



**WALTERBORO CITY COUNCIL
REGULAR MEETING
DECEMBER 7, 2021
CITY HALL
6:15 P.M.**

REVISED AGENDA

I. Call to Order:

1. Invocation.
2. Pledge of Allegiance.

II. Public Input on Agenda Items:

III. Presentations:

1. PRTC Community Grant- Michelle Strickland, PRTC Marketing Coordinator.
2. 2020-2021 Annual Comprehensive Financial Report- The Baird Audit Group, LLC- Ms. Brenda Carroll.

IV. New Business:

1. **Ordinance # 2021-08**, AN ORDINANCE PROVIDING FOR THE ISSUANCE OF AND SALE OF NOT EXCEEDING FOUR MILLION DOLLARS (\$4,000,000) HOSPITALITY AND ACCOMMODATIONS FEE IMPROVEMENT AND REFUNDING REVENUE BOND, SERIES 2022 OF THE CITY OF WALTERBORO, SOUTH CAROLINA; PROVIDING FOR THE ISSUANCE OF BOND ANTICIPATION NOTES; AND OTHER MATTERS RELATING THERETO.
2. **Resolution # 2021-R-23**, A RESOLUTION AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE SC DEPARTMENT OF PARKS, RECREATION AND TOURISM UNDISCOVERED SC GRANT PROGRAM IN THE AMOUNT OF \$200,000.00 FOR THE REPLACEMENT AND REHABILITATION OF BOARDWALKS IN THE WALTERBORO WILDLIFE SANCTUARY AND COMMITMENT OF \$1,500,00 FOR THE PROJECT.
3. Fiscal Year 2022-2023 Budget Calendar.

V. Adjournment.



FOUNDATION FOR
RURAL SERVICE

For Immediate Release

PRTC Celebrates with The City of Walterboro on Foundation for Rural Service Grant Award

Walterboro, S.C., (December 2, 2021) – The Foundation for Rural Service (FRS), the philanthropic arm of NTCA–The Rural Broadband Association, today announced the recipients of 20 grants totaling over \$89,000 to support projects in communities served by NTCA members.

PRTC is pleased to announce The City of Walterboro as one of these grant recipients. The City of Walterboro received \$5,000 to purchase, network, and program two digital touchscreen kiosks to launch an interactive education platform in the Walterboro Wildlife Center.

“We are extremely thankful for PRTC’s continued support of local initiatives. We are excited to grow our educational and interactive offerings for the entertainment of tourists and guests and education of our local youth. The sanctuary is a rich, unique environment and the more ways that we can allow people to experience it and appreciate it the better our park and community will be,” said Assistant City Manager Hank Amundson.

“PRTC is delighted to assist in the development of the Walterboro Wildlife Center, such a truly innovative addition to our community,” said PRTC Chief Executive Office Jason Dandridge. “To have a project chosen from the PRTC service area reinforces our mission, providing access to the absolute best fiber network, fostering growth and development in the region.”

“FRS is proud to support these projects throughout the country to promote health, safety, education and growth in rural communities,” said FRS Executive Director Pam Becker. “The pandemic has shown us how important access to these vital services is, and these organizations have done tremendous work in their communities. Thank you to the NTCA members who partnered with FRS to fund these projects. I also want to thank former FRS Board Chair Carri Bennet for her generosity and vision to create the Carri Bennet Rural Economic Development Grant Fund to support rural economic development as part of the [FRS Community Grant Program](#).”

###

The Foundation for Rural Service (FRS), the philanthropic arm of NTCA–The Rural Broadband Association and its members, seeks to sustain and enhance the quality of life in rural America by advancing an understanding of rural issues. Through scholarships, grants, and a variety of educational programs, FRS focuses on educating rural youth, encouraging community

development and introducing policymakers to challenges unique to rural communities. Visit us at www.frs.org.

NTCA—The Rural Broadband Association is the premier association representing nearly 850 independent, community-based telecommunications companies that are leading innovation in rural and small-town America. In an era of transformative technological advancements, regulatory challenges and marketplace competition, NTCA members are leading the technological evolution for rural consumers, delivering robust and high-quality services over future-proof networks that make rural communities vibrant places in which to live and do business. Because of their efforts, rural America is fertile ground for innovation in economic development, e-commerce, health care, agriculture and education, and it contributes billions of dollars to the U.S. economy each year. Visit us at www.ntca.org.

ORDINANCE # 2022-08

2022 SERIES ORDINANCE

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT EXCEEDING FOUR MILLION DOLLARS (\$4,000,000) HOSPITALITY AND ACCOMMODATIONS FEE IMPROVEMENT AND REFUNDING REVENUE BOND, SERIES 2022 OF THE CITY OF WALTERBORO, SOUTH CAROLINA; PROVIDING FOR THE ISSUANCE OF BOND ANTICIPATION NOTES; AND OTHER MATTERS RELATING THERETO.

Dated January 4, 2022

BE IT ORDAINED by the City Council of the City of Walterboro (the “*City Council*”), the governing body of the City of Walterboro, South Carolina (the “*City*”):

Section 1. Findings of Fact. As an incident to the enactment of this ordinance (this “*2022 Series Ordinance*”), and the issuance of the indebtedness provided for herein, the City Council finds that the facts set forth in this Section 1 exist and the following statements are in all respects true and correct:

(a) The City Council recognizes that tourism is an effective way of redistributing wealth in a community. Vibrant tourism provides: (a) economic benefits by providing jobs, increased spending, economic diversification and infrastructure redevelopment; (b) social benefits by creating community identity and pride; and (c) environmental benefits through financial support or in-kind support of local environmental and natural resources.

(b) The City Council previously enacted an Amended and Restated General Bond Ordinance (the “*Bond Ordinance*”) on June 5, 2018, providing for the issuance of Hospitality and Accommodations Fee Revenue Bonds as described in Section 3.01 therein. Terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Ordinance.

(c) City Council has now determined that it is in the best interest of the City to finance the costs of reconstruction and rehabilitation to the City’s Wildlife Sanctuary (the “*Project*”).

(d) Upon completion, the Project is expected to attract tourists (as such term is used in Act No. 284), promote tourism in and to the City and optimize the economic, social and environmental benefits discussed above. The Project is further expected to: (a) encourage visitors to the City; (b) showcase the City’s existing assets; (c) allow for community events and cross-promotional endeavors; (d) expand regional and intergovernmental cooperation; (e) stimulate spending in the City; and (f) serve as an inducement to economic development and private investment within the City.

(e) For these and other reasons, the Project constitutes both a “tourism-related cultural...facility” and a “tourism-related ... recreational...facility” as provided at Section 6-1-530 of the Accommodations Fee Act and Section 6-1-730 of the Hospitality Fee Act.

(f) The City Council has determined at this time, due to prevailing conditions in the municipal bond market and upon advice of its Financial Advisor (as defined herein) that a savings in debt service may be obtained by refunding the City’s originally issued \$2,000,000 Hospitality and Accommodations Fee Revenue Bond, Series 2018 (the “*Series 2018 Bond*”).

(g) The City has determined to issue a Hospitality and Accommodations Fee Improvement and Refunding Revenue Bond, Series 2022 (the “*Series 2022 Bond*”) to (1) provide for the redemption in full of the Series 2018 Bond; (2) defray the costs of the Project, including the recoupment of funds previously expended; and (3) to pay the costs of issuance of the Series 2022 Bond.

(h) By reason of the foregoing, the City has determined to adopt this 2022 Series Ordinance in accordance with the terms and provisions of the Bond Ordinance in order to provide for the issuance of the Series 2022 Bond under the terms hereof.

Section 2. Definitions. The terms defined above and in this Section 2 and all words and terms defined in the Bond Ordinance (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this 2022 Series Ordinance have the respective meanings given to them in the Bond Ordinance and in this Section 2.

“**2022 Debt Service Fund**” shall mean that fund established pursuant to Section 6.03(a) of the Bond Ordinance and Section 5(a) of this 2022 Series Ordinance.

“**2022 Debt Service Reserve Fund**” shall mean the fund, if any, established pursuant to Section 6.04 of the Bond Ordinance and Section 5(c) of this 2022 Series Ordinance.

“**2022 Series Ordinance**” shall mean this 2022 Series Ordinance.

“**City Manager**” shall mean the City Manager of the City.

“**Escrow Agent**” means a financial institution appointed by the City Manager to hold funds for the purpose of defeasing all or a portion of the Series 2022 Bond in accordance with Section 12 of this 2022 Series Ordinance.

“**Government Obligations**” means (1) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America are pledged; (2) obligations, the payment of the principal (if any), or the interest (if any) on which is fully guaranteed as a full faith and credit obligation of the United States of America; (3) non-callable, U.S. Treasury Securities – State and Local Government Series Securities; and (4) AAA-rated general obligation bonds (based upon a rating issued by at least one nationally recognized credit rating organization) of the State, its institutions, agencies, school districts and political subdivisions.

“**Governmental Unit**” means a state or local governmental unit within the meaning of Section 141(b) of the Code.

“**Nongovernmental Person**” means any Person other than a Governmental Unit.

“**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.

“**Purchaser**” means the banking or financial institution that purchases the Series 2022 Bond.

“**Taxable Bond**” means a Series of the Series 2022 Bond that have been designated as taxable under the Code by the City Manager.

Section 3 Authorization of Series 2022 Bond, Maturity and Interest Rate.

(a) The Date of Issue of the Series 2022 Bond shall be the date of its original delivery. The Series 2022 Bond shall be issued as a single typewritten, fully registered bond in the denomination of the principal amount thereof, and shall bear interest at the rate determined in accordance with the provisions contained herein (calculated per annum on the basis of a 360-day year of twelve 30-day months); however, that in no event shall the principal amount of the Bond exceed \$4,000,000.

The Series 2022 Bond shall be in substantially the form attached hereto as Exhibit A, with any necessary or appropriate variations, omissions, and insertions as are incidental to the series, number, denomination, maturity, interest rate, redemption provisions, and other details thereof or as are otherwise permitted or required by law or by the Bond Ordinance, including this 2022 Series Ordinance.

(b) Interest on the Series 2022 Bond shall be determined pursuant to the sale provisions provided in Section 8 hereof. Interest on the Series 2022 Bond shall be payable on such dates as determined by the City Manager. The Record Dates for the payment of interest on the Series 2022 Bond shall be 15th day immediately preceding each principal or interest payment date.

(c) The Series 2022 Bond shall mature on such date as to be determined by the City Manager.

(d) As determined by the City Manager, the Series 2022 Bond may be sold in multiple series bearing any such designation as appropriate. Should the Series 2022 Bond not be issued in calendar year 2022, the designation for the Series 2022 Bond and all other references to “2022” recited herein shall be changed to appropriately reflect the year of such actual issuance. References herein to the Series 2022 Bond or Bonds shall include all Series of Bonds.

(e) The City Council does hereby determine that the Series 2018 Bond to be refunded by the Series 2022 Bond may be conditionally or irrevocably called for redemption on such date or dates as determined by the City Manager. The City Manager is hereby authorized to (i) determine, upon the advice of the Financial Advisor, if and how the Series 2018 Bond shall be redeemed, (ii) determine and select which maturities of the Series 2018 Bond are to be refunded with a portion of the proceeds of the Series 2022 Bond, and (iii) provide for notices of defeasance and redemption, respectively and as applicable, in such manner, forms and times as required by the proceedings authorizing the issuance of the Series 2018 Bond.

Section 4 Redemption Provisions. The Series 2022 Bond shall be subject to redemption prior to maturity, at the option of the City upon the terms agreed to by and between the City Manager and the Purchaser.

Section 5 Establishment of Funds.

(a) In accordance with Section 6.03 of the Bond Ordinance, there is hereby established the 2022 Debt Service Fund. The 2022 Debt Service Fund shall be held in the complete control and

custody of the City. Deposits thereto shall be made in accordance with the provisions of the Bond Ordinance.

(b) In accordance with Section 6.05 of the Bond Ordinance, there is hereby established the Series 2022 Construction Fund. Upon delivery of the Series 2022 Bond, the proceeds thereof shall be deposited into the Series 2022 Construction Fund. Disbursements shall be made from the Series 2022 Construction Fund to defray the costs of the Project and costs of issuance of the Series 2022 Bond. To the extent the City, acting through the City Manager, determines to redeem the Series 2018 Bond (under Section 3(e) above), such amounts shall be disbursed from the Series 2022 Construction Fund, or, alternatively, may be disbursed directly to the respective holders thereof at the closing of the Series 2022 Bond. The Series 2022 Construction Fund shall be held, maintained and controlled by the City or as the City otherwise directs.

(c) In accordance with Section 6.04 of the Bond Ordinance, a 2022 Debt Service Reserve Fund may be established, if required by the Purchaser.

(d) As permitted by the Bond Ordinance, the City shall maintain the Hospitality Fund and the Accommodations Fund.

Section 6 Certain Findings and Determinations. The City finds and determines:

(a) This 2022 Series Ordinance supplements the Bond Ordinance, constitutes and is a “Series Ordinance” within the meaning of the quoted term as defined and used in the Bond Ordinance, and is enacted under and pursuant to the Bond Ordinance.

(b) The Series 2022 Bond constitutes and is a “Bond” within the meaning of the quoted word as defined and used in the Bond Ordinance.

(c) The Hospitality Fee Revenues and Accommodations Fee Revenues pledged under the Bond Ordinance are not encumbered by any lien or charge thereon or pledge thereof other than as permitted under the Bond Ordinance.

(d) There does not exist an Event of Default, nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute an Event of Default under the Bond Ordinance.

(e) The Series 2022 Bond is being issued for the purposes described in Section 1(g) of this 2022 Series Ordinance.

(f) In accordance with Section 4.10 of the Bond Ordinance, no Trustee has been appointed under this 2022 Series Ordinance and the Clerk shall serve as Registrar for the Series 2022 Bond.

(g) Payment of the final bond payment due on this Bond shall be made when the same is due and payable upon the presentation and surrender for cancellation of the Bond at the

administrative office of the City as Registrar; however, final presentment and surrender of the Bond may be waived by a mutual, written agreement of the City and the Holder.

Section 7 Continuing Disclosure. Pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, the City covenants to file with a central repository for availability in the secondary bond market, when requested, an annual independent audit, within 30 days of its receipt of the audit; and event specific information within 30 days of an event adversely affecting more than 5% of its revenue or tax base. The only remedy for failure by the City to comply with the covenant in this Section 7 shall be an action for specific performance of this covenant. The City specifically reserves the right to amend this covenant to reflect any change in or repeal of such Section 11-1-85, without the consent of any Purchaser.

Section 8 Sale of Series 2022 Bond.

(a) The City Manager is hereby authorized to solicit bids from such banking institutions and upon such terms as he shall determine for the purchase of the Series 2022 Bond. Unless all of the bids are rejected, the award of the Series 2022 Bond shall be made to the party offering the terms most advantageous to the City. The City Manager, in his sole discretion, shall determine what grounds constitute the terms most advantageous to the City, considering the lowest overall borrowing costs to the City and any terms or conditions specific to each bid. Alternatively, the City Manager, with the assistance of the Financial Advisor, is authorized to negotiate the sale of the Series 2022 Bond directly with such banking institutions as he shall determine.

(b) A copy of this 2022 Series Ordinance shall be filed with the minutes of this meeting.

(c) The City Council hereby authorizes and directs all of the officers and employees of the City to carry out or cause to be carried out all obligations of the City under the Bond Ordinance and this 2022 Series Ordinance and to perform all other actions as they shall consider necessary or advisable in connection with the issuance, sale, and delivery of the Series 2022 Bond.

Section 9 Tax Covenants.

(a) *General Tax Covenant.* The City will comply with all requirements of the Code in order to preserve the tax-exempt status of the Bond, including without limitation, (1) the requirement to file Form 8038-G, *Information Return for Tax-Exempt Government Obligations*, with the Internal Revenue Service, and (2) the requirement to rebate certain arbitrage earnings to the United States Government pursuant to Section 148(f) of the Code. In this connection, the City 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 9, including its certification on reasonable grounds that the Series 2022 Bond is not an “arbitrage bond” within the meaning of Section 148 of the Code.

(b) *Tax Representations.* The City 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 Series 2022 Bond to become includable in the gross income of the Registered Holder thereof for federal income tax purposes pursuant to the provisions of the Code. Without limiting the generality of the foregoing, the City represents and covenants that:

- (1) All property financed or refinanced with the proceeds of the Series 2022 Bond will be owned by the City or another political subdivision of the State so long as the Series 2022 Bond is Outstanding in accordance with the rules governing the ownership of property for federal income tax purposes.
- (2) The City shall not use, and will not permit any party to use, the proceeds of the Series 2022 Bond, or any bonds refunded thereby, in any manner that would result in (i) 10% or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any Nongovernmental Person, (ii) 5% or more of such proceeds being considered as having been used directly or indirectly in any trade or business of any Nongovernmental Person that is either “unrelated” or “disproportionate” to the governmental use of the financed facility by the City or by any other Governmental Unit (as the terms “unrelated” and “disproportionate” are defined for purposes of Section 141(b)(3) of the Code) or (iii) more than 5% of such proceeds, but in no event more than \$5,000,000, being considered as having been used directly or indirectly to make or finance loans to any Nongovernmental Person.
- (3) The City is not a party to, and will not enter into or permit any other party to enter into, any contract with any person involving the management of any facility financed or refinanced with the proceeds of the Series 2022 Bond or by notes paid by the Series 2022 Bond that does not conform to the guidelines set forth in Revenue Procedure 2017-13, or a successor revenue procedure, or Code provision.
- (4) The City will not sell, or permit any other party to sell, any property financed or refinanced with the Series 2022 Bond to any person unless it obtains an opinion of Bond Counsel that such sale will not affect the tax-exempt status of the Series 2022 Bond.
- (5) The Series 2022 Bond will not be “federally guaranteed” within the meaning of Section 149(b) of the Code. The City shall not enter into, or permit any other party to enter into, any leases or sales or service contract with any federal government agency with respect to any facility financed or refinanced with the proceeds of the Series 2022 Bond and will not enter into any such leases or contracts unless it obtains the opinion of Bond Counsel that such action will not affect the tax-exempt status of the Series 2022 Bond.

(c) *Arbitrage Bonds, Rebate.* The City covenants that no use of the proceeds of the sale of the Series 2022 Bond shall be made which, if such use had been reasonably expected on the date of issue of the Series 2022 Bond, would have caused the Series 2022 Bond to be “arbitrage bonds” as defined in the Code, and to that end the City shall:

- (1) comply with the applicable regulations of the United States Department of Treasury previously promulgated under Section 103 of the Internal Revenue Code of 1954,

as amended, and any regulations promulgated under the Code, so long as the Series 2022 Bond is Outstanding;

- (2) establish such funds, make such calculations, and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebate of certain amounts to the United States Government;
- (3) make such reports of such information at the time and places required by the Code; and
- (4) take such other action as may be required to assure that the tax-exempt status of the Series 2022 Bond will not be impaired.

(e) *Tax Certificate.* The City Manager is hereby authorized and directed to execute, at or prior to delivery of the Series 2022 Bond, a certificate or certificates specifying actions taken or to be taken by the City, and the reasonable expectations of such officials, with respect to the Series 2022 Bond, the proceeds thereof, or the City. The City agrees to comply with its undertakings on its part set forth in any such certificate delivered with respect to Bond.

(f) *Reimbursement Declaration.* The City hereby declares its intention to reimburse itself for a portion of the costs of the Project with the proceeds of the Series 2022 Bond. To that end, the City Council determines and declares as follows:

- (1) No funds from any sources other than the Series 2022 Bond are or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City pursuant to the budget or financial policies of the City for the financing of the portion of the costs of acquisition, construction, and equipping of the Project to be funded with the Series 2022 Bond;
- (2) The City reasonably expects that all or a portion of the expenditures incurred for the Project and the issuance of the Series 2022 Bond will be paid prior to the issuance of the Series 2022 Bond;
- (3) The City intends and reasonably expects to reimburse itself for all such expenditures paid by it with respect to the Project prior to the issuance of the Series 2022 Bond from the proceeds of the Series 2022 Bond, and such intention is consistent with the budgetary and financial circumstances of the City;
- (4) All of the costs to be paid or reimbursed from the proceeds of the Series 2022 Bond will be for costs incurred in connection with the issuance of the Series 2022 Bond, or will, at the time of payment thereof, be properly chargeable to the capital account of the Project (or would be so chargeable with a proper election) under general federal income tax principles; and
- (5) this 2022 Series Ordinance shall constitute a declaration of official intent under United States Department of the Treasury Regulation Section 1.150-2.

(g) *Taxable Bond.* Prior to or upon the issuance of the Series 2022 Bond, the City Manager may, in consultation with Bond Counsel, designate the Series 2022 Bond or a Series thereof as Taxable Bonds. The election to issue a Series of Taxable Bonds shall be clearly indicated by including the phrase “Taxable Series,” or words to that effect, in the series designation of such Taxable Bonds. The above provisions of this Section 9 shall not be applicable to any Series of Taxable Bonds.

Section 10 Qualified Tax-Exempt Obligation - Designation.

The City expects to issue no tax-exempt obligations in calendar year 2022 which, along with the Series 2022 Bond, would aggregate more than \$10,000,000. Accordingly, the Series 2022 Bond is hereby designated as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Code.

Section 11 Defeasance.

(a) If the Series 2022 Bond issued pursuant to this 2022 Series Ordinance shall have been paid and discharged, then the obligations of this 2022 Series Ordinance hereunder, and all other rights granted thereby shall cease and determine. The Series 2022 Bond shall be deemed to have been paid and discharged within the meaning of this section under any of the following circumstances:

- (1) The Escrow Agent shall hold at the stated maturities of the Series 2022 Bond, in trust and irrevocably appropriated thereto, sufficient moneys for the payment of the principal installment and interest, or redemption price, thereof; or
- (2) If default in the payment of the principal of the Series 2022 Bond or the interest thereon shall have occurred on any bond payment date, and thereafter tender of such payment shall have been made, and at such time as the Escrow Agent shall hold, in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or
- (3) If the City shall elect to provide for the payment of the Series 2022 Bond prior to its stated maturity 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 installments, redemption price, and interest due and to become due on the Series 2022 Bond on and prior to its maturity date or redemption date, as the case may be. In the event that the City shall elect to redeem the Series 2022 Bond prior to its stated maturity, the City shall proceed to provide irrevocable direction to redeem the Series 2022 Bond.

Neither the Government Obligations nor moneys deposited with the Escrow Agent pursuant to this Section nor the principal or interest payments thereon shall be withdrawn or used for any purpose

other than, and shall be held in trust for, the payment of the principal installment and interest, or redemption price, of the Series 2022 Bond; provided that any cash received from such principal or interest payments on Government Obligations deposited with the Escrow Agent, 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 installment, interest, or redemption price, to become due on the Series 2022 Bond on and prior to the maturity date or redemption date thereof, as the case may be, and interest earned from such reinvestments not required for the payment of the principal installment and interest, or redemption price, may be paid over to the City, as received by the Escrow Agent, free and clear of any trust, lien or pledge.

(b) In addition to the above requirements of paragraphs (a)(1), (2), and (3), in order for this 2022 Series Ordinance to be discharged, all other fees, expenses and charges of the Escrow Agent shall have been paid in full at that time.

(c) Notwithstanding the satisfaction and discharge of this 2022 Series Ordinance, the Escrow Agent, as applicable, shall continue to be obligated to hold in trust any moneys or investments then held by the Escrow Agent for the payment of the principal installments and interest, or redemption price, of the Series 2022 Bond, to pay to the Registered Holder of Bond the funds so held by the Escrow Agent as and when payment becomes due.

(d) Any release under this Section shall be without prejudice to the rights of the Escrow Agent to be paid reasonable compensation for all services rendered under this 2022 Series Ordinance and all reasonable expenses, charges, and other disbursements and those of their respective attorneys, agents, and employees, incurred on and about the performance of the powers and duties under this 2022 Series Ordinance.

(e) Any moneys which at any time shall be deposited with the Escrow Agent by or on behalf of the City for the purpose of paying and discharging the Series 2022 Bond shall be and are hereby assigned, transferred, and set over to the Escrow Agent, as applicable, in trust for the Registered Holder of the Series 2022 Bond, and the moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. If, through lapse of time or otherwise, the Holders of the Series 2022 Bond shall no longer be entitled to enforce payment of their obligations, then, in that event, it shall be the duty of the Escrow Agent to transfer the funds to the City.

(f) Any Escrow Agent shall be appointed by the City Manager and shall accept in writing its acceptance to its obligations under this 2022 Series Ordinance.

Section 12 Interested Parties. Nothing in the Bond Ordinance or this 2022 Series Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City and the Purchaser, any right, remedy or claim under or by reason of the Bond Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in the Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the Purchaser.

Section 13 Additional Provisions. The Bond Ordinance remains in full force and effect and shall govern the issuance of the Series 2022 Bond.

Section 14 Additional Documents; Further Authorization. The City Manager and the City Clerk are fully authorized and empowered to take any further action and to execute and deliver any closing documents as may be necessary and proper to effect the delivery of the Series 2022 Bond in accordance with the terms and conditions hereof. The actions by any of the authorized officers in executing and delivering documents in any such form as he or she shall approve is hereby fully authorized. Additionally, any actions taken by the above-mentioned officials affecting the delivery of the Series 2022 Bond prior to the enactment of this 2022 Series Ordinance are hereby approved and authorized.

Section 15 Section Headings. The headings and titles of the several sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation, or effect of this 2022 Series Ordinance.

Section 16 Required Publications and Public Hearing. By the terms of the Bond Ordinance and the Enabling Act, the Series 2022 Bond is being issued pursuant to the procedures in Section 4-29-68 of the Code of Laws of South Carolina 1976, as amended (“*Section 4-29-68*”). As required by Section 4-29-68, a public hearing shall be held prior to enactment of this 2022 Series Ordinance. Notice of such public hearing shall in the form set forth in Exhibit B attached hereto.

Section 17 Severability. If any one or more of the covenants or agreements provided in this 2022 Series Ordinance on the part of the City or the Trustee, if any, to be performed should be contrary to applicable 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 2022 Series Ordinance.

Section 18 Professional Services. The City Council hereby authorizes, approves or ratifies, as applicable, the engagement of PFM Financial Advisors, LLC to act as financial advisor (the “*Financial Advisor*”) and Pope Flynn, LLC to act as Bond Counsel in connection with the issuance of the Series 2022 Bond and authorizes (or ratifies, as applicable) the City Manager to engage the services of such other professionals and institutions of a type and in a manner customary in connection with the issuance of municipal bonds, including, but not limited to, contractual arrangements with other professionals, rating agencies, verification agents, financial and trust institutions, printers and the suppliers of other goods and services in connection with the sale, execution and delivery of the Series 2022 Bond, as is necessary and desirable.

Section 19 Effective Date. This 2022 Series Ordinance shall become effective immediately upon its enactment.

DONE, RATIFIED AND ENACTED THIS 4th day of January 2022.

CITY OF WALTERBORO, SOUTH CAROLINA

Mayor

Attest:

City Clerk
City of Walterboro, South Carolina

First Reading: December 7, 2021
Public Hearing: January 4, 2022
Second Reading: January 4, 2022

FORM OF BOND

WITH THE CONSENT OF THE PURCHASER, AND NOTWITHSTANDING ANY CONTRARY PROVISION CONTAINED IN THE BOND ORDINANCE OR THE 2022 SERIES ORDINANCE, THE BOND MAY BE SOLD OR TRANSFERRED ONLY TO PURCHASERS WHO EXECUTE AN INVESTMENT LETTER DELIVERED TO THE CITY, IN FORM SATISFACTORY TO THE CITY, CONTAINING CERTAIN REPRESENTATIONS, WARRANTIES AND COVENANTS AS TO THE SUITABILITY OF SUCH PURCHASERS TO PURCHASE AND HOLD THE BOND. SUCH RESTRICTION SHALL BE SET FORTH ON THE FACE OF THE BOND AND SHALL BE COMPLIED WITH BY EACH TRANSFEREE OF THE BOND.

R-1

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF WALTERBORO
HOSPITALITY AND ACCOMMODATIONS FEE
IMPROVEMENT AND REFUNDING REVENUE BOND
SERIES 2022

No. R-1

Interest Rate Final Maturity Date Original Date Of Issue
_____ % _____, 2022

REGISTERED HOLDER: _____

PRINCIPAL SUM: _____ Dollars (\$ _____)

CITY OF WALTERBORO, SOUTH CAROLINA (the "**City**"), acknowledges itself indebted and for value received hereby promises to pay, solely from the sources and as hereinafter provided, to _____ (the "**Bank**"), or its registered assigns, the Principal Sum stated above, in the manner provided below, with interest thereon from the date hereof at the Interest Rate stated above (calculated on the basis of a 360 day year, consisting of twelve 30 day months). This Series 2022 Bond (this "**Bond**") shall be payable _____ with respect to principal and interest on each _____ [and] _____ (the "**Bond Payment Date(s)**") for a _____ (____) year term.

The principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The principal so payable will be paid to the person in whose name this Bond is registered at the close of business on the 15th day immediately preceding each Bond Payment Date (the "**Record Date**"). The principal of this Bond shall be paid by check, draft or wire transfer by the

City, as paying agent, to the person in whose name this Bond is registered on the Record Date at the address shown on the registration books. [The City and the Registered Holder have mutually agreed to waive all requirements for presentation and surrender of this Bond in connection with the payment thereof; provided, however that upon the payment of final bond payment, the Registered Holder will either (1) present and surrender this Bond, (2) provide other indicia of satisfaction, or (3) [insert mutually agreed mechanism].]

This Bond is issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina (the "**State**"), including particularly Act No. 284 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 2010, now codified at S.C. Code Ann. Section 6-1-760 of the Code of Laws of South Carolina 1976, as amended and including the procedures of Section 4-29-68 of the Code of Laws of South Carolina 1976, as amended, a Hospitality Tax Ordinance duly enacted by the City Council of the City (the "**City Council**"), the governing body of the City, on April 4, 2006 (the "**Hospitality Fee Ordinance**"), an Accommodations Tax Ordinance duly enacted by the City Council on June 27, 2006 (the "**Accommodations Fee Ordinance**"), an Amended and Restated General Bond Ordinance duly enacted by the City Council on June 5, 2018 (the "**General Bond Ordinance**") and a Series Ordinance duly enacted by the City Council on January 4, 2022 (the "**Series Ordinance**" and together with the General Bond Ordinance, the "**Ordinance**"). Certain capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the Clerk of Court for Colleton County, South Carolina.

[redemption provisions]

Both the principal of and interest on this Bond, as the same shall become due, are payable solely from the Hospitality Fees imposed and collected pursuant to the Hospitality Fee Ordinance (the "**Hospitality Fees**") and the Accommodations Fees imposed and collected pursuant to the Accommodations Fee Ordinance (the "**Accommodations Fees**" and, together with the Hospitality Fees, the "**Revenues**"). This Bond is not secured by, or in any way entitled to, a pledge of the full faith, credit or taxing power of the City and shall not in any event constitute an indebtedness of the City within the meaning of any provision, limitation or restriction of the Constitution or statutes of the State, other than those provisions authorizing indebtedness payable solely from a special source, which source does not involve revenues from any tax or license. This Bond is not a pecuniary liability of the City or a charge against the City's general credit or taxing power. The City is not obligated to pay this Bond, or the interest hereon, save and except from the Revenues.

Unless otherwise limited, suspended or terminated by the General Assembly, the City has covenanted that it shall not at any time, during the term that this Bond is outstanding, reduce the percentage of the Hospitality Fee below one percent (1%) of the gross proceeds of sales of prepared meals and beverages sold in establishments within the City and, unless otherwise limited, suspended or terminated by the General Assembly, the City has covenanted that it shall not at any time, during the term that this Bond is outstanding, reduce the percentage of the Accommodations Fee below one and one-half percent (1.5%) of the gross proceeds derived from rental or charges for accommodations furnished to transients for consideration within the City.

For the payment of the principal of and interest on this Bond, there are hereby irrevocably pledged the Revenues and a contractual lien upon the Revenues (as defined in the Ordinance) has been granted to the Bank. The Ordinance authorizes the issuance of additional Bonds on a parity with the pledge and a lien given to secure this Bond which, when issued in accordance with the provisions of the General Bond Ordinance, will rank equally and be on a parity therewith (this Bond and all bonds heretofore or hereafter issued on a parity therewith are hereinafter referred to as the "**Bonds**").

The Ordinance provides that, in addition to other remedies, upon a default thereunder, the Bank, under certain circumstances, may declare this Bond immediately due and payable.

This Bond and the interest, if any, hereon are exempt from all State, county, municipal, school City, and all other taxes or assessments imposed within 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.

The person in whose name this Bond shall be registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of this Bond shall be made only to or upon the order of the Registered Holder or his legal representative. All payments made in this manner shall be valid and effective to satisfy and discharge the liability of the City upon this Bond to the extent of the sum or sums paid. No person other than the Registered Holder shall have any right to receive payments, pursue remedies, enforce obligations, or exercise or enjoy any other rights under this Bond against the City.

For every exchange or transfer of this Bond in accordance with the terms of the Ordinance, the City may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

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

Whenever the terms of this Bond require any action be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the trustee or custodian, if then appointed, is located, the action shall be taken on the first business day occurring thereafter.

The Ordinance contains provisions defining terms; sets forth the terms and conditions upon which the covenants, agreements, and other obligations of the City made therein may be discharged at or prior to the maturity of this Bond with provisions for the payment thereof in the manner set forth in the Ordinance; and sets forth the terms and conditions under which the Ordinance may be amended or modified with or without the consent of the Registered Holder of this Bond. Reference is hereby made to the Ordinance, to all the provisions of which any Registered Holder of this Bond by the acceptance hereof thereby assents.

It is hereby certified and recited that all acts, conditions, and things required by the Constitution and laws of the State to exist, to happen, and to be performed precedent to or in the issuance of this Bond exist, have happened, and have been done and performed in regular and due time, form, and manner, and that the amount of this Bond does not exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, THE CITY OF WALTERBORO, SOUTH CAROLINA, has caused this Bond to be executed by the Mayor of the City of Walterboro, South Carolina and attested to by the City Clerk of the City of Walterboro, South Carolina and its corporate seal to be impressed hereon, all as of the ___ day of _____ 2022.

CITY OF WALTERBORO, SOUTH CAROLINA

(SEAL)

Mayor

Attest:

City Clerk

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto
the
within bond and does hereby irrevocably constitute and appoint
attorney to transfer the within bond on the books kept for registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature

(Authorized 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 enlargement or any change whatever.

NOTICE OF PUBLIC HEARING

The City Council of the City of Walterboro (the “City Council”), the governing body of the City of Walterboro, South Carolina will hold a public hearing in its chambers on Tuesday, January 4, 2022 at 6:15 p.m. (or as soon thereafter as the agenda permits) (the “Hearing”). The Hearing will occur during the City Council’s regularly scheduled meeting. The City Council’s chambers are located on the 2nd floor of City Hall, 242 Hampton Street, Walterboro, South Carolina.

The City Council is considering the enactment of “AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF A NOT EXCEEDING FOUR MILLION DOLLARS (\$4,000,000) HOSPITALITY AND ACCOMMODATIONS FEE IMPROVEMENT AND REFUNDING REVENUE BOND, SERIES 2022 OF THE CITY OF WALTERBORO, SOUTH CAROLINA; PROVIDING FOR THE ISSUANCE OF BOND ANTICIPATION NOTES; AND OTHER MATTERS RELATING THERETO.” The Hearing shall be conducted publicly and both proponents and opponents of the proposed action shall be given full opportunity to be heard in person or by counsel.

RESOLUTION NO. 2021-R-23

A RESOLUTION AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE SC DEPARTMENT OF PARKS, RECREATION AND TOURISM UNDISCOVERED SC GRANT PROGRAM IN THE AMOUNT OF \$200,000.00 FOR THE REPLACEMENT AND REHABILITATION OF BOARDWALKS IN THE WALTERBORO WILDLIFE SANCTUARY AND COMMITMENT OF \$1,500,000.00 FOR THE PROJECT.

WHEREAS, the South Carolina Department of Parks, Recreation & Tourism is offering grant opportunities through the Undiscovered SC Grant program to promote assets – including both cultural and natural tourism attractions – which are intrinsic or germane to the character and identity of each destination and to serve as a catalyst to further develop untapped or under-utilized assets to encourage tourism growth within a destination; and

WHEREAS, the City of Walterboro will be submitting a grant application in the amount of \$200,000.00 to replace and rehabilitate the boardwalks in the Walterboro Wildlife Sanctuary; and

WHEREAS, the Undiscovered SC Grant Program requires adoption of a resolution by City Council committing City funds to the project.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Walterboro, South Carolina, in Council Assembled, that:

1. City Council hereby endorses the project and authorizes the submission of the grant application in the amount of \$200,000.00.
2. City Council hereby commits \$1,500,000.00 to the project to be paid from the Series 2022 Hospitality and Accommodations Fee Improvement and Refunding Revenue Bond.

ADOPTED, THIS 7th DAY OF December, 2021.

William T. Young, Jr.
Mayor

ATTEST:

Adrienne Nettles
City Clerk

FISCAL YEAR 2022-2023 BUDGET CALENDAR

| ACTIVITY | DATE |
|---|-----------------------|
| BUDGET CALENDAR PRESENTED TO COUNCIL (CITY MANAGER) | DECEMBER 7, 2021 |
| BUDGET MEMORANDUM, CALENDAR AND FORMS DISTRIBUTED TO DEPARTMENT HEADS (FINANCE DEPARTMENT) | JANUARY 3, 2022 |
| FY 2020-2021 YEAR END REVENUE AND EXPENDITURE PROJECTIONS PREPARED (FINANCE DEPARTMENT) | JANUARY 24 – 28, 2022 |
| FY 2021-2022 DEPARTMENTAL BUDGET REQUEST DUE | JANUARY 31, 2022 |
| FY 2021-2022 DEPARTMENT EXPENDITURE REQUEST CONSOLIDATED AND ENTERED INTO MASTER BUDGET FILE (FINANCE DEPARTMENT) | JAN 31 – FEB 4, 2022 |
| FY 2021-2022 REVENUE PROJECTIONS PREPARED (FINANCE DEPARTMENT) | FEBRUARY 7 – 11, 2022 |
| FY 2021-2022 DRAFT BUDGET REVIEWED (MANAGER AND DEPARTMENT HEADS) | FEB 14 – MAR 4, 2022 |
| FY 2021-2022 REVENUE PROJECTIONS AND DEPARTMENT EXPENDITURE REQUESTS CONSOLIDATED (FINANCE DEPARTMENT) | MARCH 7 – 11, 2022 |
| DEPARTMENT REQUEST REVIEWED FOR ACCURACY AND JUSTIFICATION FOR REQUEST (MANAGER AND FINANCE DIRECTOR) | MARCH 14 – 18, 2022 |
| FY 2021-2022 DRAFT BUDGET PREPARED (MANAGER AND FINANCE DIRECTOR) | MARCH 21 – 25, 2022 |
| | |
| FIRST DRAFT OF BUDGET DISTRIBUTED AND SUMMARIZED TO BUDGET COMMITTEE | APRIL 5, 2022 |
| REVISED BUDGET DRAFT PREPARED BY STAFF | APRIL 6 – 15, 2022 |
| | |
| BUDGET COMMITTEE MEETING | APRIL 19, 2022 |
| BUDGET COMMITTEE REPORT AND 1ST READING OF PROPOSED BUDGET | MAY 3, 2022 |
| | |
| NOTICE FOR BUDGET PUBLIC HEARING PUBLISHED | MAY 12, 2022 |
| FINAL 2021-2022 BUDGET PREPARED BY STAFF | MAY 4 – JUNE 3, 2022 |
| FINAL BUDGET DISTRIBUTED TO COUNCIL | JUNE 7, 2022 |
| PUBLIC HEARING AND FINAL READING OF THE 2021-2022 BUDGET | JUNE 7, 2022 |