

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC
COUNCIL MEETING: 1/2/07
COUNCIL MEETING TIME: 3:00 pm

ITEM TITLE OR DESCRIPTION:

Ratification of Contract by and between Oconee County and Blue Ridge Electric Cooperative, Inc.

BACKGROUND OR HISTORY:

Blue Ridge Electric is eligible to take advantage of the South Carolina Rural Development Act of 1996, or No. 462. Blue Ridge Electric intends to provide monies to the County for the purchase of land and certain infrastructure in order to construct an industrial park in the lower part of the County.

SPECIAL CONSIDERATIONS OR CONCERNS:

Blue Ridge Electric is allowed to apply for a credit against its license fee liability for monies paid to Oconee County to purchase infrastructure in support of the qualifying project.

STAFF RECOMMENDATION FOR COMMITTEE ACTION:

Staff recommends Council consider ratification of this agreement.

FINANCIAL IMPACT:

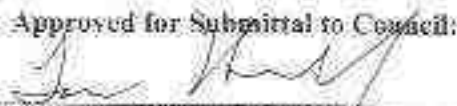
The County will receive \$200,000 toward infrastructure for the industrial park.

ATTACHMENTS:

Contract between Oconee County & Blue Ridge Electric
Submitted or Prepared By:

Opal O. Green
Department Head/Elected Official

Approved for Submittal to Council:


Tom Hendricks, Administrator

Reviewed By/Initials:

_____ : County Attorney

_____ : Finance

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

CONTRACT

WHEREAS, the County of Oconee, hereinafter referred to as County, and Blue Ridge Electric Cooperative, Inc., by and through its Board of Directors, and other electric cooperatives across South Carolina, more specifically identified on Exhibit "A", herein all individually and jointly hereinafter referred to as Cooperative, wish to enter into this agreement.

NOW, THEREFORE, for the mutual covenants set forth herein, receipt and sufficiency of which are hereby acknowledged, and the other rights, duties and obligations as set out below, the parties agree as follows:

1. That cooperative, as a rural electric cooperative organized and existing under the laws of the State of South Carolina, is eligible to take advantage of the South Carolina Rural Development Act of 1996, Act No. 462 (hereinafter "the Act").

2. That County is a body politic organized as a county under the laws of the State of South Carolina, and is in the process of developing an industrial park (the "Park") in southern Oconee County near or about Fair Play.

3. That Oconee County is acquiring the land for the Park, developing the Park, and will own the Park in which certain infrastructure will be placed such that the construction of the Park constitutes a "qualifying" project under the Act.

4. That Cooperative intends to provide monies to the County for the purchase of land and certain infrastructure in order to construct the Park. All of such monies shall be used by County to purchase qualifying infrastructure (the "Infrastructure"), as defined under the Act, and on land owned and being developed by the County in the Park.

5. That Cooperative, under the Act, is allowed to apply for a credit against its license fee liability for amounts paid to County in cash to purchase Infrastructure in support of the qualifying project as prescribed in Section 12 of the Act.

6. That County has requested and Cooperative has agreed to invest \$200,000 in infrastructure payments that cooperative would otherwise have been paid as part of its license fee liability to the State of South Carolina, through the South Carolina Department of Revenue. South Carolina Department of Revenue Ruling #96-11 (12-9-96) (the "Ruling") provides that there are no restrictions requiring a qualifying project be within the service area of the electric cooperative claiming the credit involved in this Agreement; thus, an electric cooperative subject to license fee under Section 12-20-100 of the South Carolina Code, 1976, as amended, may contribute cash to any project that meets the requirement of the Act.

Other electric cooperatives in South Carolina have agreed to invest \$56,106.74 in infrastructure payments that each cooperative otherwise would have paid as part of its license fee liability to the State of South Carolina, through the South Carolina Department of Revenue. Based on the ruling, investments in the Infrastructure made by electric cooperatives outside the service area of Cooperative, are entitled to the same legal protection afforded Cooperative if the County fails to use cash contributions on infrastructure improvements as established by the Act. The above-referenced electric cooperatives are listed on Exhibit "A" attached hereto.

7. That County agrees to use the funds provided through this Agreement only for infrastructure improvements set out and approved by the Act.

8. That County agrees to abide by any and all stipulations, conditions, and requirements of the Act, including but not limited to any and all necessary filings made necessary by the Act upon receipt of the funds provided hereby.

9. That if, and in the event, the County fails, or otherwise refuses to use the funds contributed by Cooperative through this Agreement as required herein, County hereby agrees to take any and all such steps necessary to repay those funds to Cooperative, or in the alternative to pay them on behalf of Cooperative to the Department of Revenue, all within sixty (60) days of notification to the County by competent authority that such funds were not properly used. If the County fails to take action to reimburse the State or the Cooperative as required in this section, the Cooperative shall have a cause of action against the County for breach of this agreement.

10. That in the event the funds provided through this Agreement are not appropriately used under the Act and Cooperative is held responsible for the payment of any or all of these funds to the State of South Carolina, County agrees not only to repay such funds, but also agrees, to the extent allowed by law, to pay any penalty, interest, or fines that result from the lack of or inappropriate use of said funds.

11. That the parties agree that they will both sign such form as may be required by the Act waiving the statute of limitations on the State of South Carolina through the South Carolina Department of Revenue for attempting to collect the above referenced funds, if and in the event they are not appropriately used under the Act and both parties agree to take all steps that would be necessary to cooperate with the Department of Revenue to see that the transfer and use of these funds are appropriately handled and accounted for.

WITNESS our hands and seals this 19th day of December 2006, at Walhalla,
South Carolina.

WITNESSETH:

Opal O. Bacon
Stephanie Matheson

C. Allen Bleach
[Signature]

COUNTY OF OCONEE

By: [Signature]
Its: Administrator

BLUE RIDGE ELECTRIC
COOPERATIVE, INC.

By: [Signature]
Its: PRESIDENT

Exhibit A

Saluda River Electric Cooperative, Inc.
P.O. Box 929
Laurens, South Carolina 29360

New Horizon Electric Cooperative, Inc.
P.O. Box 1169
Laurens, South Carolina 29360

AGENDA ITEM SUMMARY

OCONEE COUNTY, SC

COUNCIL MEETING DATE:

COUNCIL MEETING TIME:

ITEM TITLE OR DESCRIPTION:

Generator for the Toccoa Falls College Radio Site.

BACKGROUND OR HISTORY:

This is part of Phase Six of the multi site radio plan of 2001 Voter Network and the review of an independent study in 2005 recommending the addition of two radio receiver sites to obtain 100% radio coverage for Oconee County. An agreement has been signed with Toccoa Falls College for Oconee County to place a voter receiver on their radio tower. As part of the lease agreement, Oconee County is to install a backup generator.

SPECIAL CONSIDERATIONS OR CONCERNS:

In the event of a power outage the generator will allow radio site to continue operation.

STAFF RECOMMENDATION:

My request is that the generator purchase be awarded to our normal contractor, Atlantic South Power. We purchased two generators from Atlantic South Power and they relocated the small generator that was at the Long Mountain Radio Receiver Site to the Round Mountain Radio Receiver Site. They do all the maintenance on our generators and respond 24/7 without a maintenance contract.

FINANCIAL IMPACT:

\$35,000.00 for a Model 45 KW Three Phase LP gas generator with a weather protective enclosure and automatic transfer switch. Price includes delivery, installation, electrical panel, grounding, full code compliance, and final load test startup.


ATTACHMENTS:

Project bid sheet from Atlantic South Power.

Submitted or Prepared by:

Approved By:

John A. Murray



(Department Head)

Tom Hendricks

Oconee County Administrator

Reviewed By/ Initials:

County Attorney

Finance

Other

C: Clerk to Council

**ATLANTIC SOUTH POWER GENERATION
SYSTEMS, LLC**

448 Highway 64 West, Suite 5
Cashiers, North Carolina 28717
(828) 536-0070 - Highlands
(828) 743-4242 - Cashiers
(828) 743-2140 Facsimile
September 19, 2006
Quotation: 3476

To: Oconee County Procurement Office
415 South Pine Street
Walhalla, South Carolina 29691

Attn: Mr. John Murray

Atlantic South Power would like to take this opportunity to thank you for allowing us to bid your project.

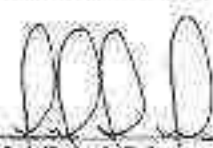
- (1) Cummins Model 45 GGC Generator
Enclosure: Weather Protective
Voltage: 12 Lead Multi Tap
Fuel: LP
- (1) Automatic Transfer Switch
Enclosure: Nema 3R
Voltage: 3 Phase, Match Generator Output

Equipment Sub Total:	\$26,230.00
Equipment Tax:	N/A
Equipment Total:	\$26,230.00
Electrical Connection:	<u>8,770.00</u>
Contract Total:	\$35,000.00

Notes*

- 1.) Gas tank, gas connection and gas is **not included** in this contract and shall be provided by others.
- 2.) Atlantic South Power shall deliver equipment to job site and set onto foundation with Atlantic South Power crane.
- 3.) Atlantic South Power shall perform generator start-up and load test.

Representing Agent
Oconee County



Joel L. Crook, Managing Member
Atlantic South Power

OCONEE COUNTY COUNCIL

ORDINANCE NO. 2007-01

TO PROVIDE FOR THE ISSUANCE AND SALE OF A NOT EXCEEDING ONE MILLION TWO HUNDRED THOUSAND DOLLAR (\$1,200,000) OCONEE COUNTY, SOUTH CAROLINA, GENERAL OBLIGATION BOND (KEOWEE FIRE TAX DISTRICT PROJECT), SERIES 2007; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO.

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EXHIBIT A - FORM OF NOTICE OF PUBLIC HEARING

EXHIBIT B - FORM OF BOND

EXHIBIT C - FORM OF OFFICIAL NOTICE OF SALE

EXHIBIT D - FORM OF SUMMARY NOTICE OF SALE

EXHIBIT E - NOTICE OF ADOPTION OF ORDINANCE

BE IT ORDAINED BY THE COUNTY COUNCIL OF OCONEE COUNTY, SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

As an incident to the adoption of this Ordinance and the issuance of the bond provided for herein, the County Council of Oconee County (the "Council"), the governing body of Oconee County, South Carolina (the "County"), finds that the facts set forth in this Article exist, and the statements made with respect thereto are true and correct.

Section 1.01: Objectives.

(a) Pursuant to the provisions of Section 4-9-30(5) of the South Carolina Code and an ordinance (the "County Ordinance") enacted on August 19, 2003, as amended, the Council created the Keowee Fire Tax District (the "Keowee Fire Tax District") to provide fire protection services in a portion of the County.

(b) By virtue of Chapter 15 of Title 4, as supplemented by Section 11-27-40 of the South Carolina Code, the County is empowered to issue general obligation bonds for any "authorized purpose" as therein defined. The above-referenced chapter and section of the South Carolina Code are hereinafter collectively referred to as the "Enabling Act".

(c) After due investigation, the Council has determined that it is in the best interest of the County that the County undertake the financing of the costs of (1) constructing a new substation and (2) expanding the current headquarters, both for the Keowee Fire Tax District (collectively, the "Project"). The Council has further determined to issue a general obligation bond of the County, in an aggregate principal amount of not exceeding \$1,200,000, to finance the costs of the Project and to be initially repayable from ad valorem taxes collected within the Keowee Fire Tax District. In so authorizing the issuance of such general obligation bond, the Council finds that the benefits arising from the Project will accrue to all persons and property within the Keowee Fire Tax District.

Section 1.02: Recital of Applicable Constitutional Provisions.

Section 14(7) of Article X of the Constitution of the State of South Carolina (the "State Constitution") provides that the counties of the State may issue bonded indebtedness without regard to their constitutional debt limitation provided such bonded indebtedness is issued pursuant to Section 12 of Article X of the State Constitution. Section 12 of Article X of the State Constitution allows counties to incur bonded indebtedness for fire protection benefiting only a particular geographical section of the County provided that a special assessment, tax or service charge in an amount designed to provide debt service on bonded indebtedness or revenue bonds incurred for such purpose shall be imposed upon the area or persons receiving the benefit therefrom. The County will, pursuant to this Ordinance, impose an ad valorem tax, without limit, on the Keowee Fire Tax District sufficient to defray the debt service on the proposed bond. Thus, with respect to the proposed bond of the County referred to in Section 1.01(c) hereof, the Council may cause to be issued a general obligation bond in the aggregate principal amount of not exceeding \$1,200,000 to be repaid from ad valorem taxes collected within the Keowee Fire Tax District for the purpose of paying the costs of the Project and issuance costs.

Section 1.03 Holding of Public Hearing and Notice Thereof.

Pursuant to the provisions of Section 4-9-130 of the South Carolina Code, a public hearing, after giving reasonable notice, is required to be conducted prior to the third and final reading of this Ordinance by the Council. In accordance with this provision, a public hearing shall be conducted and due notice shall be provided as required by said Section 4-9-130. The form of the notice as published in the *Kotawee Courier* in the City of Wehalla, South Carolina, *The Daily Journal* in the City of Seneca, South Carolina and the *Westminster News* in the City of Westminster, South Carolina shall be substantially as set forth in Exhibit A attached hereto.

Section 1.04 Notice of Adoption of Ordinance.

Section 4-9-1220 of the South Carolina Code provides that within 60 days following the adoption by the Council of an ordinance authorizing the issuance of general obligation debt, a petition signed by not less than fifteen percent of the qualified electors of the County may be filed with the Clerk to County Council requesting that such ordinance be repealed. However, said Section 4-9-1220 does not apply in the event the Council publishes notice of the adoption of such ordinance in accordance with the provisions of Section 11-27-40(8) of the South Carolina Code. Under said Section 11-27-40(8), a notice signed by five qualified electors requesting the repeal of such ordinance may be filed with the Clerk to County Council and with the Clerk of the Court of Common Pleas of the County within 20 days of the published notice. In accordance with this provision, the notice prescribed thereby shall be published subsequent to the third and final reading of this Ordinance. The notice is to be published substantially in the form attached hereto as Exhibit B.

ARTICLE II

DEFINITIONS AND CONSTRUCTION

Section 2.01 Definitions.

As used in this Ordinance unless the context otherwise requires, the following terms shall have the following respective meanings:

"Administrator" means the County Administrator of the County.

"Authorized Investments" means any investments that are at the time legal for investment of the County's funds under the laws of the State of South Carolina and of the United States.

"Authorized Officer" means the Chairman or the Vice-Chairman of the Council or the Administrator and any other officer or employee of the Council designated from time to time as an Authorized Officer by resolution of the Council, and when used with reference to any act or document also means any other person authorized by resolution of the Council to perform such act or sign such document.

"Bond" means the Bond of the County authorized by this Ordinance.

"Bondholder" or "Holder" or "Holders of the Bond" or "Owner" or similar term means, when used with respect to a Bond, any person who shall be registered as the owner of any Bond Outstanding.

"Bond Payment Date" means each April 1 and October 1 on which interest on the Bond shall be payable or on which both principal and interest shall be payable on the Bond.

"Code" means the Internal Revenue Code of 1986, as amended.

"Council" means the Oconee County Council, South Carolina, the governing body of the County or any successor governing body of the County.

"County" means Oconee County, South Carolina.

"Enabling Act" means Chapter 15 of Title 4, as amended, of the South Carolina Code, as amended and supplemented by Section 11-27-40 of the South Carolina Code.

"Escrow Agent" means a financial institution selected by the County.

"Government Obligations" means and includes direct general obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which is fully and unconditionally guaranteed by the United States of America.

"Keowee Fire Tax District" means Keowee Fire Tax District, a special tax district created by the County.

"Ordinance" means this Ordinance as the same may be amended or supplemented from time to time in accordance with the terms hereof.

"Outstanding", when used in this Ordinance with respect to the Bond means, as of any date, the Bond theretofore authenticated and delivered pursuant to this Ordinance except:

- (i) any Bond cancelled or delivered to the Registrar for cancellation on or before such date;
- (ii) any Bond (or any portion thereof) deemed to have been paid in accordance with the provisions of Section 7.01 hereof; and
- (iii) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to Section 3.10 of this Ordinance.

"Person" means an individual, a partnership, a corporation, a trust, a trustee, an unincorporated organization, or a government or an agency or political subdivision thereof.

"Project" means those certain public improvements as defined in Section 1.01 hereof.

"Record Date" means the date which is the fifteenth day of the month immediately preceding each Bond Payment Date.

"Registrar" means the County's Clerk to Council.

"South Carolina Code" means the Code of Laws of South Carolina 1976, as amended.

"State" means the State of South Carolina.

Section 2.02. Construction.

In this Ordinance, unless the context otherwise requires:

(a) Articles and Sections referred to by number shall mean the corresponding Articles and Sections of this Ordinance.

(b) The terms "hereby", "hereof", "herein", "herein", "hereunder" and any similar terms refer to this Ordinance, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of adoption of this Ordinance.

(c) Words of the masculine gender shall mean and include correlative words of the female and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

ARTICLE III

ISSUANCE OF THE BOND

Section 3.01 Ordering the Issuance of the Bond.

Pursuant to the provisions of the Enabling Act, and for the purpose of obtaining funds to defray the costs of the Project described in Section 1.01 hereof, there shall be issued not exceeding One Million Two Hundred Thousand Dollars (\$1,200,000) aggregate principal amount general obligation bond of the County. Such Bond shall be designated "General Obligation Bond of Oconee County, South Carolina (Keowee Fire Tax District Project)" and shall be designated as "Series 2007."

Section 3.02 Maturity Schedule of the Bond

Unless determined otherwise by the Administrator, interest on the Bond shall be payable on April 1, 2008 (or, if the Bond is not issued until a date which is less than 60 days prior to such date, on October 1, 2008) and semiannually hereafter on April 1 and October 1 of each year until payment of the principal thereof. Subject to the requirements of the Enabling Act, the Bond shall mature on April 1 of such years, beginning not later than April 1, 2008, and ending not later than April 1, 2022, and in such amounts, as shall be determined by the Administrator.

Pursuant to the provisions of Section 3.01 hereof, certain maturities of the Bond have been made subject to redemption at the option of the County.

Section 3.03 Provision for Payment of Interest on the Bond

The original issue date of the Bond shall be the delivery date of the Bond, or such other date as may be selected by the Administrator. The Bond shall be authenticated on the date as it shall be delivered. The Bond shall bear interest from the original issue date if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of such Bond's authentication. The interest payment on the Bond shall be made in accordance with Section 3.04(e) hereof to the Person in whose name the Bond is registered in accordance with Section 3.07 hereof at the close of business on the Record Date with respect to such payment.

Section 3.04 Medium of Payment, Form and Denomination of the Bond, Place of Payment of Principal

(a) The Bond shall be payable as to principal and interest at the rate per annum determined in the manner prescribed by Section 3.01 hereof (on the basis of a 360 day year of twelve 30-day months) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) The Bond shall be issued in the form of a single, fully registered, typewritten bond and shall be identified by certificate number R-1.

(c) The principal of and the interest on the Bond shall be payable to the Person appearing on the Record Date on the registration books of the County, which books shall be held by the Registrar as provided in Section 3.07 hereof, as the registered owner thereof, by check or draft mailed to such registered owner at his address as it appears on such registration books in sufficient time to reach such registered owner on the Bond Payment Date.

Section 3.05 Agreement to Maintain Registrar

As long as the Bond remains Outstanding, the Clerk to County Council shall be the Registrar and shall upon request inform the Holder as to where (i) the Bond may be presented for registration of transfers and (ii) notices and demands to or upon the County in respect of the Bond may be served.

Section 3.06 Execution and Authentication

(a) The Bond shall be executed in the name and on behalf of the County by the manual signature of an Authorized Officer, with its corporate seal impressed, imprinted or otherwise reproduced thereon, and attested by the manual signature of the Clerk of the County or other Authorized Officer (other than the officer executing the Bond). The Bond bearing the manual signature of any Person who shall have been such an Authorized Officer at the time the Bond was so executed shall bind the County notwithstanding the fact that he may have ceased to be such Authorized Officer prior to the authentication and delivery of the Bond or was not such Authorized Officer at the date of the authentication and delivery of the Bond.

(b) No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication in the form set forth in this Ordinance, duly executed by the manual signature of the Registrar; and such certificate of authentication upon any Bond executed on behalf of the County shall be conclusive evidence that the Bond so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefit of the terms and provisions of this Ordinance.

Section 3.07 Transferability and Registry

The Bond shall at all times, when the same is Outstanding, be payable, both as to principal and interest to a Person, and shall be transferable, only in accordance with the provisions for registration and transfer contained in this Ordinance and in the Bond. So long as the Bond remains Outstanding, the County shall maintain and keep, at its office, books for the registration and transfer of the Bond, and, upon presentation thereof for such purpose, the County shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe. So long as the Bond remains Outstanding, the County shall make all necessary provisions to permit the transfer of the Bond.

Section 3.08 Transfer of the Bond

The Bond shall be transferable only upon the books of the County, which shall be maintained for such purpose by the Registrar, upon presentation and surrender thereof by the Holder of such Bond in person or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered Holder or his duly authorized attorney. Upon surrender for transfer of the Bond, the County shall execute and the Registrar shall authenticate and deliver, in the name of the Person who is the transferee, one new Bond of the same principal amount and maturity and rate of interest as the surrendered Bond.

Section 3.09 Regulations with Respect to Transfers

The Bond, if surrendered in any transfer, shall forthwith be cancelled by the Registrar. For each such transfer of the Bond, the County may make a charge sufficient to reimburse itself for any tax, fee or other governmental charge required to be paid with respect to such transfer, which sum or sums shall be paid by the Holder requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer. The County shall not be obligated to (i) issue or transfer the Bond during a period between a Record Date and the next following Bond Payment Date or (ii) following a call for redemption of the Bond.

Section 3.10 Mutilated, Destroyed, Lost and Stolen Bond

(a) If the Bond is mutilated and thereafter surrendered to the County or if the County receives evidence to its satisfaction of the destruction, loss or theft of the Bond, and there is delivered to the County such security or indemnity as may be required by it to save it harmless, then, in the absence of notice that the Bond has been acquired by a *bona fide* purchaser, the County shall execute, and the Registrar shall authenticate and deliver, in exchange for any such mutilated Bond or in lieu of the destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number unlike that of the mutilated, lost or stolen Bond. The Registrar shall thereupon cancel the mutilated Bond so surrendered. In case the mutilated, destroyed, lost or stolen Bond has become or is to become due and payable within one month, the County in its discretion may, instead of issuing a new Bond, pay such Bond.

(b) Upon the issuance of any new Bond under this Section 3.10, the County may require the payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees or other fees, of the County connected therewith.

(c) Each new Bond issued pursuant to this Section 3.10 in lieu of any destroyed, lost or stolen Bond, shall constitute an additional contractual obligation of the County, whether or not the destroyed, lost or stolen Bond shall at any time be enforceable by anyone, and shall be entitled to all the benefits hereof. The Bond shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of a mutilated, destroyed, lost or stolen Bond and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of a mutilated, destroyed, lost or stolen Bond or securities.

Section 3.11 Holder as Owner of Bond

The County may treat the Holder of the Bond as the absolute owner thereof, whether the Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payment of the principal and interest shall be made only to, or upon the order of, such Holder. All payments to such Holder shall be valid and effectual to satisfy and discharge

the liability upon the Bond to the extent of the sum or sums so paid, and the County shall not be affected by any notice to the contrary.

Section 3.12 Cancellation of the Bond

The Registrar shall destroy the Bond upon surrender of the same to it for cancellation and shall deliver a certificate to that effect to the County. The Bond shall not be deemed Outstanding under this Ordinance and no Bond shall be issued in lieu thereof.

Section 3.13 Payments Due on Saturdays, Sundays and Holidays

In any case where the Bond Payment Date shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest on or principal of the Bond need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on such Bond Payment Date and no interest shall accrue for the period after such date.

Section 3.14 State Tax Exemption

Both the principal of and interest on the Bond shall be exempt from all State, county, municipal, school district, and all other taxes or assessments of the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

Section 3.15 Order of Tax Levy to Pay Principal and Interest of the Bond

For the payment of the principal and interest on the Bond and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are hereby irrevocably pledged, and there shall be levied annually by the County Auditor, and collected by the County Treasurer, in the same manner as County taxes are levied and collected, a tax initially on all taxable property in the Keowee Fire Tax District, sufficient to pay the principal of and interest on the Bond as it matures, and to create such sinking fund as may be necessary therefor.

Section 3.16 Notice to Auditor and Treasurer to Levy Tax

The County Auditor and County Treasurer shall be notified of this issue of the Bond and directed to levy and collect, respectively, upon all taxable property in the Keowee Fire Tax District an annual tax sufficient to meet the payment of the principal and interest on said Bond, as the same matures, and to create such sinking fund as may be necessary therefor.

Section 3.17 Form of Bond

The form of the Bond, and registration provisions to be endorsed thereon shall be substantially as set forth in Exhibit B attached hereto and made a part of this Ordinance.

ARTICLE IV

REDEMPTION OR PURCHASE OF THE BOND

Section 4.01 Authorization of Redemption

Optional Redemption. The principal amounts of the Bond maturing subsequent to April 1, 2017, shall be subject to redemption at any time at the option of the County, in whole or in part, and, if in part, in the principal amount as designated by the Council (but only in integral multiples of \$5,000), commencing April 1, 2017, at the redemption price of par, together with accrued interest to the date fixed for redemption, upon 30 days written notice to the Holder. Provided, however, that the Administrator is hereby authorized to make any such adjustment to the redemption price or the applicable date of redemption set forth in the preceding sentence as he shall determine prior to offering the Bond for sale. Upon the date selected for redemption, the Bond shall cease to bear interest, and the Bond shall no longer be considered as Outstanding hereunder. If money sufficient to pay the redemption price and accrued interest has not been paid by the County to the Holder on the redemption date, such Bond shall continue to bear interest until paid at the same rate as it would have borne, had it not been called for redemption, until the same shall have been paid.

Section 4.02 Purchases of the Bond Outstanding

Purchases of the Bond Outstanding may also be made by the County at any time with money available to it from any source. Upon any such purchase the County shall deliver such Bond to the Registrar for cancellation.

ARTICLE V

SALE OF THE BOND

Section 5.01 Determination of Time to Receive Bids - Form of Notice of Sale

The Bond shall be sold at public sale, at a price of not less than par. Bids shall be received until noon (local time) on a date to be selected by the Administrator. The form of the Official Notice of Sale, and the conditions of sale, shall be substantially those set forth in Exhibit C attached hereto and made a part hereof. The Bond shall be advertised for sale in *The Greenville News* or *The State*, which advertisement shall appear at least once, not less than seven (7) days before the date set for said sale. The date of sale may be adjusted in accordance with Section 11-27-40 of the South Carolina Code. The form of the advertisement may be an abbreviated form of the Official Notice of Sale as shown in Exhibit D attached hereto and made a part hereof.

Section 5.02 Award of the Bond

Upon the receipt of bids for the purchase of the Bond, unless all bids are rejected, the Administrator shall award the Bond to the bidder offering to purchase it at the lowest net interest cost to the County. For the purpose of determining lowest net interest cost, the aggregate of interest on the Bond from the dated date of the Bond, which is the original issue date, until its maturity, less any sum named by way of premium, shall be determined on each bid and the smallest amount to be paid by the County shall reflect lowest net interest cost.

ARTICLE VI

DISPOSITION OF PROCEEDS OF SALE OF THE BOND

Section 6.01 Disposition of Bond Proceeds including Temporary Investments

The proceeds derived from the sale of the Bond issued pursuant to this Ordinance shall be paid to the County Treasurer, to be deposited in a special fund to the credit of the County, and shall be expended and made use of by the County as follows:

(a) the proceeds shall be expended and made use of by the Council to defray the cost of issuing the Bond and to defray costs of constructing and acquiring the Project or such other project within the Keowee Fire Tax District as approved by supplemental ordinance. Pending the use of Bond proceeds, the same shall be invested and reinvested by the County Treasurer in Authorized Investments. All earnings from such investments shall be applied, at the direction of the Council, either (i) to defray the cost of the Project and if not required for this purpose, then (ii) to pay the first maturing installments of interest on the Bond; and

(b) if any balance remains, it shall be applied to such other capital improvements within the Keowee Fire Tax District as provided by Council pursuant to an ordinance supplemental hereto or held by the County Treasurer in a special fund and used to effect the retirement of the Bond authorized by this Ordinance;

provided, that neither the purchaser nor any Holder of the Bond shall be liable for the proper application of the proceeds thereof.

ARTICLE VII

DEFEASANCE OF THE BOND

Section 7.01 Discharge of Ordinance - Where and How the Bond is Deemed to have been Paid and Defeased

If the Bond issued pursuant to this Ordinance and all interest thereon shall have been paid and discharged, then the obligations of the County under this Ordinance and all other rights granted hereby shall cease and terminate. The Bond shall be deemed to have been paid and discharged within the meaning of this Article if the County shall elect to provide for the payment of the Bond prior to its final Bond Payment Date and shall have deposited with the Escrow Agent in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay when due the principal or redemption price and interest due and to become due on the Bond as the same matures.

Neither the Government Obligations nor moneys deposited pursuant to this Section 7.01 nor the principal or interest payments thereon shall be withdrawn or used for any purpose other than, and shall be held in trust by the Escrow Agent for, the payment of the principal or redemption price and interest on the Bond; provided that any cash received from such principal or interest payments on Government Obligations so deposited, if not then needed for such purpose, shall to the extent practicable, be invested and reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the principal or redemption price and interest to become due on the Bond on the redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments not required for the payment of the principal

or redemption price and interest may be paid over to the County, as received by the Escrow Agent, free and clear of any trust, lien or pledge.

ARTICLE VIII

CERTAIN TAX CONSIDERATIONS

Section 8.01 General Tax Covenant:

The County will comply with all requirements of the Code in order to preserve the tax-exempt status of the Bond, including without limitation, the requirement to file the information report with the Internal Revenue Service. In this connection, the County covenants to execute any and all agreements or other documentation as it may be advised by bond counsel will enable it to comply with this Section 8.01, including its certification on reasonable grounds that the Bond is not an "arbitrage bond" within the meaning of Section 148 of the Code.

Section 8.02 Tax Representations:

The County hereby represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bond to become includable in the gross income of the Holder thereof for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Bond. Without limiting the generality of the foregoing, the County represents and covenants that:

(a) All property provided by the net proceeds of the Bond will be owned by the County in accordance with the rules governing the ownership of property for federal income tax purposes.

(b) The County shall not permit the proceeds of the Bond or any facility financed with the proceeds of the Bond to be used in any manner that would result in (a) ten percent (10%) or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any natural person or in any activity carried on by a person other than a natural person other than a governmental unit as provided in Section 141(b) of the Code, or (b) five percent (5%) or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code.

(c) The County is not a party to, nor will the County enter into, any contracts with any person for the use or management of any facility provided with the proceeds of the Bond that do not conform to the guidelines set forth in Revenue Procedure 97-13.

(d) The County will not sell or lease any property provided by the Bond to any person unless it obtains the opinion of nationally recognized bond counsel that such lease or sale will not affect the tax exemption of the Bond.

(e) The Bond will not be federally guaranteed within the meaning of Section 149(b) of the Code. The County will not enter into any leases or sales or service contracts with respect to any facility provided with the proceeds of the Bond with any federal government agency unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax exemption of the Bond.

Section 8.03 Exemption from Rebate

The County reasonably expects that it (together with any subordinate entity thereto) will not issue tax-exempt obligations in calendar year 2007 in a principal amount exceeding \$5,000,000. The County has general taxing power within the meaning of Section 148(2)(4)(D)(3)(I) of the Code. The County covenants that at least 95% of the proceeds of the Bond will be applied to the governmental purposes of the County. Therefore, proceeds of the Bond will be exempt from the arbitrage rebate requirement of Section 148(f)(4)(D) of the Code pursuant to the "small issuer exemption" set forth in Section 1.148-5 of the Treasury Regulations promulgated thereunder. The County expressly covenants, however, to comply with the requirements of Section 148(f) of the Code and to timely calculate and pay to the United States such amounts as are due should the foregoing exemption from rebate be unavailable.

Section 8.04 Qualified Tax-Exempt Obligation

It is expected that during calendar year ²⁰⁰⁷~~2006~~ the County and all entities subordinate thereto will not borrow on a tax-exempt basis (other than private activity bonds which are not qualified 501(c)(3) bonds as defined in Section 145 of the Code) in the aggregate an amount exceeding \$10,000,000. The Bond is hereby accordingly designated as a "qualified tax-exempt obligation" in accordance with Section 265(b)(3)(B) of the Code.

ARTICLE IV

MISCELLANEOUS

Section 9.01 Failure to Present the Bond

Anything in this Ordinance to the contrary notwithstanding, any money held by the Escrow Agent in trust for the payment and discharge of the Bond, or the interest thereon, which remains unclaimed for such period of time, after the date when such Bond has become due and payable, that the Holder thereof shall no longer be able to enforce the payment thereof, the Escrow Agent shall at the written request of the County pay such money to the County as its absolute property free from trust. The Escrow Agent shall thereupon be released and discharged with respect thereto and the Bondholder shall look only to the County for the payment of such Bond. Provided, however, the Escrow Agent shall forward to the County all moneys which remain unclaimed during a period five (5) years from a Bond Payment Date; and further provided, however, that before being required to make any such payment to the County, the Escrow Agent, at the expense of the County, may conduct such investigations as may in the opinion of the Escrow Agent be necessary to locate the Holder or those who would take if the Holder shall have died.

Section 9.02 Severability of Invalid Provisions

If any one or more of the covenants or agreements provided in this Ordinance should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Ordinance.

Section 9.03 Successors

Whenever in this Ordinance the County is named or referred to, it shall be deemed to include any entity which may succeed to the principal functions and powers of the County, and all the covenants and agreements contained in this Ordinance by or on behalf of the County shall bind and inure to the benefit of said successor whether so expressed or not.

Section 9.04 Ordinance to Constitute Contract

In consideration of the purchase and acceptance of the Bond by those who shall purchase and hold the same from time to time, the provisions of this Ordinance shall be deemed to be and shall constitute a contract between the County and the Holder from time to time of the Bond. Such provisions are covenants and agreements with such Holders which the County hereby determines to be necessary and desirable for the security and payment thereof.

Section 9.05 Filing of Copies of Ordinance

Copies of this Ordinance shall be filed in the office of the Clerk to County Council and the office of the Clerk of Court for the County (as a part of the Transcript of Proceedings).

Section 9.06 Further Action by Officers of County

The proper officers of the County are fully authorized and empowered to take the actions required to implement the provisions of this Ordinance and to furnish such certificates and other proofs as may be required of them, which include but are not limited to providing the notice and conducting the public hearing described in **Section 1.03** hereof.

Section 9.07 Continuing Disclosure

Pursuant to Section 11-1-85 of the South Carolina Code, the County covenants to file with a central repository for availability in the secondary bond market when requested:

- (1) An annual independent audit, within thirty days of the County's receipt of the audit and
- (2) Event specific information within thirty days of an event adversely affecting more than five percent of revenue or the County's tax base.

The only remedy for failure by the County to comply with the covenant in this **Section 9.07** shall be an action for specific performance of this covenant. The County specifically reserves the right to amend this covenant to reflect any change in (including any repeal of) Section 11-1-85, without the consent of any Bondholder.

Section 9.08 Effective Date of this Ordinance

This Bond Ordinance shall take effect upon its third reading and shall be forthwith codified in the Code of County Ordinances and indexed under the general heading "Bond Issue - Not Exceeding \$1,200,000 General Obligation Bond (Keowee Fire Tax District Project), Series 2007, of Geosce County, South Carolina."

DONE in meeting duly assembled, this 6th day of February, 2007.

OCONEE COUNTY, SOUTH CAROLINA

(SEAL)

Chairman, County Council of
Oconee County, South Carolina

Attest:

Clerk to County Council
Oconee County, South Carolina

First reading:	January 2, 2007
Second reading:	January 16, 2007
Public hearing:	February 6, 2007
Third reading:	February 6, 2007

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Oconee County Council will conduct a public hearing on the proposed adoption of an Ordinance entitled "TO PROVIDE FOR THE ISSUANCE AND SALE OF A NOT EXCEEDING ONE MILLION TWO HUNDRED THOUSAND DOLLAR (\$1,200,000) OCONEE COUNTY, SOUTH CAROLINA, GENERAL OBLIGATION BOND (KEOWEE FIRE TAX DISTRICT PROJECT), SERIES 2007; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO" on February 6, 2007 in the Chambers of County Council, 415 South Pine Street, Wallhalla, South Carolina 29691, at 3:00 p.m. The above-referenced Bond will be used to finance the costs of (1) constructing a new substation and (2) expanding the headquarters, both for the Keowee Fire Tax District (the "Keowee Fire Tax District") (collectively, the "Project").

For the payment of the principal of and interest on the Bond authorized by said Ordinance, there shall be pledged the full faith, credit and taxing power of Oconee County and there shall be initially levied ad valorem taxes solely within the Keowee Fire Tax District sufficient in amount to pay said principal and interest on the Bond.

At the time and place fixed for said public hearing all taxpayers, residents or other interested persons who appear will be given an opportunity to express their views for or against the adoption of the Ordinance.

/s/
Opal O. Green, Clerk to County Council,
Oconee County, South Carolina

(FORM OF BOND)

UNITED STATES OF AMERICA
 STATE OF SOUTH CAROLINA
 OCONEE COUNTY
 GENERAL OBLIGATION BOND
 (KEOWEE FIRE TAX DISTRICT PROJECT)
 SERIES 2007

No. R-1

\$ _____

INTEREST RATE MATURITY DATE ORIGINAL ISSUE DATE
 April 1, _____, 2007

Registered Holder:

Principal Amount: [_____]

DOLLAR

OCONEE COUNTY, SOUTH CAROLINA (the "County") acknowledges itself indebted and for value received hereby promises to pay as hereinafter provided, to the Registered Holder (named above) or registered assigns, the Principal Amount set forth above on the Maturity Date stated above, unless this Bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Bond at the office of the County, and to pay interest on such Principal Amount at the annual Interest Rate stated above (calculated on the basis of a 360-day year of twelve 30-day months), until the obligation of the County with respect to the payment of such Principal Amount shall be discharged.

This Bond bears interest from the original issue date if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of this Bond's authentication. Interest on this Bond is payable on April 1 and October 1 of each year beginning April 1, 2008. The interest so payable on any April 1 or October 1 shall be payable to the person in whose name this Bond is registered at the close of business on the 15th day of the March or on the 15th day of the September next preceding such April 1 or October 1.

Principal of this Bond is payable on April 1 in each of the years and in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2008		2016	
2009		2017	
2010		2018	
2011		2019	
2012		2020	
2013		2021	
2014		2022	
2015			

Such payments shall be paid to the person in whose name this Bond is registered at the close of business on the 15th day of the month immediately preceding such payment date. The principal of, redemption premium, if any, and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debt.

The principal amounts of this Bond maturing subsequent to April 1, 2017, shall be subject to redemption at any time at the option of the County, in whole or in part, and, if in part, in the principal amount as designated by the Council (but only in integral multiples of \$5,000), commencing April 1, 2017, at the redemption price of par, together with accrued interest to the date fixed for redemption, upon 30 days written notice to the Holder. This Bond shall cease to bear interest, and this Bond shall no longer be considered as Outstanding under the Ordinance upon the date selected for redemption. If money sufficient to pay the redemption price and accrued interest has not been paid by the County to the Holder on the redemption date, however, this Bond shall continue to bear interest until paid at the same rate as it would have borne, had it not been called for redemption, until the same shall have been paid.

This Bond is in the principal amount of One Million Two Hundred Thousand Dollars (\$1,200,000) and issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina, including particularly the provisions of Chapter 15 of Title 4, as supplemented by Section 11-27-40, of the Code of Laws of South Carolina 1976, as amended (collectively, the "Enabling Act"), and an Ordinance duly adopted by the County Council of the County (the "Ordinance") on February 6, 2007.

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the Clerk to County Council and in the office of the Clerk of Court of the County.

For the prompt payment hereof, both principal and interest, as the same shall become due, the full faith, credit and taxing power of the County are irrevocably pledged. This Bond is payable initially from an ad valorem tax levied within the Keowee Fire Tax District (the "Keowee Fire Tax District"), a special tax district created by the County.

This Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

The Bond is issuable only as a single, fully registered Bond in the principal amount of \$1,200,000.

This Bond is transferable, as provided in the Ordinance, only upon the books of the County kept for that purpose at its office by the Registered Holder in person or by his duly authorized attorney, upon (i) surrender of this Bond together with a written instrument of transfer satisfactory to the County duly executed by the Registered Holder or his duly authorized attorney and (ii) payment of the charges, if any, prescribed in the Ordinance. Thereupon a new fully registered Bond of like maturity, interest rate and redemption provisions and in a like aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance. The County may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption price hereof and interest due hereon and for all other purposes.

For every transfer of the Bond, the County may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of the Bond in order to make the Bond the legal, valid and binding general obligation of the County in accordance with its terms, do exist, have been performed and have happened in regular and due form as required by law, and that the amount of the Bond, together with all other indebtedness of the County, does not exceed any limit prescribed by such Constitution or Statutes, and that provision has been made for the allocation, on an annual basis, of sufficient tax revenues collected within the Keowee Fire Tax District to provide for the punctual payment of the principal of and interest on this Bond.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

IN WITNESS WHEREOF, Oconee County, South Carolina has caused this Bond to be signed in its name by the manual signature of the Chairman of County Council and the manual signature of the County Administrator, and its corporate seal to be hereunto reproduced and attested to by the manual signature of the Clerk to County Council.

(SEAL)

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Chairman, County Council

By: _____
County Administrator

Attest:

Clerk to County Council

CERTIFICATE OF AUTHENTICATION

This Bond is the issue described in the within mentioned Ordinance.

OCONEE COUNTY, SOUTH CAROLINA, as Registrar

By: _____
Clerk to County Council

Date: _____

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____ (please print or type name and address of Transferee and Social Security or other identifying number of Transferee) the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP") or similar program enlargement.

Authorized Individual or Officer

NOTICE: The signature to the assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

OFFICIAL NOTICE OF SALE
 \$1,200,000
 GENERAL OBLIGATION BOND
 (KEOWEE FIRE TAX DISTRICT PROJECT)
 SERIES 2007
 OF GEORGE COUNTY, SOUTH CAROLINA

Notice is hereby given that sealed bids will be received by George County, South Carolina (the "County"), for the purchase of all, but not a part, of the County's \$1,200,000 General Obligation Bond (Keowee Fire Tax District Project), Series 2007 (the "Bond"), as more fully described herein. The bids will be received at the place and until the time specified below (unless postponed as described herein):

Date: _____, 2007
 12:00 Noon

Place: George County
 Finance Department
 415 South Pine Street
 Walhalla, South Carolina 29691

Delivery of Bids:

Proposals may be delivered by hand, by mail or by facsimile transmission, but no proposal shall be considered which is not actually received by the County at the place, date and time appointed; and the County shall not be responsible for any failure, misdirection, delay or error resulting from the selection by any bidder of any particular means of delivery of bids. The County will take reasonable steps to ensure the confidentiality of all bids transmitted to it by facsimile transmission, but cannot guarantee the confidentiality of all bids transmitted by such means. No agent or employee of the County will undertake to receive proposals by means of oral communication.

Mailed Bids: All mailed bids should be enclosed in a sealed envelope marked on the outside "Proposal for Series 2007 General Obligation Bond (Keowee Fire Tax District Project)" addressed to:

George County
 Finance Department
 415 South Pine Street
 Walhalla, South Carolina 29691
 Attention: Director of Administrative Services and Finance
 Telephone: (864) 638-4235

Bids Sent by Hand Delivery: Hand delivery of bids will be accepted at the address set forth above.

Bids Sent by Facsimile: Bids may be sent by facsimile received at (864) 718-1022. Bids sent by facsimile transmission will be considered timely only if transmission and printing are complete by 12:00 Noon, EST, on _____, 2007. (Please be advised that there is a single fax machine connected to the number provided above. It is highly recommended that bidders call the County to confirm receipt of a bid sent via facsimile.)

Either the County Administrator or his designee will publicly open and read the bids at the time, place and date set forth above. Unless all bids are rejected, the Bond will be awarded to the bidder offering the lowest net interest cost to the County.

The Bond: The Bond will be issued as a single, fully registered Bond in the denomination of \$1,200,000, will be dated as of the date of its delivery and will mature as to principal on April 1 in the years as set forth below.

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2008		2016	
2009		2017	
2010		2018	
2011		2019	
2012		2020	
2013		2021	
2014		2022	
2015			

The Bond will bear interest from the date of delivery thereof, payable April 1, 2008 and semiannually on April 1 and October 1 of each year thereafter until the Bond is paid in full.

Qualified Bond: The Bond is designated as a "qualified tax-exempt obligation" as defined in Section 265 of the Internal Revenue Code of 1986, as amended.

Project: The proceeds of the Bond will be used to finance the costs of (1) constructing a new substation and (2) renovating the existing headquarters, both for the Keowee Fire Tax District.

Security: The Bond will constitute a binding general obligation of the County. For the payment of the principal and interest thereof, as it becomes due, and to create such sinking fund to aid in the retirement and payment thereof, the full faith, credit and taxing power of the County will be irrevocably pledged, and there will be levied and collected annually initially upon all taxable property in the Keowee Fire Tax District as ad valorem tax, without limitation as to rate or amount, sufficient for such purposes.

Redemption Provisions: The principal amounts of the Bond maturing on or prior to April 1, 2017 are not subject to redemption prior to maturity. The principal amounts of the Bond maturing subsequent to April 1, 2017 shall be subject to redemption on and after April 1, 2017, at the option of the County, in whole or in part, and, if in part, in the principal amount as designated by the Council (but only in integral multiples of \$5,000), at the redemption price of par, together with accrued interest to the date fixed for redemption.

Additional Covenants and Terms: The covenants of the County with respect to the Bond are set forth in the Ordinance enacted on February 6, 2007, authorizing the issuance of the Bond (the "Bond Ordinance") which will be available from the County or Bond Counsel.

Legal Fees: The County will not be responsible for the legal fees, if any, of the purchaser.

Bid Requirements: The Bond shall be sold at a price not less than par at a single, fixed rate of interest. A bid for less than all of the Bond will not be considered. The County Administrator reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 24 hours after the time established for the receipt of the bids.

Form of Bid/Sealed Envelopes: Each bid must be on the Official Bid Form. Every bid must be unconditional and irrevocable and must be enclosed in a sealed envelope addressed to Oconee County, Attention: County Administrator, or if by facsimile with a cover page and endorsed "Bid for \$1,200,000 General Obligation Bond (Keowee Fire Tax District Project), Series 2007." Each bid must be in accordance with the terms and conditions set forth in this Official Notice of Sale.

Basis for Award: If satisfactory bids are received, the Bond will be awarded to the lowest responsible bidder by the County not later than 24 hours after the time established for the receipt of bids. The lowest bidder shall be the bidder offering to purchase the Bond at the lowest net interest cost to the County at a price not less than par. For the purpose of determining lowest net interest cost, the aggregate of interest on the Bond from the dated date of the Bond, which is the original issue date, until its maturity, less any sum earned by way of premium, shall be determined on each bid and the smallest amount to be paid by the County shall reflect lowest net interest cost. In the event that two or more

bidders have bid the same net interest cost, the award shall be made by lot. The determination by the County of the net interest cost of each bid and the County's award of the bid will be final.

Investment Letter: The successful purchaser will be requested to execute a letter to the County in form satisfactory to Bond Counsel acknowledging among other things, that (1) no official statement or other offering material has been furnished other than this Official Notice of Sale and the exhibits and documents referenced herein; (2) the purchaser had an opportunity to make appropriate inquiries of officials of the County; (3) the purchaser is capable of evaluating the merits and risks of the purchase of the Bond; (4) the purchaser is acquiring the Bond as a vehicle for making a commercial loan and without a present view to the distribution thereof (subject, nevertheless, to any requirement of law that the disposition of its property shall at all times be under its control) within the meaning of the Federal securities laws; and (5) the purchaser is acquiring the Bond solely for its own account and no other person now has any direct or indirect beneficial ownership or interest therein.

Legal Opinion: The County shall furnish upon delivery of the Bond the final approving opinion of Haynesworth Sinkler Boyd, P.A., Greenville, South Carolina, which opinion shall be attached to the Bond, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bond.

Delivery: The Bond will be delivered on or about _____, 2007, in Walhalla, South Carolina, at the expense of the County. The purchase price then due must be paid in federal funds or other immediately available funds.

Postponement: The County reserves the right to postpone from time to time the date established for receipt of bids. The County will communicate any such change in the sale date through the Bond Buyer Wire or the Bloomberg Wire not less than 12 hours prior to the time bids are to be received. If any date fixed for the receipt of bids and the sale of the Bond is postponed, any alternative sale date will be announced through the Bond Buyer Wire or the Bloomberg Wire at least 48 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a sealed bid for the purchase of the Bond in conformity in all respects with the provisions of this Official Notice of Sale, except for the date of sale and except for the changes announced through the Bond Buyer Wire or the Bloomberg Wire at the time the sale date and time are announced.

Additional Information: Persons seeking additional information should communicate with Phyllis E. Lombard, Director of Administrative Services and Finance, Oconee County, South Carolina, 415 South Pine Street, Walhalla, South Carolina 29691, telephone (864) 638-4335.

s/ J. Tom Herdicks
County Administrator
Oconee County, South Carolina

Dated: _____, 2007

SUMMARY NOTICE OF SALE
\$1,000,000
GENERAL OBLIGATION BOND (KEOWEE FIRE TAX DISTRICT PROJECT)
SERIES 2007
OCONEE COUNTY, SOUTH CAROLINA

Sealed and facsimile bids will be received by Oconee County, South Carolina (the "Issuer") pursuant to the Official Notice of Sale dated _____, 2007.

Sale Date: _____, 2007
Sale Time: 12:00 Noon, Eastern Time Zone
Bond Dated: _____, 2007
Form of Bond: One fully registered Bond in the denomination of \$5,000,000.
Interest Payments: April 1 and October 1, commencing April 1, 2008.
Maturity: Payable April 1, 2008 through April 1, 2022, inclusive.
Redemption Provisions: In whole or in part and, if in part, in the principal amount as designated by the County Council (but only in integral multiples of \$5,000), at par, on or after April 1, 2017.
Legal Opinion: Haynsworth Siskier Boyd, P.A., Greenville, South Carolina.
Official Notice of Sale: Available from Paydis E. Lombard, Director of Administrative Services and Finance, Oconee County, 415 South Pine Street, Walhalla, South Carolina 29691, telephone (864) 638-4620.

For the payment of principal and interest on the Bond, as it matures, the full faith, credit, and taxing power of the Issuer are pledged. The Bond is payable initially from an ad valorem tax, without limit as to rate or amount, levied in the Keowee Fire Tax District.

This Notice is given in evidence of the Issuer's intent to receive bids for and award the Bond on the date stated above. Such sale may be postponed upon no less than 12 hours notice given prior to the time bids are to be received as disseminated by the Bond Buyer Wire or the Bloomberg Wire. If cancelled, the sale may be thereafter rescheduled and notice of such rescheduled date of sale will be disseminated at least 68 hours prior to the time for receipt of bids by the Bond Buyer Wire or the Bloomberg Wire.

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

I, the undersigned, Clerk to County Council of Oconee County, South Carolina, DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance which was given three readings on three separate days, with an interval of not less than seven days between the second and third readings. The original of this Ordinance is duly entered in the permanent records of minutes of meetings of the County Council, in my custody as such Clerk.

That each of said meetings was duly called, and all members of the County Council were notified of the same; that all a majority of the membership were notified of each meeting and remained throughout the proceedings incident to the adoption of this Ordinance.

IN WITNESS WHEREOF, I have hereunto set my Hand this 6th day of February, 2007.

Clerk to County Council of
Oconee County, South Carolina

First reading:	January 2, 2007
Second reading:	January 16, 2007
Public hearing:	February 6, 2007
Third reading:	February 6, 2007

Financial Overview





Levy

	2004-2005 Levy	2005-2006 Levy	2006-2007 Levy
County Operations	64.0	68.0	64.3
Economic Development	1.0	1.0	1.0
Bridges/Culverts			1.0
Bonds:			
Courthouse	1.0	2.0	1.8
Lila Doyle	1.0		
2002 G.O. Bond	1.0	2.0	1.8
Total Bonds	3.0	4.0	3.4
Total County	68.0	73.0	69.7
Val. Of County Mill	316,340.00	351,772.00	418,708.00
School Operations	120.5	123.0	113.0
School Bonds			
1995 School	2.0	0.1	0.9
1998 School	1.0	0.7	0.9
2001 School	3.0	3.9	3.0
03 Refunding	5.9	4.1	3.8
04 Refunding	2.0	3.2	3.4
2005 School		0.0	3.0
2006 School			3.0
Total Bonds	13.9	18.0	18.0
Total School	134.4	141.0	131.0
Tri-County Tech Oper.	2.1	2.1	2.6
Tri County Tech.	0.0	0.0	0.7
Total Tri-County Tech	2.0	2.0	3.3
Total School Purposes	137.0	143.6	134.3
Val. Of School Mill	354,085.00	386,733.00	459,893.00
Total Tax Levy	205.0	216.6	204.0



Largest Taxpayers

- Oconee County's tax base continues to be concentrated in Duke Power's Oconee Nuclear Station ... a stable and long-standing corporate citizen and an important asset to Duke Power's balance sheet and competitive advantage
- Oconee Nuclear Station**
 - Est. 1973; 3 reactors
 - Expiration of current licenses: 2033 and 2034
 - Capacity: 2,538 MW(e)
 - Net Generation: 20,622 Million kwh
 - Share of Total Nuclear Generation in State: 39%
 - Closest Competitor: Catawba at 36% share
 - Largest of Duke Power's 3 nuclear stations
- \$960 million investment in refurbishments and upgrades completed since 2001

Contribution to 2005
Assessment

- (a) 43.1%
- (b) 0.59%
- (c) 50.3%
- (d) 10.1%

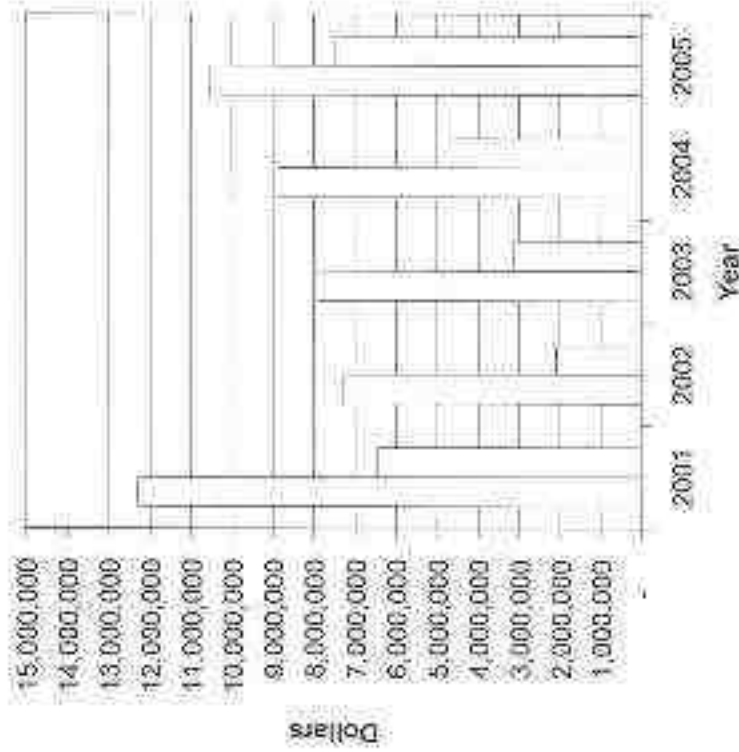
Taxpayer	FY 2005 Taxes Paid	FY 2005 Assessed Value	FY 2005 AV as % of Total AV *	FY 2005 Taxes as % of Total AV
Duke Energy Corp.	34,160,588	171,591,609	43.7%	9.69%
Blue Ridge Electric	1,093,490	5,046,430	1.4%	0.31%
West Point Stevens	1,023,614	4,937,527	1.4%	0.29%
Engelhard Corp	765,205	4,152,640	1.2%	0.22%
Cryovac Inc.	678,782	3,476,140	1.0%	0.18%
Red South Telecom, Inc	755,616	3,129,570	0.9%	0.21%
Valentis LLC	486,115	2,467,978	0.7%	0.14%
Iron Electricity Molding Inc.	401,806	7,655,050	0.5%	0.11%
Square U Company	344,316	7,808,850	0.5%	0.10%
U.S. Engine Value Co	341,946	5,802,709	0.5%	0.10%
	40,052,847	200,270,776	56.8%	11.4%

*Source: Oconee County Property Information System

*2005 Assessment Value



Fund Balance (FY 2001-2005)



Unreserved Undesignated

Unreserved Fund Balance as % of Unreserved Fund Balance

Year	Percentage
2001	62.3%
2002	68.7%
2003	69.4%
2004	66.6%
2005	63.3%
Average	66.6%

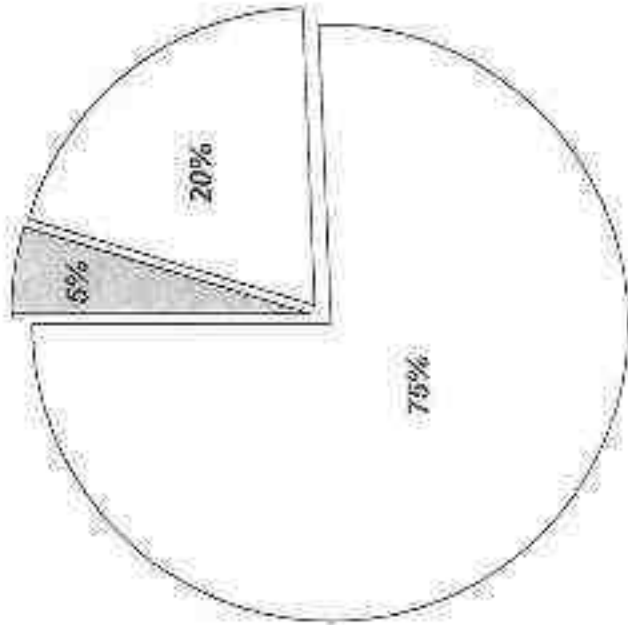
Unreserved Fund Balance as Percent of Revenues and Expenses

Year	Revenues (%)	Expenses (%)
2001	46.7%	45.7%
2002	46.8%	47.6%
2003	48.3%	48.6%
2004	48.7%	48.3%
2005	44.3%	48.1%
Average	46.1%	48.0%



90-Day Capital Reserve (FY 2005/06)

General Fund - Fund Balances
as of June 30, 2006



- Reserves - \$679,695
- Designated - \$2,838,309
- Undesignated - \$10,795,229

FY 2005/06 undesignated fund balance provided coverage for the County's working capital needs of approximately 95.83 days as applied to FY 2006/07 budgeted expenditures of \$39,467,950.

FY 2005/06 Fund Balance	\$ 10,795,229
90-Day Targeted Goal	9,731,826
Surplus	\$ 1,063,403
	(9.83 days)



AV and FMV of All Taxable Property in County

Fiscal Year
2001
2002
2003
2004
2005
2006

AV, All Taxable Property		
Real Property	Personal Property	Total
\$ 113,812,500	\$ 222,170,497	\$ 335,982,997
146,565,820	220,478,110	367,043,930
164,278,220	209,518,370	373,796,590
163,279,640	218,984,191	382,263,831
173,662,370	210,644,430	384,306,800
183,221,480	270,432,620	453,654,100

Avg. Ann. Growth 10.47%

4.65%

6.40%

FMV		
Real Property	Personal Property	Total
\$ 2,157,743,114	\$ 1,540,131,402	\$ 3,797,874,516
3,253,066,322	1,626,501,511	4,879,657,933
3,333,013,995	1,896,718,830	5,229,732,815
3,434,982,997	2,194,426,423	5,629,409,090
3,807,123,000	2,737,275,334	6,544,398,334

18.76%

10.49%

14.43%

Economic Outlook

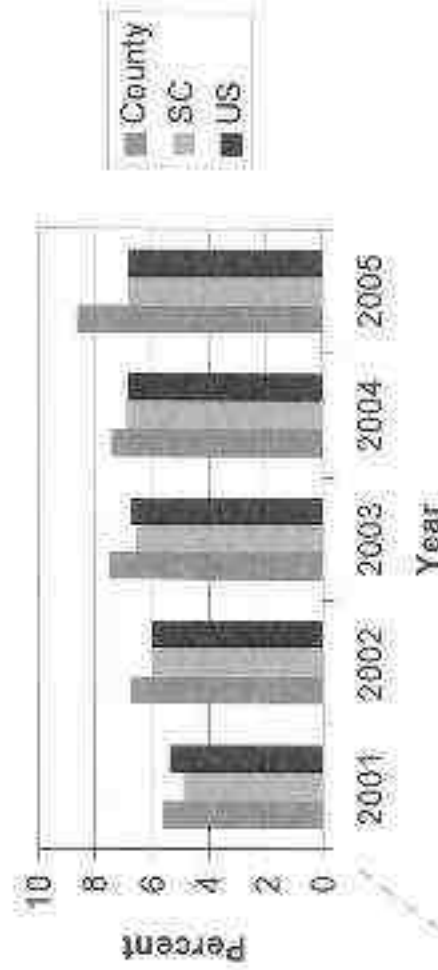




Challenge: Unemployment & Job Creation

Like SC and the nation, Oconee County has faced increasing unemployment levels since 2001 and lagging new job creation in more recent years ...

Unemployment



Announced Job Creation

Year	County	Updates
2001	76	5,456
2002	176	5,548
2003	261	1,478
2004	352	2,621
2005	41	2,301

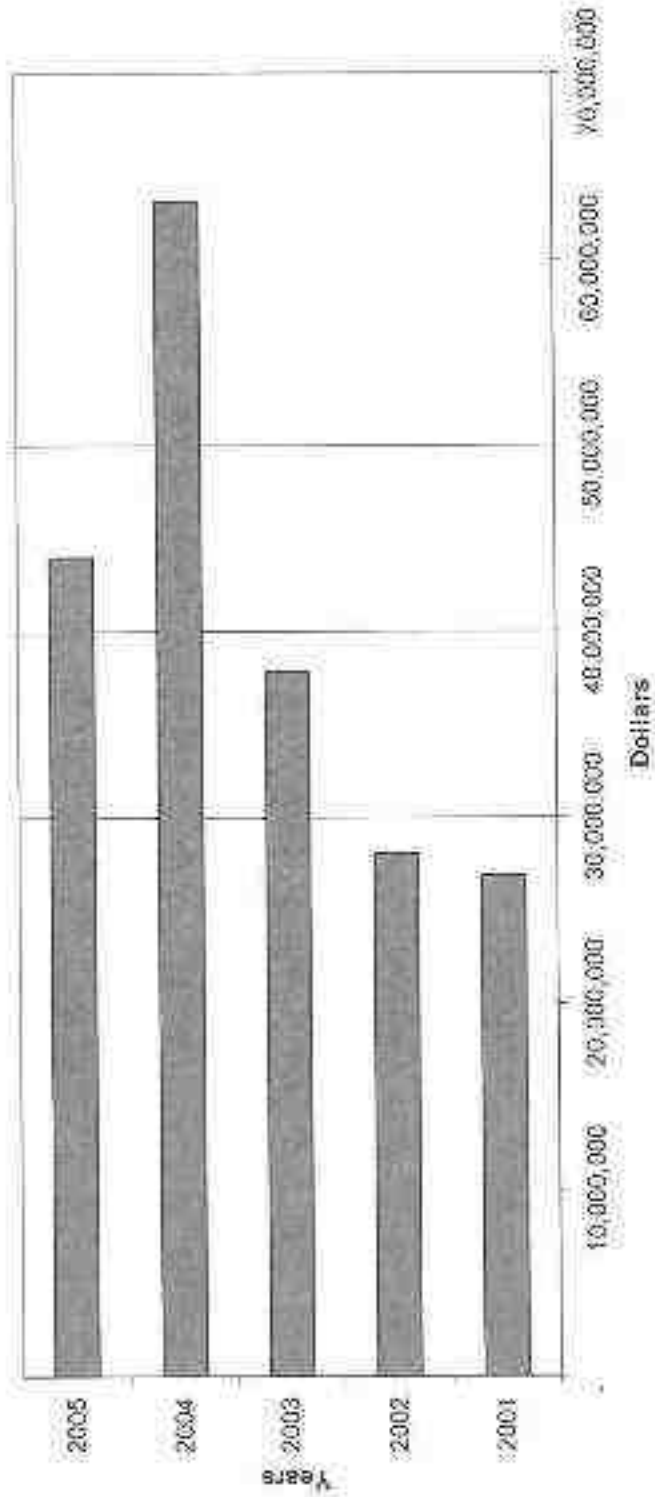
... but signs of recovery are promising



Announced Capital Investment: Historical

During 2001-2005 the County experienced nearly \$200 million in announced capital investment ...

Oconee County Announced Capital Investment



... and in 2006?



Announced Capital Investment: 2006

- **"Project Trout"**
 - Investment: \$18+ million expansion to existing Timken operations in Waltham
 - Announced: November 1, 2006
 - Product: Bearings for automotive, industrial, aerospace, rail and a host of other precision industries
 - Estimated Jobs Created 2006-2007: 200+/-
- **Valenite**
 - Investment: \$65 million over past two years
 - Grand Opening: October 2006
 - Estimated Jobs Created in 2006-2007: >50
- **TYCO/Kendall**
 - Investment: \$5.1 million
 - Announced: July 12, 2006
 - Product: Sequential compression devices
- **Square D**
 - Product: Motor control centers
 - Estimated Jobs Created 2006-2007: 100
- **Oconee Memorial Hospital**
 - Investment: \$44.8 million
 - Estimated Jobs Created 2006-2007: 50+/-
- **Manufacturer "PS"**
 - Investment: \$9 million
 - Announced: Not yet public, anticipated first quarter 2007
 - Product: Established industry in Clarity
 - Estimated Jobs Created 2007: 16



Largest Employers

- While manufacturing continues to play an important role within the County its dominance with respect to employment opportunities has declined over time
 - Manufacturing as % of total employment
 - 1995 = 41.2%
 - 2005 = 28.1%
- >63.5% of the workforce of the 10 largest employers in the County represent stable non-manufacturing business sectors

10 Largest Employers

Company	Employees	Classification	Product/Service
Secon - District of DeKalb County	1,357	Non-Mfg	Education
Faces Energy Corp. (Owls Creek Power)	1,400	Non-Mfg	Energy
DeKalb Memorial Hospital	1,399	Non-Mfg	Health care
Iron	715	Mfg	Electronic measuring devices
Schneider Electric - Square D	697	Mfg	Motor control systems
DeKalb County	454	Non-Mfg	Government
Kendall Healthcare Product Co.	398	Mfg	Food or medical storage
Truhan U.S. Corporation	280	Mfg	Tire and bearings
Engelbert Corp. - Chemical Catalysts	332	Mfg	Precious metal catalyst
Dong Waiwan Long Transits Systems	330	Mfg	Transfer cases

Does not include estimated 200 jobs to be created over next 13 months resulting from \$18+ million investment announced November 1, 2005

Does not include estimated 50 jobs to be created resulting from \$44.8 million investment

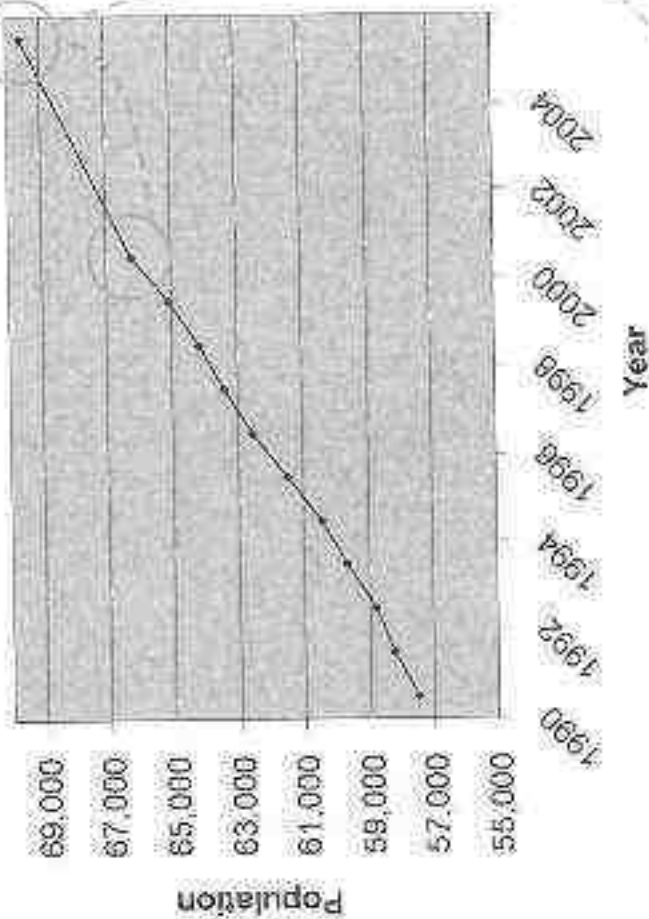


Population

- County population grew 15.2% between the 1990 Census and 2000 Census with average annual growth of 1.4% for the same period

Result: Oconee County has outpaced growth in SC which experienced 15.1% population growth between Census' (ann. average 1.4%)

Result: Nearly \$422 million in new residential construction occurred between 2001-2004 with 24.5% and 34.0% of this (i.e., \$103 and \$143 million) occurring in 2003 and 2004, respectively



Oconee County Population Growth Estimates

Year	Population	% Increase
2009	95,200	5.1%
2005	83,077	1.7%
2010	74,020	6.2%
2015	70,496	5.2%
2020	69,092	2.6%
2025	68,210	2.6%
2030	67,569	2.6%

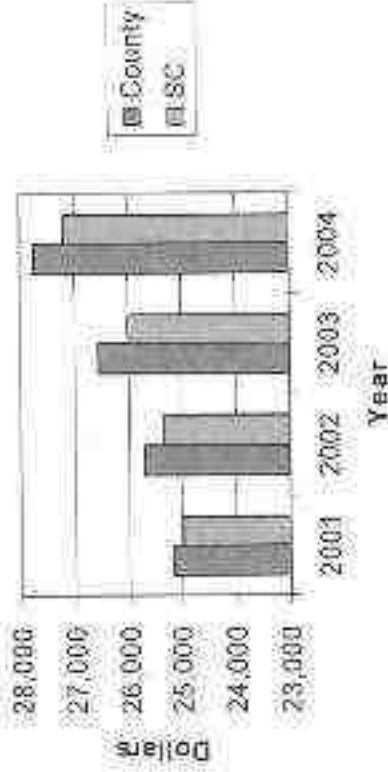
Between 2000 and 2005, Oconee County's population increased by 1.7% (from 61,000 to 62,000). This trend is primarily projected by the U.S. Bureau of the Census to continue in the decades ahead.



Income & Housing

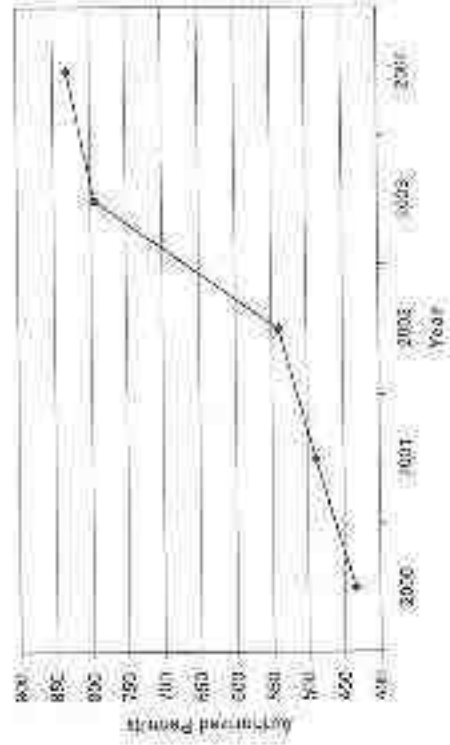
- At 3.3% average annual growth since 2001, County per capita income levels have outpaced growth in SC levels
 - County per capita income as average % of SC levels 2001-2004: 101.6%
- Average Household Income
 - 2005 = \$52,162
 - 2010 est. = \$58,387

Per Capita Income



- Rising income levels in the County during this period also prompted brisk new residential construction
 - 2000 Permits = 434
 - 2004 Permits = 631
 - July-Nov 2006 permits = 264
 - Permits to date put County on track for approximately 635 new residential permits in FY 2006

Residential Permit-Authorized Construction



Gross Retail Sales



- Notwithstanding a weaker economy Statewide, Countywide gross retail sales have shown consistent gains over the past 10 years
 - 5-year growth evidenced during 2001 meetings with rating agencies: 29.9% (1996-2000)
 - 5-year growth evidenced in most recent reporting periods: 30.3% (2001-2005)

Gross Retail Sales

Year	Oconee County	SC Upstate Region *
1991	\$ 499,647,482	\$ 13,691,662,911
1993	541,739,866	15,300,965,604
1995	622,006,985	17,853,410,779
1997	849,228,589	19,773,203,586
1999	810,418,084	21,239,082,048
2001	878,400,000	21,700,000,000
2003	998,400,000	24,000,000,000
2005	\$ 1,142,000,000	26,260,000,000

* Includes counties served by SC Agricultural Council of Cooperatives (Anderson, Cherokee, Greenville, Technical, Pickens, Spartanburg)



Statewide/Regional Outlook

- *“South Carolina should continue to create an above average number of jobs, with the unemployment rate dropping by nearly a percentage point to 5.7 percent for 2007.”*
 - *Don Schunk*
USC Economist
Moore School of Business Economic Outlook Conference
November 28, 2006
- *Anticipated 2007 Job Growth in Upstate: 7,400*
 - *Moore School of Business Economic Outlook Conference*
November 28, 2006

Debt Profile





Chillicothe, Georgia Memorial Hospital

GO Bond Issuance Since 1990

Year	Amount	Series	Interest	Term	Structure	Use of Proceeds	Interest Rate	Yield	Rating	Notes
1990	\$1,000,000	Series 1990	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1991	\$1,000,000	Series 1991	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1992	\$1,000,000	Series 1992	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1993	\$1,000,000	Series 1993	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1994	\$1,000,000	Series 1994	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1995	\$1,000,000	Series 1995	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1996	\$1,000,000	Series 1996	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1997	\$1,000,000	Series 1997	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1998	\$1,000,000	Series 1998	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
1999	\$1,000,000	Series 1999	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2000	\$1,000,000	Series 2000	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2001	\$1,000,000	Series 2001	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2002	\$1,000,000	Series 2002	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2003	\$1,000,000	Series 2003	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2004	\$1,000,000	Series 2004	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2005	\$1,000,000	Series 2005	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2006	\$1,000,000	Series 2006	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2007	\$1,000,000	Series 2007	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2008	\$1,000,000	Series 2008	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2009	\$1,000,000	Series 2009	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2010	\$1,000,000	Series 2010	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2011	\$1,000,000	Series 2011	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2012	\$1,000,000	Series 2012	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2013	\$1,000,000	Series 2013	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2014	\$1,000,000	Series 2014	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2015	\$1,000,000	Series 2015	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2016	\$1,000,000	Series 2016	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2017	\$1,000,000	Series 2017	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2018	\$1,000,000	Series 2018	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2019	\$1,000,000	Series 2019	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2020	\$1,000,000	Series 2020	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2021	\$1,000,000	Series 2021	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2022	\$1,000,000	Series 2022	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2023	\$1,000,000	Series 2023	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2024	\$1,000,000	Series 2024	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2025	\$1,000,000	Series 2025	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2026	\$1,000,000	Series 2026	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2027	\$1,000,000	Series 2027	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2028	\$1,000,000	Series 2028	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2029	\$1,000,000	Series 2029	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...
2030	\$1,000,000	Series 2030	8.00%	10 years	General Purpose	Capital Improvements	8.00%	8.00%	A	...

Long-term borrowing of the County is characterized by judicious use of 8% debt limit and rapid principal payout



Impact of FY 2006 Reassessment

Oconee County has recently completed a reassessment of all taxable property within the County. Pending appeals this reassessment is anticipated to have a material impact on the County's 8% debt limit ...

Calculation of Legal Debt Capacity as of Dec. 2006:

- (a) Total FY 2005 Assessed Value of Real and Personal Property = \$352,450,667
- (b) Debt Limitation = 8% of (a) = \$28,196,095
- (c) Total General Obligation Debt Outstanding = \$11,010,000
- (d) Bonds Issued Pursuant to Referendum and/or Not Counted Against 8% Debt Limit = \$0
- (e) Total Debt Subject to Debt Limit = (c) - (d) = \$11,010,000
- (f) Remaining Legal Debt Capacity = (b) - (e) = \$17,186,095

AV Real FY 2006 Reassessment:
\$397,908,079 (i.e., 12.9% increase)

- (a) Total FY 2005 Assessed Value of Real and Personal Property = \$352,450,667
- (b) Debt Limitation = 8% of (a) = \$28,196,095
- (c) Total General Obligation Debt Outstanding = \$11,010,000
- (d) Bonds Issued Pursuant to Referendum and/or Not Counted Against 8% Debt Limit = \$0
- (e) Total Debt Subject to Debt Limit = (c) - (d) = \$11,010,000
- (f) Remaining Legal Debt Capacity = (b) - (e) = \$17,186,095



Principal Amortization & Future Debt Capacity

Assumes no growth

Assumes no growth

	Annual Principal Totals (\$)	Total Principal Payout		FY 2005 Assessed Values		Debt Capacity		Post FY 2006 Reassessment	
				Amount	Prior Year	Amount	Prior Year	Amount	Increase from
TODAY									
2007	\$ 1,160,000			\$ 17,186,805		\$ 20,822,646			
2008	1,230,000			18,346,805	6.7%	21,982,646	5.6%		
2009	1,295,000			19,576,809	6.7%	23,212,646	5.6%		
2010	1,360,000			20,871,805	6.6%	24,507,646	5.6%		
2011	1,440,000			22,231,805	6.5%	25,867,646	5.5%		
2012	1,230,000	At 5 Years	98.9%	23,671,805	5.5%	27,307,646	5.6%		
2013	590,000			24,301,805	5.2%	28,537,646	4.5%		
2014	625,000			25,481,805	2.4%	29,127,646	2.1%		
2015	665,000			26,116,805	2.5%	29,752,646	2.1%		
2016	685,000	At 10 Years	93.4%	26,771,805	2.5%	30,407,646	2.2%		
2017	750,000			27,488,805	2.6%	31,102,646	2.3%		
2018	-			28,186,805	2.7%	31,832,646	2.3%		

\$ 31,018,000

Average Annual Growth in 9% Bonding Capacity 6.2%

Average Annual Growth in 9% Bonding Capacity 5.6%

The County's total principal amortization is exceptionally low with 100% payout of all existing obligations occurring in just over 10 years.

The resulting annual increase in debt capacity is equally plentiful. While there are presently no plans to fund City needs through bonds, the County has sufficient current and future debt capacity.



Direct/Overall Debt Per Capita

Oconee County's direct bonded debt per capita has decreased by >34.6% in the last 5 years ...

Bonded Debt Per Capita

Year	Population	Gross GO Bonded Debt	
		Total	Per Capita
2006	69,577	\$ 11,010,000	\$ 158.24

The County's current direct GO debt per capita is lower than in 2001 when the County last met with the rating agencies (2001 level of \$242).

Including total overlapping debt of \$45,030,000 (i.e., Oconee County School District) overall debt per capita is \$805 (down from the 2001 level of \$985).

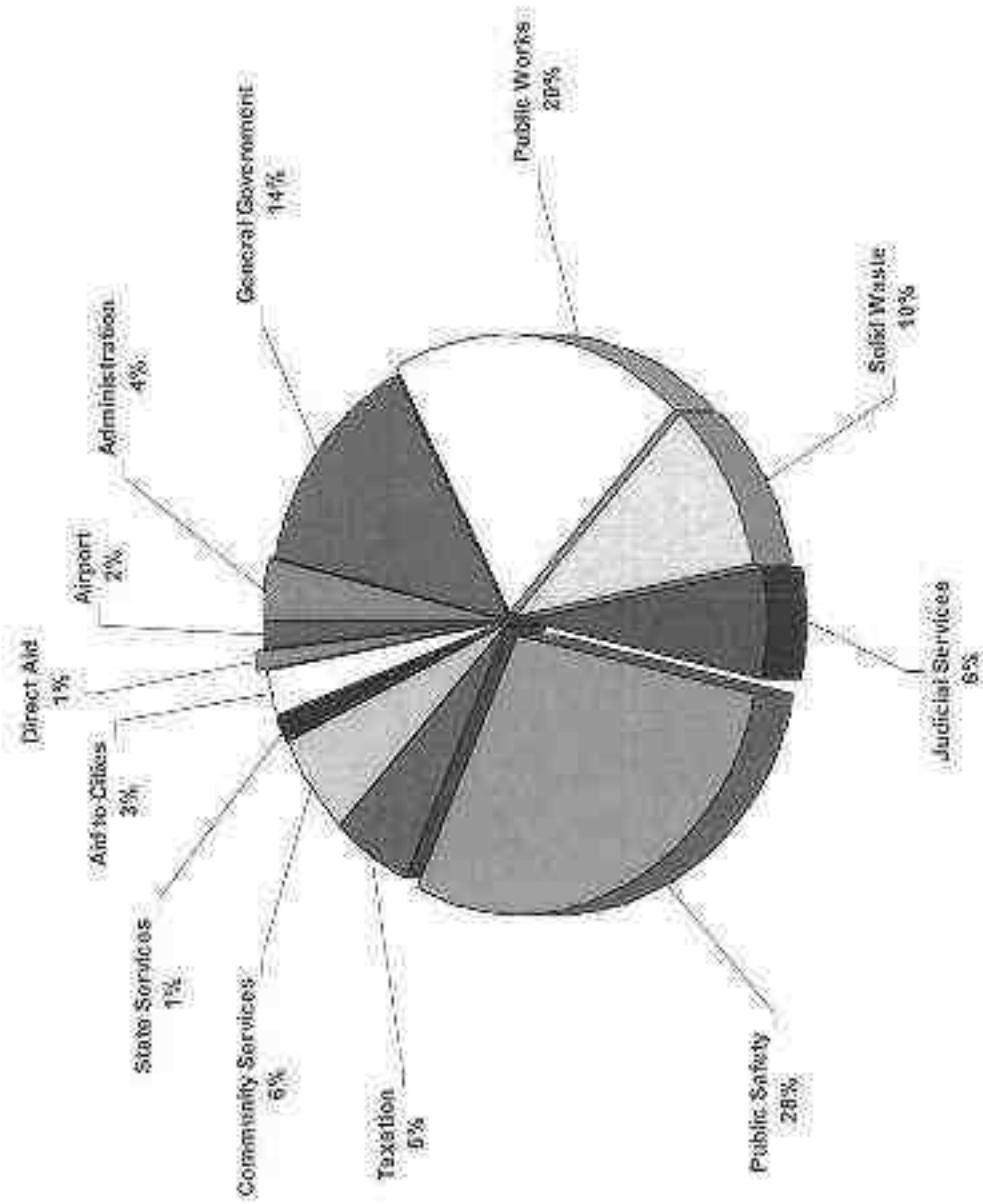
Moreover, bond amortization rates of both the County and School District are such that even after the School District's anticipated issuance of \$5.5 million in 2007 overall debt per capita will fall an additional 3.9% to \$774.11.



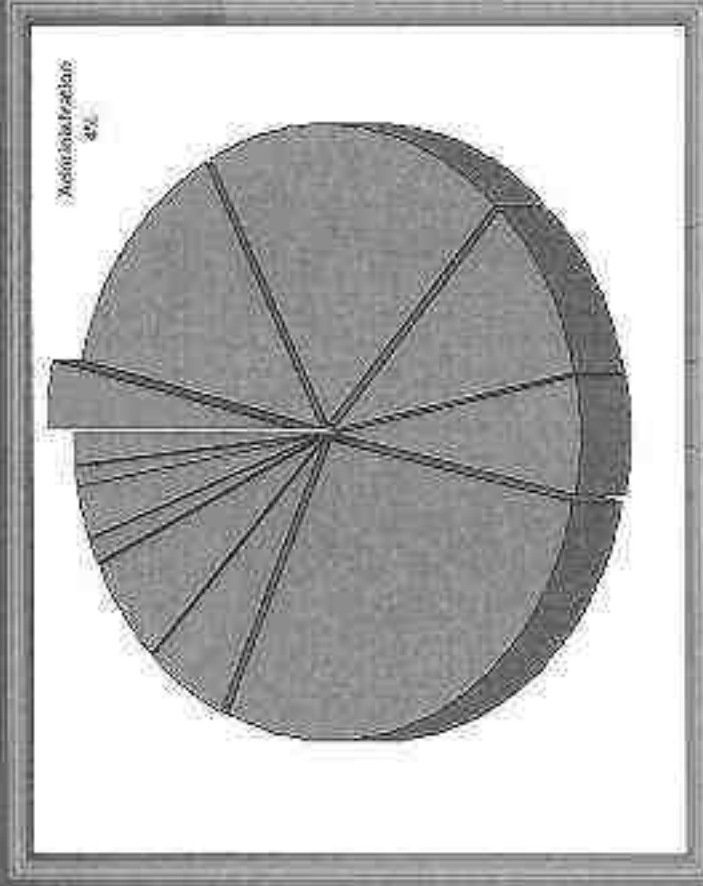
EXPENDITURES BY FUNCTION 2006-2007 EXPENDITURES

EXPENDITURES BY FUNCTION

EXPENDITURES BY FUNCTION

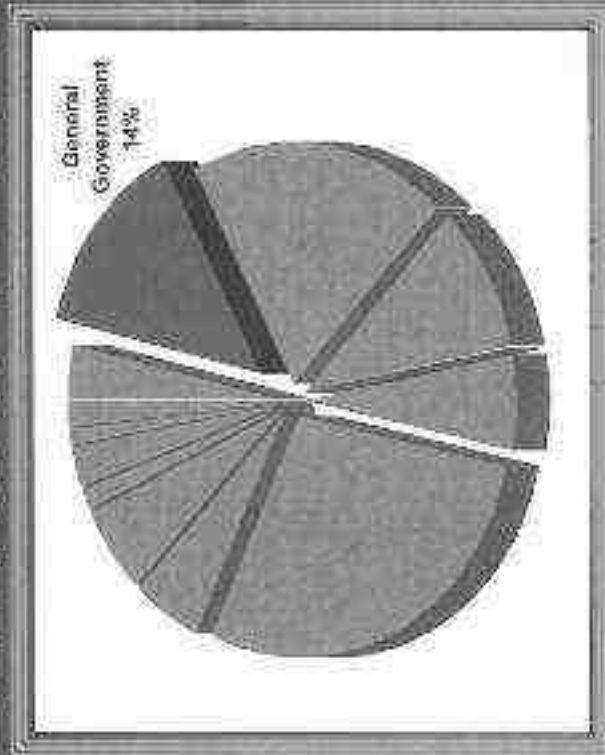


ADMINISTRATION



■ County Council	\$ 577,325
■ Office of the County Administrator	\$ 210,864
■ Economic Development	\$ 658,970
■ Total	\$1,447,159

GENERAL GOVERNMENT

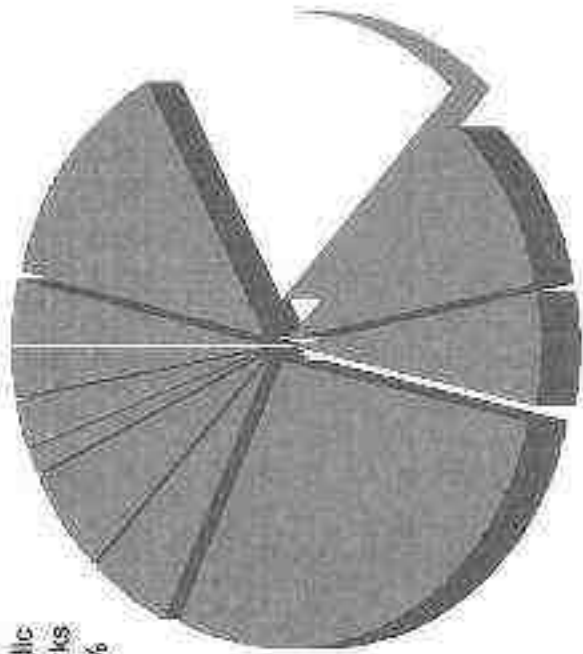


- Finance
- Human Resources
- Procurement
- Registration & Elections
- Occupational Business Licensing
- Grants Administration
- Non-Departmental
- Charity/Medical
- Planning
- Building Codes
- Information Technology
- Total

\$	492,840
\$	1,427,125
\$	285,496
\$	136,297
\$	2,880
\$	49,137
\$	978,500
\$	119,000
\$	267,564
\$	614,365
\$	1,204,014
\$	5,576,328

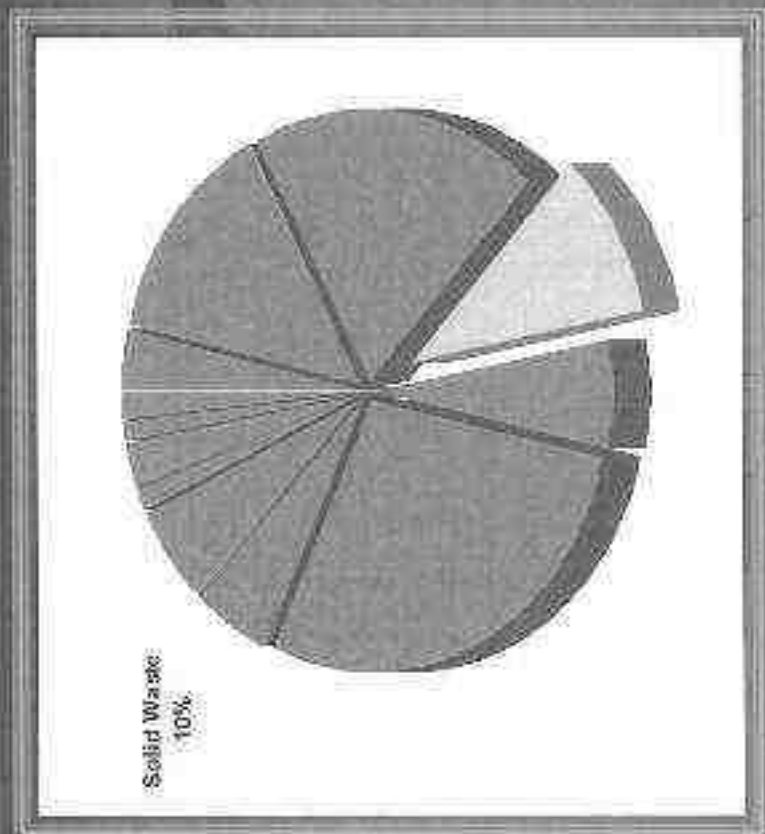
PUBLIC WORKS

Public
Works
20%



■ Roads	\$ 4,801,968
■ Vehicle Maintenance	\$ 1,825,693
■ Engineering Services	\$ 85,000
■ Soil & Water Conservation	\$ 42,604
■ Water & Sewer Services	\$ 2,200
■ Storm Water (FOLKS)	\$ 5,000
■ Facility Maintenance	\$ 1,249,093
■ Total	\$ 8,011,558

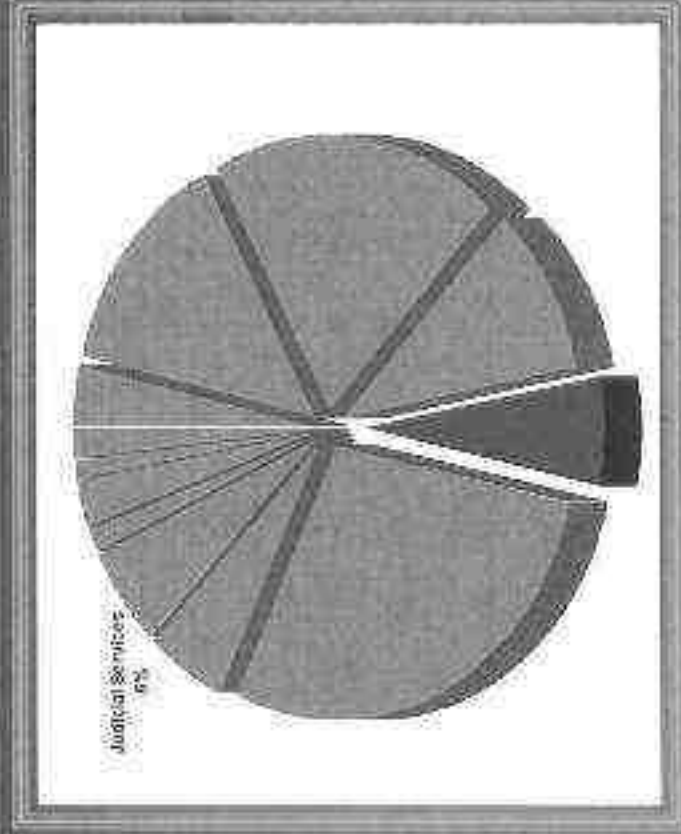
SOLID WASTE



■ Solid Waste

\$4,176,401

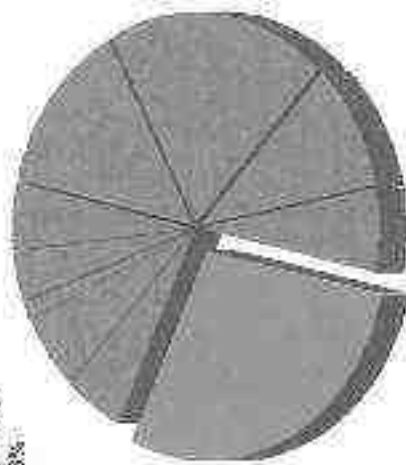
JUDICIAL SERVICES



■ Clerk of Court	\$ 674,950
■ Magistrates	\$ 582,453
■ Solicitors	\$ 417,922
■ Probation & Parole	\$ 3,200
■ Probate Court	\$ 357,588
■ Register of Deeds	\$ 388,038
■ Public Defender	\$ 150,000
■ Master in Equity	\$ 36,056
■ Total	\$ 2,610,207

PUBLIC SAFETY

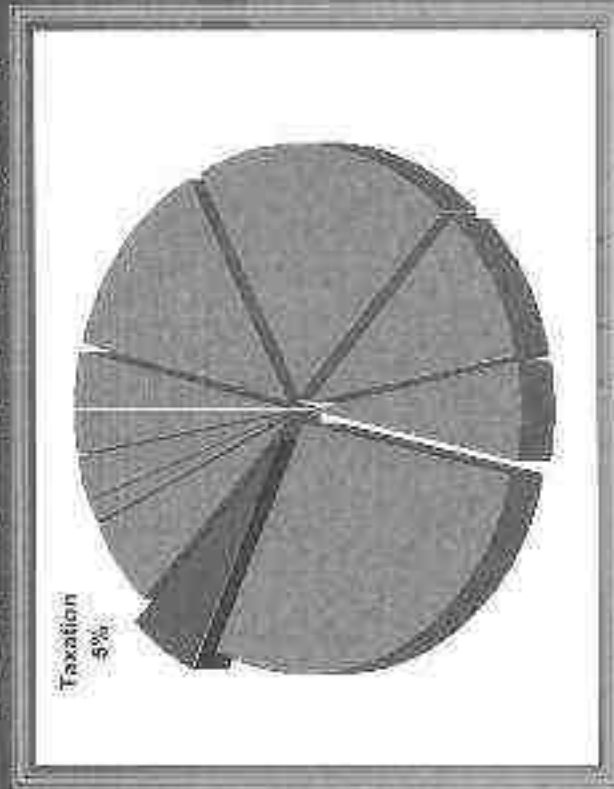
Public Safety:
28%



- Sheriff
- Rural Fire
- Emergency Management
- Coroner
- Animal Control
- Communications
- Detention Center
- Total

\$ 5,580,996
\$ 1,798,755
\$ 432,664
\$ 162,156
\$ 329,119
\$ 1,236,069
\$ 2,131,108
\$11,670,898

TAXATION

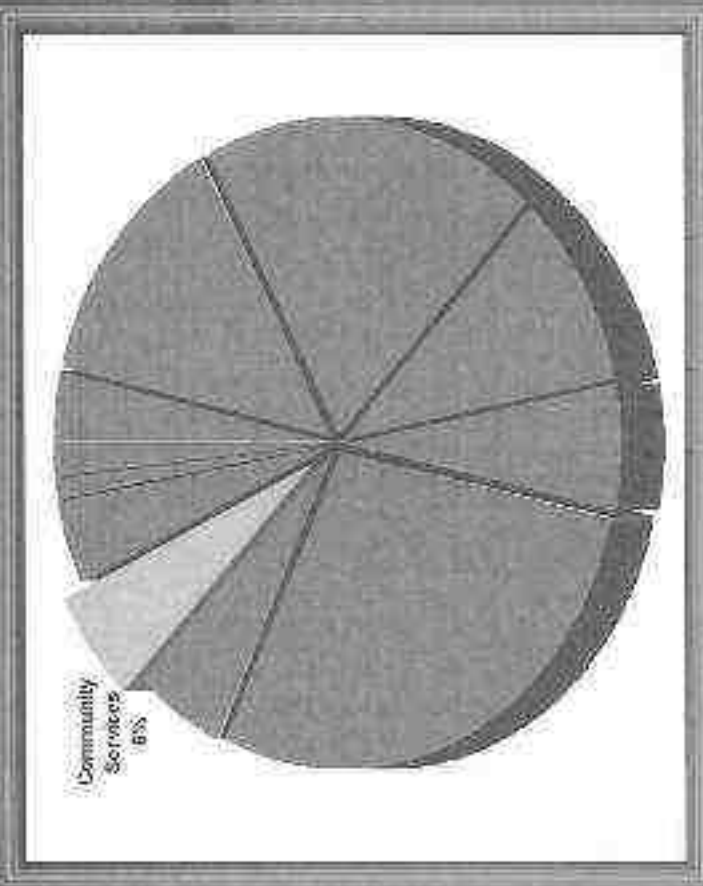


- Auditor
- Treasurer
- Tax Assessor
- Computer Tax Center
- Delinquent Tax Collector
- Board of Assessment Appeals

- Total

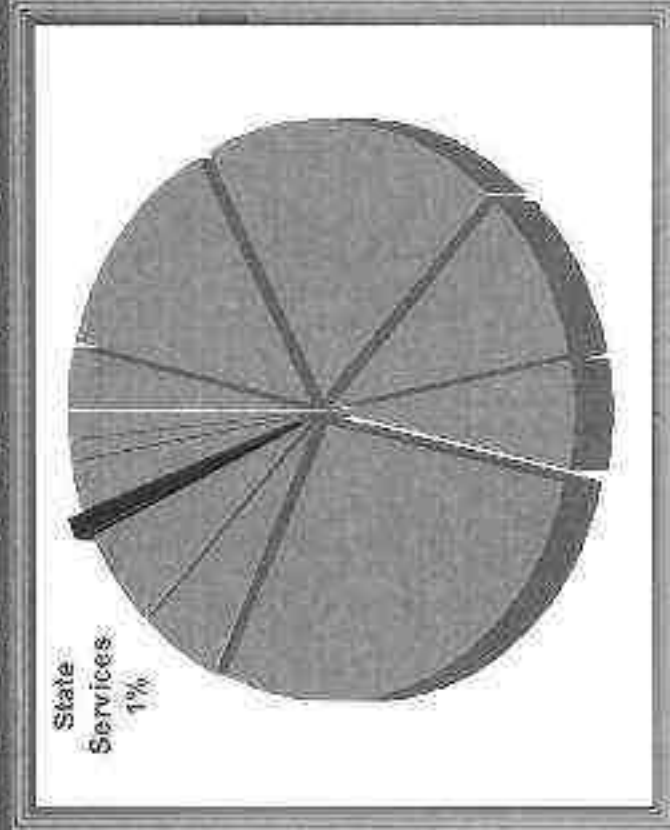
\$	349,442
\$	373,749
\$	1,018,230
\$	150,830
\$	200,572
\$	12,769
\$	2,105,585

COMMUNITY SERVICES



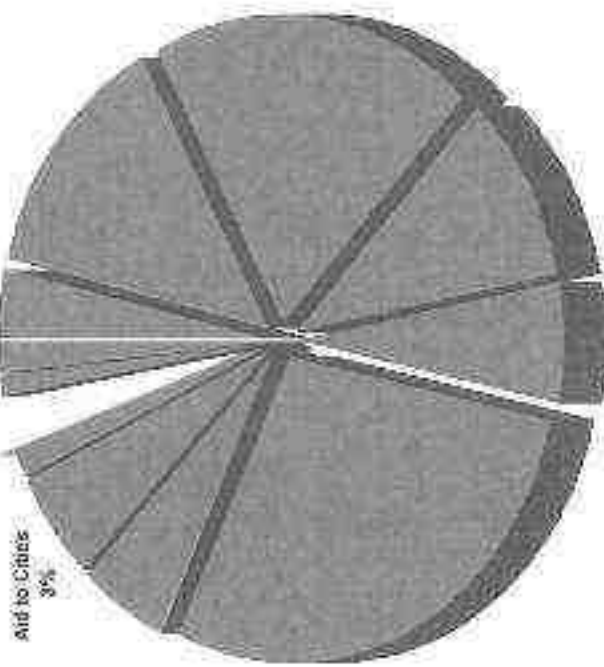
■ Parks, Recreation & Tourism	\$ 978,783
■ Library	\$ 1,261,012
■ Arts & Historical	\$ 207,117
■ Total	\$ 2,446,912

STATE SERVICES



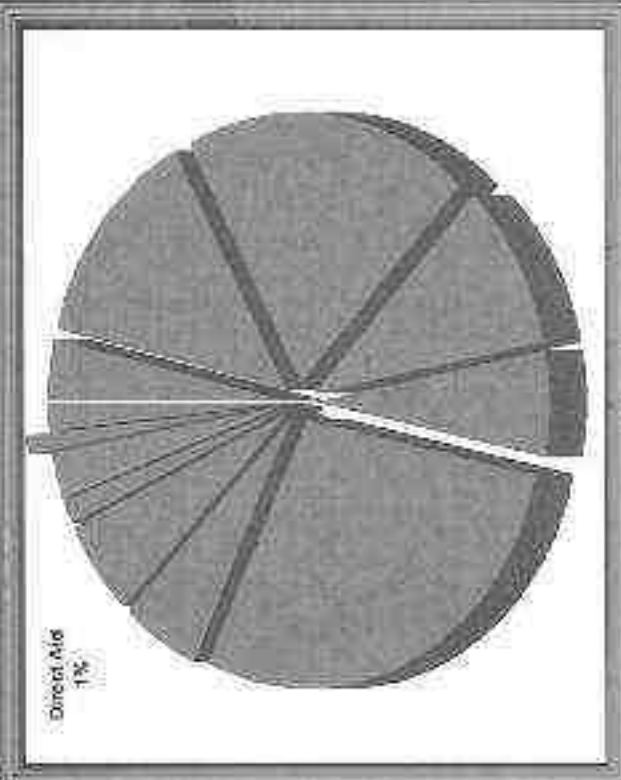
■ Legislative Delegation	\$ 84,314
■ Health Department	\$ 112,150
■ DSS/DHHS	\$ 14,510
■ Veterans Affairs	\$ 178,064
■ Cooperative Extension Services	\$ 8,750
■ Charity Medical Indigent	\$ 171,224
■ Total	\$ 569,012

AID TO CITIES



■ Revenue Sharing	\$ 405,563
■ Recreation	\$ 31,000
■ SWAG Agreement	\$ 600,000
■ Total	\$1,036,563

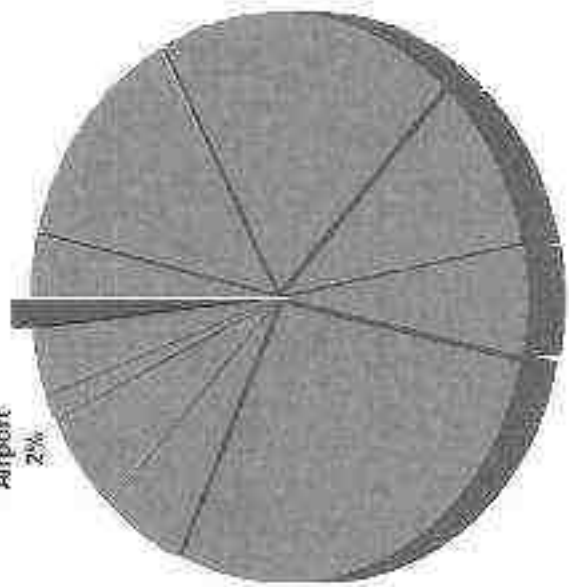
DIRECT AID



■ Anderson, Oconee, Speech & Hearing	\$ 150,000
■ OMH Ambulance Service	\$ 75,000
■ Oconee Board of Disabilities & Special Needs	\$ 60,000
■ Anderson, Oconee Mental Health	\$ 87,815
■ Senior Solutions (aka Council on Aging)	\$ 16,951
■ Lakeview Rest Home	\$ 25,000
■ Foothills Rape Crisis Center	\$ 40,000
■ SC National Heritage Corridor	\$ 2,200
■ Total	\$ 456,966

AIRPORT

Airport
2%



■ Airport

\$ 723,510

GRAND TOTAL

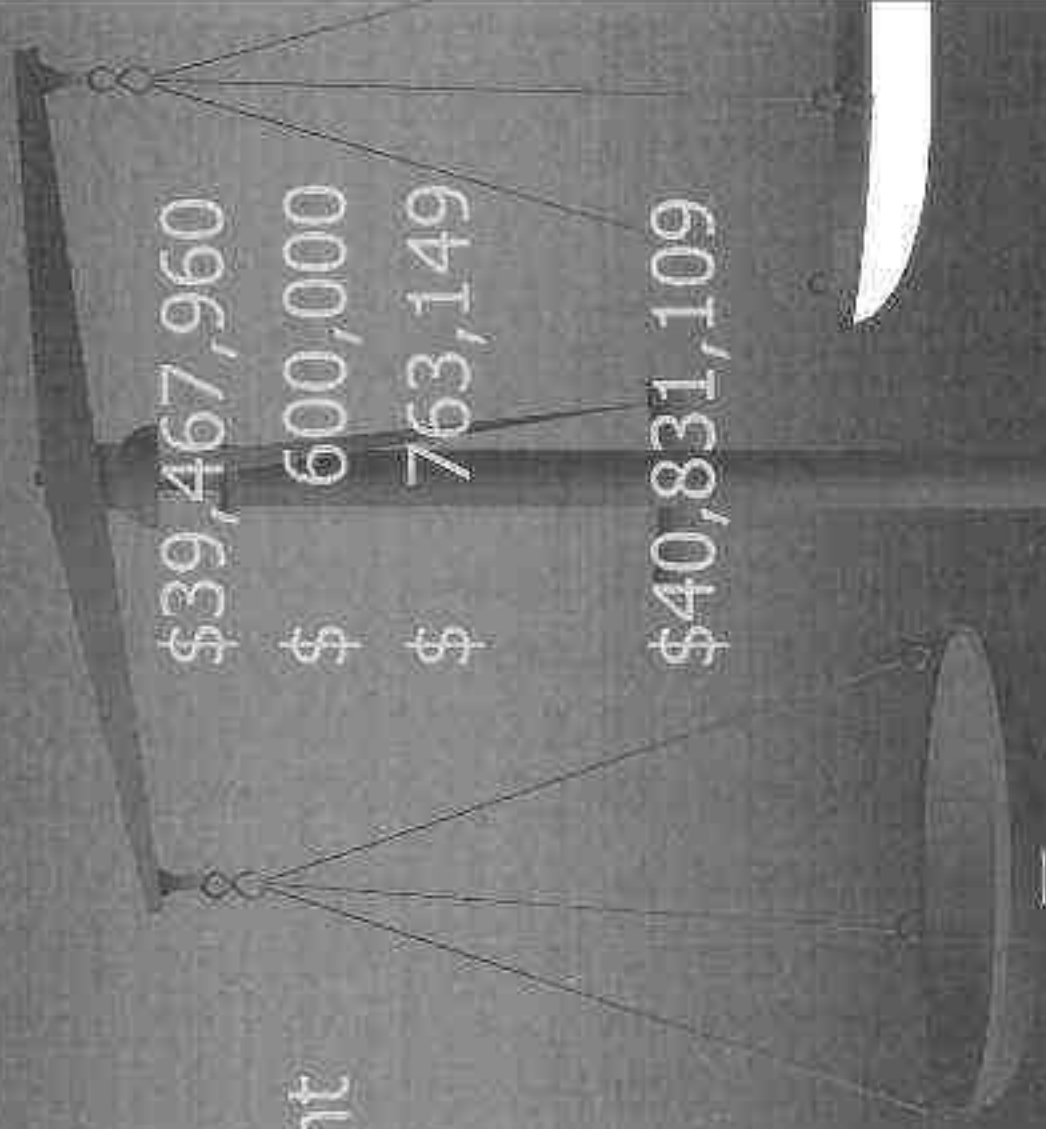
- General Fund
- SWAG Agreement
- Solid Waste
- Total

\$39,467,960

\$ 600,000

\$ 763,149

\$40,831,109



EXPENDITURES BY FUNCTION

EXPENDITURES BY FUNCTION

