

# STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, August 23, 2016 -- 10:00 A. M.

Room 252, Edgar A. Brown Building

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## AGENDA INDEX

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Item	Agency	Subject
<b>A. ADOPTION OF PROPOSED AGENDA</b>		
<b>B. MINUTES OF PREVIOUS MEETING</b>		
<b>C. BLUE AGENDA</b>		
1.	State Treasurer's Office	Bond Counsel Selection
2.	Department of Administration, Executive Budget Office	Attorney General FTE Change in Source of Funding
3.	Department of Administration, Real Property Services	Easements
4.	Division of Procurement Services	Procurement Audits and Certifications
5.	Executive Director	Revenue Bonds
6.	Executive Director	Economic Development (2016 Ceiling Allocation)
<b>D. REGULAR SESSION</b>		
1.	Office of the Executive Director	Consulting Actuary Update
2.	Public Employee Benefit Authority, Employee Insurance Program	State Health Plan Benefits and Contribution Rates Effective January 1, 2017
3.	Public Employee Benefit Authority	Reconsideration of 2016 Actuarial Experience Study of the South Carolina Retirement System
4.	Department of Administration, Executive Budget Office	Permanent Improvement Projects

# STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, August 23, 2016 -- 10:00 A.M.

Room 252, Edgar A. Brown Building

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## REGULAR SESSION AGENDA INDEX -- Page 2

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<u>Item</u>	<u>Agency</u>	<u>Subject</u>
5.	Department of Administration, Real Property Services	Leases Associated with the Citadel's Request for Phase Two Approval for Full Design and Construction of a New 43, 950 Square Foot Facility Known as Bastin Hall to Support the School of Business
6.	Clemson University	Not Exceeding \$51,000,000 General Obligation State Institution Bonds, Series 2016, of Clemson University
7.	Clemson University	Not Exceeding \$63,000,000 General Obligation State Institution Refunding Bonds, Series 2016, of Clemson University
8.	Coastal Carolina University	Not Exceeding \$22,900,000 Revenue Bonds, Series 2016, of Coastal Carolina University
9.	Lander University	Not Exceeding \$10,000,000 General Obligation State Institution Refunding Bonds, Series 2016, of Lander University
10.	State Fiscal Accountability Authority	Future Meeting

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AGENCY: State Treasurer's Office

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SUBJECT: Bond Counsel Selection

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The State Treasurer's Office has provided the following notification of the assignment of bond counsel for conduit issues and special assignment for bond counsel for which Authority approval is requested:

**CONDUIT ISSUES: (For ratification of Issuer's Counsel only)**

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel
\$ 130,000,000 SC JEDA	Carealliance Health Services dba Roper St. Francis Healthcare	Haynsworth Sinkler Boyd	Howell, Linkous & Nettles
\$ 27,000,000 SC JEDA	Harborchase of Riverwalk	Parker Poe Adams & Bernstein	Haynsworth Sinkler Boyd
\$ 75,000,000 SC JEDA	Presbyterian Communities of South Carolina	Haynsworth Sinkler Boyd	McNair Law Firm
\$17,500,000 SC JEDA	The Citadel Real Estate Foundation	Haynsworth Sinkler Boyd	Nexsen Pruet
\$30,000,000 SC JEDA	Wesley Commons	Haynsworth Sinkler Boyd	Pope Zeigler, LLC

**OTHER REVENUE ISSUES:**

Description of Issue	Agency/Institution	Approved Bond Counsel
\$22,900,000 Coastal Carolina University	Coastal Carolina University	Pope Flynn
\$51,000,000 Clemson University	Clemson University	Pope Flynn
\$63,000,000 Clemson University	Clemson University	Pope Flynn
\$10,000,000 Lander University	Lander University	Pope Flynn

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**AUTHORITY ACTION REQUESTED:**

Approve the referenced bond counsel assignment as recommended by the State Treasurer's Office.

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**ATTACHMENTS:**

Bond Counsel Selection Approved by the State Treasurer's Office

Items for August 23, 2016 State Fiscal Accountability Authority  
Bond Counsel and Issuer Counsel Selections by the State Treasurer's Office are as follows:

CONDUIT ISSUES: (For ratification of Issuer's Counsel only)

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel	Date STO Approved
\$ 130,000,000 SC JEDA	Carealliance Health Services dba Roper St. Francis Healthcare	Haynsworth Sinkler Boyd	Howell, Linkous & Nettles	6/16/2016
\$ 27,000,000 SC JEDA	HarborChase of Riverwalk	Parker Poe Adams & Bernstein	Haynsworth Sinkler Boyd	6/16/2016
\$ 75,000,000 SC JEDA	Presbyterian Communities of South Carolina	Haynsworth Sinkler Boyd	McNair Law Firm	6/16/2016
\$17,500,000 SC JEDA	The Citadel Real Estate Foundation	Haynsworth Sinkler Boyd	Nexsen Pruet	6/20/2016
\$30,000,000 SC JEDA	Wesley Commons	Haynsworth Sinkler Boyd	Pope Zeigler, LLC	6/30/2016

OTHER REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
\$22,900,000 Coastal Carolina University	Coastal Carolina University	Pope Flynn	7/20/2016
\$51,000,000 Clemson University	Clemson University	Pope Flynn	7/20/2016
\$63,000,000 Clemson University	Clemson University	Pope Flynn	7/20/2016
\$10,000,000 Lander University	Lander University	Pope Flynn	7/20/2016

Items for June 7, 2016 State Fiscal Accountability Authority  
Bond Counsel and Issuer Counsel Selections by the State Treasurer's Office are as follows:

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved

STATE FISCAL ACCOUNTABILITY AUTHORITY

BLUE AGENDA

MEETING OF August 23, 2016

ITEM NUMBER 2

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AGENCY: Department of Administration, Executive Budget Office

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SUBJECT: Attorney General FTE Change in Source of Funding

The Attorney General's Office received a \$2.5 million general fund increase in the FY 2016-17 Appropriation Act which was offset by a decrease in Other Fund authorization. The Appropriation Act, however, did not include a change in the source of funding for FTEs impacted by the change in funding for the Attorney General's Office. As a result, a change in the source of funds from Other Funds to General Funds for 33.00 FTEs has been requested by the Attorney General's Office. This action will not result in an increase in the total number of FTEs for the Attorney General's Office.

The Department of Administration, Executive Budget Office pursuant to Proviso 117.14(1) of the FY 2016-17 Appropriation Act which states "[t]hat no state agency exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the State Fiscal Accountability Authority" is requesting a source in fund change for 33.00 Other Funded positions to General Funded positions for the Attorney General's Office.

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AUTHORITY ACTION REQUESTED:

As recommended by the Department of Administration, Executive Budget Office, approve the request to change the source of funding for 33.00 FTEs from Other Funds to General Funds for the Attorney General's Office.

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ATTACHMENTS:

Agenda item worksheet; Attorney General's Office Requested FTE Breakdown; FY 2016-17 Appropriation Act, Proviso 117.14 (1)

# STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: August 23, 2016

Blue Agenda

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**1. Submitted by:**

- (a) Agency: ADMIN, Executive Budget Office:  
(b) Authorized Official Signature:

  
Brenda Hart, Director

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**2. Subject:** Attorney General FTE Change in Source of Funding

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**3. Summary of Background Information:** The Attorney General's Office received a \$2.5 million general fund increase in the FY 2016-17 Appropriation Act which was offset by a decrease in Other Fund authorization. The Appropriation Act, however, did not include a change in the source of funding for FTEs impacted by the change in funding for the Attorney General's Office. As a result, a change in the source of funds from Other Funds to General Funds for 33.00 FTEs has been requested by the Attorney General's Office. This action will not result in an increase in the total number of FTEs for the Attorney General's Office.

The Department of Administration, Executive Budget Office pursuant to Proviso 117.14(1) of the FY 2016-17 Appropriation Act which states "[t]hat no state agency exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the State Fiscal Accountability Authority" is requesting a source in fund change for 33.00 Other Funded positions to General Funded positions for the Attorney General's Office.

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**4. What is Authority asked to do?** Consider approval of the request to change the source of funding for 33.00 FTEs from Other Funds to General Funds for the Attorney General's Office.

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**5. What is recommendation of Department of Administration involved?** Recommend approval of the request to change the source of funds for 33.00 FTEs from Other Funds to General Funds for the Attorney General's Office.

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**6. List of Supporting Documents:**

1. Attorney General's Office Requested FTE Breakdown
2. FY 2016-17 Appropriation Act, Proviso 117.14 (1)

**GENERAL APPROPRIATIONS ACT  
FY 2016-17**

**Attorney General's Office**

	<b>As Enacted</b>		<b>As Requested</b>	
	<b>Total Funds</b>	<b>State Funds</b>	<b>Total Funds</b>	<b>State Funds</b>
<b>I. State Litigation</b>				
Classified Positions	203.25	94.05	203.25	127.06

**Attorney General Office Breakdown of FTES  
To be Transferred from Other Funds to State Funds**

<b>Classification</b>	<b>FTE Count</b>	<b>Pay Band</b>	<b>Program/Subprogram</b>	<b>Current Source of Funding</b>	<b>Proposed Source of Funding</b>
Administrative Assistant	6.00	4	State Litigation	Earmarked	State
Administrative Coordinator I	1.00	5	State Litigation	Earmarked	State
Attorney I	2.00	5	State Litigation	Earmarked	State
Attorney II	3.00	6	State Litigation	Earmarked	State
Attorney III	7.00	7	State Litigation	Earmarked	State
Attorney IV	7.00	8	State Litigation	Earmarked	State
Investigator III	2.00	5	State Litigation	Earmarked	State
Investigator IV	2.00	6	State Litigation	Earmarked	State
Program Coordinator I	1.00	5	State Litigation	Earmarked	State
Program Manager I	1.00	7	State Litigation	Earmarked	State
Public Information Director I	1.00	6	State Litigation	Earmarked	State
<b>FTE Total</b>	<b>33.00</b>				

**GENERAL APPROPRIATIONS ACT  
FY 2016-2017**

**PART IB  
OPERATION OF STATE GOVERNMENT**

**117.14.** (GP: Personal Service Reconciliation, FTEs) In order to provide the necessary control over the number of employees, the Executive Budget Office is hereby directed to maintain close supervision over the number of state employees, and to require specifically the following:

(1) That no state agency exceed the total authorized number of full-time equivalent positions and those funded from state sources as provided in each section of this act except by majority vote of the State Fiscal Accountability Authority.

(2) That the Executive Budget Office shall maintain and make, as necessary, periodic adjustments thereto, an official record of the total number of authorized full-time equivalent positions by agency for state and total funding sources.

(a) That within thirty days of the passage of the Appropriation Act or by August first, whichever comes later, each agency of the State must have established on the Executive Budget Office records all positions authorized in the Act. After that date, the office shall delete any non-established positions immediately from the official record of authorized full-time equivalent positions. No positions shall be established by the office in excess of the total number of authorized full-time equivalent positions. Each agency may, upon notification to the Executive Budget Office, change the funding source of state FTE positions established on the Executive Budget Office records as necessary to expend federal and other sources of personal service funds to conserve or stay within the state appropriated personal service funds. No agency shall change funding sources that will cause the agency to exceed the authorized number of state or total full-time equivalent positions. Each agency may transfer FTE's between programs as needed to accomplish the agency mission.

(b) That by September thirtieth, the office shall prepare a personal service analysis, by agency, which shows the number of established positions for the fiscal year and the amount of funds required, by source of funds, to support the FTE's for the fiscal year at a funding level of one hundred percent. The office shall then reconcile each agency's personal service detail with the agency's personal service appropriation as contained in the Act adjusted for any pay increases and any other factors necessary to reflect the agency's personal service funding level. The office shall provide a copy of each agency's personal service reconciliation to the Senate Finance and House Ways and Means Committees.

(c) That any position which is shown by the reconciliation to be unfunded or significantly underfunded may be deleted at the direction of the State Fiscal Accountability Authority.

(3) That full-time equivalent (FTE) positions shall be determined under the following guidelines:

(a) The annual work hours for each FTE shall be the agency's full-time standard annual work hours.

(b) The state FTE shall be derived by multiplying the state percentage of budgeted funds for each position by the FTE for that position.

(c) All institutions of higher education shall use a value of 0.75 FTE for each position determined to be full-time faculty with a duration of nine months.

The FTE method of accounting shall be utilized for all authorized positions.

(4) That the number of positions authorized in this act shall be reduced in the following circumstances:

- (a) Upon request by an agency.
- (b) When anticipated federal funds are not made available.
- (c) When the Executive Budget Office, through study or analysis, becomes aware of any unjustifiable excess of positions in any state agency.

(5) That the Executive Budget Office shall annually reconcile personal service funds with full-time employee count. Unfunded positions will be eliminated no later than January fifteenth of the current fiscal year unless specifically exempted elsewhere in this act or by the Executive Budget Office. The Executive Budget Office must report the full-time employee count and unfunded position status to the Senate Finance Committee and the Ways and Means Committee by February first of the current fiscal year.

(6) That no new permanent positions in state government shall be funded by appropriations in acts supplemental to this act but temporary positions may be so funded.

(7) That the provisions of this section shall not apply to personnel exempt from the State Classification and Compensation Plan under item I of Section 8-11-260 of the 1976 Code.

The Governor, in making his appropriation recommendations to the Ways and Means Committee, must provide that the level of personal service appropriation recommended for each agency is at least ninety-seven percent of the funds required to meet one hundred percent of the funds needed for the full-time equivalents positions recommended by the Governor (exclusive of new positions).

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AGENCY: Department of Administration, Real Property Services

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SUBJECT: Easements

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The Department of Administration, Real Property Services requests approval of the following easements in accordance with SC Code of Laws:

- (a) County Location: Richland  
From: Department of Mental Health  
To: City of Columbia  
Consideration: \$1  
Description/Purpose: To grant a 8.141 acre easement for the purpose of maintaining, operating and reconstructing existing roadways (Faison Drive, Beckman Road and Jessamine Street) located on the grounds of the Department of Mental Health's Crafts Farrow State Hospital, Bryan Psychiatric Hospital and Morris Village. Road improvements are one of the services the City is providing to the State pursuant to the City of Columbia Annexation Ordinance No. 2006-062 approved by the Budget and Control Board at its March 21, 2006 meeting. The easement is being sought by the Department of Mental Health for the benefit of the property. Real Property Services has determined that DMH has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.
- (b) County Location: Richland  
From: Department of Mental Health  
To: Central Midlands Regional Transit Authority (COMET)  
Consideration: \$1  
Description/Purpose: To grant a 10'x10' easement for the purpose of constructing, installing, maintaining, operating, repairing, altering and replacing a public transportation system stop, including a bus shelter, bench, bike rack, garbage can and any other improvements reasonably related to the operation of a public transportation system stop. COMET will erect a handicapped accessible shelter for the Bull Street bus stop. The easement is being sought by the Department of Mental Health for the benefit of the property. Real Property Services has determined that the Department has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.

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AGENCY: Department of Administration, Real Property Services

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SUBJECT: Easements

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- (c) County Location: Richland  
From: Midlands Technical College  
To: City of Columbia  
Consideration: \$1  
Description/Purpose: To transfer title to water lines together with a 0.03 acre easement for the purpose of ingress, egress, operation and maintenance of said lines serving the new Midlands Technical College's Beltline Campus Library and Classroom/Building. The easement is being sought by the College for the benefit of the property. Real Property Services has determined that the College has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.

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AUTHORITY ACTION REQUESTED:

Approve granting the referenced easements as recommended by the Department of Administration, Real Property Services.

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ATTACHMENTS:

Agenda item worksheet and attachments

## **SOUTH CAROLINA CODE OF LAWS**

### **SECTION 10-1-130. Grant of easements and rights of way.**

The trustees or governing bodies of state institutions and agencies may grant easements and rights of way over any property under their control, upon the recommendation of the Department of Administration and approval of the State Fiscal Accountability Authority, whenever it appears that such easements do not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any amounts must be placed in the State Treasury to the credit of the institution or agency having control of the property involved.

**HISTORY:** 1962 Code Section 1-49.3; 1963 (53) 177; 2014 Act No. 121 (S.22), Pt V, Section 7.K, eff July 1, 2015.

**Effect of Amendment**

2014 Act No. 121, Section 7.K, rewrote the section, substituting the Department of Administration and the State Fiscal Accountability Authority for the State Budget and Control Board.

## STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: August 23, 2016

Blue Agenda

**1. Submitted by:**

- (a) Agency: Department of Administration,  
Real Property Services
- (b) Authorized Official Signature:

  
Ashlie Lancaster, Director

**2. Subject:**

**EASEMENTS**

**3. Summary Background Information:**

The Division of General Services requests approval of the following easements in accordance with SC Code of Laws:

- (a) County Location: Richland  
From: Department of Mental Health  
To: City of Columbia  
Consideration: \$1  
Description/Purpose: To grant a 8.141 acre easement for the purpose of maintaining, operating and reconstructing existing roadways (Faison Drive, Beckman Road and Jessamine Street) located on the grounds of the Department of Mental Health's Crafts Farrow State Hospital, Bryan Psychiatric Hospital and Morris Village. Road improvements are one of the services the City is providing to the State pursuant to the City of Columbia Annexation Ordinance No. 2006-062 approved by the Budget and Control Board at its March 21, 2006 meeting. The easement is being sought by the Department of Mental Health for the benefit of the property. Real Property Services has determined that DMH has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.
- (b) County Location: Richland  
From: Department of Mental Health  
To: Central Midlands Regional Transit Authority (COMET)  
Consideration: \$1  
Description/Purpose: To grant a 10'x10' easement for the purpose of constructing, installing, maintaining, operating, repairing, altering and replacing a public transportation system stop, including a bus shelter, bench, bike rack, garbage can and any other improvements reasonably related to the operation of a public transportation system stop. COMET will erect a handicapped accessible shelter for the Bull Street bus stop. The easement is being sought by the Department of Mental Health for the benefit of the property. Real Property Services has determined that the Department has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.

(c) County Location: Richland  
From: Midlands Technical College  
To: City of Columbia  
Consideration: \$1  
Description/Purpose: To transfer title to water lines together with a 0.03 acre easement for the purpose of ingress, egress, operation and maintenance of said lines serving the new Midlands Technical College's Beltline Campus Library and Classroom/Building. The easement is being sought by the College for the benefit of the property. Real Property Services has determined that the College has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.

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**4. What is the Authority asked to do?** Approve the referenced easements.

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**5. What is recommendation of the Department of Administration?** Recommend approval of the referenced easements.

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**6. List of Supporting Documents:**

1. SC Code of Laws Section 10-1-130
2. Exhibits (maps, plats, etc.)
  - (a) City of Columbia (DMH)
  - (b) Central Midlands Regional Transit Authority
  - (c) City of Columbia (MTC)

## **SOUTH CAROLINA CODE OF LAWS**

### **SECTION 10-1-130. Grant of easements and rights of way.**

The trustees or governing bodies of state institutions and agencies may grant easements and rights of way over any property under their control, upon the recommendation of the Department of Administration and approval of the State Fiscal Accountability Authority, whenever it appears that such easements do not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any amounts must be placed in the State Treasury to the credit of the institution or agency having control of the property involved.

**HISTORY:** 1962 Code Section 1-49.3; 1963 (53) 177; 2014 Act No. 121 (S.22), Pt V, Section 7.K, eff July 1, 2015.

#### **Effect of Amendment**

2014 Act No. 121, Section 7.K, rewrote the section, substituting the Department of Administration and the State Fiscal Accountability Authority for the State Budget and Control Board.

(SOLD)

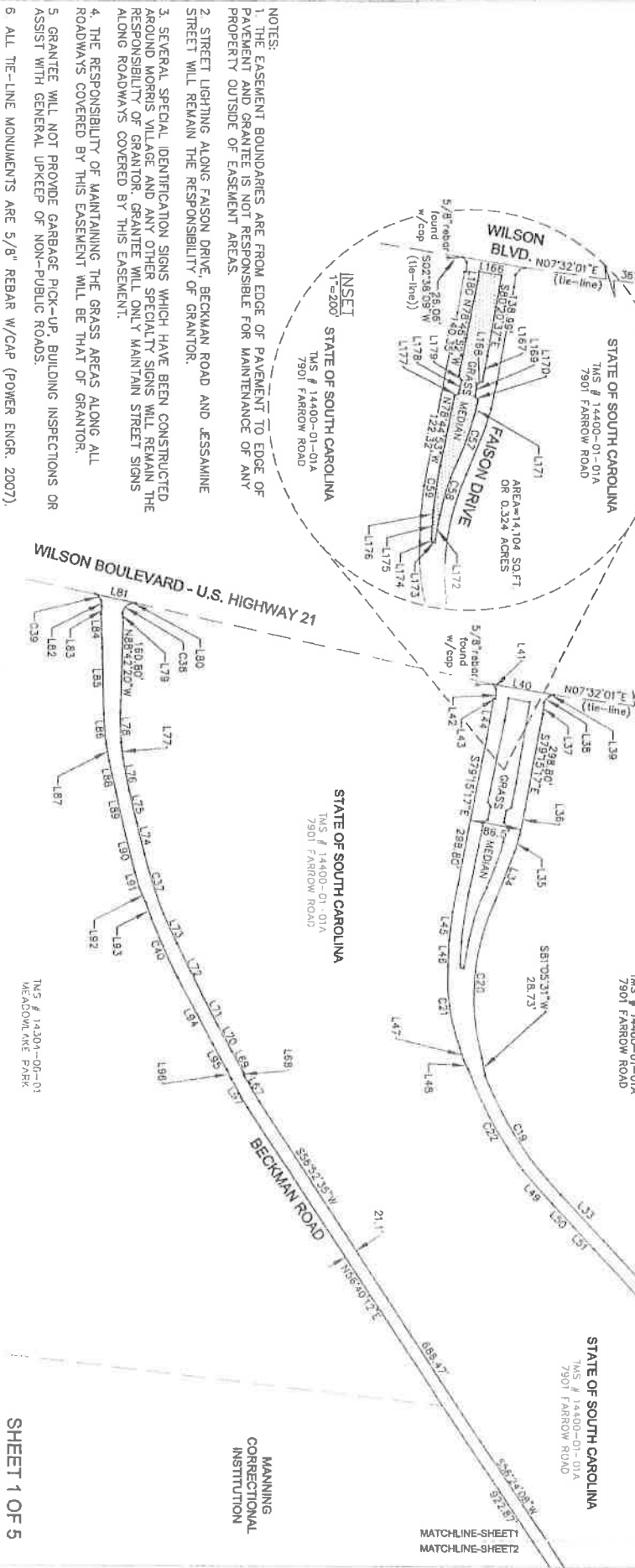


SC DEPARTMENT OF  
DIABILITIES AND  
SPECIAL NEEDS  
SC DDSN  
(MIDLANDS CENTER)

[illegible]

(9-2)

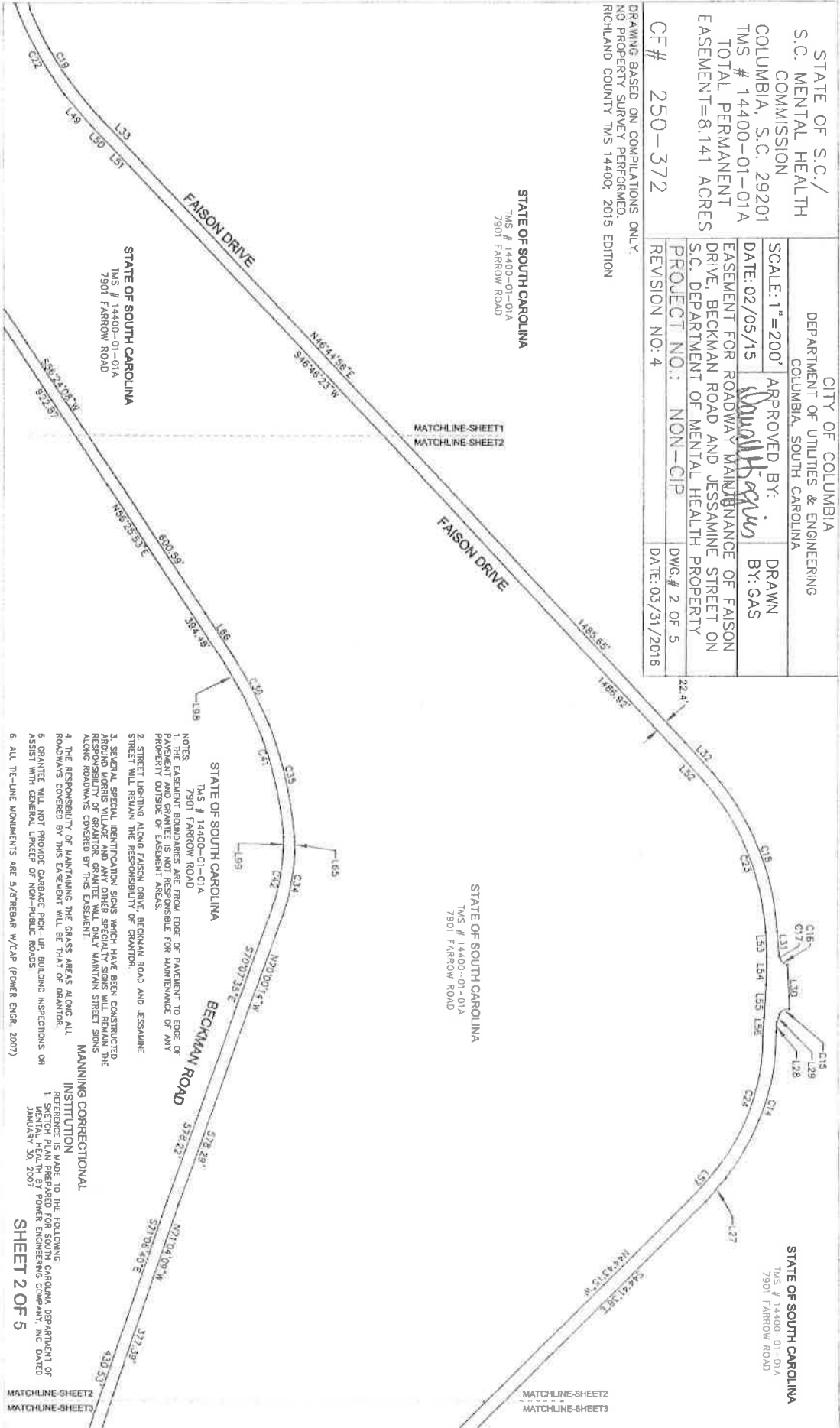
STATE OF S.C./ COLUMBIA, S.C. 29201 TMS # 14400-01-01A TOTAL PERMANENT EASEMENT=8.141 ACRES		CITY OF COLUMBIA DEPARTMENT OF UTILITIES & ENGINEERING COLUMBIA, SOUTH CAROLINA	
CF# 250-372	DATE: 02/05/15	APPROVED BY: <i>Donal Hagan</i>	DRAWN BY: GAS
DRAWING BASED ON COMPILATIONS ONLY. NO PROPERTY SURVEY PERFORMED. RICHLAND COUNTY TMS 14400, 2015 EDITION.		REFERENCE IS MADE TO THE FOLLOWING: 1. SKETCH PLAN PREPARED FOR SOUTH CAROLINA DEPARTMENT OF MENTAL HEALTH BY POWER ENGINEERING COMPANY, INC. DATED JANUARY 30, 2007.	
EASEMENT FOR ROADWAY MAINTENANCE OF FAISON DRIVE, BECKMAN ROAD AND JESSAMINE STREET ON S.C. DEPARTMENT OF MENTAL HEALTH PROPERTY		PROJECT NO.: NON-CIP	
REVISION NO: 4		DATE: 03/31/2016	



(a-3)

STATE OF S.C./ S.C. MENTAL HEALTH COMMISSION COLUMBIA, S.C. 29201 TMS # 14400-01-01A TOTAL PERMANENT EASEMENT=8.141 ACRES		CITY OF COLUMBIA DEPARTMENT OF UTILITIES & ENGINEERING COLUMBIA, SOUTH CAROLINA	
CF # 250-372	REVISION NO: 4	APPROVED BY: <i>Donald H. Quinn</i>	DRAWN BY: GAS
DATE: 02/05/15		DATE: 03/31/2016	
EASEMENT FOR ROADWAY MAINTENANCE OF FAISON DRIVE, BECKMAN ROAD AND JESSAMINE STREET ON S.C. DEPARTMENT OF MENTAL HEALTH PROPERTY		PROJECT NO.: NON-CIP	
DWG. # 2 OF 5		DATE: 03/31/2016	

DRAWING BASED ON COMPILATIONS ONLY.  
NO PROPERTY SURVEY PERFORMED.  
RICHLAND COUNTY TMS 14400: 2015 EDITION



- NOTES:
1. THE EASEMENT BOUNDARIES ARE FROM EDGE OF PAVEMENT TO EDGE OF PROPERTY OUTSIDE OF EASEMENT AREAS.
  2. STREET LIGHTING ALONG FAISON DRIVE, BECKMAN ROAD AND JESSAMINE STREET WILL REMAIN THE RESPONSIBILITY OF DONOR.
  3. SEVERAL SPECIAL IDENTIFICATION SIGNS WHICH HAVE BEEN CONSTRUCTED AROUND JESSAMINE STREET AND ANY OTHER SPECIALTY SIGNS WILL REMAIN THE RESPONSIBILITY OF DONOR.
  4. THE RESPONSIBILITY OF MAINTAINING THE GRASS AREAS ALONG ALL ROADWAYS COVERED BY THIS EASEMENT WILL BE THAT OF DONOR.
  5. GRANTEE WILL NOT PROVIDE GARAGE PICK-UP, BUILDING INSPECTIONS OR ASSIST WITH GENERAL UPRUP OF NON-PUBLIC ROADS.
  6. ALL THE-ONE MONUMENTS ARE 5/8" REBAR W/CAP (POWER ENGR. 2007)

MANAGING CORRECTIONAL INSTITUTION

REFERENCE IS MADE TO THE FOLLOWING: 1. SOUTH CAROLINA DEPARTMENT OF MENTAL HEALTH BY POWER ENGINEERING COMPANY, INC. DATED JANUARY 30, 2007

SHEET 2 OF 5

[illegible]

**SHEET 4 OF 5**

**MANNING CORRECTIONAL  
INSTITUTION**

MATCHLINE-SHEET 3  
MATCHLINE-SHEET 4

STATE OF SOUTH CARO  
TMS # 11400-01-01A  
7901 FARROW ROAD

L116  
FARROW  
S.C. HWY  
555

SOUTH CAROLINA  
STATE CREDIT UNION  
TMS # 14400-07-01B  
7905 FARROW ROAD  
5/8" red  
found  
W/cap  
D. -  
35°27' E 223.50'  
(lie-line)

STATE OF S.C./  
S.C. MENTAL HEALTH  
COMMISSION  
COLUMBIA, S.C. 29201  
TMS # 14400-01-01A  
TOTAL PERMANENT  
EASEMENT=8.141 ACRES


CF# 250-372

REVISION NO: 4

• • •

DATE: 03/31/2016

CITY OF COLUMBIA  
DEPARTMENT OF UTILITIES & ENGINEERING  
COLUMBIA, SOUTH CAROLINA

APPROVED BY: 

SCALE: 1"=200

DATE: 02/05/15

DRAWN  
BY: GAS

BECKMAN ROAD AND JESSAMINE STREET ON S.C. DEPARTMENT OF MENTAL HEALTH PROPERTY.

DRAWING BASED ON COMPILATIONS ONLY.  
NO PROPERTY SURVEY PERFORMED.  
RICHLAND COUNTY TMS 14400, 2015 EDITION

THE EASEMENT BOUNDARIES ARE FROM EDGE OF PAVEMENT TO EDGE OF PAVEMENT AND GRANTEE IS NOT RESPONSIBLE FOR MAINTENANCE OF ANY PROPERTY OUTSIDE OF EASEMENT DRAYS

2. STREET LIGHTING ALONG FAISON DRIVE, BEDFORD ROAD AND JESSAMINE STREET WILL REMAIN THE RESPONSIBILITY OF GRANATOR

3. SEVERAL SPECIAL IDENTIFICATION SIGNS WHICH HAVE BEEN CONSTRUCTED AROUND MORTON VILLAGE AND ANY OTHER SPECIALTY SIGNS WILL REMAIN THE RESPONSIBILITY OF GRANATOR. GRANTEE WILL NOT MAINTAIN STREET SIGNS ALONG ROADWAYS COVERED BY THIS EASEMENT

4. THE RESPONSIBILITY OF MAINTAINING THE GRASS AREAS ALONG ALL ROADWAYS COVERED BY THIS EASEMENT WILL BE THAT OF GRANATOR

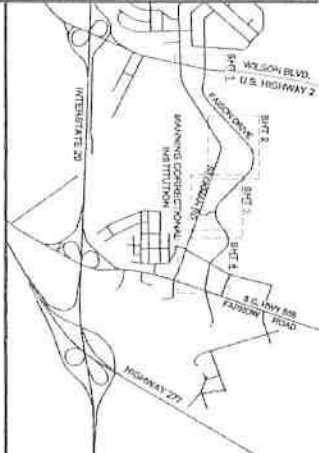
5. GRANTEE WILL NOT PROVIDE GARAGE PICK-UP BUILDING INSPECTIONS OR ASSIST WITH GENERAL UPPERCASE OF NON-PAVED ROADS

6. ALL TIE-IN DOCUMENTS ARE 5/4/97 REBAR WITH CAPS (POWER ENGINEERING 2007).

A SKETCH PREPARED FOR THE SOUTH CAROLINA DEPARTMENT OF HIGHWAYS REFERENCE IS MADE TO THE FOLLOWING:

1. A SKETCH PREPARED FOR THE SOUTH-  
WESTERN POWER ENGINEERING CON-

LOCATION MAP SCALE: 1"=2000'



(9-6)

NOTES:  
1. THE EASEMENT BOUNDARIES ARE FROM  
EDGE OF PAVEMENT TO EDGE OF PAVEMENT  
AND GRASS IS NOT RESPONSIBLE FOR  
REMAIN THE RESPONSIBILITY OF GRANITOR  
EASEMENT AREAS.

2. STREET LIGHTING ALONG FAISON DRIVE  
REMAIN THE RESPONSIBILITY OF GRANITOR.  
3. SPECIAL SPECIAL IDENTIFICATION SONS  
MORRIS VILLAGE AND ANY OTHER SPECIALTY  
SONS WILL REMAIN THE RESPONSIBILITY OF  
STREET SONS ALONG ROADWAYS COVERED  
BY THE EASEMENT.

4. THE RESPONSIBILITY OF MAINTAINING THE  
GRASS AREAS ALONG ALL ROADWAYS  
COVERED BY THIS EASEMENT WILL BE THAT  
OF GRANITOR.

5. GRANITE WILL NOT PROVIDE CARBAGE  
PICK-UP-BUILDING INSPECTIONS OF ASSESS  
WITH GENERAL DREPP OF NON-PUBLIC  
ROADS.

CURVE DATA			
LINE	BEARING	CURVE DATA	AND DIST
C1	N82°15'19"W	101.31	35.26
C2	N82°15'19"W	101.31	35.26
C3	N82°15'19"W	101.31	35.26
C4	N82°15'19"W	101.31	35.26
C5	N82°15'19"W	101.31	35.26
C6	N82°15'19"W	101.31	35.26
C7	N82°15'19"W	101.31	35.26
C8	N82°15'19"W	101.31	35.26
C9	N82°15'19"W	101.31	35.26
C10	N82°15'19"W	101.31	35.26
C11	N82°15'19"W	101.31	35.26
C12	N82°15'19"W	101.31	35.26
C13	N82°15'19"W	101.31	35.26
C14	N82°15'19"W	101.31	35.26
C15	N82°15'19"W	101.31	35.26
C16	N82°15'19"W	101.31	35.26
C17	N82°15'19"W	101.31	35.26
C18	N82°15'19"W	101.31	35.26
C19	N82°15'19"W	101.31	35.26
C20	N82°15'19"W	101.31	35.26
C21	N82°15'19"W	101.31	35.26
C22	N82°15'19"W	101.31	35.26
C23	N82°15'19"W	101.31	35.26
C24	N82°15'19"W	101.31	35.26
C25	N82°15'19"W	101.31	35.26
C26	N82°15'19"W	101.31	35.26
C27	N82°15'19"W	101.31	35.26
C28	N82°15'19"W	101.31	35.26
C29	N82°15'19"W	101.31	35.26
C30	N82°15'19"W	101.31	35.26
C31	N82°15'19"W	101.31	35.26
C32	N82°15'19"W	101.31	35.26
C33	N82°15'19"W	101.31	35.26
C34	N82°15'19"W	101.31	35.26
C35	N82°15'19"W	101.31	35.26
C36	N82°15'19"W	101.31	35.26
C37	N82°15'19"W	101.31	35.26
C38	N82°15'19"W	101.31	35.26
C39	N82°15'19"W	101.31	35.26
C40	N82°15'19"W	101.31	35.26
C41	N82°15'19"W	101.31	35.26
C42	N82°15'19"W	101.31	35.26
C43	N82°15'19"W	101.31	35.26
C44	N82°15'19"W	101.31	35.26
C45	N82°15'19"W	101.31	35.26
C46	N82°15'19"W	101.31	35.26
C47	N82°15'19"W	101.31	35.26
C48	N82°15'19"W	101.31	35.26
C49	N82°15'19"W	101.31	35.26
C50	N82°15'19"W	101.31	35.26
C51	N82°15'19"W	101.31	35.26
C52	N82°15'19"W	101.31	35.26
C53	N82°15'19"W	101.31	35.26
C54	N82°15'19"W	101.31	35.26
C55	N82°15'19"W	101.31	35.26
C56	N82°15'19"W	101.31	35.26
C57	N82°15'19"W	101.31	35.26
C58	N82°15'19"W	101.31	35.26
C59	N82°15'19"W	101.31	35.26
C60	N82°15'19"W	101.31	35.26
C61	N82°15'19"W	101.31	35.26
C62	N82°15'19"W	101.31	35.26
C63	N82°15'19"W	101.31	35.26
C64	N82°15'19"W	101.31	35.26
C65	N82°15'19"W	101.31	35.26
C66	N82°15'19"W	101.31	35.26
C67	N82°15'19"W	101.31	35.26
C68	N82°15'19"W	101.31	35.26
C69	N82°15'19"W	101.31	35.26
C70	N82°15'19"W	101.31	35.26
C71	N82°15'19"W	101.31	35.26
C72	N82°15'19"W	101.31	35.26
C73	N82°15'19"W	101.31	35.26
C74	N82°15'19"W	101.31	35.26
C75	N82°15'19"W	101.31	35.26
C76	N82°15'19"W	101.31	35.26
C77	N82°15'19"W	101.31	35.26
C78	N82°15'19"W	101.31	35.26
C79	N82°15'19"W	101.31	35.26
C80	N82°15'19"W	101.31	35.26
C81	N82°15'19"W	101.31	35.26
C82	N82°15'19"W	101.31	35.26
C83	N82°15'19"W	101.31	35.26
C84	N82°15'19"W	101.31	35.26
C85	N82°15'19"W	101.31	35.26
C86	N82°15'19"W	101.31	35.26
C87	N82°15'19"W	101.31	35.26
C88	N82°15'19"W	101.31	35.26
C89	N82°15'19"W	101.31	35.26
C90	N82°15'19"W	101.31	35.26
C91	N82°15'19"W	101.31	35.26
C92	N82°15'19"W	101.31	35.26
C93	N82°15'19"W	101.31	35.26
C94	N82°15'19"W	101.31	35.26
C95	N82°15'19"W	101.31	35.26
C96	N82°15'19"W	101.31	35.26
C97	N82°15'19"W	101.31	35.26
C98	N82°15'19"W	101.31	35.26
C99	N82°15'19"W	101.31	35.26
C100	N82°15'19"W	101.31	35.26

TOTAL AREA OF PAVEMENT ON FAISON DRIVE, BECKMAN ROAD AND  
JESSAMINE STREET = 354,642 SQ. FT. OR 8.141 ACRES

LINE DATA

BEARING	DISTANCE	LINE	BEARING	DISTANCE	LINE	BEARING	DISTANCE	LINE	BEARING	DISTANCE	LINE
N17°14'43"E	82.83'	L51	N42°11'42"E	51.65'	L101	S70°13'08"E	111.32'	L151	S85°22'32"E	10.13'	L201
S74°29'42"W	72.35'	L52	N42°11'42"E	78.16'	L102	S74°29'42"W	42.97'	L152	S85°22'32"E	10.13'	L202
N18°18'44"W	51.75'	L53	N42°11'42"E	45.89'	L103	S89°01'50"E	42.97'	L153	S85°22'32"E	10.13'	L203
S80°18'44"W	51.75'	L54	S89°01'50"E	62.50'	L104	S89°01'50"E	42.97'	L154	S85°22'32"E	10.13'	L204
N18°18'44"W	51.75'	L55	S89°01'50"E	39.16'	L105	S74°29'42"W	8.60'	L155	S85°22'32"E	10.13'	L205
N18°18'44"W	79.13'	L56	S89°01'50"E	21.76'	L106	S74°29'42"W	8.60'	L156	S85°22'32"E	10.13'	L206
N1°28'55.0"W	2.00'	L57	S89°01'50"E	21.76'	L107	S74°29'42"W	8.60'	L157	S85°22'32"E	10.13'	L207
N18°18'44"W	35.34'	L58	S89°01'50"E	21.76'	L108	S74°29'42"W	8.60'	L158	S85°22'32"E	10.13'	L208
N18°18'44"W	35.34'	L59	S89°01'50"E	21.76'	L109	S74°29'42"W	8.60'	L159	S85°22'32"E	10.13'	L209
N18°18'44"W	35.34'	L60	S89°01'50"E	21.76'	L110	S74°29'42"W	8.60'	L160	S85°22'32"E	10.13'	L210
N18°18'44"W	35.34'	L61	S89°01'50"E	21.76'	L111	S74°29'42"W	8.60'	L161	S85°22'32"E	10.13'	L211
N18°18'44"W	35.34'	L62	S89°01'50"E	21.76'	L112	S74°29'42"W	8.60'	L162	S85°22'32"E	10.13'	L212
N18°18'44"W	35.34'	L63	S89°01'50"E	21.76'	L113	S74°29'42"W	8.60'	L163	S85°22'32"E	10.13'	L213
N18°18'44"W	35.34'	L64	S89°01'50"E	21.76'	L114	S74°29'42"W	8.60'	L164	S85°22'32"E	10.13'	L214
N18°18'44"W	35.34'	L65	S89°01'50"E	21.76'	L115	S74°29'42"W	8.60'	L165	S85°22'32"E	10.13'	L215
N18°18'44"W	35.34'	L66	S89°01'50"E	21.76'	L116	S74°29'42"W	8.60'	L166	S85°22'32"E	10.13'	L216
N18°18'44"W	35.34'	L67	S89°01'50"E	21.76'	L117	S74°29'42"W	8.60'	L167	S85°22'32"E	10.13'	L217
N18°18'44"W	35.34'	L68	S89°01'50"E	21.76'	L118	S74°29'42"W	8.60'	L168	S85°22'32"E	10.13'	L218
N18°18'44"W	35.34'	L69	S89°01'50"E	21.76'	L119	S74°29'42"W	8.60'	L169	S85°22'32"E	10.13'	L219
N18°18'44"W	35.34'	L70	S89°01'50"E	21.76'	L120	S74°29'42"W	8.60'	L170	S85°22'32"E	10.13'	L220
N18°18'44"W	35.34'	L71	S89°01'50"E	21.76'	L121	S74°29'42"W	8.60'	L171	S85°22'32"E	10.13'	L221
N18°18'44"W	35.34'	L72	S89°01'50"E	21.76'	L122	S74°29'42"W	8.60'	L172	S85°22'32"E	10.13'	L222
N18°18'44"W	35.34'	L73	S89°01'50"E	21.76'	L123	S74°29'42"W	8.60'	L173	S85°22'32"E	10.13'	L223
N18°18'44"W	35.34'	L74	S89°01'50"E	21.76'	L124	S74°29'42"W	8.60'	L174	S85°22'32"E	10.13'	L224
N18°18'44"W	35.34'	L75	S89°01'50"E	21.76'	L125	S74°29'42"W	8.60'	L175	S85°22'32"E	10.13'	L225
N18°18'44"W	35.34'	L76	S89°01'50"E	21.76'	L126	S74°29'42"W	8.60'	L176	S85°22'32"E	10.13'	L226
N18°18'44"W	35.34'	L77	S89°01'50"E	21.76'	L127	S74°29'42"W	8.60'	L177	S85°22'32"E	10.13'	L227
N18°18'44"W	35.34'	L78	S89°01'50"E	21.76'	L128	S74°29'42"W	8.60'	L178	S85°22'32"E	10.13'	L228
N18°18'44"W	35.34'	L79	S89°01'50"E	21.76'	L129	S74°29'42"W	8.60'	L179	S85°22'32"E	10.13'	L229
N18°18'44"W	35.34'	L80	S89°01'50"E	21.76'	L130	S74°29'42"W	8.60'	L180	S85°22'32"E	10.13'	L230
N18°18'44"W	35.34'	L81	S89°01'50"E	21.76'	L131	S74°29'42"W	8.60'	L181	S85°22'32"E	10.13'	L231
N18°18'44"W	35.34'	L82	S89°01'50"E	21.76'	L132	S74°29'42"W	8.60'	L182	S85°22'32"E	10.13'	L232
N18°18'44"W	35.34'	L83	S89°01'50"E	21.76'	L133	S74°29'42"W	8.60'	L183	S85°22'32"E	10.13'	L233
N18°18'44"W	35.34'	L84	S89°01'50"E	21.76'	L134	S74°29'42"W	8.60'	L184	S85°22'32"E	10.13'	L234
N18°18'44"W	35.34'	L85	S89°01'50"E	21.76'	L135	S74°29'42"W	8.60'	L185	S85°22'32"E	10.13'	L235
N18°18'44"W	35.34'	L86	S89°01'50"E	21.76'	L136	S74°29'42"W	8.60'	L186	S85°22'32"E	10.13'	L236
N18°18'44"W	35.34'	L87	S89°01'50"E	21.76'	L137	S74°29'42"W	8.60'	L187	S85°22'32"E	10.13'	L237
N18°18'44"W	35.34'	L88	S89°01'50"E	21.76'	L138	S74°29'42"W	8.60'	L188	S85°22'32"E	10.13'	L238
N18°18'44"W	35.34'	L89	S89°01'50"E	21.76'	L139	S74°29'42"W	8.60'	L189	S85°22'32"E	10.13'	L239
N18°18'44"W	35.34'	L90	S89°01'50"E	21.76'	L140	S74°29'42"W	8.60'	L190	S85°22'32"E	10.13'	L240
N18°18'44"W	35.34'	L91	S89°01'50"E	21.76'	L141	S74°29'42"W	8.60'	L191	S85°22'32"E	10.13'	L241
N18°18'44"W	35.34'	L92	S89°01'50"E	21.76'	L142	S74°29'42"W	8.60'	L192	S85°22'32"E	10.13'	L242
N18°18'44"W	35.34'	L93	S89°01'50"E	21.76'	L143	S74°29'42"W	8.60'	L193	S85°22'32"E	10.13'	L243
N18°18'44"W	35.34'	L94	S89°01'50"E	21.76'	L144	S74°29'42"W	8.60'	L194	S85°22'32"E	10.13'	L244
N18°18'44"W	35.34'	L95	S89°01'50"E	21.76'	L145	S74°29'42"W	8.60'	L195	S85°22'32"E	10.13'	L245
N18°18'44"W	35.34'	L96	S89°01'50"E	21.76'	L146	S74°29'42"W	8.60'	L196	S85°22'32"E	10.13'	L246
N18°18'44"W	35.34'	L97	S89°01'50"E	21.76'	L147	S74°29'42"W	8.60'	L197	S85°22'32"E	10.13'	L247
N18°18'44"W	35.34'	L98	S89°01'50"E	21.76'	L148	S74°29'42"W	8.60'	L198	S85°22'32"E	10.13'	L248
N18°18'44"W	35.34'	L99	S89°01'50"E	21.76'	L149	S74°29'42"W	8.60'	L199	S85°22'32"E	10.13'	L249
N18°18'44"W	35.34'	L100	S89°01'50"E	21.76'	L150	S74°29'42"W	8.60'	L200	S85°22'32"E	10.13'	L250

DRAWING BASED ON COMPILATIONS ONLY. NO PROPERTY SURVEY PERFORMED. RICHLAND COUNTY TMS 14400;  
2015 EDITION

STATE OF S.C./  
S.C. MENTAL HEALTH  
COMMISSION

CITY OF COLUMBIA  
DEPARTMENT OF UTILITIES & ENGINEERING  
COLUMBIA, SOUTH CAROLINA

APPROVED BY  
*[Signature]*  
DATE: 02/05/15

DRAWN BY: GAS  
DATE: 03/31/2016

CF # 250-372

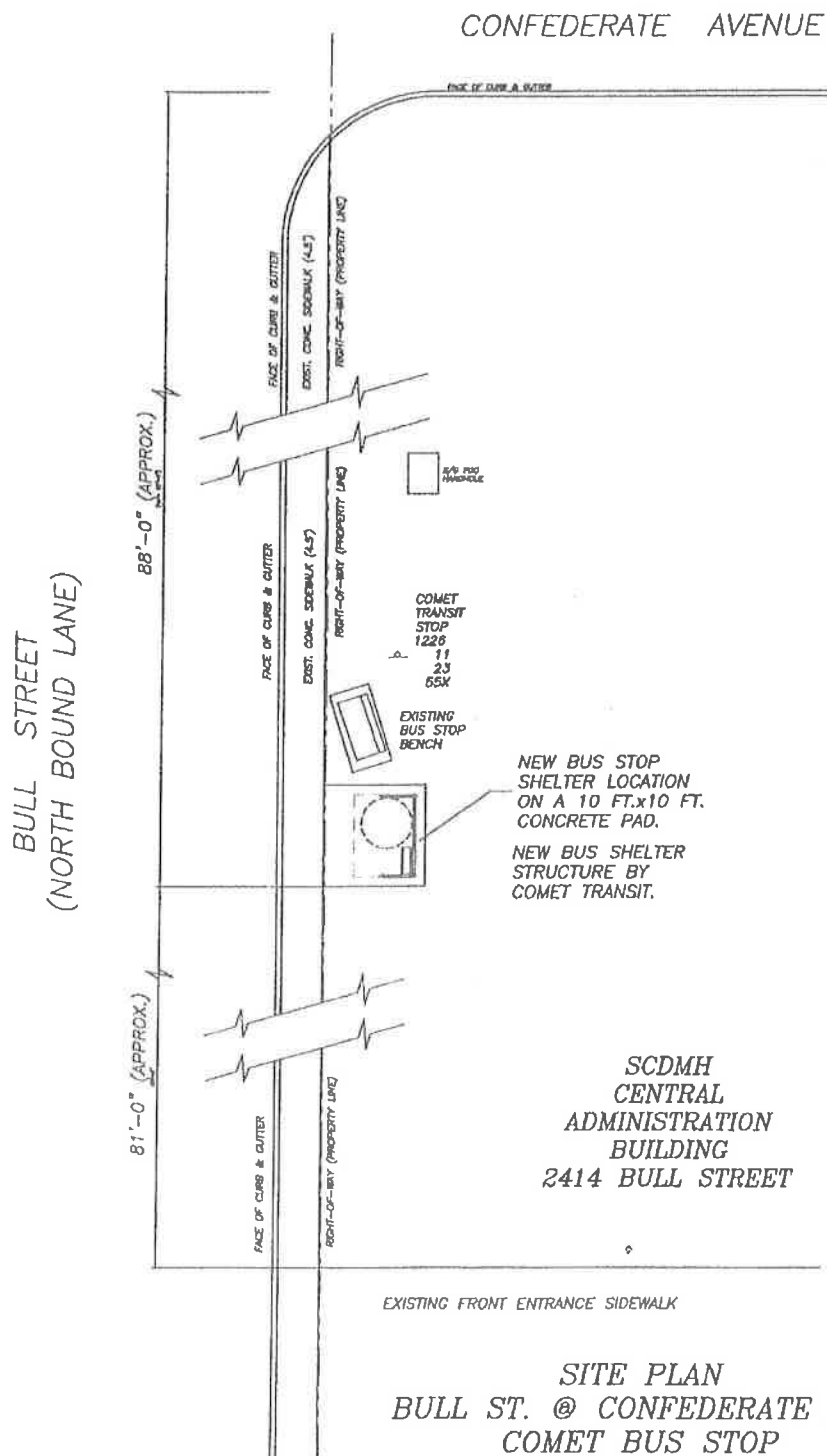
REVISION NO: 4

TOTAL AREA OF PAVEMENT ON FAISON DRIVE, BECKMAN ROAD AND  
JESSAMINE STREET = 354,642 SQ. FT. OR 8.141 ACRES

PROJECT NO.: NON-CIP

(b)

## EXHIBIT A





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AGENCY: Division of Procurement Services

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SUBJECT: Procurement Audits and Certifications

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The Division of Procurement Services, in accord with Section 11-35-1210, has audited the following agency and recommends certification within the parameters described in the audit report for the following limits (total potential purchase commitment whether single-or multi-year contracts are used):

- a. South Carolina Arts Commission (for a period of three years): supplies and services, \$100,000\* per commitment; information technology, \$100,000\* per commitment; printing and design – included under information technology.

The South Carolina Arts Commission requested to remain at its current certification levels minus printing and design. Printing and design certification is covered under Information Technology. The Commission complies with the South Carolina Consolidated Procurement Code, State regulations, and the Commission's procurement policies and procedures in all material respects and the internal procurement operating procedures are adequate to properly handle procurement transactions. Procurement Services recommends the State Fiscal Accountability Authority grant the South Carolina Arts Commission the certification limits noted above.

- b. SC Department of Motor Vehicles (for a period of three years): supplies and services, \$350,000\* per commitment; consultant services, \$350,000\* per commitment; information technology, \$150,000\* per commitment.

The South Carolina Department of Motor Vehicles requested an increase in its certification levels. The Department complies with the South Carolina Consolidated Procurement Code, State regulations, and the Department's procurement policies and procedures in all material respects and the internal procurement operating procedures are adequate to properly handle procurement transactions. Procurement Services recommends the State Fiscal Accountability Authority grant the South Carolina Department of Motor Vehicles the certification limits noted above.

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AGENCY: Division of Procurement Services

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SUBJECT: Procurement Audits and Certifications

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AUTHORITY ACTION REQUESTED:

Grant procurement certifications, in accord with Section 11-35-1210, for the following agencies within the parameters described in the audit report for the following limits (total potential purchase commitment whether single-or multi- year contracts are used):

- a. South Carolina Arts Commission (for a period of three years): supplies and services, \$100,000\* per commitment; information technology, \$100,000\* per commitment; printing and design – included under information technology.

The South Carolina Arts Commission requested to remain at its current certification levels minus printing and design. Printing and design certification is covered under Information Technology. The Commission complies with the South Carolina Consolidated Procurement Code, State regulations, and the Commission's procurement policies and procedures in all material respects and the internal procurement operating procedures are adequate to properly handle procurement transactions. Procurement Services recommends the State Fiscal Accountability Authority grant the South Carolina Arts Commission the certification limits noted above.

- b. SC Department of Motor Vehicles (for a period of three years): supplies and services, \$350,000\* per commitment; consultant services, \$350,000\* per commitment; information technology, \$150,000\* per commitment.

The South Carolina Department of Motor Vehicles requested an increase in its certification levels. The Department complies with the South Carolina Consolidated Procurement Code, State regulations, and the Department's procurement policies and procedures in all material respects and the internal procurement operating procedures are adequate to properly handle procurement transactions. Procurement Services recommends the State Fiscal Accountability Authority grant the South Carolina Department of Motor Vehicles the certification limits noted above.

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ATTACHMENTS:

Agenda item worksheets and attachments

# STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting scheduled for: August 23, 2016

Blue Agenda

**1. Submitted by:**

- (a) Agency: Division of Procurement Services  
(b) Authorized Official Signature:

  
John St. C. White, Materials Management Officer

**2. Subject:** Procurement Certification for the South Carolina Arts Commission

**3. Summary Background Information:**

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement system of the South Carolina Arts Commission and recommends its certification within the parameters described in the audit report for the following limits for a period of three years.

	<u>Current Certification</u>	<u>Certification Recommended</u>
I. Supplies and Services	*\$ 100,000 Per Commitment	*\$ 100,000 Per Commitment
II. Information Technology	*\$ 100,000 Per Commitment	*\$ 100,000 Per Commitment
III. Printing and Design	*\$ 125,000 Per Commitment	Included under Information Technology

The South Carolina Arts Commission requested to remain at its current certification levels minus printing and design. Printing and design certification is covered under Information Technology. The Commission complies with the South Carolina Consolidated Procurement Code, State regulations, and the Commission's procurement policies and procedures in all material respects and the internal procurement operating procedures are adequate to properly handle procurement transactions. We recommend the State Fiscal Accountability Authority grant the South Carolina Arts Commission the certification limits noted above.

**4. What is Authority asked to do?**

Grant procurement certification for the South Carolina Arts Commission by approval of the Blue Agenda.

**5. What is recommendation of Authority division involved?** Approve.

**6. Recommendation of other office (as required)?**

- (a) Authorized Signature: \_\_\_\_\_  
(b) Division/Agency Name: \_\_\_\_\_

**7. List of supporting documents:**

- (a) Section 11-35-1210 of the Consolidated Procurement Code

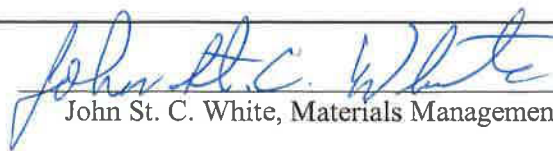
# STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting scheduled for: August 23, 2016

Blue Agenda

**1. Submitted by:**

- (a) Agency: Division of Procurement Services  
(b) Authorized Official Signature:



John St. C. White, Materials Management Officer

**2. Subject:** Procurement Certification for the South Carolina Department of Motor Vehicles

**3. Summary Background Information:**

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement system of the South Carolina Department of Motor Vehicles and recommends its certification within the parameters described in the audit report for the following limits for a period of three years.

	<u>Current Certification</u>	<u>Certification Recommended</u>
I. Supplies and Services	*\$ 250,000 Per Commitment	*\$ 350,000 Per Commitment
II. Consultant Services	*\$ 250,000 Per Commitment	*\$ 350,000 Per Commitment
III. Information Technology	*\$ 50,000 Per Commitment	*\$ 150,000 Per Commitment

The South Carolina Department of Motor Vehicles requested an increase in its certification levels. The Department complies with the South Carolina Consolidated Procurement Code, State regulations, and the Department's procurement policies and procedures in all material respects and the internal procurement operating procedures are adequate to properly handle procurement transactions. We recommend the State Fiscal Accountability Authority grant the South Carolina Department of Motor Vehicles the certification limits noted above.

**4. What is Authority asked to do?**

Grant procurement certification for the South Carolina Department of Motor Vehicles by approval of the Blue Agenda.

**5. What is recommendation of Authority division involved?** Approve.

**6. Recommendation of other office (as required)?**

- (a) Authorized Signature: \_\_\_\_\_  
(b) Division/Agency Name: \_\_\_\_\_

**7. List of supporting documents:**

- (a) Section 11-35-1210 of the Consolidated Procurement Code

## **§ 11-35-1210. Certification**

(1) Authority. The board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The designated board office shall review the respective governmental body's internal procurement operation, shall certify in writing that it is consistent with the provisions of this code and the ensuing regulations, and recommend to the board those dollar limits for the respective governmental body's procurement not under term contract.

(2) Policy. Authorizations granted by the board to a governmental body are subject to the following:

(a) adherence to the provisions of this code and the ensuing regulations, particularly concerning competitive procurement methods;

(b) responsiveness to user needs;

(c) obtaining of the best prices for value received.

(3) Adherence to Provisions of the Code. All procurements shall be subject to all the appropriate provisions of this code, especially regarding competitive procurement methods and nonrestrictive specifications.

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AGENCY: Executive Director

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SUBJECT: Revenue Bonds

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The required reviews on the following proposal to issue revenue bonds have been completed with satisfactory results. The projects require approval under State law. Ceiling allocation requests are approved in a separate item.

- a. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: Not Exceeding \$11,000,000 Education Facilities Revenue Bonds  
Allocation Needed: -0-  
Name of Project: Oceanside Collegiate Academy  
Employment Impact: direct employment of 35 people within 12 months and the indirect employment for those engaged in construction of OCA, which employees will be from the town and adjacent areas  
Project Description: charter school authorized by the South Carolina Public Charter School District with a mission to serve grades high school students to be located in Mt. Pleasant, SC  
*Note:* *public sale*  
Bond Counsel: Emily S. Luther, Parker Poe Adams & Bernstein, LLP
- b. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: \$75,000,000 Economic Development Revenue Bonds  
Allocation Needed: -0-  
Name of Project: Presbyterian Home of South Carolina (d/b/a Presbyterian Communities of South Carolina)  
Employment Impact: 500 (create – temporary construction); (create – permanent); 729 (maintain)  
Project Description: The (a) acquisition, construction, furnishing, and equipping of (i) an approximately 88-bed skilled nursing care health center at its existing continuing care retirement community located at 201 West 9<sup>th</sup> Street, in Summerville, (ii) approximately eighteen additional independent living apartments and related amenities at The Village at Summerville, and (iii) approximately twelve additional independent living apartments and related amenities at its existing continuing care retirement community located at 205 Bud Nalley Drive in Easley; and (b) refinancing of certain indebtedness incurred to finance the acquisition, construction, furnishing, and equipping of certain capital projects at The Village at Summerville, at the Foothills Community, at its existing continuing care retirement communities located at 700 DaVega Drive in Lexington, at 801 Musgrove Street in Clinton, and at 2350 West Lucas Street in Florence.  
*Note:* *negotiated private sale*  
Bond Counsel: F. Mitchell Johnson, Jr., Haynsworth Sinkler Boyd, P. A.

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AGENCY: Executive Director

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SUBJECT: Revenue Bonds -- Continued

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- c. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: Not Exceeding \$27,000,000 Economic Development Revenue Bonds  
Allocation Needed: \$27,000,000  
Name of Project: HarborChase of Riverwalk  
Employment Impact: 90 (direct); 493 (indirect) within 24 months  
Project Description: a special purpose entity created for the sole purpose of constructing, owning and operating an assisted living facility with memory care in the City of Rock Hill, SC. The project will consist of 88 units (63 assisted living and 25 memory care units) and will be located in the planned Riverwalk Community, a 1000 acres, mixed-use development in the City of Rock Hill  
*Note:* *public sale*  
Bond Counsel: Elizabeth S. Luther, Parker Poe Adams & Bernstein LLP

- d. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: \$130,000,000 Economic Development Revenue Bonds  
Allocation Needed: -0-  
Name of Project: Roper St. Francis Healthcare  
Employment Impact: 5,600  
Project Description: (i) financing the costs of acquiring, construction and equipping a new 50-bed hospital in Berkeley County; (ii) financing the costs of acquiring, constructing and equipping other capital projects throughout RSFS's health care system, and (iii) paying certain fees and expenses incurred in connection with the issuance of the bonds  
*Note:* *negotiated sale*  
Bond Counsel: Jeremy L. Cook, Haynsworth Sinkler Boyd, PA

- e. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: Not Exceeding \$17,500,000 Economic Development Revenue Bonds  
Allocation Needed: -0-  
Name of Project: The Citadel Real Estate Foundation  
Employment Impact: maintain 51 jobs  
Project Description: defray the cost, including the payment of financing costs, construction, acquisition, and equipping of an approximately 43,950 square foot building to house the School of Business for The Citadel  
*Note:* *private sale*  
Bond Counsel: Benjamin T. Zeigler, Haynsworth Sinkler Boyd, P. A.

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AGENCY: Executive Director

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SUBJECT: Revenue Bonds -- Continued

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- f. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: Not Exceeding \$55,000,000 Health Facilities Revenue and Refunding Bonds (\$35,195,000 previously approved)  
Allocation Needed: -0-  
Name of Project: Wesley Commons  
Employment Impact: maintain 272 jobs  
Project Description: previously approved by SFAA on October 27, 2015, for the not exceeding amount of \$25,000,000 for the cost of demolishing and constructing buildings, improvement, fixtures, furnishing and equipment to constitute the following expansion and/or improvements to the borrower's existing elder care facilities located in Greenwood County; which will include the demolition of an existing building and addition of a new skilled nursing building, enhancing and/or adding new public spaces on the campus and the expansion of the Assisted living and Special Care facility, including new parking lots landscaping, roads to connect the new skilled nursing building to the existing campus, a retention wall, signage and lighting. The project is being amended to increase amount to \$55,000,000 and to include the current refunding of the \$35,195,000 original principal amount SC Jobs-Economic Development Authority First Mortgage health Facilities Refunding Revenue Bonds (Wesley Commons Project) Series 2006 which will result in an interest rate savings.  
*Note:* *private sale or public sale*  
Bond Counsel: Kathleen C. McKinney, Haynsworth Sinkler Boyd, P.A.

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AUTHORITY ACTION REQUESTED:

Adopt the resolutions approving the referenced proposals to issue revenue bonds.

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ATTACHMENTS:

Resolutions with attachments

**A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF NOT EXCEEDING \$11,000,000 AGGREGATE PRINCIPAL AMOUNT EDUCATION FACILITIES REVENUE BONDS (OCEANSIDE COLLEGIATE ACADEMY PROJECT) IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED**

**WHEREAS**, the South Carolina Jobs-Economic Development Authority ("*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended ("*Act*"), requested approval by the State Fiscal Accountability Authority of the State of South Carolina of the issuance by the Authority pursuant to the Act of its Education Facilities Revenue Bonds in the aggregate principal amount of not exceeding \$11,000,000 (together, the "*Bonds*") through public sale, as the Authority may determine to be most advantageous; and

**WHEREAS**, the Authority represents to the State Fiscal Accountability Authority of the State of South Carolina that the Bonds will be sold in a manner acceptable to the Authority.

**NOW, THEREFORE, BE IT RESOLVED**, by the State Fiscal Accountability Authority of the State of South Carolina ("*Board*"), as follows:

**Section 1.** It is hereby found, determined and declared by the Board that: the Petition filed by the Authority contains all matters required by law and the rules of the Board to be set forth therein, and that in consequence thereof the jurisdiction of the Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

**Section 2.** In consequence of the foregoing, the proposal of the Authority to issue the Bonds through public sale be and the same is hereby in all respects approved.

**Section 3.** This Resolution shall take effect immediately.

Summary of Financing Proposal for  
Not exceeding \$11,000,000  
South Carolina Jobs-Economic Development Authority  
Education Facilities Revenue Bonds  
(Oceanside Collegiate Academy Project)  
Series 2016 A&B

PRELIMINARY – SUBJECT TO CHANGE

June 28, 2016

Bonds proposed to be financed up to \$11,000,000  
South Carolina Jobs-Economic Development  
Authority Education Facilities Revenue Bonds,  
Series 2016A & B

Average interest rate of bonds	7.0%
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Projected average interest rate of bonds	7.0%
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True interest cost of bonds

Estimated costs (costs as a percentage of bonds)

Underwriting	1.75%
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Legal fees – bond, disclosure and general counsel	1.92%
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Rating agency fees	N/A
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Advisory fees	1.22%
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Bond trustee/registrar	0.024%
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Accounting and verification	0.00%
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Credit enhancement/bond insurance	N/A
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Publication, printing, contingencies and all other expenses	0.48%
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Total	5.40%
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Prepared by     Parker Poe Adams & Bernstein LLP

Date             June 28, 2016



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/27/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: \_\_\_\_\_ Issuer: South Carolina Jobs-Economic Development Authority Series: \_\_\_\_\_  
Borrower (if not Issuer): Oceanside Collegiate Academy  
Bond Caption: Education Facilities Revenue Bonds (Oceanside Collegiate Academy Project)  
Bond Resolution Amount: \$11,000,000.00 Est. Production Amount: \$10,410,000.00

(\* Used to calculate initial COI percentages: this \$ Amount / Est. \$ COI o  
Page 2 should reconcile to "Summary of Financing Proposal" percentage:

#### Initial/Current Version:

ENTITY

NAME: Oceanside Collegiate AcademyBY: Parker Poe Adams & BernsteinITS: Bond Counsel

#### Final:

ENTITY

NAME: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

### 2. FINANCING (NEW PORTION)

Project #: \_\_\_\_\_ Project Name: Oceanside Collegiate Academy  
Project Address/Location: 580 Faison Road, Mt. Pleasant, SC Amount: \$10,410,000.00  
Project Type: Charter School County: Charleston  
Projected Avg Interest Rate: 7.00% Final Maturity: 7.24% (2046)

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
		\$			\$	
		\$			\$	
		\$			\$	
		\$			\$	
		\$			\$	
		\$			\$	
Total		\$	*****	*****	\$	

### 4. FINANCING WORKING GROUP

Financial Advisor: N/A Disclosure Counsel: N/A  
Bond Counsel: Parker Poe Adams & Bernstein LLP Issuer's Counsel: Pope Flynn  
Underwriter: BB&T Capital Markets Underwriter's Counsel: Ice Miller LLP  
Municipal Mortgage: Funding the Gap Other: Purchaser's Counsel: Robinson & Cole LLP

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

Oceanside Collegiate Academy's ("OCA") is a charter school authorized by the South Carolina Public Charter School District with a mission is to serve grades high school students in a safe, small setting who seek the opportunity and challenge of a rigorous curriculum, high academic standards, and outstanding athletics while earning up to two years of college credit while in high school. OCA is partnering with the University of South Carolina, Union (USCU) for the provision of the dual enrollment coursework. The basis of the cost estimate for the financing of the project is from information provided by the Municipal Mortgage Advisor: Funding the Gap. The Borrower has requested SC JEDA to issue the Bonds and loan the proceeds to the Borrower in order to defray the cost of (i) financing all or a portion of

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals	Notes:
Issuer/Borrower Approval: 06/08/16	Amended
JBRC Approval: 00/00/00	
SFAA Approval: 00/00/00	

Project Approvals - Phase II (State Entities Only)	Notes:
Issuer/Borrower Approval: 00/00/00	
JBRC Approval: 00/00/00	
SFAA Approval: 00/00/00	

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes No

x

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

x

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage - 43,987  
Cost Estimate - \$9,480,000

A.

Est. Expenditures - Through 6 Months  
 Est. Expenditures - Through 12 Months  
 Est. Expenditures - Through 18 Months  
 Est. Expenditures - Through 24 Months  
 Est. Expenditures - Through 36 Months  
 Est. Expenditures - Through 48 Months  
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 10,010,000.00	12/31/2016	(estimated) Land; COI; construction; interest
\$ 400,000.00	8/31/2016	(estimated) FF&E
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$ 10,410,000.00		

## 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par		\$ 9,480,621.00	Project Fund
(b) Premium/Accr. Int.	\$ 10,410,000.00	\$ 365,580.00	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$	\$	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 561,687.50	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify) Type -	\$	\$ 2,111.50	Bond Rounding
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Sources</b>	<b>\$ 10,410,000.00</b>	<b>\$ 10,410,000.00</b>	<b>Total Project Uses</b>
Surplus/Deficit		\$ -	

## 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (\*\* Added COI entities beyond the following need an attached description \*\*)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	Funding the Gap			\$ 127,500.00	\$	\$ 127,500.00
Bond Counsel	Bernstein			\$ 95,000.00	\$	\$ 95,000.00
Disclosure Counsel				\$	\$	\$
Issuer's Counsel	Pope Flynn LLC			\$ 15,000.00	\$	\$ 15,000.00
Underwriter's Counsel	Ice Miller LLP			\$ 65,000.00	\$	\$ 65,000.00
Purchaser's Counsel	Robinson & Cole			\$ 25,000.00	\$	\$ 25,000.00
Legal Expenses				\$	\$	\$
				\$	\$	\$
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$	\$	\$
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation	BB&T Capital Markets			\$ 182,175.00	\$	\$ 182,175.00
Trustee	Wilmington Trust			\$ 2,500.00	\$	\$ 2,500.00
Financial Monitor				\$ 20,000.00	\$	\$ 20,000.00
Accountant				\$	\$	\$
Verification Agent				\$	\$	\$
Continuing Disclosure				\$ 5,500.00	\$	\$ 5,500.00
Publishing				\$ 5,000.00	\$	\$ 5,000.00
Advertising				\$	\$	\$
Contingency				\$ 5,000.00	\$	\$ 5,000.00
Issuer's Fee	SC JEDA / SC SHFDA			\$ 14,012.50	\$	\$ 14,012.50
				<b>\$ 561,687.50</b>	<b>\$</b>	<b>\$ 561,687.50</b>

### Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction  
 Bond Counsel: % of Transaction  
 Total Legal Costs: % of Transaction  
 Rating Agencies: % of Transaction

1.22%	#DIV/0!
0.91%	#DIV/0!
1.92%	#DIV/0!
0.00%	#DIV/0!

UW Comp: % of Transaction  
 Other COI: % of Transaction  
 Total COI: % of Transaction

1.75%	#DIV/0!
0.50%	#DIV/0!
<b>5.40%</b>	<b>#DIV/0!</b>

STATE FISCAL ACCOUNTABILITY AUTHORITY

## A RESOLUTION

APPROVING THE UNDERTAKING OF THE SOUTH CAROLINA JOBS - ECONOMIC DEVELOPMENT AUTHORITY TO ISSUE NOT EXCEEDING \$75,000,000 SOUTH CAROLINA JOBS - ECONOMIC DEVELOPMENT AUTHORITY ECONOMIC DEVELOPMENT REVENUE BONDS (PRESBYTERIAN COMMUNITIES OF SOUTH CAROLINA) SERIES 2016 IN ONE OR MORE SERIES (the "**Bonds**") PURSUANT TO TITLE 41, CHAPTER 43, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED (the "**Act**").

WHEREAS, heretofore the South Carolina Jobs - Economic Development Authority (the "**Authority**"), did, pursuant to the Act, petition the State Fiscal Accountability Authority, the statutory successor to the State Budget and Control Board of South Carolina, (the "**State Board**") seeking the approval of the State Board for an undertaking by the Authority pursuant to the Act; and

WHEREAS, the proposed undertaking consists of the issuance and delivery of the Bonds for the benefit of Presbyterian Home of South Carolina d/b/a Presbyterian Communities of South Carolina (the "**Corporation**"), a South Carolina non-profit corporation and an organization described in §501(c)(3) of the Internal Revenue Code of 1986, as amended, in one or more series and in an aggregate amount not exceeding \$75,000,000 pursuant to the Act to (i) finance the acquisition, construction, furnishing, and equipping of (a) an approximately 88-bed skilled nursing care health center at its existing continuing care retirement community ("**The Village at Summerville**") located at 201 West 9<sup>th</sup> Street, in Summerville, South Carolina (the "**Town of Summerville**") and in Dorchester County, South Carolina ("**Dorchester County**"), (b) approximately eighteen (18) additional independent living apartments and related amenities at The Village at Summerville, and (c) approximately twelve (12) additional independent living apartments and related amenities at its existing continuing care retirement community (the "**Foothills Community**") located at 205 Bud Nalley Drive in Easley, South Carolina, and in Pickens County, South Carolina ("**Pickens County**"); (ii) refinance certain indebtedness incurred to finance the acquisition, construction, furnishing, and equipping of certain capital projects at The Village at Summerville, at the Foothills Community, at its existing continuing care retirement community (the "**Columbia Community**") located at 700 DaVega Drive in Lexington, South Carolina, and in Lexington County South Carolina ("**Lexington County**"), at its existing continuing care retirement community (the "**Clinton Community**") located at 801 Musgrove Street in Clinton, South Carolina, and in Laurens County South Carolina ("**Laurens County**"), and at its existing continuing care retirement community (the "**Florence Community**") located at 2350 West Lucas Street in Florence, South Carolina, and in Florence County South Carolina ("**Florence County**"); (iii) fund a debt service reserve fund for all or a portion of the Bonds; and (iv) pay certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, the "**Undertaking**"), all pursuant to a resolution (the "**Bond Resolution**") adopted by the Board of Directors of the Authority, and to Bond Indentures (the "**Bond Indentures**") between the Authority and a trustee to be requested by the Borrower and approved by the Authority and the State Treasurer, as Bond Trustee (the "**Bond Trustee**"); and

WHEREAS, it is anticipated that a portion of the Bonds (the "**Bank Bonds**") will be sold to TD Bank (the "**Bank**") pursuant to a negotiated private sale which will purchase the Bank Bonds with no intent to resell them to the public and that the remaining portion of the Bonds (the "**Underwriter Bonds**") will be sold to Cross Point Capital LLC (the "**Underwriter**") pursuant to a negotiated private sale for resale to Hamlin Capital Management, LLC which will purchase the Underwriter Bonds with an intent to resell them only to qualified institutional buyers or accredited investors; and

WHEREAS, the Authority proposes to enter into Loan Agreements (the "**Loan Agreements**") with the Corporation pursuant to which the Authority will lend the proceeds of the Bonds to the Corporation to finance the costs of the Undertaking; and

WHEREAS, pursuant to the Loan Agreements, the Corporation will agree to pay to the Authority amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, the Authority proposes to enter into the Bond Indentures prescribing the terms and conditions upon which the Bonds will be issued and pledging to the payment of the Bonds the loan repayments to be made by the Corporation pursuant to the Loan Agreements; and

**WHEREAS**, the Authority has heretofore determined that:

(a) the Corporation is a responsible party engaged in the business of owning and operating The Village at Summerville, the Foothills Community, the Columbia Community, the Clinton Community, and the Florence Community (collectively, the "*Communities*" and each, a "*Community*"), and the Communities are located, respectively, in the Town of Summerville and in Dorchester County, Pickens County, Lexington County, Laurens County, and Florence County (collectively, the "*Counties*" and each, a "*County*");

(b) the Communities constitute a "business enterprise," as said term is referred to in §41-43-160 of the Act, and the issuance of the Bonds in an aggregate principal amount not to exceed \$75,000,000 in one or more series to finance the Undertaking will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(c) the Corporation has demonstrated to the Authority that the assistance of the Authority by the issuance of the Bonds will result in (i) the creation of temporary construction employment (both direct and indirect) for not less than five hundred (500) people from the Town of Summerville or Dorchester County and from Pickens County, and surrounding areas; (ii) the creation of permanent employment (both direct and indirect) for approximately seven (7) people from the Town of Summerville or Dorchester County and from Pickens County, and surrounding areas; and (iii) the maintenance of permanent employment (both direct and indirect) for approximately seven hundred twenty-nine (729) people from the Town of Summerville or Dorchester County and from the Counties and surrounding areas, with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of such businesses not otherwise provided locally, and the number of jobs resulting from the assistance authorized herein bears a reasonable relationship to the amount of program funds committed (*i.e.*, the principal amount of the Bonds), taking into account factors such as the amount of dollars invested per employee at comparable facilities;

(d) the amount of program funds committed (*i.e.*, the principal amount of the Bonds) bears a reasonable relationship to the amount of private funds committed to the Communities; and

(e) the size and scope of the Communities are such that a definite benefit to the economy of the State, the Town of Summerville or Dorchester County, and the Counties in particular is reasonably expected to result therefrom; and

**WHEREAS**, the Authority has also determined that prior to the issuance of the Bonds it will find that:

(a) the provisions, terms, and conditions of the agreements to be entered into by the Authority in connection with the issuance of the Bonds are reasonable and proper, taking into account such factors as the type of program involved, the amount of program funds involved, and the number and type of jobs involved, and

(b) the public interest is adequately protected by the terms of such documents; and

**WHEREAS**, in order to finance the Undertaking, the Authority proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Resolution and to the Bond Indentures, payable by the Authority from the amounts derived from the Loan Agreements and secured by the Bond Indentures pursuant to which the Authority will pledge substantially all of its right, title, and interest in and to the Loan Agreements to the Bond Trustee; and

**NOW, THEREFORE, BE IT RESOLVED BY THE STATE FISCAL ACCOUNTABILITY AUTHORITY IN MEETING DULY ASSEMBLED:**

1. It has been found and determined by the State Board that the Authority has filed a proper petition with the State Board in accordance with the provisions of the Act and that it has made the findings required by the Act.

2. On the basis of the foregoing findings, the proposed undertaking of the Authority to finance the Undertaking through the issuance of not exceeding \$75,000,000 of the Authority's Economic Development Revenue Bonds in one or more series through a negotiated private sale to the Bank and through a negotiated private sale to the Underwriter pursuant to the Act, the Bond Resolution, and the Bond Indentures, to be payable from the revenues to be derived by the Authority from the Loan Agreements, and to be secured by the Bond Indentures, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same are hereby approved.

**SUMMARY OF FINANCING PROPOSAL FOR**

**Presbyterian Home of South Carolina**

**PRELIMINARY – SUBJECT TO CHANGE**

June 21, 2016

Bonds	Not exceeding \$75,000,000 South Carolina Jobs-Economic Development Authority Economic Development Revenue Bonds (Presbyterian Communities of South Carolina Project) Series 2016.
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Average interest rate of Bonds

Projected average interest rate of Bonds	4.07%
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True interest cost of bonds	4.09%
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Estimated costs (costs as a percentage of Bonds)

Underwriting (Placement Agent)	0.10%
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Legal fees – bond, disclosure and general counsel	0.43%
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Rating agency fees	0.00%
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Financial Advisory fees	1.15%
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Bond trustee/registrar	0.01%
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Accounting and verification	0.02%
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Credit enhancement/bond insurance	0.00%
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Publication, printing, contingencies and all other expenses	0.27%
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Total	1.98%
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Prepared by Hamlin Capital Advisors LLC

Date June 21, 2016



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 00/00/00

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: \_\_\_\_\_ Issuer: South Carolina Jobs - Economic Development Authority Series: 2016A&B  
 Borrower (if not Issuer): Presbyterian Home of South Carolina Amount: \$75,000,000.00  
 Bond Caption: Economic Development Revenue Bonds (Presbyterian Communities of South Carolina Project)

#### Initial/Current Version:

ISSUER

NAME: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

#### Final:

ISSUER

NAME: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

### 2. FINANCING (NEW PORTION)

Project #: \_\_\_\_\_ Project Name: Presbyterian Communities of South Carolina  
 Project Address/Location: ence Amount: \$0.00  
 Project Type: Continuing Care Retirement Communities County: orenc  
 Projected Avg Interest Rate: 4.07% True Interest Cost: 4.09%

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	FSL Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Bds)
	00/00/00	\$	0.00%	0.00%	\$	0.00%
	00/00/00	\$	0.00%	0.00%	\$	0.00%
	00/00/00	\$	0.00%	0.00%	\$	0.00%
	00/00/00	\$	0.00%	0.00%	\$	0.00%
	00/00/00	\$	0.00%	0.00%	\$	0.00%
Total		\$	0.00%	0.00%	\$	0.00%

### 4. FINANCING WORKING GROUP

Financial Advisor: Hamlin Capital Advisors, LLC Disclosure Counsel: McKennon, Shelton & Henn, LLC  
 Bond Counsel: Haynsworth Sinkler Boyd, P.A. Issuer's Counsel: McNair Law Firm, P.A.  
 Underwriter: Cross Point Capital, LLC Borrower's Counsel: Nexsen Pruet, LLC  
 Other: Bank: TD Bank Other: Bondholder Rep Counsel McCarter & English, LLP

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs of the financing/project, and the basis for these cost estimates)

The Village at Summerville is constructing a \$22.5 million replacement health center (88 beds) to replace a physically outdated center built over 50 years ago and it is also constructing an additional 18 Independent Living (IL) apartments for \$6.5 million. The Foothills Community is building 12 additional IL units for \$4.5 million. In addition, there are \$27.5 million in various capital expenditures that are being funded. The basis for the cost estimates are from contractors and discussions with other professionals.

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	06/08/16	Inducement
JBRC Approval:	N/A	
SFAA Approval:	08/09/16	

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	00/00/00	
JBRC Approval:	00/00/00	
SFAA Approval:	00/00/00	

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

Yes No

B.

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

	X
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b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

	X
--	---

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage -	
Cost Estimate -	\$0

Est. Expenditures - Through 6 Months  
 Est. Expenditures - Through 12 Months  
 Est. Expenditures - Through 18 Months  
 Est. Expenditures - Through 24 Months  
 Est. Expenditures - Through 36 Months  
 Est. Expenditures - Through 48 Months  
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FY:	Spend Down Schedule Notes
\$ 47,608,828.69	00/00/00	
\$ 11,889,546.50	00/00/00	
\$ 6,556,624.81	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$ 66,055,000.00		

## 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds (Type)		\$ 60,075,000.00	Project Fund
Type -	\$ 66,055,000.00	\$ 2,030,000.00	Capitalized Interest Fund
(2) Issuer/Borrower Contribution	\$	\$ 2,465,000.00	Debt Service Reserve Fund
(3) Debt Service Fund Transfer	\$	\$	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 1,485,000.00	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)	\$	\$	Other
Type -	\$	\$	Other
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Budget (Source)</b>	<b>\$ 66,055,000.00</b>	<b>\$ 66,055,000.00</b>	<b>Total Project Budget (Uses)</b>
Surplus/Deficit		\$ -	

## 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	Hamlin Capital Advisors			\$ 860,000.00		\$ 860,000.00
Bond Counsel	Haynsworth Sinkler Boyd			\$ 100,000.00	\$	\$ 100,000.00
Disclosure Counsel	McKennon Shelton & Henn			\$ 75,000.00	\$	\$ 75,000.00
Issuer's Counsel	McNair Law Firm, P.A.			\$ 15,000.00	\$	\$ 15,000.00
Underwriter's Counsel				\$	\$	\$
Bondholders Rep. Counsel	McCarter & English, LLP			\$ 75,000.00	\$	\$ 75,000.00
Borrower's Counsel	Nexsen Pruet, LLC			\$ 55,000.00	\$	\$ 55,000.00
Trustee Counsel	TBD			\$ 5,000.00	\$	\$ 5,000.00
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$	\$	\$
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation	Cross Point Capital, LLC			\$ 75,000.00	\$	\$ 75,000.00
Trustee/Registrar/ Paying Agent	Wilmington Trust, N.A.			\$ 5,000.00	\$	\$ 5,000.00
Escrow Agent				\$	\$	\$
Accountant	Dixon Hughes Goodman			\$ 10,000.00	\$	\$ 10,000.00

Verification Agent	Causey Demgen			\$ 3,000.00	\$	\$ 3,000.00
Printing	Muni OS			\$ 3,000.00	\$	\$ 3,000.00
Bank Commitment Fee	TD Bank			\$ 80,000.00	\$	\$ 80,000.00
Advertising				\$	\$	\$
Contingency				\$ 34,000.00	\$	\$ 34,000.00
Bondholder Rep Fee	Management			\$ 90,000.00	\$	\$ 90,000.00
				\$ 1,485,000.00	\$	\$ 1,485,000.00

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction

1.15%	0.00%
-------	-------

Bond Counsel: % of Transaction

0.13%	0.00%
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Total Legal Costs: % of Transaction

0.43%	0.00%
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Rating Agencies: % of Transaction

0.00%	0.00%
-------	-------

UW Comp: % of Transaction

0.10%	0.00%
-------	-------

Other COI: % of Transaction

0.30%	0.00%
-------	-------

Total COI: % of Transaction

1.98%	0.00%
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A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF NOT EXCEEDING \$27,000,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS (HARBORCHASE OF PROJECT) IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED

WHEREAS, the South Carolina Jobs-Economic Development Authority ("*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended ("*Act*"), requested approval by the State Fiscal Accountability Authority of the State of South Carolina of the issuance by the Authority pursuant to the Act of its Economic Development Revenue Bonds in the aggregate principal amount of not exceeding \$27,000,000 (together, the "*Bonds*") through a limited offering, or as the Authority may determine to be most advantageous; and

WHEREAS, the Authority represents to the State Fiscal Accountability Authority of the State of South Carolina that the Bonds will be sold in a manner acceptable to the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the State Fiscal Accountability Authority of the State of South Carolina ("*Board*"), as follows:

**Section 1.** It is hereby found, determined and declared by the Board that: the Petition filed by the Authority contains all matters required by law and the rules of the Board to be set forth therein, and that in consequence thereof the jurisdiction of the Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

**Section 2.** In consequence of the foregoing, the proposal of the Authority to issue the Bonds through public sale be and the same is hereby in all respects approved.

**Section 3.** This Resolution shall take effect immediately.

Summary of Financing Proposal for  
not exceeding \$27,000,000  
South Carolina Jobs-Economic Development Authority  
Economic Development Revenue Bonds  
(HarborChase of Riverwalk)

PRELIMINARY – SUBJECT TO CHANGE

August 10, 2016

Bonds proposed to be financed	Series 2016 Bonds (taxable and tax-exempt), maturing in 2051 with an anticipated par amount of \$19,270,000
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Average interest rate of bonds	7%
Projected average interest rate of bonds	7%
True interest cost of bonds	7.23%

Estimated costs (costs as a percentage of bonds)

Underwriting	2.50%
Legal fees – bond, disclosure and general counsel	1.59%
Rating agency fees	0%
Advisory fees	1.00%
Bond trustee/registrar	0.029%
Accounting and verification	0.38%
Credit enhancement/bond insurance	0%
Publication, printing, contingencies and all other expenses	0.42%
Total	5.92%

Prepared by BB&T Capital Markets and Parker Poe Adams & Bernstein LLP

Date August 10, 2016



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/27/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: \_\_\_\_\_ Issuer: South Carolina Jobs-Economic Development Authority Series: 2016 A/B  
Borrower (if not Issuer): RockBridge Community One, LLC  
Bond Caption: Economic Development Revenue Bonds  
Bond Resolution Amount: \$27,000,000.00 Est. Production Amount: \$19,270,000.00

(\* Used to calculate initial COI percentages: this \$ Amount / Est. \$ COI o  
Page 2 should reconcile to "Summary of Financing Proposal" percentage:

#### Initial/Current Version:

ENTITY

NAME: RockBridge Community One, LLCBY: Parker Poe Adams & BernsteinITS: Bond Counsel

#### Final:

ENTITY

NAME: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

### 2. FINANCING (NEW PORTION)

Project #: \_\_\_\_\_ Project Name: HarborChase of Riverwalk  
Project Address/Location: 749 Dunkins Ferry Road Amount: \$19,270,000.00  
Project Type: Assisted Living Memory Care County: York  
Projected Avg Interest Rate: 7.00% Final Maturity: 0/0/2051

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
		\$	0.00%	0.00%	\$	0.00%
		\$	0.00%	0.00%	\$	0.00%
		\$	0.00%	0.00%	\$	
		\$	0.00%	0.00%	\$	
		\$	0.00%	0.00%	\$	
Total		\$	*****	*****	\$	0.00%

### 4. FINANCING WORKING GROUP

Financial Advisor: \_\_\_\_\_ Disclosure Counsel: Greenberg Traurig, PA  
Bond Counsel: Parker Poe Adams & Bernstein, LLC Issuer's Counsel: Haynsworth Sinkler Boyd, PA  
Underwriter: BB&T Capital Markets Other: Butler Snow, LLP  
Underwriter's Counsel: Cushman & Wakefield Other: Grandbridge Real Estate Capital

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

An 88 unit, 97 bed assisted living and memory care facility located in Rock Hill, South Carolina in the new, large-scale master planned community. The project is expected to be financed with \$19,655,000 of Bonds, \$10,700,000 of EB-5 equity and a subsequent EB-5 Funding of \$1,300,000. The information provided in this form was obtained from BB&T Capital Markets and the Borrower. The Borrower has requested the Project Name be updated from RockBridge at Riverwalk (which was the intended Project Name at the time of original submission), to HarborChase of Riverwalk. There has been some confusion with another corporate entity with a similar name and the Borrower desires to distinguish the project from the other corporate entity. Thus, the Borrower would like to identify the project as

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	06/08/16	Inducement
JBRC Approval:	00/00/00	N/A
SFAA Approval:	08/23/16	Proposed

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	00/00/00	N/A
JBRC Approval:	00/00/00	N/A
SFAA Approval:	00/00/00	N/A

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

<input type="checkbox"/>	<input checked="" type="checkbox"/>
--------------------------	-------------------------------------

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage -	0
Cost Estimate -	\$0

Est. Expenditures - Through 6 Months  
 Est. Expenditures - Through 12 Months  
 Est. Expenditures - Through 18 Months  
 Est. Expenditures - Through 24 Months  
 Est. Expenditures - Through 36 Months  
 Est. Expenditures - Through 48 Months  
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 5,972,430.65	9/30/2016	
\$ 8,958,645.98	9/30/2017	
\$ 6,174,973.95	9/30/2018	
\$	00/00/0/00	
\$	00/00/0/00	
\$	00/00/0/00	
<b>\$ 21,106,050.58</b>		

## 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 19,270,000.00	\$ 21,106,050.58	Project Fund
(b) Premium/Accr. Int.	\$	\$ 2,023,350.00	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$	\$ 1,526,400.00	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 1,141,333.00	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)	\$	\$ 1,404,424.73	Operating Deficit Reserve Fund
Type - EB-5 Equity	\$ 12,000,000.00	\$ 2,352,827.82	EB-5 Interest Reserve
<b>Residual Project Sources</b>		\$ 1,300,000.00	Excess Reserves
(6) Other		\$ 313,000.00	Regional Center Payments
(a) GF -	\$	\$ 100,000.00	Operating Reserve
(a) FF -	\$	\$ 2,613.87	Additional Proceeds
(c) OF -	\$	\$	Other
<b>Total Project Sources</b>	<b>\$ 31,270,000.00</b>	<b>\$ 31,270,000.00</b>	<b>Total Project Uses</b>
Surplus/Deficit		\$ -	

## 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (\*\* Added COI entities beyond the following need an attached description \*\*)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	Cushman & Wakefield			\$ 192,700.00	\$	\$ 192,700.00
Bond Counsel	Parker Poe			\$ 100,000.00	\$	\$ 100,000.00
Disclosure Counsel	Greenberg Traurig			\$ 75,000.00	\$	\$ 75,000.00
Issuer's Counsel	Haynsworth Sinkler Boyd			\$ 25,000.00	\$	\$ 25,000.00
Underwriter's Counsel	Butler Snow			\$ 100,000.00	\$	\$ 100,000.00
Trustee Council				\$ 5,500.00	\$	\$ 5,500.00
Borrower's Counsel				\$	\$	\$
Trustee Fees				\$	\$	\$
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$	\$	\$
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation	BB&T Capital Markets			\$ 481,750.00	\$	\$ 481,750.00
Trustee	US Bank			\$ 5,500.00	\$	\$ 5,500.00
Feasibility Consultant				\$ 75,000.00	\$	\$ 75,000.00
Title				\$ 28,905.00	\$	\$ 28,905.00
Verification Agent				\$	\$	\$
Printing				\$	\$	\$
Bank Commitment Fee				\$	\$	\$
Advertising				\$	\$	\$
Appraisal				\$ 25,000.00	\$	\$ 25,000.00
Issuer's Fee	SC JEDA / SC SHFDA			\$ 26,978.00	\$	\$ 26,978.00
				<b>\$ 1,141,333.00</b>	<b>\$</b>	<b>\$ 1,141,333.00</b>

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction  
 Bond Counsel: % of Transaction  
 Total Legal Costs: % of Transaction  
 Rating Agencies: % of Transaction

1.00%	0.00%
0.52%	0.00%
1.59%	0.00%
0.00%	0.00%

UW Comp: % of Transaction  
 Other COI: % of Transaction  
 Total COI: % of Transaction

2.50%	0.00%
0.84%	0.00%
<b>5.92%</b>	<b>0.00%</b>

STATE FISCAL ACCOUNTABILITY AUTHORITY

A RESOLUTION

APPROVING THE UNDERTAKING OF THE SOUTH CAROLINA JOBS - ECONOMIC DEVELOPMENT AUTHORITY TO ISSUE NOT EXCEEDING \$130,000,000 SOUTH CAROLINA JOBS - ECONOMIC DEVELOPMENT AUTHORITY ECONOMIC DEVELOPMENT REVENUE BONDS (CAREALLIANCE HEALTH SERVICES D/B/A ROPER ST. FRANCIS HEALTHCARE) SERIES 2016 IN ONE OR MORE SERIES (the "**Bonds**") PURSUANT TO TITLE 41, CHAPTER 43, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED (the "**Act**").

WHEREAS, heretofore the South Carolina Jobs - Economic Development Authority (the "**Authority**"), did, pursuant to the Act, petition the State Fiscal Accountability Authority, the statutory successor to the State Budget and Control Board of South Carolina, (the "**State Board**") seeking the approval of the State Board for an undertaking by the Authority pursuant to the Act; and

WHEREAS, the proposed undertaking (the "**Undertaking**") consists of the issuance and delivery of the Bonds for the benefit of CareAlliance Health Services d/b/a Roper St. Francis Healthcare (the "**Borrower**"), a South Carolina nonprofit corporation and an organization described in §501(c)(3) of the Internal Revenue Code of 1986, as amended, in an aggregate amount not exceeding \$130,000,000 pursuant to the Act to (i) finance the costs of acquiring, constructing and equipping a 50-bed hospital in Goose Creek, South Carolina; (ii) finance the costs of acquiring, constructing and equipping capital improvements throughout the Borrower's health care system (collectively, the "**Project**"), and (iii) pay certain fees and expenses incurred in connection with the issuance of the Bonds, all pursuant to a resolution (the "**Bond Resolution**") adopted by the Board of Directors of the Authority; and

WHEREAS, it is anticipated that the Bonds will be sold to a bank or other financial institution selected by the Borrower (the "**Underwriter**") through a negotiated sale; and

WHEREAS, the Authority proposes to enter into a Loan Agreement and an Indenture or a Bond Purchase and Loan Agreement or one or more similar agreements (together, the "**Loan Agreement**") with the Borrower pursuant to which the Authority will lend the proceeds of the Bonds to the Borrower to finance the costs of the Undertaking; and

WHEREAS, pursuant to the Loan Agreement, the Borrower will agree to pay to the Authority amounts sufficient to provide for the payment of the Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, the Authority proposes to enter into the Loan Agreement prescribing the terms and conditions upon which the Bonds will be issued and pledging to the payment of the Bonds the loan repayments to be made by the Borrower pursuant to the Loan Agreement; and

WHEREAS, the Authority has heretofore determined that:

(a) the Borrower is a responsible party which is in the business of operating hospital and other health care facilities in South Carolina;

(b) the Project constitutes a "business enterprise" as said term is referred to in §41-43-160 of the Act, and the issuance of the Bonds in an aggregate principal amount not to exceed \$130,000,000 to finance the Undertaking will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(c) the Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of the Bonds will result in the maintenance of 5,600 jobs in Charleston County and Berkeley County and surrounding area, and the number of jobs maintained as a result from the assistance herein described bears a reasonable relationship to the amount of program funds committed (i.e., the principal amount of the Bonds) taking into account factors such as the amount of dollars invested per employee at comparable facilities;

(d) the amount of program funds committed (i.e., the principal amount of the Bonds) bears a reasonable relationship to the amount of private funds committed to the Project; and

(e) the size and scope of the Project is such that a definite benefit to the economy of the State, and the Charleston County and Berkeley County in particular, is reasonably expected to result therefrom; and

**WHEREAS**, the Authority has also determined that prior to the issuance of the Bonds it will find that:

(a) the provisions, terms, and conditions of the agreements to be entered into by the Authority in connection with the issuance of the Bonds are reasonable and proper, taking into account such factors as the type of program involved, the amount of program funds involved, and the number and type of jobs involved, and

(b) the public interest is adequately protected by the terms of such documents; and

**WHEREAS**, in order to finance the Undertaking, the Authority proposes to provide for the issuance and delivery of the Bonds pursuant to the Act, to the Bond Resolution and to the Loan Agreement, payable by the Authority from the amounts derived from and secured by the Loan Agreement; and

**NOW, THEREFORE, BE IT RESOLVED BY THE STATE FISCAL ACCOUNTABILITY AUTHORITY IN MEETING DULY ASSEMBLED:**

1. It has been found and determined by the State Board that the Authority has filed a proper petition with the State Board in accordance with the provisions of the Act and that it has made the findings required by the Act.

2. On the basis of the foregoing findings, the proposed undertaking of the Authority to finance the Undertaking through the issuance of not exceeding \$130,000,000 of the Authority's Economic Development Revenue Bonds, in one or more series, through a negotiated sale to the Underwriter pursuant to the Act, the Bond Resolution and the Loan Agreement, to be payable from the revenues to be derived by the Authority from the Loan Agreement, is hereby approved.

Summary of Financing Proposal for

Roper St. Francis Healthcare

PRELIMINARY – SUBJECT TO CHANGE

June 27, 2016

Bonds proposed to be financed	\$130,000,000 South Carolina Jobs-Economic Development Authority Economic Development Revenue Bonds (Roper St. Francis Healthcare) Series 2016
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Projected average interest rate of bonds	3.30%
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Projected true interest cost of bonds	3.30%
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Estimated costs (costs as a percentage of bonds)

Underwriting	0
Legal fees – bond, disclosure and general counsel	\$287,500 (.002%)
Rating agency fees	0
Advisory fees	0
Bond trustee/registrar	\$5,000 (.000%)
Accounting and verification	0
Credit enhancement/bond insurance	0
Publication, printing, contingencies and all other expenses	\$107,500 (.000%)
Total	\$400,000 (.003%)

Prepared by: Jeremy L. Cook

Date: June 27, 2016



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/27/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: \_\_\_\_\_ Issuer: South Carolina Jobs-Economic Development Authority Series: 2016  
 Borrower (if not Issuer): Roper St. Francis Healthcare Amount: \$130,000,000.00  
 Bond Caption: Economic Development Revenue Bonds

#### Initial/Current Version:

ISSUER

NAME: SC-Jobs Econ Development

BY: Harry A. Huntley

ITS: Executive Director

DATE: 6/27/2016

#### Final:

ISSUER

NAME: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

### 2. FINANCING (NEW PORTION)

Project #: \_\_\_\_\_ Project Name: Roper St. Francis Healthcare  
 Project Address/Location: Carnes Crossroads in Goose Creek Amount: \$130,000,000.00  
 Project Type: New Hospital and Capital Projects County: Charleston and Berkeley  
 Projected Avg Interest Rate: 3.30% True Interest Cost: 3.30%

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds.	Est. Yield of Refunding Bds.	Est NPV Svs. (\$)	Est NPV Svs. (% of Bds)
	00/00/00	\$	0.00%	0.00%	\$	0.00%
	00/00/00	\$	0.00%	0.00%	\$	0.00%
	00/00/00	\$	0.00%	0.00%	\$	0.00%
	00/00/00	\$	0.00%	0.00%	\$	0.00%
	00/00/00	\$	0.00%	0.00%	\$	0.00%
Total		\$	0.00%	0.00%	\$	0.00%

### 4. FINANCING WORKING GROUP

Financial Advisor: \_\_\_\_\_ Disclosure Counsel: NA  
 Bond Counsel: Haynsworth Sinkler Boyd Issuer's Counsel: Howell Linkous & Nettles  
 Underwriter: \_\_\_\_\_ Other: (Bank Counsel) \_\_\_\_\_  
 Other (Borrower's Counsel): Moore & Van Allen Other: \_\_\_\_\_

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs of the financing/project, and the basis for these cost estimates)

(i) financing the costs of acquiring, constructing and equipping a hospital in Goose Creek, (ii) financing the costs of acquiring, constructing and equipping capital projects throughout the RSFH system, and (iii) paying certain fees and expenses incurred in connection with the issuance of the Bonds. The costs of the project are based on budgeted construction costs.

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	06/08/16	
JBRC Approval:	NA	
SFAA Approval:	08/09/16	

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	00/00/00	
JBRC Approval:	00/00/00	
SFAA Approval:	00/00/00	

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes No  
☐ ☒

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

☐ ☒

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage -   
 Cost Estimate -

Est. Expenditures - Through 6 Months  
 Est. Expenditures - Through 12 Months  
 Est. Expenditures - Through 18 Months  
 Est. Expenditures - Through 24 Months  
 Est. Expenditures - Through 36 Months  
 Est. Expenditures - Through 48 Months  
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FY	Spend Down Schedule Notes
\$ 25,000,000.00	12/31/2016	
\$ 25,000,000.00	6/30/2017	
\$ 25,000,000.00	12/31/2017	
\$ 25,000,000.00	6/30/2018	
\$ 20,000,000.00	12/31/2018	
\$ 10,000,000.00	6/30/2019	
<b>\$ 130,000,000.00</b>		

## 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds (Type) Type -	\$ 130,000,000.00	\$ 129,600,000.00	Project Fund
(2) Issuer/Borrower Contribution	\$	\$	Capitalized Interest Fund
(3) Debt Service Fund Transfer	\$	\$	Debt Service Reserve Fund
(4) Debt Service Reserve Fund Contribution	\$	\$	Redemption Price/Escrow Deposit
(5) Other (Specify) Type -	\$	\$ 400,000.00	Cost of Issuance (Incl. UW Disc.)
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Budget (Source)</b>	<b>\$ 130,000,000.00</b>	<b>\$ 130,000,000.00</b>	<b>Total Project Budget (Uses)</b>
Surplus/Deficit		\$ -	

## 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor					\$	\$
Bond Counsel	Haynsworth Sinkler Boyd		5/1/2016	\$ 130,000.00	\$	\$ 130,000.00
Disclosure Counsel	NA				\$	\$
Issuer's Counsel	Howell Linkous & Nettles		5/1/2016	\$ 7,500.00	\$	\$ 7,500.00
Underwriter's Counsel	NA				\$	\$
Borrower's Counsel	Moore & Van Allen		5/1/2016	\$ 75,000.00	\$	\$ 75,000.00
Bank Counsel			6/1/2016	\$ 75,000.00	\$	\$ 75,000.00
				\$	\$	\$
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$	\$	\$
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation					\$	\$
Registrar / Paying Agent				\$ 5,000.00	\$	\$ 5,000.00
Escrow Agent				\$	\$	\$
Accountant				\$	\$	\$
Verification Agent				\$	\$	\$
Printing					\$	\$
Publishing				\$	\$	\$
Advertising				\$	\$	\$
Contingency				\$ 37,000.00	\$	\$ 37,000.00
Other (JEDA fee)				\$ 70,500.00	\$	\$ 70,500.00
				<b>\$ 400,000.00</b>	<b>\$</b>	<b>\$ 400,000.00</b>

### Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction  
 Bond Counsel: % of Transaction  
 Total Legal Costs: % of Transaction  
 Rating Agencies: % of Transaction

0.00%	0.00%
0.10%	0.00%
0.22%	0.00%
0.00%	0.00%

UW Comp: % of Transaction  
 Other COI: % of Transaction  
 Total COI: % of Transaction

0.00%	0.00%
0.09%	0.00%
<b>0.31%</b>	<b>0.00%</b>

**A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PRIVATE SALE OR UNDERWRITING OF NOT EXCEEDING \$17,500,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS (THE CITADEL REAL ESTATE FOUNDATION PROJECT), IN ONE OR MORE SERIES, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 11, CHAPTER 43 (1976), AS AMENDED.**

**WHEREAS**, the South Carolina Jobs-Economic Development Authority (the "**Authority**") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "**Act**"), requested approval by the State Fiscal Accountability Authority of the State of South Carolina (the "**SFAA**") of the issuance by the Authority pursuant to the Act of its Economic Development Revenue Bonds (The Citadel Real Estate Foundation Project), in one or more series, in the aggregate principal amount of not exceeding \$17,500,000 (the "**Bonds**"), through private sale to a financial institution or for private sale to a financial institution with public distribution which the Authority has determined to be most advantageous; and

**WHEREAS**, the Authority represents to the SFAA that the Bonds will be sold by the Authority through private sale to a financial institution or through a public sale acceptable to the Authority;

**NOW, THEREFORE, BE IT RESOLVED**, by the State Fiscal Accountability Authority of the State of South Carolina, as follows:

**Section 1.** It is hereby found, determined and declared by the SFAA that the Petition filed by the Authority contains all matters required by law and the rules of the SFAA to be set forth therein, and that in consequence thereof the jurisdiction of the SFAA has been properly invoked under and pursuant to Section 41-43-110 of the Act.

**Section 2.** In consequence of the foregoing, the proposal of the Authority to issue the Bonds through private sale to a financial institution or for private sale to a financial institution with public distribution thereafter is hereby in all respects approved.

**Section 3.** This Resolution shall take effect immediately.

Summary of Financing Proposal for  
The Citadel Real Estate Foundation  
PRELIMINARY – SUBJECT TO CHANGE

June 28, 2016

Bonds proposed to be financed

Not exceeding \$17,500,000 South Carolina Jobs Economic Development Authority Economic Development Revenue Bond (The Citadel Real Estate Foundation Project), Series 2016 will be used to fund construction of Bastin Hall, a planned 43,950 square foot facility to be constructed on The Citadel campus. It will support the School of Business and its associated programs in five pathways of concentration. The facility will be a three-story steel frame facility constructed on Citadel property along Hagood Avenue as you approach the Hagood Gate. Bastin Hall will consist of five flat classrooms, four tiered classrooms, nine group study rooms, financial services computer lab, innovation technology lab, administration, faculty offices and a large common area to support collaboration among students, faculty and visitors. Total project cost is estimated at \$20,200,000. The Citadel Foundation has committed to raise \$15 million to fund the project (\$3,350,000 of which will be contributed at closing of the Bond issue).

Average interest rate of bonds <sup>1</sup>	3.0%
Projected average interest rate of bonds <sup>1</sup>	3.0%
True interest cost of bonds <sup>1</sup>	3.0%

Estimated costs (costs as a percentage of bonds)

Underwriting (Bank)	\$25,000 (0.14%)
Legal fees – bond, disclosure and general counsel	\$117,500 (0.67%)
Rating agency fees	(0.00%)
Advisory fees	\$100,000 (0.57%)
Bond trustee/registrar	(0.00%)
Accounting and verification	(0.00%)
Credit enhancement/bond insurance	(0.00%)
Publication, printing, contingencies and all	\$43,500 (0.25%)

Summary Bond Financing Analysis Form 1/15

<sup>1</sup> Assumes Bank Placed Transaction with 7 Year Rate Reset

<sup>2</sup> 100% of the Costs of Issuance will be paid with Cash of the Foundation

E.

other expenses

Total<sup>2</sup>

\$286,000 (1.63%)

Prepared by Tyler Traudt, First Tryon Advisors  
Submitted by Benjamin T. Zeigler, Haynsworth Sinkler Boyd, P.A.  
Date June 27, 2016



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/28/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: \_\_\_\_\_ Issuer: SC Jobs-Economic Development Authority Series: 2016  
 Borrower (if not Issuer): The Citadel Real Estate Foundation Amount: \$17,500,000.00  
 Bond Caption: (The Citadel Real Estate Foundation Project) Revenue Bond, Series 2016

#### Initial/Current Version:

ISSUER: SC Jobs Economic Development  
 NAME: Authority  
 BY: Harry Huntley  
 ITS: Executive Director  
 DATE: 6/28/2016

#### Final:

ISSUER: \_\_\_\_\_  
 NAME: \_\_\_\_\_  
 BY: \_\_\_\_\_  
 ITS: \_\_\_\_\_  
 DATE: \_\_\_\_\_

### 2. FINANCING (NEW PORTION)

Project #: 1 Project Name: The Citadel Real Estate Foundation Project/Bastin Hall  
 Project Address/Location: 171 Moultrie Street, Charleston, SC 29420 Amount: \$17,500,000.00  
 Project Type: 43,950 square foot academic facility County: Charleston  
 Projected Avg Interest Rate: 3.00% True Interest Cost: 3.00%

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Bds)
N/A	00/00/00	\$	0.00%	0.00%	\$	0.00%
N/A	00/00/00	\$	0.00%	0.00%	\$	0.00%
N/A	00/00/00	\$	0.00%	0.00%	\$	0.00%
N/A	00/00/00	\$	0.00%	0.00%	\$	0.00%
N/A	00/00/00	\$	0.00%	0.00%	\$	0.00%
Total		\$	0.00%	0.00%	\$	0.00%

### 4. FINANCING WORKING GROUP

Financial Advisor: First Tryon Advisors Disclosure Counsel: N/A  
 Bond Counsel: Haynsworth Sinkler Boyd, P.A. Issuer's Counsel: Nexsen Pruet  
 Underwriter: N/A Bank Counsel: TBD  
 Bank: TBD Other: \_\_\_\_\_

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs of the financing/project, and the basis for these cost estimates)

Bastin Hall is a planned 43,950 square foot facility to be constructed on The Citadel campus. The facility will be a three-story steel frame facility constructed on Citadel property. Bastin Hall will consist of five flat classrooms, four tiered classrooms, nine group study rooms, financial services computer lab, innovation technology lab, administration, faculty offices and a large common area to support collaboration among students, faculty and visitors. Total project cost is estimated at \$20,200,000. The Citadel Foundation has committed to raise \$15 million to fund the project (\$3,350,000 of which will be contributed at closing of the Bond issue). The Citadel has committed to paying the balance of the costs to construct the Project. The Citadel Foundation's comprehensive design and engineering study serves as

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals	Notes:
Issuer/Borrower Approval: 08/10/16	
JBRC Approval: 08/02/16	
SFAA Approval: 08/09/16	

Project Approvals - Phase II (State Entities Only)	Notes:
Issuer/Borrower Approval: 08/10/16	
JBRC Approval: 08/02/16	
SFAA Approval: 08/09/16	

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes	No
	x

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

	x
--	---

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage -	N/A
Cost Estimate -	\$0

E

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 1,312,500.00	3/1/2017	Total Project Expenditures
\$ 5,625,000.00	9/1/2017	Total Project Expenditures
\$ 7,012,500.00	3/1/2018	Total Project Expenditures
\$ 6,250,000.00	9/1/2018	Total Project Expenditures
\$		
\$		
\$ 20,200,000.00		

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds (Type)		\$ 20,200,000.00	Project Fund
Type - Bank Placed	\$ 17,500,000.00	\$ 364,000.00	Capitalized Interest Fund
(2) Issuer/Borrower Contribution	\$ 3,350,000.00	\$	Debt Service Reserve Fund
(3) Debt Service Fund Transfer	\$	\$	Redemption Price/Escrow Deposit
(4) Debt Service Reserve		\$ 286,000.00	Cost of Issuance (Incl. UW Disc.)
Fund Contribution	\$	\$	Other
(5) Other (Specify)		\$	Other
Type -	\$	\$	Other
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Budget (Source)</b>	<b>\$ 20,850,000.00</b>	<b>\$ 20,850,000.00</b>	<b>Total Project Budget (Uses)</b>
Surplus/Deficit		\$ -	

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor				\$ 100,000.00	\$	\$ 100,000.00
Bond Counsel				\$ 75,000.00	\$	\$ 75,000.00
Disclosure Counsel				\$	\$	\$
Issuer's Counsel				\$ 7,500.00	\$	\$ 7,500.00
Underwriter's Counsel				\$	\$	\$
Bank Counsel				\$ 35,000.00	\$	\$ 35,000.00
Bank Fee				\$ 25,000.00	\$	\$ 25,000.00
Real Estate Work				\$ 25,000.00	\$	\$ 25,000.00
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$	\$	\$
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation				\$	\$	\$
Issuer Fee				\$ 18,500.00	\$	\$ 18,500.00
Contingency				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
Notes:				\$	\$	\$
100% of COI is paid from cash				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$ 286,000.00	\$	\$ 286,000.00

0.57%	0.00%
0.43%	0.00%
0.96%	0.00%
0.00%	0.00%

0.00%	0.00%
0.11%	0.00%
<b>1.63%</b>	<b>0.00%</b>

**A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PUBLIC OR PRIVATE SALE OR UNDERWRITING OF NOT EXCEEDING \$55,000,000 AGGREGATE PRINCIPAL AMOUNT HEALTH FACILITIES REVENUE AND REFUNDING BONDS (WESLEY COMMONS PROJECT) SERIES 2016, IN ONE OR MORE SERIES, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 11, CHAPTER 43 (1976), AS AMENDED.**

**WHEREAS**, the South Carolina Jobs-Economic Development Authority (the "*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "*Act*"), requested approval by the State Fiscal Accountability Authority of the State of South Carolina (the "*SFAA*") of the issuance by the Authority pursuant to the Act of its Health Facilities Revenue and Refunding Bonds (Wesley Commons Project) Series 2016, in the aggregate principal amount of not exceeding \$55,000,000, in one or more series (the "*Bonds*"), through public or private sale which the Authority has determined to be most advantageous; and

**WHEREAS**, the Authority represents to the SFAA that the Bonds will be sold by the Authority in one or more series through private sale to a financial institution or through a public sale to an underwriter for public distribution thereafter acceptable to the Authority;

**NOW, THEREFORE, BE IT RESOLVED**, by the State Fiscal Accountability Authority of the State of South Carolina, as follows:

**Section 1.** It is hereby found, determined and declared by the SFAA that the Petition filed by the Authority contains all matters required by law and the rules of the SFAA to be set forth therein, and that in consequence thereof the jurisdiction of the SFAA has been properly invoked under and pursuant to Section 41-43-110 of the Act.

**Section 2.** In consequence of the foregoing, the proposal of the Authority to issue the Bonds in one or more series through private sale to a financial institution or through a public sale to an underwriter for public distribution thereafter be and the same is hereby in all respects approved.

**Section 3.** This Resolution shall take effect immediately.

Summary of Refinancing Proposal for  
Wesley Commons  
PRELIMINARY – SUBJECT TO CHANGE

06/27/2016

Outstanding bonds proposed to be refinanced	South Carolina Jobs - Economic Development Authority, First Mortgage Health Facilities Refunding Revenue Bonds Series 2006 (Wesley Commons Project)
	10/01/2026 Maturity 5.125% \$10,845,000
	10/01/2036 Maturity 5.30% <u>\$18,030,000</u>
	Total Debt Refinanced = <u>\$28,875,000</u>
Average interest rate of bonds refinanced	5.22%
Projected average interest rate of refinancing bonds	4.27%
True interest cost of refinancing bonds	4.34%
Projected net present value savings (net of costs)	\$2,118,404
Projected net present value savings as a percentage of the bonds refinanced	7.34%

<b>Estimated Costs</b> (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings):			
Estimated Costs	Costs as a % of Refinancing Bonds	Costs as % of Refinancing Savings	Costs \$
Underwriting	1.13%	15.39%	325,968.75
Legal fees – bond, disclosure and general counsel	0.50%	6.84%	145,000.00
Rating agency fees	0.00%	0.00%	
Advisory fees	0.09%	1.18%	25,000.00
Bond trustee/registrar	0.02%	0.28%	6,000.00
Accounting and verification	0.00%	0.00%	
Credit enhancement/bond insurance	0.00%	0.00%	
Publication, printing, contingencies and all other expenses	0.27%	3.66%	77,531.25
Total	2.00%	27.36%	579,500.00
	<b>\$ 28,975,000</b>	<b>\$ 2,118,404</b>	

Prepared by  
Submitted by  
Date

Ascension Capital Enterprises, LLC  
Kathleen C. McKinney, Haynsworth Sinkler Boyd, P.A.  
June 27, 2016



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/28/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: \_\_\_\_\_ Issuer: South Carolina Jobs - Economic Development Authority Series: 2016  
 Borrower (if not Issuer): Wesley Commons  
 Bond Caption: First Mortgage Health Facilities Refunding Revenue Bonds  
 Bond Resolution Amount: \$30,000,000.00 Est. Production Amount: \$28,975,000.00

(\* Used to calculate initial COI percentages: this \$ Amount / Est. \$ COI o  
 Page 2 should reconcile to "Summary of Financing Proposal" percentage:

#### Initial/Current Version:

##### ENTITY

NAME: South Carolina Jobs Economic

BY: Harry Huntley

ITS: Executive Director

#### Final:

##### ENTITY

NAME: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

### 2. FINANCING (NEW PORTION)

Project #: \_\_\_\_\_ Project Name: \_\_\_\_\_  
 Project Address/Location: \_\_\_\_\_ Amount: \$0.00  
 Project Type: \_\_\_\_\_ County: \_\_\_\_\_  
 Projected Avg Interest Rate: \_\_\_\_\_ Final Maturity: \_\_\_\_\_

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Sygs. (\$)	Est NPV Sygs. (% of Ref. Bds)
2006	10/01/26	\$ 10,845,000.00	5.13%		\$	
2006	10/01/36	\$ 18,030,000.00	5.30%		\$	
		\$		4.42%	\$ 2,118,404.00	7.31%
		\$			\$	
		\$			\$	
Total		\$ 28,875,000.00	*****	*****	\$ 2,118,404.00	

### 4. FINANCING WORKING GROUP

Financial Advisor: Ascension Capital Enterprises, LLC Disclosure Counsel: \_\_\_\_\_  
 Bond Counsel: Haynsworth Sinkler Boyd, P.A. Issuer's Counsel: Pope Zeigler, LLC  
 Underwriter: BB&T Capital Markets Other: \_\_\_\_\_  
 Underwriter's Counsel: Parker Poe Other: \_\_\_\_\_

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

Current Refunding of the existing Series 2006 First Mortgage Health Facilities Refunding Revenue Bonds. Anticipated Cost of Issuance approximately \$579,500 including Underwriter's Discount of \$325,968.75. Basis for cost estimates provided by bond counsel, underwriter's counsel, financial advisor and underwriter's estimates. Financing to provide reduced annual debt service via rate reduction and maturity extension.

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	08/10/16	Expected
JBRC Approval:	00/00/00	N/A
SFAA Approval:	00/00/00	N/A

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	00/00/00	
JBRC Approval:	00/00/00	
SFAA Approval:	00/00/00	

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes	No

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

Yes	No

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage - \_\_\_\_\_  
 Cost Estimate - \_\_\_\_\_ \$0

F,

Est. Expenditures - Through 6 Months  
 Est. Expenditures - Through 12 Months  
 Est. Expenditures - Through 18 Months  
 Est. Expenditures - Through 24 Months  
 Est. Expenditures - Through 36 Months  
 Est. Expenditures - Through 48 Months  
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 28,975,000.00	9/30/2017	Refunding of 2006 Issue. Sources to be spent down at closing.
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$ 28,975,000.00		

#### 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 28,975,000.00	\$	Project Fund
(b) Premium/Accr. Int.	\$	\$	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$	\$ 1,882,120.00	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$ 28,883,396.65	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$ 2,372,452.00	\$ 579,500.00	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)		\$	Accrued Interest
Type -	\$	\$ 2,435.35	Other
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Sources</b>	<b>\$ 31,347,452.00</b>	<b>\$ 31,347,452.00</b>	<b>Total Project Uses</b>
Surplus/Deficit		\$	-

#### 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (\*\* Added COI entities beyond the following need an attached description \*\*)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	Ascension Capital Enter.			\$ 25,000.00	\$	\$ 25,000.00
Bond Counsel	Haynsworth Sinkler Boyd			\$ 85,000.00	\$	\$ 85,000.00
Disclosure Counsel				\$	\$	\$
Issuer's Counsel	Pope Zeigler, LLC			\$ 15,000.00	\$	\$ 15,000.00
Underwriter's Counsel	Parker Poe			\$ 45,000.00	\$	\$ 45,000.00
Transaction Counsel				\$	\$	\$
Legal Expenses				\$	\$	\$
Trustee Fees	Not Selected at this Time			\$ 6,000.00	\$	\$ 6,000.00
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$	\$	\$
Rating Agency - Fitch				\$	\$	\$
Underwriter's Compensation	BB&T Capital Markets			\$ 325,968.75	\$	\$ 325,968.75
Registrar / Paying Agent				\$	\$	\$
Escrow Agent				\$	\$	\$
Accountant				\$	\$	\$
Verification Agent				\$	\$	\$
Printing	Not Selected at this Time			\$ 5,000.00	\$	\$ 5,000.00
Publishing				\$	\$	\$
Advertising				\$	\$	\$
Contingency				\$ 38,531.25	\$	\$ 38,531.25
Issuer's Fee	SC JEDA / SC SHFDA			\$ 34,000.00	\$	\$ 34,000.00
				<b>\$ 579,500.00</b>	<b>\$</b>	<b>\$ 579,500.00</b>

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction  
 Bond Counsel: % of Transaction  
 Total Legal Costs: % of Transaction  
 Rating Agencies: % of Transaction

0.09%	0.00%
0.29%	0.00%
0.52%	0.00%
0.00%	0.00%

UW Comp: % of Transaction  
 Other COI: % of Transaction  
 Total COI: % of Transaction

1.13%	0.00%
0.27%	0.00%
<b>2.00%</b>	<b>0.00%</b>

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AGENCY: Executive Director

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SUBJECT: Economic Development (2016 Ceiling Allocations)

The initial balance of the 2016 state ceiling allocation is \$489,614,600. In accord with Code Section 1-11-520, \$195,845,840 (40% of the total) is designated as the state pool and \$293,768,760 (60% of the total) is designated as the local pool. There is presently a state ceiling balance of \$489,614,600 remaining for 2016. Allocation requests for 2016 totaling \$27,000,000 have been received thus far.

Relating to requests for calendar year 2016 ceiling allocations, the Authority is asked to authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

The recommendation from the Department of Commerce for allocations for this cycle totals \$27,000,000. The Department of Commerce makes the following recommendation for allocation from the local pool:

JEDA, HarborChase of Riverwalk (York County), \$27,000,000.

If the Authority approves the recommended request, this will leave an unexpended state ceiling balance of \$462,614,600 (state pool - \$195,845,840; local pool - \$266,768,760) to be allocated later in the calendar year.

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AUTHORITY ACTION REQUESTED:

1) In accord with Code Section 1-11-500 et seq. and upon the recommendation of the Department of Commerce, grant the following tentative ceiling allocation from the local pool:

JEDA, HarborChase of Riverwalk (York County), \$27,000,000.

2) Authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

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ATTACHMENTS:

2016 Ceiling Allocation Requests; Young 7/5/16 Memo; Code Section 1-11-500 et seq.

2016 Ceiling Allocation Requests

Recd.	Issuing Authority	Project	Request	Cumulative	Bond Counsel	Request Alloc	Request SLaw	Location	NOTES
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1	06/29/16	JEDA	HarborChase of Riverwalk	27,000,000	27,000,000	Emily Luther	x	x	Rock Hill	
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2016 South Carolina State Ceiling Allocations

Summary, CY 2016

2016 State Ceiling	489,614,600
Initial Allocations	27,000,000
Expired/Relinquished	0
Actual Allocations	27,000,000
Certified for Issue	0
Carried Forward	0

Balance Available:	462,614,600
--------------------	-------------

Issuer	Name of Project	Allocation Amount	Expired/ Relinquished	Certified for Issue	Issue Date	Attorney
JEDA	HarborChase of Riverwalk	27,000,000				Luther

Allocation: 08/23/16 Expiration: 11/21/16

**2016 South Carolina State Ceiling**  
**Balance remaining as of August 23, 2016, if ceiling allocation granted**

State Pool (40%)	195,845,840
Total State Pool (40%)	<u>195,845,840</u>

Local Pool (60%)	293,768,760
Total Local Pool (60%)	<u>293,768,760</u>

Certified State Ceiling 2016	<u>489,614,600</u>
------------------------------	--------------------

Date	Governmental Unit	Name of Project	Pool Total	Amount Allocated	Balance Available	Certified for Issue	Issue Date	Attorney
01/02/16	STATE POOL		195,845,840					

<b>TOTAL, STATE POOL</b>								
01/02/16	LOCAL POOL		<u>195,845,840</u>	<u>0</u>	<u>195,845,840</u>	<u>0</u>		
08/23/16	JEDA	HarborChase of Riverwalk	293,768,760	27,000,000				

<b>TOTAL, LOCAL POOL</b>								
			<u>293,768,760</u>	<u>27,000,000</u>	<u>266,768,760</u>	<u>0</u>		
<b>GRAND TOTAL</b>								
			<u>489,614,600</u>	<u>27,000,000</u>	<u>462,614,600</u>	<u>0</u>		

## MEMORANDUM

To: Delbert Singleton

From: Daniel Young ADY

Date: July 5, 2016

Re: August 23, 2016 meeting

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Upon the request of SC State Fiscal Accountability Authority, the South Carolina Department of Commerce evaluates allocation requests that pertain to economic development.

After reviewing the information provided by the law firm of Parker Poe Adams Bernstein, LLP, the Department of Commerce recommends approval of Economic Development bonds at the August 23, 2016 meeting of the State Fiscal Accountability Authority. The company is committing to create 90 new jobs within 24 months.

Name	Amount	Score	County
HarborChase at Riverwalk	\$27,000,000	3	York

Please let me know if you have any questions.

Thank you.

### ARTICLE 3.

#### ALLOCATION OF STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

##### **SECTION 1-11-500.** Calculation and certification of state ceiling.

The state ceiling on the issuance of private activity bonds as defined in Section 146 of the Internal Revenue Code of 1986 (the Code) established in the act must be certified annually by the Budget and Control Board secretary based upon the provisions of the act. The board secretary shall make this certification as soon as practicable after the estimates of the population of the State of South Carolina to be used in the calculation are published by the United States Bureau of the Census but in no event later than February first of each calendar year.

##### **SECTION 1-11-510.** Allocation of bond limit amounts.

(A) The private activity bond limit for all issuing authorities must be allocated by the board in response to authorized requests as described in Section 1-11-530 by the issuing authorities.

(B) The aggregate private activity bond limit amount for all South Carolina issuing authorities is allocated initially to the State for further allocation within the limits prescribed herein.

(C) Except as is provided in Section 1-11-540, all allocations must be made by the board on a first-come, first-served basis, to be determined by the date and time sequence in which complete authorized requests are received by the board secretary.

##### **SECTION 1-11-520.** Private activity bond limits and pools.

(A) The private activity bond limit for all state government issuing authorities now or hereafter authorized to issue private activity bonds as defined in the act, to be known as the "state government pool", is forty percent of the state ceiling less any amount shifted to the local pool as described in subsection (B) of this section or plus any amount shifted from that pool.

(B) The private activity bond limit for all issuing authorities other than state government agencies, to be known as the "local pool", is sixty percent of the state ceiling plus any amount shifted from the state government pool or less any amount shifted to that pool.

(C) The board, with review and comment by the Joint Bond Review Committee, may shift unallocated amounts from one pool to the other at any time.

##### **SECTION 1-11-530.** Authorized requests for allocation of bond limit amounts.

(A) For private activity bonds proposed for issue by other than state government issuing authorities, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a copy of the Inducement Contract, Inducement Resolution, or other comparable preliminary approval entered into or adopted by the issuing authority, if any, relating to the bonds. The board shall forward promptly to the committee a copy of each petition received.

(B) For private activity bonds proposed for issue by any state government issuing authority, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a bond resolution or comparable action by the issuing authority authorizing the issuance of the bonds. The board shall forward promptly to the committee a copy of each petition received.

(C) Each authorized request must demonstrate that the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project.

#### **SECTION 1-11-540. Limitations on allocations.**

(A) The board, with review and comment by the committee, may disapprove, reduce, or defer any authorized request. If it becomes necessary to exercise this authority, the board and the committee shall take into account the public interest in promoting economic growth and job creation.

(B) Authorized requests for state ceiling allocations of more than ten million dollars for a single project are deferred until after July first unless the board, after review and comment by the committee, determines in any particular instance that the positive impact upon the State of approving an allocation of an amount greater than ten million dollars is of such significance that approval of the allocation is warranted.

#### **SECTION 1-11-550. Certificates by issuing authority and by board.**

(A) An allocation of the state ceiling approved by the board is made formal initially by a certificate which allocates tentatively a specific amount of the state ceiling to the bonds for which the allocation is requested. This tentative allocation certificate must specify the state ceiling amount allocated, the issuing authority and the project involved, and the time period during which the tentative allocation is valid. This certificate must remind the issuing authority that the tentative allocation is made final after the issuing authority chairman or other duly authorized official or agent of the issuing authority, before the issue is made, certifies the issue amount and the projected date of issue, as is required by subsection (B) of this section. It also may include other information considered relevant by the board secretary.

(B) The chairman or other authorized official or agent of an issuing authority issuing any private activity bond for which a portion of the state ceiling has been allocated tentatively shall execute and deliver to the board secretary an issue amount certificate setting forth the exact amount of bonds to be issued and the projected bond issue date which date must not be more than ten business days after the date of the issue amount certificate and it must be before the state ceiling allocation involved expires. The issue amount certificate may be an executed copy of the appropriate completed Internal Revenue Service form to be submitted to the Internal Revenue Service on the issue or it may be in the form of a letter which certifies the exact amount of bonds to be issued and the projected date of the issue.

(C) In response to the issuing authority's issue amount certificate required by subsection (B) of this section, the board secretary is authorized to issue and, as may be necessary, to revise a certificate making final the ceiling allocation approved previously by the board on a tentative basis, if the secretary determines that:

- (1) the issuing authority's issue amount certificate specifies an amount not in excess of the approved tentative ceiling allocation amount;
- (2) the issue amount certificate was received prior to the issue date projected and that the certificate is dated not more than ten days prior to the issue date projected;
- (3) the issue date projected is within the time period approved previously for the tentative ceiling allocation; and
- (4) the bonds when issued and combined with the total amount of bonds requiring a ceiling allocation included in issue amount certificates submitted previously to the board by issuing authorities do not exceed the state ceiling for the calendar year. Except under extraordinary circumstances, the board secretary shall issue this certificate within two business days following the date the issue amount certificate is received.

(D) In accordance with Section 149(e)(2)(F) of the Code, the secretary of the Budget and Control Board is designated as the state official responsible for certifying, if applicable, that certain bonds meet the requirements of Section 146 of the Code relating to the volume cap on private activity bonds.

(E) Any tentative or final state ceiling allocation granted by the board before the effective date of this act remains valid as an allocation of a portion of the volume cap for South Carolina provided under Section 146 of the Code. The allocations expire in accordance with the regulations under which they were granted or extended and their validity may be extended or reinstated in accordance with the provisions of Sections 1-11-500 through 1-11-570.

**SECTION 1-11-560. Time limits on allocations.**

(A) Any state ceiling allocation approved by the board is valid only for the calendar year in which it is approved, unless eligible and approved for carry-forward election or unless specified differently in the board certificates required by Section 1-11-550.

(B) Unless eligible and approved for carry-forward election or unless specified differently in board certificates required by Section 1-11-550, each state ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety consecutive calendar days from the date the allocation is approved by the board.

(C) In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the board, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty-one consecutive calendar days to a total of not more than one hundred twenty-one consecutive calendar days.

(D) In response to a written request by the chairman or other authorized official or agent of an issuing authority, the board may reinstate for a period of not more than thirty-one consecutive calendar days in any one calendar year part or all of an allocation approved but not extended previously in accordance with subsection (C) of this section in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(E) A tentative ceiling allocation is canceled automatically if the chairman or other authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by Section 1-11-550 to the board secretary before the bonds for which the allocation is made are issued.

(F) The chairman or other authorized official or agent of an issuing authority shall advise the board secretary in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the state ceiling has been allocated. All notices of relinquishment of ceiling allocations must be entered promptly in the board's records by the board secretary.

(G) Ceiling allocations which are eligible and approved for carry-forward election are not subject to the validity limits of this section. The board shall join with the issuing authorities involved in carry-forward election statements to meet the requirements of the Internal Revenue Service.

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AGENCY: Office of the Executive Director

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SUBJECT: Consulting Actuary Update

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At their June 22, 2016, meeting, State Fiscal Accountability Authority members asked the Executive Director to research the availability of a consulting actuary to provide actuarial services related the Retirement Systems for the Authority as co-trustees. The Authority asked that research of other states be done to see what their experiences have been and what the cost of such services might be. This has been reflected in the June 22, 2016, Authority meeting minutes submitted for approval on this agenda and a dictated version of the dialogue has previously been provided to each member.

To assist with this research the Division of Procurement Services has issued a RFI (request for information) to solicit information from actuarial firms relative to their experience representing a co-trustee of a public pension system. Responses to the RFI are due on August 26, 2016. The Division also has and continues to query other states to see what their experience has been with a governance structure such as South Carolina's and the cost associated with providing such services.

A working draft of an RFP (request for proposal) has been developed which includes various scopes of work for the Authority to consider. This document will be used as a starting point in the Authority's effort to come to a decision for a final RFP, if a majority of the members so choose to proceed with such a procurement. The Division also has researched actuarial services outside of the scope of work in the working draft that are used by other public pensions. The Authority members have received information on these services. Some of these service categories may overlap.

The price associated with such services will be determined by the type and extent of services acquired. The costs for GRS's services have already been provided to the members.

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AUTHORITY ACTION REQUESTED:

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Authorize the Executive Director to work with the five members to reach a decision on the scope of work for a final RFP and to proceed with the procurement for services of an actuary that would report to the Authority. Once issued, the RFP will be used for selection of a candidate(s) after consultation with the five members.

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STATE FISCAL ACCOUNTABILITY AUTHORITY  
MEETING OF August 23, 2016

REGULAR SESSION  
ITEM NUMBER 2

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AGENCY: Public Employee Benefit Authority, Employee Insurance Program

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SUBJECT: State Health Plan Benefits and Contribution Rates Effective January 1, 2017

As part of the General Appropriations Act of Fiscal Year 2016/2017, the General Assembly enacted Proviso 108.6 setting out the premium increases for the 2017 State Health Plan and setting parameters for possible changes to other provisions of the Plan:

“108.6. (PEBA: State Health Plan) Of the funds authorized for the State Health Plan pursuant to Section 1-11-710(A)(2) of the 1976 Code, an employer premium increase of 0.8 percent and a subscriber premium increase of zero percent for each tier (subscriber, subscriber/spouse, subscriber/children, full family) will result for the standard State Health Plan. Co-payments for participants of the State Health Plan in Plan Year 2017 shall not be increased. Notwithstanding the foregoing, pursuant to Section 1-11-710(A)(3), the Public Employee Benefit Authority may adjust the plan, benefits, or contributions of the State Health Plan during Plan Year 2017 to ensure the fiscal stability of the Plan.”

At its meeting on July 21, 2016, pursuant to Section 1-11-710(A)(2) of the South Carolina Code of Laws, the PEBA Board of Directors approved the State Health Plan for 2017 in compliance with Proviso 108.6. Accordingly, the PEBA Board approved an employer contribution rate increase of 0.8 percent with no increase for subscribers for each tier of the Plan as set out in Attachment 2. Furthermore, as set out in Attachment 3, the PEBA Board approved no increases in co-pays or deductibles. The increase in employer premiums is necessary to offset increases in health expenditure growth.

Under S.C. Code Ann. Section 9-4-45, coverage changes and contribution determinations of the Public Employee Benefit Authority for the State Health Plan are subject to approval by the State Fiscal Accountability Authority. The State Fiscal Accountability Authority is asked to approve the 2017 contribution rates in Attachment 2 and the program changes in Attachment 1.

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AUTHORITY ACTION REQUESTED:

Approve the contribution rates and plan changes presented on Attachments 1, “Proposed State Health Plan Program Changes Effective January 1, 2017;” and 2, “State Health Plan Monthly Contribution Rates by Level of Coverage Effective January 1, 2017.”

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ATTACHMENTS:

Agenda item worksheet; Proposed State Health Plan program changes effective January 1, 2017; State Health Plan monthly contribution rates by level of coverage effective January 1, 2017; State Health Plan/Standard Plan Benefit Cost; S.C. Code Ann. Sections 1-11-710 and 9-4-45



## STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: August 23, 2016

Regular Agenda

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**1. Submitted by:**

- (a) Agency: Public Employee Benefit Authority, Employee Insurance Program
- (b) Authorized Official Signature:

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**2. Subject:** State Health Plan Benefits and Contribution Rates Effective January 1, 2017

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**3. Summary & Background Information:** As part of the General Appropriations Act of Fiscal Year 2016/2017, the General Assembly enacted Proviso 108.6 setting out the premium increases for the 2017 State Health Plan and setting parameters for possible changes to other provisions of the Plan:

“108.6. (PEBA: State Health Plan) Of the funds authorized for the State Health Plan pursuant to Section 1-11-710(A)(2) of the 1976 Code, an employer premium increase of 0.8 percent and a subscriber premium increase of zero percent for each tier (subscriber, subscriber/spouse, subscriber/children, full family) will result for the standard State Health Plan. Co-payments for participants of the State Health Plan in Plan Year 2017 shall not be increased. Notwithstanding the foregoing, pursuant to Section 1-11-710(A)(3), the Public Employee Benefit Authority may adjust the plan, benefits, or contributions of the State Health Plan during Plan Year 2017 to ensure the fiscal stability of the Plan.”

At its meeting on July 21, 2016, pursuant to Section 1-11-710(A)(2) of the South Carolina Code of Laws, the PEBA Board of Directors approved the State Health Plan for 2017 in compliance with Proviso 108.6. Accordingly, the PEBA Board approved an employer contribution rate increase of 0.8 percent with no increase for subscribers for each tier of the Plan as set out in Attachment 2. Furthermore, as set out in Attachment 3, the PEBA Board approved no increases in co-pays or deductibles. The increase in employer premiums is necessary to offset increases in health expenditure growth.

Under S.C. Code Ann. Section 9-4-45, coverage changes and contribution determinations of the Public Employee Benefit Authority for the State Health Plan are subject to approval by the State Fiscal Accountability Authority. The State Fiscal Accountability Authority is asked to approve the 2017 contribution rates in Attachment 2 and the program changes in Attachment 1.

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**4. What is the Authority asked to do?** Approve the contribution rates and plan changes presented on Attachments 1 (Proposed program changes effective January 1, 2017) and 2 (State Health Plan monthly contribution rates by level of coverage effective January 1, 2017).

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5. **What is recommendation of Agency/Division involved?** Approve the contribution rates and plan changes presented on Attachments 1 (Proposed program changes effective January 1, 2017) and 2 (State Health Plan monthly contribution rates by level of coverage effective January 1, 2017).
- 

6. **Recommendation of other office (as required)?**

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

7. **Supporting Documents:**

- (a) List those attached:
1. Proposed program changes effective January 1, 2017
  2. State Health Plan monthly contribution rates by level of coverage effective January 1, 2017
  3. State Health Plan/Standard Plan Benefit Cost
  4. S.C. Code Ann. Sections 1-11-710 and 9-4-45

## Proposed State Health Plan program changes effective January 1, 2017

### All health plans

- Employer contribution increase of 0.8 percent
  - Amount funded by General Assembly in fiscal year 2017 Appropriations Act and memorialized in Proviso 108.6 of the Act
  - Funding is provided for the 0.8 percent employer increase for state agencies and school districts to the extent that their positions are funded by state general fund appropriations
- No enrollee contribution increase
- Composite contribution increase of 0.6 percent

### State Health Plan

Proposals below are not applicable to Medicare-primary retirees with the exception of items processed through the pharmacy contractor for persons who have opted out of the Medicare Group Part D plan. However, the hospice services item is applicable to Medicare-primary retirees.

#### Pharmacy

- Adopt and transition to the Express Scripts National Preferred Formulary to maximize the State Health Plan's ability to obtain the lowest net cost for covered prescriptions, whether through reduction in ingredient cost or increase in pharmaceutical rebates, which are enhanced through adoption of the National Preferred Formulary. The National Preferred Formulary has exclusions from coverage for certain branded products in highly interchangeable categories, as determined by Express Scripts' Pharmacy and Therapeutics Committee. However, there is an exception process in place for situations in which there are clinical reasons to use the excluded product. Estimated annual savings from a reduction in pharmacy costs equal \$6.4 million with additional rebates earned in 2017 estimated at \$16.2 million.
- Adopt the Express Scripts Hepatitis C Cure Value Program to help ensure adherence and assistance with this high-cost medication and provide cost savings to the State Health Plan. This program will require all Hepatitis C medications to be dispensed through Accredo, Express Scripts' specialty pharmacy, and new users of Hepatitis C therapy who are genotype 1 will be required to use Viekira Pak, the preferred drug in this category. This program is estimated to save \$2.5 million annually. The State Health Plan spent \$16 million in 2015 for Hepatitis C medication.
- Adopt the Express Scripts Cholesterol Care Value Program to actively manage high-cost specialty cholesterol medications known as PCSK9s. PCSK9s are a new form of cholesterol therapy, currently available as an injection only, which went to market in 2015. The cost of PCSK9

medications far exceeds that of traditional cholesterol medication, at \$14,560 per year compared to \$604 per year for traditional therapy. All PCSK9 medications must be dispensed through Accredo, Express Scripts' specialty pharmacy. There is a rigorous clinical review process associated with this program with the intent of maintaining as many patients as possible on traditional, low-cost cholesterol medication.

## Medical

- Add telehealth, clinically-appropriate virtual doctor's visits, through Blue CareonDemand<sup>SM</sup> as a regular, covered service with patient liability calculated in the same manner as other regular services. The cost impact of adding telehealth as a covered service is considered breakeven.
- Add coverage at no cost to the member for manual or electric breast pumps obtained from BlueCross BlueShield of South Carolina-contracted providers. Estimated additional expense to the Plan is approximately \$420,000 a year.
- Increase the lifetime limit for hospice services to \$7,500. The lifetime limit for hospice services is currently \$6,000 and has been since 1997.

## State Dental Plan

- Employer contribution increase of 15 percent
  - Amount funded by General Assembly in fiscal year 2017 Appropriations Act
  - Funding is provided for the 15 percent employer increase for state agencies and school districts to the extent that their positions are funded by state general fund appropriations
- No enrollee contribution increase
- Composite contribution increase of 10.1 percent

## MUSC Health Plan

- Add telehealth services from the MUSC panel of doctors as a Tier 1 benefit with a \$25 per virtual visit patient copayment.

## State Health Plan monthly contribution rates by level of coverage | Effective January 1, 2017

0.8 percent increase for employers/no increase for enrollees

### 2017 employer rates for all health plans

	2017	2016
Enrollee only	\$362.98	\$360.10
Enrollee/spouse	\$718.98	\$713.26
Enrollee/child	\$557.10	\$552.68
Full family	\$900.18	\$893.04

### 2017 employee rates (no change from 2016)

#### Savings Plan

Enrollee only	\$9.70
Enrollee/spouse	\$77.40
Enrollee/child	\$20.48
Full family	\$113

#### Standard Plan/Medicare Supplement

Enrollee only	\$97.68
Enrollee/spouse	\$253.36
Enrollee/child	\$143.86
Full family	\$306.56

Tobacco users will pay a \$40 (enrollee only) or \$60 (enrollee plus coverage) per month premium in addition to health premiums.

## State Health Plan

### Benefit cost | All health plans

	General fund	Premium increase – employer (PEPM)	Premium increase – employee (PEPM)
Employer only	\$25.73 million	\$3.98	\$0.00

### Benefit structure | Standard Plan

	2017	2016
Deductible	\$445/\$890	\$445/\$890
Coinsurance maximum	\$2,540/\$5,080	\$2,540/\$5,080
Physician copayment	\$12	\$12
Emergency room copayment	\$159	\$159
Outpatient hospital copayment	\$95	\$95
Pharmacy copayment	\$9/\$38/\$63	\$9/\$38/\$63

## **S.C. Code Ann. Sections 1-11-710 and 9-4-45**

**SECTION 1-11-710.** Board to make insurance available to active and retired employees; Insurance Reserve Fund to provide reinsurance; cost to be paid out of appropriated and other funds.

(A) The board shall:

(1) make available to active and retired employees of this State and its public school districts and their eligible dependents group health, dental, life, accidental death and dismemberment, and disability insurance plans and benefits in an equitable manner and of maximum benefit to those covered within the available resources;

(2) approve by August fifteenth of each year a plan of benefits, eligibility, and employer, employee, retiree, and dependent contributions for the next calendar year. The board shall devise a plan for the method and schedule of payment for the employer and employee share of contributions and by July first of the current fiscal year, develop and implement a plan increasing the employer contribution rates of the State Retirement Systems to a level adequate to cover the employer's share for the current fiscal year's cost of providing health and dental insurance to retired state and school district employees. The state health and dental plans must include a method for the distribution of the funds appropriated as provided by law which are designated for retiree insurance and also must include a method for allocating to school districts, excluding EIA funding, sufficient general fund monies to offset the additional cost incurred by these entities in their federal and other fund activities as a result of this employer contribution charge. The funds collected through increasing the employer contribution rates for the State Retirement Systems under this section must be deposited in the SCRHI Trust Fund established pursuant to Section 1 11 705. The amounts appropriated in this section shall constitute the State's pro rata contributions to these programs except the State shall pay its pro rata share of health and dental insurance premiums for retired state and public school employees for the current fiscal year;

(3) adjust the plan, benefits, or contributions, at any time to insure the fiscal stability of the system;

(4) set aside in separate continuing accounts in the State Treasury, appropriately identified, all funds, state appropriated and other, received for actual health and dental insurance premiums due. Funds credited to these accounts may be used to pay the costs of administering the state health and dental plans and may not be used for purposes of other than providing insurance benefits for employees and retirees. A reserve equal to not less than one and one half months' claims must be maintained in the accounts.

(B) The board may authorize the Insurance Reserve Fund to provide reinsurance, in an approved format with actuarially developed rates, for the operation of the group health insurance or cafeteria

plan program, as authorized by Section 9 1 60, for active and retired employees of the State, and its public school districts and their eligible dependents. Premiums for reinsurance provided pursuant to this subsection must be paid out of state appropriated and other funds received for actual health insurance or cafeteria plan premiums due.

(C) Notwithstanding Sections 1 23 310 and 1 23 320 or any other provision of law, claims for benefits under any self-insured plan of insurance offered by the State to state and public school district employees and other eligible individuals must be resolved by procedures established by the board, which shall constitute the exclusive remedy for these claims, subject only to appellate judicial review consistent with the standards provided in Section 1 23 380.

(D) The General Assembly intends to authorize funding for the SCRHI Trust Fund in order to make progress toward reaching or maintaining the minimum annual required contribution under Governmental Accounting Standards Board Statement No. 45. The board shall determine the minimum annual required contribution pursuant to Section 1 11 705(H).

**SECTION 9-4-45. Policy determinations.**

(A) Policy determinations made by the South Carolina Public Benefit Authority are subject to approval by the State Budget and Control Board or its successor, evidenced by a majority vote of the board.

(B) For purposes of this section, policy determination means a determination by law required to be made by the South Carolina Public Benefit Authority in its administration of the Employee Insurance Program relating to coverage changes and premium increases and in its administration of the Retirement Division, actuarial assumptions governing the retirement system and adjustments in employer and employee contributions.

STATE FISCAL ACCOUNTABILITY AUTHORITY  
MEETING OF August 23, 2016

REGULAR SESSION  
ITEM NUMBER 3

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AGENCY: Public Employee Benefit Authority

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SUBJECT: Reconsideration of 2016 Actuarial Experience Study of the South Carolina Retirement System

At its June 22, 2016, meeting, the State Fiscal Accountability Authority approved Regular Session Item #6—2016 Actuarial Experience Study of the South Carolina Retirement System. The State Treasurer requests discussion and reconsideration of the adoption of the Public Employee Benefit Authority 2016 Actuarial Experience Study of the South Carolina Retirement System. The State Treasurer also requests that the Authority rescind approval of the actuarial assumption and methodologies adopted at the June 22, 2016, Authority meeting.

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AUTHORITY ACTION REQUESTED:

1. Discuss and reconsider the adoption of the Public Employee Benefit Authority 2016 Actuarial Experience Study of the South Carolina Retirement System by the Authority at June 22, 2016, Authority meeting.
2. Rescind approval of the actuarial assumption and methodologies adopted at the June 22, 2016, Authority meeting.

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ATTACHMENTS:

Loftis 8/8/16 letter



**THE HONORABLE CURTIS M. LOFTIS, JR.**

State Treasurer

August 8, 2016

Delbert H. Singleton, Jr.  
Asst. Executive Director and Authority Secretary  
S.C. State Fiscal Accountability Authority  
1200 Senate Street, Suite 600  
Columbia, S.C. 29201

Dear Mr. Singleton,

I am requesting that the agenda for the meeting to be held August 23, 2016 provide for and include as a Regular Session Item the following:

- A) Discussion and reconsideration of the Public Employee Benefit Authority 2016 Actuarial Experience Study of the South Carolina Retirement System (previously Regular Session, Item Number 6 at the June 7, 2016 State Fiscal Accountability Authority meeting); and
- B) A motion to rescind the approval of the actuarial assumption and methodologies adopted at the June 2016 meeting.

Sincerely,

A handwritten signature in blue ink, reading "Curtis M. Loftis, Jr.".

Curtis M. Loftis, Jr.  
South Carolina State Treasurer

cc: Grant Gillespie, Director

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

**Establish Project for A&E Design**

- (a) Summary 1-2017: JBRC Item 5. The Citadel  
Project: 9616, Duckett Hall HVAC Replacement

CHE Approval: 06/02/16

JBRC Approval: 08/02/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Institutional Capital Project Fund	0.00	0.00	0.00	30,000.00	30,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>30,000.00</u>	<u>30,000.00</u>

Funding Source: \$30,000 Other, Institutional Capital Project Funds, which are accumulated student tuition and registration fees collected on an annual basis in excess of the college's E&G debt service requirements.

Request: Establish project and budget for \$30,000 (Other, Institutional Capital Project Funds) to begin design work to replace the HVAC system at Duckett Hall at The Citadel. The 23,900 square foot facility was constructed in 1969 making the facility/systems approximately 47 years old. There are four mechanical rooms in the building, one on each floor and one on the roof. The current HVAC systems are in extremely poor condition and they are unable to adequately keep the facility at proper temperatures and humidity levels, especially at peak demands. The air handlers, piping, pumps, control valves and the controls are antiquated and beyond repair. The duct work and duct insulation is in very poor condition and coming apart in sections. In addition, asbestos insulation is used to insulate the chilled water and hot water pipes throughout the facility and needs to be abated. System failures would preclude the use of educational areas of the building. No alternative is a viable option. This project is imperative to provide proper heating and air-conditioning on all three floors of Duckett Hall. Approximately 100 students and 12 faculty and staff use this facility. The agency estimates that the completed project will cost approximately \$2,500,000. (See attachment 1 for additional annual operating cost savings.)

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (b) Summary 1-2017: JBRC Item 6. The Citadel  
Project: 9617, Boat Center Redevelopment

CHE Approval: 06/02/16

JBRC Approval: 08/02/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Gifts	0.00	0.00	0.00	45,000.00	45,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>45,000.00</u>	<u>45,000.00</u>

Funding Source: \$45,000 Other, Gifts, which are contributions raised by The Citadel Foundation through its current capital campaign.

Request: Establish project and budget for \$45,000 (Other, Gift Funds) to begin design work to replace the waterfront facilities at The Citadel with new code compliant, energy efficient construction. The 7,759 square foot facility was constructed in 1920. The facility has outlived its useful life expectancy and numerous improvements are required to meet the college's intended purpose and use. The structure has termite damage and the interior finishes have not been updated since the 1970s. The deteriorated condition of the existing facility has a negative impact on the facility's use. Furthermore, the existing marina channel is un-navigable during periods of low tide and cannot support activities such as boating and sailing. Renovation of the existing facility was considered but deemed cost prohibitive to meet flood requirements. The relocation of the marina to another location was also considered but did not provide the same access and amenities required. The proposed facility will be comprised of approximately 10,000 gross square feet and will include staff offices, classroom, boat storage, and floating docks. The agency estimates that the completed project will cost approximately \$3,000,000.

- (c) Summary 1-2017: JBRC Item 18. Office of the Adjutant General  
Project: 9785, McCrady Multi-Purpose Machine Gun Range

CHE Approval: N/A

JBRC Approval: 08/02/16

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Federal	92,942.00	0.00	92,942.00	272,694.31	365,636.31
All Sources	<u>92,942.00</u>	<u>0.00</u>	<u>92,942.00</u>	<u>272,694.31</u>	<u>365,636.31</u>

Funding Source: \$365,636.31 Federal, which are National Guard Bureau (NGB) Military Construction Funds (MIL CON).

Request: Increase budget to \$365,636 (add 272,694 Federal Funds) to provide additional funding for the Multi-purpose Gun Range's planning and design. This project was established in October 2014 for pre-design work, which is still being completed. The National Guard Bureau (NGB) initially awarded 25% of the total cost of the design to begin the project. After Phase I was approved, NGB decided they were only funding the design amount and delaying the construction until FY20 or FY21. NGB has directed that they can get the project completely designed and ready for bidding, and they have only provided the design funds of \$365,636.31 for the site investigation and design services. This new facility will be a Multi-Purpose Machine Gun Range. The facilities will consist of 6 firing points with automated target system. The supporting facilities include the range control tower (256 sq. ft.), operations/storage building (800 sq. ft.), latrines (200 sq. ft.), range operation and maintenance building (1,902 sq. ft.), covered mess (800 sq. ft.), ammo breakdown building (240 sq. ft.), covered bleachers (725 sq. ft.), classroom (800 sq. ft.) and utilities. The range will train the individual on the skills necessary to identify, engage, and hit stationary infantry targets. The agency estimates that the completed project will cost approximately \$6,196,120. (See attachment 2 for additional annual operating costs.)

#### **Establish Construction Budget**

- (d) Summary 1-2017: JBRC Item N/A. The Citadel  
Project: 9612, Bastin Hall - School of Business

CHE Approval: 04/26/16  
JBRC Approval: 08/02/16

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Gift Funds	250,000.00	0.00	250,000.00	19,950,000.00	20,200,000.00
All Sources	250,000.00	0.00	250,000.00	19,950,000.00	20,200,000.00

Funding Source: \$20,200,000 Other, Gifts, which are contributions from The Citadel Foundation.

Request: Increase budget to \$20,200,000 (add \$19,950,000 Other, Gift Funds) to begin construction of Bastin Hall at The Citadel, which will house the School of Business and its associated programs in five pathways of concentration. This project was established in October 2014 for pre-design work, which is now complete. The facility will be a three-story steel frame building constructed on The Citadel's property along Hagood Avenue. The work will involve construction of approximately 43,950 square feet and will include five flat classrooms, four tiered classrooms, nine group study rooms, financial services computer lab, innovation technology lab, administration and faculty offices, and a large common area to support collaboration among students, faculty, and visitors. The common area is the first large collaborative space planned for The Citadel Campus and directly supports the change to a more team-centric approach to education. The building is the first completely new academic facility to be constructed on the campus since 1974 and will comply with all standards for a 21st century academic facility and will meet Silver Level LEED Certification. The School of Business houses the largest undergraduate major and a graduate program with an approximate 668 day and 69 evening undergraduate students, 210 MBA students, and 40 faculty and staff. Current projections show a continued growth in the programs to justify the need for the new facility. The project will be funded by \$3,000,000 in donations received by the Citadel Foundation from approximately \$8,000,000 in pledges that have already been obtained for the project, and the remaining portion will be financed by a not exceeding \$17,500,000 Economic Development Revenue Bond (the "Bond") to be issued by the SC Jobs Economic Development Authority (JEDA) on behalf of The Citadel Real Estate Foundation (the "Real Estate Foundation"). Debt service on the Bond will be secured by a pledge of the lease payments under a Facilities Lease Agreement between The Citadel Real Estate Foundation (the "Real Estate Foundation") as lessor and The Citadel as lessee (the "Facilities Lease"). The Citadel is fully liable for annual lease payments under

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AGENCY: Department of Administration, Executive Budget Office

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SUBJECT: Permanent Improvement Projects

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the Facilities lease, subject to annual appropriation by The Citadel. The Citadel Foundation has committed through a Lease Payment Support Agreement between The Citadel Foundation, the Real Estate Foundation, and The Citadel to provide at least \$15 million to offset The Citadel's payment obligations under the Facilities Lease, which payments will be applied to the Real Estate Foundation's debt service obligations on the JEDA bonds. To date, The Citadel Foundation has received more than \$3 million in donations from approximately \$8 million in non-guaranteed pledges already obtained for the Project. If The Citadel Foundation does not receive sufficient donations to fulfill its \$15 million commitment, The Citadel Foundation will provide the balance of its commitment from The Citadel Foundation's other available funds. If The Citadel Foundation raises more than the \$15 million it has committed to the Project, such excess will be used to further reduce The Citadel's lease payment obligations. Additionally, The Citadel can elect to apply a portion of its annual grant funds from The Citadel Foundation to reduce or eliminate its annual lease payment obligations under the Facilities Lease. The Citadel and the Real Estate Foundation will also enter into a Base Lease and Conveyance Agreement pursuant to which The Citadel will lease Bastin Hall to the Real Estate Foundation, under which the Real Estate Foundation will pay annual rent of \$1 per year. The term of the Base Lease and Conveyance Agreement will extend 5 years beyond the maturity date but will automatically terminate on final repayment of the Bond, at which time title to Bastin Hall will revert to The Citadel. The Citadel will hold title to the Project under the Facilities Lease and also has underlying title to the Project, subject only to the rights of TCREF under the Base Lease. If the Facilities Lease terminates prior to termination of Base Lease, then TCREF will have a leasehold interest in the Project for the remainder of the term of the Base Lease. The agency reports the total projected cost of this project is \$20,200,000.00 with additional operating costs of \$135,520.00 in year one, \$150,870.00 in year two, and \$170,000.00 in year three. The agency also reports the projects date for execution of the construction contract is March 2017 and for completion of construction is July 2018. (See attachment 3 for additional annual operating costs.)

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SUBJECT: Permanent Improvement Projects

- (e) Summary 1-2017: JBRC Item 8. Clemson University  
Project: 9923, Electrical Distribution System Upgrades and Replacements

CHE Approval: 04/21/16  
JBRC Approval: 08/02/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Institution Bonds	0.00	0.00	0.00	50,000,000.00	50,000,000.00
Other, Maintenance and Stewardship Funds	1,125,000.00	0.00	1,125,000.00	23,875,000.00	25,000,000.00
All Sources	<u>1,125,000.00</u>	<u>0.00</u>	<u>1,125,000.00</u>	<u>73,875,000.00</u>	<u>75,000,000.00</u>

Funding Source: \$50,000,000 State Institution Bonds, which are long-term debt instruments issued by the State Treasurer's Office in the name of the University and are pledged to be repaid with tuition fees. \$25,000,000 Other, Maintenance and Stewardship Funds, which are tuition, matriculation and other debt retirement and plant transfers revenues that are not formally obligated to fund debt service in the current period and that are responsibly transferred to and managed by the State Treasurer until the time of their State Treasurer approved qualified use.

Request: Increase budget to \$75,000,000 (add \$73,875,000 - \$50,000,000 Institution Bonds and \$23,875,000 Other, Maintenance and Stewardship Funds) to begin construction upgrading the University's main campus electrical system. This project was established in April 2015 for pre-design work, which is now complete. The work will be a multi-year project to replace vulnerable sections of the electrical infrastructure and will include the replacement of the aging electrical distribution infrastructure, a redundant loop feed system which will prevent system failure possibilities, integration of a utility provider substation and infrastructure for heat and power generation, adding communication and distribution capability to all switches to reduce outage durations, and the development of a central operations location for monitoring and control of the Distribution Automation System. This phase will also include converting overhead electrical to underground while adding metering and controls to the equipment in campus buildings. The existing electrical system was constructed

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during the late 1950's through mid-1960's. More than 70% of the main substation gear and manual switching, transformation, system protection, and electrical conductors are more than 50 years old. This system upgrade will improve the reliability of the overall system but especially in those areas with a higher probability of failure which would impact major academic, research, and student life activities which includes approximately 22,700 students, 1,400 faculty, and 3,600 staff. The agency reports the total projected cost of this project is \$75,000,000 and no additional annual operating costs will result from the project. The agency also reports the projects date for execution of the construction contract is June 2017 and for completion of construction is January 2020.

- (f) Summary 1-2017: JBRC Item N/A. Coastal Carolina University  
Project: 9610, Brooks Stadium Additions

CHE Approval: See Proviso 118.16

JBRC Approval: 08/02/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Revenue Bonds	0.00	0.00	0.00	22,900,000.00	22,900,000.00
Appropriated State	0.00	0.00	0.00	100,000.00	100,000.00
Other, Institutional Capital Project Fund	0.00	0.00	0.00	4,900,000.00	4,900,000.00
Other, Gift CAF	0.00	0.00	0.00	3,900,000.00	3,900,000.00
Other, Renovation Reserve/Plant Expansion	285,000.00	0.00	285,000.00	(285,000.00)	0.00
All Sources	<u>285,000.00</u>	<u>0.00</u>	<u>285,000.00</u>	<u>31,515,000.00</u>	<u>31,800,000.00</u>

Funding Source: \$22,900,000 Revenue Bonds, which are funded in accordance with enabling legislation and as approved by the State Treasurer's Office. \$100,000 Appropriated State FY16-17 (Proviso 118.16, nonrecurring funds). \$4,900,000 Other, Institutional Capital Project Funds, which are accumulated student tuition and registration fees collected on an annual basis in excess of the

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college's E&G debt service requirements. \$3,900,000 Other, Gifts, which are contributions from the Chanticleer Athletic Foundation. There has also been a promise from CAF of \$12,500,000 paid over the 25 year life of the bond in annual installments of \$500,000 to the University.

Request: Increase budget to \$31,800,000 (add \$31,515,000 - \$22,900,000 Revenue Bonds, \$4,900,000 Other, Institutional Capital Project Funds, \$100,000 Appropriated State FY16-17 (Proviso 118.16, nonrecurring funds), \$3,900,000 Other, Gift CAE and (\$285,000) Other, Renovation Reserve/Plant Expansion Funds) to begin construction for expansion of Brooks Stadium at Coastal Carolina University. This project was established in October 2015 for pre-design work, which is now complete. The work will involve construction of approximately 12,000 square feet which will be comprised of a new hospitality suite, restrooms, concessions, and bleachers. Less than 5,000 of the square footage will be conditioned. The majority of the additions will take place on the west stands as the University plans to increase seating capacity to 20,700 by adding 11,486 to the existing 9,214 seats. To meet the overall increase of spectators, there will be an addition to fan-related amenities throughout the stadium that include restrooms, concessions, and ADA improvements to ensure compliance standards. Renovations to the existing stadium include improvements to entrance plazas and fan circulation methods. These additions are needed since the University recently accepted an offer to participate as an active member in the Sun Belt Conference. For football, an increase to seating capacity is needed to meet NCAA Football Bowl Subdivision requirements. The agency reports the total projected cost of this project is \$31,800,000 with additional operating costs of \$90,500 per year in years one through three. The agency also reports the projected date for execution of the construction contract is January 2017 and for completion of construction is August 2019. (See attachment 4 for additional annual operating costs.)

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- (g) Summary 1-2017: JBRC Item 9. University of South Carolina  
Project: 6112, North Energy Plant Expansion and Chilled Water Loop Extension

CHE Approval: 05/20/16

JBRC Approval: 08/02/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Institutional Funds	177,750.00	0.00	177,750.00	12,132,250.00	12,310,000.00
All Sources	<u>177,750.00</u>	<u>0.00</u>	<u>177,750.00</u>	<u>12,132,250.00</u>	<u>12,310,000.00</u>

Funding Source: \$12,310,000 Other, Institutional Funds, which are funds available to the University from a variety of sources including tuition and fees, sales and services activities, and other miscellaneous sources. There is no specific statutory authority other than the general authority to charge fees as necessary for operations (59-117-40(9)).

Request: Increase budget to \$12,310,000 (add \$12,132,250 Other, Institutional Funds) to begin construction to increase the chilled water capacity for the western portion of the campus at USC Columbia by adding a 3,000 ton chiller and cooling tower to the existing 7,762 GSF North Energy Plant. This project was established in September 2015 for pre-design work, which is now complete. The plant will be expanded by 5,076 GSF to accommodate the new equipment and include space and electrical/piping infrastructure for a second 3,000 ton chiller/cooling tower to support construction in the West Campus District. Also included in this project is site work for the installation of new underground chilled water piping to allow the North Energy Plant to provide emergency backup cooling to the West Energy Plant chilled water loop and also backup portions of the East Energy Plant chilled water loop. The expansion will provide additional capacity and backup cooling for facilities in the west area of the campus and provides a critical emergency backup cooling source for the core campus and portions of the east campus. The chilled water line extension will provide emergency backup for campus buildings served by the West Energy Plant, especially in summer months, and increase system efficiency in the winter months by allowing the West Energy Plant to shut down. The agency reports the total projected cost of this project is \$12,310,000

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with additional operating costs of \$191,439 in year one, \$183,939 in year two, and \$183,939 in year three. The agency also reports the projected date for execution of the construction contract is March 2017 and for completion of construction is March 2019. (See attachment 5 for additional annual operating costs.)

- (h) Summary 1-2017: JBRC Item 10. York Technical College  
Project: 6056, Library Expansion and Learning Commons Construction

CHE Approval: 06/2/16  
JBRC Approval: 08/02/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, College Capital Reserve Fund	149,590.00	0.00	149,590.00	9,823,335.00	9,972,925.00
All Sources	<u>149,590.00</u>	<u>0.00</u>	<u>149,590.00</u>	<u>9,823,335.00</u>	<u>9,972,925.00</u>

Funding Source: \$9,972,925 Other, College Capital Reserve Funds, which are excess revenues generated from a variety of sources acquired over time to address capital improvements and maintenance needs.

Request: Increase budget to \$9,972,925 (add \$9,823,335 Other, College Capital Reserve Funds) to begin construction for the Library Expansion and Learning Commons Construction project at York Technical College. This project was established in October 2012 for pre-design work, which is now complete. The existing Library will be renovated and an addition will be added to the East and South ends of the current building. Approximately 20,480 SF of the existing building will be renovated and 14,130 SF will be added to allow additional space for student/group work areas as well as café/dining seating. Total project square footage is estimated at 34,610. The renovation and expansion of the library has a twofold purpose: First, the Library/Learning Commons will essentially serve as the hub of student campus life and will provide library resources, private study areas, group collaboration areas, bookstore and food service operations. Secondly, other programs/services will be brought to this building to support student retention and job placement. Some of these

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programs include Academic Coaching & Tutoring, Career Resources, Information Services Help Desk, Work-Based Learning, and Instruction Development. The purpose of the Library/Learning Commons concept is to create an atmosphere of community and a place for students and faculty to gather and collaborate. The agency reports the total projected cost of this project is \$9,972,925 with additional operating costs of \$38,992 in year one, \$40,162 in year two, and \$41,367 in year three. The agency also reports the projected date for execution of the construction contract is May 2017 and for completion of construction is August 2018. (See attachment 6 for additional annual operating costs.)

- (i) Summary 1-2017: JBRC Item 11. Orangeburg-Calhoun Tech  
Project: 6109, Buildings A - J and Connecting Corridors Roofing Project

CHE Approval: 06/2/16

JBRC Approval: 08/02/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, College Local Funds	50,000.00	0.00	50,000.00	2,704,068.00	2,754,068.00
All Sources	<u>50,000.00</u>	<u>0.00</u>	<u>50,000.00</u>	<u>2,704,068.00</u>	<u>2,754,068.00</u>

Funding Source: \$2,754,068 Other, College Local Funds, which are excess operating revenues over expenses. Each year the college transfers excess funds to the capital projects account to be used for projects. It is excess tuition revenues. No state funds are included in the transfer, as all state appropriations are used for salaries and benefits each year.

Request: Increase budget to \$2,754,068 (add \$2,704,068 Other, College Local Funds) to begin construction for the roof replacement for Buildings A thru J (and connecting corridors) at Orangeburg Calhoun Technical College. This project was established in June 2015 for pre-design work, which is now complete. The 10 buildings being re-roofed contain the following: offices for 85 faculty and/or staff, 20 classrooms with an average capacity of 21 each, 15 labs with an average capacity of 21, one large computer lab with a capacity of 90, one large lecture room with a capacity of 180, and the college's library. The scope

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includes all components of roof replacement to include addressing any secondary drainage. The institution initially had plans to do the work as multiple projects over several years but decided to lump them together in hoping to save in construction costs. The current roofs are over 25 years old and recent assessments have confirmed the need to expedite their replacement. The agency reports the total projected cost of this project is \$2,754,068 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2016 and for completion of construction is October 2017.

- (j) Summary 1-2017: JBRC Item 17. Trident Technical College  
Project: 6096, Trident-SC Aeronautical Center

CHE Approval: 07/21/16

JBRC Approval: 08/02/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Capital Reserve Fund	10,000,000.00	855,000.00	10,855,000.00	35,445,000.00	46,300,000.00
Appropriated State, FY16-17 Proviso 118.16	0.00	0.00	0.00	700,000.00	700,000.00
Federal	0.00	2,000,000.00	2,000,000.00	0.00	2,000,000.00
Other, Local	0.00	0.00	0.00	20,750,000.00	20,750,000.00
All Sources	<u>10,000,000.00</u>	<u>2,855,000.00</u>	<u>12,855,000.00</u>	<u>56,895,000.00</u>	<u>69,750,000.00</u>

Funding Source: \$46,300,000 Capital Reserve Fund, \$700,000 Appropriated State FY16-17 (Proviso 118.16, nonrecurring funds), \$2,000,000 Federal EDA Grant and \$20,750,000 Other, Local, which are contributions from Charleston County, City of North Charleston and a private contribution.

Request: Increase budget to \$69,750,000 (add \$56,895,000 - \$35,445,000 Capital Reserve, \$700,000 Appropriated State, FY16-17 Proviso 118.16 and \$20,50,000 Other, Local Funds) to provide additional funding to proceed with

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final design and construction of the SC Aeronautical Center. This project was established in November 2014 for pre-design work, which is now complete. This new facility will be approximately 164,432 SF and will be located on a portion of an approximately 67 acre tract of property at Trident Technical College's main campus in North Charleston. The SC Aeronautical Training Center will be a center for aeronautical studies and will have areas for advanced manufacturing training. Spaces in the building will include, but are not limited to, high bay training areas, shops and labs, classrooms, office and administration, conferencing and other public areas, support and services. The project will be constructed to meet two Green Building Initiative's Green Globes standards which will yield a cost savings of \$3,276,390 over a 30 year period. The agency estimates that the completed project will cost approximately \$69,750,000 with additional operating costs of \$1,162,535 in year one, \$1,197,410 in year two, and \$1,233,333 in year three. The agency also reports the projected date for execution of the construction contract is October 2016 (site work) and July 2017 (building) and for completion of construction is July 2019. (See attachment 7 for additional annual operating costs.)

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AUTHORITY ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions as requested by the Department of Administration, Executive Budget Office. All items have been reviewed favorably by the Joint Bond Review Committee.

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ATTACHMENTS:

Agenda item worksheet and attachments.

**ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS  
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code H09 Name The Citadel

2. PROJECT Project # \_\_\_\_\_ Name Duckett Hall HVAC Replacement

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

☐ COSTS

☒ SAVINGS

☐ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 17-18	\$ 6,900.00	\$	\$	\$ 6,900.00
2) 18-19	\$ 7,080.00	\$	\$	\$ 7,080.00
3) 19-20	\$ 7,270.00	\$	\$	\$ 7,270.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).  
N/A

6. Will the additional costs be absorbed into your existing budget?  
If no, how will additional funds be provided?

☐ YES

☐ NO

N/A

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>		<u>AMOUNT</u>
1. Maintenance		\$2,900.00
2. Energy		4,000.00
3. _____		
4. _____		
5. _____		
6. _____		
7. _____		
8. _____		
TOTAL		\$6,900.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved.

9. Submitted By: \_\_\_\_\_  
Signature of Authorized Official and Title

*Joseph L Garcia*  
Joseph Garcia, VP Finance & Business

5-12-16

Date

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**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS  
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY  
Code H27 Name USC Columbia

2. PROJECT  
Project # 6112 Name North Energy Plant Expansion and Chilled Water Loop Extension

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

☒ COSTS

☐ SAVINGS

☐ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2018-19	\$ 191,439	\$	\$	\$ 191,439
2) 2019-20	\$ 183,939	\$	\$	\$ 183,939
3) 2020-21	\$ 183,939	\$	\$	\$ 183,939

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget?  
If no, how will additional funds be provided?

☒ YES

☐ NO

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>		<u>AMOUNT</u>
1. Personnel		127,140
2. Supplies		51,575
3. Administration		5,224
4. One Time Equipment Expenses		7,500
5. _____		
6. _____		
7. _____		
8. _____		
TOTAL		\$191,439

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 2.5

9. Submitted By: \_\_\_\_\_  
Signature of Authorized Official and Title

Date

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**ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS**  
**RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code H59 Name York - Library Expansion and Learning Commons Construction

2. PROJECT Project # 6056 Name Library Expansion and Learning Commons Construction

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

☒ COSTS

☐ SAVINGS

☐ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2018-2019	\$	\$	\$ 38,992.00	\$ 38,992.00
2) 2019-2020	\$	\$	\$ 40,162.00	\$ 40,162.00
3) 2020-2021	\$	\$	\$ 41,367.00	\$ 41,367.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).  
 Local County appropriations will be used to cover operational expenses.

6. Will the additional costs be absorbed into your existing budget?  
 If no, how will additional funds be provided?

☒ YES

☐ NO

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

COST FACTORS		AMOUNT
1. Utilities (Elect, Gas, Water & Sewer)		\$3,110.00
2. Maintenance		23,152.00
3. Custodian - Personnel		12,730.00
4. _____		
5. _____		
6. _____		
7. _____		
8. _____		
TOTAL		\$38,992.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 0.5

9. Submitted By: Mark Chaplin Vice President for Business Services  
 Signature of Authorized Official and Title

May 11, 2016  
 Date

124

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS  
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY  
Code H59 Name Trident Technical College

2. PROJECT  
Project # H59-6096 Name Trident – S. C. Aeronautical Training Center

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

☒ COSTS ☐ SAVINGS ☐ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) FY 19-20	\$0	\$0	\$1,162,535	\$1,162,535
2) FY 20-21	\$0	\$0	\$1,197,410	\$1,197,410
3) FY 21-22	\$0	\$0	\$1,233,333	\$1,233,333

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

Operations and maintenance funds are provided by Charleston, Berkeley and Dorchester Counties.

6. Will the additional costs be absorbed into your existing budget? ☒ YES ☐ NO  
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Maintenance</u>	<u>455,477</u>
2. <u>Utilities</u>	<u>517,961</u>
3. <u>Custodial</u>	<u>189,097</u>
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>1,162,535</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. N/A

9. Submitted By: Scott Poelker  
Signature of Authorized Official and Title

July 18, 2016  
Date

215

**ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS**  
**RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code E240 Name Office of the Adjutant General/ SC Military Department

2. PROJECT Project # 9785 Name McCrary Multi-Purpose Machine Gun Range

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

☒ COSTS      ☐ SAVINGS      ☐ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2020	\$	\$ 2,000.00	\$	\$ 2,000.00
2) 2021	\$	\$ 2,500.00	\$	\$ 2,500.00
3) 2022	\$	\$ 3,000.00	\$	\$ 3,000.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).  
 N/A

6. Will the additional costs be absorbed into your existing budget? ☒ YES      ☐ NO  
 If no, how will additional funds be provided?

\*Additional costs will not impact state funding. This facility will be supported through 100% federal funding.

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>		<u>AMOUNT</u>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
TOTAL		\$0.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. N/A

9. Submitted By: Michael J. Young Michael J. Young, State Contracting Officer      06/01/2016  
 Signature of Authorized Official and Title      Date

233

**ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS**  
**RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code H09 Name The Citadel

2. PROJECT Project # 9612 Name Bastin Hall - School of Business

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

☒ COSTS ☐ SAVINGS ☐ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2018-2019	\$ 135,520.00	\$	\$	\$ 135,520.00
2) 2019-2020	\$ 150,870.00	\$	\$	\$ 150,870.00
3) 2020-2021	\$ 170,000.00	\$	\$	\$ 170,000.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? ☒ YES ☐ NO  
 If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>		<u>AMOUNT</u>
1. Utilities		\$41,650.00
2. Insurance		18,870.00
3. Maintenance		50,000.00
4. Supplies		25,000.00
5. _____		
6. _____		
7. _____		
8. _____		
TOTAL		\$135,520.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. N/A

9. Submitted By: Col. Joseph Garcia, VP for Finance & Bus 3-17-16  
 Signature of Authorized Official and Title Date

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS**  
**RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY  
 Code H17 Name Coastal Carolina University

2. PROJECT  
 Project # 9610 Name Brooks Stadium Additions

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

☒ COSTS ☐ SAVINGS ☐ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2017/2018	\$	\$	\$90,500	\$90,500
2) 2018/2019	\$	\$	\$90,500	\$90,500
3) 2019/2020	\$	\$	\$90,500	\$90,500

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

Expenses are related to general maintenance and campus operations. Operation and maintenance funds are provided by student tuition in our general operating budget. No increase will result due to these expenses.

6. Will the additional costs be absorbed into your existing budget? ☒ YES ☐ NO  
 If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

COST FACTORS		AMOUNT
1. Utilities		\$50,000.00
2. Supplies		\$12,500.00
3. Personnel		\$28,000.00
4. _____		
5. _____		
6. _____		
7. _____		
8. _____		
TOTAL		\$90,500.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved.

9. Submitted By: Stacie Bowie 5/17/2016  
 Stacie Bowie, CFO & VP for Finance & Administration Date

## Permanent Improvement Project Information for August 23, 2016 SFAA Meeting

Agency/ Project No.	Agency/Project Name	Original		Date of		Included in CIP	Total Projected Project Cost
		Approved Budget	Original Approval	Phase I Amount	Phase I Approval		
H09-9616	The Citadel - Duckett Hall HVAC Replacement	N/A	N/A	\$30,000	N/A	Yes	\$2,500,000
H09-9617	The Citadel - Boat Center Redevelopment	N/A	N/A	\$45,000	N/A	Yes	\$3,000,000
E24-9785	Office of the Adjutant General - McCrady Multi-Purpose Machine Gun Range	\$92,942	10/31/13	\$92,942	10/31/13	Yes	\$6,196,120
H09-9612	The Citadel - Bastin Hall - School of Business	\$250,000	10/14/14	\$250,000	10/14/14	Yes	\$20,200,000
H12-9923	Clemson University - Electrical Distribution System Upgrades and Replacements	\$1,125,000	4/28/15	\$18,889	4/28/15	Yes	\$75,000,000
H17-9610	Coastal Carolina University - Brooks Stadium Additions	\$285,000	11/4/15	\$285,000	11/4/15	No	\$29,900,000
H27-6112	USC Columbia - North Energy Plant Expansion and Chilled Water Loop Extension	\$177,750	9/4/15	\$177,750	9/4/15	Yes	\$12,310,000
H59-6056	York Technical College - York Library Expansion and Learning Commons Construction	\$149,590	10/30/12	\$149,590	10/30/12	Yes	\$9,972,925
H59-6109	Orangeburg Calhoun Technical College - Octech Re-roofing Project-Buildings A thru J and connecting corridors	\$50,000	6/16/15	\$50,000	6/16/15	Yes	\$2,754,068
H59-6096	Trident Technical College - SC Aeronautical Training Center	\$10,000,000	10/31/14	\$10,000,000	10/31/14	Yes	\$69,750,000

## **Additional Information on Funding Sources for Higher Education Permanent Improvement Projects**

### **Item (a) – The Citadel – Duckett Hall HVAC Replacement**

The source of funds for pre-design is Other, Institutional Capital Project Funds, which are accumulated student tuition and registration fees collected on an annual basis in excess of the college's E&G debt service requirements.

The source of funds for construction is anticipated to be Other, Institutional Capital Project Funds.

The University reports that no increase in any student fee or tuition will be required for this project.

### **Item (b) – The Citadel – Boat Center Redevelopment**

The source of funds for pre-designed is Other, Donor Gifts

The source of funds for construction is anticipated to be Other, Donor Gifts.

The University reports that no increase in any student fee or tuition will be required for this project.

### **Item (d) – The Citadel – Bastin Hall – School of Business**

The source of funds for construction is Other, Citadel Foundation Gifts.

The University reports that no increase in any student fee or tuition will be required for this project.

### **Item (e) – Clemson University – Electrical Distribution System Upgrades and Replacements**

The source of funds for construction is State Institution Bonds, which are long-term debt instruments issued by the State Treasurer's Office in the name of the University and are pledged to be repaid with tuition fees, as well as, Other, Maintenance and Stewardship Funds, which are tuition, matriculation and other debt retirement and plant transfers revenues that are not formally obligated to fund debt service in the current period and that are responsibly transferred to and managed by the State Treasurer until the time of their State Treasurer approved qualified use.

The University reports that no increase in any student fee or tuition will be required for this project.

### **Item (f) – Coastal Carolina University – Brooks Stadium Additions**

The source of funds for construction is Revenue Bonds, which are funded in accordance with enabling legislation and as approved by the State Treasurer's Office, Appropriated State FY16-17 (Proviso 118.16, nonrecurring funds), Other, Institutional Capital Project Funds, which are accumulated student tuition and registration fees collected on an annual basis in excess of the college's E&G debt service requirements and Other, Gifts, which are contributions from the Chanticleer Athletic Foundation.

The University reports that no increase in any student fee or tuition will be required for this project.

**Item (g) – University of South Carolina – North Energy Plant Expansion and Chilled Water Loop Extension**

The source of funds for construction is the Other, Institutional Funds, which are funds available to the University from a variety of sources including tuition and fees, sales and services activities, and other miscellaneous sources. There is no specific statutory authority other than the general authority to charge fees as necessary for operations (59-117-40(9)).

The University reports that no increase in any student fee or tuition will be required for this project.

**Item (h) – York Technical College – Library Expansion and Learning Commons Construction**

The source of funds for construction is the Other, College Capital Reserve Funds, which are excess revenues generated from a variety of sources acquired over time to address capital improvements and maintenance needs.

The University reports that no increase in any student fee or tuition will be required for this project.

**Item (i) – Orangeburg-Calhoun Technical College – Buildings A – J and Connecting Corridors Roofing Project**

The source of funds for construction is the Other, College Local Funds, which are excess operating revenues over expenses. Each year the college transfers excess funds to the capital projects account to be used for projects. It is excess tuition revenues. No state funds are included in the transfer, as all state appropriations are used for salaries and benefits each year.

The University reports that no increase in any student fee or tuition will be required for this project.

**Item (j) – Trident Technical College – SC Aeronautical Center**

The source of funds for construction is the Capital Reserve Fund, Appropriated State FY16-17 (Proviso 118.16, nonrecurring funds), Federal EDA Grant and Other, Local, which are contributions from Charleston County, City of North Charleston and a private contribution.

The University reports that no increase in any student fee or tuition will be required for this project.

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AGENCY: Department of Administration, Real Property Services

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SUBJECT: Leases Associated with The Citadel's Request for Phase Two Approval for Full Design and Construction of a New 43,950 square foot facility known as Bastin Hall to Support the School of Business

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The Citadel's request for Phase Two approval for full design and construction of a new 43,950 square foot facility known as Bastin Hall to support the School of Business includes two lease transactions requiring approval by the Joint Bond Review Committee and the State Fiscal Accountability Authority. The Department of Administration has reviewed the leases for legal compliance with the State's statutes and regulations governing leases (1-11-55 and 1-11-56).

**Base Lease (the "Base Lease") between The Citadel (the "College") and The Citadel Real Estate Foundation (the "Foundation"):**

The College will lease the Real Property (the "Land"), comprised of 1.64 acres located in the City of Charleston as shown on the attached survey, to the Foundation to allow for the Foundation to secure and provide a portion of the funds for the construction of Bastin Hall (the "Building") through the proceeds of the not exceeding \$17,500,000 South Carolina Jobs-Economic Development Authority Educational Facilities Revenue Bonds (Citadel Real Estate Foundation Project) Series 2016 (the "Bond" or "Bonds"). The Base Lease Commencement Date shall be the date on which the Base Lease is approved by the State Fiscal Accountability Authority (SFAA). Rent shall be \$1/year, prepaid for the entire lease term in whole on the Commencement Date. The term of the Base Lease will be thirty (30) years, unless the College exercises one of the options to terminate as provided in Section 2(b) of the Lease and satisfies the conditions thereof, then this Base Lease shall be considered terminated upon completion of such termination including repayment in full of the Bond or of any refinancing thereof, in which case unencumbered title to Bastin Hall will revert to the College.

**Facilities Lease Agreement (the "Lease") between the Foundation and the College:**

The Foundation will lease the Land, together with any and all improvements located on or to be constructed on the Land (collectively, "Improvements"), including approximately 43,950 aggregate rentable square feet as contained in a single structure (the "Building") (together the "Premises") to the College. The Occupancy Term of the Lease shall be twenty-five (25) years commencing on the date on which the Lease is approved by the State Fiscal Accountability Authority (SFAA) and ending August 1, 2041. Base rent shall be due on or before May 1 of each calendar beginning on May 1, 2019 and shall be equal to the annual amounts necessary to pay the debt service on the Bonds estimated as follows:

AGENCY: Department of Administration, Real Property Services

SUBJECT: Leases associated with The Citadel's Request for Phase Two Approval for Full Design and Construction of a New 43,950 square foot facility known as Bastin Hall to Support the School of Business

Date	Lease Payment
5/1/2017	\$0.00
5/1/2018	\$0.00
5/1/2019	\$2,905,549.89
5/1/2020	\$2,545,595.13
5/1/2021	\$2,544,986.67
5/1/2022	\$2,544,363.06
5/1/2023	\$2,543,723.92
5/1/2024	\$404,375.72
5/1/2025	\$404,375.72
5/1/2026	\$404,375.72
5/1/2027	\$404,375.72
5/1/2028	\$404,375.71
5/1/2029	\$404,375.72
5/1/2030	\$404,375.73
5/1/2031	\$404,375.72
5/1/2032	\$404,375.71
5/1/2033	\$404,375.71
5/1/2034	\$404,375.71
5/1/2035	\$404,375.71
5/1/2036	\$404,375.71
5/1/2037	\$404,375.72
5/1/2038	\$404,375.72
5/1/2039	\$404,375.71
5/1/2040	\$404,375.71
5/1/2041	\$404,375.72
TOTAL	\$20,362,981.56

While the College is responsible for the payment of Base Rent, all Base Rent due shall be reduced by amounts raised by The Citadel Foundation (TCF). TCF has committed to provide at least \$15,000,000 from non-guaranteed private donations toward the Base Rent. At election of the College, the College may use its Annual Grant funds from TCF to offset any difference in the Base Rent due and the amounts provided through TCF contributions. Additionally, if the

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AGENCY: Department of Administration, Real Property Services

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SUBJECT: Leases associated with The Citadel's Request for Phase Two Approval for Full Design and Construction of a New 43,950 square foot facility known as Bastin Hall to Support the School of Business

College cannot make a lease payment in a given year from the funds previously identified, it can identify and appropriate other funds available to it for such purposes and appropriate from that source. In the event the College fails to appropriate sufficient funds from another source, the Lease terminates and the holder of the Bonds, as assignee of the Base Lease, is entitled to occupy and utilize the Premises for the remainder of the Base Lease term.

The lease payments have been structured in years 2019 through 2023 to account for the contributions TCF will make to fulfill the balance of its \$15,000,000 commitment to the Project. TCF will meet its obligation through capital campaign receipts designated for Bastin Hall, which TCF expects to finish collecting by the lease payment date in 2023. As noted above, the College's ultimate payment obligation is reduced by contributions made by TCF. When TCF's expected contributions are backed out of the amortization schedule in years 2019-2023, the College's remaining lease payment obligation is identical to its annual obligation in each year after 2023. The College and the Foundation have structured the amortization in this manner in order to leverage the private donations earmarked for the Project to reduce the average life of the financing, which significantly lowers the overall financing costs.

The College is also responsible for all maintenance and operations expenses associated with the Premises, estimated at \$135,520, \$150,870, and \$170,000 in years 1-3 respectively, to be funded through the College's existing Deferred Maintenance Fund. Upon expiration of the Lease, title to the Premises automatically reverts unencumbered to the College. If the College wishes to acquire Bastin Hall prior to expiration of the Lease, the College can exercise one of the options to terminate as provided in Section 2(b) of the Lease and upon satisfaction of the conditions thereof, including repayment in full of the Bond or of any refinancing thereof, unencumbered title to the Premises will revert to the College.

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AUTHORITY ACTION REQUESTED:

As recommended by the Department of Administration, Real Property Services, consider approval of the proposed lease transactions associated with The Citadel's request for Phase Two approval for full design and construction of a new 43,950 square foot facility known as Bastin Hall to support the School of Business.

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ATTACHMENTS:

Agenda item worksheet; The Citadel Bastin Hall Survey dated March 15, 2016; SC Code of



## STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

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Meeting Scheduled for: August 23, 2016

Regular Agenda

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**1. Submitted by:**

- (a) Agency: Department of Administration
- (b) Authorized Official Signature:

  
Ashlie Lancaster  
Real Property Services

**2. Subject:** Leases associated with The Citadel's request for Phase Two approval for full design and construction of a new 43,950 square foot facility known as Bastin Hall to support the School of Business

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**3. Summary Background Information:**

The Citadel's request for Phase Two approval for full design and construction of a new 43,950 square foot facility known as Bastin Hall to support the School of Business includes two lease transactions requiring approval by the Joint Bond Review Committee and the State Fiscal Accountability Authority. The Department of Administration has reviewed the leases for legal compliance with the State's statutes and regulations governing leases (1-11-55 and 1-11-56).

**Base Lease (the "Base Lease") between The Citadel (the "College") and The Citadel Real Estate Foundation (the "Foundation"):**

The College will lease the Real Property (the "Land"), comprised of 1.64 acres located in the City of Charleston as shown on the attached survey, to the Foundation to allow for the Foundation to secure and provide a portion of the funds for the construction of Bastin Hall (the "Building") through the proceeds of the not exceeding \$17,500,000 South Carolina Jobs-Economic Development Authority Educational Facilities Revenue Bonds (Citadel Real Estate Foundation Project) Series 2016 (the "Bond" or "Bonds"). The Base Lease Commencement Date shall be the date on which the Base Lease is approved by the State Fiscal Accountability Authority (SFAA). Rent shall be \$1/year, prepaid for the entire lease term in whole on the Commencement Date. The term of the Base Lease will be thirty (30) years, unless the College exercises one of the options to terminate as provided in Section 2(b) of the Lease and satisfies the conditions thereof, then this Base Lease shall be considered terminated upon completion of such termination including repayment in full of the Bond or of any refinancing thereof, in which case unencumbered title to Bastin Hall will revert to the College.

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**Facilities Lease Agreement (the "Lease") between the Foundation and the College:**

The Foundation will lease the Land, together with any and all improvements located on or to be constructed on the Land (collectively, "Improvements"), including approximately 43,950 aggregate rentable square feet as contained in a single structure (the "Building") (together the "Premises") to the College. The Occupancy Term of the Lease shall be twenty-five (25) years commencing on the date on which the Lease is approved by the State Fiscal Accountability Authority (SFAA) and ending August 1, 2041. Base rent shall be due on or before May 1 of each calendar beginning on May 1, 2019 and shall be equal to the annual amounts necessary to pay the debt service on the Bonds estimated as follows:

Date	Lease Payment
5/1/2017	\$0.00
5/1/2018	\$0.00
5/1/2019	\$2,905,549.89
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5/1/2022	\$2,544,363.06
5/1/2023	\$2,543,723.92
5/1/2024	\$404,375.72
5/1/2025	\$404,375.72
5/1/2026	\$404,375.72
5/1/2027	\$404,375.72
5/1/2028	\$404,375.71
5/1/2029	\$404,375.72
5/1/2030	\$404,375.73
5/1/2031	\$404,375.72
5/1/2032	\$404,375.71
5/1/2033	\$404,375.71
5/1/2034	\$404,375.71
5/1/2035	\$404,375.71
5/1/2036	\$404,375.71
5/1/2037	\$404,375.72
5/1/2038	\$404,375.72
5/1/2039	\$404,375.71
5/1/2040	\$404,375.71
5/1/2041	\$404,375.72
TOTAL	\$20,362,981.56

While the College is responsible for the payment of Base Rent, all Base Rent due shall be reduced by amounts raised by The Citadel Foundation (TCF). TCF has committed to provide at least \$15,000,000 from non-guaranteed private donations toward the Base Rent. At election of the College, the College may use its Annual Grant funds from TCF to offset any difference in the Base Rent due and the amounts provided through TCF contributions. Additionally, if the College cannot make a lease payment in a given year from the funds previously identified, it can identify and appropriate other funds available to it for such purposes and appropriate from that source. In the event the College fails to appropriate sufficient funds from another source, the Lease terminates and the holder of the Bonds, as assignee of the Base Lease, is entitled to occupy and utilize the Premises for the remainder of the Base Lease term.

The lease payments have been structured in years 2019 through 2023 to account for the contributions TCF will make to fulfill the balance of its \$15,000,000 commitment to the Project. TCF will meet its obligation through capital campaign receipts designated for Bastin Hall, which TCF expects to finish collecting by the lease payment date in 2023. As noted above, the College's ultimate payment obligation is reduced by contributions made by TCF. When TCF's expected contributions are backed out of the amortization schedule in years 2019-2023, the College's remaining lease payment obligation is identical to its annual obligation in each year after 2023. The College and the Foundation have structured the amortization in this manner in

order to leverage the private donations earmarked for the Project to reduce the average life of the financing, which significantly lowers the overall financing costs.

The College is also responsible for all maintenance and operations expenses associated with the Premises, estimated at \$135,520, \$150,870, and \$170,000 in years 1-3 respectively, to be funded through the College's existing Deferred Maintenance Fund. Upon expiration of the Lease, title to the Premises automatically reverts unencumbered to the College. If the College wishes to acquire Bastin Hall prior to expiration of the Lease, the College can exercise one of the options to terminate as provided in Section 2(b) of the Lease and upon satisfaction of the conditions thereof, including repayment in full of the Bond or of any refinancing thereof, unencumbered title to the Premises will revert to the College.

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**4. What is the Authority asked to do?** Consider approval of the proposed lease transactions associated with The Citadel's request for Phase Two approval for full design and construction of a new 43,950 square foot facility known as Bastin Hall to support the School of Business.

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**5. What is recommendation of the Department of Administration?** Consider approval of the proposed lease transactions associated with The Citadel's request for Phase Two approval for full design and construction of a new 43,950 square foot facility known as Bastin Hall to support the School of Business.

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**6. List of Supporting Documents:**

- The Citadel Bastin Hall Survey dated March 15 2016
  - SC Code of Laws Section 1-11-55 and 1-11-56
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THIS EXHIBIT DOES NOT REPRESENT AN ACTUAL FIELD SURVEY. INFORMATION SHOWN IS TAKEN FROM PREVIOUS SURVEYS AND ENGINEERING PLANS HORIZONTAL DATUM: SOUTH CAROLINA STATE PLANE NAD 1983, (2011 SHIFT)

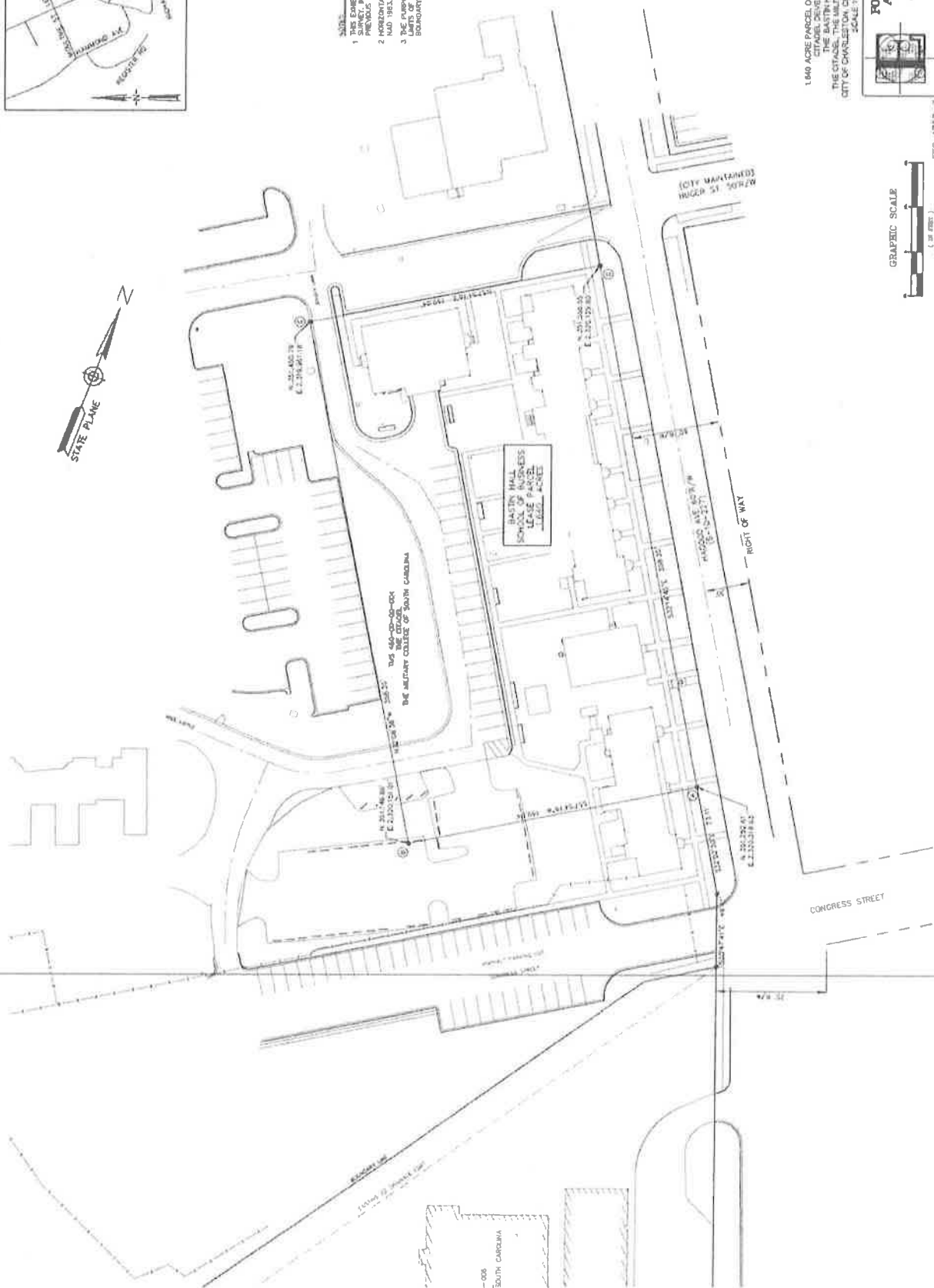


EXHIBIT A  
1.640 ACRE PARCEL OF LAND TO BE LEASED TO THE  
CITIZEN DEVELOPMENT FOUNDATION FOR  
THE EASTON HALL SCHOOL OF BUSINESS  
THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA  
CITY OF CHARLESTON, CHARLESTON COUNTY SOUTH CAROLINA  
SCALE 1"=30' MARCH 15, 2016



**FORSBERG ENGINEERING  
AND SURVEYING, INC.**  
1167 SAWANNAH HIGHWAY SUITE B  
P.O. BOX 5075  
CHARLESTON, SOUTH CAROLINA 29417  
(803) 871-3222 FAX (803) 871-4810  
CIVIL ENGINEERING, SURVEYING  
AND LAND PLANNING

GRAPHIC SCALE



FES 4787-3

**SECTION 1-11-55. Leasing of real property for governmental bodies.**

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, agency, government corporation, or other establishment or official of the executive branch of this State. Governmental body excludes the General Assembly, Legislative Council, the Legislative Services Agency, the judicial department and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.

(2) The Division of General Services of the Department of Administration is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section. However, a technical college, with the approval by the State Board for Technical and Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to one hundred thousand dollars annually for each property or facility.

(3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Division of General Services of its requirement on rental request forms prepared by the division. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the division agree meets necessary requirements and standards for state leasing as prescribed in procedures of the department as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services.

(4) The department shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.

(5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Division of General Services of the Department of Administration or his designee.

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

#### Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

#### **SECTION 1-11-56.** Program to manage leasing; procedures.

(A) The Division of General Services of the Department of Administration, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department's regulations, upon General Assembly approval, shall include procedures for:

(1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;

(2) establishing standards for the quality and quantity of space to be leased by a requesting agency;

(3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:

(a) a nonappropriation for the renting agency;

(b) a dissolution of the agency; and

- (c) the availability of public space in substitution for private space being leased by the agency;
  - (4) rejecting an agency's request for additional space or space at a specific location, or both;
  - (5) directing agencies to be located in public space, when available, before private space can be leased;
  - (6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
  - (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.
- (B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.
- (C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

#### Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C) .

STATE FISCAL ACCOUNTABILITY AUTHORITY  
MEETING OF August 23, 2016

REGULAR SESSION  
ITEM NUMBER 6

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AGENCY: Clemson University

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SUBJECT: Not Exceeding \$51,000,000 General Obligation State Institution Bonds, Series 2016, of Clemson University

The Authority is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$51,000,000 General Obligation State Institution Bonds, Series 2016, of Clemson University.

The proceeds of the bonds will be used to design, construct, and equip upgrades and replacements to the main campus electrical system, including but not limited to replacing aging electrical distribution infrastructure, creating a redundant loop feed system, adding communication and distribution automation capability to all switches to reduce outage duration, developing a central operations location to monitor and control a distribution automation system, converting remaining exposed overhead electrical facilities to underground, adding metering and controls to equip in campus building to allow for "smart grid" enhancements, updating electrical facilities in campus buildings with aging utility transformers and main gear, making modifications to the campus electrical system to allow for increased use of on-campus power generation and alternative energy, addressing related electrical safety issues, and other related infrastructure; (ii) reimburse the University for expenses incurred in anticipation of the issuance of such State Institution Bonds; and (iii) pay for expenses related to the issuance of such State Institution Bonds.

---

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$51,000,000 General Obligation State Institution Bonds, Series 2016 of Clemson University.

---

ATTACHMENTS:

Pope 6/28/16 letter; Summary of Financing; NDIF; Resolution



**POPE FLYNN**  
GROUP

COLUMBIA | CHARLOTTE | SPARTANBURG

**Gary T. Pope, Jr.** **Pope Flynn, LLC**  
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gpope@popeflynn.com Post Office Box 11509 (29211)  
DIRECT 803 354.4917 Columbia, SC 29201  
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June 28, 2016

Mr. Delbert H. Singleton, Jr.  
Assistant Executive Director and Authority Secretary  
South Carolina State Fiscal Accountability Authority  
1200 Senate Street, Suite 600  
Columbia, South Carolina 29201

Re Not Exceeding \$51,000,000 of General Obligation State Institution Bonds (Issued on Behalf of Clemson University), Series 2016 of the State of South Carolina (the "Bonds")

Dear Delbert:

On behalf of Clemson University, in connection with the authorization of the Bonds, and in anticipation of the South Carolina State Fiscal Accountability Authority (the "Authority") meeting scheduled for August 9, 2016, we respectfully enclose the following for consideration by the Authority:

1. A copy of a resolution adopted by the Board of Trustees of Clemson University on July 17, 2015, making application to the Authority in connection with the Bonds (we will provide a certificate as to Tuition received for the Fiscal Year to end June 30, 2016 as soon as practicable);
2. A Summary of Financing Costs;
3. A New Debt Information Form;
4. A proposed form of opinion of Bond Counsel; and
5. A proposed form of Bond Resolution of the Authority (an electronic copy is being provided contemporaneously with this letter).

Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best regards,

Gary T. Pope, Jr.

c: Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer  
Rick Petillo, Director of Debt and Capital Financing, Clemson University  
Enclosures

STATE OF SOUTH CAROLINA  
ON BEHALF OF CLEMSON UNIVERSITY

June 28, 2016

Not Exceeding \$51,000,000 General Obligation  
State Institution Bonds, Series 2016

True interest cost of bonds (est. all-in TIC) = 2.73%

Total	\$ 483,250 (0.948%)
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Note: Costs of issuance of the bonds are calculated at the full proposed not to exceed amount of \$51,000,000 in accordance with the approved fee schedule for counsel, published schedules of rating agencies, past experience, and to take into account that certain larger items, such as the underwriter's discount, will not be known until the pricing of the bonds and will vary with market conditions.



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/28/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: H12 Issuer: State of South Carolina Series: Series 2016  
 Borrower (if not Issuer): Clemson University  
 Bond Caption: General Obligation State Institution Bonds (Issued on behalf of Clemson University), Series 2016  
 Bond Resolution Amount: \$51,000,000.00 Est. Production Amount: \$50,502,864.48  
 (\* Used to calculate initial COI percentages: this \$ Amount / Est. \$ COI on Page 2 should reconcile to "Summary of Financing Proposal" percentages \*)

**Initial/Current Version:**  
 ENTITY  
 NAME: Clemson University  
 BY: Rick Petillo  
 ITS: Director of Debt and Capital

**Final:**  
 ENTITY  
 NAME:  
 BY:  
 ITS:

### 2. FINANCING (NEW PORTION)

Project #: H12-9923 Project Name: Electrical Distribution System Upgrades and Replacements  
 Project Address/Location: Campus-Wide Improvements Amount: \$50,000,000.00  
 Project Type: Campus Infrastructure County: Pickens  
 Projected Avg Interest Rate: 2.685% (TIC) Final Maturity: 4/1/2016

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
		\$			\$	
		\$			\$	
		\$			\$	
		\$			\$	
		\$			\$	
Total		\$	*****	*****	\$	

### 4. FINANCING WORKING GROUP

Financial Advisor: Public Resources Advisory Group Disclosure Counsel: Howell Linkous & Nettles, LLC  
 Bond Counsel: Pope Flynn, LLC Issuer's Counsel:  
 Underwriter: TBD - Competitive Bid Other:  
 Other: Other:

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

This project involves upgrading the main campus electrical distribution system, which was predominantly constructed in the late 1950's through mid-1960's. The work to be replace and update the end-of-life infrastructure will enhance reliability, allow for greater energy efficiency, and provide centralized monitoring capabilities to reduce outage durations.  
 Costs of issuance of the bonds are calculated at the full proposed not to exceed amount of \$51,000,000 in accordance with the approved fee schedule for counsel, published schedules of rating agencies, past experience and to take into account that certain larger items, such as the underwriter's discount, will not be known until the pricing of the bonds and will vary with market conditions.

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	07/17/15	
JBRC Approval:	08/02/16	Proposed
SFAA Approval:	08/09/16	Proposed

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	04/13/16	
JBRC Approval:	08/02/16	Proposed
SFAA Approval:	08/09/16	Proposed

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

- a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)
- b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?
- c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Yes No  
☐ ☒

☐ ☒

Sq. Footage -  
 Cost Estimate - \$0

Est. Expenditures - Through 6 Months  
 Est. Expenditures - Through 12 Months  
 Est. Expenditures - Through 18 Months  
 Est. Expenditures - Through 24 Months  
 Est. Expenditures - Through 36 Months  
 Est. Expenditures - Through 48 Months  
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 3,002,846.48	6/30/2017	TBD - multiple issuances may be pursued to match proceeds
\$ 3,000,000.00	6/30/2017	with spending schedule
\$ 8,000,000.00	6/30/2018	
\$ 15,000,000.00	6/30/2018	
\$ 21,500,000.00	6/30/2019	
	6/30/2020	
<b>\$ 50,502,846.48</b>		

## 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 50,486,356.90	\$ 75,000,000.00	Project Fund
(b) Premium/Accr. Int.	\$ 16,489.58	\$	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$ 25,000,000.00	\$	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 483,250.00	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)	\$	\$ 16,489.58	Accrued Interest
Type -	\$	\$ 3,106.90	Additional Proceeds
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Sources</b>	<b>\$ 75,502,846.48</b>	<b>\$ 75,502,846.48</b>	<b>Total Project Uses</b>
Surplus/Deficit		\$	-

## 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (\*\* Added COI entities beyond the following need an attached description \*)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	PRAG			\$ 45,000.00	\$	\$ 45,000.00
Bond Counsel	Pope Flynn, LLC			\$ 25,500.00	\$	\$ 25,500.00
Disclosure Counsel	Howell Linkous & Nettles			\$ 25,000.00	\$	\$ 25,000.00
Issuer's Counsel				\$	\$	\$
Underwriter's Counsel				\$	\$	\$
Transaction Counsel	TBD			\$ 12,750.00	\$	\$ 12,750.00
Legal Expenses				\$ 2,500.00	\$	\$ 2,500.00
				\$	\$	\$
Rating Agency - S&P				\$ 20,000.00	\$	\$ 20,000.00
Rating Agency - Moody's				\$ 31,000.00	\$	\$ 31,000.00
Rating Agency - Fitch				\$ 35,000.00	\$	\$ 35,000.00
Underwriter's Compensation				\$ 255,000.00	\$	\$ 255,000.00
Registrar / Paying Agent				\$ 10,000.00	\$	\$ 10,000.00
Escrow Agent				\$	\$	\$
Accountant				\$	\$	\$
Verification Agent				\$	\$	\$
Printing				\$ 5,000.00	\$	\$ 5,000.00
Publishing				\$ 1,500.00	\$	\$ 1,500.00
Advertising				\$ 5,000.00	\$	\$ 5,000.00
Contingency				\$ 10,000.00	\$	\$ 10,000.00
Issuer's Fee	SC JEDA / SC SHFDA			\$	\$	\$
				<b>\$ 483,250.00</b>	<b>\$</b>	<b>\$ 483,250.00</b>

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction  
 Bond Counsel: % of Transaction  
 Total Legal Costs: % of Transaction  
 Rating Agencies: % of Transaction

0.09%	0.00%
0.05%	0.00%
0.13%	0.00%
0.17%	0.00%

UW Comp: % of Transaction  
 Other COI: % of Transaction  
 Total COI: % of Transaction

0.50%	0.00%
0.06%	0.00%
<b>0.96%</b>	<b>0.00%</b>

STATE FISCAL ACCOUNTABILITY AUTHORITY  
MEETING OF August 23, 2016

REGULAR SESSION  
ITEM NUMBER 7

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AGENCY: Clemson University

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SUBJECT: Not Exceeding \$63,000,000 General Obligation State Institution Refunding Bonds, Series 2016, of Clemson University

The Authority is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$63,000,000 General Obligation State Institution Refunding Bonds, Series 2016, of Clemson University.

The proceeds of the bonds will be used to: (i) effect a refunding of all or a portion of the maturities of the of (1) the originally issued \$14,000,000 General Obligation State Institution Bonds (Issued on Behalf of Clemson University), Series 2007B, and (2) the originally issued \$62,370,000 General Obligation State Institution Bonds (Issued on Behalf of Clemson University), Series 2011B (collectively, the "Refunded Bonds"); and (ii) to pay for expenses related to the issuance of such State Institution Refunding Bonds.

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AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$63,000,000 General Obligation State Institution Refunding Bonds, Series 2016 of Clemson University.

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ATTACHMENTS:

Pope 6/28/16 letter; Summary of Financing; NDIF; Resolution



**POPE FLYNN**  
GROUP

COLUMBIA | CHARLOTTE | SPARTANBURG

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gpope@popeflynn.com Post Office Box 11509 (29211)  
DIRECT 803 354.4917 Columbia, SC 29201  
FAX 803 354.4899 www.popeflynn.com

June 28, 2016

Mr. Delbert H. Singleton, Jr.  
Assistant Executive Director and Authority Secretary  
South Carolina State Fiscal Accountability Authority  
1200 Senate Street, Suite 600  
Columbia, South Carolina 29201

Re Not Exceeding \$63,000,000 of General Obligation State Institution Refunding Bonds (Issued on Behalf of Clemson University), Series 2016 of the State of South Carolina (the "Bonds")

Dear Delbert:

On behalf of Clemson University, in connection with the authorization of the Bonds, and in anticipation of the South Carolina State Fiscal Accountability Authority (the "Authority") meeting scheduled for August 9, 2016, we respectfully enclose the following for consideration by the Authority:

1. A copy of a proposed resolution to be adopted by the Board of Trustees of Clemson University on July 15, 2016, making application to the Authority in connection with the Bonds (we will provide an executed copy upon adoption);
2. A Summary of Refinancing Proposal;
3. A New Debt Information Form;
4. A proposed form of opinion of Bond Counsel; and
5. A proposed form of Bond Resolution of the Authority (an electronic copy is being provided contemporaneously with this letter).

Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best regards,



Gary T. Pope, Jr.

c: Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer  
Rick Petillo, Director of Debt and Capital Financing, Clemson University  
Enclosures

## Summary of Refinancing Proposal for

Not exceeding \$63,000,000 General Obligation State Institution Refunding Bonds  
(Issued on Behalf of Clemson University), Series 2016

PRELIMINARY – SUBJECT TO CHANGE

June 28, 2016

Outstanding bonds proposed to be refinanced	General Obligation State Institution Bonds (Issued on Behalf of Clemson University), Series 2007B & 2011B
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Average interest rate of bonds refinanced	4.75% (avg. coupon)
Projected average interest rate of refinancing bonds	1.70% (avg. yield)
True interest cost of refinancing bonds	2.15% (TIC)
Projected net present value savings (net of costs)	\$ 3,512,650
Projected net present value savings as a percentage of the bonds refinanced	6.60%

Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)

Underwriting	\$315,000 (0.500%; 8.968%)
Legal fees – bond, disclosure and general counsel	\$54,188 (0.086%; 1.543%)
Rating agency fees	\$96,000 (0.152%; 2.733%)
Advisory fees	\$45,000 (0.071%; 1.281%)
Bond trustee/registrar	\$10,000 (0.016%; 0.285%)
Accounting and verification	\$5,000 (0.008%; 0.142%)
Credit enhancement/bond insurance	-
Publication, printing, contingencies and all other expenses	\$22,000 (0.035%; 0.626%)
Total	\$547,188 (0.869%; 15.578%)

Prepared by: Pope Flynn, LLC. The above summary is derived from information provided by Public Resources Advisory Group, financial advisor for the Series 2016 Bonds.



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/28/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: H12 Issuer: State of South Carolina Series: Series 2016  
Borrower (if not Issuer): Clemson University  
Bond Caption: General Obligation State Institution Refunding Bonds (Issued on Behalf of Clemson University), Series 2016  
Bond Resolution Amount: \$63,000,000.00 Est. Production Amount: \$61,937,714.62  
(\* Used to calculate initial COI percentages; this \$ Amount / Est. \$ COI on Page 2 should reconcile to "Summary of Financing Proposal" percentages \*)

#### Initial/Current Version:

##### ENTITY

NAME: Clemson UniversityBY: Rick PetilloITS: Director of Debt and Capital

#### Final:

##### ENTITY

NAME: \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

### 2. FINANCING (NEW PORTION)

Project #: \_\_\_\_\_ Project Name: \_\_\_\_\_  
Project Address/Location: \_\_\_\_\_ Amount: \$0.00  
Project Type: \_\_\_\_\_ County: \_\_\_\_\_  
Projected Avg Interest Rate: \_\_\_\_\_ Final Maturity: \_\_\_\_\_

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
2007B	2018-21	\$ 4,615,000.00	3.42%	1.69%	\$ 205,944.00	4.46%
2011B	2022-31	\$ 48,540,000.00	4.79%	1.69%	\$ 3,306,706.00	6.81%
		\$			\$	
		\$			\$	
		\$			\$	
Total		\$ 53,155,000.00	*****	*****	\$ 3,512,650.00	6.60%

### 4. FINANCING WORKING GROUP

Financial Advisor: PRAG Disclosure Counsel: Howell Linkous & Nettles, LLC  
Bond Counsel: Pope Flynn, LLC Issuer's Counsel: \_\_\_\_\_  
Underwriter: TBD - Competitive Bid Other: \_\_\_\_\_  
Other: \_\_\_\_\_ Other: \_\_\_\_\_

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, &amp; the basis for these cost estimates. Use an attachment if needed)

Bond refunding for debt service savings. No extension of amortization. Costs of issuance of the bonds are calculated at the full proposed not to exceed amount of \$63,000,000 in accordance with the approved fee schedule for counsel, published schedules of rating agencies, past experience and to take into account that certain larger items, such as the underwriter's discount, will not be known until the pricing of the bonds and will vary with market conditions.

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	07/15/16	Proposed
JBRC Approval:	00/00/00	N/A
SFAA Approval:	08/09/16	Proposed

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	00/00/00	N/A
JBRC Approval:	00/00/00	N/A
SFAA Approval:	00/00/00	N/A

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy) Yes No  
☐ ☒

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds? ☐ ☒

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected. Sq. Footage -   
Cost Estimate -

Bond Proceeds

FYE

Spend Down Schedule Notes

\$0

Est. Expenditures - Through 6 Months  
 Est. Expenditures - Through 12 Months  
 Est. Expenditures - Through 18 Months  
 Est. Expenditures - Through 24 Months  
 Est. Expenditures - Through 36 Months  
 Est. Expenditures - Through 48 Months  
 - Estimated Expenditures: Thru FY:

\$	00/00/00	N/A - Refunding
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$		

## 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 61,917,336.70	\$	Project Fund
(b) Premium/Accr. Int.	\$ 20,377.92	\$	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$	\$	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$ 61,365,948.13	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 547,187.50	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)	\$	\$ 20,377.92	Accrued Interest
Type -	\$	\$ 4,201.07	Additional Proceeds
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Sources</b>	\$ 61,937,714.62	\$ 61,937,714.62	<b>Total Project Uses</b>
Surplus/Deficit		\$ -	

## 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (\*\* Added COI entities beyond the following need an attached description \*\*)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor				\$ 45,000.00	\$	\$ 45,000.00
Bond Counsel				\$ 23,625.00	\$	\$ 23,625.00
Disclosure Counsel				\$ 18,750.00	\$	\$ 18,750.00
Issuer's Counsel					\$	\$
Underwriter's Counsel				\$	\$	\$
Transaction Counsel				\$ 11,812.50	\$	\$ 11,812.50
Legal Expenses				\$ 2,500.00	\$	\$ 2,500.00
				\$	\$	\$
Rating Agency - S&P				\$ 20,000.00	\$	\$ 20,000.00
Rating Agency - Moody's				\$ 31,000.00	\$	\$ 31,000.00
Rating Agency - Fitch				\$ 45,000.00	\$	\$ 45,000.00
Underwriter's Compensation				\$ 315,000.00	\$	\$ 315,000.00
Registrar / Paying Agent				\$ 10,000.00	\$	\$ 10,000.00
Escrow Agent				\$ 3,000.00	\$	\$ 3,000.00
Accountant				\$	\$	\$
Verification Agent				\$ 5,000.00	\$	\$ 5,000.00
Printing				\$ 5,000.00	\$	\$ 5,000.00
Publishing				\$ 1,500.00	\$	\$ 1,500.00
Advertising				\$ 5,000.00	\$	\$ 5,000.00
Contingency				\$ 5,000.00	\$	\$ 5,000.00
Issuer's Fee	SC JEDA / SC SHFDA			\$	\$	\$
				\$ 547,187.50	\$	\$ 547,187.50

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction

Bond Counsel: % of Transaction

Total Legal Costs: % of Transaction

Rating Agencies: % of Transaction

0.07%	0.00%
0.04%	0.00%
0.09%	0.00%
0.15%	0.00%

UW Comp: % of Transaction

Other COI: % of Transaction

Total COI: % of Transaction

0.51%	0.00%
0.06%	0.00%
0.88%	0.00%

STATE FISCAL ACCOUNTABILITY AUTHORITY

MEETING OF August 23, 2016

REGULAR SESSION

ITEM NUMBER 8

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AGENCY: Coastal Carolina University

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SUBJECT: Not Exceeding \$22,900,000 Revenue Bonds, Series 2016, of Coastal Carolina University

The Authority is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$22,900,000 Revenue Bonds, Series 2016, of Coastal Carolina University.

The proceeds of the bonds will be used to enlarge and renovate Brooks Stadium on the campus of the University. This expansion is necessary in order to be in compliance with the requirements, as set forth in the agreement, entered into between the Sun Belt Conference and Coastal Carolina University.

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AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$22,900,000 Revenue Bonds, Series 2016 of Coastal Carolina University.

---

ATTACHMENTS:

Pope 6/28/16 letter; Summary of Financing; NDIF; Resolution



**POPE FLYNN**  
**GROUP**

COLUMBIA | CHARLOTTE | SPARTANBURG

**Gary T. Pope, Jr.** **Pope Flynn, LLC**  
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June 28, 2016

Mr. Delbert H. Singleton, Jr.  
Assistant Executive Director and Authority Secretary  
South Carolina State Fiscal Accountability Authority  
1200 Senate Street, Suite 600  
Columbia, South Carolina 29201

Re: Not Exceeding \$22,900,000 of Revenue Bonds, Series 2016 of Coastal Carolina University,  
South Carolina (the "Bonds")

Dear Delbert:

On behalf of Coastal Carolina University, in connection with the authorization for the Bonds, and in anticipation of the State Fiscal Accountability Authority (the "Authority") meeting scheduled for August 9, 2016, we respectfully enclose the following for consideration by the Authority:

1. A copy of a bond resolution dated October 2, 2015, of the Board of Trustees for Coastal Carolina University providing for the issuance of revenue bonds of Coastal Carolina University;
2. A copy of a supplemental resolution adopted by the Board of Trustees for Coastal Carolina University on February 19, 2016, authorizing the issuance of the Bonds;
3. A letter from Chairman Wyatt Henderson requesting approval in an amount not to exceed \$22,900,000;
4. A Summary of Financing Costs;
5. A New Debt Information Form;
6. A proposed form of opinion of Bond Counsel; and
7. A proposed form of approving resolution of the Authority (an electronic copy is being provided contemporaneously with this letter).

Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best regards,

Gary T. Pope, Jr.

c: Stacie A. Bowie, Vice President, Finance and Administration, Coastal Carolina University  
Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer

Enclosures

# Summary of Financing Proposal for

## COASTAL CAROLINA UNIVERSITY

### PRELIMINARY – SUBJECT TO CHANGE

June 28, 2016

Bonds proposed to be financed

Not Exceeding \$22,900,000 Revenue Bonds, Series 2016

Average interest rate of bonds (est. average coupon)	2.905%
Projected average interest rate of bonds (est. arbitrage yield)	2.870%
True interest cost of bonds	3.080%

#### Estimated costs (costs as a percentage of bonds)

Underwriting (est. - competitive)	\$ 343,500 (1.500%)
Legal fees – bond, disclosure and general counsel	50,000 (0.218%)
Rating agency fees	70,000 (0.306%)
Advisory fees	25,000 (0.109%)
Bond trustee/registrar	10,000 (0.022%)
Accounting and verification	-
Credit enhancement/bond insurance	-
Publication, printing, contingencies and all other expenses	25,000 (0.045%)
Total	\$ 523,250 (2.285%)

Prepared by Pope Flynn, LLC, Bond Counsel, and Public Resources Advisory Group, Financial Advisor.

Note: Costs of issuance of the bonds are calculated at the full proposed not to exceed amount of \$22,900,000 in accordance with the approved fee schedule for counsel, published schedules of rating agencies, past experience, and to take into account that certain larger items, such as the underwriter's discount, will not be known until the pricing of the bonds and will vary with market conditions.



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/28/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: H17 Issuer: Coastal Carolina University Series: 2016  
 Borrower (if not Issuer): \_\_\_\_\_  
 Bond Caption: Revenue Bonds, Series 2016  
 Bond Resolution Amount: \$22,900,000.00 Est. Production Amount: \$22,900,000.00  
 (\* Used to calculate initial COI percentages; this \$ Amount / Est. \$ COI on Page 2 should reconcile to "Summary of Financing Proposal" percentages \*)

#### Initial/Current Version:

##### ENTITY

NAME: Coastal Carolina University  
 BY: Stacie Bowie  
 ITS: VP of Finance and Administration

#### Final:

##### ENTITY

NAME: \_\_\_\_\_  
 BY: \_\_\_\_\_  
 ITS: \_\_\_\_\_

### 2. FINANCING (NEW PORTION)

Project #: 9610 Project Name: Brooks Stadium Expansion  
 Project Address/Location: Main Campus Amount: \$22,900,000.00  
 Project Type: Sports Facilities County: Horry  
 Projected Avg Interest Rate: 3.00% Final Maturity: 1-Jun-41

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
		\$			\$	
		\$			\$	
		\$			\$	
		\$			\$	
		\$			\$	
		\$			\$	
Total		\$	*****	*****	\$	

### 4. FINANCING WORKING GROUP

Financial Advisor: Stephens, Inc. Disclosure Counsel: Howell Linkous & Nettles, LLC  
 Bond Counsel: Pope Flynn, LLC Issuer's Counsel: Timothy Meacham, General Counsel  
 Underwriter: TBD - Competitive Sale Other: \_\_\_\_\_  
 Other: \_\_\_\_\_ Other: \_\_\_\_\_

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

The University recently accepted an offer to participate in the Sun Belt Conference, which moves the football program to Football Bowl Subdivision (FBS). To meet NCAA FBS seating requirements, the University is required to increase its current seating count and make related stadium infrastructure enhancements. The cost of the project totals \$29,900,000 with \$22,900,000 to be provided from proceeds of the bond issue and \$7,000,000 from other sources. Costs of issuance of the bonds are calculated at the full proposed not to exceed amount of \$22,900,000 in accordance with the approved fee schedule for counsel, published schedules of rating agencies, past experience, and to take into account that certain larger items, such as the underwriter's discount, will not be known until the pricing of the

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	02/19/16	
JBRC Approval:	08/02/16	Proposed
SFAA Approval:	08/09/16	Proposed

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	02/19/16	
JBRC Approval:	08/02/16	Proposed
SFAA Approval:	08/09/16	Proposed

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes No  
☐ ☒

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

☒ ☐

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage - TBD  
 Cost Estimate - TBD

Bond Proceeds

FYE

Spend Down Schedule Notes

Est. Expenditures - Through 6 Months	\$	00/00/00	
Est. Expenditures - Through 12 Months	\$ 7,000,000.00	00/00/00	
Est. Expenditures - Through 18 Months	\$ 15,900,000.00	00/00/00	
Est. Expenditures - Through 24 Months	\$	00/00/00	
Est. Expenditures - Through 36 Months	\$	00/00/00	
Est. Expenditures - Through 48 Months	\$	00/00/00	
- Estimated Expenditures: Thru FY:	\$ 22,900,000.00		

## 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 22,900,000.00	\$ 29,376,750.00	Project Fund
(b) Premium/Accr. Int.	\$	\$	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$ 5,000,000.00	\$	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 523,250.00	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)	\$	\$	Accrued Interest
Type - Private	\$ 2,000,000.00	\$	Other
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Sources</b>	\$ 29,900,000.00	\$ 29,900,000.00	<b>Total Project Uses</b>
Surplus/Deficit		\$	-

## 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (\*\* Added COI entities beyond the following need an attached description \*\*)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	Stephens, Inc.			\$ 25,000.00	\$	\$ 25,000.00
Bond Counsel	Pope Flynn, LLC			\$ 25,000.00	\$	\$ 25,000.00
Disclosure Counsel	LLC			\$ 25,000.00	\$	\$ 25,000.00
Issuer's Counsel	Timothy Meacham			\$	\$	\$
Underwriter's Counsel	N/A			\$	\$	\$
Transaction Counsel	N/A			\$	\$	\$
Legal Expenses				\$	\$	\$
				\$	\$	\$
Rating Agency - S&P				\$	\$	\$
Rating Agency - Moody's				\$ 35,000.00	\$	\$ 35,000.00
Rating Agency - Fitch				\$ 35,000.00	\$	\$ 35,000.00
Underwriter's Compensation				\$ 343,500.00	\$	\$ 343,500.00
Registrar / Paying Agent	U.S. Bank			\$ 9,750.00	\$	\$ 9,750.00
Escrow Agent				\$	\$	\$
Accountant				\$	\$	\$
Verification Agent				\$	\$	\$
Printing	Image Master			\$ 5,000.00	\$	\$ 5,000.00
Publishing	IPREO			\$ 1,500.00	\$	\$ 1,500.00
Advertising	Bond Buyer			\$ 3,000.00	\$	\$ 3,000.00
Contingency				\$ 15,500.00	\$	\$ 15,500.00
Issuer's Fee	SC JEDA / SC SHFDA			\$	\$	\$
				\$ 523,250.00	\$	\$ 523,250.00

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction

Bond Counsel: % of Transaction

Total Legal Costs: % of Transaction

Rating Agencies: % of Transaction

0.11%	0.00%
0.11%	0.00%
0.22%	0.00%
0.31%	0.00%

UW Comp: % of Transaction

Other COI: % of Transaction

Total COI: % of Transaction

1.50%	0.00%
0.15%	0.00%
2.28%	0.00%

## A RESOLUTION

APPROVING THE ISSUANCE AND SALE OF NOT EXCEEDING \$22,900,000 REVENUE BONDS, SERIES 2016, OF COASTAL CAROLINA UNIVERSITY, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE SOUTH CAROLINA STATE FISCAL ACCOUNTABILITY AUTHORITY, IN MEETING DULY ASSEMBLED:

### ARTICLE I

#### FINDINGS OF FACT

As an incident to the adoption of this resolution (this "Resolution"), the South Carolina State Fiscal Accountability Authority (the "State Authority") finds:

##### Section 1.01

(a) The Board of Trustees for Coastal Carolina University (the "Board of Trustees"), the governing body of Coastal Carolina University, South Carolina (the "University"), is authorized by Chapter 136, Title 59 of the Code of Laws of South Carolina, 1976, as amended (the "Enabling Act"), to make provision for the issuance of revenue bonds ("Revenue Bonds") from time to time in order to raise funds to defray the cost of financing or refinancing in whole or in part the cost of construction, reconstruction, improvement, and equipment of buildings for the purposes of the University including, dormitories, apartment buildings, dwelling houses, dining halls, cafeterias, parking facilities, sports facilities, and inns or for any one or more of these purposes, all in accordance with and pursuant to the provisions of the Enabling Act.

(b) The Board of Trustees has previously made general provision for the issuance from time to time of revenue bonds of the University (the "Bonds") through the means of a General Bond Resolution adopted on November 10, 1994, entitled "A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF COASTAL CAROLINA UNIVERSITY REVENUE BONDS TO FINANCE OR REFINANCE THE CONSTRUCTION, RECONSTRUCTION, IMPROVEMENT, AND EQUIPMENT OF BUILDINGS AND OTHER PROJECTS OF COASTAL CAROLINA UNIVERSITY, AND OTHER MATTERS PERTAINING THERETO; PRESCRIBING THE FORM OF REVENUE BONDS ISSUED HEREUNDER; COVENANTING AS TO THE REVENUES AND THE FIXING, ESTABLISHMENT, AND COLLECTION OF RENTALS, FEES, AND CHARGES; PLEDGING THE REVENUES TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING" as thereafter from time to time amended and supplemented (the "Original General Bond Resolution"). The Board of Trustees has provided for the amendment and restatement of the Original General Bond Resolution pursuant to the adoption of an Amended and Restated General Bond Resolution, adopted on October 2, 2015, entitled "A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF COASTAL CAROLINA UNIVERSITY REVENUE BONDS TO FINANCE OR REFINANCE THE CONSTRUCTION, RECONSTRUCTION, IMPROVEMENT, AND EQUIPMENT OF BUILDINGS AND OTHER PROJECTS OF COASTAL CAROLINA UNIVERSITY, AND OTHER MATTERS PERTAINING THERETO; PRESCRIBING THE FORM OF REVENUE BONDS ISSUED HEREUNDER; COVENANTING AS TO THE REVENUES AND THE

FIXING, ESTABLISHMENT, AND COLLECTION OF RENTALS, FEES, AND CHARGES; PLEDGING THE REVENUES TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING” (the Original Bond Resolution, as amended and restated, the “Amended and Restated General Bond Resolution”). Pursuant to the Amended and Restated General Bond Resolution, the Board of Trustees previously issued and there remain Outstanding: (a) \$695,000 of the originally issued \$3,855,000 Refunding Revenue Bond, Series 2004 of Coastal Carolina University, South Carolina, (b) \$8,475,000 of the originally issued \$13,175,000 Refunding Revenue Bonds, Series 2006 of Coastal Carolina University, South Carolina, (c) \$4,573,000 of the originally issued \$6,147,000 Refunding Revenue Bond, Series 2012 of Coastal Carolina University, South Carolina, (d) \$53,295,000 of the originally issued \$54,705,000 Higher Education Revenue Bonds, Series 2013 of Coastal Carolina University, South Carolina, (e) \$35,480,000 of the originally issued \$35,480,000 Higher Education Revenue Bonds, Series 2014 of Coastal Carolina University, South Carolina, and (f) \$85,290,000 of the originally issued \$87,020,000 Higher Education Revenue Bonds, Series 2015 of Coastal Carolina University, South Carolina.

(c) On February 19, 2016, the Board of Trustees adopted a supplemental resolution entitled “A SUPPLEMENTAL RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF REVENUE BONDS OF COASTAL CAROLINA UNIVERSITY, SOUTH CAROLINA, TO BE ISSUED IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING THIRTY EIGHT MILLION DOLLARS (\$38,000,000), AND OTHER MATTERS RELATING THERETO” (the “2016 Supplemental Resolution”) authorizing the issuance of Revenue Bonds, Series 2016 (the “Series 2016 Bonds”) for the purpose of providing funds to enlarge and renovate Brooks Stadium on the campus of the University (the “Project”).

(d) The 2016 Supplemental Resolution authorizes the use of proceeds of the Series 2016 Bonds for the purposes of: (i) providing the funds necessary to defray the costs of the Project; (ii) providing amounts necessary to fund an account, if any, of the Debt Service Reserve Fund; (iii) providing for any capitalized interest; and (iv) paying certain Costs of Issuance and expenses related to the issuance of the Series 2016 Bonds.

(e) The Board of Trustees has determined that the Project is advantageous to the University for its continued successful operation as a public institution of higher learning, and the University hereby requests the State Authority to approve at this time the issuance by the University of the Series 2016 Bonds to defray the costs of the Project, and other matters related thereto.

(f) In accordance with the authority delegated the Chairman of the Board of Trustees, in conjunction with the State Treasurer, to determine the final principal amount of any Series of Bonds in the 2016 Supplemental Resolution, and in light of the identification of certain additional sources of funding for the Project and a reduction in scope of certain aspects of the Project since the adoption of the 2016 Supplemental Resolution, the Chairman of the Board of Trustees has requested that the State Authority approve the Series 2016 Bonds in an amount not to exceed Twenty-Two Million Nine Hundred Thousand Dollars (\$22,900,000).

## Section 1.02

The Amended and Restated General Bond Resolution and the 2016 Supplemental Resolution, each in the form adopted by the Board of Trustees, and the request of the Chairman of the Board of Trustees regarding the not-to-exceed amount of the approval have been presented to the State Authority.

### Section 1.03

The Board of Trustees has determined that all conditions precedent to the issuance of the Series 2016 Bonds, including those required by the Amended and Restated General Bond Resolution, the 2016 Supplemental Resolution, and the Enabling Act, will be met upon the issuance of the Series 2016 Bonds.

### Section 1.04

All capitalized terms used in this Resolution, but not defined herein, shall have the meaning ascribed to such terms in the Amended and Restated General Bond Resolution and the 2016 Supplemental Resolution.

## ARTICLE II

### APPROVAL TO ISSUE AND SELL THE SERIES 2016 BONDS

#### Section 2.01

The State Authority hereby approves the issuance and sale of not exceeding \$22,900,000 principal amount of Revenue Bonds, Series 2016, of the University and to sell the same in the manner and under the conditions prescribed by the 2016 Supplemental Resolution.

#### Section 2.02

On the basis of the foregoing and after due consideration of the facts above recited and other matters appurtenant thereto, this Resolution has been adopted.

Dated: August 9, 2016.



**POPE FLYNN**  
GROUP

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\_\_\_\_\_, 2016

Board of Trustees of Coastal Carolina University  
Conway, South Carolina

Re: \$\_\_\_\_\_ Revenue Bonds, Series 2016, of Coastal Carolina University,  
South Carolina

Ladies and Gentlemen:

As Bond Counsel to Coastal Carolina University, South Carolina (the "University"), we have examined a certified copy of the Transcript of Proceedings and other proofs submitted to us, including the Constitution and statutes of the State of South Carolina, in relation to the issuance of the \$\_\_\_\_\_ Revenue Bonds, Series 2016, of Coastal Carolina University, South Carolina, dated \_\_\_\_\_ 1, 2016 (the "Bonds").

The Bonds are issued pursuant to a General Bond Resolution adopted by the Board of Trustees of the University (the "Board of Trustees") on November 10, 1994, as amended and restated, particularly by the Amended and Restated General Bond Resolution adopted by the Board of Trustees on October 2, 2015 (the "General Bond Resolution") and as supplemented, particularly by a Supplemental Resolution adopted by the Board of Trustees on February 19, 2016 (the "2016 Supplemental Resolution"; the General Bond Resolution as so amended and supplemented is referred to herein as the "Resolution"), and in full compliance with the Constitution and Laws of the State of South Carolina, including particularly Article X, Section 13, Paragraph 9 of the South Carolina Constitution, and Title 59, Chapters 136 of the Code of Laws of South Carolina, 1976, as amended, in order to (a) provide the funds necessary for the Project, as described in the 2016 Supplemental Resolution; and (b) pay certain costs and expenses related to the issuance of the Bonds.

The Bonds will bear interest from \_\_\_\_\_ 1, 2016, and will mature on \_\_\_\_ 1 in the respective principal amounts and in the years shown on the inside front cover of the Official Statement dated \_\_\_\_\_, 2016 (the "Official Statement"). Interest on the Bonds is first payable on \_\_\_\_\_, 201\_, and semiannually thereafter on each \_\_\_\_\_ 1 and \_\_\_\_\_ 1, at the interest rates set forth on the inside cover of the Official Statement until the Bonds mature.

The Bonds are issued in fully registered form, in denominations of \$5,000 or any whole multiple thereof not exceeding the principal amount of Bonds maturing in each year.

The Bonds are numbered from R-1 upward in such fashion as to maintain a proper record thereof.

The Bonds maturing after \_\_\_\_\_, 2026, are subject to redemption, in whole or in part, at any time on and after \_\_\_\_\_, 2026, at par plus accrued interest to the date fixed for redemption.

[The Bonds maturing on \_\_\_\_\_, 20\_\_ are subject to mandatory redemption and will be redeemed (to the extent not previously redeemed) at 100% of the principal amount thereof, plus interest accrued to the redemption date, on \_\_\_\_\_ of each of the following years in the respective principal amounts for each year specified below:]

The Bonds are being issued on a parity with the University's currently outstanding Series of Bonds described hereinbelow. Further bonds on a parity with the Bonds in all respects ("Additional Bonds") may be issued under the conditions described in the Resolution.

Based on the foregoing, we are, as of the date hereof, of the opinion, under existing law, as follows:

1. The Bonds are valid and binding obligations of the University, secured by a pledge of the Net Revenues (as such term is defined in the Resolution) of the University, and are payable, both as to principal and interest, solely from the Net Revenues. The Bonds do not constitute a general indebtedness of the University or an indebtedness of any kind of the State of South Carolina.

2. The pledge of the Net Revenues made to secure the Bonds has priority over all pledges heretofore or hereafter made, except the pledges (on a parity with the pledges securing the Bonds) made to secure (i) the outstanding principal installments of the \$3,855,000 original principal amount Refunding Revenue Bond, Series 2004, of the University, (ii) the outstanding principal installments of the \$13,175,000 original principal amount Refunding Revenue Bonds, Series 2006, of the University, (iii) the outstanding principal installments of the \$6,147,000 original principal amount Refunding Revenue Bond, Series 2012, of the University, (iv) the outstanding principal installments of the \$54,705,000 original principal amount Higher Education Revenue Bonds, Series 2013, of the University, (v) the outstanding principal installments of the \$35,480,000 original principal amount Higher Education Revenue Bonds, Series 2014, of the University, (vi) the outstanding principal installments of the \$87,020,000 original principal amount Higher Education Revenue Bonds, Series 2015, of the University, and (vii) any Additional Bonds issued in the manner and under the conditions prescribed by the Resolution.

3. The Resolution has been duly and lawfully adopted by the Board of Trustees and is of full force and effect. The Bonds have been duly and lawfully authorized and executed by the

University and are valid and binding upon, and enforceable against, the University, in accordance with their terms and to the extent described herein. The pledge of Net Revenues made pursuant to the Resolution constitutes a valid pledge thereof, subject to the application of such funds to the purposes, and pursuant to the conditions, set forth in the Resolution. Upon the execution, authentication, and delivery thereof, the Bonds will be duly and validly authorized and issued in accordance with the Resolution.

4. Interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income of the registered owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on certain corporations, interest on the Bonds is taken into account in determining adjusted current earnings. The opinions set forth above are subject to the condition that the University comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The University has covenanted to comply with such requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. The Bonds and the interest thereon (including any original issue discount properly allocable to an owner thereof) are exempt from all state, county, school district, municipal and all other taxes or assessments of the State of South Carolina, except inheritance, estate, transfer or certain franchise taxes. Furthermore, it should be noted that Section 12-11-20 of the Code of Laws of South Carolina, 1976, as amended, imposes upon every bank engaged in business in South Carolina a fee or franchise tax computed on the entire net income of such bank which includes interest paid on the Bonds.

We have been advised on this date that there is no litigation threatened or pending, which, in any manner, affects the validity of the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We express no opinion herein regarding the perfection or priority of the lien on the Net Revenues or other funds created under the Resolution (or any other document or instrument mentioned herein). This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

Pope Flynn, LLC

STATE FISCAL ACCOUNTABILITY AUTHORITY  
MEETING OF August 23, 2016

REGULAR SESSION  
ITEM NUMBER 9

---

AGENCY: Lander University

---

SUBJECT: Not Exceeding \$10,000,000 General Obligation State Institution Refunding Bonds, Series 2016, of Lander University

The Authority is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$10,000,000 General Obligation State Institution Refunding Bonds, Series 2016, of Lander University.

The proceeds of the bonds will be used to (i) effect a refunding of all or a portion of the maturities of (1) the originally issued \$10,000,000 General Obligation State Institution Bonds (Issued on Behalf of Lander University), Series 2004B, and (2) originally issued \$8,000,000 General Obligation State Institution Bonds (Issued on Behalf of Lander University), Series 2005D; and (ii) pay for expenses related to the issuance of such State Institution Refunding Bonds.

---

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$10,000,000 General Obligation State Institution Refunding Bonds, Series 2016 of Lander University.

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ATTACHMENTS:

Pope 6/28/16 letter; Summary of Financing; NDIF; Resolution



**POPE FLYNN**  
GROUP

COLUMBIA | CHARLOTTE | SPARTANBURG

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June 28, 2016

Mr. Delbert H. Singleton, Jr.  
Assistant Executive Director and Authority Secretary  
South Carolina State Fiscal Accountability Authority  
1200 Senate Street, Suite 600  
Columbia, South Carolina 29201

Re Not Exceeding \$10,000,000 of General Obligation State Institution Refunding Bonds (Issued on Behalf of Lander University), Series 2016 of the State of South Carolina (the "Bonds")

Dear Delbert:

On behalf of Lander University, in connection with the authorization of the Bonds, and in anticipation of the South Carolina State Fiscal Accountability Authority (the "Authority") meeting scheduled for August 9, 2016, we respectfully enclose the following for consideration by the Authority:

1. A copy of a proposed resolution to be adopted by the Board of Trustees of Lander University at a special called meeting in July 2016 making application to the Authority in connection with the Bonds (we will provide an executed copy upon adoption);
2. A Summary of Refinancing Proposal;
3. A New Debt Information Form;
4. A proposed form of opinion of Bond Counsel; and
5. A proposed form of Bond Resolution of the Authority (an electronic copy is being provided contemporaneously with this letter).

Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best regards,

Gary T. Pope, Jr.

c: Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer  
Greg Lovins, Vice President for Business and Administration, Lander University  
Enclosures

## Summary of Refinancing Proposal for

Not exceeding \$10,000,000 General Obligation State Institution Refunding Bonds  
(Issued on Behalf of Lander University), Series 2016

PRELIMINARY – SUBJECT TO CHANGE

June 28, 2016

Outstanding bonds proposed to be refinanced	General Obligation State Institution Bonds (Issued on Behalf of Lander University), Series 2004B & 2005D
Average interest rate of bonds refinanced	4.66% (avg. coupon)
Projected average interest rate of refinancing bonds	1.32% (arb. yield)
True interest cost of refinancing bonds	1.44% (TIC)
Projected net present value savings (net of costs)	\$ 1,235,990
Projected net present value savings as a percentage of the bonds refinanced	13.13%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	
Underwriting	\$50,000 (0.500%; 4.045%)
Legal fees – bond, disclosure and general counsel	\$41,250 (0.413%; 3.337%)
Rating agency fees	\$48,500 (0.485%; 3.924%)
Advisory fees	\$25,000 (0.250%; 2.023%)
Bond trustee/registrar	\$10,000 (0.100%; 0.809%)
Accounting and verification	\$5,000 (0.050%; 0.405%)
Credit enhancement/bond insurance	-
Publication, printing, contingencies and all other expenses	\$22,000 (0.220%; 1.780%)
Total	\$201,750 (2.018%; 16.323%)

Prepared by: Pope Flynn, LLC. The above summary is derived from information provided by Public Resources Advisory Group, financial advisor for the Series 2016 Bonds.



# OFFICE OF STATE TREASURER

## New Debt Information Form (NDIF)

Initial/Current Version Date: 06/28/16

Final Version Date: 00/00/00

### 1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: H210 Issuer: State of South Carolina Series: 2016  
Borrower (if not Issuer): Lander University  
Bond Caption: General Obligation State Institution Refunding Bonds (Issued on Behalf of Lander University), Series 2016  
Bond Resolution Amount: \$10,000,000.00 Est. Production Amount: \$9,795,099.00  
(\* Used to calculate initial COI percentages: this \$ Amount / Est. \$ COI on Page 2 should reconcile to "Summary of Financing Proposal" percentages \*)

#### Initial/Current Version:

##### ENTITY

NAME: Lander University

BY: Greg Lovins

ITS: VP for Business and

#### Final:

##### ENTITY

NAME:

BY:

ITS:

### 2. FINANCING (NEW PORTION)

Project #: Project Name:  
Project Address/Location: Amount:  
Project Type: County:  
Projected Avg Interest Rate: Final Maturity:

### 3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
2004B	2017-24	\$ 5,010,000.00	4.93%	1.32%	\$ 658,252.00	13.14%
2005D	2017-25	\$ 4,400,000.00	4.41%	1.32%	\$ 577,738.00	13.13%
		\$			\$	
		\$			\$	
		\$			\$	
Total		\$ 9,410,000.00	*****	*****	\$ 1,235,990.00	13.14%

### 4. FINANCING WORKING GROUP

Financial Advisor: PRAG Disclosure Counsel: Howell, Linkous & Nettles LLC  
Bond Counsel: Pope Flynn, LLC Issuer's Counsel:  
Underwriter: TBD - Competitive Sale Other:  
Other: Other:

### 5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, &amp; the basis for these cost estimates. Use an attachment if needed)

Current refunding for debt service savings. No extension of amortization. Costs of issuance of the bonds are calculated at the full proposed not to exceed amount of \$10,000,000 in accordance with the approved fee schedule for counsel, published schedules of rating agencies, past experience and to take into account that certain larger items, such as the underwriter's discount, will not be known until the pricing of the bonds and will vary with market conditions.

### 6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals	Notes:
Issuer/Borrower Approval: 07/20/16	Special Called Mtg.
JBRC Approval: 00/00/00	N/A
SFAA Approval: 08/09/16	Proposed

Project Approvals - Phase II (State Entities Only)	Notes:
Issuer/Borrower Approval: 00/00/00	N/A
JBRC Approval: 00/00/00	N/A
SFAA Approval: 00/00/00	N/A

### 7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes	No
	X

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

	X
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c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage -	
Cost Estimate -	\$0

Bond Proceeds

FYE

Spend Down Schedule Notes

Est. Expenditures - Through 6 Months  
 Est. Expenditures - Through 12 Months  
 Est. Expenditures - Through 18 Months  
 Est. Expenditures - Through 24 Months  
 Est. Expenditures - Through 36 Months  
 Est. Expenditures - Through 48 Months  
 - Estimated Expenditures: Thru FY:

\$	00/00/00	N/A - Refunding
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	
\$	00/00/00	

## 8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 9,795,099.00	\$	Project Fund
(b) Premium/Accr. Int.	\$	\$	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	\$	\$	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$ 9,590,737.37	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 201,750.00	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify)	\$	\$	Accrued Interest
Type -	\$	\$ 2,611.63	Additional Proceeds
<b>Residual Project Sources</b>		\$	Other
(6) Other		\$	Other
(a) GF -	\$	\$	Other
(a) FF -	\$	\$	Other
(c) OF -	\$	\$	Other
<b>Total Project Sources</b>	<b>\$ 9,795,099.00</b>	<b>\$ 9,795,099.00</b>	<b>Total Project Uses</b>
Surplus/Deficit		\$ -	

## 9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (\*\* Added COI entities beyond the following need an attached description \*\*)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	PRAG			\$ 25,000.00	\$	\$ 25,000.00
Bond Counsel	Pope Flynn			\$ 18,750.00	\$	\$ 18,750.00
Disclosure Counsel	Howell, Linkous & Nettles			\$ 18,750.00	\$	\$ 18,750.00
Issuer's Counsel				\$	\$	\$
Underwriter's Counsel				\$	\$	\$
Transaction Counsel	TBD			\$ 3,750.00	\$	\$ 3,750.00
Legal Expenses				\$ 2,500.00	\$	\$ 2,500.00
				\$	\$	\$
Rating Agency - S&P				\$ 20,000.00	\$	\$ 20,000.00
Rating Agency - Moody's				\$ 13,500.00	\$	\$ 13,500.00
Rating Agency - Fitch				\$ 15,000.00	\$	\$ 15,000.00
Underwriter's Compensation				\$ 50,000.00	\$	\$ 50,000.00
Registrar / Paying Agent				\$ 10,000.00	\$	\$ 10,000.00
Escrow Agent				\$ 3,000.00	\$	\$ 3,000.00
Accountant				\$	\$	\$
Verification Agent				\$ 5,000.00	\$	\$ 5,000.00
Printing				\$ 5,000.00	\$	\$ 5,000.00
Publishing				\$ 1,500.00	\$	\$ 1,500.00
Advertising				\$ 5,000.00	\$	\$ 5,000.00
Contingency				\$ 5,000.00	\$	\$ 5,000.00
Issuer's Fee	SC JEDA / SC SHFDA			\$	\$	\$
				<b>\$ 201,750.00</b>	<b>\$</b>	<b>\$ 201,750.00</b>

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction  
 Bond Counsel: % of Transaction  
 Total Legal Costs: % of Transaction  
 Rating Agencies: % of Transaction

0.26%	0.00%
0.19%	0.00%
0.45%	0.00%
0.50%	0.00%

UW Comp: % of Transaction  
 Other COI: % of Transaction  
 Total COI: % of Transaction

0.51%	0.00%
0.35%	0.00%
<b>2.06%</b>	<b>0.00%</b>

STATE FISCAL ACCOUNTABILITY AUTHORITY  
MEETING OF August 23, 2016

REGULAR SESSION  
ITEM NUMBER 10

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AGENCY: State Fiscal Accountability Authority

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SUBJECT: Future Meeting

The next regular meeting of the State Fiscal Accountability Authority will be held at 10:00 a.m. on Tuesday, September 20, 2016, in Room 252, Edgar A. Brown Building.

State Fiscal Accountability Authority Meetings Remaining in 2016

Tuesday, September 20

Tuesday, November 1

Tuesday, December 13

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AUTHORITY ACTION REQUESTED:

Agree to meet at 10:00 a.m. on Tuesday, September 20, 2016, in Room 252, Edgar A. Brown Building.

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ATTACHMENTS: