional information is needed,  
please let me know.

*Richard Williams*

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

03995

SEP 22 1986



**STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION**

111 Executive Center Drive, Columbia, South Carolina 29210 Tel. 737-9320

JAMES R. MORRIS, JR.  
EXECUTIVE DIRECTOR

**THE STATE BOARD**

**OFFICERS**

P. HENDERSON BARNETTE  
CHAIRMAN

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CHARLIE G. WILLIAMS  
Columbia, S.C.  
Superintendent of Education  
Ex-Officio

J. MAC HOLLADAY  
Columbia, S.C.  
State Development Board  
Ex-Officio

September 19, 1986

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

Dear Bill:

In response to the proviso of Section 1 sub-part 12 of Act 538 Acts of 1986, the attached documentation is submitted to support the 20% matching requirement for the Orangeburg-Calhoun Allied Health Center.

If any additional data is needed, please let me know.

Sincerely,

*Don*  
Donald R. Peterson  
Fiscal Affairs Coordinator

DRP:ws

03996

# EXHIBIT

OCT 7 1986 NO. 19

STATE BUDGET AND CONTROL BOARD  
MEETING OF October 7, 1986

STATE BUDGET & CONTROL BOARD  
REGULAR SESSION  
ITEM NUMBER

12

---

AGENCY: General Services

---

SUBJECT: Petition for Annexation, Folly Beach

The City Council of Folly Beach requests that the Budget and Control Board approve a Petition to the City to annex a marsh area bounded by Folly Road (Hwy. 171), Sol Legare Island, and the Stono River so the City can preserve the water quality and the aesthetic beauty of the marsh area near Folly Island.

The State will retain full power to regulate the annexed property.

The Attorney General's Office has approved the proposed Petition.

This item was carried over at the September 23 meeting.

---

BOARD ACTION REQUESTED:

Approve a Petition to the City of Folly Beach to annex a marsh area bounded by Folly Road (Hwy. 171), Sol Legare Island, and the Stono River so the City can preserve the water quality and the aesthetic beauty of the marsh area near Folly Island.

---

ATTACHMENTS:

Agenda item worksheet and attachment

03997

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

For meeting scheduled for:

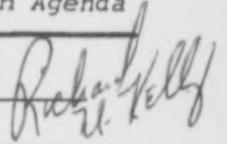
September 23, 1986

Blue Agenda  
 Regular Session Agenda  
 Executive Session Agenda

1. Submitted By: Division of General Services

(a) Agency:

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



2. Subject: Petition for Annexation - City of Folly Beach

3. Summary Background Information:

This is a Petition for Annexation at the direction of the Mayor and City Council of Folly Beach, Charleston County. This document annexes a marsh area which is bounded by Folly Road (Highway 171), Sol Legare Island, and the Stono River. The purpose for annexation is so that the City can preserve the water quality and the aesthetic beauty of the marsh area near Folly Island.

The State is to retain full power to regulate the property annexed as it has in the past.

This document has been reviewed and approved by the Attorney General's Office and pursuant to Section 5-3-140, should be executed by the Budget and Control Board.

4. What is Board asked to do?

EXHIBIT

Execute the proposed Petition for Annexation.

OCT 7 1986

NO. 19

STATE BUDGET & CONTROL BOARD

5. What is recommendation of the Board Division involved?

That the proposed Petition for Annexation be executed.

6. Recommendation of other office (as required)?

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

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available  
from Submitter

- 1. Original Petition
- 2. Drawing dated July 1, 1978,  
revised May 1, 1979.

03998

STATE OF SOUTH CAROLINA  
**BUDGET AND CONTROL BOARD**  
DIVISION OF GENERAL SERVICES  
300 GERVAIS STREET  
COLUMBIA, SOUTH CAROLINA 29201  
(803) 737-2140

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR

GRADY L. PATTERSON, JR.  
STATE TREASURER

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



RICHARD W. KELLY  
DIVISION DIRECTOR

REMBERT C. DENNIS  
CHAIRMAN,  
SENATE FINANCE COMMITTEE

TOM G. MANGUM  
CHAIRMAN,  
HOUSE WAYS AND MEANS COMMITTEE

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

**EXHIBIT**

OCT 7 1986 NO. 19

STATE BUDGET & CONTROL BOARD

September 29, 1986

Mr. William A. McInnis  
Deputy Executive Director  
South Carolina Budget and Control Board  
Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Bill:

During the Board meeting on September 23, 1986, I requested that agenda item #16 (regular session), be carried over. This item concerned the request from the City of Folly Beach to annex a marsh area (see attached map), contiguous with current city property. After further review of the files, I find this request is appropriate and wish to have this item placed on the October 7, 1986 Board agenda.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Richard W. Kelly".

Richard W. Kelly  
Division Director

RWK:ab

attachment

03999

# EXHIBIT

STATE OF SOUTH CAROLINA )  
                                  )  
COUNTY OF CHARLESTON )

OCT 7 1986      NO. 19  
PETITION FOR ANNEXATION  
STATE BUDGET & CONTROL BOARD

TO: THE HONORABLE MAYOR AND MEMBERS OF THE TOWN COUNCIL OF THE  
CITY OF FOLLY BEACH, CHARLESTON COUNTY, SOUTH CAROLINA:

The undersigned, pursuant to actions of the State Budget and Control Board at its meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 1986, on behalf of the State of South Carolina, as sole owner of the property hereinafter described which is adjacent to the city limits of Folly Beach, does hereby petition the said City of Folly Beach to annex the property hereinafter described to the City pursuant to Section 5-3-140 of the 1976 Code of Laws of the State of South Carolina, as amended:

### DESCRIPTION OF PROPERTY

Marsh area beginning at the Folly River and continuing north on Folly Road 1.86 miles to the southern border of Sol Legare Island; thence west bordering Sol Legare Island for 2.67 miles to the center of the Stono River; thence following the Stono River south for 4.48 miles through the Stono Inlet west of Bird Key; thence east for .95 mile to the existing boundary of the City of Folly Beach. Said marsh area having such size, shape, dimensions, buttings and boundings as more fully shown on the map of Charleston Metropolitan Area, Sheet 4, dated July 1, 1978, revised May 1, 1979, which is attached hereto and made a part hereof as Exhibit A.

The State shall retain full power to regulate the above-described property as it had before annexation.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

STATE OF SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD

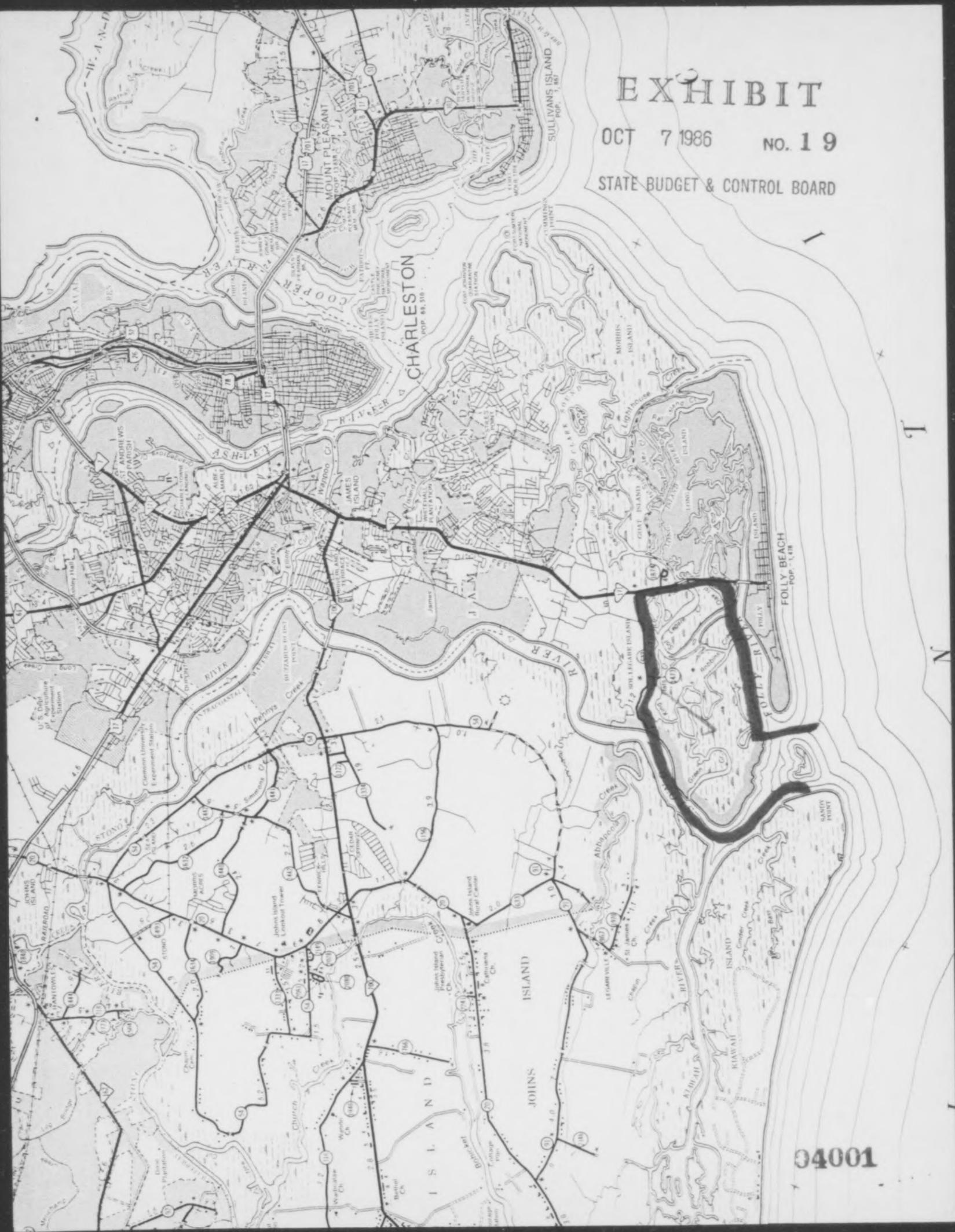
BY: \_\_\_\_\_  
Richard W. Riley, Chairman

04000

# EXHIBIT

OCT 7 1986 NO. 19

STATE BUDGET & CONTROL BOARD



CHARLESTON  
POP. 65,300

SULLIVANS ISLAND  
POP. 1,867

MOUNT PLEASANT  
POP. 13,881

FOLLY BEACH  
POP. 1,418

JOHNS ISLAND

34001

# EXHIBIT

STATE OF SOUTH CAROLINA )  
                                  )  
COUNTY OF CHARLESTON )

OCT 7 1986      NO. 19  
PETITION FOR ANNEXATION  
STATE BUDGET & CONTROL BOARD

TO: THE HONORABLE MAYOR AND MEMBERS OF THE TOWN COUNCIL OF THE CITY OF FOLLY BEACH, CHARLESTON COUNTY, SOUTH CAROLINA:

The undersigned, pursuant to actions of the State Budget and Control Board at its meeting held on the 7th day of October, 1986, on behalf of the State of South Carolina, as sole owner of the property hereinafter described which is adjacent to the city limits of Folly Beach, does hereby petition the said City of Folly Beach to annex the property hereinafter described to the City pursuant to Section 5-3-140 of the 1976 Code of Laws of the State of South Carolina, as amended:

## DESCRIPTION OF PROPERTY

Marsh area beginning at the Folly River and continuing north on Folly Road 1.86 miles to the southern border of Sol Legare Island; thence west bordering Sol Legare Island for 2.67 miles to the center of the Stono River; thence following the Stono River south for 4.48 miles through the Stono Inlet west of Bird Key; thence east for .95 mile to the existing boundary of the City of Folly Beach. Said marsh area having such size, shape, dimensions, buttings and boundings as more fully shown on the map of Charleston Metropolitan Area, Sheet 4, dated July 1, 1978, revised May 1, 1979, which is attached hereto and made a part hereof as Exhibit A.

The State shall retain full power to regulate the above-described property as it had before annexation.

Dated this 7th day of October, 1986.

STATE OF SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD

BY: Richard W. Riley  
Richard W. Riley, Chairman

04002

- EXHIBIT

OCT 7 1986 NO. 19

STATE BUDGET & CONTROL BOARD

FLORIDA



04003

# EXHIBIT

OCT 7 1986 NO. 20

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION  
MEETING OF October 7, 1986 ITEM NUMBER

13

AGENCY: University of South Carolina

SUBJECT: Foreign Travel Blanket Approval

The University of South Carolina requests blanket approval of the travel of approximately twelve faculty/staff members from the College of Health who are participating in the Vector Control Project in the Dominican Republic.

The University advises that the Vector Control Project was approved for grant funds by the Agency for International Development effective September 11, 1986, through September 11, 1989. All travel expenses will be paid by the grant, and no State funds will be involved.

BOARD ACTION REQUESTED:

Approve a University of South Carolina request for blanket approval of the travel of approximately twelve faculty/staff members from the College of Health who will be participating in the Vector Control Project in the Dominican Republic during the September 11, 1986 - September 11, 1989, period.

ATTACHMENTS:

Denton September 19 letter

04004



SEP 23 1986

# EXHIBIT

OCT 7 1986 NO. 20

UNIVERSITY OF SOUTH CAROLINA

COLUMBIA, S. C. 29208

STATE BUDGET & CONTROL BOARD

SENIOR VICE PRESIDENT

Business and Finance

September 19, 1986

Ms. Donna Williams  
Budget and Control Board  
618 Wade Hampton Office Bldg  
Columbia, S.C. 29201

**APPROVED**  
OCT 7 1986  
*Donna H. Williams*

**STATE BUDGET AND  
CONTROL BOARD**

Dear Donna:

The University of South Carolina would like to request permission for a blanket approval of foreign travel for approximately twelve faculty/staff members from the College of Health who are participating in the Vector Control Project in the Dominican Republic.

The Vector Control Project was approved for grant funding by the Agency for International Development effective September 11, 1986 through September 11, 1989. Since all foreign travel expenses will be paid by the grant, no State Funds will be involved.

Full Board approval is respectfully requested.

Sincerely,

R. W. Denton  
Senior Vice President

rg

04005