

MINUTES OF  
Budget and  
Control Board  
Meeting

February 7, 1978

MINUTES OF BUDGET AND CONTROL BOARD MEETING

FEBRUARY 7, 1978 3:00 P. M.

The Budget and Control Board met at 3:00 p. m. on February 7, 1978 in the Governor's Conference Room with the following members in attendance:

Governor James B. Edwards  
Mr. Grady L. Patterson, Jr.  
Mr. Earle E. Morris, Jr.  
Senator Rembert C. Dennis  
Representative Tom G. Mangum

Also attending were Board Secretary State Auditor W. T. Putnam, Planning Division Director P. C. Smith, Governor's Executive Assistant Walter R. Pettiss and his Assistant A. E. Reiser, and Assistant State Auditor William A. McInnis.

The following items of business were considered:

MINUTES OF PREVIOUS MEETINGS - Budget and Control Board members previously had been furnished with a draft version of the minutes of a poll held on January 13 and of the meeting held on January 25, 1978.

Upon a motion by Mr. Patterson, the Budget and Control Board approved these minutes as written.

SOUTH CAROLINA RETIREMENT SYSTEM - STATUS REPORT - Retirement System Director Purvis Collins introduced consulting actuary Hugh Gillespie of the George Buck Firm who presented a summary of the principal results of the valuation of the Retirement System as of June 30, 1976. Mr. Gillespie prefaced his remarks by noting that the valuation of the System as of June 30, 1977 is now nearing completion and that it is his expectation to be in position to report on that valuation along with the one for June 30, 1978 early in 1979.

Mr. Gillespie distributed a three-page summary of the results of the 6/30/76 valuation of the South Carolina Retirement System and commented on the several items presented. He noted that the number of

active members had increased by less than one percent from June of 1975 to a total of 118,907 as of June 30, 1976. He also called attention to the "earnable compensation" total of \$1,019,388,830 for the 1975-76 year which represented an eleven percent increase above the total for the year ending 6/30/75. Mr. Gillespie also observed that the number of retired members and beneficiaries had increased from 14,838 in June of 1975 to 16,480 in June of 1976 and to 19,597 as of February, 1978.

The summary presented by Mr. Gillespie also indicated that the assets of the Retirement System for valuation purposes increased from about \$918,000,000 to \$1,056,000,000 during the 1975-76 year. The summary also indicated that the amortization period for unfunded past service cost as of June 30, 1976 was 28 years compared to 36 years as of June of 1975, even though the unfunded past service cost increased from about \$397,000,000 in June of 1975 to about \$403,000,000 at the end of June, 1976.

Mr. Gillespie stated that the results of the valuation basically are favorable and indicated that the System easily passed a crude, basic test (i. e., capacity to repay accumulated employee contributions and to pay the benefits due, determined actuarially, to retired and disabled members and beneficiaries).

Mr. Gillespie also indicated that the ratio of System assets to the System's total accrued liability is relatively high at a funded ratio of 72 percent.

Mr. Gillespie reported that the assets of the South Carolina Retirement System increased by almost \$149 million during fiscal year 1976-77, with about \$219 million in revenues against expenditures of about \$70 million, but he urged that this cash flow picture not be used as a basis for measuring the capacity of the System to pay benefits and that these cash flow figures not be considered an adequate basis for increasing System benefits.

Mr. Gillespie concluded his introductory remarks by stating that the 1976 valuation of the South Carolina Retirement System finds the System in a sound actuarial position and he expressed the view that the System's benefit formula is a sensible one.

Mr. Gillespie cited as the only problem of concern in the 1976 valuation the provision in the law for the payment of increased benefits to retired members and beneficiaries related to the Consumer Price Index within the existing contributions framework. He noted that provision had been made for the increase to be effective July 1, 1978 but that if another increase to be effective July 1, 1979 is granted the amortization period for unfunded past service cost would increase from 28 to 32.5 years.

Following Mr. Gillespie's presentation, Retirement System Director Collins recommended that the Board authorize one additional Consumer Price Index increase for retired members and beneficiaries to be effective July 1, 1979 and, in the interim, to study alternative ways of funding similar increases in the future. In the related conversation, Mr. Gillespie expressed the view that the resulting extension of the amortization period for unfunded past service cost to 32.5 years would be unwise but, in light of the improvement from a 36-year repayment period at the end of 1975, Mr. Gillespie indicated that the extension to 32.5 years would not upset him assuming continued efforts are made to find alternative methods for handling future Consumer Price Index increases. In answer to Mr. Smith's questions about future implications of the unfunded liability of the System, Mr. Gillespie indicated that 40 years are generally regarded as being the maximum amortization period and that the Federal Pension Law now calls for a 30 year maximum. Mr. Gillespie further noted that this is a judgmental issue and that he is not sure if many, if any, public systems ever pay off their unfunded liabilities. Mr. Gillespie also noted that the System now provides for increased retirement allowances on a terminal



reserve basis which he described as not the most conservative way to handle the problem.

In response to State Auditor Putnam's query, Mr. Collins indicated that the cost of increased retirement allowances during 1978-79 is about \$2.5 million and that it would increase to about \$2.75 million in 1979-80.

In response to Mr. Smith's question about overall trends of significance, Mr. Gillespie cited the leveling off of the active work force, inflation, the financing of retirement allowances related to the Consumer Price Index and, generally, the maturing of the System, as matters of overall significance.

Following a lengthy discussion, the Budget and Control Board received the Retirement System report as information after not acting on a motion by Representative Mangum, seconded by Mr. Patterson, to delay action on an additional increase in allowances for retired members and beneficiaries which had been recommended by the Retirement and Pre-Retirement Advisory Committee to be effective July 1, 1979.

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

FINANCE DIVISION - REPORT ON CAPITAL IMPROVEMENT BOND AUTHORIZATION REQUESTS - State Auditor Putnam prefaced his report by reminding the Board that each agency last fall had been requested to submit a complete capital improvement plan rather than a listing of proposals to be funded by Capital Improvement Bond funds only. A summary, by agency, of Capital Improvement Bond requests totaling in excess of \$787,000,000 was distributed to Board members and State Auditor Putnam indicated that, within the next several days, Board members would receive a detailed listing of the projects involved. He also indicated that the staff will want to review these materials with each member individually before bringing the matter back to the Board for

further consideration.

Mr. Putnam also recommended that the Board consider adopting the following guidelines for use in its consideration of Capital Improvement Bond requests:

1. That the Budget and Control Board limit its recommendations to those projects considered to be of a critical nature or having some sense of urgency.
2. That projects which have previously received planning monies be considered for construction funds only after the plans have been received and thoroughly reviewed by the Budget and Control Board.
3. That long-range projects previously endorsed by the Budget and Control Board be given priority in current recommendations. However, consideration of other projects of this nature should be delayed pending receipt and study of operational goals which are to be furnished to the Planning Division of the Budget and Control Board.
4. That all anticipated projects must be included in the listing of capital programs and that the agencies are expected to use their own bonding capacities to accomplish their most urgent needs. Capital Improvement Bonds, in most instances, should be recommended only after departmental resources have been exhausted.
5. That where funding for "frozen" projects now appears to be inadequate, consideration should be given to eliminating the projects until such time as the entire cost can be provided.
6. That a study be made of regional needs of capital projects for the various agencies to determine if consolidated, State-owned facilities might be desirable.

Following a brief discussion, upon a motion by Mr. Patterson, seconded by Representative Mangum, the Budget and Control Board adopted the

referenced guidelines as recommended by State Auditor Putnam.

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

GOVERNOR'S OFFICE - ADDITIONAL AGREEMENT WITH MRS. MARGARET MORGAN MEYER RELATING TO BOTANY BAY PLANTATION - Governor Edwards reminded the Board that Mr. John E. Meyer had given Botany Bay Plantation to the State of South Carolina subject to certain limitations and to a life estate in portions of the property in Mrs. Meyer. Governor Edwards advised the Board that Mrs. Meyer now intends to invest \$50,000 or more in improvements to the principal dwelling and immediately adjacent buildings and grounds and wants some assurance that her family will have use of this property for a period of time. Governor Edwards recommended approval of an additional agreement to provide that the five children of Mr. and Mrs. Meyer would continue to have the use of the main house and a tract of some 33 acres adjoining it for a 25-year period in the event Mrs. Meyer's death should occur during that period.

Following a brief discussion, upon a motion by Senator Dennis, seconded by Mr. Patterson, the Budget and Control Board approved the execution of the agreement subject to the 25-year limitation proposed by Governor Edwards.

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

RESOLUTION REQUESTING ISSUE OF \$38,000,000 CAPITAL IMPROVEMENT BONDS - Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Budget and Control Board added to the agenda a proposed Resolution requesting the issuance of \$38,000,000 of Capital Improvement Bonds to finance on-going projects previously authorized and released by the General Assembly.

Following a brief discussion, in which Senator Dennis requested that the House-Senate Bond Review Committee, chaired by Senator Frank Roddey, be advised of this action, upon a motion by Mr. Patterson, seconded

by Mr. Morris, the Budget and Control Board adopted the referenced Resolution.

The original of the referenced Resolution has been retained in these files and is identified as Exhibit IV.

FUTURE MEETINGS - The Budget and Control Board agreed to change the date of the next meeting from Tuesday, February 14 to Wednesday, February 15, 1978 at 3:00 p. m. The Board also agreed to meet on Wednesday, March 1, 1978 at 3:00 p. m.

EXECUTIVE SESSION - It was announced that three personnel matters had been proposed for consideration in Executive Session. The Budget and Control Board agreed to consider these matters whereupon Governor Edwards declared the meeting to be in Executive Session.

RATIFICATION OF EXECUTIVE SESSION ACTION - Following the Board's consideration of Executive Session items, the meeting was opened and the following actions taken by the Board in Executive Session were ratified without objection:

(1) Received as information the findings and recommendations of the State Employee Grievance Committee in a case involving the Department of Health and Environmental Control;

(2) Received as information the findings and recommendations of the State Employee Grievance Committee in a case involving the Department of Mental Retardation; and

(3) Ratified the previous action approving a settlement proposed by the Department of Social Services in a court case brought against that Department by Mr. Wagdy Demian.

The meeting was adjourned at 4:55 p. m.



EXHIBIT I  
2/7/78

SOUTH CAROLINA RETIREMENT SYSTEM

SUMMARY OF PRINCIPAL RESULTS

For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized below:

VALUATION DATE	:	6/30/76	:	6/30/75
Number of active members	:	118,907	:	118,161
Earnable compensation of members	:	\$1,019,388,830	:	\$ 917,783,640
Number of retired members and beneficiaries	:	16,480	:	14,838
Annual pensions	:	\$ 43,095,478	:	\$ 35,399,862
Assets for valuation purposes	:	\$1,056,517,112*	:	\$ 918,437,002**
Unfunded past service cost	:	\$ 402,797,575	:	\$ 397,344,705
Remaining funding period	:	28 years***	:	36 years
Includes CPI increases funded through	:	7/1/78	:	7/1/78
	:	(3 increases)	:	(4 increases)

\*Including \$4,465,372 creditable to the Group Life Insurance Fund

\*\*Including \$3,587,378 creditable to the Group Life Insurance Fund

\*\*\*Would be 32-1/2 years if CPI increases were funded through 7/1/79

RATES OF CONTRIBUTION RECOMMENDED FOR PAYMENT BY EMPLOYEES  
(Unchanged From 6/30/75 to 6/30/76 Valuation)  
(Class II Coverage)

RATES OF CONTRIBUTION	PERCENTAGE OF PAYROLL	
	State	Other
Retirement	6.80%	5.95%
Pre-retirement Death	.30	.30
TOTAL	7.10%	6.25%

February 7, 1978

SOUTH CAROLINA RETIREMENT SYSTEM

Allocation of Assets as of June 30, 1976

Attributable to accumulated employee contributions	\$ 311,031,954
Allocated to retired and disabled members and beneficiaries drawing benefits	399,672,442
Reserve for future increases in retirement allowances	54,496,898
Allocated to provide benefits for active members and former member with vested rights	286,850,446
Reserve for future pre-retirement death benefits	<u>4,465,372</u>
Total Assets as of June 30, 1976	\$1,056,517,112

February 7, 1978

SOUTH CAROLINA RETIREMENT SYSTEM

Revenues and Expenditures for the Period  
July 1, 1976 to June 30, 1977

ASSETS AS OF JUNE 30, 1976			\$1,056,517,112
REVENUES:			
Employer contributions	\$84,451,439		
Employee contributions	56,621,748		
Investment earnings	<u>78,327,366</u>		
		\$219,400,553	
EXPENDITURES:			
Retirement benefits	\$55,994,358		
Pre-retirement death			
benefits	2,431,210		
Refunds to members	<u>12,161,638</u>		
		<u>70,587,206</u>	
NET ADDITION TO ASSETS			<u>148,813,347</u>
ASSETS AS OF JUNE 30, 1977			\$1,205,330,459

February 7, 1978

CAPITAL IMPROVEMENT BOND AUTHORIZATION REQUESTS  
1978-79 and 1979-80  
AGENCY SUMMARY

EXHIBIT II  
2/7/78

<u>Agency</u>	<u>Release Of Prior Authorization</u>	<u>New Authorization</u>	<u>Total</u>
1. Adjutant General's Office	\$ -0-	\$ 2 299 291	\$ 2 299 291
2. Budget and Control Board	-0-	19 301 000	19 301 000
3. The Citadel	-0-	8 324 000	8 324 000
4. Clemson University:			
(a) Educational & General	-0-	19 318 000	19 318 000
(b) Public Service Activities	-0-	7 130 215	7 130 215
(c) Continuing Education	-0-	12 700 000	12 700 000
5. College of Charleston	3 009 400	9 840 600	12 850 000
6. Francis Marion College	-0-	4 019 000	4 019 000
7. Lander College	648 000	12 345 000	12 993 000
8. State College	-0-	5 300 000	5 300 000
9. University of South Carolina	-0-	11 017 305	11 017 305
10. Winthrop College	-0-	11 477 250	11 477 250
11. Medical University	5 887 163	30 822 837	36 710 000
12. Technical & Comprehensive Education	3 281 640	20 130 123	23 411 763
13. Department of Education - Voc. Ed.	-0-	975 000	975 000
14. Educational Television Commission	6 129 950	14 653 004	20 782 954
15. Opportunity School	-0-	300 000	300 000
16. School for the Deaf and the Blind	-0-	2 250 000	2 250 000
17. Archives & History	-0-	33 210	33 210
18. State Library	-0-	1 705 000	1 705 000
19. Museum Commission	-0-	10 729 080	10 729 080
20. Health & Environmental Control	-0-	19 189 781	19 189 781
21. Department of Mental Health	6 008 907	33 182 000	39 190 907
22. Department of Mental Retardation	-0-	7 830 000	7 830 000
23. Vocational Rehabilitation	-0-	2 214 601	2 214 601
24. John de la Howe School	-0-	60 000	60 000
25. Commission for the Blind	-0-	-0-	-0-
26. Department of Corrections	16 033 936	-0-	16 033 936
27. Department of Youth Services	-0-	1 600 766	1 600 766
28. Law Enforcement Training Council	-0-	-0-	-0-
29. Forestry Commission	2 481	985 000	987 481
30. Wildlife & Marine Resources	23 870	-0-	23 870
31. Parks, Recreation & Tourism	1 312 500	14 544 298	15 856 798
32. Patriots Point Development Authority	-0-	-0-	-0-
33. Aeronautics Commission	-0-	5 804 969	5 804 969
34. Public Railways Commission	84 897	-0-	84 897
35. Highways & Public Transportation	-0-	-0-	-0-
36. Ports Authority	57 277 556	44 000 000	101 277 556
Total	<u>\$ 99 700 300</u>	<u>\$334 081 330</u>	<u>\$433 781 630</u>

2/3/78



PERMANENT IMPROVEMENT PROPOSALS  
AFTER 1979-80  
AGENCY SUMMARY

Agency	Proposed Funding		
	Capital Improve- ment Bonds	Other	Total
1. Adjutant General's Office	\$ 2 890 000	\$ 4 260 000	\$ 7 150 000
2. Budget and Control Board	-0-	-0-	-0-
3. The Citadel	20 796 000	-0-	20 796 000
4. Clemson University:			
(a) Education & General	12 670 000	-0-	12 670 000
(b) Public Service Activities	3 178 000	-0-	3 178 000
5. College of Charleston	9 270 250	-0-	9 270 250
6. Francis Marion College	435 000	130 000	565 000
7. Lander College	5 890 000	-0-	5 890 000
8. State College	3 900 000	-0-	3 900 000
9. University of South Carolina	?	?	?
10. Winthrop College	4 500 000	-0-	4 500 000
11. Medical University	53 116 000	19 509 000	72 625 000
12. Technical & Comprehensive Education	19 407 143	14 084 715	33 491 858
13. Department of Education - Voc. Ed.	?	?	?
14. Educational Television Commission	?	?	?
15. Opportunity School	225 000	-0-	225 000
16. School for the Deaf and the Blind	322 902	-0-	322 902
17. Archives and History Department	-0-	-0-	-0-
18. State Library	-0-	-0-	-0-
19. Museum Commission	-0-	-0-	-0-
20. Health and Environmental Control	16 155 022	-0-	16 155 022
21. Department of Mental Health	13 000 000	1 370 000	14 370 000
22. Department of Mental Retardation	10 265 000	-0-	10 265 000
23. Vocational Rehabilitation	-0-	-0-	-0-
24. John de la Howe School	250 000	65 000	315 000
25. Commission for the Blind	975 000	535 000	1 510 000
26. Department of Corrections	54 315 000?	-0-	54 315 000?
27. Department of Youth Services	-0-	-0-	-0-
28. Law Enforcement Training Council	-0-	-0-	-0-
29. Forestry Commission	1 639 000	-0-	1 639 000
30. Wildlife and Marine Resources Dept.	-0-	-0-	-0-
31. Dept. of Parks, Recreation & Tourism	20 397 007	20 807 250	41 204 257
32. Patriots Point Development Authority	-0-	475 000	475 000
33. Aeronautics Commission	-0-	-0-	-0-
34. Public Railways Commission	-0-	-0-	-0-
35. Highway & Public Transportation	-0-	2 140 000	2 140 000
36. Ports Authority	100 000 000	-0-	100 000 000
Total	\$353 596 324	\$ 63 375 965	\$416 972 289

## CAPITAL IMPROVEMENT BONDS

### GUIDELINES FOR RECOMMENDATIONS

It is recommended that the Budget and Control Board give consideration to the adoption of the following guidelines for use in consideration of Capital Improvement Bond requests.

1. That the Budget and Control Board limit its recommendations to those projects considered to be of a critical nature or having some sense of urgency.

2. That projects which have previously received planning monies be considered for construction funds only after the plans have been received and thoroughly reviewed by the Budget and Control Board.

3. That long range projects previously endorsed by the Budget and Control Board be given priority in current recommendations. However, consideration of other projects of this nature should be delayed pending receipt and study of operational goals which are to be furnished to the Planning Division of the Budget and Control Board.

4. That all anticipated projects must be included in the listing of capital programs and the agencies are expected to use their own bonding capacities to accomplish their most urgent needs. Capital Improvement Bonds, in most instances, should be recommended only after departmental resources have been exhausted.

5. That where funding for "frozen" projects now appears to be inadequate, consideration should be given to eliminating the project until such time as the entire cost can be provided.

6. That a study be made of regional needs of capital projects for the various agencies to determine if consolidated, State-owned facilities might be desirable.

STATE BUDGET AND CONTROL BOARD

EXHIBIT III  
2/7/78

MEETING OF February 7, 1978

AGENDA ITEM NUMBER 4

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Agency:

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Subject: Additional Memorandum of Agreement between the State of South Carolina and Mrs. Margaret Morgan Meyer.

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Board Action Requested:

Consider modification (expressed in paragraph 3) of original Agreement approved by the Budget and Control Board on March 17, 1977.

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Staff Comment:

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Attachments:

Referenced additional Agreement

STATE OF SOUTH CAROLINA

ADDITIONAL  
MEMORANDUM OF AGREEMENT BETWEEN THE STATE OF  
SOUTH CAROLINA AND MRS. MARGARET MORGAN MEYER

This Memorandum of Agreement made and entered into this 2<sup>nd</sup> day of November, 1977, by and between the State of South Carolina (hereinafter the "State") and Mrs. Margaret Morgan Meyer (hereinafter "Mrs. Meyer"):

WITNESSETH:

WHEREAS, the parties have heretofore entered into an agreement dated the 17th day of March, 1977, concerning the use by Mrs. Meyer for her lifetime of certain real property on Edisto Island in Charleston County known as Botany Bay Plantation which was devised by Mrs. Meyer's late husband, John E. Meyer, to the State of South Carolina, subject to certain limitations and to a life estate in portions of the property in Mrs. Meyer; and

WHEREAS, Mrs. Meyer now contemplates the expenditure of very substantial sums of money in improving the main dwelling house on the property and its immediately surrounding area; and

WHEREAS, the parties recognize the inequity that would result should Mrs. Meyer's death occur untimely after such expenditures; and

WHEREAS, it is recognized that the upkeep and maintenance of the said house and grounds would impose a burden upon the State should it assume that responsibility, and a consequential loss of tax revenues to the County of Charleston.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that in consideration of the premises and of the mutual covenants herein contained the parties hereto agree as follows:

1. Mrs. Meyer agrees that she will spend a sum of not less than Fifty Thousand (\$50,000.00) Dollars on improving the principal dwelling and immediately adjacent buildings and



grounds, all of which improvements will become the property of the State upon the termination of this agreement.

2. Upon the death of Mrs. Meyer, all of the said Botany Bay Plantation except the property hereinbelow described in paragraph 3 hereof will revert to the possession of the State of South Carolina, its Department of Wildlife and Marine Resources, subject to the terms of the said will of the late John E. Meyer.

3. After the death of Mrs. Meyer, the five children of Mr. Meyer and of Mrs. Meyer, namely Edward B. Whitman, II, Grace Whitman Deford, Jane Cutrer Shackelford, Nancy Meyer McAdoo and Stella Gregg Meyer, shall continue to have the exclusive use of the main house and a tract of some thirty-three acres adjoining it, hereinafter described, until the death of the survivor of such children, upon the following terms and conditions, and upon the failure of the children to observe the same, then, after notice and an opportunity to cure the default, the State shall have the right to terminate such use by said children:

(a) The buildings and grounds shall be maintained in an adequate state of repair, but without liability on the children for destruction by fire, hurricane or other act beyond the control of the children.

(b) The principal dwelling house will be protected by insurance against fire, with extended coverage, at the expense of the children, in the amount of its insurable value.

(c) The children will pay taxes on the said thirty-acre tract, at the agricultural use value assessment with respect to the acreage not immediately occupied by the dwelling house.

(d) The thirty-three acre tract thus to be possessed by the children consists of all of the wooded area along the bank of the tidal creek and marsh extending generally east and west from the main dwelling house, and extending thus to the west to the far edge of the present cleared

field, and extending to the east to the roadway leading to Pocky Island and Botany Bay Beach, and bounded to the north by the cultivated fields, and including to the north of the main dwelling the area now fenced as a paddock, which area is bounded on the east and west by ditches and on the north by the main road on the Plantation; and including within such acreage the main house, a barn, a pump house and a staff house. The area is shown outlined in ink on an aerial photograph that will be attached to this instrument.

(e) The children shall have, in addition to the exclusive use of the above described area, reasonable rights of access to and egress from the said tract, over all of the roads of the plantation.

(f) After the death of Mrs. Meyer, the five children above named or the survivors or survivor of them may by written instrument surrender the use and occupancy of said thirty-three acre tract to the State at any time.

4. Except as modified by the provisions of paragraph 3. above, the said agreement of 17 March 1977 continues in full force and effect.

IN WITNESS WHEREOF, this agreement has been executed the day and year first above written by Mrs. Meyer and by the State acting through its Governor and through the Budget and Control Board.

In the Presence of:

Anthony W. W. W. W.

Margaret Morgan Meyer  
Margaret Morgan Meyer

James B. Edwards  
(As to Margaret Morgan Meyer)

STATE OF SOUTH CAROLINA

By:

James B. Edwards, as  
Governor

(As to James B. Edwards,  
as Governor, and as to the  
Members of the Budget and  
Control Board)

By:

James B. Edwards

Grady L. Patterson, Jr.

Earle Morris

Rembert C. Dennis

Tom G. Mangum

As Members of the Budget and  
Control Board

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

BEFORE me personally appeared SUZANNE M. MERCK  
and made oath that (s)he saw the within named Margaret Morgan  
Meyer sign, seal, and as her act and deed deliver the within  
written Memorandum of Agreement and that deponent with \_\_\_\_\_  
ANTONY M. MERCK witnessed the execution thereof.

SWORN to before me this 2 day of November, 1977.

Anthony M. Merck  
Notary Public of South Carolina

My Commission Expires: 8/31/83

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

BEFORE me personally appeared \_\_\_\_\_  
and made oath that (s)he saw the within named State of South  
Carolina, by James B. Edwards, as Governor, and by James B.  
Edwards, Grady L. Patterson, Jr., Earle Morris, Rembert C.  
Dennis, and Tom G. Mangum, as Members of the Budget and  
Control Board, sign, seal, and as the act and deed of the  
said State of South Carolina deliver the within written  
Memorandum of Agreement and that deponent with \_\_\_\_\_  
\_\_\_\_\_ witnessed the execution thereof.

SWORN to before me this \_\_\_\_\_  
\_\_\_\_\_ day of \_\_\_\_\_, 1977.

\_\_\_\_\_  
Notary Public of South Carolina

My Commission Expires: \_\_\_\_\_



EXHIBIT IV  
2/1/78

A RESOLUTION  
MAKING PROVISION FOR THE ISSUANCE AND SALE OF THIRTY EIGHT  
MILLION DOLLARS (\$38,000,000) STATE CAPITAL IMPROVEMENT  
BONDS SERIES L TO BE DATED MARCH 1, 1978.

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

SECTION 1.

As an incident to the adoption of this Resolution, the  
State Budget and Control Board of South Carolina (the State  
Board) has made the following finds:

(1) The State Board is authorized by Act No. 1377 of  
the Acts of the General Assembly of the State of South Carolina  
for the year 1968, as amended (Act 1377) to make provision for  
the issuance of State Capital Improvement Bonds in order to  
raise funds for the expenditures authorized by Act 1377.

(2) Act 1377 was duly enacted by the General Assembly  
in the year 1968 and became effective upon its approval by  
the Governor on June 24, 1968. It has been amended by statutes  
enacted by the General Assembly during each of its subsequent  
sessions, including that recently adjourned 1977 session.

(3) Certain time and dollar limitations imposed by acts  
enacted in each of the 1975, 1976 and 1977 sessions of the  
General Assembly are no longer operative by reason of the  
effective date of New Article X of the Constitution of South  
Carolina and paragraph 1 of Section 4 of Act 125 of 1977  
which provided that upon the effective date of the ratification

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of New Article X the debt limitation imposed by Act 1377 would be the lesser of the dollar limitation imposed by Act 1377 or that resulting from the provisions of subparagraph (c) of paragraph 6 of Section 13 of New Article X. Paragraph 1 of Section 4 of Act 125 further provides that upon its effective date existing statutory formulas and time limitations upon the issuance of State Capital Improvement Bonds should no longer be applicable.

(4) The State Board finds it necessary to raise \$38,000,000 to pay costs of constructing projects now authorized by Act 1377. Such moneys will be applied to construction costs of projects listed on Exhibit A. The issuance of the \$38,000,000 of bonds is within the applicable statutory authorization imposed by Act 1377 and if sold under the conditions prescribed by this resolution will be within the limitation imposed by subparagraph (c) of paragraph 6 of Section 13 of New Article X.

#### SECTION 2.

The Governor of South Carolina and the State Treasurer of South Carolina be and they are hereby requested to effect the issuance of \$38,000,000 of State Capital Improvement Bonds in accordance with the provisions of this Resolution.

#### SECTION 3.

The said bonds shall be in the aggregate principal amount of \$38,000,000, shall be designated "State Capital Improvement

Bonds, Series L", shall be in the denomination of \$5,000 each, and shall be numbered from L-1 to L-7600, inclusive.

SECTION 4.

The said bonds shall be dated March 1, 1978, and shall mature, in annual series or installments, in numerical order, as follows:

\$1,000,000 on March 1 in each of the years  
1979 to 1982 inclusive;

\$2,000,000 on March 1 in each of the years  
1983 to 1990, inclusive; and

\$3,000,000 on March 1 in each of the years  
1991 to 1996 inclusive.

The bonds of this issue maturing on and after March 1, 1989, being bonds numbered L-3201 to L-7600, inclusive, shall be subject to redemption, at the option of the State of South Carolina, in whole or in part, but if in part in inverse numerical order, on March 1, 1988, and on all subsequent interest payment dates, upon published notice as hereinafter provided, at a redemption price, for each bond redeemed, equal to the principal amount of such bond, plus a redemption premium of two per centum (2%) of the principal amount thereof, together with accrued interest to the redemption date. If bonds are called for redemption prior to their stated maturity, notice of redemption, describing the bonds to be redeemed and specifying the redemption date, must be given by the State of South Carolina by publication at least once, not less than

thirty days and not more than sixty days prior to the redemption date, in a financial journal published in the borough of Manhattan, City and State of New York. Interest on the bonds to be redeemed shall cease to accrue from and after the redemption date specified in such notice, unless the State of South Carolina defaults in payment of the redemption price thereof.

SECTION 5.

The bonds shall bear such rate or rates of interest, payable on March 1 and September 1 of each year, commencing September 1, 1978, as shall at the sale of such bonds reflect the lowest interest cost to the State of South Carolina, at a price of not less than par and accrued interest to the date of delivery, but:

- (1) No rate of interest named shall exceed 6%;
- (2) All bonds of the same maturity shall bear the same rate of interest;
- (3) All interest payments shall be evidenced by single coupons;
- (4) No interest rate named shall be more than 1% higher than the lowest rate of interest named;
- (5) Each interest rate named shall be a multiple of 1/8th or 1/20th of one per centum (1%); and
- (6) Any sum named by way of premium shall be paid in cash as a part of the purchase price.

For the purposes of this Section, interest cost shall mean the aggregate of interest on the bonds from March 1, 1978, until their respective maturities, less any sum named by way of premium.



SECTION 6.

Both the principal of and interest on the bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts. The bonds shall be issued as coupon bonds, payable to bearer, with the privilege of registration as to principal only, or as to both principal and interest, on registry books to be kept by the State Treasurer in the City of Columbia, State of South Carolina. If so registered in either manner, appropriate payments on account of principal, or principal and interest, will be made directly to the registered holder by the State Treasurer. Except as to bonds registered as to principal, or as to bonds registered as to both principal and interest, such payments will be made at not more than two banks or trust companies (the Paying Agent), whose names will be printed on the bonds and coupons, to be mutually agreed upon by the State Treasurer and the successful purchaser, provided that:

(a) One shall be a bank organized under the laws of the State of South Carolina, or of the United States, having an office in the City of Columbia, State of South Carolina; and

(b) The second shall be a bank or trust company organized under the laws of one of the States of the United States, or of the United States located in a City agreeable to the State Treasurer.

Should it happen that the State Treasurer and the successful bidder shall fail to agree upon the banks or trust companies at which the bonds shall be payable, then, in such event, the bonds, both principal and interest, shall be payable at the principal office of a bank or trust company located in the City of New York, State of New York, or, at the option of the holder, at a bank or trust company having an office in the City of Columbia, State of South Carolina, both to be designated by the State Treasurer.

SECTION 7.

The bonds are issued to provide funds for projects listed in Exhibit "A" attached hereto and made a part of this Resolution and for the State Agencies listed therein. The principal proceeds of such bonds shall be expended by the State Treasurer for such purposes only and in accordance with Section 14 hereof.

SECTION 8.

The bonds shall be signed by the Governor of South Carolina and by the State Treasurer of South Carolina; the Great Seal of the State shall be reproduced thereon, attested by the Secretary of State of South Carolina; provided that any two of the officers required to execute or attest the execution of the bonds may employ a facsimile of their signature in lieu of

manually signing or attesting the bonds, but there shall be at least one manual signature on each of the bonds. The coupons attached to said bonds shall be authenticated by the facsimile signature of the State Treasurer in office on the date of the adoption of this Resolution. The execution of the bonds and coupons as provided for by this section shall be valid notwithstanding any subsequent change in office of any of such officers.

SECTION 9.

For the prompt payment of the principal of and interest on the bonds, as they respectively mature, the full faith, credit and taxing power of the State of South Carolina are hereby irrevocably pledged.

SECTION 10.

The form of the bonds, with interest coupons thereto attached, and the registration certificate to be endorsed thereon shall be substantially as set forth in Exhibit "B" attached hereto and made a part hereof.

SECTION 11.

Both the principal of and interest on the bonds shall be exempt from all State, County, Municipal, School District, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes.

SECTION 12.

In case any bond shall become mutilated in respect to the body of such bond or the coupons, if any, appertaining thereto, or shall be believed to have been destroyed, stolen, or lost, upon proof of ownership, satisfactory to the Governor and the State Treasurer of South Carolina, and upon surrender of such mutilated bond, with its coupons, if any, to the State Treasurer of South Carolina, or upon receipt of evidence satisfactory to the State Treasurer of South Carolina of such destruction, theft or loss, and upon receipt also of indemnity satisfactory to the State Treasurer of South Carolina, and upon payment of all expenses incurred by the State of South Carolina for any investigation relating thereto, and all expenses incurred in connection with the issuance of any new bond under this Section, the Governor, State Treasurer and Secretary of State of South Carolina shall without further action of the Board execute and deliver a new bond of the same maturity, in either coupon or fully registered form, for the same aggregate principal amount, with the coupons, if any, appertaining thereto, of like tenor and date, bearing the same number, with such notations as the State Treasurer of South Carolina shall determine, in exchange and substitution for, and upon the cancellation of, the mutilated bond, its coupons, if any, or in lieu of and in substitution of the bonds and coupons, if any, so lost, stolen or destroyed.



SECTION 13.

The bonds shall be sold at public sale, together with an issue of \$27,425,000 State School Bonds in such manner that persons bidding shall be required to bid on both the State Capital Improvement Bonds and the State School Bonds as though such issues constituted only a single issue of bonds, at not less than par and accrued interest. The said bonds shall be advertised for sale in the following publications:

"THE BOND BUYER", a financial journal published in the City of New York, State of New York; and

"THE STATE", a daily newspaper published in the City of Columbia, State of South Carolina;

which notice of sale shall appear at least once, not less than ten days prior to the date set for said sale. The form of notice, time and conditions of sale shall be substantially as set forth in Exhibit "B" attached hereto and made a part and parcel hereof.

SECTION 14.

The proceeds derived from the sale of the bonds shall be applied and disposed of as follows:

(1) Any accrued interest shall be applied to the payment of the first installment of interest to become due on the bonds;

(2) The premium, if any, shall be applied to the payment of the first installment of principal on said bonds;

(3) The remaining proceeds shall be applied to meet the expenses in connection with the issuance of the bonds as authorized by Act 1377, and thereafter applied to expenditures on the projects referred to in Section 7 of this Resolution.

SECTION 15.

The bonds shall be printed and shall be forthwith executed in the manner set forth in Section 8 hereof, in order to effect their delivery on the occasion prescribed by the Notice of Sale.

SECTION 16.

If all of the bonds, and coupons, representing interest thereon, issued pursuant to this Resolution, shall have been paid and discharged, then this Resolution and all rights granted hereby shall cease and determine. Bonds and coupons shall be deemed to have been paid and discharged within the meaning of this Section:

(a) If the Paying Agent shall hold, at their maturity in trust for and irrevocably appropriated thereto, sufficient moneys for the payment of the principal thereof and accrued interest to the date of maturity, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments or

(b) If there shall have been deposited in an irrevocable Trust moneys or direct obligations of the United States of America or obligations guaranteed by the United States of America, the principal of and interest on which, when due, will provide moneys, which together with moneys, if any so deposited at the same time, will be sufficient to pay when due the principal, interest and redemption premiums, if any, on the Bonds so defeased in accordance herewith.

Any moneys or securities which at any time shall be so deposited, by or on behalf of the State of South Carolina, for the purpose of paying and discharging any of the bonds or coupons, shall be, and are hereby, assigned, transferred and set over in trust for the respective holders of the bonds and coupons, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. But, if through lapse of time or otherwise, the holders of said bonds or coupons shall no longer be entitled to enforce payment of their obligations, then, in such event, said funds or securities shall revert to the State of South Carolina.

SECTION 17.

If bids are received in accordance with the terms and conditions of sale as herein provided, the Governor and the

State Treasurer shall, and they are hereby authorized and empowered to award the sale of the bonds to the bidder naming the lowest interest cost to the State, without further action on the part of this Board.

SECTION 18.

All prior Resolutions of the State Board inconsistent herewith are hereby repealed.

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EXHIBIT "A"

AGENCY/Project

1. ADJUTANT GENERAL'S OFFICE

1. Fees-Winnsboro, Kingstree, Lyman & Marion Armories
2. Armory Construction - Hartsville
3. Armory Construction - Winnsboro
4. Armory Construction - Lyman
5. Armory Construction - Marion
6. Armory Construction - Kingstree
7. Maintenance Shop - Hemingway
8. Roof Replacement & Armory Repair
9. Architectural & Engineering Studies
10. Replace Armory Heating Systems

2. STATE LAW ENFORCEMENT DIVISION

1. Criminal Justice Information & Comm. Bldg.

3. BUDGET AND CONTROL BOARD

1. Blatt & Gressette Bldgs.
2. Lace House Land Acquisition
3. Dennis Building Fees

4. UNIVERSITY OF SOUTH CAROLINA

1. Horseshoe Renovation
2. Cultural Center Land & Utilities
3. Gambrell Hall
4. Eng./Wardlaw Bldgs. Renovation
5. Aiken Multipurpose Bldg. Fees
6. Aiken
7. Coastal: Library, Classroom Fees
8. Coastal: Library, Classroom
9. Coastal: Campus Development
10. Coastal: Student Union & Warehouse
11. Spartanburg
12. Aiken: Campus Development - Planning
13. Spartanburg: Hodge Center Addn. - Planning
14. Spartanburg: Campus Development

5. CLEMSON UNIVERSITY

1. Dairy Science Research Center
2. Utility System
3. Cooper Library
4. Small Animal Facility
5. Poultry Research Relocation
6. Sarrine Hall
7. PSA - Pee Dee Experiment Station Planning

EXHIBIT "A"

AGENCY/Project

6. MEDICAL UNIVERSITY

1. Hospital Renovation
2. Business Services Bldg.
3. Allied Health Sciences Bldg.
4. Eye Institute
5. Property Purchase
6. Hospital Equipment
7. Library/Adm./Clin. Science Bldg.
8. Inst. for Human Development
9. Quadrangle Renovation
10. Laboratory/Radiology/Surgery
11. Family Residency Facility - Florence
12. Hospital East Wing - Planning

7. THE CITADEL

1. Barracks Renovation
2. Physical Education Bldg.
3. WLI Parking Lot Improvement

8. WINTHROP COLLEGE

1. Swimming Pool
2. Conservatory Airconditioning
3. Tennis Courts
4. McFeat Renovation
5. Physical Education Facilities
6. Roddey Renovation
7. Bancroft Renovation

9. STATE COLLEGE

1. Planetarium
2. Building Renovation
3. Boiler Replacement

10. FRANCIS MARION COLLEGE

1. Campus Development
2. Library Renovation
3. Fine Arts Building - Planning

11. COLLEGE OF CHARLESTON

1. Fine Arts Center Fees
2. Craig Union Renovation Fees
3. Fine Arts Center
4. Energy Facility
5. Education Center
6. Craig Union
7. Outdoor Activities
8. Educational Equipment

12. LANDER COLLEGE

1. Library
2. Student Center/Adm. Complex Fees
3. Student Center
4. Learning Center - Planning

EXHIBIT "A"

AGENCY/Project

13. DEPT. OF EDUCATION - VOCATIONAL EDUCATION

1. Equipment for Voc. Schools
2. Construction of Voc. Schools

14. TECHNICAL & COMPREHENSIVE EDUCATION

1. Denmark Adm/Classroom/Shop Building
2. Beaufort Classroom Building
3. Denmark Shop Complex
4. Beaufort Shop Complex
5. Equipment
6. Beaufort TEC
7. Midlands TEC (Airport Campus) Lab/Shop
8. Piedmont Classrooms/Laboratory
9. Greenville Student Center
10. General Facilities Expansion

15. EDUCATIONAL TELEVISION COMMISSION

1. Headquarters Facility A&E Fees
2. Headquarters Facility/USC Parking Garage
3. Headquarters Facility/Consultants
4. Expansion of Open Circuits

16. DEPT. OF ARCHIVES & HISTORY

1. Records Center
2. Heating/Cooling System

17. SCHOOL FOR THE DEAF & THE BLIND

1. Alarm and Sprinkler System

18. DEPT. OF MENTAL HEALTH

1. SCSH Renovations
2. Energy Facility
3. Information & Fire Alarm System
4. Village "B" Planning
5. Village "C" Planning
6. Thompson Bldg.

EXHIBIT "A"

AGENCY/Project

19. DEPT. OF MENTAL RETARDATION

1. WV Fire Alarm System Fees
2. WV Fire Alarm System
3. CC Adm/Classroom Bldgs. Etc. Fees
4. WV Clinic/ICF Fees
5. WV Clinic/ICF
6. PD Chapel Renovation Fees
7. PD Center
8. MC Phase II Fees
9. MC Phase II
10. Laundry Equipment
11. Laundry Equip. Handling & Storage
12. Lea Center Fees
13. Spartanburg Residential Facility
14. WV Sewage Treatment Fac. Fees
15. MC A/C Old Dorms Fees
16. WV Steam Plant Expansion Fees
17. WV Improvements and Renovations
18. MC Improvements
19. PD New Dormitory and Improvements
20. WV Steam Plant Expansion

\*\*WV is Whitten Village; CC is Coastal Center; PD is Pee Dee

20. COMMISSION FOR THE BLIND

1. Adult Adjustment & Training Center

21. DEPT. OF CORRECTIONS

1. New and Expanded Facilities
2. Prototype Facilities - Design Fees
3. Medium Security Facility (Oaklawn)
4. Industries Building (Oaklawn)
5. Minimum Security Facility (Spartanburg)
6. Industries Building (Spartanburg)
7. Multipurpose Building (Spartanburg)
8. Educational/Vocational Building (Spartanburg)
9. Abattoir
10. Dormitory Addition (Wateree)
11. Roof Repair (MacDougall)
12. Renovations (Wateree)
13. Renovations (State Park)
14. Renovations (Kirkland Infirmary)



EXHIBIT "A"

AGENCY/Project

22. FORESTRY COMMISSION

1. Tower Attendant Housing:
  - (1) Anderson County
  - (2) Beaufort County
  - (3) Hampton County
  - (4) York County
  - (5) Cherokee County

23. DEPT. OF AGRICULTURE

1. Laboratory

24. WILDLIFE & MARINE RESOURCES DEPT.

1. Dennis Center Phase II A&E Fees
2. Food Technology Lab A&E Fees
3. Cooperative Research Facility Fees
4. Food Technology Laboratory
5. Dennis Wildlife Center Phase II
6. Improvement of Existing Radio Stations

25. DEPT. OF PARKS, RECREATION & TOURISM

1. Keowee-Toxaway Park
2. Murrell's Inlet Channel Improvement
3. Barnwell State Park
4. Dreher Island
5. Camp Croft
6. Recreation Land Trust
7. Long Bluff
8. Upgrading of Sewage Facilities

26. AERONAUTICS COMMISSION

1. Myrtle Beach AFB - Civilian Facility
2. John Island Airport
3. Lancaster County Airport
4. Orangeburg Airport
5. Sumter Airport
6. Rock Hill Airport
7. Various Projects
8. Purchase of Replacement Airplane

27. STATE HIGHWAY DEPARTMENT

1. Headquarters Building

EXHIBIT "A"

AGENCY/Project

28. STATE PORTS AUTHORITY

1. \*UP-Improvements & Site Prep.
2. NC-Container Storage
3. Seatrain Maint. & Parking Area
4. NC-Service Road & Drainage
5. UP-Extension
6. CS-Container Storage Fac.
7. CS-Truck Assembly Area
8. NC-Site Imp. & Container Storage
9. NC-Fill Additional Area
10. Removal of Tanks
11. CS-Property Acquisition
12. NC-Warehouse
13. Port Victoria Improvements
14. West Bank Projects

\*UP is Union Pier; NC is N. Charleston; and CS is Columbus Street

29. PUBLIC RAILWAYS COMMISSION

1. Locomotive Overhaul

EXHIBIT "A" - SCHEDULE 1  
CAPITAL IMPROVEMENT BOND AUTHORIZATIONS  
FOR PROJECTS UNDER SUPERVISION OF AGENCIES LISTED  
AUTHORIZED BALANCE NOT DRAWN FROM STATE TREASURER AS OF 12/31/77

	<u>Total</u>
1. Adjutant General's Office	\$ 1 030 623 10
2. State Law Enforcement Division	299 719 22
3. Budget and Control Board	4 850 823 92
4. University of South Carolina	5 823 854 57
5. Clemson University	1 533 240 00
6. Medical University	10 776 968 52
7. The Citadel	30 045 98
8. Winthrop College	92 994 88
9. State College	997 058 49
10. Francis Marion College	124 730 30
11. College of Charleston	4 484 274 11
12. Lander College	2 340 485 90
13. Dept. of Education - Voc. Ed.	8 707 476 31
14. Technical & Comprehensive Education	8 241 578 78
15. Educational Television Commission	8 884 111 12
16. Dept. of Archives & History	276 992 82
17. School for the Deaf & Blind	142 561 90
18. Department of Mental Health	7 748 782 46
19. Department of Mental Retardation	8 636 783 48
20. Commission for the Blind	4 199 25
21. Department of Corrections	36 448 286 08
22. Forestry Commission	34 875 57
23. Department of Agriculture	286 142 76
24. Wildlife & Marine Resources Dept.	990 726 21
25. Dept. of Parks, Recreation & Tourism	3 198 660 68
26. Aeronautics Commission	2 064 053 30
27. Highway Department	735 890 23
28. Ports Authority	65 418 832 18
29. Public Railways Commission	219 756 04
Total	<u>\$184 424 528 16</u>
1. Total Authorized But Not Drawn From State Treasurer	\$184 424 528 16
2. Less Cash on Hand and Receivables	<u>19 410 168 60</u>
*3. Total Authorized But Not Issued	<u>\$165 014 359 56*</u>

\*Includes \$580,394.45 for Dept. of Mental Retardation pending further action by Budget and Control Board.

EXHIBIT "B"

UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
STATE CAPITAL IMPROVEMENT BOND  
(SERIES L)

\$5,000  
No. L-\_\_\_\_\_

\$5,000  
No. L-\_\_\_\_\_

The STATE OF SOUTH CAROLINA hereby acknowledges that it is indebted and for value received, promises to pay to the bearer hereof, or, if this bond be registered, to the registered holder hereof, the sum of

FIVE THOUSAND DOLLARS

on the first day of March, 19\_\_ (unless this bond be subject to redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), with interest thereon, from the date of this bond, at the rate of \_\_\_\_\_ per centum ( %) per annum, payable on March 1 and September 1 of each year, commencing September 1, 1978, according to the tenor, and upon presentation and surrender, of the annexed coupons as they severally become due, or if this bond be registered as to both principal and interest, to the registered holder hereof. Both the principal of and interest on this bond are 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. Unless this bond be registered, payment of both principal and interest will be made at the principal office of \_\_\_\_\_, in the City of \_\_\_\_\_, State of \_\_\_\_\_, or at the option of the holder, at the principal office of \_\_\_\_\_, in the City of \_\_\_\_\_, State of \_\_\_\_\_.

At the written request of the holder, and upon presentation of this bond to the State Treasurer of South Carolina, this bond will be registered in the holder's name on the books of the State Treasurer as to principal only, or as to both principal and interest, and such registration noted hereon by the State Treasurer, after which no transfer of this bond shall be valid unless made on said books and noted hereon, or, unless in case of registration as to principal only, the last registered transfer so noted shall have been to bearer. Registration as to principal only shall not affect the negotiability of the coupons hereto attached, which shall continue to pass by delivery. If this bond be registered as to principal only, payment of the principal of this bond, upon maturity, will be made to the registered holder upon surrender of this bond to the State Treasurer. In case of registration as to both principal and interest, all unmatured coupons will be cut off and destroyed by the State Treasurer, and that fact noted

hereon by him, and thereafter interest evidenced by such surrendered coupons will be paid by check or draft by the State Treasurer at the times provided herein by mail to the registered holder of this bond at the address shown on the registration books, and in such case payment of the principal of this bond, upon maturity, will be made to the registered holder upon surrender of this bond to the State Treasurer.

The bonds of this issue maturing on and after March 1, 1989, being bonds numbered L-3201 to L-7600, inclusive, are subject to redemption, at the option of the State of South Carolina, in whole or in part, but if in part in inverse numerical order, on March 1, 1988, and on all subsequent interest payment dates, upon published notice as hereinafter provided, at a redemption price, for each bond redeemed, equal to the principal amount of such bond, plus a redemption premium of two per centum (2%) of the principal amount thereof, together with accrued interest to the redemption date. If bonds are called for redemption prior to their stated maturity, notice of redemption, describing the bonds to be redeemed and specifying the redemption date, must be given by the State of South Carolina by publication at least once, not less than thirty days and not more than sixty days prior to the redemption date, in a financial journal published in the Borough of Manhattan, City and State of New York. Interest on the bonds to be redeemed

shall cease to accrue from and after the redemption date specified in such notice, unless the State of South Carolina defaults in payment of the redemption price thereof.

This bond is one of an issue of bonds in the aggregate principal amount of Thirty Eight Million Dollars (\$38,000,000) of like tenor, except as to number, rate of interest, date of maturity, and redemption provisions, issued pursuant to and in accordance with the Constitution and Laws of the State of South Carolina, including particularly the provisions of Act No. 1377 of the Acts of the General Assembly of the State of South Carolina for the year 1968, approved the 24th day of June, 1968, as amended, (the Act), for the purpose of raising funds for purposes authorized by the Act.

For the payment of the principal of and interest on this bond there are hereby pledged the full faith, credit and taxing power of the State of South Carolina.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this bond, exist, have been performed and have happened, that the amount of this bond, together with all other indebtedness of the State of South Carolina, does not exceed any limit prescribed by such Constitution

or Statutes, and that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of an interest on this bond and the issue of bonds of which this bond is one.

IN WITNESS WHEREOF, the State of South Carolina has caused this bond to be signed by the facsimile signature of the Governor of South Carolina and by the manual signature of the State Treasurer of South Carolina, the Great Seal of the State of South Carolina to be reproduced hereon and attested by the facsimile signature of the Secretary of State of South Carolina, the coupons attached hereto to be authenticated by the facsimile signature of the State Treasurer in office on the date of this bond, and this bond to be dated March 1, 1978.

(SEAL)

\_\_\_\_\_  
Governor

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

Attest:

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



(FORM OF COUPON)

On the first day of \_\_\_\_\_, 19\_\_, the STATE OF SOUTH CAROLINA (unless the bond mentioned below be sooner redeemed or its redemption be provided for) will pay to BEARER

\_\_\_\_\_ DOLLARS \$ \_\_\_\_\_,  
at the principal office \_\_\_\_\_,  
in the City of \_\_\_\_\_, State of \_\_\_\_\_,  
or, at the option of the holder, at the principal office of  
\_\_\_\_\_, in the City of \_\_\_\_\_,  
State of \_\_\_\_\_, in any coin or currency of the  
United States of America which is then legal tender for the  
payment of public and private debts, being the interest then  
due on its STATE CAPITAL IMPROVEMENT BOND (SERIES L), dated  
March 1, 1978, No. L-\_\_\_\_\_.

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

(FORM OF REGISTRATION TO APPEAR ON THE REVERSE OF EACH BOND)

IT IS HEREBY CERTIFIED that upon the written request of the holder of the within bond for its registration as to both principal and interest, I have this day cut off and destroyed all unmatured coupons of said bond, being \_\_\_\_\_ in number, and that the principal and interest of said bond are payable to the registered holder or his legal representative or successor.

Dated:

\_\_\_\_\_, 19

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

NO WRITING ON THIS BOND EXCEPT  
BY THE STATE TREASURER OR HIS  
DEPUTY

The registration indicated below is to be deemed to be  
as to principal only, unless the above certificate has been  
executed by the State Treasurer.

<u>DATE OF REGISTRATION</u>	<u>NAME OF REGISTERED HOLDER</u>	<u>STATE TREASURER</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

NOTICE OF SALE

\$65,425,000

GENERAL OBLIGATION BONDS

OF THE STATE OF SOUTH CAROLINA

SEALED PROPOSALS will be received by the Governor and the State Treasurer of the State of South Carolina, in the Office of the State Treasurer, in the Wade Hampton Office Building, in the City of Columbia, South Carolina, on \_\_\_\_\_, 1977, until 11:00 A.M. (EASTERN STANDARD TIME), at which time the proposals will be publicly opened and announced for the purchase of \$65,425,000 General Obligation Bonds of the State of South Carolina.

The foregoing bonds will consist of two issues enumerated below, which, in their aggregate, are offered as a single issue:

(1) \$38,000,000 State Capital Improvement Bonds, Series L, issued for the purpose of defraying the cost of certain capital improvements pursuant to and in accordance with the Constitution and Laws of the State of South Carolina, payable in installments on March 1 as follows:

\$1,000,000 on March 1, in each of the years  
1979 to 1982, inclusive;

\$2,000,000 on March 1 in each of the years  
1983 to 1990, inclusive; and

\$3,000,000 on March 1 in each of the years  
1991 to 1996, inclusive.

(2) \$27,425,000 State School Bonds, issued for the purpose of defraying the cost of certain capital improvements for school buildings pursuant to and in accordance with the Constitution and Laws of the State of South Carolina, payable in installments on March 1 as follows:

\$1,425,000 on March 1, 1979;

\$2,000,000 on March 1, in each of the  
years 1980 to 1987, inclusive; and

\$2,500,000 on March 1, in each of the  
years 1988 to 1991, inclusive.

The bonds will be dated March 1, 1978 and will be in the denomination of \$5,000 each. The bonds will bear interest from their date and such interest will be payable on March 1 and September 1 of each year, beginning September 1, 1978.

The bonds will be issued as coupon bonds, with the privilege of registration as to principal only, or as to both principal and interest, on registry books to be kept by the State Treasurer in the City of Columbia, South Carolina. If so registered in either manner, appropriate payments on account of principal, or principal and interest, will be made directly to the registered holder by the State Treasurer.

The State Capital Improvement Bonds will be numbered consecutively from 1 upwards in the order of their maturities, and will bear the prefix "L".

The State School Bonds will be numbered consecutively from 1 upwards in the order of their maturities and will bear the prefix "LL".

The composite maturity schedule of the State Capital Improvement Bonds and the State School Bonds is as follows:

PRINCIPAL AMOUNT	YEAR	PRINCIPAL AMOUNT	YEAR
\$2,425,000	1979	\$4,500,000	1988
\$3,000,000	1980	\$4,500,000	1989
\$3,000,000	1981	\$4,500,000	1990
\$3,000,000	1982	\$5,500,000	1991
\$4,000,000	1983	\$3,000,000	1992
\$4,000,000	1984	\$3,000,000	1993
\$4,000,000	1985	\$3,000,000	1994
\$4,000,000	1986	\$3,000,000	1995
\$4,000,000	1987	\$3,000,000	1996



The bonds of each issue maturing on and after March 1, 1989 are subject to redemption, at the option of the State of South Carolina, in whole or in part, but if in part, in inverse numerical order, on March 1, 1988, and on all subsequent interest payment dates, at par plus accrued interest to the date of redemption, plus a redemption premium of two per centum (2%) of the principal amount of each bond redeemed.

The State Capital Improvement Bonds are issued pursuant to Act No. 1377 of the Acts of the General Assembly of the State of South Carolina for the year 1968, as amended (Act 1377).

The State School Bonds are issued pursuant to the provisions of Title 59, Chapter 21, Article 5 of Code of Laws of South Carolina, 1976.

Bidders are invited to name the rate or rates of interest which the bonds will bear, under the following conditions:

- (1) No rate of interest shall exceed 6%;
- (2) All bonds of the same maturity, as set forth in the composite schedule shown above, shall bear the same rate of interest;
- (3) All interest payments shall be evidenced by single coupons;
- (4) No interest rate named shall be more than 1% higher than the lowest rate of interest named;
- (5) Each interest rate named shall be a multiple of 1/8th or 1/20th of one per centum (1%); and
- (6) Any sum named by way of premium shall be paid in cash as a part of the purchase price.

Interest cost will be determined by deducting premium, if any, from the aggregate of interest on the bonds from March 1, 1978, until their respective maturities. Bidders are requested to complete the tabulation on the official bid form, which must be used, but such tabulations are not required and will not be regarded as a part of the bid.

Unless all proposals are rejected, the proposal naming the lowest interest cost to the State will be accepted.

Both the principal of and interest on the bonds will be payable in any coin or currency of the United States of America which, at the time of payment, shall be legal tender for the payment of public and private debts. Except as to bonds registered as to principal or as to bonds registered as to both principal and interest, such payments shall be made at not more than two banks or trust companies, whose names will be printed on the bonds and coupons, to be mutually agreed upon by the State Treasurer and the successful purchaser, provided that:

(a) One shall be a bank or trust company organized under the laws of the State of South Carolina, or of the United States, having an office in the City of Columbia, South Carolina.

(b) The second shall be a bank or trust company organized under the laws of the State of South Carolina, or of the United States, having an office in the City of Columbia, South Carolina.

Should it happen that the State Treasurer and the successful bidder shall fail to agree upon the banks or trust companies at which the bonds shall be payable, then, in such event, the bonds, both principal and interest, shall be payable at the principal office of a bank or trust company located in the City of New York, State of New York, or, at the option of the holder, at a bank or trust company having an office in the City of Columbia, State of South Carolina, both to be designated by the State Treasurer.

Each proposal must be submitted on the official bid form, must be enclosed in a sealed envelope and should be addressed to the State Treasurer of the State of South Carolina, Wade Hampton Office Building, Columbia, South Carolina, and marked on the outside in substance "Proposal for State General Obligation Bonds". As a condition precedent to the consideration of its proposal, each bidder must enclose with it a certified or cashier's or treasurer's check drawn upon a bank or trust company, payable to the order of the Treasurer of South Carolina for \$500,000, as a good faith deposit. The check of the successful bidder will be applied in part payment of the bonds or to secure the State from any loss resulting from the failure of such bidder to comply with the terms of its bid. The good faith deposit will be returned to the successful bidder if the State of South Carolina shall fail to deliver the bonds as provided in this Notice of Sale. No interest will be allowed on the good faith deposit of the successful bidder.

No proposal for the purchase of less than all of the \$65,425,000 of bonds, or at a price of less than par and accrued interest to the date of delivery will be considered.

Payment for the bonds must be made in Federal Funds or other immediately available funds.

The right to reject all bids is reserved and any bid not conforming to this notice may be rejected, but the right is reserved to waive technicalities.

The State will furnish, without cost to the successful bidder, the printed bonds and the opinions of The Honorable Daniel R. McLeod, Attorney General of the State of South Carolina, and of Sinkler Gibbs & Simons, Attorneys at Law, Charleston, South Carolina. The opinions with respect to each issue of bonds will state in substance: (1) the bonds are valid and legally binding obligations of the State of South Carolina, (2) the full faith, credit and taxing power of the State of South Carolina are pledged to the payment of the principal of and interest on the bonds as they become due and payable, and (3) that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on the bonds.

The opinions with respect to each issue will also state that (a) interest on the bonds is exempt from Federal income taxes under Federal Statutes existing on the date of the delivery of the bonds, as then judicially construed, and (b) the bonds and the interest thereon are exempt from all state, county, municipal, school district and all other taxes or assessments imposed thereon within the State of South Carolina, except inheritance, estate or transfer taxes. Upon the delivery of the bonds and payment therefor, the purchasers will also be furnished with the closing documents set forth under the heading "Legal Opinions and Certificates" in the Official Statement relating to the bonds.

The Official Statement will be mailed on or about \_\_\_\_\_, 1978. The successful bidder will be furnished with 250 copies without cost.

The opinion of Messrs. Sinkler Gibbs & Simons will be printed on the back of each of the bonds.

Prospective purchasers may obtain, in advance of the sale, copies of the bid form and the Official Statement relating to the bonds from the undersigned State Treasurer.

JAMES B. EDWARDS, Governor

GRADY L. PATTERSON, JR., State  
Treasurer

Publication Date:

\_\_\_\_\_, 1978.



Schedule No. 1

Prepared as of 3/2/78

SHOWING ANNUAL PAYMENTS REQUIRED TO RETIRE ALL OUT-  
STANDING STATE CAPITAL IMPROVEMENT BONDS, PRINCIPAL  
AND INTEREST, PREPARED AS OF MARCH 2, 1973\*

Fiscal Year Ending June 30	Total Principal	Total Interest	Total Principal and Interest
1978	\$ 4,500,000.00	\$ 6,690,437.50	\$ 11,190,437.50
1979	25,000,000.00	12,676,250.00	37,676,250.00
1980	25,500,000.00	11,536,187.50	37,036,187.50
1981	26,000,000.00	10,405,750.00	36,405,750.00
1982	26,500,000.00	9,259,750.00	35,759,750.00
1983	27,000,000.00	8,068,000.00	35,068,000.00
1984	25,750,000.00	6,874,000.00	32,624,000.00
1985	26,750,000.00	5,678,625.00	32,428,625.00
1986	22,500,000.00	4,431,625.00	26,931,625.00
1987	20,250,000.00	3,463,250.00	23,713,250.00
1988	16,250,000.00	2,622,500.00	18,872,500.00
1989	11,750,000.00	1,956,625.00	13,706,625.00
1990	9,500,000.00	1,440,500.00	10,940,500.00
1991	7,500,000.00	1,029,750.00	8,529,750.00
1992	7,500,000.00	672,250.00	8,172,250.00
1993	3,500,000.00	411,250.00	3,911,250.00
1994	3,500,000.00	246,750.00	3,746,750.00
1995	3,500,000.00	82,250.00	3,582,250.00
	\$292,750,000.00	\$87,545,750.00	\$380,295,750.00

\*Does not include \$38,000,000 Series L Bonds now offered.

Schedule No. 1 - (a)

STATE CAPITAL IMPROVEMENT BONDS, SERIES A, dated APRIL 1, 1970.  
\$30,000,000 which matured and mature as follows:

\$2,500,000 on October 1 in each of the years  
1971 to 1982, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1971	5.30%	1977	4.55%
1972	5.30%	1978	4.65%
1973	5.00%	1979	4.75%
1974	4.30%	1980	4.80%
1975	4.40%	1981	4.85%
1976	4.45%	1982	4.875%

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES A BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u> <u>ENDING</u> <u>JUNE 30</u>	<u>PRIN.</u> <u>DUE</u> <u>OCT. 1</u>	<u>OCT. 1</u>	<u>INTEREST</u> <u>APRIL 1</u>	<u>TOTAL</u> <u>INTEREST</u>	<u>PRINCIPAL</u> <u>&amp; INTEREST</u>
1971 \$	-	\$ 715,312.50	\$ 715,312.50	\$1,430,625.00	\$ 1,430,625.00
1972	2,500,000	715,312.50	649,062.50	1,364,375.00	3,864,375.00
1973	2,500,000	649,062.50	582,812.50	1,231,875.00	3,731,875.00
1974	2,500,000	582,812.50	520,312.50	1,103,125.00	3,603,125.00
1975	2,500,000	520,312.50	466,562.50	986,875.00	3,486,875.00
1976	2,500,000	466,562.50	411,562.50	878,125.00	3,378,125.00
1977	2,500,000	411,562.50	355,937.50	767,500.00	3,267,500.00
1978	2,500,000	355,937.50	299,062.50	655,000.00	3,155,000.00
1979	2,500,000	299,062.50	240,937.50	540,000.00	3,040,000.00
1980	2,500,000	240,937.50	181,562.50	422,500.00	2,922,500.00
1981	2,500,000	181,562.50	121,562.50	303,125.00	2,803,125.00
1982	2,500,000	121,562.50	60,937.50	182,500.00	2,682,500.00
1983	2,500,000	60,937.50	-	60,937.50	2,560,937.50

\$30,000,000 \$5,320,937.50 \$4,605,625.00 \$9,926,562.50 \$39,926,562.50

Balance as of March 2, 1978

\$12,500,000 \$ 904,062.50 \$ 904,062.50 \$1,808,125.00 \$14,308,125.00

Schedule No. 1 - (b)

STATE CAPITAL IMPROVEMENT BONDS, SERIES B, dated OCTOBER 1, 1970.  
\$22,700,000 which matured and mature as follows:

\$ 700,000 on October 1 in the year 1971;  
\$1,000,000 on October 1 in each of the years  
1972 to 1974, inclusive;  
\$1,250,000 on October 1 in each of the years  
1975 and 1976;  
\$1,500,000 on October 1 in each of the years  
1977 and 1978;  
\$1,750,000 on October 1 in each of the years  
1979 and 1980; and  
\$2,000,000 on October 1 in each of the years  
1981 to 1985, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1971-1972	5.00%	1982	4.50%
1973	4.50%	1983	4.70%
1974-1979	4.00%	1984	4.80%
1980	4.10%	1985	4.90%
1981	4.30%		

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES B BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u> <u>ENDING</u> <u>JUNE 30</u>	<u>PRIN.</u> <u>DUE</u> <u>OCT. 1</u>	<u>OCT. 1</u>	<u>INTEREST</u> <u>APRIL 1</u>	<u>TOTAL</u> <u>INTEREST</u>	<u>PRINCIPAL</u> <u>&amp; INTEREST.</u>
1971	\$	\$ -	\$ 497,875	\$ 497,875	\$ 497,875
1972	700,000	497,875	480,375	978,250	1,678,250
1973	1,000,000	480,375	455,375	935,750	1,935,750
1974	1,000,000	455,375	432,875	888,250	1,888,250
1975	1,000,000	432,875	412,875	845,750	1,845,750
1976	1,250,000	412,875	387,875	800,750	2,050,750
1977	1,250,000	387,875	362,875	750,750	2,000,750
1978	1,500,000	362,875	332,875	695,750	2,195,750
1979	1,500,000	332,875	302,875	635,750	2,135,750
1980	1,750,000	302,875	267,875	570,750	2,320,750
1981	1,750,000	267,875	232,000	499,875	2,249,875
1982	2,000,000	232,000	189,000	421,000	2,421,000
1983	2,000,000	189,000	144,000	333,000	2,333,000
1984	2,000,000	144,000	97,000	241,000	2,241,000
1985	2,000,000	97,000	49,000	146,000	2,146,000
1986	2,000,000	49,000	-	49,000	2,049,000
	\$22,700,000	\$4,644,750	\$4,644,750	\$9,289,500	\$31,989,500
Balance as of March 2, 1978					
	\$15,000,000	\$1,614,625	\$1,614,625	\$3,229,250	\$18,229,250
	=====	=====	=====	=====	=====

Schedule No. 1 - (c)

STATE CAPITAL IMPROVEMENT BONDS, SERIES C, dated MARCH 1, 1971  
\$25,000,000 which mature as follows:

\$1,000,000 on December 1 in each of the years  
1972 to 1975, inclusive;  
\$1,250,000 on December 1 in each of the years  
1976 to 1979, inclusive;  
\$1,500,000 on December 1 in each of the years  
1980 to 1982, inclusive;  
\$2,500,000 on December 1 in the year 1983; and  
\$3,000,000 on December 1 in each of the years  
1984 to 1986, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1972-1973	4.50%	1981	4.00%
1974	4.00%	1982	4.10%
1975-1977	3.50%	1983	4.25%
1978	3.60%	1984	4.35%
1979	3.75%	1985	4.45%
1980	3.90%	1986	4.25%

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES C BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u>	<u>PRIN.</u> <u>ENDING</u>	<u>DUE</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>
<u>JUNE 30</u>	<u>DEC. 1</u>	<u>DEC. 1</u>	<u>JUNE 1</u>	<u>INTEREST</u>	<u>&amp; INTEREST</u>
1971 \$	-	\$ -	\$ 255,531.25	\$ 255,531.25	\$ 255,531.25
1972	-	511,062.50	511,062.50	1,022,125.00	1,022,125.00
1973	1,000,000	511,062.50	488,562.50	999,625.00	1,999,625.00
1974	1,000,000	488,562.50	466,062.50	954,625.00	1,954,625.00
1975	1,000,000	466,062.50	446,062.50	912,125.00	1,912,125.00
1976	1,000,000	446,062.50	428,562.50	874,625.00	1,874,625.00
1977	1,250,000	428,562.50	406,687.50	835,250.00	2,085,250.00
1978	1,250,000	406,687.50	384,812.50	791,500.00	2,041,500.00
1979	1,250,000	384,812.50	362,312.50	747,125.00	1,997,125.00
1980	1,250,000	362,312.50	338,875.00	701,187.50	1,951,187.50
1981	1,500,000	338,875.00	309,625.00	648,500.00	2,148,500.00
1982	1,500,000	309,625.00	279,625.00	589,250.00	2,089,250.00
1983	1,500,000	279,625.00	248,875.00	528,500.00	2,028,500.00
1984	2,500,000	248,875.00	195,750.00	444,625.00	2,944,625.00
1985	3,000,000	195,750.00	130,500.00	326,250.00	3,326,250.00
1986	3,000,000	130,500.00	63,750.00	194,250.00	3,194,250.00
1987	3,000,000	63,750.00	-	63,750.00	3,063,750.00

\$25,000,000 \$5,572,187.50 \$5,316,656.25 \$10,888,843.75 \$35,888,843.75

Balance as of March 2, 1978

\$18,500,000 \$2,314,125.00 \$2,314,125.00 \$ 4,628,250.00 \$23,128,250.00  
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Schedule No. 1 - (d)

STATE CAPITAL IMPROVEMENT BONDS, SERIES D, dated OCTOBER 1, 1971  
\$10,740,000 which mature as follows:

\$370,000 on October 1 in each of the years  
1972 and 1973;  
\$500,000 on October 1 in each of the years  
1974 and 1975;  
\$750,000 on October 1 in each of the years  
1976 to 1987, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1972-1974	4.50%	1982	3.80%
1975	4.25%	1983	3.90%
1976-1978	3.50%	1984	4.00%
1979-1980	3.60%	1985-1987	4.10%
1981	3.75%		

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES D BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u> <u>ENDING</u> <u>JUNE 30</u>	<u>PRINCIPAL</u> <u>DUE</u> <u>OCT. 1</u>	<u>INTEREST</u> <u>OCT. 1</u>	<u>INTEREST</u> <u>APRIL 1</u>	<u>TOTAL</u> <u>INTEREST</u>	<u>PRINCIPAL</u> <u>&amp; INTEREST</u>
1972	\$ -	\$ -	\$ 208,962.50	\$ 208,962.50	\$ 208,962.50
1973	370,000	208,962.50	200,637.50	409,600.00	779,600.00
1974	370,000	200,637.50	192,312.50	392,950.00	762,950.00
1975	500,000	192,312.50	181,062.50	373,375.00	873,375.00
1976	500,000	181,062.50	170,437.50	351,500.00	851,500.00
1977	750,000	170,437.50	157,312.50	327,750.00	1,077,750.00
1978	750,000	157,312.50	144,187.50	301,500.00	1,051,500.00
1979	750,000	144,187.50	131,062.50	275,250.00	1,025,250.00
1980	750,000	131,062.50	117,562.50	248,625.00	998,625.00
1981	750,000	117,562.50	104,062.50	221,625.00	971,625.00
1982	750,000	104,062.50	90,000.00	194,062.50	944,062.50
1983	750,000	90,000.00	75,750.00	165,750.00	915,750.00
1984	750,000	75,750.00	61,125.00	136,875.00	886,875.00
1985	750,000	61,125.00	46,125.00	107,250.00	857,250.00
1986	750,000	46,125.00	30,750.00	76,875.00	826,875.00
1987	750,000	30,750.00	15,375.00	46,125.00	796,125.00
1988	750,000	15,375.00	-	15,375.00	765,375.00

\$10,740,000 \$1,926,725.00 \$1,926,725.00 \$3,853,450.00 \$14,593,450.00

Balance as of March 2, 1973

\$ 7,500,000 \$ 816,000.00 \$ 816,000.00 \$1,632,000.00 \$ 9,132,000.00  
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Schedule No. 1 - (e)

STATE CAPITAL IMPROVEMENT BONDS, SERIES E, dated MARCH 1, 1972.  
\$40,940,000 which mature as follows:

\$1,690,000 on October 1 in the year 1973;  
\$1,750,000 on October 1 in each of the years  
1974 and 1975;  
\$2,250,000 on October 1 in each of the years  
1976 and 1977;  
\$2,500,000 on October 1 in each of the years  
1978 and 1979;  
\$2,750,000 on October 1 in the year 1980;  
\$3,000,000 on October 1 in each of the years  
1981 and 1982;  
\$3,250,000 on October 1 in each of the years  
1983 and 1984;  
\$3,500,000 on October 1 in the year 1985; and  
\$3,750,000 on October 1 in each of the years  
1986 and 1987.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1973-1980	3.75%	1984	4.20%
1981	3.90%	1985	4.30%
1982	4.00%	1986	4.40%
1983	4.10%	1987	4.50%

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES E BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u> <u>ENDING</u> <u>JUNE 30</u>	<u>PRIN.</u> <u>DUE</u> <u>OCT. 1</u>	<u>INTEREST</u> <u>OCT. 1</u>	<u>INTEREST</u> <u>APR. 1</u>	<u>TOTAL</u> <u>INTEREST</u>	<u>PRINCIPAL</u> <u>&amp; INTEREST</u>
1973	\$ -	\$ 959,583.33	\$ 822,500.00	\$ 1,782,083.33	\$ 1,782,083.33
1974	1,690,000	822,500.00	790,812.50	1,613,312.50	3,303,312.50
1975	1,750,000	790,812.50	758,000.00	1,548,812.50	3,298,812.50
1976	1,750,000	758,000.00	725,187.50	1,483,187.50	3,233,187.50
1977	2,250,000	725,187.50	683,000.00	1,408,187.50	3,658,187.50
1978	2,250,000	683,000.00	640,812.50	1,323,812.50	3,573,812.50
1979	2,500,000	640,812.50	593,937.50	1,234,750.00	3,734,750.00
1980	2,500,000	593,937.50	547,062.50	1,141,000.00	3,641,000.00
1981	2,750,000	547,062.50	495,500.00	1,042,562.50	3,792,562.50
1982	3,000,000	495,500.00	437,000.00	932,500.00	3,932,500.00
1983	3,000,000	437,000.00	377,000.00	814,000.00	3,814,000.00
1984	3,250,000	377,000.00	310,375.00	687,375.00	3,937,375.00
1985	3,250,000	310,375.00	242,125.00	552,500.00	3,802,500.00
1986	3,500,000	242,125.00	166,875.00	409,000.00	3,909,000.00
1987	3,750,000	166,875.00	84,375.00	251,250.00	4,001,250.00
1988	3,750,000	84,375.00	-	84,375.00	3,834,750.00
<hr/>					
\$40,940,000	\$8,634,145.83	\$7,674,562.50	\$16,308,708.33	\$57,248,708.33	
Balance as of March 2, 1978					
\$31,250,000	\$3,895,062.50	\$3,895,062.50	\$ 7,790,125.00	\$39,040,125.00	
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Schedule No. 1 - (f)

STATE CAPITAL IMPROVEMENT BONDS, SERIES F, dated OCTOBER 1, 1972,  
\$25,000,000, which matured and mature as follows:

\$2,000,000 on October 1 in each of the years  
1973 to 1984, inclusive; and  
\$1,000,000 on October 1 in the year 1985.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1973	3.50%	1980	4.00%
1974	4.50%	1981	4.10%
1975	4.50%	1982	4.25%
1976	4.50%	1983	4.25%
1977	4.50%	1984	4.40%
1978	3.85%	1985	4.50%
1979	4.00%		

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES F BONDS AND THE INTEREST THEREON

FISCAL YEAR ENDING JUNE 30	PRIN. DUE OCT. 1	INTEREST		TOTAL INTEREST	PRINCIPAL & INTEREST
		OCT. 1	APR. 1		
1973	\$ -	\$ -	\$ 526,000	\$ 526,000	\$ 526,000
1974	2,000,000	526,000	491,000	1,017,000	3,017,000
1975	2,000,000	491,000	446,000	937,000	2,937,000
1976	2,000,000	446,000	401,000	847,000	2,847,000
1977	2,000,000	401,000	356,000	757,000	2,757,000
1978	2,000,000	356,000	311,000	667,000	2,667,000
1979	2,000,000	311,000	272,500	583,500	2,583,000
1980	2,000,000	272,500	232,500	505,000	2,505,000
1981	2,000,000	232,500	192,500	425,000	2,425,000
1982	2,000,000	192,500	151,500	344,000	2,344,000
1983	2,000,000	151,500	109,000	260,500	2,260,500
1984	2,000,000	109,000	66,500	175,500	2,175,500
1985	2,000,000	66,500	22,500	89,000	2,089,000
1986	1,000,000	22,500	-	22,500	1,022,500
	\$25,000,000	\$3,578,000	\$3,578,000	\$7,156,000	\$32,156,000

Balance as of March 2, 1978

\$15,000,000	\$1,358,000	\$1,358,000	\$2,716,000	\$17,716,000
=====	=====	=====	=====	=====

Schedule No. 1 - (g)

STATE CAPITAL IMPROVEMENT BONDS, SERIES G, dated December 1, 1973,  
\$35,000,000, which matured and mature as follows:

\$2,000,000 on December 1 in each of the years  
1974 to 1979, inclusive;  
\$2,250,000 on December 1 in each of the years  
1980 to 1984, inclusive; and  
\$2,750,000 on December 1 in each of the years  
1985 to 1989, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1974	5.00%	1982	4.25%
1975	5.00%	1983	4.30%
1976	5.00%	1984	4.30%
1977	5.00%	1985	4.40%
1978	5.00%	1986	4.50%
1979	4.30%	1987	4.60%
1980	4.25%	1988	4.70%
1981	4.25%		

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES G BONDS AND THE INTEREST THEREON

FISCAL YEAR ENDING JUNE 30	PRIN. DUE DEC. 1	INTEREST		TOTAL INTEREST	PRINCIPAL & INTEREST
		DEC. 1	JUNE 1		
1974	\$ -	\$	\$ 799,562.50	\$ 799,562.50	\$ 799,562.50
1975	2,000,000	799,562.50	749,562.50	1,549,125.00	3,549,125.00
1976	2,000,000	749,562.50	699,562.50	1,449,125.00	3,449,125.00
1977	2,000,000	699,562.50	649,562.50	1,349,125.00	3,349,125.00
1978	2,000,000	649,562.50	599,562.50	1,249,125.00	3,249,125.00
1979	2,000,000	599,562.50	549,562.50	1,149,125.00	3,149,125.00
1980	2,250,000	549,562.50	501,187.50	1,050,750.00	3,300,750.00
1981	2,250,000	501,187.50	453,375.00	954,562.50	3,204,562.50
1982	2,250,000	453,375.00	405,562.50	858,937.50	3,108,937.50
1983	2,250,000	405,562.50	357,750.00	763,312.50	3,013,312.50
1984	2,250,000	357,750.00	309,375.00	667,125.00	2,917,125.00
1985	2,750,000	309,375.00	250,250.00	559,625.00	3,309,625.00
1986	2,750,000	250,250.00	189,750.00	440,000.00	3,190,000.00
1987	2,750,000	189,750.00	127,875.00	317,625.00	3,067,625.00
1988	2,750,000	127,875.00	64,625.00	192,500.00	2,942,500.00
1989	2,750,000	64,625.00	-	64,625.00	2,814,625.00

\$35,000,000 \$6,707,125.00 \$6,707,125.00 \$13,414,250.00 \$48,414,250.00

Balance as of March 2, 1978

\$27,000,000 \$3,808,875.00 \$3,808,875.00 \$ 7,617,750.00 \$34,617,750.00



Schedule No. 1 - (h)

STATE CAPITAL IMPROVEMENT BONDS, SERIES H, dated DECEMBER 1, 1974  
\$20,000,000, which matured and matures as follows:

\$1,000,000 on December 1 in each of the years  
1975 to 1985, inclusive; and  
\$2,000,000 on December 1 in each of the years  
1986 to 1989, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1975	6.00%	1982	5.40%
1976	6.00%	1983	5.50%
1977	6.00%	1984	5.60%
1978	6.00%	1985	5.75%
1979	6.00%	1986	5.90%
1980	5.30%	1987	6.00%
1981	5.30%	1988	6.00%
		1989	6.00%

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES H BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u>	<u>PRIN.</u> <u>ENDING</u>	<u>DUE</u> <u>DEC. 1</u>	<u>INTEREST</u> <u>DEC. 1</u>	<u>JUNE 1</u>	<u>TOTAL</u> <u>INTEREST</u>	<u>PRINCIPAL</u> <u>&amp; INTEREST</u>
1975	\$ -	\$ -	\$ 582,000	\$ 582,000	\$ 582,000	\$ 582,000
1976	1,000,000	582,000	552,000	1,134,000	2,134,000	
1977	1,000,000	552,000	522,000	1,074,000	2,074,000	
1978	1,000,000	522,000	492,000	1,014,000	2,014,000	
1979	1,000,000	492,000	462,000	954,000	1,954,000	
1980	1,000,000	462,000	432,000	894,000	1,894,000	
1981	1,000,000	432,000	405,500	837,500	1,837,500	
1982	1,000,000	405,500	379,000	784,500	1,784,500	
1983	1,000,000	379,000	352,000	731,000	1,731,000	
1984	1,000,000	352,000	324,500	676,500	1,676,500	
1985	1,000,000	324,500	296,500	621,000	1,621,000	
1986	2,000,000	296,500	239,000	535,500	2,535,500	
1987	2,000,000	239,000	180,000	419,000	2,419,000	
1988	2,000,000	180,000	120,000	300,000	2,300,000	
1989	2,000,000	120,000	60,000	180,000	2,180,000	
1990	2,000,000	60,000	-	60,000	2,060,000	
	\$20,000,000	\$5,398,500	\$5,398,500	\$10,797,000	\$30,797,000	

Balance as of March 2, 1978

\$17,000,000 \$3,742,500 \$3,742,500 \$ 7,485,000 \$24,485,000

Schedule No. 1 - (i)

STATE CAPITAL IMPROVEMENT BONDS, SERIES I, dated APRIL 1, 1975,  
\$45,000,000 which matured and mature as follows:

\$4,500,000 on April 1 in each of the years  
1976 to 1985, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1976	6.00%	1981	5.00%
1977	6.00%	1982	5.10%
1978	5.40%	1983	5.30%
1979	5.00%	1984	5.40%
1980	5.00%	1985	5.50%

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES I BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u> <u>ENDING</u> <u>JUNE 30</u>	<u>PRIN.</u> <u>DUE</u> <u>APRIL 1</u>	<u>INTEREST</u>		<u>TOTAL</u> <u>INTEREST</u>	<u>PRINCIPAL</u> <u>&amp; INTEREST</u>
		<u>OCT. 1</u>	<u>APRIL 1</u>		
1976	\$ 4,500,000	\$1,208,250	\$1,208,250	\$ 2,416,500	\$ 6,916,500
1977	4,500,000	1,073,250	1,073,250	2,146,500	6,646,500
1978	4,500,000	938,250	938,250	1,876,500	6,376,500
1979	4,500,000	816,750	816,750	1,633,500	6,133,500
1980	4,500,000	704,250	704,250	1,408,500	5,908,500
1981	4,500,000	591,750	591,750	1,183,500	5,683,500
1982	4,500,000	479,250	479,250	958,500	5,458,500
1983	4,500,000	364,500	364,500	729,000	5,229,000
1984	4,500,000	245,250	245,250	490,500	4,990,500
1985	4,500,000	123,750	123,750	247,500	4,747,500
	\$45,000,000	\$6,545,250	\$6,545,250	\$13,090,500	\$58,090,500

Balance as of March 2, 1978

\$36,000,000   \$3,325,500   \$4,263,750   \$ 7,589,250   \$43,589,250

Schedule No. 1 - (j)

STATE CAPITAL IMPROVEMENT BONDS, SERIES J, dated OCTOBER 1, 1976,  
\$70,000,000 which matured and mature as follows:

\$5,000,000 on October 1 in each of the years  
1977 to 1986, inclusive; and  
\$4,000,000 on October 1 in each of the years  
1987 to 1991, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1977	5.00%	1985	4.50%
1978	5.00%	1986	4.60%
1979	4.375%	1987	4.75%
1980	4.00%	1988	4.75%
1981	4.00%	1989	4.75%
1982	4.25%	1990	5.00%
1983	4.50%	1991	5.00%
1984	4.50%		

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES J BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u> <u>ENDING</u> <u>JUNE 30</u>	<u>PRIN.</u> <u>DUE</u> <u>OCT. 1</u>	<u>INTEREST</u> <u>OCT. 1</u>	<u>INTEREST</u> <u>APRIL 1</u>	<u>TOTAL</u> <u>INTEREST</u>	<u>PRINCIPA</u> <u>&amp; INTERES</u>
1977	\$ --	\$ --	\$ 1,603,125	\$ 1,603,125	\$ 1,603,125
1978	5,000,000	1,603,125	1,478,125	3,081,250	8,081,250
1979	5,000,000	1,478,125	1,353,125	2,831,250	7,831,250
1980	5,000,000	1,353,125	1,243,750	2,596,875	7,596,875
1981	5,000,000	1,243,750	1,143,750	2,387,500	7,387,500
1982	5,000,000	1,143,750	1,043,750	2,187,500	7,187,500
1983	5,000,000	1,043,750	937,500	1,981,250	6,981,250
1984	5,000,000	937,500	825,000	1,762,500	6,762,500
1985	5,000,000	825,000	712,500	1,537,500	6,537,500
1986	5,000,000	712,500	600,000	1,312,500	6,312,500
1987	5,000,000	600,000	485,000	1,085,000	6,085,000
1988	4,000,000	485,000	390,000	875,000	4,875,000
1989	4,000,000	390,000	295,000	685,000	4,685,000
1990	4,000,000	295,000	200,000	495,000	4,495,000
1991	4,000,000	200,000	100,000	300,000	4,300,000
1992	4,000,000	100,000	--	100,000	4,100,000
	\$70,000,000	\$12,410,625	\$12,410,625	\$24,821,250	\$94,821,250
Balance as of March 2, 1978					
	<u>\$65,000,000</u>	<u>\$10,807,500</u>	<u>\$10,807,500</u>	<u>\$21,615,000</u>	<u>\$86,615,000</u>

Schedule No. 1 - (k)

STATE CAPITAL IMPROVEMENT BONDS, SERIES K, dated SEPTEMBER 1, 1977,  
\$48,000,000 which matured and mature as follows:

\$2,000,000 on December 1 in each of the years  
1978 to 1981, inclusive;  
\$2,500,000 on December 1 in each of the years  
1982 to 1985, inclusive;  
\$3,000,000 on December 1 in each of the years  
1986 to 1988, inclusive; and  
\$3,500,000 on December 1 in each of the years  
1989 to 1994, inclusive.

The bonds bear interest in accordance with the following schedule:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1978-1981	4.75%	1987	4.25%
1982	4.70%	1988	4.30%
1983-1985	4.00%	1989	4.40%
1986	4.10%	1990-1991	4.50%
		1992-1994	4.70%

SCHEDULE SHOWING THE ANNUAL PAYMENTS REQUIRED TO  
RETIRE THE SERIES K BONDS AND THE INTEREST THEREON

<u>FISCAL</u> <u>YEAR</u> <u>ENDING</u> <u>JUNE 30</u>	<u>PRIN.</u> <u>DUE</u> <u>DEC. 1</u>	<u>INTEREST</u> <u>DEC. 1</u>	<u>INTEREST</u> <u>JUNE 1</u>	<u>TOTAL</u> <u>INTEREST</u>	<u>PRINCIPAL</u> <u>&amp; INTEREST</u>
1978	\$ -	\$ 534,875	\$ 1,069,750	\$ 1,604,625	\$ 1,604,625
1979	2,000,000	1,069,750	1,022,250	2,092,000	4,092,000
1980	2,000,000	1,022,250	974,750	1,997,000	3,997,000
1981	2,000,000	974,750	927,250	1,902,000	3,902,000
1982	2,000,000	927,250	879,750	1,807,000	3,807,000
1983	2,500,000	879,750	821,000	1,700,750	4,200,750
1984	2,500,000	821,000	771,000	1,592,000	4,092,000
1985	2,500,000	771,000	721,000	1,492,000	3,992,000
1986	2,500,000	721,000	671,000	1,392,000	3,892,000
1987	3,000,000	671,000	609,500	1,280,500	4,280,500
1988	3,000,000	609,500	545,750	1,155,250	4,155,250
1989	3,000,000	545,750	481,250	1,027,000	4,027,000
1990	3,500,000	481,250	404,250	885,500	4,385,500
1991	3,500,000	404,250	325,500	729,750	4,229,750
1992	3,500,000	325,500	246,750	572,250	4,072,250
1993	3,500,000	246,750	164,500	411,250	3,911,250
1994	3,500,000	164,500	82,250	246,750	3,746,750
1995	3,500,000	82,250	-	82,250	3,582,250
	\$48,000,000	\$11,252,375	\$10,717,000	\$21,969,875	\$69,969,875
Balance as of March 2, 1978					
	<u>\$48,000,000</u>	<u>\$10,717,500</u>	<u>\$10,717,500</u>	<u>\$21,435,000</u>	<u>\$69,435,000</u>



SCHEDULE SHOWING FUTURE ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS OF ALL OUTSTANDING STATE PORTS BONDS, WHICH ARE SECURED BY A PLEDGE OF THE STATE INCOME TAX AND WHOSE DEBT SERVICE REQUIREMENTS MUST BE TAKEN INTO ACCOUNT IN DETERMINING THE COVERAGE REQUIRED BY SECTIONS 6 AND 7 OF ACT NO. 1377.

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FISCAL YEAR ENDING JUNE 30	TOTAL PRINCIPAL	TOTAL INTEREST	TOTAL PRINCIPAL AND INTEREST
1978	\$ 625,000	\$ 28,500	\$ 653,500
1979	425,000	55,500	480,500
1980	425,000	41,625	466,625
1981	175,000	27,750	202,750
1982	175,000	22,000	197,000
1983	125,000	17,000	142,000
1984	125,000	12,750	137,750
1985	125,000	8,500	133,500
1986	<u>125,000</u>	<u>4,250</u>	<u>129,250</u>
	\$2,325,000	\$ 217,875	\$2,542,875

SCHEDULE SHOWING FUTURE ANNUAL PRINCIPAL AND INTEREST  
 REQUIREMENTS ON STATE CAPITAL IMPROVEMENT BONDS, SERIES  
 A, B, C, D, E, F, G, H, I, J AND K, AND ON ALL STATE  
 PORTS BONDS NOW OUTSTANDING.

FISCAL YEAR ENDING JUNE 30	PRINCIPAL AND INTEREST REQUIREMENTS ON SERIES A, B, C, D, E, F, G, H, I, J & K STATE CAPITAL IMPROVEMENT BONDS	PRINCIPAL AND INTEREST REQUIREMENTS ON ALL STATE PORTS BONDS	TOTAL
1978	\$ 11,190,437.50	\$ 653,500	\$ 11,843,937.50
1979	37,676,250.00	480,500	38,156,750.00
1980	37,036,187.50	466,625	37,502,812.50
1981	36,405,750.00	202,750	36,608,500.00
1982	35,759,750.00	197,000	35,956,750.00
1983	35,068,000.00	142,000	35,210,000.00
1984	32,624,000.00	137,750	32,761,750.00
1985	32,428,625.00	133,500	32,562,125.00
1986	26,931,625.00	129,250	27,060,875.00
1987	23,713,250.00	-	23,713,250.00
1988	18,872,500.00	-	18,872,500.00
1989	13,706,625.00	-	13,706,625.00
1990	10,940,500.00	-	10,940,500.00
1991	8,529,750.00	-	8,529,750.00
1992	8,172,250.00	-	8,172,250.00
1993	3,911,250.00	-	3,911,250.00
1994	3,746,750.00	-	3,746,750.00
1995	3,582,250.00	-	3,582,250.00
	<hr/>	<hr/>	<hr/>
	\$380,295,750.00	\$2,542,875	\$382,838,625.00

Schedule No. 2

Prepared as of March 2, 1978

SCHEDULE SHOWING ANNUAL PRINCIPAL REQUIREMENTS AND  
ESTIMATED ANNUAL INTEREST REQUIREMENTS ON THE  
\$38,000,000 STATE CAPITAL IMPROVEMENT BONDS, SERIES L,  
SOUGHT TO BE ISSUED, DATED MARCH 1, 1978 (INTEREST 5%)

FISCAL YEAR ENDING JUNE 30	PRIN. DUE 3/1	9/1	INTEREST 3/1	TOTAL INTEREST	TOTAL PRINCIPAL & INTEREST
1979	\$ 1,000,000	\$ 950,000	\$ 950,000	\$ 1,900,000	\$ 2,900,000
1980	1,000,000	925,000	925,000	1,850,000	2,850,000
1981	1,000,000	900,000	900,000	1,800,000	2,800,000
1982	1,000,000	875,000	875,000	1,750,000	2,750,000
1983	2,000,000	850,000	850,000	1,700,000	3,700,000
1984	2,000,000	800,000	800,000	1,600,000	3,600,000
1985	2,000,000	750,000	750,000	1,500,000	3,500,000
1986	2,000,000	700,000	700,000	1,400,000	3,400,000
1987	2,000,000	650,000	650,000	1,300,000	3,300,000
1988	2,000,000	600,000	600,000	1,200,000	3,200,000
1989	2,000,000	550,000	550,000	1,100,000	3,100,000
1990	2,000,000	500,000	500,000	1,000,000	3,000,000
1991	3,000,000	450,000	450,000	900,000	3,900,000
1992	3,000,000	375,000	375,000	750,000	3,750,000
1993	3,000,000	300,000	300,000	600,000	3,600,000
1994	3,000,000	225,000	225,000	450,000	3,450,000
1995	3,000,000	150,000	150,000	300,000	3,300,000
1996	3,000,000	75,000	75,000	150,000	3,150,000
	\$38,000,000	\$10,625,000	\$10,625,000	\$21,250,000	\$59,250,000

SCHEDULE SHOWING FUTURE ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS ON STATE CAPITAL IMPROVEMENT BONDS SERIES A,B,C,D,E,F,G,H,I,J AND K, AND ALL STATE PORTS BONDS AND ESTIMATED ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS ON STATE CAPITAL IMPROVEMENT BONDS, SERIES L, SOUGHT TO BE ISSUED.

FISCAL YEAR ENDING JUNE 30	PRINCIPAL AND INTEREST REQUIREMENTS ON SERIES A,B,C,D,E,F,G,H,I,J & K STATE CAPITAL IMPROVEMENT BONDS & STATE PORTS BONDS	ESTIMATED PRINCIPAL & INTEREST REQUIREMENTS ON SERIES L BONDS	TOTAL
1978	\$ 11,843,937.50	\$ -	\$ 11,843,937.50
1979	38,156,750.00	2,900,000	41,056,750.00
1980	37,502,812.50	2,850,000	40,352,812.50
1981	36,608,500.00	2,800,000	39,408,500.00
1982	35,956,750.00	2,750,000	38,706,750.00
1983	35,210,000.00	3,700,000	38,910,000.00
1984	32,761,750.00	3,600,000	36,361,750.00
1985	32,562,125.00	3,500,000	36,062,125.00
1986	27,060,875.00	3,400,000	30,460,875.00
1987	23,713,250.00	3,300,000	27,013,250.00
1988	18,872,500.00	3,200,000	22,072,500.00
1989	13,706,625.00	3,100,000	16,806,625.00
1990	10,940,500.00	3,000,000	13,940,500.00
1991	8,529,750.00	3,900,000	12,429,750.00
1992	8,172,250.00	3,750,000	11,922,250.00
1993	3,911,250.00	3,600,000	7,511,250.00
1994	3,746,750.00	3,450,000	7,196,750.00
1995	3,582,250.00	3,300,000	6,882,250.00
1996	-	3,150,000	3,150,000.00
	\$382,838,625.00	\$59,250,000	\$442,088,625.00



SCHEDULE SHOWING, PRO FORMA, TOTAL PRINCIPAL  
AND INTEREST ON ALL BONDS TO BE OUTSTANDING  
WHICH ARE SUBJECT TO THE 7% LIMITATION PROVIDED  
FOR IN SUBPARAGRAPH (c) OF PARAGRAPH (6) OF  
SECTION 13 OF ARTICLE X OF THE SOUTH CAROLINA  
CONSTITUTION.<sup>1</sup>

FISCAL YEAR ENDING JUNE 30	BONDS NOW OUTSTANDING	BONDS PROPOSED	TOTAL
1979	\$ 54,126,925.00	\$ 5,696,250	\$ 59,823,175.00
1980	52,336,112.50	6,150,000	58,486,112.50
1981	49,977,625.00	6,000,000	55,977,625.00
1982	48,646,325.00	5,850,000	54,496,325.00
1983	47,223,025.00	6,700,000	53,923,025.00
1984	43,117,100.00	6,500,000	49,617,100.00
1985	42,274,050.00	6,300,000	48,574,050.00
1986	36,068,750.00	6,100,000	42,168,750.00
1987	29,095,375.00	5,900,000	34,995,375.00
1988	18,872,500.00	6,200,000	25,072,500.00
1989	13,706,625.00	5,975,000	19,681,625.00
1990	10,940,500.00	5,750,000	16,690,500.00
1991	8,529,750.00	6,525,000	15,054,750.00
1992	8,172,250.00	3,750,000	11,922,250.00
1993	3,911,250.00	3,600,000	7,511,250.00
1994	3,746,750.00	3,450,000	7,196,750.00
1995	3,582,250.00	3,300,000	6,882,250.00
1996	-	3,150,000	3,150,000.00
	\$474,327,162.50	\$96,896,250	\$571,223,412.50

<sup>1</sup>Includes estimated debt service in the proposed issue of \$38,000,000 State Capital Improvement Bonds, Series L, to be dated March 1, 1978 and the proposed issue of \$27,425,000 State School Bonds, Series LL, to be dated March 1, 1978.

SINKLER GIBBS & SIMONS  
PROFESSIONAL ASSOCIATION  
ATTORNEYS & COUNSELLORS AT LAW  
2 PRIOLEAU STREET  
CHARLESTON, S. C. 29402

POST OFFICE BOX 340

TELEPHONE 722-3366  
AREA CODE 803

January 24, 1978

Mr. William A. McInnis  
State Auditor's Office  
Post Office Box 11333  
Columbia, South Carolina 29211

Re: \$38,000,000 State Capital Improvement Bonds,  
Series L, of the State of South Carolina,  
dated March 1, 1978

Dear Bill:

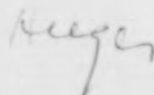
I enclose herein an original and seven (7) copies  
of a Resolution for adoption by the State Board in  
connection with the above captioned bonds.

Attached to this Resolution are the schedules and  
exhibits which are required with the exception of Exhibit "A"  
which you will prepare.

Please retain the Resolution marked "Original" for  
the State Board's records and return the remaining seven  
(7) copies to me following adoption.

With kind regards,

Sincerely,



HS:dn  
Enclosures

cc: Honorable Grady L. Patterson, Jr.  
Honorable William T. Putnam

P.S.: Please check Schedules.

Ex 4  
2/7/78

SINKLER GIBBS & SIMONS  
PROFESSIONAL ASSOCIATION  
ATTORNEYS & COUNSELLORS AT LAW  
2 PRIOLEAU STREET  
CHARLESTON, S. C. 29402

POST OFFICE BOX 340

TELEPHONE 722-3366  
AREA CODE 803

January 25, 1978

Mr. William A. McInnis  
State Auditor's Office  
Post Office Box 11333  
Columbia, South Carolina 29211

Re: \$38,000,000 State Capital Improvement Bonds,  
Series L, of the State of South Carolina,  
Dated March 1, 1978

Dear Bill:

In reviewing the Resolution sent to you yesterday in connection with the above captioned bonds, I have discovered the following errors and enclose to you eight copies of each for substitution:

1. On Page 9 of the Resolution, the amount of the State School Bonds was changed from "\$29,600,000" to "\$27,425,000".
2. On Page 4 of the Note (Exhibit "B"), the word "happened" appearing on the third to the last line was misspelled. Also, the entire Exhibit "B" was numbered wrong at the bottom, therefore, I enclose a complete "Exhibit B" for substitution.
3. On Page 3 of the Notice of Sale (Exhibit "C"), the words "of each issue" was added to the first sentence following "bonds".
4. On Page 5 of the Notice of Sale, fourth paragraph, line 6, the words "the State Capital Improvement Bonds" were deleted and in its place the words "each issue of bonds" were added.
5. On Schedule 4, a footnote was added.

With kind regards,

Sincerely,

*Huger*

HS:dn  
Enclosures