



South Carolina Transportation Infrastructure Bank Business Plan Update

October 2015

Presentation Overview

- Act 98 Review
- Financial Performance Review
- Business Plan Projection
- Series 2015A Revenue Refunding Bonds
- Upcoming Refunding & Restructuring Opportunities
- Business Plan Appendix



Act 98 Review

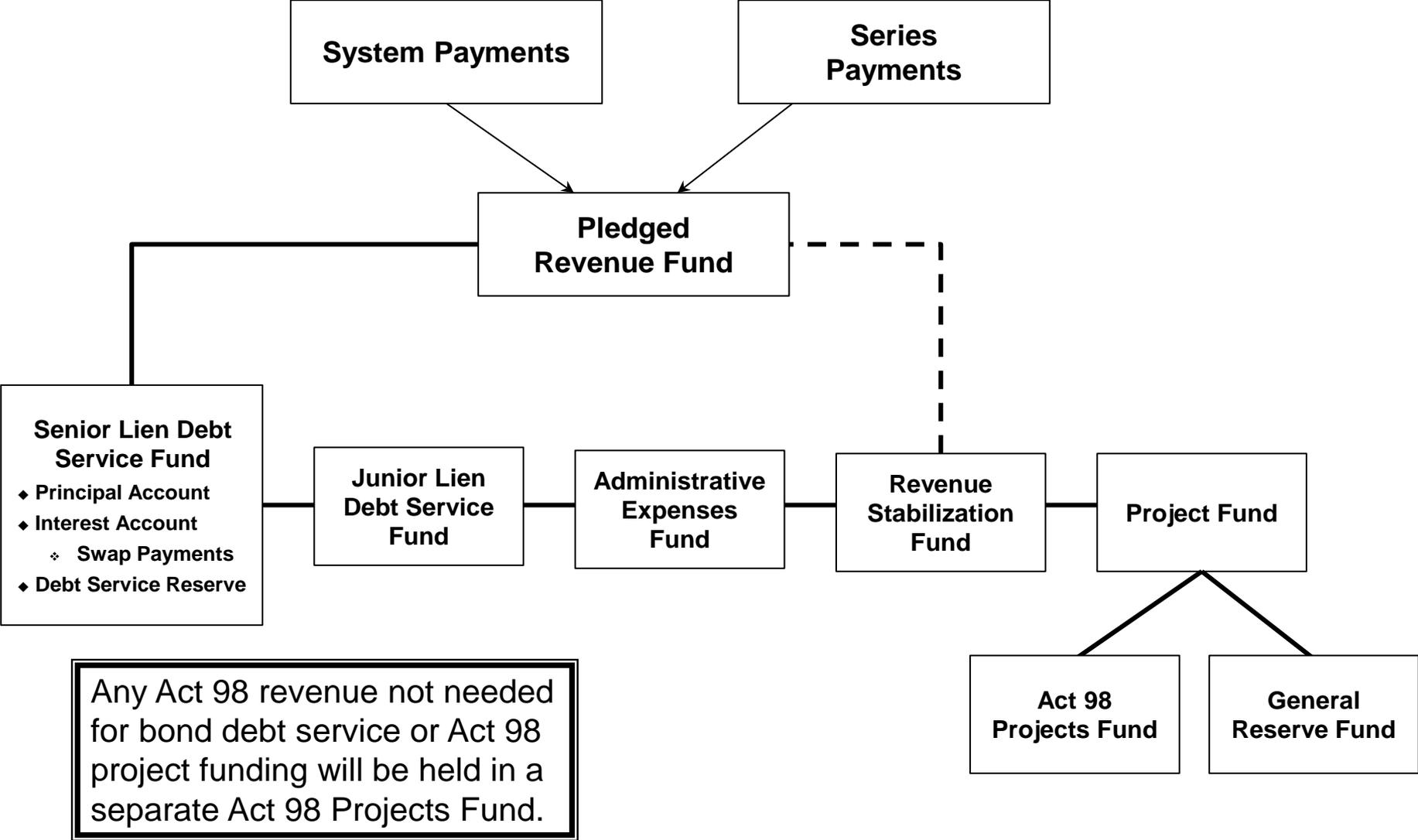
Act 98 Introduction

- **Act 98, which became effective July 1, 2013, provides a new recurring revenue source for SCTIB (Section 11-43-165 of SCTIB Act)**
 - SCDOT shall transfer \$50 million to SCTIB annually from non-tax sources.
 - Transferred funds must be used to finance projects to expand or improve existing interstates or replace or rehabilitate bridges from project priority lists submitted to the SCTIB by SCDOT.
 - Projects and financial assistance must be reviewed and approved by the SCTIB Board and General Assembly's Joint Bond Review Committee.
 - First issue of revenue bonds in Act 98 projects expected to be issued in FY 2017.
 - Act 98 revenues to be pledged as Series Payments by future amendment of the Master Revenue Bond Resolution prior to first Act 98 bond sale
- **In order to facilitate tracking projects and expenditures funded by the recurring revenue source established by Act 98 and reporting on the use of the revenues to the General Assembly, SCTIB intends to:**
 - Establish and maintain a separate sub-fund for Act 98 revenue from which transfers and expenditures will be made, and
 - Issue separate series of revenue bonds for Act 98 projects.

Act 98 Transfer to SCTIB

- **SCTIB and SCDOT added the obligation of SCDOT under Act 98 to transfer \$50 million to SCTIB annually to the Third Amended and Restated Master Funding Agreement.**
 - Applies same security provisions to Act 98 transfers that apply to all SCDOT payment obligations to SCTIB.
 - \$50 million transfer must be made to SCTIB by September 20th of each FY from Federal Highway Reimbursement Funds or other Non-Tax Revenues.
 - Transfers from SCDOT to SCTIB have been made in a timely manner

Pledged Revenue Flow of Funds



Act 98 Estimated Funding

- **The table below represents the current plan for Act 98 Projects**
 - SCTIB determined that the initial financial assistance Act 98 projects should not exceed \$550 million which may include the issuance of revenue bonds by the SCTIB.

Fiscal Year	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Beginning Balance	66,000,000	66,396,047	13,048,760	12,568,906	9,071,111	28,369,464	59,149,773	89,928,015	120,706,614	151,484,453
Deposit										
Fund Deposit - (1)	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Expenditure										
Capital Program										
Cost	49,603,953	103,347,287	138,335,891	114,253,651	38,271,656	0				
Funded with Cash - (2)	49,603,953	103,347,287	44,174,335	34,276,095	11,481,497	0				
Funded with Series 2017A			94,161,556	79,977,556	26,790,159					
Total Funding	49,603,953	103,347,287	138,335,891	114,253,651	38,271,656	0				
Debt Service										
Series 2017A - (3)			6,305,519	19,221,700	19,220,149	19,219,692	19,221,757	19,221,401	19,222,161	19,220,834
Fund Earnings										
Total Expenditure - (4)=(2)+(3)	49,603,953	103,347,287	50,479,854	53,497,795	30,701,646	19,219,692	19,221,757	19,221,401	19,222,161	19,220,834
Annual Net Cash Flow - (5)=(1)-(4)	396,047	-53,347,287	-479,854	-3,497,795	19,298,354	30,780,308	30,778,243	30,778,599	30,777,839	30,779,166
Ending Balance	66,396,047	13,048,760	12,568,906	9,071,111	28,369,464	59,149,773	89,928,015	120,706,614	151,484,453	182,263,619

SCDOT Sources of Non-Tax Revenue

(Available to make payments to SCTIB)

Fiscal Year Ended <u>30-Jun</u>	FHWA Reimbursement <u>Funds⁽¹⁾</u>	Other Non-Tax <u>Revenues⁽²⁾</u>	Total Non-Tax <u>Revenues</u>	SCDOT Payments ⁽³⁾ <u>Payments⁽³⁾</u>	SCDOT Payments <u>Coverage</u>
2005	\$820,605,744	\$64,254,138	\$884,859,882	\$127,287,007	6.95x
2006	770,458,348	61,288,358	831,746,706	127,287,007	6.53x
2007	548,600,918	69,156,886	617,757,804	127,287,007	4.85x
2008	438,606,126	68,751,847	507,357,973	127,287,007	3.99x
2009	447,772,399	77,079,489	524,851,887	127,287,007	4.12x
2010	638,919,140	56,223,583	695,142,723	127,287,007	5.46x
2011	700,841,196	47,140,982	747,982,178	127,287,007	5.88x
2012	869,709,603	65,696,573	935,406,175	127,287,007	7.35x
2013	608,385,376	59,225,024	671,217,805	127,287,007	5.27x
2014	656,884,524	97,657,171	754,541,695	127,287,007	5.93x

⁽¹⁾ Increase in Fiscal Years Ended June 30, 2005 and June 30, 2006 due to SCDOT billing FHWA for prior year commitments. Decrease in Fiscal Years Ended June 30, 2007 and June 30, 2008 due to decrease in federally funded projects put to contract during the year and a decrease in billing FHWA for prior year projects. Increase in 2010 and 2011 due to ARRA reimbursements, increase in 2012 due to increase in federally funded project put to contract.

⁽²⁾ Other Non-Tax Revenues have historically included tolls, interest, certain fees and reimbursement for services provided.

⁽³⁾ Maximum annual combined SCDOT Highway Funds including those associated with Act Number 176 of 2005, SCDOT Conway Bypass Loan Payments, SCDOT Cooper River Bridge Payments, the SCDOT reserve guaranty for the Horry County Loan II payments, Act 98 payments and those payments expected under the Multi-Project Funding Arrangement and U.S. 17 Loan Agreement. Maximum occurs in Fiscal Year Ending June 30, 2019.



Financial Performance Review

SCTIB System Payments

◆ **Truck Registration Fees**

- Pledged to General Obligation State Highway Bonds
- Based in part on in-state biennial truck registrations
- Remainder is reciprocal with other states based on miles driven in each state

◆ **Motor Vehicle Registration Fees**

- Pledged to General Obligation State Highway Bonds
- \$2 per registration withheld to fund tag replacements

◆ **Electric Wholesale Power Funds**

- Amount to SCTIB is based on 50% of amount exceeding \$20 million. SCTIB began receiving 50% of amount exceeding \$20 million in FY 2008

◆ **State Highway Funds**

- Pursuant to SC 11-43-160 and action of SCTIB Board, from non-state tax revenue sources available to SCDOT an amount equal to revenues produced by 1 cent per gallon of gasoline tax
- Paid from SCDOT non-state tax revenue sources, primarily FHWA Reimbursement Funds

Actual System Payments

Wholesale Electric Power Funds

Fiscal Year Ending June 30	Actual	Growth Rate	Amount to SCTIB*
2006	\$24,772,696	-2.8%	\$2,386,348
2007	28,145,254	13.6%	4,072,627
2008	27,874,092	-1.0%	3,937,046
2009	27,664,576	-0.8%	3,832,288
2010	28,219,032	2.0%	4,109,516
2011	28,395,473	0.6%	4,197,737
2012	27,163,524	-4.3%	3,581,762
2013	26,831,396	-1.2%	3,415,698
2014	27,493,952	2.5%	3,746,976
2015	28,483,180	3.6%	4,241,590

Growth from 2006-2015 15.0%
Average Annual Growth 1.2%

* Based on 50% of amount exceeding \$20 million. SCTIB began receiving 50% of amount exceeding \$20 million in FY 2008.

SCDOT Highway Funds

Fiscal Year Ending June 30	One Cent of Gasoline User Fee	Growth Rate
2006	\$24,784,367	1.8%
2007	25,583,579	3.2%
2008	25,678,313	0.4%
2009	25,728,840	0.2%
2010	25,671,014	-0.2%
2011	25,857,527	0.7%
2012	26,100,142	0.9%
2013	26,055,312	-0.2%
2014	26,534,357	1.8%
2015	27,443,640	3.4%

Total Growth 2006-2015 10.7%
Average Annual Growth 1.2%



Review of Business Plan Projections

Business Plan Pro Forma Assumptions

◆ **System Payments Revenue Growth Estimates**

- 2% biennial growth for TRFs
- 0.5% for SCDOT Highway Funds
- 1.5% for Motor Vehicle Registration Fees and Wholesale Electric Power Funds

◆ **Future Bond Interest Rates**

- Future Bonds at more than 0.50% above current market rates

◆ **Target senior lien Revenue Bonds debt service coverage of approximately 1.45 times**

◆ **Target unrestricted cash balance plus Revenue Stabilization Fund at minimum \$50 million**

SCTIB Future Bonds

- ◆ **Two new money bonds are assumed to be issued in FY 2017.**

- ◆ **The Revenue Bonds, Series 2017A will fund SCTIB and JBRC approved projects excluding Act 98.**
 - Par amount – \$216M
 - Project costs funded – \$253M

- ◆ **The Revenue Bonds, Series 2017B will fund Act 98 projects.**
 - Par amount – \$212M
 - Act 98 project costs funded – \$201M

Notes:

1. No refunding bonds are assumed in the Business Plan update.
2. Refunding opportunities are analyzed and shown separately.

Key Results as of September 2015

- ◆ **Project Funding** – All project expenditures approved by the SCTIB Board are included in the Plan with identified funding sources.

- ◆ **Revenue Bonds** – Two additional issuances of new money Revenue Bonds in FY2017 totaling \$428 million are expected to fund approved projects.

- ◆ **Debt Service Coverage** – With Act 98 fund included in the Pledged Revenues, forecasted senior lien coverage including the two future issuances:
 - Reaches a minimum of 1.52x in FY 2034.
 - Averages 2.59 times from FY 2014 to FY 2041

- ◆ **Fund Balances** – Target unrestricted cash balance plus Revenue Stabilization Fund at minimum \$82 million in FY 2023.

Business Plan Capacity Analysis

◆ Assumptions:

- System Payments Revenue Growth Estimates and Future Bond Interest Rates the same as the Base model
- Target senior lien Revenue Bonds debt service coverage of approximately 1.45 times
- Target unrestricted cash balance plus Revenue Stabilization Fund at minimum \$50 million

◆ Results:

- SCTIB can fund an additional \$95 million of Non-Act 98 project costs



Review of Series 2015A Revenue Refunding Bonds

Summary of the 2015A Refunding Bonds

- Summary:
 - \$157,095,000 Revenue Refunding Bonds, Series 2015A were sold via Competitive Bid on June 18, 2015
 - The winning bidder was Wells Fargo and the final TIC was 2.497%
- Purpose of Issue:
 - Provide funds to refund a portion of the Series 2005A Bonds
 - Provide funds to advance refund a portion of the Series 2007A Bonds
 - Pay the costs of issuance of the Series 2015A Bonds
- Bond Refunded – PFM and STO tracked maturity by maturity savings measures over time and decided to refund the following optimal maturities:
 - 2005A Bonds maturing 2021 through 2024
 - 2007A Bonds maturing 2017 through 2027
- Savings:
 - Net present value savings of \$20.9 million or 12.1% of the refunded par amount

Summary of the 2015A Refunding Bonds

- Payments:
 - Principal paid annually on October 1, 2017 through October 1, 2027
 - Interest paid semi-annually on April 1 and October 1, commencing October 1, 2015
- Optional Redemption:
 - The 2015A Bonds maturing on or after October 1, 2025 are subject to optional prepayment prior to their stated maturity dates on or after October 1, 2024 at par
- Underlying Credit Ratings:
 - Moody's: "A1" (Underlying)
 - Fitch: "A" (Underlying)

Bid Results – Series 2015A Refunding

- The table below shows the bid results
- The Bank received six (6) bids and awarded the 2015A Bonds to Wells Fargo based on the lowest true interest cost bid
 - Wells Fargo’s original TIC of 2.498% is shown below. After resizing the bonds to achieve the desired amount of proceeds, the resulting TIC was 2.497%
- These bids were verified by PFM before awarding Wells Fargo the winning bidder

Bidder	TIC
Wells Fargo Bank, National Association	2.498315%
Bank of America Merrill Lynch	2.530559%
J.P. Morgan Securities LLC	2.547764%
Barclays Capital Inc.	2.554861%
Citigroup Global Markets Inc.	2.607224%
Morgan Stanley & Co, LLC	2.656922%

Summary of the 2015A Refunding Bonds

- Below are the estimated sources and uses of funds for the 2015A Bonds

<u>Sources:</u>	
Bond Proceeds:	
Par Amount	157,095,000.00
Accrued Interest	120,845.66
Net Premium	21,638,339.00
Other Sources of Funds:	
DSRF Release	3,093,581.63
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181,947,766.29	
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<u>Uses:</u>	
Refunding Escrow Deposits:	
Cash Deposit	78,255,445.75
Open Market Purchases	102,775,511.73
Other Fund Deposits:	
Accrued Interest	120,845.66
Delivery Date Expenses:	
Cost of Issuance	521,046.90
Underwriter's Discount	274,916.25
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181,947,766.29	
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2015A Bonds – Summary of Refunding Savings

- Issuance of the 2015A Bonds resulted in \$20,894,556.36 of net present value debt service savings or 12.1% of the refunded bonds par amount.

Date	Prior Debt Service	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 07/07/2015 @ 2.4737062%
10/1/2015	4,175,918.75	1,812,685.00	120,845.66	1,691,839.34	2,484,079.41	2,470,561.35
10/1/2016	8,351,837.50	7,250,740.00		7,250,740.00	1,101,097.50	1,074,817.33
10/1/2017	15,266,837.50	13,865,740.00		13,865,740.00	1,401,097.50	1,332,686.66
10/1/2018	15,266,087.50	13,864,990.00		13,864,990.00	1,401,097.50	1,300,235.92
10/1/2019	15,268,087.50	13,867,740.00		13,867,740.00	1,400,347.50	1,267,895.31
10/1/2020	15,266,837.50	13,867,990.00		13,867,990.00	1,398,847.50	1,235,695.12
10/1/2021	32,576,587.50	28,644,990.00		28,644,990.00	3,931,597.50	3,378,481.91
10/1/2022	32,570,837.50	28,643,990.00		28,643,990.00	3,926,847.50	3,291,708.07
10/1/2023	32,581,087.50	28,650,990.00		28,650,990.00	3,930,097.50	3,213,655.00
10/1/2024	32,573,337.50	28,647,740.00		28,647,740.00	3,925,597.50	3,131,237.34
10/1/2025	11,688,325.00	10,681,740.00		10,681,740.00	1,006,585.00	785,744.93
10/1/2026	11,691,075.00	10,688,265.00		10,688,265.00	1,002,810.00	762,748.72
10/1/2027	11,688,325.00	10,686,250.00		10,686,250.00	1,002,075.00	742,670.34
Total	238,965,181.25	211,173,850.00	120,845.66	211,053,004.34	27,912,176.91	23,988,137.99

Savings Summary

PV of savings from cash flow	23,988,137.99
Less: Prior funds on hand	-3,093,581.63
Net PV Savings	<u>20,894,556.36</u>



Upcoming Refunding & Restructuring Opportunities

Refunding Opportunities

◆ **Series 2007A**

- Call date – 10/1/2016; Currently callable 7/4/2016
- Outstanding callable bonds - \$143.6M from 2028 to 2037

◆ **Series 2007B**

- Call date – 10/1/2016; Currently callable 7/4/2016
- Outstanding callable bonds - \$85.6M from 2017 to 2031

◆ **Series 2010A**

- Call date – 10/1/2019; Advance refundable
- Outstanding callable bonds - \$203.6M from 2034 to 2040

Refunding Screen

Description		Call Provisions		Savings		Option Value (5)		Option Value		
Series		Maturity	Par Amount	Coupon	Call Date	Price	PV ⁽³⁾	% of Par ⁽⁴⁾	PV ⁽³⁾	Svgs as % of OV
Series 2007A	Term2032	10/1/2028	11,690,000	4.500%	10/1/2016	100.0%	1,174,862	10.050%	1,937,004	60.654%
Series 2007A	Term2032	10/1/2029	12,215,000	4.500%	10/1/2016	100.0%	1,164,658	9.535%	1,953,640	59.615%
Series 2007A	Term2032	10/1/2030	12,765,000	4.500%	10/1/2016	100.0%	1,149,151	9.002%	1,986,239	57.856%
Series 2007A	Term2032	10/1/2031	13,340,000	4.500%	10/1/2016	100.0%	1,153,014	8.643%	2,028,408	56.843%
Series 2007A	Term2032	10/1/2032	13,940,000	4.500%	10/1/2016	100.0%	1,166,073	8.365%	2,077,374	56.132%
Series 2007A	Term2034	10/1/2033	14,565,000	4.500%	10/1/2016	100.0%	1,189,665	8.168%	2,135,785	55.702%
Series 2007A	Term2034	10/1/2034	15,220,000	4.500%	10/1/2016	100.0%	1,211,273	7.958%	2,200,691	55.041%
Series 2007A	Term2037	10/1/2035	15,905,000	4.500%	10/1/2016	100.0%	1,230,804	7.738%	2,271,096	54.194%
Series 2007A	Term2037	10/1/2036	16,625,000	4.500%	10/1/2016	100.0%	1,263,706	7.601%	2,349,228	53.792%
Series 2007A	Term2037	10/1/2037	17,370,000	4.500%	10/1/2016	100.0%	1,284,476	7.395%	2,435,061	52.749%
Series 2007B	Serial	10/1/2017	4,210,000	4.000%	10/1/2016	100.0%	84,653	2.011%	103,903	81.474%
Series 2007B	Serial	10/1/2018	4,375,000	4.125%	10/1/2016	100.0%	204,021	4.663%	236,925	86.112%
Series 2007B	Serial	10/1/2019	4,555,000	4.250%	10/1/2016	100.0%	319,439	7.013%	363,702	87.830%
Series 2007B	Serial	10/1/2020	4,750,000	4.000%	10/1/2016	100.0%	350,010	7.369%	425,197	82.317%
Series 2007B	Serial	10/1/2021	4,935,000	4.300%	10/1/2016	100.0%	474,383	9.613%	584,917	81.103%
Series 2007B	Serial	10/1/2022	5,150,000	4.375%	10/1/2016	100.0%	549,686	10.674%	701,902	78.314%
Series 2007B	Serial	10/1/2023	5,375,000	4.250%	10/1/2016	100.0%	550,962	10.250%	741,114	74.342%
Series 2007B	Serial	10/1/2024	5,605,000	4.250%	10/1/2016	100.0%	597,648	10.663%	807,621	74.001%
Series 2007B	Serial	10/1/2025	5,845,000	4.250%	10/1/2016	100.0%	635,981	10.881%	874,092	72.759%
Series 2007B	Serial	10/1/2026	6,095,000	4.250%	10/1/2016	100.0%	637,805	10.464%	923,275	69.081%
Series 2007B	Serial	10/1/2027	6,355,000	4.250%	10/1/2016	100.0%	524,089	8.247%	933,345	56.152%
Series 2007B	Term_2031	10/1/2031	6,620,000	4.500%	10/1/2016	100.0%	572,186	8.643%	1,006,601	56.843%
Series 2007B	Term_2031	10/1/2031	7,230,000	4.500%	10/1/2016	100.0%	624,910	8.643%	1,099,355	56.843%
Series 2007B	Term_2031	10/1/2031	7,555,000	4.500%	10/1/2016	100.0%	653,000	8.643%	1,148,772	56.843%
Series 2007B	Term_2031	10/1/2031	6,915,000	4.500%	10/1/2016	100.0%	597,683	8.643%	1,051,458	56.843%
Series 2010A	Serial	10/1/2034	17,825,000	5.250%	10/1/2019	100.0%	914,011	5.128%	3,503,847	26.086%
Series 2010A	Serial	10/1/2035	18,760,000	5.250%	10/1/2019	100.0%	985,261	5.252%	3,753,354	26.250%
Series 2010A	Serial	10/1/2036	19,740,000	5.250%	10/1/2019	100.0%	1,075,428	5.448%	4,017,360	26.770%
Series 2010A	Term_40	10/1/2037	20,780,000	5.250%	10/1/2019	100.0%	1,175,098	5.655%	4,300,842	27.322%
Series 2010A	Term_40	10/1/2038	40,020,000	5.250%	10/1/2019	100.0%	2,322,273	5.803%	8,425,176	27.563%
Series 2010A	Term_40	10/1/2039	42,120,000	5.250%	10/1/2019	100.0%	2,537,134	6.024%	9,006,647	28.170%
Series 2010A	Term_40	10/1/2040	44,335,000	5.250%	10/1/2019	100.0%	2,802,186	6.320%	9,629,478	29.100%

(1) MMD AAA G.O. Scale plus credit spreads as of 9/29/15.

(2) State and Local Government Series (SLGS) rates as of 9/29/15.

(3) Present Value Savings as of 7/5/16.

(4) PV Savings as a percentage of Refunded Par.

(5) Call date on refunding bonds is 10/01/2026.

Savings > 5.00%

Option Value > 60.00%

Savings > 5.00%

Option Value > 50.00%

Refunding Opportunities

- ◆ **Series 2016A to Current Refund Series 2007A and Series 2007B Bonds**
 - Dated date 7/5/2016
 - Assume current market rates plus 85 bps for the Series 2016A bonds
 - All remaining callable Series 2007A and Series 2007B Bonds selected
 - Preliminary analyses indicate \$20M savings (8.9% of refunded par)

- ◆ **Continue to monitor the Series 2010A bonds**
 - Savings are currently in excess of 5.0% but the savings as a percentage of the call option value is too low to recommend moving forward with an advance refunding
 - Savings should improve as we move closer to the 10/1/2019 call date

Series 2003B Bonds

- ◆ **In October 2003, SCTIB issued its Revenue Refunding Bonds, Series 2003B to advance refund various outstanding bond issues.**
 - The 2003B Bonds were issued as variable rate Auction Rate Securities with bond insurance and subsequently remarketed as VRDBs supported by a LOC

- ◆ **The variable rate 2003B Bonds were converted to a fixed interest rate through the use of interest rate swap contracts.**

- ◆ **The 2003B Bonds were converted from VRDBs to Floating Rate Notes (FRNs) directly placed with banks in 2011.**
 - The Series 2003B-1 Bonds and a portion of the Series 2003B-2 Bonds are directly placed with Bank of America Merrill Lynch.
 - The Series 2003B-3 Bonds and the remaining Series 2003B-2 Bonds are directly placed with Wells Fargo

- ◆ **Both FRNs include redemption provisions beginning June 2016**

Series 2003B Bonds

- ◆ **SCTIB has a variety of options for the Series 2003B Bonds moving forward including:**
 - Converting the bonds back to VRDBs supported by an LOC,
 - Renegotiating the current FRNs with BAML and Wells Fargo, and
 - Replacing the current FRNs

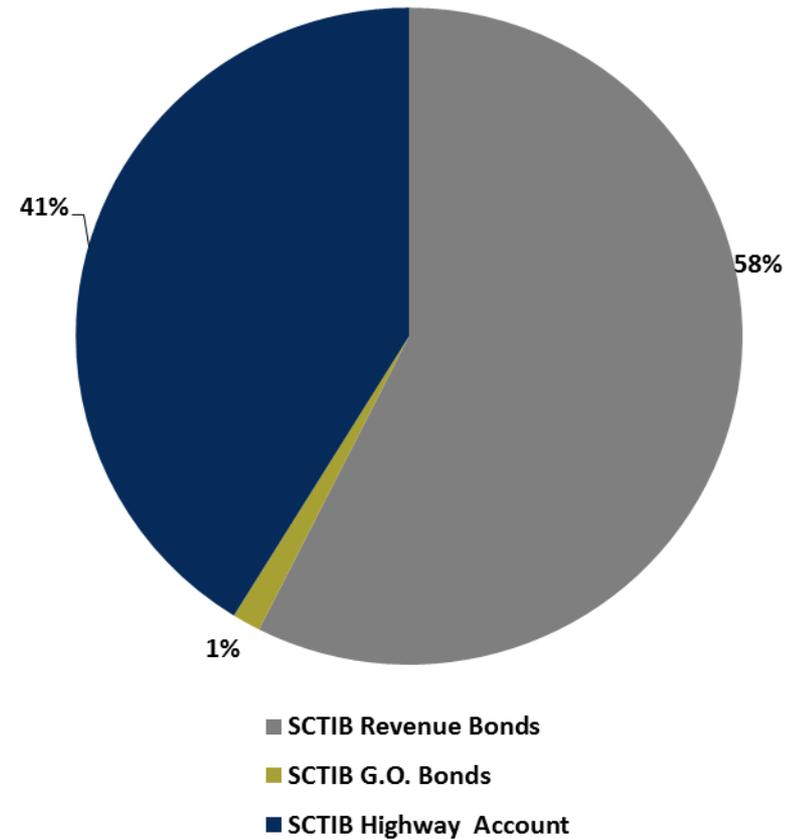
- ◆ **Through a single RFP solicitation, the Bank could request bids for both LOC and FRN options for a range of terms**
 - Request bids for terms of 1-7 years in both categories
 - Explicitly state non-negotiable terms to guarantee suitable bids
 - Bids will serve as a baseline for considering credit support facilities moving forward



Business Plan Appendix

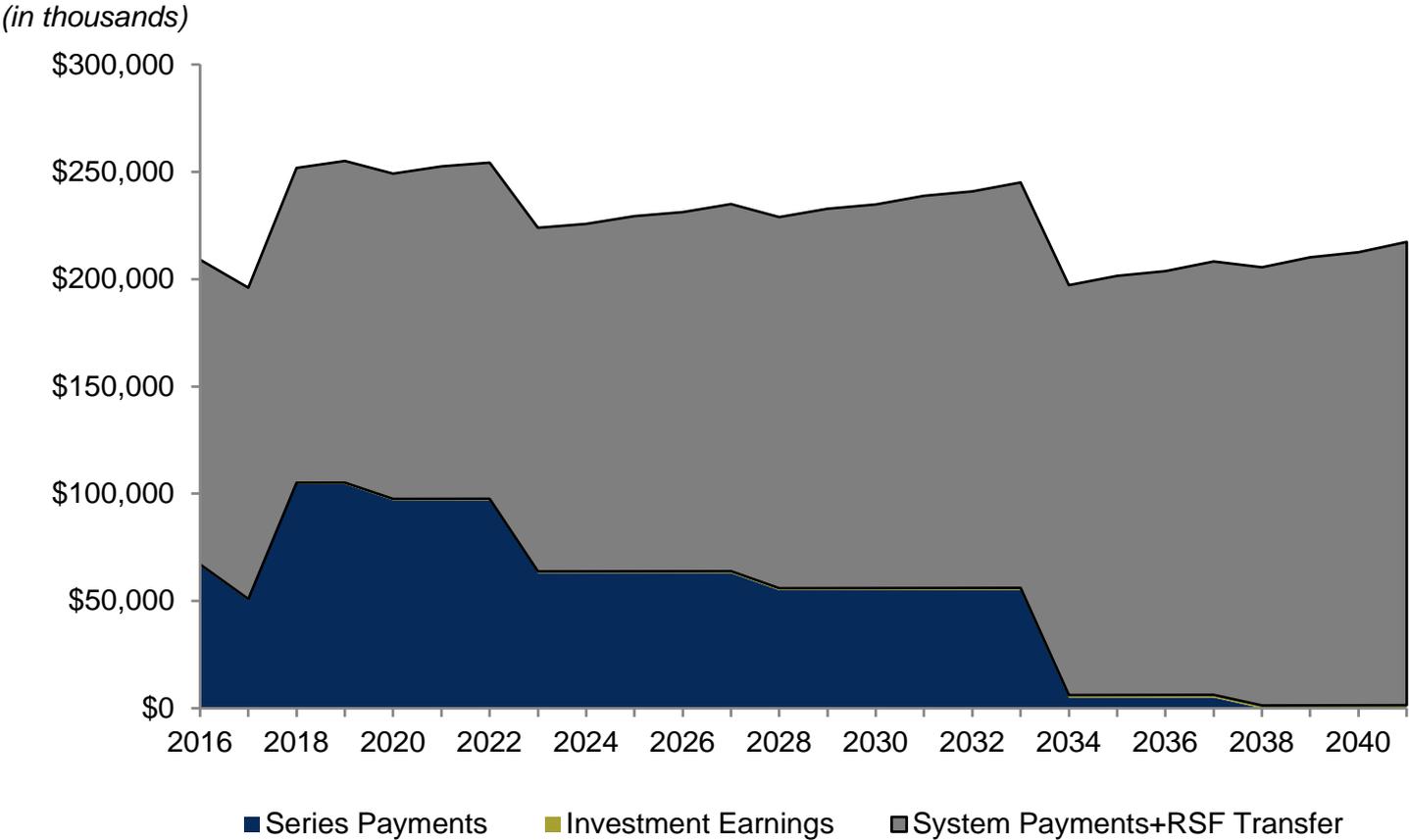
SCTIB Funding Mix

Fiscal Year	SCTIB Project Cost	Funded by SCTIB Revenue Bonds	Funded by SCTIB G.O. Bonds	Funded by SCTIB Highway Account
1998	38,700,000			38,700,000
1999	144,800,000	127,500,000		17,300,000
2000	269,900,000	246,570,934		23,329,066
2001	285,900,000	245,355,753		40,544,247
2002	387,800,000	342,800,000		45,000,000
2003	404,200,000	235,111,999		169,088,001
2004	383,400,000	308,652,492	59,924,080	74,747,508
2005	285,700,000	232,445,897		53,254,103
2006	189,500,000	59,064,066		130,435,934
2007	123,500,000	35,866,667		87,633,333
2008	243,700,000	205,736,327		37,963,673
2009	121,453,000			121,453,000
2010	74,117,000	25,942,593		48,174,407
2011	32,350,000	22,340,000		10,010,000
2012	33,819,000	13,918,000		19,901,000
2013	17,735,500	4,108,500		13,627,000
2014	36,946,600	26,803,000		10,143,600
2015	74,115,000	66,467,000		7,648,000
2016	150,834,000	40,033,044		110,800,956
2017	159,228,000			159,228,000
2018	191,677,333	133,675,056		58,002,278
2019	221,842,583	119,258,174		102,584,410
2020	225,963,583			225,963,583
2021	80,194,333			80,194,333
2022	50,683,333			50,683,333
2023	50,683,333			50,683,333
2024				
2025				
Total	4,278,742,600	2,491,649,500	59,924,080	1,787,093,100



◆ Funding mix does not include local project match that does not flow through SCTIB, e.g. York County and Upstate GRID, etc.

Summary of Pledged Revenues



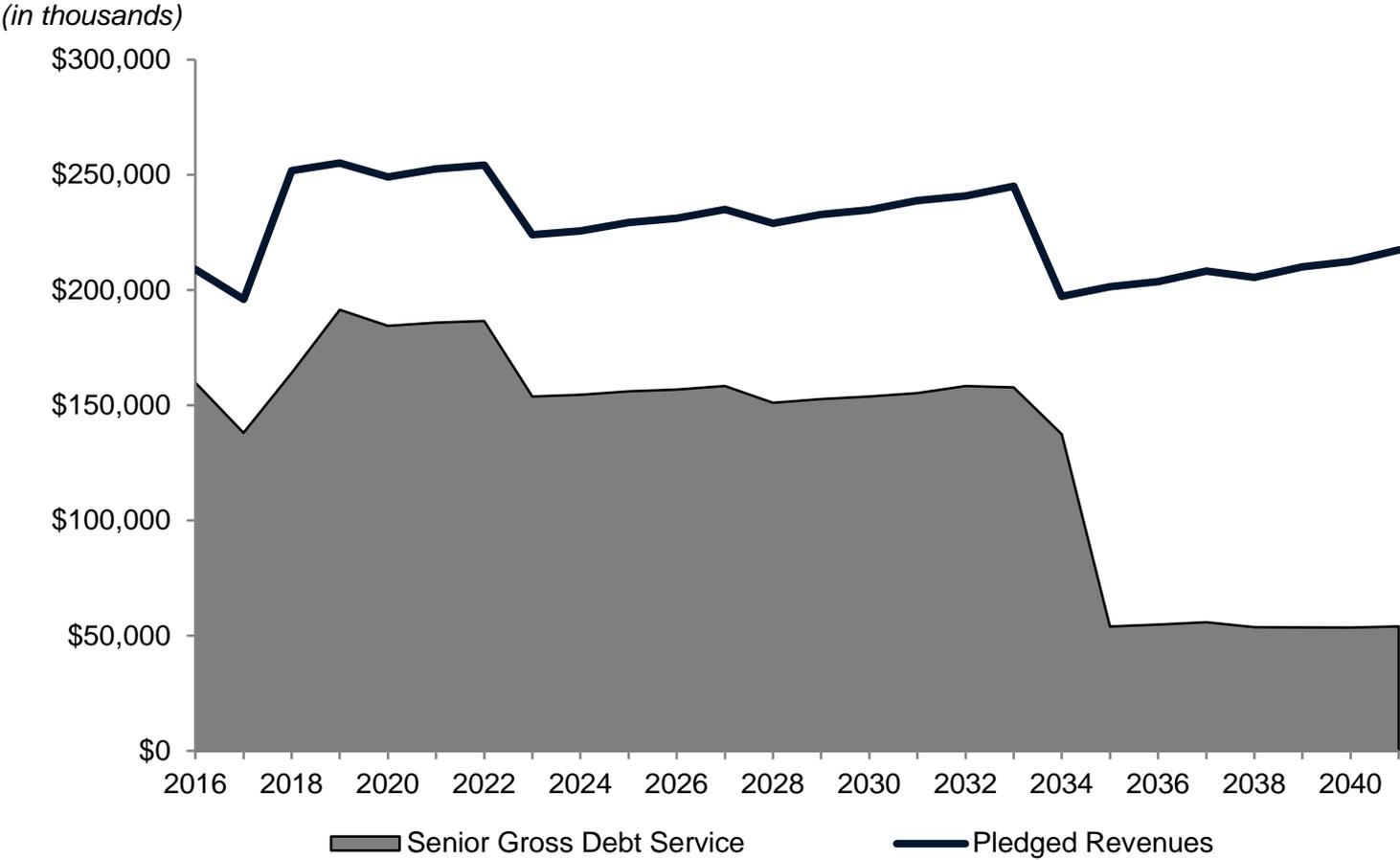
Pledged Revenues & Net Revenues

Fiscal Year	Total System Payments	Plus: Series Payments (1)	Plus Investment Earnings (2)	Equals: Pledged Revenues	Less: Series Payments	Equals: Net Revenues
2015	140,449,565	64,907,711	564,862	205,922,138	(64,907,711)	141,014,427
2016	142,019,117	66,452,469	589,668	209,061,254	(66,452,469)	142,608,785
2017	145,129,759	50,273,227	615,249	196,018,234	(50,273,227)	145,745,007
2018	146,750,087	104,450,885	641,057	251,842,028	(104,450,885)	147,391,143
2019	149,973,617	104,450,885	667,671	255,092,173	(104,450,885)	150,641,288
2020	151,646,475	96,850,885	694,522	249,191,882	(96,850,885)	152,340,997
2021	154,987,154	96,850,885	722,211	252,560,250	(96,850,885)	155,709,365
2022	156,714,358	96,850,885	750,146	254,315,390	(96,850,885)	157,464,505
2023	160,176,607	62,979,751	778,955	223,935,312	(62,979,751)	160,955,561
2024	161,960,039	62,979,751	808,019	225,747,809	(62,979,751)	162,768,058
2025	165,548,451	62,979,751	837,990	229,366,193	(62,979,751)	166,386,442
2026	167,390,060	62,979,751	868,229	231,238,040	(62,979,751)	168,258,289
2027	171,109,406	62,979,751	899,411	234,988,568	(62,979,751)	172,008,817
2028	173,011,210	54,979,751	930,871	228,921,832	(54,979,751)	173,942,081
2029	176,866,442	54,979,751	963,314	232,809,506	(54,979,751)	177,829,755
2030	178,830,532	54,979,751	996,045	234,806,327	(54,979,751)	179,826,577
2031	182,826,795	54,979,751	1,029,798	238,836,343	(54,979,751)	183,856,592
2032	184,855,337	54,979,751	1,063,851	240,898,939	(54,979,751)	185,919,189
2033	188,997,973	54,979,751	1,098,968	245,076,692	(54,979,751)	190,096,941
2034	191,093,213	4,979,751	1,134,397	197,207,360	(4,979,751)	192,227,609
2035	195,387,770	4,979,751	1,170,932	201,538,453	(4,979,751)	196,558,703
2036	197,552,030	4,979,751	1,207,793	203,739,574	(4,979,751)	198,759,823
2037	202,004,273	4,979,751	1,245,804	208,229,827	(4,979,751)	203,250,077
2038	204,239,962		1,284,154	205,524,115		205,524,115
2039	208,855,873		1,323,701	210,179,574		210,179,574
2040	211,165,487		1,363,600	212,529,086		212,529,086
2041	215,951,284		1,404,744	217,356,028		217,356,028

(1) Horry County Loan I Payments plus pledged portions of Horry County Loan II Payments plus SCDOT Cooper River Bridge Payments plus SCDOT Conway Bypass Loan II Payments plus SCDOT Multi-Project Funding Agreement Payments plus Lexington County/SCE&G Payments plus US 17 Widening Project Payments and plus Act 98 funds.

(2) Investment Earnings on the Revenue Stabilization Fund

Projected Pledged Revenue and Gross Debt Service



Annual Net Debt Service & Coverage

Fiscal Year	Net Revenues	Annual Gross Debt Service (1)	Less: Series Payments (2)	Less: DSF Interest (3)	Equals: Sr. Lien Annual Net Debt Service	Coverage of Net Revenues over NDS (4)	Revenues Available after NDS
2015	141,014,427	156,254,361	(64,907,711)	(6,629,474)	84,717,176	1.66x	56,297,251
2016	142,608,785	159,860,039	(66,452,469)	(6,665,531)	86,742,039	1.64x	55,866,746
2017	145,745,007	138,055,004	(50,273,227)	(6,010,320)	81,771,458	1.78x	63,973,550
2018	147,391,143	164,030,642	(104,450,885)	(6,040,306)	53,539,451	2.75x	93,851,693
2019	150,641,288	191,449,711	(104,450,885)	(6,521,887)	80,476,939	1.87x	70,164,349
2020	152,340,997	184,471,472	(96,850,885)	(6,452,104)	81,168,483	1.88x	71,172,514
2021	155,709,365	185,865,149	(96,850,885)	(6,466,041)	82,548,223	1.89x	73,161,142
2022	157,464,505	186,590,430	(96,850,885)	(6,473,294)	83,266,251	1.89x	74,198,253
2023	160,955,561	153,819,887	(62,979,751)	(6,145,589)	84,694,547	1.90x	76,261,014
2024	162,768,058	154,568,257	(62,979,751)	(6,153,072)	85,435,434	1.91x	77,332,624
2025	166,386,442	156,061,998	(62,979,751)	(6,168,010)	86,914,238	1.91x	79,472,204
2026	168,258,289	156,836,258	(62,979,751)	(6,175,752)	87,680,754	1.92x	80,577,535
2027	172,008,817	158,381,977	(62,979,751)	(6,191,210)	89,211,017	1.93x	82,797,800
2028	173,942,081	151,100,355	(54,979,751)	(6,118,393)	90,002,211	1.93x	83,939,870
2029	177,829,755	152,707,781	(54,979,751)	(6,134,468)	91,593,562	1.94x	86,236,193
2030	179,826,577	153,830,875	(54,979,751)	(6,145,698)	92,705,425	1.94x	87,121,151
2031	183,856,592	155,300,468	(54,979,751)	(6,160,394)	94,160,323	1.95x	89,696,269
2032	185,919,189	158,367,593	(54,979,751)	(6,191,066)	97,196,776	1.91x	88,722,412
2033	190,096,941	157,774,828	(54,979,751)	(6,185,138)	96,609,940	1.97x	93,487,002
2034	192,227,609	137,414,453	(4,979,751)	(5,981,534)	126,453,168	1.52x	65,774,441
2035	196,558,703	54,001,919	(4,979,751)	(5,147,409)	43,874,759	4.48x	152,683,944
2036	198,759,823	54,846,225	(4,979,751)	(5,155,852)	44,710,622	4.45x	154,049,201
2037	203,250,077	55,867,138	(4,979,751)	(5,166,061)	45,721,326	4.45x	157,528,751
2038	205,524,115	53,712,088		(5,144,511)	48,567,577	4.23x	156,956,538
2039	210,179,574	53,595,263		(5,143,342)	48,451,920	4.34x	161,727,654
2040	212,529,086	53,539,088		(5,142,781)	48,396,307	4.39x	164,132,779
2041	217,356,028	54,043,831		(5,147,828)	48,896,003	4.45x	168,460,025

- (1) Revenue Bonds Series 2001A, 2002A, 2003A, 2003B, 2004A, 2004B, 2005A, 2007A, 2007B, 2009A, 2010A, 2012A, 2012B and 2015A. Debt Service calculated at the fixed sw ap rate of 3.875% plus 1.00% spread for Series 2003B.
- (2) Horry County Loan I Payments plus pledged portions of Horry County Loan II Payments plus SCDOT Cooper River Bridge Payments plus SCDOT Conway Bypass Loan I and Loan II Payments plus SCDOT Multi-Project Funding Agreement Payments plus Lexington County/SCE&G Payments plus US 17 Widening Project Payments and plus Act 98 funds.
- (3) Debt Service Fund ("DSF") interest calculated as 4.5% on principal and interest requirements plus 5.0% on the Debt Service Reserve Fund balance.
- (4) Calculated as Net Revenues divided by Annual Net Debt Service

Projected Net Revenues and Net Debt Service

