

AGENCY NAME:	South Carolina Transportation Infrastructure Bank		
AGENCY CODE:	U15	SECTION:	85

Fiscal Year 2015-16 Accountability Report

SUBMISSION FORM

AGENCY MISSION	<p>The corporate purpose of the bank 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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AGENCY VISION	<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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Please state yes or no if the agency has any major or minor (internal or external) recommendations that would allow the agency to operate more effectively and efficiently.

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

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Tami Reed	(803)737-2875	reedtb@scdot.org
SECONDARY CONTACT:			

AGENCY NAME:	South Carolina Transportation Infrastructure Bank		
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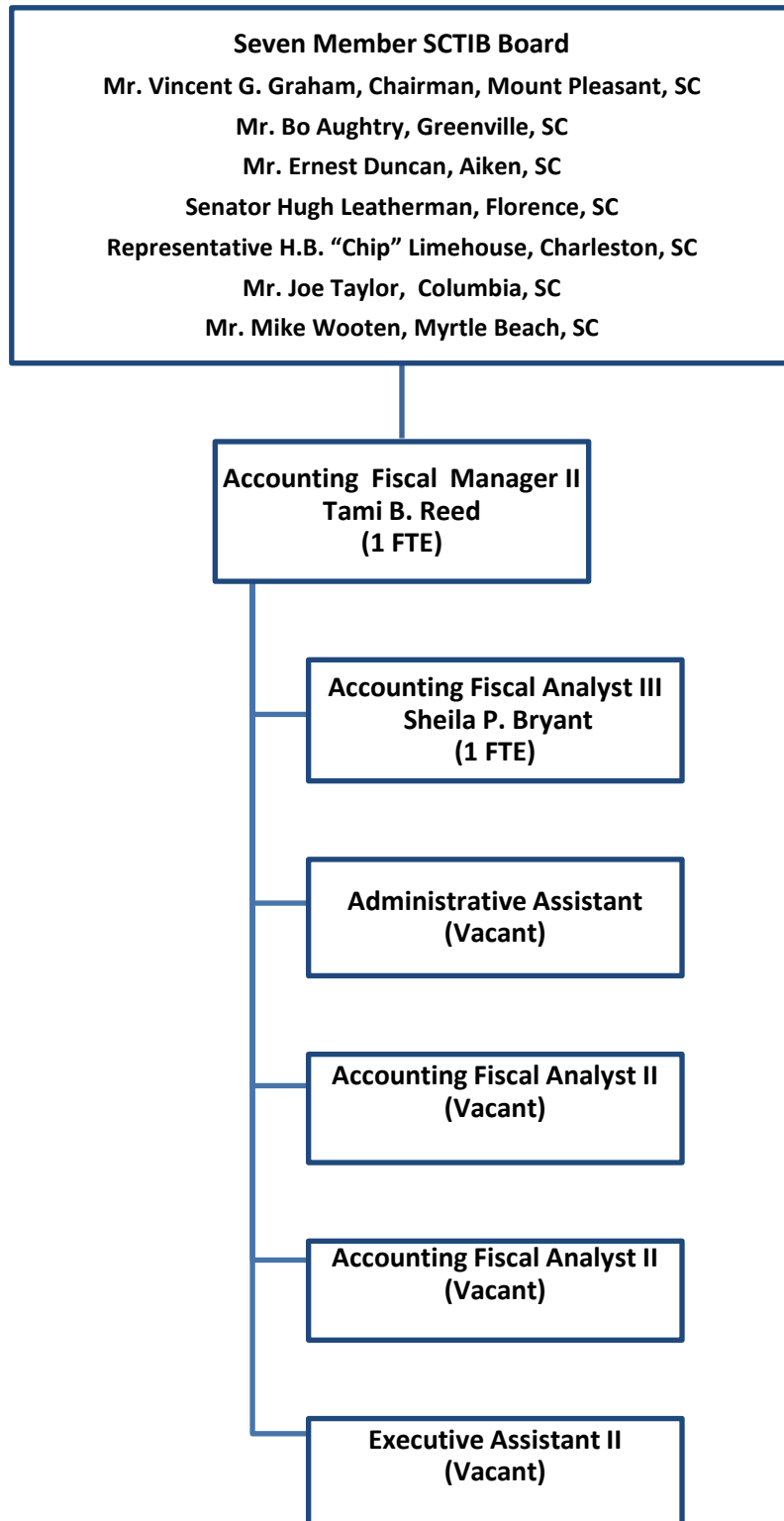
I have reviewed and approved the enclosed FY 2015-16 Accountability Report, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR <i>(SIGN AND DATE):</i>	
<i>(TYPE/PRINT NAME):</i>	

BOARD/CMSN CHAIR <i>(SIGN AND DATE):</i>	
<i>(TYPE/PRINT NAME):</i>	Vincent G. Graham, Chairman

9-15-16

AGENCY'S DISCUSSION AND ANALYSIS



AGENCY NAME:	South Carolina Transportation Infrastructure Bank		
AGENCY CODE:	U15	SECTION:	85

HIGHLIGHTS OF THE S.C. TRANSPORTATION INFRASTRUCTURE BANK

The funding sources dedicated to 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 \$5.3 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 SCDOT. These entities are the applicants to the Bank, and often provide a significant amount of funding to the projects.

The South Carolina Transportation Infrastructure Bank 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 Bank 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.

- Bank's \$5.3 billion in construction has a tremendous effect on the economy of the state
- Important role in economic development
 - 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 I-95 to Charleston
 - 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 24,000 hits, saving hundreds of lives and preventing many serious injuries.
- Catalyst for over 100 projects in 29 counties and 5 municipalities
- By law, reviews applications for major projects with local participation
- Evaluation Committee uses 39 criteria similar to Act 114 to grade applications in consultation with SCDOT
- Every project and bond issue reviewed and approved by Joint Bond Review Committee
- Saved \$220 million in net present value with administrative expenses less than 1% of annual expenditures
- Major contributions to SC economic development
- Built strong relationships with credit rating agencies and investment industry.

Agency Name: South Carolina Transportation Infrastructure Bank

Fiscal Year 2016-17
Accountability Report

Agency Code: U15 Section: 85

Strategic Planning Template

Type	Goal	Item # Strat	Object	Associated Enterprise Objective	Description
G	1			Public Infrastructure and Economic Development	Maximize funding for major projects
-		1.1			Review financial capacity
-		1.1.1.			Annually update business and financial plan to determine available capacity
-		1.1.2			Issue bonds as needed to fund approved projects
-		1.1.3			Consult with potential applicants to advise of preferred percentage and type of local match
-		1.1.4			Issue refunding bonds when significant savings will be generated
G	2			Government and Citizens	Maintain "A" bond rating
-		2.1			Ensure fiscal sufficiency to make required debt service payments
-		2.1.1			Monitor annual revenues from sources pledged to repay bonds
-		2.1.2			Monitor loan payments for adherence to loan agreement documents
-		2.1.3			Monitor legislation for possible negative impacts to bonding ability/rating
-		2.1.4			Transfer required funds to debt service accounts monthly
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Agency Name: South Carolina Transportation Infrastructure Bank

Fiscal Year 2015-16
Accountability Report

Agency Code: U15 **Section:** 085

Performance Measurement Template

Item	Performance Measure	Target Value	Actual Value	Future Target Value	Time Applicable	Data Source and Availability	Calculation Method	Associated Objective(s)
1	% of payments made within 30 days	100.00%	100%		July 1- June 30	SCEIS Transaction dates		
2	# of days annual audit delayed	zero	zero		July 1 - October 15th	State Auditor's date of transmittal		
3	% of overall budget for administration	1%	<1%		July 1- June 30	SCTIB Budget to Actual Report, SCEIS Reports		
4	% of debt service payments paid on time	100%	100%		July 1- June 30	State Treasurer's Report Date, SCEIS		
5	# of audit findings from annual audit	zero	zero		July 1 - October 15th	Audit Report, Comptroller General		

Agency Name: South Carolina Transportation Infrastructure Bank

Fiscal Year 2015-16
Accountability Report

Agency Code: U15 Section: 085

Program Template

Program/Title	Purpose	<u>FY 2015-16 Expenditures (Actual)</u>				<u>FY 2016-17 Expenditures (Projected)</u>				Associated Objective(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
I.A. Administration	Leadership for the agency, includes administration, finance, and legal services.		\$ 442,454		\$ 442,454		\$ 750,276		\$ 750,276	1.1.1, 1.1.2, 1.1.3, 1.1.4, 2.1.1, 2.1.2, 2.1.3
I.B. Transportation Infrastructure	Provide funding for major transportation projects.		\$ 133,143,682		\$ 133,143,682		\$ 269,530,000		\$ 269,530,000	1.1.1, 1.1.2, 1.1.3, 1.1.4, 2.1.1, 2.1.2, 2.1.3
II. Employee Benefits	Total of fringe benefits for employees.		\$ 55,513		\$ 55,513		\$ 178,000		\$ 178,000	1.1.1, 1.1.2, 1.1.3, 1.1.4, 2.1.1, 2.1.2, 2.1.3
					\$ -				\$ -	

Agency Name: South Carolina Transportation Infrastructure Bank

Fiscal Year 2015-16
Accountability Report

Agency Code: U15 **Section:** 085

Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statuary Requirement and/or Authority Granted	Associated Program(s)
1	Title 11, Chapter 43	State	Statute	The "South Carolina Transportation Infrastructure Bank Act". This Chapter creates the SCTIB;	
2	56-3-910	State	Statute	Requires the Department of Motor Vehicles to place all of the fees and penalties collected by	
3	8-13-770	State	Statute	Exempts the Bank from the general rule that Members of the General Assembly may not	
4	12-28-2915	State	Statute	Requires the Department of Transportation contribute annually fifty percent of the taxes	
5	48-52-810	State	Statute	Exempts projects funded by the Bank from the definition of "major facility project" for	
6	Proviso 88.1	State	Proviso	The State Ports Authority shall, from other general fund or operating fund surplus available	
7	Proviso 108.1	State	Proviso	South Carolina Lottery Commissioners and South Carolina Transportation Infrastructure Bank	
8	Proviso 117.20	State	Proviso	Members of the state boards, commissions, or committees whose duties are not full-time and	

Fiscal Year 2015-16
Accountability Report

Agency Name: South Carolina Transportation Infrastructure Bank

Agency Code: U15 Section: 85

Customer Template

Divisions or Major Programs	Description	Service/Product Provided to Customers	Customer Segments
I.B. Transportation Infrastructure	Provide funding for major transportation	Infrastructure projects.	General Public
			Local Govts.
			Executive Branch/State Agencies

Specify only for the following Segments: (1) Industry: Name; (2) Professional Organization: Name; (3) Public: Demographics.

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Fiscal Year 2015-16
Accountability Report

Agency Code: U15 **Section:** 085

Partner Template

Name of Partner Entity	Type of Partner Entity	Description of Partnership	Associated Objective(s)
S.C. State Treasurer's Office	State Government	Essential partnership to process payments and issue bonds to	
S.C. Department of Motor Vehicles	State Government	Essential partnership to accurately process and transfer	
S.C. Comptroller General's Office	State Government	Essential partnership to process payments and accurately	
S.C. General Assembly	State Government	Essential partnership to protect citizens of S.C. by adequately	
Joint Bond Review Committee	State Government	Legislated partnership to provide oversight of project and bond	
Local Governments	Local Government	Essential partnership to provide funding to applicants where	
S.C. Department of Transportation	State Government	Essential partnership to ensure compliance with state and	
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	
Citizens	Individual		

Agency Name: South Carolina Transportation Infrastructure Bank

Fiscal Year 2015-16
Accountability Report

Agency Code: U15 Section: 085

Report Template

Item	Report Name	Name of Entity Requesting the Report	Type of Entity	Reporting Frequency	Submission Date (MM/DD/YYYY)	Summary of Information Requested in the Report	Method to Access the Report
1	Audited Financial Statements	Comptroller General	State	Annually	October 15, 2015	Financial information for use in State CAFR.	

Agency Name: South Carolina Transportation Infrastructure Bank

Fiscal Year 2015-16
Accountability Report

Agency Code: U15 **Section:** 085

Oversight Review Template

Item	Name of Entity Conducted Oversight Review	Type of Entity	Oversight Review Timeline (MM/DD/YYYY to MM/DD/YYYY)	Method to Access the Oversight Review Report
1	Legislative Audit Council	State	May-16	http://lac.sc.gov/LAC_Reports/2016/Pages/SCTIB.aspx
2	House Oversight Committee	State	In Process	http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOve