

# South Carolina Transportation Infrastructure Bank

Ways and Means Transportation &  
Regulatory Subcommittee Budget  
Hearing

FY2021-2022 Appropriations Budget



**South Carolina Transportation Infrastructure Bank  
House Ways and Means Transportation & Regulatory  
Subcommittee Budget Presentation  
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# Key Officials and Staff

## Board Members

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**Senator Hugh Leatherman**  
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## Staff Listing

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**Accounting Analyst II**  
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Post Office Box 191  
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Phone: (803) 737-2825  
Email: [Hoganal@scdot.org](mailto:Hoganal@scdot.org)

# Agency Overview

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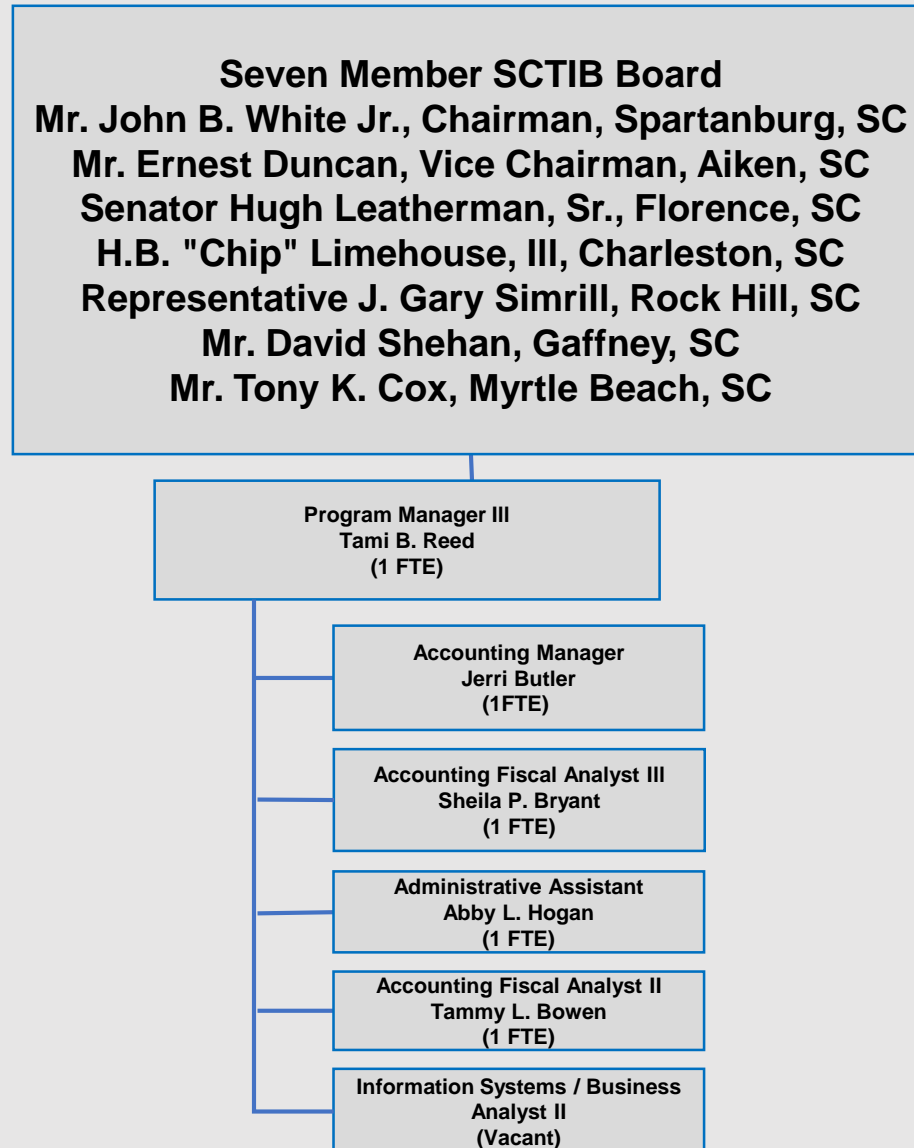
## **Agency Mission**

The corporate purpose of the South Carolina Transportation Infrastructure Bank (SCTIB) is to select and assist in financing major qualified projects by providing loans and other financial assistance to government units and private entities for constructing and improving highway and transportation facilities necessary for public purposes including economic development.

## **Major Program**

Transportation Infrastructure – Provides funding for major transportation projects with public benefit.

# Organizational Chart





# The S.C. Transportation Infrastructure Bank Accountability Report Summary

The funding sources dedicated to the South Carolina Transportation Infrastructure Bank (SCTIB / the Bank) by the General Assembly, such as truck registration fees, motor vehicle registration fees, and one cent of the gasoline fuel fees, have been used to provide financial assistance to more than \$5.9 billion in highway road and bridge projects since 1997. Issuing bonds for major road construction completes the projects much sooner than with pay-as-you-go funding, thus increasing safety and mobility to the motoring public and improving economic development opportunities. Also, the roads and bridges are constructed at a lower cost as the cost of interest is less than the inflationary costs of highway construction and land acquisition. The success of the Bank is due to partnerships with counties, municipalities, and the South Carolina Department of Transportation (SCDOT). These entities are the applicants to the Bank, and often provide a significant amount of funding to the projects.

The SCTIB continues to be recognized as the largest and most efficient State Infrastructure Bank, and has been named in Federal Highway Publications as a national model for the way progressive states can fund and build transportation infrastructure. Over one hundred projects in thirty four counties and municipalities have benefited from SCTIB funding by direct application for assistance, and partnerships with the SCDOT, including the design-build bridge replacement program. One partnership with SCDOT resulted in replacement of the Cooper River Bridges in Charleston County. The Bank provides assistance to the SCDOT, as well as counties and cities that submit applications.

The accomplishments of the SCTIB comprise the following:

- The Bank's \$5.9 billion in construction has a tremendous effect on the economy of the state.
- Important role in economic development that includes:
  - Clemson University International Center for Automotive Research (ICAR);
  - Distribution Center in Berkeley County;
  - New infrastructure to encourage tourism in Charleston, Beaufort and Horry Counties;
  - Truckers now have a 4-lane Highway 17 from 1-95 to Charleston; and
  - Financing for the back-up dam at Lake Murray and 2 additional lanes of traffic - helping to protect Columbia from a disaster.
- Installation of cable barriers on interstate medians. The bank provided \$30 million, and the barriers have experienced over 37,634 hits, saving hundreds of lives and preventing many serious injuries.
- Catalyst for over 100 projects in 29 counties and 5 municipalities.
- By law, the Bank reviews applications for major projects with local participation.
- Evaluation Committee uses criteria in line with Act 114 to grade applications in consultation with SCDOT.
- Every project and bond issue reviewed and approved by Joint Bond Review Committee and the SCDOT Commission.
- In addition to the JBRC approval, Act 275 which sets the minimum eligible costs of a project that the Bank may consider for financial assistance at \$25 million, requires the Bank, to submit the potential applicants to the SCDOT Commission for its consideration and approval.
- Major contributions to SC economic development.
- Built strong relationships with credit rating agencies and investment industry.
- In FY 2019:
  - The Bank Board approved changes to the Application for Financial Assistance recommended by the Evaluation Committee. The Application for Projects had to be amended to reflect that Department of Commerce will not be able to provide a score for projects styled economic development projects. To ensure all applicants understood the criteria, Section 4.14 through 4.16 was amended to insert criteria for the Bank Board to consider when reviewing applications for economic development projects.
  - Twelve potential applicants submitted applications for financial assistance with seven unanimously approved for financial assistance by the Bank Board in July 2020.
  - The Bank Board approved a twentieth series revenue bond resolution authorizing the issuance of a par amount of \$179,030,000, South Carolina Transportation Infrastructure Bank Revenue Bonds, Series 2019A.

# The S.C. Transportation Infrastructure Bank Accountability Report Summary cont

The Bank is unique in that it has the ability to issue Revenue Bonds as well as General Obligation bonds. While General Obligation bonds are backed by the "full faith and credit" of the State of South Carolina, revenue bonds are not. In addition to the legislatively mandated revenue sources received by the Bank, loan repayments and project contributions are also considered revenue that may be pledged to the repayment of bond debt.

The Bank's first goal is to maximize funding for major projects. In order to accomplish this goal all forms of financial assistance must be explored and a balance maintained. Issuing bonds for each major project provide an immediate influx of funds, but that may not be the most cost effective decision. All aspects needed to be examined such as the construction schedule, interest rates, and available cash. Major infrastructure projects can take years to start construction, bonds proceeds have to be spent within a specific timeframe or arbitrage expenses have to be paid. Revenue streams from project applicants need to be monitored for any potential problems or disruptions. When revenue is pledged to bond it is pledged for the entire life of the bond (or some set timeframe defined in bond documents). The Bank has the responsibility of enforcing payment obligations. Financial plans are revised frequently to optimize all forms of financial assistance.

The Bank's second goal is to try and maintain an "A" rating on those bonds that are issued in the Bank's name. Not only does an "A" rating garner better rates in the marketplace for the Bank, it also helps the State of South Carolina. The Bank is currently the fourth largest municipal bond issuer in South Carolina behind the S.C. Public Service Authority, the S.C. Economic Development Authority, and the State of South Carolina (respectively). A lowered rating could adversely affect other issuers.

# Accountability Report

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See Appendix A



# U150 Transportation Infrastructure Bank Financial Update

	FY 18-19 Budget		FY 18-19 Actual		FY 19-20 Budget		FY 19-20 Actual		FY 20-21 As Submitted		FY 21-22 Proposed	
	TOTAL FUNDS	GENERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS
<b>I. ADMINISTRATION</b>												
PERSONAL SERVICE												
CLASSIFIED POSITIONS	400,000		192,947		400,000		248,825		405,000		405,000	
	(6)		(6)		(6)		(6)		(6)		(6)	
OTHER PERSONAL SRVCS	25,000		11,947		25,000		7,838		25,000		25,000	
TOTAL PERSONAL SRVC	425,000		204,894		425,000		256,663		430,000		430,000	
	(6)		(6)		(6)		(6)		(6)		(6)	
OTHER OPERATING EXP												
OTHER OPERATING EXP	282,870		504,719		282,870		414,212		436,000		692,000	
DEBT SERVICE												
SPECIAL ITEMS:												
TRANSPORTATION INFRA	252,100,000		81,975,758		130,090,000		48,316,653		105,000,000		100,000,000	
TOTAL SPECIAL ITEMS	252,100,000		81,975,758		130,090,000		48,316,653		105,000,000		100,000,000	
TOTAL ADMINISTRATION	252,807,870		82,685,371		130,797,870		48,987,528		105,866,000		101,122,000	
	(6)		(6)		(6)		(6)		(6)		(6)	
<b>II. EMPLOYEE BENEFITS</b>												
EMPLOYER CONTRIB	178,000		72,818		178,000		92,435		180,000		180,000	
TOTAL FRINGE BENEFITS	178,000		72,818		178,000		42,435		180,000		180,000	
TOT EMPLOYEE BENEFITS	178,000		72,818		178,000		92,435		180,000		180,000	
TOTAL FUNDS AVAILABLE	252,985,870		82,758,189		130,975,870		49,079,963		106,046,000		101,302,000	
TOTAL AUTH FTE POSITIONS	(6)		(6)		(6)		(6)		(6)		(6)	
Capital Expenditures							23,768,491					
Total Expenditures							72,848,454					


# Prioritized Budget Request

FY 21-22 Prioritized Budget Request Summary												
SC Transportation Infrastructure Bank												
BUDGET REQUESTS				FUNDING					FTEs			
Priority	Request Type (recurring, non-recurring, capital)	Request Title	Brief Description	General - Recurring	General - Nonrecurring	Other	Federal	Total	State	Other	Federal	Total
1	B1 - Recurring	Adjustment to estimated expenditures				(4,744,000)		(4,744,000)				0.00
<b>TOTAL BUDGET REQUESTS</b>				\$ -	\$ -	\$ (4,744,000)	\$ -	\$ (4,744,000)	0.00	0.00	0.00	0.00

# Budget Request Summary Submitted to EBO

Agency Name:	Infrastructure Bank Board		
Agency Code:	U150	Section:	85



**Fiscal Year FY 2021-2022**  
**Agency Budget Plan**

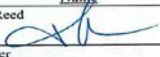
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**FORM A - BUDGET PLAN SUMMARY**

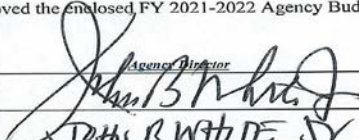
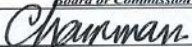
  

<p><b>OPERATING REQUESTS</b> <i>(FORM B1)</i></p>	<p>For FY 2021-2022, my agency is (mark "X"):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;"><input type="checkbox"/></td> <td>Requesting General Fund Appropriations.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Requesting Federal/Other Authorization.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Not requesting any changes.</td> </tr> </table>	<input type="checkbox"/>	Requesting General Fund Appropriations.	<input type="checkbox"/>	Requesting Federal/Other Authorization.	<input checked="" type="checkbox"/>	Not requesting any changes.
<input type="checkbox"/>	Requesting General Fund Appropriations.						
<input type="checkbox"/>	Requesting Federal/Other Authorization.						
<input checked="" type="checkbox"/>	Not requesting any changes.						
<p><b>NON-RECURRING REQUESTS</b> <i>(FORM B2)</i></p>	<p>For FY 2021-2022, my agency is (mark "X"):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;"><input type="checkbox"/></td> <td>Requesting Non-Recurring Appropriations.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Requesting Non-Recurring Federal/Other Authorization.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Not requesting any changes.</td> </tr> </table>	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.	<input checked="" type="checkbox"/>	Not requesting any changes.
<input type="checkbox"/>	Requesting Non-Recurring Appropriations.						
<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.						
<input checked="" type="checkbox"/>	Not requesting any changes.						
<p><b>CAPITAL REQUESTS</b> <i>(FORM C)</i></p>	<p>For FY 2021-2022, my agency is (mark "X"):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;"><input type="checkbox"/></td> <td>Requesting funding for Capital Projects.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Not requesting any changes.</td> </tr> </table>	<input type="checkbox"/>	Requesting funding for Capital Projects.	<input checked="" type="checkbox"/>	Not requesting any changes.		
<input type="checkbox"/>	Requesting funding for Capital Projects.						
<input checked="" type="checkbox"/>	Not requesting any changes.						
<p><b>PROVISOS</b> <i>(FORM D)</i></p>	<p>For FY 2021-2022, my agency is (mark "X"):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;"><input type="checkbox"/></td> <td>Requesting a new proviso and/or substantive changes to existing provisos.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Only requesting technical proviso changes (such as date references).</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Not requesting any proviso changes.</td> </tr> </table>	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).	<input checked="" type="checkbox"/>	Not requesting any proviso changes.
<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.						
<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).						
<input checked="" type="checkbox"/>	Not requesting any proviso changes.						

Please identify your agency's preferred contacts for this year's budget process.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
<b>PRIMARY CONTACT:</b>	Tami B. Reed 	(803) 737-2875	reedtb@scdot.org
<b>SECONDARY CONTACT:</b>	Jerri Butler	(803) 737-1225	butlerjl@scdot.org

I have reviewed and approved the enclosed FY 2021-2022 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

<p><b>SIGN/DATE:</b> <b>TYPE/PRINT NAME:</b></p>	<p><i>Agency Director</i></p>  JOHN B WHITE	<p><i>Board or Commission Chair</i></p>  Chairman
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This form must be signed by the agency head – not a delegate.

# Budget Request Summary Submitted to EBO cont

Agency Name:	Infrastructure Bank Board
Agency Code:	U150
Section:	85

BUDGET REQUESTS			FUNDING					PTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Adjustment to estimated expenditures	0	0	0	-4,744,000	-4,744,000	0.00	0.00	0.00	0.00	0.00
TOTALS			0	0	0	-4,744,000	-4,744,000	0.00	0.00	0.00	0.00	0.00

# Budget Request Summary Submitted to EBO cont

Agency Name:	Infrastructure Bank Board		
Agency Code:	U150	Section:	85

## FORM BI – RECURRING OPERATING REQUEST

<b>AGENCY PRIORITY</b>	1
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	Adjustment to estimated expenditures
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<p>General: \$0</p> <p>Federal: \$0</p> <p>Other: (\$4,744,000)</p> <p>Total: (\$4,744,000)</p> <p><i>What is the net change in requested appropriations for FY 2021-2022? This amount should correspond to the total for all funding sources on the Executive Summary.</i></p>
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<b>NEW POSITIONS</b>	0.00
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*Please provide the total number of new positions needed for this request.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

<b>ACCOUNTABILITY OF FUNDS</b>	<p>2.1 Review financial capacity – Adjust estimates annually in order to accomplish the Agency's goal to maximize funding for major projects. Evaluated using Financial Reports and the Financial Advisors Business Plan.</p>
--------------------------------	---

*What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF</b>	N/A
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# Budget Request Summary Submitted to EBO cont

## FUNDS

*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

## JUSTIFICATION OF REQUEST

Act 40 of 2017 repealed Act 98 of 2013 which transferred \$50 million in revenue from SCDOT to SCTIB. The last transfer was FY2018. The SCDOT decided to take over the remaining payments on all projects established under Act 98. The remaining funds held by the Bank will be expended.

New applications approved during FY21 will likely not incur any major expenses during FY22, as major construction projects take several years to complete. Once new applications are approved they are added to the financial plan of the Bank based on the project payout schedules provided. Budget authority is requested each year based on the forecasted financial needs of the Bank. In those years where revenue bonds are needed the budget authority requested will be adjusted accordingly.

*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.*



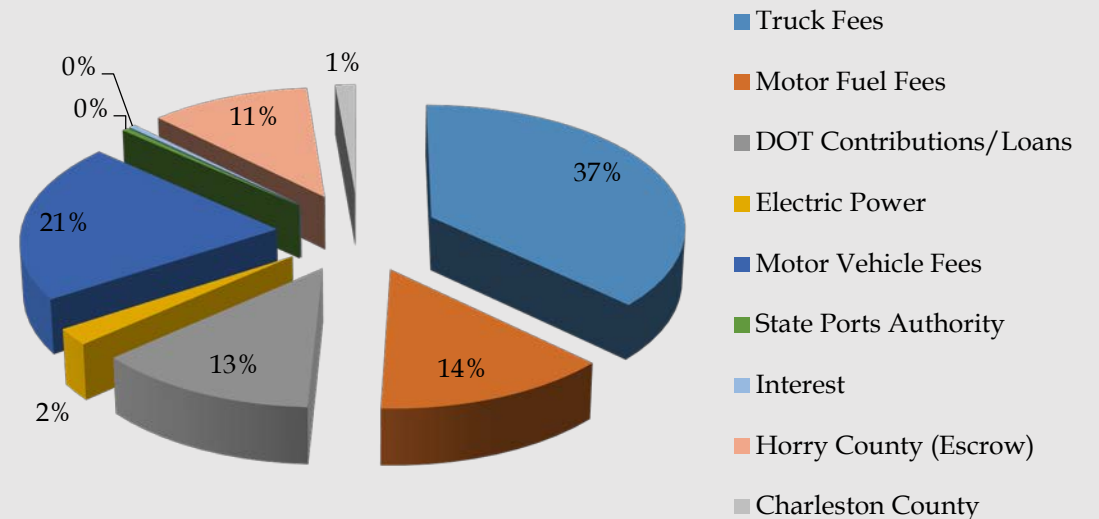
# 2022 Proviso Requests

Transportation and Regulatory Subcommittee Proviso Request Summary						
FY 20-21 Proviso #	Renumbered FY 21-22 Proviso #	Proviso Title	Short Summary	FY of Proviso Introduction/ # of years in budget	Recommended Action	Proviso Language
85.1	85.1	IBB: Board Meeting Coverage	Requires live-streaming, recording, and archival of Board meetings on the South Carolina Transportation Infrastructure website.	FY19 / 2 years	DELETE	Of the funds authorized for the State Transportation Infrastructure Bank Board, the Bank 3 must provide live-streamed coverage of all Board meetings to ensure transparency and access for the public. The board meetings 4 shall be recorded and archived and made available on the South Carolina Transportation Infrastructure Bank's website.

# South Carolina Transportation Infrastructure Bank Act Budget Request Additional Information

## FY2021-22 Projected Revenues

Truck Fees	37%	\$ 80,000,000
Motor Fuel Fees	14%	29,200,000
DOT Contributions/Loans	13%	27,673,227
Electric Power	2%	4,750,000
Motor Vehicle Fees	21%	45,000,000
State Ports Authority	0%	1,000,000
Interest	0%	1,000,000
Horry County (Escrow)	11%	23,871,134
Charleston County	1%	3,000,000
	100%	\$ 215,494,361



<b>AGENCY NAME:</b>	<b>SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK</b>		
<b>AGENCY CODE:</b>	<b>U15</b>	<b>SECTION:</b>	<b>85</b>

**Fiscal Year 2019–2020  
Accountability Report**

**SUBMISSION FORM**

<b>AGENCY MISSION</b>	<p>The corporate purpose of the South Carolina Transportation Infrastructure Bank (SCTIB) is to select and assist in financing major qualified projects by providing loans and other financial assistance to government units and private entities for constructing and improving highway and transportation facilities necessary for public purposes including economic development.</p>
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<b>AGENCY VISION</b>	<p>The vision of the SCTIB is to provide financial assistance for projects that provide public benefit by enhancing mobility and safety, promoting economic development, and enhance the quality of life of the citizens of South Carolina.</p>
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Does the agency have any major or minor recommendations (internal or external) that would allow the agency to operate more effectively and efficiently?

	Yes	No
<b>RESTRUCTURING RECOMMENDATIONS:</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 2-1-230, which requires submission of certain reports to the Legislative Services Agency for publication online and to the State Library? See also S.C. Code Ann. § 60-2-30.

	Yes	No
<b>REPORT SUBMISSION COMPLIANCE:</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<b>AGENCY NAME:</b>	<b>SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK</b>		
<b>AGENCY CODE:</b>	<b>U15</b>	<b>SECTION:</b>	<b>85</b>

Is the agency in compliance with various requirements to transfer its records, including electronic ones, to the Department of Archives and History? See the Public Records Act (S.C. Code Ann. § 30-1-10 through 30-1-180) and the South Carolina Uniform Electronic Transactions Act (S.C. Code Ann. § 26-6-10 through 26-10-210).

<b>RECORDS MANAGEMENT COMPLIANCE:</b>	<b>Yes</b>	<b>No</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

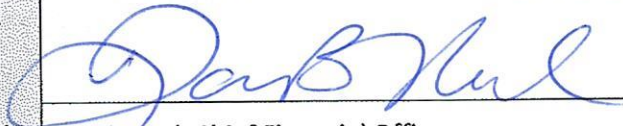
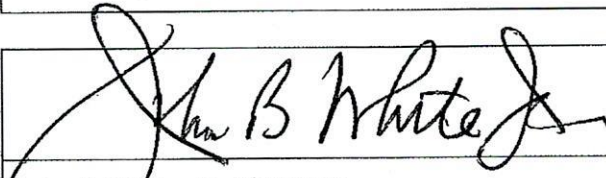
Is the agency in compliance with S.C. Code Ann. § 1-23-120(J), which requires an agency to conduct a formal review of its regulations every five years?

<b>REGULATION REVIEW:</b>	<b>Yes</b>	<b>No</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

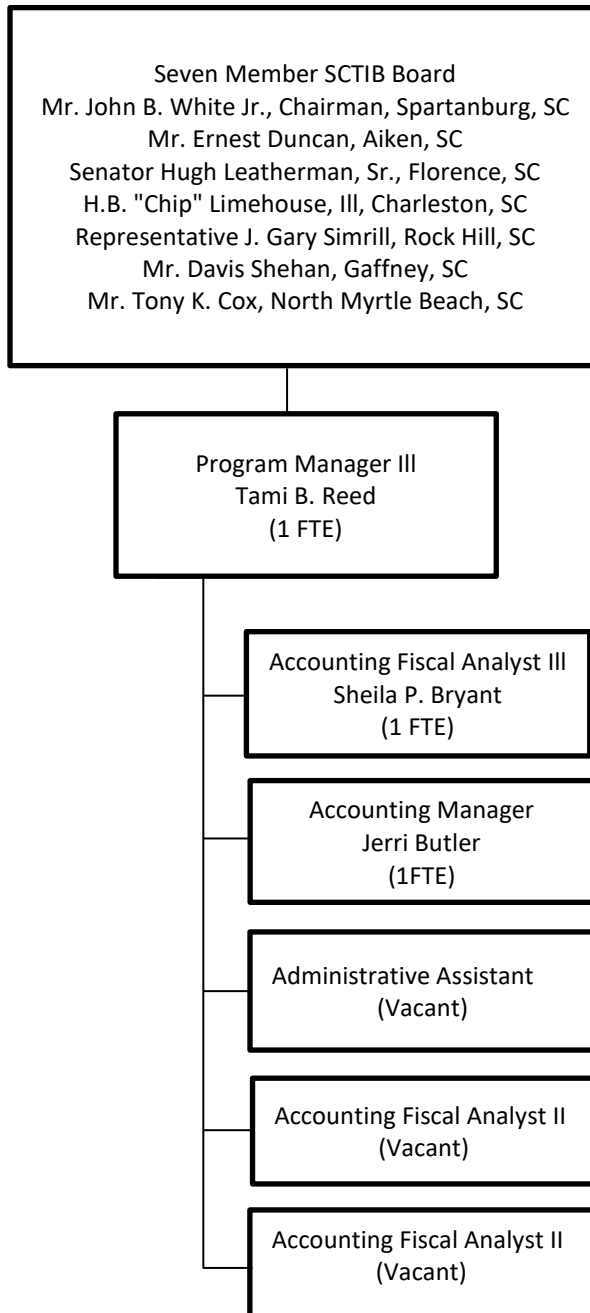
Please identify your agency's preferred contacts for this year's accountability report.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
<b>PRIMARY CONTACT:</b>	Tami Reed, Chief Financial Officer	(803)737-2875	reedtb@scdot.org
<b>SECONDARY CONTACT:</b>	Jerri Butler, Accounting Manager	(803)737-1225	butlerjl@scdot.org

I have reviewed and approved the enclosed FY 2019–2020 Accountability Report, which is complete and accurate to the extent of my knowledge.

<b>AGENCY DIRECTOR (SIGN AND DATE):</b>	
<b>(TYPE/PRINT NAME):</b>	Tami Reed, Chief Financial Officer
<b>BOARD/CMSN CHAIR (SIGN AND DATE):</b>	
<b>(TYPE/PRINT NAME):</b>	John B. White, Jr., Chairman

**AGENCY'S DISCUSSION AND ANALYSIS**



<b>AGENCY NAME:</b>	<b>SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK</b>		
<b>AGENCY CODE:</b>	<b>U15</b>	<b>SECTION:</b>	<b>85</b>

### HIGHLIGHTS OF THE S.C. TRANSPORTATION INFRASTRUCTURE BANK

The funding sources dedicated to the South Carolina Transportation Infrastructure Bank (SCTIB / the Bank) by the General Assembly, such as truck registration fees, motor vehicle registration fees, and one cent of the gasoline fuel fees, have been used to provide financial assistance to more than \$5.9 billion in highway road and bridge projects since 1997. Issuing bonds for major road construction completes the projects much sooner than with pay-as-you-go funding, thus increasing safety and mobility to the motoring public and improving economic development opportunities. Also, the roads and bridges are constructed at a lower cost as the cost of interest is less than the inflationary costs of highway construction and land acquisition. The success of the Bank is due to partnerships with counties, municipalities, and the South Carolina Department of Transportation (SCDOT). These entities are the applicants to the Bank, and often provide a significant amount of funding to the projects.

The SCTIB continues to be recognized as the largest and most efficient State Infrastructure Bank, and has been named in Federal Highway Publications as a national model for the way progressive states can fund and build transportation infrastructure. Over one hundred projects in thirty four counties and municipalities have benefited from SCTIB funding by direct application for assistance, and partnerships with the SCDOT, including the design-build bridge replacement program. One partnership with SCDOT resulted in replacement of the Cooper River Bridges in Charleston County. The Bank provides assistance to the SCDOT, as well as counties and cities that submit applications.

The accomplishments of the SCTIB comprise the following:

- The Bank's \$5.9 billion in construction has a tremendous effect on the economy of the state.
- Important role in economic development that includes:
  - Clemson University International Center for Automotive Research (ICAR);
  - Distribution Center in Berkeley County;
  - New infrastructure to encourage tourism in Charleston, Beaufort and Horry Counties;
  - Truckers now have a 4-lane Highway 17 from 1-95 to Charleston; and
  - Financing for the back-up dam at Lake Murray and 2 additional lanes of traffic - helping to protect Columbia from a disaster.
- Installation of cable barriers on interstate medians. The bank provided \$30 million, and the barriers have experienced over 37,634 hits, saving hundreds of lives and preventing many serious injuries.
- Catalyst for over 100 projects in 29 counties and 5 municipalities.
- By law, the Bank reviews applications for major projects with local participation.
- Evaluation Committee uses criteria in line with Act 114 to grade applications in consultation with SCDOT.
- Every project and bond issue reviewed and approved by Joint Bond Review Committee and the SCDOT Commission.
- In addition to the JBRC approval, Act 275 which sets the minimum eligible costs of a project that the Bank may consider for financial assistance at \$25 million, requires the Bank, to submit the potential applicants to the SCDOT Commission for its consideration and approval.
- Major contributions to SC economic development.
- Built strong relationships with credit rating agencies and investment industry.
- In FY 2019:
  - The Bank Board approved changes to the Application for Financial Assistance recommended by the Evaluation Committee. The Application for Projects had to be amended to reflect that Department of Commerce will not be able to provide a score for projects styled economic development projects. To ensure all applicants understood the criteria, Section 4.14 through 4.16 was amended to insert criteria for the Bank Board to consider when reviewing applications for economic development projects.
  - Twelve potential applicants submitted applications for financial assistance with seven unanimously approved for financial assistance by the Bank Board in July 2020.
  - The Bank Board approved a twentieth series revenue bond resolution authorizing the issuance of a par amount of \$179,030,000, South Carolina Transportation Infrastructure Bank Revenue Bonds, Series 2019A.



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**RISK ASSESSMENT AND MITIGATION STRATEGIES**

The Bank is unique in that it has the ability to issue Revenue Bonds as well as General Obligation bonds. While General Obligation bonds are backed by the "full faith and credit" of the State of South Carolina, revenue bonds are not. In addition to the legislatively mandated revenue sources received by the Bank, loan repayments and project contributions are also considered revenue that may be pledged to the repayment of bond debt.

The Bank's first goal is to maximize funding for major projects. In order to accomplish this goal all forms of financial assistance must be explored and a balance maintained. Issuing bonds for each major project provide an immediate influx of funds, but that may not be the most cost effective decision. All aspects needed to be examined such as the construction schedule, interest rates, and available cash. Major infrastructure projects can take years to start construction, bonds proceeds have to be spent within a specific timeframe or arbitrage expenses have to be paid. Revenue streams from project applicants need to be monitored for any potential problems or disruptions. When revenue is pledged to bond it is pledged for the entire life of the bond (or some set timeframe defined in bond documents). The Bank has the responsibility of enforcing payment obligations. Financial plans are revised frequently to optimize all forms of financial assistance.

The Bank's second goal is to try and maintain an "A" rating on those bonds that are issued in the Bank's name. Not only does an "A" rating garner better rates in the marketplace for the Bank, it also helps the State of South Carolina. The Bank is currently the fourth largest municipal bond issuer in South Carolina behind the S.C. Public Service Authority, the S.C. Economic Development Authority, and the State of South Carolina (respectively). A lowered rating could adversely affect other issuers.

**RESTRUCTURING RECOMMENDATIONS**

The Bank has no restructuring recommendations at this time.

Agency Name: DEPARTMENT OF TRANSPORTATION INFRASTRUCTURE BANK

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Public Infrastructure and Economic Development	G	1			<b>Provide financial assistance to any government unit or private entity for constructing and improving highway and transportation facilities necessary for public purposes including economic development</b>							
	S	1.1			<b>Evaluate potential applicants to increase eligibility of major projects with public benefit</b>							
	M		1.1.1		Approve projects to qualified borrowers	0	100%	0	July 1 - June 30	Evaluation Committee and STIB staff	Number of qualified borrowers	Emphasizes the increase in applicants/major projects
	M		1.1.2		Assist borrowers in the application process to ensure completeness	0	100%	100%	July 1 - June 30	Evaluation Committee and STIB staff	Observation	Because applications are generated at the local level, performance measures can be impacted by the number and quality of applications received annually.
	S	1.2			<b>Improve application process</b>							
	M		1.2.1		Increase potential applicants	25%	100%	100%	July 1 - June 30	Evaluation Committee and STIB staff	Observation	Emphasizes the increase in potential applicants
	M		1.2.2		Reduce turn around time due to incomplete applications	0	100%	75%	July 1 - June 30	Evaluation Committee and STIB staff	Observation	Shows the impending increase in potential applicants
Public Infrastructure and Economic Development	G	2			<b>Maximize funding for major projects</b>							
	S	2.1			<b>Review financial capacity</b>							
	M		2.1.1		Ensure available financial capacity is utilized efficiently	80%	100%	100%	July 1 - June 30	Annual Financial Advisor Business Plan	Cost/Benefit Analyses	Because applications are generated at the local level, performance measures can be impacted by the number and quality of applications received annually.
	M		2.1.2		Issue revenue or general obligation bonds as compulsory to fund approved projects	1	100%	1	July 1 - June 30	Annual SCTIB Audited Financial Reports	Cost/Benefit Analyses	Because applications are generated at the local level, performance measures can be impacted by the number and quality of applications received annually.
	M		2.1.3		Issue refunding bonds when significant saving will be generated	0	100%	1	July 1 - June 30	Annual Financial Advisor Business Plan	Percentage of Savings	Because applications are generated at the local level, performance measures can be impacted by the number and quality of applications received annually.
	S	2.2			<b>Identify alternative funding in accordance with federal and state legislation</b>							
	M		2.1.2		Ascertain opportunities for federal discretionary grants as additional funding through the Better Utilizing Investments to Leverage Development (BUILD)	0	50%	0	July 1 - June 30	Annual Financial Advisor Business Plan	Observation	Emphasizes the opportunities to increase funding capacity
	M		2.2.2		Ascertain opportunities for state grants	0	50%	0	July 1 - June 30	Annual Financial Advisor Business Plan	Observation	Emphasizes the opportunities to increase funding capacity
Government and Citizens	G	3			<b>Maintain "A" bond rating through accountability and transparency</b>							
	S	3.1			<b>Ensure fiscal sufficiency to make required debt service payments</b>							
	M		3.1.1		Monitor annual revenues from sources pledged to repayment of bonds	100%	100%	100%	July 1 - June 30	Monthly SCEIS Reports - Comptroller General	Percentage of Expected Revenue	Because of the revenue sources, performance measures can be impacted by economic factors as well as legislatively imposed.
	M		3.1.2		Monitor loan payments for adherence to loan agreement documents	100%	100%	100%	July 1 - June 30	Monthly SCEIS Reports - Comptroller General	Percentage of Expected Payment	Because of the revenue sources, performance measures can be impacted by economic factors as well as legislatively imposed.
	M		3.1.3		Monitor legislation for possible impacts to bonding ability/rating	100%	100%	100%	July 1 - June 30	SC General Assembly, SC Fiscal Accountability Office	Observation	Because of the revenue sources, performance measures can be impacted by economic factors as well as legislatively imposed.
	S	3.2			<b>Illustrate the Bank's essential role in financing transportation infrastructure for the State</b>							
	M		3.2.1		Create a dashboard reflecting the projects that are on-going or completed	0	80%	0	July 1 - June 30	Annual Financial Advisor Business Plan	Observation	Emphasize accountability and transparency
	M		3.2.2		Monitor and update the website for new ways to inform potential applicants about the Bank's services	0	75%	50%	July 1 - June 30	Annual Financial Advisor Business Plan	Observation	Emphasize accountability and transparency

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2020-21			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Public Infrastructure and Economic Development	G	1			Provide financial assistance to any government unit or private entity for infrastructure necessary for public purposes including economic development.							
	S	1.1			Award financial assistance to applicants to improve infrastructure that impacts public benefit.							
	M	1.1.1			Financial Assistance granted to improve construct and/or improve highway and transportation facilities	\$200,000,000	\$250,000,000		30-Jun	Approved project applications	Approved project applications amounts	Program efficiency
	M	1.1.2			Government units or private entities assisted	29	40		30-Jun	Approved project applications	Based on information provided on the projects	Program efficiency
	S	1.2			Provide an efficient application process							
	M	1.2.1			Increase potential applicants	5	2		30-Jun	Applications submitted	Actual number of new applicants	Program efficiency
	M	1.2.2			Improve application process to assist applicants when completing	15	10		30-Jun	Applications submitted	Actual number of applicants	Program efficiency
Public Infrastructure and Economic Development	G	2			Maximize funding for major projects							
	S	2.1			Review financial capacity							
	M	2.1.1			Financial capacity available to cover active projects	100%	100%		30-Jun	Annual Financial Advisor Business Plan	Cost/Benefit Analyses	Financial capacity efficiency
	M	2.1.2			Issue revenue or general obligation bonds as compulsory to fund approved projects	1	1			Annual SCTIB Audited Financial Reports	Number of new revenue / general obligation bonds	Financial capacity efficiency
	M	2.1.3			Issue refunding bonds when significant savings will be generated	1	1			Annual SCTIB Audited Financial Reports	Number of refunding bonds	Financial capacity efficiency
	S	2.2			Review current projects							
	M	2.1.2			Total projects closed	3	1		30-Jun	Project Summary Report	Number of closed projects	Increase funding capacity
	M	2.2.2			Government units or private entities assisted	2	1		30-Jun	Project Summary Report	Number of participants	Program efficiency
Government and Citizens	G	3			Maintain "A" bond rating							
	S	3.1			Ensure fiscal sufficiency to make required debt service payments							
	M	3.1.1			Annual revenues from sources pledged	200,000,000	200,000,000		30-Jun	Annual SCTIB Audited Financial Reports	Pledged revenue amount	Financial capacity efficiency
	M	3.1.2			Total bond payments	130,000,000	137,000,000		30-Jun	Debt Service Schedule by Bond	Total annual bond principal and interest payments	Financial capacity efficiency
	S	3.2			Bond Issues							
	M	3.2.1			Total Revenue and General Obligation Bonds	2,500,000,000	2,500,000,000		30-Jun	Debt Service Schedule by Bond	Total Bond amount	Financial capacity efficiency
	M	3.2.2			Number of current bond issues	10	10		30-Jun	Debt Service Schedule by Bond	Total number of bonds	Financial capacity efficiency

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Agency Code: U150 Section: 085

Program Template

Program/Title	Purpose	<i>FY 2019-20 Expenditures (Actual)</i>				<i>FY 2020-21 Expenditures (Projected)</i>				Associated Measure(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
I.A. Administration	Leadership for the agency, includes administration, finance, and legal services.		\$ 670,684		\$ 670,684		\$ 707,600		\$ 707,600	1.1.1, 1.1.2, 1.1.3, 2.1.1, 2.1.2, 2.1.3
I.B. Transportation Infrastructure	Provide funding for major transportation projects with public benefit.		\$ 71,937,625		\$ 71,937,625		\$ 100,000,000		\$ 100,000,000	1.1.1, 1.1.2, 1.1.3, 2.1.1, 2.1.2, 2.1.4
II. Employee Benefits	Total of fringe benefits for employees.		\$ 94,269		\$ 94,269		\$ 178,000		\$ 178,000	1.1.1, 1.1.2, 1.1.3, 2.1.1, 2.1.2, 2.1.5

Agency Name: EPARTMENT OF TRANSPORTATION INFRASTRUCTURE BAN

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Agency Code: U150 Section: 085

Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Does this law specify who your agency must or may serve? (Y/N)	Does the law specify a product or service your agency must or may provide?	<i>if yes, what type of service or product?</i>	<i>If other service or product, please specify what service or product.</i>
1	56-3-910	State	Statute	Requires the Department of Motor Vehicles to place all of the fees and penalties collected by the Department under the authority of Title 56, Chapter3 of the SC Code in the state highway fund of the Bank except for the fees that are required by law to be credited to another account; the Department of Motor Vehicles has to report annually to the Bank pursuant to the statute.	No	No - But relates to sources of funding for one or more agency deliverables		
2	8-13-770	State	Statute	Exempts the Bank from the general rule that Members of the General Assembly may not serve on state boards or commissions.	No	No - Does not relate directly to any agency deliverables		
3	12-28-2915	State	Statute	Requires the Department of Transportation contribute annually fifty percent of the taxes collected pursuant to Title 12, Chapter 23, Article 1 of the SC Code in excess of twenty million dollars to the State Highway Account of the Bank.	No	No - But relates to sources of funding for one or more agency deliverables		
4	48-52-810	State	Statute	Exempts projects funded by the Bank from the definition of "major facility project" for purposes of Title 46, Chapter 52, Article 8.	No	No - Does not relate directly to any agency deliverables		
5	Proviso 88.1	State	Statute	The State Ports Authority shall, from other general fund or operating fund surplus available and any funds appropriated to the authority in prior fiscal years and left unexpended as of July 1, 2016, pay to the State Transportation Infrastructure Bank one million dollars before June 30, 2017, to continue the Charleston Cooper River Bridge Project. Payments extend until 2027.	No	No - But relates to sources of funding for one or more agency deliverables		
6	Proviso 108.1	State	Statute	South Carolina Lottery Commissioners and South Carolina Transportation Infrastructure Bank Board members and their eligible dependents are eligible to participate in the State Health and Dental Insurance Plan, upon paying the full premium costs as determined by the Public Employee Benefit Authority. If a county is participating in the State Health and Dental Insurance Plan, magistrates and their eligible dependents are eligible to participate in the State Health and Dental Insurance Plan, upon the magistrate paying the full premium costs as determined by the Public Employee Benefit Authority.	No	No - Does not relate directly to any agency deliverables		
7	Proviso 117.20	State	Statute	Members of the state boards, commissions, or committees whose duties are not full-time and who are paid on a per diem basis, shall be allowed reimbursement for actual expenses incurred at the rates provided in paragraph A and I of this section while away from their places of residence on official business of the State. One person accompanying a handicapped member of a state board, commission, or committee on official business of the State shall be allowed the same reimbursement for actual expenses incurred at the rates provided in paragraph A through I of this section.	No	No - Does not relate directly to any agency deliverables		
8	11-43-110	State	Statute	The "South Carolina Transportation Infrastructure Bank Act". This Chapter creates the SCTIB; board of directors; corporate purpose; and accounts.	No	No - Does not relate directly to any agency deliverables		

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Customer Template

Service/Product Provided to Customers	Customer Segments	<i>Specify only for the following Segments: (1) Industry: Name; (2) Professional Organization: Name; (3) Public: Demographics.</i>	Divisions or Major Programs	Description
Infrastructure projects.	General Public	State of South Carolina Citizens	I.B. Transportation Infrastructure	Provide funding for major transportation projects.
Infrastructure projects.	Local Govts.		I.B. Transportation Infrastructure	Provide funding for major transportation projects.
Infrastructure projects.	Executive Branch/State Agencies		I.B. Transportation Infrastructure	Provide funding for major transportation projects.



<b>Agency Name:</b>	<b>DEPARTMENT OF TRANSPORTATION INFRASTRUCTURE BANK</b>
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<b>Agency Code and Section:</b>	<b>U150</b>	<b>085</b>
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Partner Template

Name of Partner Entity	Type of Partner Entity	Description of Partnership	Associated Goal(s)
S.C. State Treasurer's Office	State Government	Essential partnership to process payments and issue bonds to finance projects.	
S.C. Department of Motor Vehicles	State Government	Essential partnership to accurately process and transfer revenues to the SCTIB.	
S.C. Comptroller General's Office	State Government	Essential partnership to process payments and accurately maintain financial records.	
S.C. General Assembly	State Government	Essential partnership to protect citizens of S.C. by adequately funding the SCTIB and safeguarding the bondholders investment.	
Joint Bond Review Committee	State Government	Legislated partnership to provide oversight of project and bond issues for the citizens of S.C.	
Local Governments	Local Government	Essential partnership to provide funding to applicants where needed.	
S.C. Department of Transportation	State Government	Essential partnership to ensure compliance with state and federal standards for infrastructure projects.	
Bond Counsel	Private Business Organization	Essential partnership to issue bonds.	
Legal Counsel	Private Business Organization	Essential partnership to ensure compliance with all laws.	
Financial Management Firm	Private Business Organization	Essential partnership to ensure best use of all available sources for financing of major projects.	
Citizens	Individual	Essential for accountability.	

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Agency Code: U150 Section: 085

Report and External Review Template

Item	Is this a Report, Review, or both?	Report or Review Name	Name of Entity Requesting the Report or Conducting Review	Type of Entity	Reporting Frequency	Current Fiscal Year: Submission Date or Review Timeline (MM/DD/YYYY)	Summary of Information Requested in the Report or Reviewed	Method to Access the Report or Information from the Review
1	External Review and Report	Accountability Report	General Assembly (Department of Administration)	State	Annually	September 15, 2020	Financial, organizational, and accountability improvements.	<a href="https://www.admin.sc.gov/budget/agency-accountability-reports">https://www.admin.sc.gov/budget/agency-accountability-reports</a>
2	External Review and Report	Annual Audit	General Assembly	State	Annually	September 15, 2020	Audit of agency performed by certified public accountant.	<a href="https://osa.sc.gov/wp-content/uploads/2019/10/U1519.pdf">https://osa.sc.gov/wp-content/uploads/2019/10/U1519.pdf</a>
3	External Review and Report	Annual Report	General Assembly (State Budget Office)	State	Annually	September 20, 2019	Priortize and make requests for operating needs	admin.sc.gov
4	External Review and Report	Annual Report	SCDEW	State	Quarterly	July 31, 2020	Quarterly Wage Report	DEW's Employer Tax Service 1550 Gadsden Street PO Box 995 Columbia, SC 29202
5	External Review and Report	Annual Report	Federal Highways and Administration	Federal	Annually	September 30, 2020	SIB Program	Pete Mancauskas Innovative Finance Program Manager Center for Innovative Finance Support (202) 503-9850 Peter.Mancauskas@dot.gov