

General Obligation Bonds, Series 2014A

General Obligation Refunding Bonds, Series 2014B

Beaufort County, South Carolina

Prepared By:

FirstSouthwest 

Financial Advisor's Report for:
November 6, 2014

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Letter to the County

Section 1



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Kelly Cavender
Assistant Vice President

kelly.cavender@firstsw.com

November 6, 2014

Ms. Alicia Holland
Chief Financial Officer
Beaufort County
P.O. Drawer 1228
Beaufort, SC 29901

Dear Alicia:

FirstSouthwest Company served as financial advisor to Beaufort County ("the County") in connection with the \$19,450,000 General Obligation Bonds, Series 2014A, (the "Series 2014A Bonds") and the \$22,570,000 General Obligation Refunding Bonds, Series 2014B (the "Series 2014B Bonds"). The County issued the Series 2014A Bonds to pay for capital improvements and the Series 2014B Bonds to refund the outstanding amount of the County's General Obligation Bonds, Series 2010B (Build America Bonds – Direct Payment to Issuer) dated March 10, 2010.

STRUCTURE

The Series 2014A Bonds will pay interest each March 1 and September 1 beginning March 1, 2015. Principal payment dates shall be paid each March 1, commencing March 1, 2015. The Series 2014B Bonds will pay interest each March 1 and September 1 beginning March 1, 2015. Principal payment dates shall be paid each March 1, commencing March 1, 2015.

RESULTS

The Series 2014A Bonds were underwritten by Robert W. Baird & Co., Inc. on October 23, 2014. The County received five bids from various underwriters. The all-in true interest cost on the Series 2014A Bonds was 2.99%. The Series 2014B Bonds were provided by Morgan Stanley & Co, LLC on October 23, 2014. The County received five bids from various underwriters. The all-in true interest cost on the Series 2014B Bonds was 2.51%, which produced \$2,439,944.03 of net present value savings or 9.94% of the refunded par amount.

CONCLUSION

Based upon our review of the market and our involvement in the sale, we conclude that the County received a fair price for the Series 2014A and Series 2014B Bonds based on the bids received. In addition, the County was able to meet their objective of achieving significant savings on the refunding of the County's General Obligation Bonds, Series 2010B.

We appreciate the opportunity to work with the County on these financings.

Sincerely yours,

Kelly Cavender
Assistant Vice President

Distribution List

Section 2



BEAUFORT COUNTY, SOUTH CAROLINA
General Obligation Bonds, Series 2014A
General Obligation Refunding Bonds, Series 2014B
DISTRIBUTION LIST

NAME, TITLE AND ADDRESS	WORK NUMBER	FAX NUMBER	EMAIL ADDRESS
ISSUER Beaufort County P.O. Drawer 1228 Beaufort, SC 29901			
Alicia Holland, <i>CFO</i>	843.255.2296	843.255.9422	aholland@bcgov.net
BOND COUNSEL McNair Law Firm 1221 Main Street, Suite 1800 Columbia, SC 29201			
Frannie Heizer Laura Foster, <i>Paralegal</i>	803.799.9800 803.753.3338	803.933.1463 803.933.1467	fheizer@mcnair.net lfoster@mcnair.net
FINANCIAL ADVISOR First Southwest Company 5925 Carnegie Boulevard, Suite 380 Charlotte, NC 28209			
Kelly Cavender, <i>AVP</i> Rick Petillo, <i>SVP</i>	704.654.3456 704.654.3454	704.731.2086 704.731.2086	kelly.cavender@firstsw.com rick.petillo@firstsw.com
PAYING AGENT/TRUSTEE Wells Fargo 123 S. Broad Street, Suite 1500 MAC: Y1379-157 Philadelphia, PA 19109			
Joseph Progar	215.670.6555	877.775.7570	joseph.c.progar@wellsfargo.com
UNDERWRITER (SERIES 2014A) Robert W. Baird & Co. Incorporated 1 Harding Road, Suite 207 Red Bank, NJ 07701			
Charles Galarza	732.576.4410		cgalarza@rwbaird.com



BEAUFORT COUNTY, SOUTH CAROLINA
General Obligation Bonds, Series 2014A
General Obligation Refunding Bonds, Series 2014B

DISTRIBUTION LIST

NAME, TITLE AND ADDRESS	WORK NUMBER	FAX NUMBER	EMAIL ADDRESS
UNDERWRITER (SERIES 2014B)			
Morgan Stanley 1585 Broadway, 2 nd Floor New York, NY 10036			
Daniel Kelly	212.761.1436		daniel.kelly@morganstanley.com
Chris Root	212.761.1541		christopher.root@morganstanley.com
Dennis Kelly (closing)	917.260.5295		dennis.kelly1@morganstanley.com
Sonja Richardson (closing)	917.260.5213		sonja.richardson@morganstanley.com
VERIFICATION AGENT			
AMTEC 90 Avon Meadow Lane, 2 nd Floor Avon, CT 06001			
Jeremy Hite	860.321.7521	860.321.7581	jhite@amteccorp.com
Raymond Bentley	860.321.7521	860.321.7581	rbentley@amteccorp.com
RATING AGENCIES			
Standard & Poor's 55 Water Street, 38 th Floor New York, NY 10041			
Lindsay Wilhelm	212.438.2301	212.438.0140	lindsay.wilhelm@standardandpoors.com
Lauren Freire	212.438.7854	212.438.0140	lauren.freire@standardandpoors.com
Moody's Investors Service 7 World Trade Center 250 Greenwich Street New York, NY 10007			
Lauren Von Bargaen	212.553.4491		lauren.vonbargaen@moodys.com

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aholland@bcgov.net; fheizer@mcnair.net; lfoster@mcnair.net; rick.petillo@firstsw.com; kelly.cavender@firstsw.com; joseph.c.progar@wellsfargo.com; cgalzarza@rwbaird.com; daniel.kelly@morganstanley.com; christopher.root@morganstanley.com; dennis.kelly1@morganstanley.com; sonja.richardson@morganstanley.com; jhite@amteccorp.com; rbentley@amteccorp.com

Calendar

Section 3



Beaufort County, South Carolina
General Obligation Bonds, Series 2014A
General Obligation Refunding Bonds, Series 2014B

FINANCING SCHEDULE

September 2014							October 2014							November 2014						
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6				1	2	3	4							1
7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29
														30						

Bold Indicates Federal Holiday

DATE	TASK	RESPONSIBILITY
September 22	1 st draft of Preliminary Official Statement and bond documents circulated to working group	BC
September 29	2 nd Draft of Preliminary Official Statement and bond documents circulated to working group	All Parties
October 6	3 rd Draft of Preliminary Official Statement and bond documents circulated to working group	All Parties
October 6	Documents sent to rating agencies	BC, FA
October 7	Moody's – 10:00 AM Standard and Poor's – 1:00 PM	County, BC, FA
October 15	Receive ratings	County
	Finalize Preliminary Official Statement	All Parties
October 16	Publish Summary Notice of Sale – Series 2014 Post Preliminary Official Statement – Series 2014	BC BC
October 23	Sale Date – Series 2014	County, BC, FA
October 30	Print/Post Final Official Statement – Series 2014	BC
November 5	Pre-Closing	All Parties
November 6	Closing	All Parties

RESPONSIBILITY

County	Beaufort County
BC	Bond Counsel – McNair Law Firm
FA	Financial Advisor - FirstSouthwest

Closing Memo

Section 4



**Beaufort County, South Carolina
General Obligation Bonds, Series 2014A
Closing Memorandum**

Date:	November 4, 2014
To:	Working Group
From:	FirstSouthwest
Re:	Closing Memorandum for the Beaufort County General Obligation Bonds, Series 2014A

I. GENERAL INFORMATION

Closing Date: November 6, 2014

II. DESCRIPTION OF FINANCING

Purpose: To fund capital improvements.

Optional Redemption: March 1, 2024 at par plus accrued interest

III. SOURCES AND USES OF FUNDS

Sources:	Series 2014A Total
Par Amount	\$19,450,000.00
Premium	901,988.70
Total Sources:	\$20,351,988.70

Uses:	Series 2014A Total
Project Fund Deposit	\$19,371,564.30
Debt Service Fund	598,893.51
Cost of Issuance	78,435.61
Underwriter's Discount	303,095.19
Total Uses:	\$20,351,988.70



Beaufort County, South Carolina General Obligation Bonds, Series 2014A Closing Memorandum

IV. CALCULATION OF TRANSFER AMOUNTS

Calculation of amount from R.W. Baird:

Bond Proceeds:		
Par Amount		\$19,450,000.00
Plus: Net Original Issue Premium	\$901,988.70	
Less: Underwriter's Discount	(303,095.19)	
Net Premium		<u>598,893.51</u>
Purchase Price Bid		\$20,048,893.51

V. FINANCING STRUCTURE

<u>Bond Component</u>	<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>
Series 2014A	03/01/2015	675,000	2.000%	0.200%
	03/01/2016	740,000	2.000%	0.350%
	03/01/2017	755,000	2.000%	0.500%
	03/01/2018	770,000	2.000%	0.700%
	03/01/2019	785,000	2.000%	1.030%
	03/01/2020	800,000	4.000%	1.330%
	03/01/2021	830,000	4.000%	1.580%
	03/01/2022	865,000	4.000%	1.830%
	03/01/2023	900,000	5.000%	2.000%
	03/01/2024	945,000	5.000%	2.150%
	03/01/2025	990,000	3.000%	2.400%
	03/01/2026	1,020,000	3.000%	2.600%
	03/01/2027	1,055,000	3.000%	2.800%
	03/01/2028	1,085,000	3.000%	3.000%
	03/01/2029	1,115,000	3.000%	3.050%
	03/01/2030	1,150,000	3.000%	3.150%
	03/01/2031	1,185,000	3.125%	3.250%
03/01/2032	1,220,000	3.250%	3.300%	
03/01/2033	1,260,000	3.250%	3.350%	
03/01/2034	1,305,000	3.250%	3.400%	
		\$19,450,000		



Beaufort County, South Carolina General Obligation Bonds, Series 2014A Closing Memorandum

VI. TRANSFER OF FUNDS

1. On November 6, 2014, no later than 11:00 a.m., R.W. Baird will send a Federal Funds wire totaling **\$19,970,457.90** to Beaufort County as follows:

Amount:	\$19,970,457.90
To:	BB&T
Account Name:	Beaufort County Treasurer, Acct. No. 102
ABA #:	053201607
Account #:	5127085481
Attn:	Candy Harvey
Tel:	(843) 255-2592
Re:	Beaufort County 2014A

- **\$598,893.51** shall be deposited into the County's Debt Service Fund
- **\$19,371,564.39** shall be deposited into the County's Project Fund

2. On November 6, 2014, no later than 11:00 a.m., R.W. Baird will send a Federal Funds wire totaling **\$78,435.61** to McNair Law Firm, P.A. as follows:

Amount:	\$78,435.61
To:	Bank of America, N.A.
Account Name:	McNair Law Firm, P.A.
ABA #:	026009593
Account #:	07-0705-4165
Attn:	Laura Culler
Tel:	(803) 799-9800
Re:	Beaufort County 2014A

VII. DISBURSEMENT FOR COSTS OF ISSUANCE

On or about the Closing Date, McNair Law Firm, P.A. will disburse funds in the appropriate amount of **\$78,435.61** to make payments against invoices for services rendered in connection with the issuance of the bonds.



**Beaufort County, South Carolina
General Obligation Refunding Bonds, Series 2014B
Closing Memorandum**

Date:	November 4, 2014
To:	Working Group
From:	FirstSouthwest
Re:	Closing Memorandum for the Beaufort County General Obligation Refunding Bonds, Series 2014B

I. GENERAL INFORMATION

Closing Date: November 6, 2014

II. DESCRIPTION OF FINANCING

Purpose: To refund the outstanding amount of the General Obligation Bonds, Series 2010B (Build America Bonds – Direct Payment to Issuer) dated March 10, 2010

Optional Redemption: March 1, 2024 at par plus accrued interest

III. SOURCES AND USES OF FUNDS

Sources:	Series 2014B Total
Par Amount	\$22,570,000.00
Net Premium	2,536,405.80
Total Sources:	\$25,106,405.80

Uses:	Series 2014B Total
Refunding Escrow Deposit	\$24,811,938.22
Cost of Issuance	102,660.95
Underwriter's Discount	191,806.63
Total Uses:	\$25,106,405.80



Beaufort County, South Carolina
General Obligation Refunding Bonds, Series 2014B
Closing Memorandum

IV. CALCULATION OF TRANSFER AMOUNTS

Calculation of amount from **Morgan Stanley**:

Bond Proceeds:		
Par Amount		\$22,570,000.00
Plus: Net Original Issue Premium	\$2,536,405.80	
Less: Underwriter's Discount	(191,806.63)	
Net Proceeds		\$24,914,599.17

V. FINANCING STRUCTURE

<u>Bond Component</u>	<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>
Series 2014B	03/01/2021	\$ 4,220,000	4.000%	1.640%
	03/01/2022	2,735,000	4.000%	1.900%
	03/01/2023	2,985,000	4.000%	2.080%
	03/01/2024	3,345,000	4.000%	2.200%
	03/01/2025	4,665,000	4.000%	2.300%
	03/01/2026	225,000	2.500%	2.602%
	03/01/2027	260,000	2.500%	2.692%
	03/01/2028	2,005,000	3.000%	3.069%
	03/01/2029	2,130,000	3.000%	3.120%
			\$22,570,000	



**Beaufort County, South Carolina
General Obligation Refunding Bonds, Series 2014B
Closing Memorandum**

VI. TRANSFER OF FUNDS

1. On November 6, 2014, no later than 11:00 a.m., Morgan Stanley will send a Federal Funds wire totaling \$24,811,938.22 to Wells Fargo Bank, N.A. as follows:

Amount:	\$24,811,938.22
To:	Wells Fargo Bank, NA
Account Name:	Corporate Trust Wire Clearing
ABA #:	121000248
Account #:	6355060501
Attn:	Shane Cashin
Tel:	612-667-4676
Re:	BEAU2010BBAB

2. On November 6, 2014, no later than 11:00 a.m., Morgan Stanley will send a Federal Funds wire totaling \$102,660.95 to McNair Law Firm, P.A. as follows:

Amount:	\$102,660.95
To:	Bank of America, N.A.
Account Name:	McNair Law Firm, P.A.
ABA #:	026009593
Account #:	07-0705-4165
Attn:	Laura Culler
Tel:	(803) 799-9800
Re:	Beaufort County 2014B

VII. DISBURSEMENT FOR COSTS OF ISSUANCE

On or about the Closing Date, McNair Law Firm, P.A. will disburse funds in the appropriate amount of \$102,660.95 to make payments against invoices for services rendered in connection with the issuance of the bonds.

Cost of Issuance

Section 5

**Beaufort County, South Carolina
Series 2014 A&B**

Costs of Issuance

	New Money (A)	Refunding (B)	Total
Professional:	\$19,450,000	\$21,890,000	\$41,340,000
Bond Counsel Fee	\$35,287	\$39,713	\$75,000
Out of Pocket Expenses	54	60	114
Financial Advisor Fee	16,025	18,036	34,061
Out of Pocket Expenses	620	698	1,318
Moody's	7,438	17,500	24,938
Standard & Poor's	11,762	13,238	25,000
Wells Fargo Holding Fee	-	250	250
Verification Agent	-	1,400	1,400
I-Deal	750	750	1,500
DAC	2,500	2,500	5,000
Paying Agent	1,500	1,500	3,000
Miscellaneous	2,500	2,500	5,000
Total	\$78,436	\$98,145	\$176,580

Rating Reports

Section 6

MOODY'S

INVESTORS SERVICE

New Issue: Moody's assigns Aa1 rating to Beaufort County, SC's \$43M GO Bonds, Series 2014 A&B; outlook is stable

Global Credit Research - 10 Oct 2014

Affirms Aa1 on \$205M parity debt

BEAUFORT (COUNTY OF) SC
Counties
SC

Moody's Rating

ISSUE		RATING
General Obligation Refunding Bonds, Series 2014B		Aa1
Sale Amount	\$23,000,000	
Expected Sale Date	10/23/14	
Rating Description	General Obligation	

General Obligation Bonds Series 2014A		Aa1
Sale Amount	\$20,000,000	
Expected Sale Date	10/23/14	
Rating Description	General Obligation	

Moody's Outlook STA

Opinion

NEW YORK, October 10, 2014 --Moody's Investors Service has assigned a Aa1 rating to Beaufort County's (SC) \$20 million General Obligation Bonds, Series 2014A and \$23 million General Obligation Refunding Bonds, Series 2014B. Concurrently, Moody's has affirmed the Aa1 rating on the county's \$205 million of pre-refunding general obligation debt. The bonds are secured by the county's unlimited ad valorem tax pledge. Proceeds of the Series 2014A bonds will fund various capital projects and proceeds of the Series 2014B bonds will refund the county's Series 2010 bonds for an expected net present value savings equal to 9% of refunded par, with no extension of maturity.

SUMMARY RATINGS RATIONALE

The Aa1 rating reflects the county's healthy reserve levels, a tourism-based economy that has driven rapid tax base expansion, a wealthy demographic profile, and a manageable debt burden. The stable outlook is based on the expectation that reserves will remain sound given policies and a history of conservative budgeting and management, and that the county's tax base will continue to grow, despite a recent decline due to reassessment.

STRENGTHS

- Sizable tax base with above-average socioeconomic factors
- History of strong fund balances reserves
- Manageable debt burden

CHALLENGES

- Tax base could be negatively impacted by sequestration

DETAILED CREDIT DISCUSSION

FINANCIAL POSITION EXPECTED TO REMAIN SOUND

Beaufort County's financial position is expected to remain healthy given its conservative budgeting practices, focus on long-term fiscal stability, and healthy reserve position. The county reported operating surpluses in four of the last five fiscal years, increasing General Fund balance to \$24.2 million (a strong 24.7% of revenues) in fiscal 2013 from \$20.9 million (20.9% of revenues) in fiscal 2009. Fiscal 2013 operations ended with a \$1.3 million addition to fund balance due to positive expenditure variances and licenses and permits over budget. The fiscal 2014 budget did not include the use of reserves and officials currently project a modest \$262,000 surplus.

The fiscal 2015 adopted budget is relatively level to the prior year despite an increase in public safety expenditures due to a reduction in capital spending, which will be funded with bond proceeds. The budget assumes a 0.8% increase in the tax base and does not include a tax rate increase. The budget is balanced with the use of \$1.7 million in reserves. Approximately 72.4% of county's operating revenues are derived from property taxes, followed by charges for services (9.7%). The county recently adopted a formal fund balance policy, which requires unassigned General Fund balance to be maintained at a minimum of 30% of revenues. Future rating reviews will factor the county's ability to continue to maintain reserves in step with budgetary growth and comply with this target.

LEADING NATIONAL TOURIST AND RECREATIONAL ECONOMY

Growth of Beaufort County's sizeable tax base, estimated at \$36.8 billion as of fiscal 2014, is expected to continue to benefit a local economy that combines a sizable and historically vibrant tourism sector and large, stabilizing governmental employment base. Located on the southernmost tip of South Carolina (Aaa/stable), with 30 miles of coastline, Beaufort County is home to the Town of Hilton Head Island (Aaa), Fripp and Hunting islands, just three of the county's many resort areas. Approximately 60% of the county's tax base is composed of Hilton Head Island. The county's assessed value has decreased by an average annual rate of 1.7%, largely due to a reassessment in fiscal 2014. The reassessment captured the change in property values throughout the recession, resulting in a 22.5% decline in full value. However, officials project the tax base to increase moderately going forward due to small business expansions and a new housing development underway. While new construction remains significantly below pre-recession levels, value of permits have increased steadily in the last three years.

The county derives economic stability from the presence and expansion of military facilities, including the U.S. Marine Corps Recruit Depot (employs 7,000 military and 926 civilian personnel), the Marine Corps Air Station and Beaufort Naval Hospital. The local economy also benefits from the University of South Carolina Beaufort and the Technical College of the Lowcountry, with combined student enrollment of 4,151. The county's population increased by 33% from 2000 to 2010, to approximately 162,233. The robust full value per capita of \$218,847 reflects the county's wealthy residential base, including high-end water-front properties. Wealth levels are also above average, as evidenced by the 2012 per capita income equal to 136.9% of the state and 116.7% of the nation. Beaufort County's unemployment rate of 6.2% as of July 2014 was slightly lower than the state's 6.4%, consistent with the historical trend.

DEBT BURDEN EXPECTED TO REMAIN MANAGEABLE

The county's debt burden should remain manageable despite additional borrowing plans, given strong prospects for long-term tax base growth and a currently low debt burden. The county's current direct debt burden is a low 0.5% of full valuation. Incorporating the overlapping obligations of Beaufort County School District (Aa1), the county's overall debt rises to 1.5% of full value, in line with state-wide/national averages. Amortization of debt is average, with 71.9% of principal repaid within 10 years. The county does not have any immediate future debt plans. The county's debt portfolio consists entirely of fixed-rate borrowing, and the county has not entered into any derivative agreements.

The county participates in the South Carolina Retirement System and the Police Officers Retirement System, two multi-employer, defined benefit retirement plans sponsored by the State of South Carolina. The county's combined annual required contribution (ARC) for the plans was \$5.7 million in fiscal 2013, or 5.6% of General Fund expenditures. The county's combined adjusted net pension liability, under Moody's methodology for adjusting reported pension data, is \$215 million, or an average 1.77 times General Fund revenues. Moody's uses the adjusted net pension liability to improve comparability of reported pension liabilities. The adjustments are not intended to replace the county's reported liability information, but to improve comparability with other rated entities. We determined the county's share of liability for the state-run plans in proportion to its contributions to the plans.

Outlook

The stable outlook reflects Moody's belief that the county's tax base will remain stable given the intuitional military presence and growing tourism sector. The county's financial position is also expected to remain adequate due to currently satisfactory reserve levels and historically conservative budgeting practices.

WHAT COULD MAKE THE RATING GO UP:

- Increased fund balance levels, as well as the development of formalized fiscal and debt policies

WHAT COULD MAKE THE RATING GO DOWN:

- Declines in fund balance reserves
- Significant tax base deterioration

KEY STATISTICS

Full Value, Fiscal 2014: \$36.8 billion

Full Value Per Capita, Fiscal 2015: \$218,847

Median Family Income as % of US Median (2012 American Community Survey): 103.7%

Fund Balance as % of Revenues, Fiscal 2013: 18.25%

5-Year Dollar Change in Fund Balance as % of Revenues: 2.66%

Cash Balance as % of Revenues, Fiscal 2013: 17.74%

5-Year Dollar Change in Cash Balance as % of Revenues: 3.77%

Institutional Framework: "Aa"

5-Year Average Operating Revenues / Operating Expenditures: 0.96x

Net Direct Debt as % of Full Value: 0.63%

Net Direct Debt / Operating Revenues: 1.91x

3-Year Average ANPL as % of Full Value: 0.50%

3-Year Average ANPL / Operating Revenues: 1.51x

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2014. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal

entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moody's.com for additional regulatory disclosures for each credit rating.

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RatingsDirect®

Summary:

Beaufort County, South Carolina; General Obligation

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Rationale

Outlook

Related Criteria And Research

Summary

Beaufort County, South Carolina; General Obligation

Credit Profile

US\$23.0 mil go rfdg bnds ser 2014B due 03/01/2029

Long Term Rating

AA+/Stable

New

US\$20.0 mil go bnds ser 2014A due 03/01/2034

Long Term Rating

AA+/Stable

New

Rationale

Standard & Poor's Ratings Services has assigned its 'AA+' long-term rating to Beaufort County, S.C.'s series 2014A general obligation (GO) bonds and series 2014B GO refunding bonds and affirmed its 'AA+' long-term rating and underlying rating (SPUR) on the county's GO bonds outstanding pursuant to our local GO criteria released Sept. 12, 2013. The outlook on all ratings is stable.

The county's full faith and credit GO pledge secures the bonds. Officials plan to use proceeds of the series 2014A bonds to provide new money for facilities repairs and equipment replacements, and series 2014B bonds to refund series 2010 GO Build America Bonds. The refunding will not extend maturities and results in interest rate savings over the life of the bonds.

The 'AA+' GO rating reflects our view of the county's:

- A very strong local economy that serves as a second home and resort community and is also home to several military installations;
- Very strong budgetary flexibility, with plans to build up general fund reserves further, to 30% of expenditures;
- Strong budgetary performance in fiscal 2013, with another general fund surplus projected for fiscal 2014;
- Very strong liquidity, with strong access to external liquidity;
- Strong management conditions, with "good" financial policies and practices in place; and
- Strong debt and contingent liability profile, with no additional debt plans at this time.

Very strong local economy

Beaufort County is located in the southern coastal area of South Carolina and encompasses more than 60 sea islands. The county's population, estimated at 167,547, has nearly doubled in the past two decades. Tourism, healthcare, and retirement-related services continue to play a significant role in the local economy, anchored by the resort communities around Hilton Head Island. The military is also a major economic driver; the federal government and the military represent nearly 14% of county employment. Beaufort County is home to the Parris Island Marine Corps Recruit Depots, one of only two such facilities in the nation, and the Beaufort Naval Hospital. We understand that the Marine Corps Air Station, also known as "Fightertown", will receive two training squadrons and is undergoing a \$200 million expansion.

Beaufort County's tax base is extremely strong, in our opinion, with market value per capita of \$283,075, driven by the presence of second homes. Property values have fallen modestly since their peak in 2010. Other economic indicators have shown more robust growth, with unemployment rates falling to 6.8% during 2013, below both state and national rates. The county's projected per capita effective buying income is above average, at 116.1% of U.S. levels.

Very strong budgetary flexibility

We consider the county's budgetary flexibility very strong based on fiscal year-end 2013 available fund balance (assigned and unassigned) of \$21.4 million, or 22.8% of general fund expenditures. Preliminary results show a surplus for fiscal 2014, which would increase available reserves to \$22.2 million, or 22% of expenditures. Beaufort County has adopted an unassigned general fund balance target equivalent to 30% of the prior year's expenditures, and plans to set aside 0.5% of expenditures each year until the target is reached. However, the fiscal 2015 budget includes the use of funds that had previously been restricted to mitigate any revenue impact from the county's 2013 property revaluation. Despite the planned use, we expect available reserves to remain very strong.

Strong budgetary performance

We consider the county's budgetary performance strong, based on fiscal 2013 results and projections for fiscal 2014. Fiscal 2013 closed with a \$1.9 million general fund surplus, or 2% of expenditures, while total governmental funds saw a surplus of \$3.9 million after adjusting for tax increment financing (TIF) bond prepayments and bond-funded capital expenditures. Officials are projecting a slight general fund surplus of \$262,000, or 0.3% of expenditures in 2014. The fiscal 2015 general fund budget includes the use of \$750,000 of fund balance (approximately 0.5% of expenditures) but based on the county's historically conservative budgeting, we do not expect that the full drawdown will be realized.

Very strong liquidity

We consider the county's cash position very strong at fiscal 2013 year-end. After adjusting for bond proceeds and referendum restrictions, as well as for a \$10 million emergency credit limit extension, available cash represented 40.8% of total governmental expenditures and 280% of adjusted debt service (netting out TIF bond prepayments). We further believe that the county has strong access to external liquidity based on its history of GO bond issuance.

Beaufort County's reserve policy also includes a goal of maintaining unrestricted and available cash of at least 25% of the general fund appropriation during the August through October hurricane season, which also corresponds to the county's low cash point during the year. We believe that the county's active management and ongoing efforts to build reserves and liquidity to its policy targets are important credit considerations.

Strong management conditions

We consider Beaufort County's management conditions strong, with "good" financial policies and practices in place pursuant to our Financial Management Assessment criteria, indicating that practices exist in most areas, although not all may be formalized or regularly monitored by governance officials.

Strong debt and contingent liability profile

We consider the county's debt and contingent liability profile strong. Net direct debt represents 153% of total governmental fund revenue, and adjusted debt service (netting out TIF bond prepayments) was 14.6% of expenditures. Overall net debt was just 1.3% of market value, and amortization is rapid, with 72% retiring in 10 years. Beaufort County does not currently have additional debt plans, having completed substantial road and infrastructure projects

from a recently expired sales tax referendum.

The county participates in the South Carolina Retirement System and no longer offers other postemployment benefits to new employees. Combined contributions were only 3.7% of total governmental expenditures in 2013.

Strong Institutional Framework

We consider the Institutional Framework for South Carolina counties strong (see "Institutional Framework Overview: South Carolina Local Governments." Sept. 12, 2013).

Outlook

The stable outlook reflects Standard & Poor's view of Beaufort County's stable military and tourism-based economy and its very strong financial position. For these reasons, we do not expect to change the rating within the two-year outlook horizon. Although not anticipated within the next two years, further economic growth and diversification coupled with maintenance of a robust reserve and liquidity position could lead to our raising the rating one notch to 'AAA'. Conversely, and though unlikely, a significant and sustained deterioration in the county's reserve or liquidity position could lead to our lowering the rating.

Related Criteria And Research

Related Criteria

USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Institutional Framework Overview: South Carolina Local Governments, Sept. 12, 2013

Ratings Detail (As Of October 17, 2014)

Beaufort Cnty GO

<i>Unenhanced Rating</i>	AA+(SPUR)/Stable	Affirmed
<i>Long Term Rating</i>	AA+/Stable	Affirmed

Many issues are enhanced by bond insurance.

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Bid Summaries

Section 7



3:33:56 p.m. EDST

Upcoming Calendar Overview Compare Summary

Bid Results

**Beaufort County
\$19,450,000 General Obligation Bonds, Series 2014A**

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest TIC.
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
 Reoffering	Robert W. Baird & Co., Inc.	2.911023
	Morgan Stanley & Co, LLC	2.960583
	Hutchinson, Shockey, Erley & Co.	3.013859
	FTN Financial Capital Markets	3.027212
	Wells Fargo Bank, National Association	3.199999

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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3:34:35 p.m. EDST

[Upcoming Calendar](#)

[Overview](#)

[Compare](#)

[Summary](#)

Bid Results

**Beaufort County
\$21,890,000 General Obligation Refunding Bonds, Series 2014B**

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest TIC.
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input checked="" type="checkbox"/> Reoffering	Morgan Stanley & Co, LLC	2.454354
<input type="checkbox"/>	Hutchinson, Shockey, Erley & Co.	2.578974
<input type="checkbox"/>	Wells Fargo Bank, National Association	2.580007
<input type="checkbox"/>	FTN Financial Capital Markets	2.606364
<input type="checkbox"/>	Bank of America Merrill Lynch	2.606444

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

Final Numbers

Section 8

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General Obligation Bonds, Series 2014A
****FINAL NUMBERS****

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SOURCES AND USES OF FUNDS

**BEAUFORT COUNTY, SOUTH CAROLINA
General Obligation Bonds, Series 2014A
****FINAL NUMBERS******

Sources:

Bond Proceeds:	
Par Amount	19,450,000.00
Net Premium	901,988.70
	20,351,988.70

Uses:

Project Fund Deposits:	
Project Fund	19,371,564.39
Other Fund Deposits:	
Debt Service Fund	598,893.51
Delivery Date Expenses:	
Cost of Issuance	78,435.61
Underwriter's Discount	303,095.19
	381,530.80
	20,351,988.70

BOND SUMMARY STATISTICS

BEAUFORT COUNTY, SOUTH CAROLINA
 General Obligation Bonds, Series 2014A
 ****FINAL NUMBERS****

Dated Date	11/06/2014
Delivery Date	11/06/2014
Last Maturity	03/01/2034
Arbitrage Yield	2.769541%
True Interest Cost (TIC)	2.941424%
Net Interest Cost (NIC)	2.997247%
All-In TIC	2.985761%
Average Coupon	3.278982%
Average Life (years)	10.929
Duration of Issue (years)	8.979
Par Amount	19,450,000.00
Bond Proceeds	20,351,988.70
Total Interest	6,970,237.75
Net Interest	6,371,344.24
Total Debt Service	26,420,237.75
Maximum Annual Debt Service	1,347,412.50
Average Annual Debt Service	1,367,546.45
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	15.583300
Total Underwriter's Discount	15.583300
Bid Price	103.079144

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	19,450,000.00	104.637	3.279%	10.929	17,157.95
	19,450,000.00			10.929	17,157.95

	TIC	All-In TIC	Arbitrage Yield
Par Value	19,450,000.00	19,450,000.00	19,450,000.00
+ Accrued Interest			
+ Premium (Discount)	901,988.70	901,988.70	901,988.70
- Underwriter's Discount	-303,095.19	-303,095.19	
- Cost of Issuance Expense		-78,435.61	
- Other Amounts			
Target Value	20,048,893.51	19,970,457.90	20,351,988.70
Target Date	11/06/2014	11/06/2014	11/06/2014
Yield	2.941424%	2.985761%	2.769541%

BOND PRICING

**BEAUFORT COUNTY, SOUTH CAROLINA
General Obligation Bonds, Series 2014A
****FINAL NUMBERS******

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	03/01/2015	675,000	2.000%	0.200%	100.574
	03/01/2016	740,000	2.000%	0.350%	102.169
	03/01/2017	755,000	2.000%	0.500%	103.454
	03/01/2018	770,000	2.000%	0.700%	104.257
	03/01/2019	785,000	2.000%	1.030%	104.087
	03/01/2020	800,000	4.000%	1.330%	113.666
	03/01/2021	830,000	4.000%	1.580%	114.498
	03/01/2022	865,000	4.000%	1.830%	114.800
	03/01/2023	900,000	5.000%	2.000%	122.884
	03/01/2024	945,000	5.000%	2.150%	123.949
	03/01/2025	990,000	3.000%	2.400%	104.981 C
	03/01/2026	1,020,000	3.000%	2.600%	103.289 C
	03/01/2027	1,055,000	3.000%	2.800%	101.628 C
	03/01/2028	1,085,000	3.000%	3.000%	100.000
	03/01/2029	1,115,000	3.000%	3.050%	99.420
	03/01/2030	1,150,000	3.000%	3.150%	98.185
	03/01/2031	1,185,000	3.125%	3.250%	98.423
	03/01/2032	1,220,000	3.250%	3.300%	99.341
	03/01/2033	1,260,000	3.250%	3.350%	98.635
	03/01/2034	1,305,000	3.250%	3.400%	97.885
		19,450,000			

Dated Date	11/06/2014	
Delivery Date	11/06/2014	
First Coupon	03/01/2015	
Par Amount	19,450,000.00	
Premium	901,988.70	
Production	20,351,988.70	104.637474%
Underwriter's Discount	-303,095.19	-1.558330%
Purchase Price	20,048,893.51	103.079144%
Accrued Interest		
Net Proceeds	20,048,893.51	

BOND DEBT SERVICE

BEAUFORT COUNTY, SOUTH CAROLINA
General Obligation Bonds, Series 2014A
****FINAL NUMBERS****

Period Ending	Principal	Interest	Debt Service
03/01/2015	675,000	197,750.09	872,750.09
09/01/2015		302,771.88	302,771.88
03/01/2016	740,000	302,771.88	1,042,771.88
09/01/2016		295,371.88	295,371.88
03/01/2017	755,000	295,371.88	1,050,371.88
09/01/2017		287,821.88	287,821.88
03/01/2018	770,000	287,821.88	1,057,821.88
09/01/2018		280,121.88	280,121.88
03/01/2019	785,000	280,121.88	1,065,121.88
09/01/2019		272,271.88	272,271.88
03/01/2020	800,000	272,271.88	1,072,271.88
09/01/2020		256,271.88	256,271.88
03/01/2021	830,000	256,271.88	1,086,271.88
09/01/2021		239,671.88	239,671.88
03/01/2022	865,000	239,671.88	1,104,671.88
09/01/2022		222,371.88	222,371.88
03/01/2023	900,000	222,371.88	1,122,371.88
09/01/2023		199,871.88	199,871.88
03/01/2024	945,000	199,871.88	1,144,871.88
09/01/2024		176,246.88	176,246.88
03/01/2025	990,000	176,246.88	1,166,246.88
09/01/2025		161,396.88	161,396.88
03/01/2026	1,020,000	161,396.88	1,181,396.88
09/01/2026		146,096.88	146,096.88
03/01/2027	1,055,000	146,096.88	1,201,096.88
09/01/2027		130,271.88	130,271.88
03/01/2028	1,085,000	130,271.88	1,215,271.88
09/01/2028		113,996.88	113,996.88
03/01/2029	1,115,000	113,996.88	1,228,996.88
09/01/2029		97,271.88	97,271.88
03/01/2030	1,150,000	97,271.88	1,247,271.88
09/01/2030		80,021.88	80,021.88
03/01/2031	1,185,000	80,021.88	1,265,021.88
09/01/2031		61,506.25	61,506.25
03/01/2032	1,220,000	61,506.25	1,281,506.25
09/01/2032		41,681.25	41,681.25
03/01/2033	1,260,000	41,681.25	1,301,681.25
09/01/2033		21,206.25	21,206.25
03/01/2034	1,305,000	21,206.25	1,326,206.25
	19,450,000	6,970,237.75	26,420,237.75

BOND DEBT SERVICE

**BEAUFORT COUNTY, SOUTH CAROLINA
General Obligation Bonds, Series 2014A
****FINAL NUMBERS******

Period Ending	Principal	Interest	Debt Service
06/30/2015	675,000	197,750.09	872,750.09
06/30/2016	740,000	605,543.76	1,345,543.76
06/30/2017	755,000	590,743.76	1,345,743.76
06/30/2018	770,000	575,643.76	1,345,643.76
06/30/2019	785,000	560,243.76	1,345,243.76
06/30/2020	800,000	544,543.76	1,344,543.76
06/30/2021	830,000	512,543.76	1,342,543.76
06/30/2022	865,000	479,343.76	1,344,343.76
06/30/2023	900,000	444,743.76	1,344,743.76
06/30/2024	945,000	399,743.76	1,344,743.76
06/30/2025	990,000	352,493.76	1,342,493.76
06/30/2026	1,020,000	322,793.76	1,342,793.76
06/30/2027	1,055,000	292,193.76	1,347,193.76
06/30/2028	1,085,000	260,543.76	1,345,543.76
06/30/2029	1,115,000	227,993.76	1,342,993.76
06/30/2030	1,150,000	194,543.76	1,344,543.76
06/30/2031	1,185,000	160,043.76	1,345,043.76
06/30/2032	1,220,000	123,012.50	1,343,012.50
06/30/2033	1,260,000	83,362.50	1,343,362.50
06/30/2034	1,305,000	42,412.50	1,347,412.50
	19,450,000	6,970,237.75	26,420,237.75

NET DEBT SERVICE

BEAUFORT COUNTY, SOUTH CAROLINA
 General Obligation Bonds, Series 2014A
 ****FINAL NUMBERS****

Period Ending	Total Debt Service	General Fund	Net Debt Service
06/30/2015	872,750.09	598,893.51	273,856.58
06/30/2016	1,345,543.76		1,345,543.76
06/30/2017	1,345,743.76		1,345,743.76
06/30/2018	1,345,643.76		1,345,643.76
06/30/2019	1,345,243.76		1,345,243.76
06/30/2020	1,344,543.76		1,344,543.76
06/30/2021	1,342,543.76		1,342,543.76
06/30/2022	1,344,343.76		1,344,343.76
06/30/2023	1,344,743.76		1,344,743.76
06/30/2024	1,344,743.76		1,344,743.76
06/30/2025	1,342,493.76		1,342,493.76
06/30/2026	1,342,793.76		1,342,793.76
06/30/2027	1,347,193.76		1,347,193.76
06/30/2028	1,345,543.76		1,345,543.76
06/30/2029	1,342,993.76		1,342,993.76
06/30/2030	1,344,543.76		1,344,543.76
06/30/2031	1,345,043.76		1,345,043.76
06/30/2032	1,343,012.50		1,343,012.50
06/30/2033	1,343,362.50		1,343,362.50
06/30/2034	1,347,412.50		1,347,412.50
	26,420,237.75	598,893.51	25,821,344.24

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Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
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SOURCES AND USES OF FUNDS

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Sources:

Bond Proceeds:	
Par Amount	22,570,000.00
Net Premium	2,536,405.80
	25,106,405.80

Uses:

Refunding Escrow Deposits:	
Cash Deposit	24,811,938.22
Delivery Date Expenses:	
Cost of Issuance	98,144.75
Underwriter's Discount	191,806.63
	289,951.38
Other Uses of Funds:	
Additional Proceeds	4,516.20
	25,106,405.80

SUMMARY OF REFUNDING RESULTS

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Dated Date	11/06/2014
Delivery Date	11/06/2014
Arbitrage yield	2.333068%
Escrow yield	
Value of Negative Arbitrage	
Bond Par Amount	22,570,000.00
True Interest Cost	2.459522%
Net Interest Cost	2.595393%
All-In TIC	2.508931%
Average Coupon	3.692077%
Average Life	9.472
Par amount of refunded bonds	24,550,000.00
Average coupon of refunded bonds	5.135194%
Average life of refunded bonds	9.543
PV of prior debt to 11/06/2014 @ 2.333068%	27,603,399.49
Net PV Savings	2,439,944.03
Percentage savings of refunded bonds	9.938672%
Percentage savings of refunding bonds	10.810563%

SAVINGS

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/06/2014 @ 2.3330678%
06/30/2015	451,016.26	272,861.46	178,154.80	176,839.60
06/30/2016	902,032.52	854,175.00	47,857.52	46,685.73
06/30/2017	902,032.52	854,175.00	47,857.52	45,615.29
06/30/2018	902,032.52	854,175.00	47,857.52	44,569.39
06/30/2019	902,032.52	854,175.00	47,857.52	43,547.47
06/30/2020	902,032.52	854,175.00	47,857.52	42,548.99
06/30/2021	5,362,032.52	5,074,175.00	287,857.52	248,850.24
06/30/2022	3,704,638.78	3,420,375.00	284,263.78	240,192.60
06/30/2023	3,846,521.10	3,560,975.00	285,546.10	235,772.78
06/30/2024	4,087,527.50	3,801,575.00	285,952.50	230,719.62
06/30/2025	5,273,303.24	4,987,775.00	285,528.24	225,116.58
06/30/2026	647,738.26	361,175.00	286,563.26	220,778.03
06/30/2027	676,130.86	390,550.00	285,580.86	214,929.53
06/30/2028	2,417,508.76	2,129,050.00	288,458.76	212,062.56
06/30/2029	2,482,531.60	2,193,900.00	288,631.60	207,199.43
	33,459,111.48	30,463,286.46	2,995,825.02	2,435,427.83

Savings Summary

PV of savings from cash flow	2,435,427.83
Plus: Refunding funds on hand	4,516.20
Net PV Savings	2,439,944.03

BOND SUMMARY STATISTICS

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Dated Date	11/06/2014
Delivery Date	11/06/2014
Last Maturity	03/01/2029
Arbitrage Yield	2.333068%
True Interest Cost (TIC)	2.459522%
Net Interest Cost (NIC)	2.595393%
All-In TIC	2.508931%
Average Coupon	3.692077%
Average Life (years)	9.472
Duration of issue (years)	8.090
Par Amount	22,570,000.00
Bond Proceeds	25,106,405.80
Total Interest	7,893,286.46
Net Interest	5,548,687.29
Total Debt Service	30,463,286.46
Maximum Annual Debt Service	5,074,175.00
Average Annual Debt Service	2,127,407.01
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	8.498300
Total Underwriter's Discount	8.498300
Bid Price	110.388122

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	22,570,000.00	111.238	3.692%	9.472	19,509.35
	22,570,000.00			9.472	19,509.35

	TIC	All-In TIC	Arbitrage Yield
Par Value	22,570,000.00	22,570,000.00	22,570,000.00
+ Accrued Interest			
+ Premium (Discount)	2,536,405.80	2,536,405.80	2,536,405.80
- Underwriter's Discount	-191,806.63	-191,806.63	
- Cost of Issuance Expense		-98,144.75	
- Other Amounts			
Target Value	24,914,599.17	24,816,454.42	25,106,405.80
Target Date	11/06/2014	11/06/2014	11/06/2014
Yield	2.459522%	2.508931%	2.333068%

BOND PRICING

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:					
	03/01/2021	4,220,000	4.000%	1.640%	114.110
	03/01/2022	2,735,000	4.000%	1.900%	114.284
	03/01/2023	2,985,000	4.000%	2.080%	114.595
	03/01/2024	3,345,000	4.000%	2.200%	115.089
	03/01/2025	4,665,000	4.000%	2.300%	114.184 C
	03/01/2026	225,000	2.500%	2.602%	99.000
	03/01/2027	260,000	2.500%	2.692%	98.000
	03/01/2028	2,005,000	3.000%	3.069%	99.250
	03/01/2029	2,130,000	3.000%	3.120%	98.625
		22,570,000			

Dated Date	11/06/2014	
Delivery Date	11/06/2014	
First Coupon	03/01/2015	
Par Amount	22,570,000.00	
Premium	2,536,405.80	
Production	25,106,405.80	111.237952%
Underwriter's Discount	-191,806.63	-0.849830%
Purchase Price	24,914,599.17	110.388122%
Accrued Interest		
Net Proceeds	24,914,599.17	

BOND DEBT SERVICE**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Period Ending	Principal	Interest	Debt Service
03/01/2015		272,861.46	272,861.46
09/01/2015		427,087.50	427,087.50
03/01/2016		427,087.50	427,087.50
09/01/2016		427,087.50	427,087.50
03/01/2017		427,087.50	427,087.50
09/01/2017		427,087.50	427,087.50
03/01/2018		427,087.50	427,087.50
09/01/2018		427,087.50	427,087.50
03/01/2019		427,087.50	427,087.50
09/01/2019		427,087.50	427,087.50
03/01/2020		427,087.50	427,087.50
09/01/2020		427,087.50	427,087.50
03/01/2021	4,220,000	427,087.50	4,647,087.50
09/01/2021		342,687.50	342,687.50
03/01/2022	2,735,000	342,687.50	3,077,687.50
09/01/2022		287,987.50	287,987.50
03/01/2023	2,985,000	287,987.50	3,272,987.50
09/01/2023		228,287.50	228,287.50
03/01/2024	3,345,000	228,287.50	3,573,287.50
09/01/2024		161,387.50	161,387.50
03/01/2025	4,665,000	161,387.50	4,826,387.50
09/01/2025		68,087.50	68,087.50
03/01/2026	225,000	68,087.50	293,087.50
09/01/2026		65,275.00	65,275.00
03/01/2027	260,000	65,275.00	325,275.00
09/01/2027		62,025.00	62,025.00
03/01/2028	2,005,000	62,025.00	2,067,025.00
09/01/2028		31,950.00	31,950.00
03/01/2029	2,130,000	31,950.00	2,161,950.00
	22,570,000	7,893,286.46	30,463,286.46

PRIOR BOND DEBT SERVICE

Beaufort County, South Carolina
 Refunding of Series 2010B Build America Bonds
 ****FINAL NUMBERS****

Period Ending	Principal	Interest	Debt Service	BAB Subsidy	Total
03/01/2015		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2015		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2016		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2016		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2017		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2017		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2018		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2018		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2019		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2019		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2020		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2020		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2021	4,460,000	620,380.00	5,080,380.00	-169,363.74	4,911,016.26
09/01/2021		515,570.00	515,570.00	-140,750.61	374,819.39
03/01/2022	2,955,000	515,570.00	3,470,570.00	-140,750.61	3,329,819.39
09/01/2022		444,650.00	444,650.00	-121,389.45	323,260.55
03/01/2023	3,200,000	444,650.00	3,644,650.00	-121,389.45	3,523,260.55
09/01/2023		366,250.00	366,250.00	-99,986.25	266,263.75
03/01/2024	3,555,000	366,250.00	3,921,250.00	-99,986.25	3,821,263.75
09/01/2024		277,375.00	277,375.00	-75,723.38	201,651.62
03/01/2025	4,870,000	277,375.00	5,147,375.00	-75,723.38	5,071,651.62
09/01/2025		153,190.00	153,190.00	-41,820.87	111,369.13
03/01/2026	425,000	153,190.00	578,190.00	-41,820.87	536,369.13
09/01/2026		141,768.13	141,768.13	-38,702.70	103,065.43
03/01/2027	470,000	141,768.13	611,768.13	-38,702.70	573,065.43
09/01/2027		128,960.63	128,960.63	-35,206.25	93,754.38
03/01/2028	2,230,000	128,960.63	2,358,960.63	-35,206.25	2,323,754.38
09/01/2028		67,078.13	67,078.13	-18,312.33	48,765.80
03/01/2029	2,385,000	67,078.13	2,452,078.13	-18,312.33	2,433,765.80
	24,550,000	12,254,623.78	36,804,623.78	-3,345,512.30	33,459,111.48

SUMMARY OF BONDS REFUNDED

**Beaufort County, South Carolina
 Refunding of Series 2010B Build America Bonds
 ****FINAL NUMBERS******

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
\$24,550,000 General Obligation Bonds, Taxable Series 2010B (BABs), 2010B:					
SERIAL	03/01/2021	4.700%	4,460,000.00	11/17/2014	100.000
	03/01/2022	4.800%	2,955,000.00	11/17/2014	100.000
	03/01/2023	4.900%	3,200,000.00	11/17/2014	100.000
	03/01/2024	5.000%	3,555,000.00	11/17/2014	100.000
	03/01/2025	5.100%	4,870,000.00	11/17/2014	100.000
	03/01/2026	5.375%	425,000.00	11/17/2014	100.000
	03/01/2027	5.450%	470,000.00	11/17/2014	100.000
	03/01/2028	5.550%	2,230,000.00	11/17/2014	100.000
	03/01/2029	5.625%	2,385,000.00	11/17/2014	100.000
			24,550,000.00		

ESCROW REQUIREMENTS

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Period Ending	Interest	Principal Redeemed	Total
11/17/2014	261,938.22	24,550,000.00	24,811,938.22
	261,938.22	24,550,000.00	24,811,938.22

ESCROW STATISTICS

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow: 24,811,938.22				24,794,358.84		17,579.38
24,811,938.22				24,794,358.84	0.00	17,579.38

Delivery date 11/06/2014
Arbitrage yield 2.333068%

BOND DEBT SERVICE

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Period Ending	Principal	Interest	Debt Service
06/30/2015		272,861.46	272,861.46
06/30/2016		854,175.00	854,175.00
06/30/2017		854,175.00	854,175.00
06/30/2018		854,175.00	854,175.00
06/30/2019		854,175.00	854,175.00
06/30/2020		854,175.00	854,175.00
06/30/2021	4,220,000	854,175.00	5,074,175.00
06/30/2022	2,735,000	685,375.00	3,420,375.00
06/30/2023	2,985,000	575,975.00	3,560,975.00
06/30/2024	3,345,000	456,575.00	3,801,575.00
06/30/2025	4,665,000	322,775.00	4,987,775.00
06/30/2026	225,000	136,175.00	361,175.00
06/30/2027	260,000	130,550.00	390,550.00
06/30/2028	2,005,000	124,050.00	2,129,050.00
06/30/2029	2,130,000	63,900.00	2,193,900.00
	22,570,000	7,893,286.46	30,463,286.46

Final Verification Report

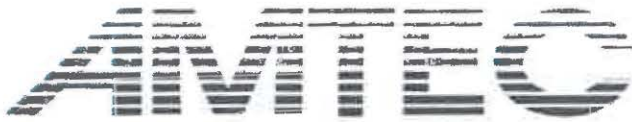
Section 9



TAX-EXEMPT COMPLIANCE

**GENERAL OBLIGATION BONDS, SERIES 2014A
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2014B
BEAUFORT COUNTY, SOUTH CAROLINA**

CASH FLOW & YIELD VERIFICATION REPORT



TAX-EXEMPT COMPLIANCE

Beaufort County, South Carolina (the "Issuer")
P.O. Drawer 1228
Beaufort, SC 29901

McNair Law Firm ("Bond Counsel")
1221 Main Street, Suite 1800
Columbia, SC 29201

First Southwest Company (the "Financial Advisor")
5925 Carnegie Boulevard, Suite 380
Charlotte, NC 28209

Wells Fargo Bank, N.A.
(the "Paying Agent/Trustee")
7000 Central Parkway NE
5th Floor, Suite 550
Atlanta, GA 30328-4579

**General Obligation Bonds, Series 2014A
General Obligation Refunding Bonds, Series 2014B
Beaufort County, South Carolina**

Beaufort County, South Carolina proposes to issue the above referenced General Obligation Bonds, Series 2014A and General Obligation Refunding Bonds, Series 2014B (together, the "Bonds"), dated November 6, 2014, which will be issued on November 6, 2014. The Bonds consist of \$42,020,000 Serial Bonds.

A portion of the proceeds of the Bonds will be deposited as cash and held uninvested in an irrevocable trust (the "Escrow Fund"), to be used solely to refund that portion of the Issuer's General Obligation Bonds, Taxable Series 2010B, (Build America Bonds – Direct Payment to Issuer) (the "Refunded Bonds") described below.

<u>Series</u>	<u>Principal Issued</u>	<u>Dated</u>	<u>Principal Refunded</u>	<u>Maturities Refunded</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
2010B	\$24,550,000	3/10/10	\$24,550,000	3/1/21 to 3/1/29	11/17/14	100%

At your request, we have independently calculated, based on information and assumptions as provided to us by the Financial Advisor: (1) the cash deposit will be sufficient to pay to and at maturity or early redemption, the principal and interest on the Refunded Bonds; and, (2) the "yields" to be considered by Bond Counsel in its determination that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended. The term "yield" as used herein, means that discount rate which, when used in computing the present value of all payments of principal and interest, (adjusted, in the case of the Bonds, to reflect the assumed early redemption of those callable maturities initially reoffered to the public at a price which exceeds 102.25%) compounded semiannually using a 30/360-day year basis, produces an amount equal to: in the case of the Bonds, the issue price to the public.

For the purpose of calculating the arbitrage yield on the Bonds, the following callable, premium maturities are treated as redeemed on March 1, 2024, which results in the lowest yield on the Bonds.

<u>Par Amount</u>	<u>Coupon</u>	<u>Maturity Date</u>	<u>Call Date @ Price</u>
\$4,665,000	4.000%	3/1/2025	3/1/2024 @ 100%
\$990,000	3.000%	3/1/2025	3/1/2024 @ 100%
\$1,020,000	3.000%	3/1/2026	3/1/2024 @ 100%



TAX-EXEMPT COMPLIANCE

At your request, we have independently verified the arithmetical accuracy of the computations based on schedules provided to us by the Financial Advisor. We have relied solely on the assumptions and information as provided to us by the Financial Advisor and have not made any study or evaluation of them, except as noted below. We express no opinion on the reasonableness of the assumptions, or the likelihood that the debt service requirements of the Refunded Bonds will be paid as described in the accompanying exhibits.

In the course of our engagement, we used excerpts from the Official Statement for the Refunded Bonds and the Official Statement for the Bonds as provided by the Financial Advisor. We compared the information on the Bonds and the Refunded Bonds with certain information set forth in such documents with respect to prices, principal payment dates and amounts, interest payment dates and rates, yields, and redemption dates and prices. We found that the information on the Bonds and the Refunded Bonds was in agreement with the above-mentioned information set forth in such documents.

In our opinion, based on the assumptions and information provided by the Financial Advisor, the computations in the schedules provided to us are arithmetically accurate. The computations in the accompanying exhibits prepared by us, based upon the cash deposit to be made, indicate that:

- (1) the cash deposit of \$24,811,938.22 will be sufficient to pay to and at maturity or early redemption, the principal and interest on the Refunded Bonds.
- (2) the yield of the Bonds is 2.5434071%.
- (3) we independently tested the different redemption scenarios and verified that the computation provided by the Financial Advisor produces the lowest yield on the Bonds.
- (4) the net present value savings is \$2,396,131.59, when discounted at the yield of the Bonds, and the percentage of net present value savings based on the Refunded Bonds is 9.760210%.

This report is intended solely for the use of the addressees hereto, and it should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited. The terms of our engagement are such that we have no obligation to update this report or to verify any revised computations because of events and transactions occurring subsequent to the date of this report.

AMTEC

AMTEC
Avon, Connecticut
November 6, 2014

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 Beaufort County, South Carolina

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SOURCES AND USES OF FUNDS

General Obligation Bonds, Series 2014A
 General Obligation Refunding Bonds, Series 2014B
 Beaufort County, South Carolina

Dated Date 11/06/2014
 Delivery Date 11/06/2014

Sources:	General Obligation Bonds, Series 2014A	General Obligation Refunding Bonds, Series 2014B	Total
Bond Proceeds:			
Par Amount	19,450,000.00	22,570,000.00	42,020,000.00
Net Premium	901,988.70	2,536,405.80	3,438,394.50
	20,351,988.70	25,106,405.80	45,458,394.50
Uses:	General Obligation Bonds, Series 2014A	General Obligation Refunding Bonds, Series 2014B	Total
Project Fund Deposits:			
Project Fund	19,371,564.39		19,371,564.39
Refunding Escrow Deposits:			
Cash Deposit		24,811,938.22	24,811,938.22
Delivery Date Expenses:			
Cost of Issuance	78,435.61	98,144.75	176,580.36
Underwriter's Discount	303,095.19	191,806.63	494,901.82
	381,530.80	289,951.38	671,482.18
Other Uses of Funds:			
Debt Service Fund	598,893.51		598,893.51
Additional Proceeds		4,516.20	4,516.20
	598,893.51	4,516.20	603,409.71
	20,351,988.70	25,106,405.80	45,458,394.50

BOND SUMMARY STATISTICS

General Obligation Bonds, Series 2014A
 General Obligation Refunding Bonds, Series 2014B
 Beaufort County, South Carolina

Dated Date	11/06/2014
Delivery Date	11/06/2014
Last Maturity	03/01/2034
Arbitrage Yield	2.543407%
True Interest Cost (TIC)	2.689890%
Net Interest Cost (NIC)	2.795747%
All-In TIC	2.736738%
Average Coupon	3.486119%
Average Life (years)	10.147
Duration of Issue (years)	8.518
Par Amount	42,020,000.00
Bond Proceeds	45,458,394.50
Total Interest	14,863,524.21
Net Interest	11,920,031.53
Total Debt Service	56,883,524.21
Maximum Annual Debt Service	6,416,718.76
Average Annual Debt Service	2,944,366.46
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	11.777768
Total Underwriter's Discount	11.777768
Bid Price	107.004980

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	42,020,000.00	108.183	3.486%	10.147
	42,020,000.00			10.147

	TIC	All-In TIC	Arbitrage Yield
Par Value	42,020,000.00	42,020,000.00	42,020,000.00
+ Accrued Interest			
+ Premium (Discount)	3,438,394.50	3,438,394.50	3,438,394.50
- Underwriter's Discount	-494,901.82	-494,901.82	
- Cost of Issuance Expense		-176,580.36	
- Other Amounts			
Target Value	44,963,492.68	44,786,912.32	45,458,394.50
Target Date	11/06/2014	11/06/2014	11/06/2014
Yield	2.689890%	2.736738%	2.543407%

PROOF OF ARBITRAGE YIELD

General Obligation Bonds, Series 2014A
 General Obligation Refunding Bonds, Series 2014B
 Beaufort County, South Carolina

Date	Debt Service	Total	Present Value to 11/06/2014 @ 2.5434071287%
03/01/2015	1,145,611.55	1,145,611.55	1,136,399.64
09/01/2015	729,859.38	729,859.38	714,899.15
03/01/2016	1,469,859.38	1,469,859.38	1,421,651.87
09/01/2016	722,459.38	722,459.38	689,989.99
03/01/2017	1,477,459.38	1,477,459.38	1,393,338.99
09/01/2017	714,909.38	714,909.38	665,739.19
03/01/2018	1,484,909.38	1,484,909.38	1,365,415.92
09/01/2018	707,209.38	707,209.38	642,132.88
03/01/2019	1,492,209.38	1,492,209.38	1,337,884.26
09/01/2019	699,359.38	699,359.38	619,157.40
03/01/2020	1,499,359.38	1,499,359.38	1,310,745.24
09/01/2020	683,359.38	683,359.38	589,893.47
03/01/2021	5,733,359.38	5,733,359.38	4,887,035.36
09/01/2021	582,359.38	582,359.38	490,161.59
03/01/2022	4,182,359.38	4,182,359.38	3,476,013.33
09/01/2022	510,359.38	510,359.38	418,839.92
03/01/2023	4,395,359.38	4,395,359.38	3,561,871.47
09/01/2023	428,159.38	428,159.38	342,610.92
03/01/2024	11,393,159.38	11,393,159.38	9,002,265.05
09/01/2024	214,184.38	214,184.38	167,111.87
03/01/2025	214,184.38	214,184.38	165,013.39
09/01/2025	214,184.38	214,184.38	162,941.26
03/01/2026	439,184.38	439,184.38	329,914.99
09/01/2026	211,371.88	211,371.88	156,788.52
03/01/2027	1,526,371.88	1,526,371.88	1,117,993.52
09/01/2027	192,296.88	192,296.88	139,079.48
03/01/2028	3,282,296.88	3,282,296.88	2,344,123.87
09/01/2028	145,946.88	145,946.88	102,922.28
03/01/2029	3,390,946.88	3,390,946.88	2,361,279.81
09/01/2029	97,271.88	97,271.88	66,884.53
03/01/2030	1,247,271.88	1,247,271.88	846,859.51
09/01/2030	80,021.88	80,021.88	53,650.14
03/01/2031	1,265,021.88	1,265,021.88	837,475.37
09/01/2031	61,506.25	61,506.25	40,207.32
03/01/2032	1,281,506.25	1,281,506.25	827,215.19
09/01/2032	41,681.25	41,681.25	26,567.48
03/01/2033	1,301,681.25	1,301,681.25	819,268.37
09/01/2033	21,206.25	21,206.25	13,179.45
03/01/2034	1,326,206.25	1,326,206.25	813,872.51
	56,606,024.21	56,606,024.21	45,458,394.50

Proceeds Summary

Delivery date	11/06/2014
Par Value	42,020,000.00
Premium (Discount)	3,438,394.50
Target for yield calculation	45,458,394.50

PROOF OF ARBITRAGE YIELD

General Obligation Bonds, Series 2014A
 General Obligation Refunding Bonds, Series 2014B
 Beaufort County, South Carolina

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Present Value to 11/06/2014 @ 2.5434071287%
SERIAL	03/01/2025	4.000%	2.300%	03/01/2024	100.000	-100,900.77
SERIAL	03/01/2025	3.000%	2.400%	03/01/2024	100.000	-11,994.21
SERIAL	03/01/2026	3.000%	2.600%	03/01/2024	100.000	4,900.73

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Present Value to 11/06/2014 @ 2.5434071287%	Increase to NPV
SERIAL	03/01/2025	4.000%	2.300%			-48,217.35	52,683.42
SERIAL	03/01/2025	3.000%	2.400%			-8,489.53	3,504.68
SERIAL	03/01/2026	3.000%	2.600%			12,032.38	7,131.65

SUMMARY OF REFUNDING RESULTS

General Obligation Bonds, Series 2014A
 General Obligation Refunding Bonds, Series 2014B
 Beaufort County, South Carolina

Dated Date	11/06/2014
Delivery Date	11/06/2014
Arbitrage yield	2.543407%
Escrow yield	
Bond Par Amount	22,570,000.00
True Interest Cost	2.459522%
Net Interest Cost	2.595393%
Average Coupon	3.692077%
Average Life	9.472
Par amount of refunded bonds	24,550,000.00
Average coupon of refunded bonds	5.135194%
Average life of refunded bonds	9.543
PV of prior debt to 11/06/2014 @ 2.543407%	27,139,868.24
Net PV Savings	2,396,131.59
Percentage savings of refunded bonds	9.760210%
Percentage savings of refunding bonds	10.616445%

SAVINGS

General Obligation Bonds, Series 2014A
 General Obligation Refunding Bonds, Series 2014B
 Beaufort County, South Carolina

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/06/2014 @ 2.5434071%
06/30/2015	451,018.26	272,861.46	178,154.80	176,722.25
06/30/2016	902,032.52	854,175.00	47,857.52	46,582.24
06/30/2017	902,032.52	854,175.00	47,857.52	45,419.69
06/30/2018	902,032.52	854,175.00	47,857.52	44,286.15
06/30/2019	902,032.52	854,175.00	47,857.52	43,180.90
06/30/2020	902,032.52	854,175.00	47,857.52	42,103.23
06/30/2021	5,362,032.52	5,074,175.00	287,857.52	245,625.11
06/30/2022	3,704,638.78	3,420,375.00	284,263.78	236,594.94
06/30/2023	3,846,521.10	3,560,975.00	285,546.10	231,761.77
06/30/2024	4,087,527.50	3,801,575.00	285,952.50	226,325.97
06/30/2025	5,273,303.24	4,987,775.00	285,528.24	220,373.10
06/30/2026	647,738.26	361,175.00	286,563.26	215,679.58
06/30/2027	676,130.86	390,550.00	285,580.86	209,526.16
06/30/2028	2,417,508.76	2,129,050.00	288,458.76	206,297.28
06/30/2029	2,482,531.60	2,193,900.00	288,631.60	201,137.01
	33,459,111.48	30,463,286.46	2,995,825.02	2,391,615.39

Savings Summary

PV of savings from cash flow	2,391,615.39
Plus: Refunding funds on hand	4,516.20
Net PV Savings	2,396,131.59

SOURCES AND USES OF FUNDS

General Obligation Bonds, Series 2014A
Beaufort County, South Carolina

Dated Date 11/06/2014
Delivery Date 11/06/2014

Sources:

Bond Proceeds:	
Par Amount	19,450,000.00
Net Premium	901,988.70
<hr/>	
	20,351,988.70
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Uses:

Project Fund Deposits:	
Project Fund	19,371,564.39
Delivery Date Expenses:	
Cost of Issuance	78,435.61
Underwriter's Discount	303,095.19
	<hr/>
	381,530.80
Other Uses of Funds:	
Debt Service Fund	598,893.51
	<hr/>
	20,351,988.70
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BOND SUMMARY STATISTICS

General Obligation Bonds, Series 2014A
Beaufort County, South Carolina

Dated Date	11/06/2014
Delivery Date	11/06/2014
Last Maturity	03/01/2034
Arbitrage Yield	2.543407%
True Interest Cost (TIC)	2.941424%
Net Interest Cost (NIC)	2.997247%
All-In TIC	2.985761%
Average Coupon	3.278982%
Average Life (years)	10.929
Duration of Issue (years)	8.979
Par Amount	19,450,000.00
Bond Proceeds	20,351,988.70
Total Interest	6,970,237.75
Net Interest	6,371,344.24
Total Debt Service	26,420,237.75
Maximum Annual Debt Service	1,347,412.50
Average Annual Debt Service	1,367,546.45
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	15.583300
Total Underwriter's Discount	15.583300
Bid Price	103.079144

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	19,450,000.00	104.637	3.279%	10.929
	19,450,000.00			10.929

	TIC	All-In TIC	Arbitrage Yield
Par Value	19,450,000.00	19,450,000.00	19,450,000.00
+ Accrued Interest			
+ Premium (Discount)	901,988.70	901,988.70	901,988.70
- Underwriter's Discount	-303,095.19	-303,095.19	
- Cost of Issuance Expense		-78,435.61	
- Other Amounts			
Target Value	20,048,893.51	19,970,457.90	20,351,988.70
Target Date	11/06/2014	11/06/2014	11/06/2014
Yield	2.941424%	2.985761%	2.543407%

BOND PRICING

General Obligation Bonds, Series 2014A
Beaufort County, South Carolina

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	03/01/2015	675,000	2.000%	0.200%	100.574
	03/01/2016	740,000	2.000%	0.350%	102.169
	03/01/2017	755,000	2.000%	0.500%	103.454
	03/01/2018	770,000	2.000%	0.700%	104.257
	03/01/2019	785,000	2.000%	1.030%	104.087
	03/01/2020	800,000	4.000%	1.330%	113.666
	03/01/2021	830,000	4.000%	1.580%	114.498
	03/01/2022	865,000	4.000%	1.830%	114.800
	03/01/2023	900,000	5.000%	2.000%	122.884
	03/01/2024	945,000	5.000%	2.150%	123.949
	03/01/2025	990,000	3.000%	2.400%	104.981 C
	03/01/2026	1,020,000	3.000%	2.600%	103.289 C
	03/01/2027	1,055,000	3.000%	2.800%	101.628 C
	03/01/2028	1,085,000	3.000%	3.000%	100.000
	03/01/2029	1,115,000	3.000%	3.050%	99.420
	03/01/2030	1,150,000	3.000%	3.150%	98.185
	03/01/2031	1,185,000	3.125%	3.250%	98.423
	03/01/2032	1,220,000	3.250%	3.300%	99.341
	03/01/2033	1,260,000	3.250%	3.350%	98.635
	03/01/2034	1,305,000	3.250%	3.400%	97.885
		19,450,000			

Dated Date	11/06/2014	
Delivery Date	11/06/2014	
First Coupon	03/01/2015	
Par Amount	19,450,000.00	
Premium	901,988.70	
Production	20,351,988.70	104.637474%
Underwriter's Discount	-303,095.19	-1.558330%
Purchase Price	20,048,893.51	103.079144%
Accrued Interest		
Net Proceeds	20,048,893.51	

BOND DEBT SERVICE

General Obligation Bonds, Series 2014A
Beaufort County, South Carolina

	Dated Date		11/06/2014		
	Delivery Date		11/06/2014		
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/01/2015	675,000	2.000%	197,750.09	872,750.09	
06/30/2015					872,750.09
09/01/2015			302,771.88	302,771.88	
03/01/2016	740,000	2.000%	302,771.88	1,042,771.88	
06/30/2016					1,345,543.76
09/01/2016			295,371.88	295,371.88	
03/01/2017	755,000	2.000%	295,371.88	1,050,371.88	
06/30/2017					1,345,743.76
09/01/2017			287,821.88	287,821.88	
03/01/2018	770,000	2.000%	287,821.88	1,057,821.88	
06/30/2018					1,345,643.76
09/01/2018			280,121.88	280,121.88	
03/01/2019	785,000	2.000%	280,121.88	1,065,121.88	
06/30/2019					1,345,243.76
09/01/2019			272,271.88	272,271.88	
03/01/2020	800,000	4.000%	272,271.88	1,072,271.88	
06/30/2020					1,344,543.76
09/01/2020			256,271.88	256,271.88	
03/01/2021	830,000	4.000%	256,271.88	1,086,271.88	
06/30/2021					1,342,543.76
09/01/2021			239,671.88	239,671.88	
03/01/2022	865,000	4.000%	239,671.88	1,104,671.88	
06/30/2022					1,344,343.76
09/01/2022			222,371.88	222,371.88	
03/01/2023	900,000	5.000%	222,371.88	1,122,371.88	
06/30/2023					1,344,743.76
09/01/2023			199,871.88	199,871.88	
03/01/2024	945,000	5.000%	199,871.88	1,144,871.88	
06/30/2024					1,344,743.76
09/01/2024			176,246.88	176,246.88	
03/01/2025	990,000	3.000%	176,246.88	1,166,246.88	
06/30/2025					1,342,493.76
09/01/2025			161,396.88	161,396.88	
03/01/2026	1,020,000	3.000%	161,396.88	1,181,396.88	
06/30/2026					1,342,793.76
09/01/2026			146,096.88	146,096.88	
03/01/2027	1,055,000	3.000%	146,096.88	1,201,096.88	
06/30/2027					1,347,193.76
09/01/2027			130,271.88	130,271.88	
03/01/2028	1,085,000	3.000%	130,271.88	1,215,271.88	
06/30/2028					1,345,543.76
09/01/2028			113,996.88	113,996.88	
03/01/2029	1,115,000	3.000%	113,996.88	1,228,996.88	
06/30/2029					1,342,993.76
09/01/2029			97,271.88	97,271.88	
03/01/2030	1,150,000	3.000%	97,271.88	1,247,271.88	
06/30/2030					1,344,543.76
09/01/2030			80,021.88	80,021.88	
03/01/2031	1,185,000	3.125%	80,021.88	1,265,021.88	
06/30/2031					1,345,043.76
09/01/2031			61,506.25	61,506.25	
03/01/2032	1,220,000	3.250%	61,506.25	1,281,506.25	
06/30/2032					1,343,012.50

BOND DEBT SERVICE

General Obligation Bonds, Series 2014A
Beaufort County, South Carolina

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2032			41,681.25	41,681.25	
03/01/2033	1,260,000	3.250%	41,681.25	1,301,681.25	
06/30/2033					1,343,362.50
09/01/2033			21,206.25	21,206.25	
03/01/2034	1,305,000	3.250%	21,206.25	1,326,206.25	
06/30/2034					1,347,412.50
	19,450,000		6,970,237.75	26,420,237.75	26,420,237.75

SOURCES AND USES OF FUNDS

General Obligation Refunding Bonds, Series 2014B
Beaufort County, South Carolina

Dated Date 11/06/2014
Delivery Date 11/06/2014

Sources:

Bond Proceeds:	
Par Amount	22,570,000.00
Net Premium	2,536,405.80
	25,106,405.80

Uses:

Refunding Escrow Deposits:	
Cash Deposit	24,811,938.22
Delivery Date Expenses:	
Cost of Issuance	98,144.75
Underwriter's Discount	191,806.63
	289,951.38

Other Uses of Funds:	
Additional Proceeds	4,516.20
	25,106,405.80

BOND SUMMARY STATISTICS

General Obligation Refunding Bonds, Series 2014B
Beaufort County, South Carolina

Dated Date	11/06/2014
Delivery Date	11/06/2014
Last Maturity	03/01/2029
Arbitrage Yield	2.543407%
True Interest Cost (TIC)	2.459522%
Net Interest Cost (NIC)	2.595393%
All-In TIC	2.508931%
Average Coupon	3.692077%
Average Life (years)	9.472
Duration of Issue (years)	8.090
Par Amount	22,570,000.00
Bond Proceeds	25,106,405.80
Total Interest	7,893,286.46
Net Interest	5,548,687.29
Total Debt Service	30,463,286.46
Maximum Annual Debt Service	5,074,175.00
Average Annual Debt Service	2,127,407.01
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	8.498300
Total Underwriter's Discount	8.498300
Bid Price	110.388122

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	22,570,000.00	111.238	3.692%	9.472
	22,570,000.00			9.472

	NIC	All-In TIC	Arbitrage Yield
Par Value	22,570,000.00	22,570,000.00	22,570,000.00
+ Accrued Interest			
+ Premium (Discount)	2,536,405.80	2,536,405.80	2,536,405.80
- Underwriter's Discount	-191,806.63	-191,806.63	
- Cost of Issuance Expense		-98,144.75	
- Other Amounts			
Target Value	24,914,599.17	24,816,454.42	25,106,405.80
Target Date	11/06/2014	11/06/2014	11/06/2014
Yield	2.459522%	2.508931%	2.543407%

BOND PRICING

General Obligation Refunding Bonds, Series 2014B
 Beaufort County, South Carolina

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:					
	03/01/2021	4,220,000	4.000%	1.640%	114.110
	03/01/2022	2,735,000	4.000%	1.900%	114.284
	03/01/2023	2,985,000	4.000%	2.080%	114.595
	03/01/2024	3,345,000	4.000%	2.200%	115.089
	03/01/2025	4,665,000	4.000%	2.300%	114.184
	03/01/2026	225,000	2.500%	2.602%	99.000
	03/01/2027	260,000	2.500%	2.692%	98.000
	03/01/2028	2,005,000	3.000%	3.069%	99.250
	03/01/2029	2,130,000	3.000%	3.120%	98.625
		22,570,000			

Dated Date	11/06/2014	
Delivery Date	11/06/2014	
First Coupon	03/01/2015	
Par Amount	22,570,000.00	
Premium	2,536,405.80	
Production	25,106,405.80	111.237952%
Underwriter's Discount	-191,806.63	-0.849830%
Purchase Price	24,914,599.17	110.388122%
Accrued Interest		
Net Proceeds	24,914,599.17	

BOND DEBT SERVICE

General Obligation Refunding Bonds, Series 2014B
Beaufort County, South CarolinaDated Date 11/06/2014
Delivery Date 11/06/2014

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/01/2015			272,861.46	272,861.46	
06/30/2015					272,861.46
09/01/2015			427,087.50	427,087.50	
03/01/2016			427,087.50	427,087.50	
06/30/2016					854,175.00
09/01/2016			427,087.50	427,087.50	
03/01/2017			427,087.50	427,087.50	
06/30/2017					854,175.00
09/01/2017			427,087.50	427,087.50	
03/01/2018			427,087.50	427,087.50	
06/30/2018					854,175.00
09/01/2018			427,087.50	427,087.50	
03/01/2019			427,087.50	427,087.50	
06/30/2019					854,175.00
09/01/2019			427,087.50	427,087.50	
03/01/2020			427,087.50	427,087.50	
06/30/2020					854,175.00
09/01/2020			427,087.50	427,087.50	
03/01/2021	4,220,000	4.000%	427,087.50	4,647,087.50	
06/30/2021					5,074,175.00
09/01/2021			342,687.50	342,687.50	
03/01/2022	2,735,000	4.000%	342,687.50	3,077,687.50	
06/30/2022					3,420,375.00
09/01/2022			287,987.50	287,987.50	
03/01/2023	2,985,000	4.000%	287,987.50	3,272,987.50	
06/30/2023					3,560,975.00
09/01/2023			228,287.50	228,287.50	
03/01/2024	3,345,000	4.000%	228,287.50	3,573,287.50	
06/30/2024					3,801,575.00
09/01/2024			161,387.50	161,387.50	
03/01/2025	4,665,000	4.000%	161,387.50	4,826,387.50	
06/30/2025					4,987,775.00
09/01/2025			68,087.50	68,087.50	
03/01/2026	225,000	2.500%	68,087.50	293,087.50	
06/30/2026					361,175.00
09/01/2026			65,275.00	65,275.00	
03/01/2027	260,000	2.500%	65,275.00	325,275.00	
06/30/2027					390,550.00
09/01/2027			62,025.00	62,025.00	
03/01/2028	2,005,000	3.000%	62,025.00	2,067,025.00	
06/30/2028					2,129,050.00
09/01/2028			31,950.00	31,950.00	
03/01/2029	2,130,000	3.000%	31,950.00	2,161,950.00	
06/30/2029					2,193,900.00
	22,570,000		7,893,286.46	30,463,286.46	30,463,286.46

PRIOR BOND DEBT SERVICE

General Obligation Refunding Bonds, Series 2014B

Beaufort County, South Carolina

Period	Ending	Principal	Coupon	Interest	Debt Service	Debt Service	Annual	Cash Flow	Other	Total
03/01/2015	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2015	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2016	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2016	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2017	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2017	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2018	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2018	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2019	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2019	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2020	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2020	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2021	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2021	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2022	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2022	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2023	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
09/01/2023	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	620,380.00	-169,363.74	451,016.26	620,380.00
03/01/2024	366,250.00	366,250.00	366,250.00	366,250.00	366,250.00	366,250.00	366,250.00	-99,986.25	266,263.75	366,250.00
09/01/2024	366,250.00	366,250.00	366,250.00	366,250.00	366,250.00	366,250.00	366,250.00	-99,986.25	266,263.75	366,250.00
03/01/2025	277,375.00	277,375.00	277,375.00	277,375.00	277,375.00	277,375.00	277,375.00	-75,723.38	201,651.62	277,375.00
09/01/2025	277,375.00	277,375.00	277,375.00	277,375.00	277,375.00	277,375.00	277,375.00	-75,723.38	201,651.62	277,375.00
03/01/2026	153,190.00	153,190.00	153,190.00	153,190.00	153,190.00	153,190.00	153,190.00	-41,820.87	111,369.13	153,190.00
09/01/2026	153,190.00	153,190.00	153,190.00	153,190.00	153,190.00	153,190.00	153,190.00	-41,820.87	111,369.13	153,190.00
03/01/2027	141,768.13	141,768.13	141,768.13	141,768.13	141,768.13	141,768.13	141,768.13	-38,702.70	103,065.43	141,768.13
09/01/2027	141,768.13	141,768.13	141,768.13	141,768.13	141,768.13	141,768.13	141,768.13	-38,702.70	103,065.43	141,768.13
03/01/2028	128,960.63	128,960.63	128,960.63	128,960.63	128,960.63	128,960.63	128,960.63	-35,206.25	93,754.38	128,960.63
09/01/2028	128,960.63	128,960.63	128,960.63	128,960.63	128,960.63	128,960.63	128,960.63	-35,206.25	93,754.38	128,960.63
03/01/2029	67,078.13	67,078.13	67,078.13	67,078.13	67,078.13	67,078.13	67,078.13	-18,312.33	48,765.80	67,078.13
09/01/2029	67,078.13	67,078.13	67,078.13	67,078.13	67,078.13	67,078.13	67,078.13	-18,312.33	48,765.80	67,078.13
06/30/2029		2,385,000	5.625%	12,254,623.78	36,804,623.78	36,804,623.78	36,804,623.78	-3,345,512.30	33,459,111.48	24,550,000

SUMMARY OF BONDS REFUNDED

General Obligation Refunding Bonds, Series 2014B
Beaufort County, South Carolina

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Taxable Series 2010B:					
SERIAL	03/01/2021	4.700%	4,460,000.00	11/17/2014	100.000
	03/01/2022	4.800%	2,955,000.00	11/17/2014	100.000
	03/01/2023	4.900%	3,200,000.00	11/17/2014	100.000
	03/01/2024	5.000%	3,555,000.00	11/17/2014	100.000
	03/01/2025	5.100%	4,370,000.00	11/17/2014	100.000
	03/01/2026	5.375%	425,000.00	11/17/2014	100.000
	03/01/2027	5.450%	470,000.00	11/17/2014	100.000
	03/01/2028	5.550%	2,230,000.00	11/17/2014	100.000
	03/01/2029	5.625%	2,385,000.00	11/17/2014	100.000
			24,550,000.00		

ESCROW REQUIREMENTS

General Obligation Refunding Bonds, Series 2014B
Beaufort County, South Carolina

Period Ending	Interest	Principal Redeemed	Total
11/17/2014	261,938.22	24,550,000.00	24,811,938.22
	261,938.22	24,550,000.00	24,811,938.22

ESCROW COST

General Obligation Refunding Bonds, Series 2014B
Beaufort County, South Carolina

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
11/06/2014		24,811,938.22	24,811,938.22
	0	24,811,938.22	24,811,938.22

ESCROW SUFFICIENCY

General Obligation Refunding Bonds, Series 2014B
Beaufort County, South Carolina

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
11/06/2014		24,811,938.22	24,811,938.22	24,811,938.22
11/17/2014	24,811,938.22		-24,811,938.22	
	24,811,938.22	24,811,938.22	0.00	

Appendix I

SOURCES AND USES OF FUNDS

Beaufort County, South Carolina
 General Obligation Bonds, Series 2014AB
 ****Verification Numbers****

Sources:

Bond Proceeds:	
Par Amount	42,020,000.00
Net Premium	3,438,394.50
	<u>45,458,394.50</u>

Uses:

Project Fund Deposits:	
Project Fund	19,371,564.39
Refunding Escrow Deposits:	
Cash Deposit	24,811,938.22
Other Fund Deposits:	
Debt Service Fund	598,893.51
Delivery Date Expenses:	
Cost of Issuance	176,580.36
Underwriter's Discount	494,901.82
	<u>671,482.18</u>
Other Uses of Funds:	
Additional Proceeds	4,516.20
	<u>45,458,394.50</u>

SUMMARY OF REFUNDING RESULTS

Beaufort County, South Carolina
 General Obligation Bonds, Series 2014AB
 ****Verification Numbers****

Dated Date	11/06/2014
Delivery Date	11/06/2014
Arbitrage yield	2.543407%
Escrow yield	
Value of Negative Arbitrage	
Bond Par Amount	22,570,000.00
True Interest Cost	2.459522%
Net Interest Cost	2.595393%
All-In TIC	2.508931%
Average Coupon	3.692077%
Average Life	9.472
Par amount of refunded bonds	24,550,000.00
Average coupon of refunded bonds	5.135194%
Average life of refunded bonds	9.543
PV of prior debt to 11/06/2014 @ 2.543407%	27,139,868.24
Net PV Savings	2,396,131.59
Percentage savings of refunded bonds	9.760210%
Percentage savings of refunding bonds	10.616445%

SAVINGS

**Beaufort County, South Carolina
General Obligation Bonds, Series 2014AB
****Verification Numbers******

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/06/2014 @ 2.5434071%
06/30/2015	451,016.26	272,861.46	178,154.80	176,722.25
06/30/2016	902,032.52	854,175.00	47,857.52	46,582.24
06/30/2017	902,032.52	854,175.00	47,857.52	45,419.69
06/30/2018	902,032.52	854,175.00	47,857.52	44,286.15
06/30/2019	902,032.52	854,175.00	47,857.52	43,180.90
06/30/2020	902,032.52	854,175.00	47,857.52	42,103.23
06/30/2021	5,362,032.52	5,074,175.00	287,857.52	245,625.11
06/30/2022	3,704,638.78	3,420,375.00	284,263.78	236,594.94
06/30/2023	3,846,521.10	3,560,975.00	285,546.10	231,761.77
06/30/2024	4,087,527.50	3,801,575.00	285,952.50	226,325.97
06/30/2025	5,273,303.24	4,987,775.00	285,528.24	220,373.10
06/30/2026	647,738.26	361,175.00	286,563.26	215,679.58
06/30/2027	676,130.86	390,550.00	285,580.86	209,526.16
06/30/2028	2,417,508.76	2,129,050.00	288,458.76	206,297.28
06/30/2029	2,482,531.60	2,193,900.00	288,631.60	201,137.01
	33,459,111.48	30,463,286.46	2,995,825.02	2,391,615.39

Savings Summary

PV of savings from cash flow	2,391,615.39
Plus: Refunding funds on hand	4,516.20
Net PV Savings	2,396,131.59

BOND PRICING

Beaufort County, South Carolina
 General Obligation Bonds, Series 2014AB
 ****Verification Numbers****

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	03/01/2015	675,000	2.000%	0.200%	100.574
	03/01/2016	740,000	2.000%	0.350%	102.169
	03/01/2017	755,000	2.000%	0.500%	103.454
	03/01/2018	770,000	2.000%	0.700%	104.257
	03/01/2019	785,000	2.000%	1.030%	104.087
	03/01/2020	800,000	4.000%	1.330%	113.666
	03/01/2021	830,000	4.000%	1.580%	114.498
	03/01/2022	865,000	4.000%	1.830%	114.800
	03/01/2023	900,000	5.000%	2.000%	122.884
	03/01/2024	945,000	5.000%	2.150%	123.949
	03/01/2025	990,000	3.000%	2.400%	104.981 C
	03/01/2026	1,020,000	3.000%	2.600%	103.289 C
	03/01/2027	1,055,000	3.000%	2.800%	101.628 C
	03/01/2028	1,085,000	3.000%	3.000%	100.000
	03/01/2029	1,115,000	3.000%	3.050%	99.420
	03/01/2030	1,150,000	3.000%	3.150%	98.185
	03/01/2031	1,185,000	3.125%	3.250%	98.423
	03/01/2032	1,220,000	3.250%	3.300%	99.341
	03/01/2033	1,260,000	3.250%	3.350%	98.635
	03/01/2034	1,305,000	3.250%	3.400%	97.885
		19,450,000			
Serial Bond:					
	03/01/2021	4,220,000	4.000%	1.640%	114.110
	03/01/2022	2,735,000	4.000%	1.900%	114.284
	03/01/2023	2,985,000	4.000%	2.080%	114.595
	03/01/2024	3,345,000	4.000%	2.200%	115.089
	03/01/2025	4,665,000	4.000%	2.300%	114.184 C
	03/01/2026	225,000	2.500%	2.602%	99.000
	03/01/2027	260,000	2.500%	2.692%	98.000
	03/01/2028	2,005,000	3.000%	3.069%	99.250
	03/01/2029	2,130,000	3.000%	3.120%	98.625
		22,570,000			
		42,020,000			

Dated Date	11/06/2014	
Delivery Date	11/06/2014	
First Coupon	03/01/2015	
Par Amount	42,020,000.00	
Premium	3,438,394.50	
Production	45,458,394.50	108.182757%
Underwriter's Discount	-494,901.82	-1.177777%
Purchase Price	44,963,492.68	107.004980%
Accrued Interest		
Net Proceeds	44,963,492.68	

BOND SUMMARY STATISTICS

Beaufort County, South Carolina
General Obligation Bonds, Series 2014AB
******Verification Numbers******

Dated Date	11/06/2014
Delivery Date	11/06/2014
Last Maturity	03/01/2034
Arbitrage Yield	2.543407%
True Interest Cost (TIC)	2.689890%
Net Interest Cost (NIC)	2.795747%
All-In TIC	2.736738%
Average Coupon	3.486119%
Average Life (years)	10.147
Duration of Issue (years)	8.518
Par Amount	42,020,000.00
Bond Proceeds	45,458,394.50
Total Interest	14,863,524.21
Net Interest	11,920,031.53
Total Debt Service	56,883,524.21
Maximum Annual Debt Service	6,416,718.76
Average Annual Debt Service	2,944,366.46
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	11.777768
Total Underwriter's Discount	11.777768
Bid Price	107.004980

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	22,570,000.00	111.238	3.692%	9.472	19,509.35
Bond Component	19,450,000.00	104.637	3.279%	10.929	17,157.95
	42,020,000.00			10.147	36,667.30

	TIC	All-In TIC	Arbitrage Yield
Par Value	42,020,000.00	42,020,000.00	42,020,000.00
+ Accrued Interest			
+ Premium (Discount)	3,438,394.50	3,438,394.50	3,438,394.50
- Underwriter's Discount	-494,901.82	-494,901.82	
- Cost of Issuance Expense		-176,320.36	
- Other Amounts			
Target Value	44,963,492.68	44,786,912.32	45,458,394.50
Target Date	11/06/2014	11/06/2014	11/06/2014
Yield	2.689890%	2.736738%	2.543407%

BOND DEBT SERVICE

Beaufort County, South Carolina
 General Obligation Bonds, Series 2014AB
 ****Verification Numbers****

Period Ending	Principal	Interest	Debt Service
03/01/2015	675,000	470,611.55	1,145,611.55
09/01/2015		729,859.38	729,859.38
03/01/2016	740,000	729,859.38	1,469,859.38
09/01/2016		722,459.38	722,459.38
03/01/2017	755,000	722,459.38	1,477,459.38
09/01/2017		714,909.38	714,909.38
03/01/2018	770,000	714,909.38	1,484,909.38
09/01/2018		707,209.38	707,209.38
03/01/2019	785,000	707,209.38	1,492,209.38
09/01/2019		699,359.38	699,359.38
03/01/2020	800,000	699,359.38	1,499,359.38
09/01/2020		683,359.38	683,359.38
03/01/2021	5,050,000	683,359.38	5,733,359.38
09/01/2021		582,359.38	582,359.38
03/01/2022	3,600,000	582,359.38	4,182,359.38
09/01/2022		510,359.38	510,359.38
03/01/2023	3,885,000	510,359.38	4,395,359.38
09/01/2023		428,159.38	428,159.38
03/01/2024	4,290,000	428,159.38	4,718,159.38
09/01/2024		337,634.38	337,634.38
03/01/2025	5,655,000	337,634.38	5,992,634.38
09/01/2025		229,484.38	229,484.38
03/01/2026	1,245,000	229,484.38	1,474,484.38
09/01/2026		211,371.88	211,371.88
03/01/2027	1,315,000	211,371.88	1,526,371.88
09/01/2027		192,296.88	192,296.88
03/01/2028	3,090,000	192,296.88	3,282,296.88
09/01/2028		145,946.88	145,946.88
03/01/2029	3,245,000	145,946.88	3,390,946.88
09/01/2029		97,271.88	97,271.88
03/01/2030	1,150,000	97,271.88	1,247,271.88
09/01/2030		80,021.88	80,021.88
03/01/2031	1,185,000	80,021.88	1,265,021.88
09/01/2031		61,506.25	61,506.25
03/01/2032	1,220,000	61,506.25	1,281,506.25
09/01/2032		41,681.25	41,681.25
03/01/2033	1,260,000	41,681.25	1,301,681.25
09/01/2033		21,206.25	21,206.25
03/01/2034	1,305,000	21,206.25	1,326,206.25
	42,020,000	14,863,524.21	56,883,524.21

PRIOR BOND DEBT SERVICE
 Beaufort County, South Carolina
 General Obligation Bonds, Series 2014AB
 ****Verification Numbers****

Period Ending	Principal	Interest	Debt Service	Other Cash Flow	Total
03/01/2015		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2015		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2016		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2016		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2017		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2017		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2018		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2018		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2019		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2019		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2020		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2020		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2021	4,460,000	620,380.00	5,080,380.00	-169,363.74	4,911,016.26
09/01/2021		515,570.00	515,570.00	-140,750.61	374,819.39
03/01/2022	2,955,000	515,570.00	3,470,570.00	-140,750.61	3,329,819.39
09/01/2022		444,650.00	444,650.00	-121,389.45	323,260.55
03/01/2023	3,200,000	444,650.00	3,644,650.00	-121,389.45	3,523,260.55
09/01/2023		366,250.00	366,250.00	-99,986.25	266,263.75
03/01/2024	3,555,000	366,250.00	3,921,250.00	-99,986.25	3,821,263.75
09/01/2024		277,375.00	277,375.00	-75,723.38	201,651.62
03/01/2025	4,870,000	277,375.00	5,147,375.00	-75,723.38	5,071,651.62
09/01/2025		153,190.00	153,190.00	-41,820.87	111,369.13
03/01/2026	425,000	153,190.00	578,190.00	-41,820.87	536,369.13
09/01/2026		141,768.13	141,768.13	-38,702.70	103,065.43
03/01/2027	470,000	141,768.13	611,768.13	-38,702.70	573,065.43
09/01/2027		128,960.63	128,960.63	-35,206.25	93,754.38
03/01/2028	2,230,000	128,960.63	2,358,960.63	-35,206.25	2,323,754.38
09/01/2028		67,078.13	67,078.13	-18,312.33	48,765.80
03/01/2029	2,385,000	67,078.13	2,452,078.13	-18,312.33	2,433,765.80
	24,550,000	12,254,623.78	36,804,623.78	-3,345,512.30	33,459,111.48

SUMMARY OF BONDS REFUNDED

**Beaufort County, South Carolina
General Obligation Bonds, Series 2014AB
****Verification Numbers******

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
\$24,550,000 General Obligation Bonds, Taxable Series 2010B (BABs), 2010B:					
SERIAL	03/01/2021	4.700%	4,460,000.00	11/17/2014	100.000
	03/01/2022	4.800%	2,955,000.00	11/17/2014	100.000
	03/01/2023	4.900%	3,200,000.00	11/17/2014	100.000
	03/01/2024	5.000%	3,555,000.00	11/17/2014	100.000
	03/01/2025	5.100%	4,870,000.00	11/17/2014	100.000
	03/01/2026	5.375%	425,000.00	11/17/2014	100.000
	03/01/2027	5.450%	470,000.00	11/17/2014	100.000
	03/01/2028	5.550%	2,230,000.00	11/17/2014	100.000
	03/01/2029	5.625%	2,385,000.00	11/17/2014	100.000
			24,550,000.00		

ESCROW COST

Beaufort County, South Carolina
General Obligation Bonds, Series 2014AB
****Verification Numbers****

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
11/06/2014		24,811,938.22	24,811,938.22
	0	24,811,938.22	24,811,938.22

ESCROW REQUIREMENTS

**Beaufort County, South Carolina
General Obligation Bonds, Series 2014AB
****Verification Numbers******

Period Ending	Interest	Principal Redeemed	Total
11/17/2014	261,938.22	24,550,000.00	24,811,938.22
	261,938.22	24,550,000.00	24,811,938.22

ESCROW STATISTICS

Beaufort County, South Carolina
 General Obligation Bonds, Series 2014AB
 ****Verification Numbers****

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Refunding of Series 20108 Build America Bonds, Global Proceeds Escrow:							
	24,811,938.22				24,792,784.54		19,153.68
	24,811,938.22				24,792,784.54	0.00	19,153.68

Delivery date 11/06/2014
 Arbitrage yield 2.543407%

PROOF OF ARBITRAGE YIELD

Beaufort County, South Carolina
 General Obligation Bonds, Series 2014AB
 ****Verification Numbers****

Date	Debt Service	Total	Present Value to 11/06/2014 @ 2.5434071287%
03/01/2015	1,145,611.55	1,145,611.55	1,136,399.64
09/01/2015	729,859.38	729,859.38	714,899.15
03/01/2016	1,469,859.38	1,469,859.38	1,421,651.87
09/01/2016	722,459.38	722,459.38	689,989.99
03/01/2017	1,477,459.38	1,477,459.38	1,393,338.99
09/01/2017	714,909.38	714,909.38	665,739.19
03/01/2018	1,484,909.38	1,484,909.38	1,365,415.92
09/01/2018	707,209.38	707,209.38	642,132.88
03/01/2019	1,492,209.38	1,492,209.38	1,337,884.26
09/01/2019	699,359.38	699,359.38	619,157.40
03/01/2020	1,499,359.38	1,499,359.38	1,310,745.24
09/01/2020	683,359.38	683,359.38	589,893.47
03/01/2021	5,733,359.38	5,733,359.38	4,887,035.36
09/01/2021	582,359.38	582,359.38	490,161.59
03/01/2022	4,182,359.38	4,182,359.38	3,476,013.33
09/01/2022	510,359.38	510,359.38	418,839.92
03/01/2023	4,395,359.38	4,395,359.38	3,561,871.47
09/01/2023	428,159.38	428,159.38	342,610.92
03/01/2024	11,393,159.38	11,393,159.38	9,002,265.05
09/01/2024	214,184.38	214,184.38	167,111.87
03/01/2025	214,184.38	214,184.38	165,013.39
09/01/2025	214,184.38	214,184.38	162,941.26
03/01/2026	439,184.38	439,184.38	329,914.99
09/01/2026	211,371.88	211,371.88	156,768.52
03/01/2027	1,526,371.88	1,526,371.88	1,117,993.52
09/01/2027	192,296.88	192,296.88	139,079.48
03/01/2028	3,282,296.88	3,282,296.88	2,344,123.87
09/01/2028	145,946.88	145,946.88	102,922.28
03/01/2029	3,390,946.88	3,390,946.88	2,361,279.81
09/01/2029	97,271.88	97,271.88	66,884.53
03/01/2030	1,247,271.88	1,247,271.88	846,859.51
09/01/2030	80,021.88	80,021.88	53,650.14
03/01/2031	1,265,021.88	1,265,021.88	837,475.37
09/01/2031	61,506.25	61,506.25	40,207.32
03/01/2032	1,281,506.25	1,281,506.25	827,215.19
09/01/2032	41,681.25	41,681.25	26,567.48
03/01/2033	1,301,681.25	1,301,681.25	819,268.37
09/01/2033	21,206.25	21,206.25	13,179.45
03/01/2034	1,326,206.25	1,326,206.25	813,872.51
	56,606,024.21	56,606,024.21	45,458,394.50

Proceeds Summary

Delivery date	11/06/2014
Par Value	42,020,000.00
Premium (Discount)	3,438,394.50
Target for yield calculation	45,458,394.50

PROOF OF ARBITRAGE YIELD

Beaufort County, South Carolina
 General Obligation Bonds, Series 2014AB
 ****Verification Numbers****

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Present Value to 11/06/2014 @ 2.5434071287%
SERIAL	03/01/2025	4.000%	2.300%	03/01/2024	100.000	-100,900.77
BOND	03/01/2025	3.000%	2.400%	03/01/2024	100.000	-11,994.21
BOND	03/01/2026	3.000%	2.600%	03/01/2024	100.000	4,900.73

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Present Value to 11/06/2014 @ 2.5434071287%	Increase to NPV
SERIAL	03/01/2025	4.000%	2.300%			-48,217.35	52,683.42
BOND	03/01/2025	3.000%	2.400%			-8,489.53	3,504.68
BOND	03/01/2026	3.000%	2.600%			12,032.38	7,131.65

ESCROW SUFFICIENCY

**Beaufort County, South Carolina
General Obligation Bonds, Series 2014AB
****Verification Numbers******

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
11/06/2014		24,811,938.22	24,811,938.22	24,811,938.22
11/17/2014	24,811,938.22		-24,811,938.22	
	24,811,938.22	24,811,938.22	0.00	

SOURCES AND USES OF FUNDS

Beaufort County, South Carolina
 General Obligation Bonds (New Money), Series 2014A

Sources:

Bond Proceeds:

Par Amount	19,450,000.00
Net Premium	901,988.70

20,351,988.70

Uses:

Project Fund Deposits:

Project Fund	19,371,564.39
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Other Fund Deposits:

Debt Service Fund	598,893.51
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Delivery Date Expenses:

Cost of Issuance	78,435.61
Underwriter's Discount	303,095.19
	<u>381,530.80</u>

20,351,988.70

BOND SUMMARY STATISTICS

**Beaufort County, South Carolina
General Obligation Bonds (New Money), Series 2014A**

Dated Date	11/06/2014
Delivery Date	11/06/2014
Last Maturity	03/01/2034
Arbitrage Yield	2.543407%
True Interest Cost (TIC)	2.941424%
Net Interest Cost (NIC)	2.997247%
All-In TIC	2.985761%
Average Coupon	3.278982%
Average Life (years)	10.929
Duration of Issue (years)	8.979
Par Amount	19,450,000.00
Bond Proceeds	20,351,988.70
Total Interest	6,970,237.75
Net Interest	6,371,344.24
Total Debt Service	26,420,237.75
Maximum Annual Debt Service	1,347,412.50
Average Annual Debt Service	1,367,546.45
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	15.583300
Total Underwriter's Discount	15.583300
Bid Price	103.079144

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	19,450,000.00	104.637	3.279%	10.929	17,157.95
	19,450,000.00			10.929	17,157.95

	TIC	All-In TIC	Arbitrage Yield
Par Value	19,450,000.00	19,450,000.00	19,450,000.00
+ Accrued Interest			
+ Premium (Discount)	901,988.70	901,988.70	901,988.70
- Underwriter's Discount	-303,095.19	-303,095.19	
- Cost of Issuance Expense		-78,435.61	
- Other Amounts			
Target Value	20,048,893.51	19,970,457.90	20,351,988.70
Target Date	11/06/2014	11/06/2014	11/06/2014
Yield	2.941424%	2.985761%	2.543407%

BOND DEBT SERVICE

Beaufort County, South Carolina
 General Obligation Bonds (New Money), Series 2014A

Period Ending	Principal	Interest	Debt Service
03/01/2015	675,000	197,750.09	872,750.09
09/01/2015		302,771.88	302,771.88
03/01/2016	740,000	302,771.88	1,042,771.88
09/01/2016		295,371.88	295,371.88
03/01/2017	755,000	295,371.88	1,050,371.88
09/01/2017		287,821.88	287,821.88
03/01/2018	770,000	287,821.88	1,057,821.88
09/01/2018		280,121.88	280,121.88
03/01/2019	785,000	280,121.88	1,065,121.88
09/01/2019		272,271.88	272,271.88
03/01/2020	800,000	272,271.88	1,072,271.88
09/01/2020		256,271.88	256,271.88
03/01/2021	830,000	256,271.88	1,086,271.88
09/01/2021		239,671.88	239,671.88
03/01/2022	865,000	239,671.88	1,104,671.88
09/01/2022		222,371.88	222,371.88
03/01/2023	900,000	222,371.88	1,122,371.88
09/01/2023		199,871.88	199,871.88
03/01/2024	945,000	199,871.88	1,144,871.88
09/01/2024		176,246.88	176,246.88
03/01/2025	990,000	176,246.88	1,166,246.88
09/01/2025		161,396.88	161,396.88
03/01/2026	1,020,000	161,396.88	1,181,396.88
09/01/2026		146,096.88	146,096.88
03/01/2027	1,055,000	146,096.88	1,201,096.88
09/01/2027		130,271.88	130,271.88
03/01/2028	1,085,000	130,271.88	1,215,271.88
09/01/2028		113,996.88	113,996.88
03/01/2029	1,115,000	113,996.88	1,228,996.88
09/01/2029		97,271.88	97,271.88
03/01/2030	1,150,000	97,271.88	1,247,271.88
09/01/2030		80,021.88	80,021.88
03/01/2031	1,185,000	80,021.88	1,265,021.88
09/01/2031		61,506.25	61,506.25
03/01/2032	1,220,000	61,506.25	1,281,506.25
09/01/2032		41,681.25	41,681.25
03/01/2033	1,260,000	41,681.25	1,301,681.25
09/01/2033		21,206.25	21,206.25
03/01/2034	1,305,000	21,206.25	1,326,206.25
	19,450,000	6,970,237.75	26,420,237.75

SOURCES AND USES OF FUNDS

Beaufort County, South Carolina
 Refunding of Series 2010B Build America Bonds
 ****FINAL NUMBERS****

Sources:

Bond Proceeds:	
Par Amount	22,570,000.00
Net Premium	2,536,405.80
	25,106,405.80

Uses:

Refunding Escrow Deposits:	
Cash Deposit	24,811,938.22
Delivery Date Expenses:	
Cost of Issuance	98,144.75
Underwriter's Discount	191,806.63
	289,951.38
Other Uses of Funds:	
Additional Proceeds	4,516.20
	25,106,405.80

SUMMARY OF REFUNDING RESULTS**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Dated Date	11/06/2014
Delivery Date	11/06/2014
Arbitrage yield	2.543407%
Escrow yield	
Value of Negative Arbitrage	
Bond Par Amount	22,570,000.00
True Interest Cost	2.459522%
Net Interest Cost	2.595393%
All-in TIC	2.508931%
Average Coupon	3.692077%
Average Life	9.472
Par amount of refunded bonds	24,550,000.00
Average coupon of refunded bonds	5.135194%
Average life of refunded bonds	9.543
PV of prior debt to 11/06/2014 @ 2.543407%	27,139,868.24
Net PV Savings	2,396,131.59
Percentage savings of refunded bonds	9.760210%
Percentage savings of refunding bonds	10.616445%

SAVINGS

Beaufort County, South Carolina
 Refunding of Series 2010B Build America Bonds
 ****FINAL NUMBERS****

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/06/2014 @ 2.5434071%
06/30/2015	451,016.26	272,861.46	178,154.80	176,722.25
06/30/2016	902,032.52	854,175.00	47,857.52	46,582.24
06/30/2017	902,032.52	854,175.00	47,857.52	45,419.69
06/30/2018	902,032.52	854,175.00	47,857.52	44,286.15
06/30/2019	902,032.52	854,175.00	47,857.52	43,180.90
06/30/2020	902,032.52	854,175.00	47,857.52	42,103.23
06/30/2021	5,362,032.52	5,074,175.00	287,857.52	245,625.11
06/30/2022	3,704,638.78	3,420,375.00	284,263.78	236,594.94
06/30/2023	3,846,521.10	3,560,975.00	285,546.10	231,761.77
06/30/2024	4,087,527.50	3,801,575.00	285,952.50	226,325.97
06/30/2025	5,273,303.24	4,987,775.00	285,528.24	220,373.10
06/30/2026	647,738.26	361,175.00	286,563.26	215,679.58
06/30/2027	676,130.86	390,550.00	285,580.86	209,526.16
06/30/2028	2,417,508.76	2,129,050.00	288,458.76	206,297.28
06/30/2029	2,482,531.60	2,193,900.00	288,631.60	201,137.01
	33,459,111.48	30,463,286.46	2,995,825.02	2,391,515.39

Savings Summary

PV of savings from cash flow	2,391,615.39
Plus: Refunding funds on hand	4,516.20
Net PV Savings	2,396,131.59

BOND SUMMARY STATISTICS

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Dated Date	11/06/2014
Delivery Date	11/06/2014
Last Maturity	03/01/2029
Arbitrage Yield	2.543407%
True Interest Cost (TIC)	2.459522%
Net Interest Cost (NIC)	2.595393%
All-In TIC	2.508931%
Average Coupon	3.692077%
Average Life (years)	9.472
Duration of Issue (years)	8.090
Par Amount	22,570,000.00
Bond Proceeds	25,106,405.80
Total Interest	7,893,286.46
Net Interest	5,548,687.29
Total Debt Service	30,463,286.46
Maximum Annual Debt Service	5,074,175.00
Average Annual Debt Service	2,127,407.01
Underwriter's Fees (per \$1000)	
Average Takadown	
Other Fee	8.498300
Total Underwriter's Discount	8.498300
Bid Price	110.388122

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	22,570,000.00	111.238	3.692%	9.472	19,509.35
	22,570,000.00			9.472	19,509.35

	TIC	All-In TIC	Arbitrage Yield
Par Value	22,570,000.00	22,570,000.00	22,570,000.00
+ Accrued Interest			
+ Premium (Discount)	2,536,405.80	2,536,405.80	2,536,405.80
- Underwriter's Discount	-191,806.63	-191,806.63	
- Cost of Issuance Expense		-98,144.75	
- Other Amounts			
Target Value	24,914,599.17	24,816,454.42	25,106,405.80
Target Date	11/06/2014	11/06/2014	11/06/2014
Yield	2.459522%	2.508931%	2.543407%

BOND DEBT SERVICE

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Period Ending	Principal	Interest	Debt Service
03/01/2015		272,861.46	272,861.46
09/01/2015		427,087.50	427,087.50
03/01/2016		427,087.50	427,087.50
09/01/2016		427,087.50	427,087.50
03/01/2017		427,087.50	427,087.50
09/01/2017		427,087.50	427,087.50
03/01/2018		427,087.50	427,087.50
09/01/2018		427,087.50	427,087.50
03/01/2019		427,087.50	427,087.50
09/01/2019		427,087.50	427,087.50
03/01/2020		427,087.50	427,087.50
09/01/2020		427,087.50	427,087.50
03/01/2021	4,220,000	427,087.50	4,647,087.50
09/01/2021		342,687.50	342,687.50
03/01/2022	2,735,000	342,687.50	3,077,687.50
09/01/2022		287,987.50	287,987.50
03/01/2023	2,985,000	287,987.50	3,272,987.50
09/01/2023		228,287.50	228,287.50
03/01/2024	3,345,000	228,287.50	3,573,287.50
09/01/2024		161,387.50	161,387.50
03/01/2025	4,665,000	161,387.50	4,826,387.50
09/01/2025		68,087.50	68,087.50
03/01/2026	225,000	68,087.50	293,087.50
09/01/2026		65,275.00	65,275.00
03/01/2027	260,000	65,275.00	325,275.00
09/01/2027		62,025.00	62,025.00
03/01/2028	2,005,000	62,025.00	2,067,025.00
09/01/2028		31,950.00	31,950.00
03/01/2029	2,130,000	31,950.00	2,161,950.00
	22,570,000	7,893,286.46	30,463,286.46

PRIOR BOND DEBT SERVICE

Beaufort County, South Carolina
 Refunding of Series 2010B Build America Bonds
 ****FINAL NUMBERS****

Period Ending	Principal	Interest	Debt Service	BAB Subsidy	Total
03/01/2015		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2015		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2016		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2016		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2017		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2017		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2018		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2018		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2019		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2019		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2020		620,380.00	620,380.00	-169,363.74	451,016.26
09/01/2020		620,380.00	620,380.00	-169,363.74	451,016.26
03/01/2021	4,460,000	620,380.00	5,080,380.00	-169,363.74	4,911,016.26
09/01/2021		515,570.00	515,570.00	-140,750.61	374,819.39
03/01/2022	2,955,000	515,570.00	3,470,570.00	-140,750.61	3,329,819.39
09/01/2022		444,650.00	444,650.00	-121,389.45	323,260.55
03/01/2023	3,200,000	444,650.00	3,644,650.00	-121,389.45	3,523,260.55
09/01/2023		366,250.00	366,250.00	-99,986.25	266,263.75
03/01/2024	3,555,000	366,250.00	3,921,250.00	-99,986.25	3,821,263.75
09/01/2024		277,375.00	277,375.00	-75,723.38	201,651.62
03/01/2025	4,870,000	277,375.00	5,147,375.00	-75,723.38	5,071,651.62
09/01/2025		153,190.00	153,190.00	-41,820.87	111,369.13
03/01/2026	425,000	153,190.00	578,190.00	-41,820.87	536,369.13
09/01/2026		141,768.13	141,768.13	-38,702.70	103,065.43
03/01/2027	470,000	141,768.13	611,768.13	-38,702.70	573,065.43
09/01/2027		128,960.63	128,960.63	-35,206.25	93,754.38
03/01/2028	2,230,000	128,960.63	2,358,960.63	-35,206.25	2,323,754.38
09/01/2028		67,078.13	67,078.13	-18,312.33	48,765.80
03/01/2029	2,385,000	67,078.13	2,452,078.13	-18,312.33	2,433,765.80
	24,550,000	12,254,523.78	36,804,623.78	-3,345,512.30	33,459,111.48

ESCROW REQUIREMENTS

**Beaufort County, South Carolina
Refunding of Series 2010B Build America Bonds
****FINAL NUMBERS******

Period Ending	Interest	Principal Redeemed	Total
11/17/2014	261,938.22	24,550,000.00	24,811,938.22
	261,938.22	24,550,000.00	24,811,938.22

ESCROW STATISTICS

**Beaufort County, South Carolina
 Refunding of Series 2010B Build America Bonds
 ****FINAL NUMBERS******

Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow: 24,811,938.22				24,792,784.54		19,153.68
24,811,938.22				24,792,784.54	0.00	19,153.68

Delivery date **11/06/2014**
 Arbitrage yield **2.543407%**



RATINGS:
Moody's Investors Service: Aa2
Standard & Poor's: AA+
(See "RATINGS" herein)

NEW ISSUE - BOOK-ENTRY-ONLY

Interest on the Bonds is not excludable from gross income for federal tax purpose. Under the present laws of the State of South Carolina, the Bonds and the interest thereon will be exempt from all South Carolina income taxation, except estate or other transfer taxes and certain franchise taxes. Such opinion is subject to certain limitations and conditions described in the section of this Official Statement entitled "TAX MATTERS."

**\$24,550,000 GENERAL OBLIGATION BONDS, TAXABLE SERIES 2010B
(Build America Bonds – Direct Payment to Issuer)
BEAUFORT COUNTY, SOUTH CAROLINA**

Dated: March 10, 2010

Due: March 1, as show on the inside cover page

The above-identified bonds are referred to as the "Bonds." The Bonds will be general obligation debt of Beaufort County, South Carolina (the "County"), and as such the full faith, credit, resources and taxing power of the County will be irrevocably pledged for the payment thereof. See "THE BONDS - Security" herein.

The Bonds are issuable in fully registered form and when issued will be registered to Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), to which principal and interest payments on the Bonds will be made. Purchases of beneficial interests in the Bonds will be made in book-entry form only, in the principal amounts of \$5,000 or any whole multiple thereof. So long as Cede & Co. as nominee of DTC is the registered owner of the Bonds, references herein to the holders of the Bonds or registered owners of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, the principal and interest on the Bonds are payable to Cede & Co. as nominee for DTC, which will in turn remit such principal and interest to the Participants (as defined herein) for subsequent disbursement to the beneficial owners of the Bonds. See "THE BONDS - Book-Entry-Only System." Wells Fargo Bank, N.A. will serve as Registrar/Paying Agent for the Bonds.

The Bonds will be dated their date of delivery, and will mature serially on March 1 in each of the years and in the principal amounts and bear interest at the rates shown on the inside front cover page. Interest on the Bonds is first payable on September 1, 2010, and semiannually thereafter on each March 1 and September 1. The Bonds are subject to redemption prior to their stated maturities as described herein.

The Bonds are offered when, as and if issued and subject to the approving opinion as to legality of McNair Law Firm, P.A., Columbia, South Carolina. It is expected that the Bonds in definitive form will be available for delivery on or about March 10, 2010.

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors should read the entire Official Statement to obtain information essential to the making of an informed investment decision. The County deems the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12") except for information which may be omitted pursuant to Rule 15c2-12.

BMO CAPITAL MARKETS GKST INC.

Dated: February 24, 2010.

MATURITY SCHEDULE

(March 1)	Principal	Interest		CUSIP
<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>No.</u>
2021	\$4,460,000	4.700%	4.60%	074347UT0
2022	2,955,000	4.800	4.70	074347UU7
2023	3,200,000	4.900	4.80	074347UV5
2024	3,555,000	5.000	4.90	074347UW3
2025	4,870,000	5.100	5.00	074347UX1
2026	425,000	5.375	5.25	074347UY9
2027	470,000	5.450	5.35	074347UZ6
2028	2,230,000	5.550	5.45	074347VA0
2029	2,385,000	5.625	5.59	074347VB8

INTRODUCTION

This Official Statement is provided for the purpose of furnishing certain information in connection with the public invitation for bids for the purchase of \$24,550,000 General Obligation Bonds, Taxable Series 2010B (Build America Bonds – Direct Payment to Issuer) (the “Bonds”) of Beaufort County, South Carolina (the “County”). This Official Statement has been prepared under the supervision of David Starkey, Chief Financial Officer. The information furnished herein includes a description of the Bonds, the County and its indebtedness, tax information, economic data, financial information and other matters. Also included are certain information and data pertaining to the County and the State of South Carolina (the “State”).

THE BONDS

Description

The Bonds will be general obligation bonds of the County; will be issuable initially in fully registered book-entry-only form in denominations of \$5,000 each or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; will be numbered from R-1 upward; and when issued will be registered to Cede & Co., as nominee for DTC. The Bonds will be dated the date of delivery (which is expected to be March 10, 2010); will bear interest from their date at the rates shown on the inside front cover hereof payable initially on September 1, 2010, and semiannually thereafter on March 1 and September 1 of each year until they mature; and will mature on March 1 in each of the years and in the principal amount shown on the inside front cover hereof. Under South Carolina law, the Bonds and the County’s \$24,205,000 General Obligation Bonds, Series 2009A (the “2009A Bonds”) issued simultaneously with the Bonds will be considered as one series.

Build America Bonds

The American Recovery and Reinvestment Act of 2009 (“ARRA”) authorizes the County to issue the Bonds as “Build America Bonds” to finance capital expenditures for which it could issue tax-exempt bonds and to elect to receive a subsidy payment (a “Subsidy Payment”) from the federal government equal to the amount of 35% of each interest payment on such Bonds. At the time of sale, the County determined to issue the Bonds as federally taxable Build America Bonds. The resulting subsidy payments will be paid directly to the County; no registered owners of the Bonds will be entitled to a tax credit or Subsidy Payment, and interest paid to registered owners of the Bonds will not be excludable from gross income for federal income tax purposes but will be exempt from South Carolina income tax. See “TAX MATTERS” below. The Subsidy Payments have not been pledged to the payment of any Bonds. To the extent that Subsidy Payments are paid by the federal government to the County, such payments would be part of the County’s general revenues. The Subsidy Payments are not full faith and credit obligations of the United States.

Redemption Provisions

Optional Redemption. The Bonds maturing on or prior to March 1, 2020, shall not be subject to redemption prior to their stated maturities. The Bonds maturing on or after March 1, 2021, shall be subject to redemption at the option of the County on or after March 1, 2020, as a whole or in part at any time, in such order of redemption as the County may determine, at par, plus accrued interest to the date fixed for redemption.

Extraordinary Redemption. The Bonds are subject to redemption by the County, at its option, prior to maturity at any time or times at the redemption price of par plus accrued interest to the redemption date if and to the extent the federal government should not make the subsidy payment equal to 35% of the amount of interest paid on such Bonds pursuant to ARRA; however, this provision does not apply if the subsidy payment is not made as a result of the County's failure to file or cause to be filed the appropriate documents within the time limit imposed by the Internal Revenue Service required for the transaction and for requesting the subsidy payments.

Notice of Redemption

If less than all the Bonds of any maturity are called for redemption, the Bonds of such maturity to be redeemed shall be selected by lot by the Registrar. In the event the Bonds are redeemable as aforesaid, and shall be called for redemption, notice of the redemption thereof, describing the Bonds and specifying the redemption date and the redemption price payable upon such redemption, shall be mailed by the Registrar by first-class mail, postage prepaid, to the registered owner thereof not less than thirty (30) days and not more than sixty (60) days prior to the redemption date at the last address appearing upon the registration books of the County. If the Bonds be redeemable and shall have been duly called for redemption and notice of the redemption thereof mailed as aforesaid, and if on or before the date fixed for such redemption, payment thereof shall have been duly made or provided for, interest thereon shall cease to accrue from and after the redemption date thereof.

Book-Entry-Only System

Beneficial ownership interests in the Bonds will be available only in book-entry form. Beneficial owners of the Bonds ("Beneficial Owners") will not receive physical Bonds certificates representing their interests in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, references in this Official Statement to the Holders of the Bonds shall mean DTC or its nominee and shall not mean the Beneficial Owners. Unless and until the book-entry-only system has been discontinued, the Bonds will be available only in book-entry form in principal amounts of \$5,000 or any integral multiple thereof.

THE FOLLOWING DESCRIPTION OF DTC, ITS PROCEDURES AND RECORD KEEPING ON BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, PAYMENT OF INTEREST AND OTHER PAYMENTS ON THE BONDS TO DTC PARTICIPANTS (AS DEFINED HEREIN) OR TO BENEFICIAL OWNERS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS AND OF OTHER TRANSACTIONS BY AND BETWEEN DTC, DTC PARTICIPANTS AND BENEFICIAL OWNERS IS BASED ON INFORMATION FURNISHED BY DTC.

Depository Trust Company. The Depository Trust Company, New York, New York ("DTC"), or its successor, will act as securities depository for the Bonds. The Bonds will be issued initially as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee), or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds and will be deposited with DTC.

DTC Participants and Indirect Participants. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues,

Debt Book

Section 10

Beaufort County, South Carolina

All Outstanding General Obligation Debt

As of November 6, 2014

(000's)

Year Ending June 30	\$22,570,000 General Obligation Refunding Bonds Series 2014B		\$19,450,000 General Obligation Bonds Series 2014A		\$33,150,000 General Obligation Refunding Bonds Series 2013C		\$25,000,000 General Obligation Bonds Series 2013B		\$7,580,000 General Obligation Bonds Series 2013A		\$25,185,000 General Obligation Refunding Bonds Series 2012C	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2015			675	2.000%	60	4.000%	805	2.000%	255	3.000%	805	2.000%
2016			740	2.000%	65	4.000%	825	3.000%	260	3.000%	785	3.000%
2017			755	2.000%	2,365	4.000%	850	4.000%	270	4.000%	1,070	3.000%
2018			770	2.000%	2,620	1.500%	880	4.000%	280	4.000%	1,055	4.000%
2019			785	2.000%	2,805	1.500%	915	5.000%	290	4.000%	1,350	5.000%
2020			800	4.000%	2,985	4.000%	965	5.000%	300	4.000%	1,730	5.000%
2021	4,220	4.000%	830	4.000%	3,225	5.000%	1,010	5.000%	315	4.000%	2,120	4.000%
2022	2,735	4.000%	865	4.000%	3,485	5.000%	1,060	5.000%	325	4.000%	3,590	4.000%
2023	2,985	4.000%	900	5.000%	3,655	4.000%	1,115	5.000%	340	4.000%	4,295	4.000%
2024	3,345	4.000%	945	5.000%	3,800	3.000%	1,170	5.000%	355	4.000%	5,740	4.000%
2025	4,665	4.000%	990	3.000%	3,905	3.000%	1,230	4.000%	365	4.000%	2,645	3.000%
2026	225	2.500%	1,020	3.000%	3,985	3.500%	1,275	4.000%	380	4.000%		
2027	260	2.500%	1,055	3.000%			1,330	4.000%	395	4.000%		
2028	2,005	3.000%	1,085	3.000%			1,380	4.000%	415	4.000%		
2029	2,130	3.000%	1,115	3.000%			1,435	4.000%	430	3.000%		
2030			1,150	3.000%			1,495	3.000%	440	3.000%		
2031			1,185	3.125%			1,540	3.000%	455	3.000%		
2032			1,220	3.250%			1,585	3.125%	470	3.125%		
2033			1,260	3.250%			1,635	3.125%	485	3.125%		
2034			1,305	3.250%								
TOTALS	22,570		19,450		32,875		22,500		6,825		25,185	
Next Call	3/1/2024 @ 100%		3/1/2024 @ 100%		3/1/2023 @ 100%		5/1/2023 @ 100%		5/1/2023 @ 100%		Non-Callable	
Dated Date	11/6/2014		11/6/2014		5/10/2013		5/10/2013		5/10/2013		9/5/2012	
Coupon Dates	March 1	September 1	March 1	September 1	March 1	September 1	May 1	November 1	May 1	November 1	March 1	September 1
Maturity Dates	March 1		March 1		March 1		May 1		May 1		March 1	
Insurance	None		None		None		None		None		None	
Paying Agent	Wells Fargo		Wells Fargo		Wells Fargo		Wells Fargo		Wells Fargo		Wells Fargo	
Purpose	Refunding Current Refunded Series 2010B General Obligation BABS		New Money Capital improvements		Refunding Advance Refunded Series 2006B and Series 2006		New Money Referendum projects		New Money Retired Series 2012B BANS and Series 2012D BANS		Refunding Advance Refunded Series 2004	
Color Legend												
Non-Callable			Callable and Advance Refundable									
Callable and Partially Advance Refundable			Callable and Non Advance Refundable									

Beaufort County, South Carolina

All Outstanding General Obligation Debt

As of November 6, 2014

(000's)

Year Ending June 30	\$15,295,000 General Obligation Refunding Bonds Series 2012A		\$10,000,000 General Obligation Bonds Series 2011		\$8,125,000 General Obligation Refunding Bonds Series 2010C		\$24,205,000 General Obligation Bonds Series 2010A		\$17,530,000 General Obligation Refunding Bonds Series 2007		\$25,500,000 General Obligation Bonds Series 2007	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2015	1,360	2.000%	65	2.000%	825	2.000%	2,745	2.500%	1,810	5.000%	1,025	5.000%
2016	1,425	3.000%	35	2.000%	840	2.000%	3,175	5.000%	1,900	5.000%	1,150	5.000%
2017	1,440	3.000%	60	2.000%	860	3.000%	3,305	5.000%	1,990	5.000%	1,275	5.000%
2018	1,455	4.000%	205	2.000%	895	3.000%	3,470	5.000%	2,065	3.000%	1,375	4.000%
2019	1,555	4.000%	245	2.000%	925	3.000%	3,135	5.000%	2,140	1.000%	1,450	4.000%
2020	1,635	4.000%	270	2.000%	950	4.000%	2,780	5.000%	2,200	1.000%	1,525	5.000%
2021	1,660	4.000%	1,105	3.000%	990	4.000%					1,650	4.125%
2022	1,700	4.000%	660	3.000%	1,035	4.000%					1,775	4.125%
2023	1,790	4.000%	215	3.000%							1,900	4.625%
2024			55	3.000%							2,025	4.750%
2025			50	3.000%							2,150	4.750%
2026			135	3.000%							2,275	4.750%
2027			115	3.000%							2,400	4.500%
2028			1,245	3.250%								
2029			1,265	3.250%								
2030			2,005	3.500%								
2031			2,075	3.500%								
2032												
2033												
2034												
TOTALS	14,020		9,805		7,320		18,610		12,105		21,825	
Next Call	Non-Callable		3/1/2021 @ 100%		Non-Callable		Non-Callable		2/1/2017 @ 100%		3/1/2017 @ 100%	
Dated Date	2/7/2012		12/28/2011		11/18/2010		3/10/2010		11/7/2007		10/3/2007	
Coupon Dates	March 1	September 1	March 1	September 1	February 1	August 1	March 1	September 1	February 1	August 1	March 1	September 1
Maturity Dates	March 1		March 1		February 1		March 1		February 1		March 1	
Insurance	None		None		None		None		Assured Guaranty		Ambac	
Paying Agent	Wells Fargo		Wells Fargo		Wells Fargo		Wells Fargo		Beaufort County Treasurer		Beaufort County Treasurer	
Purpose	Refunding Advance Refunded Series 2003		New Money Funded 2006 referendum projects for the County Rural and Critical Land Preservation Program		Refunding Advance Refunded Series 2002		New Money Pay 2009 BANs		Refunding Advance Refunded Series 2001		New Money Road Projects and Referendum Projects	
Color Legend												
Non-Callable			Callable and Advance Refundable									
Callable and Partially Advance Refundable			Callable and Non Advance Refundable									

Beaufort County, South Carolina

All Outstanding General Obligation Debt

As of November 6, 2014

(000's)

Year Ending June 30	\$30,000,000 General Obligation Bonds Series 2006B		\$17,500,000 General Obligation Bonds Series 2006		TOTAL							
	Principal	Coupon	Principal	Coupon	Principal	Payoff%	Principal	Coupon	Principal	Coupon	Principal	Coupon
2015	1,200	4.000%	800	3.750%	12,430	5.722%						
2016	1,300	5.000%	850	8.000%	13,350	11.867%						
2017					14,240	18.422%						
2018					14,970	25.313%						
2019					15,545	32.469%						
2020					16,140	39.898%						
2021					17,125	47.781%						
2022					17,230	55.713%						
2023					17,195	63.628%						
2024					17,435	71.653%						
2025					16,000	79.019%						
2026					9,215	83.260%						
2027					5,555	85.818%						
2028					6,130	88.639%						
2029					6,375	91.574%						
2030					5,090	93.917%						
2031					5,255	96.336%						
2032					3,275	97.843%						
2033					3,380	99.399%						
2034					1,305	100.000%						
TOTALS	2,500		1,650		217,240	100.000%						
Next Call	Non-Callable		Non-Callable									
Dated Date	11/30/2006		11/2/2006									
Coupon Dates	March 1	September 1	March 1	September 1								
Maturity Dates	March 1		March 1									
Insurance	National Public Finance (MBIA)		National Public Finance (MBIA)									
Paying Agent	Beaufort County Treasurer		Beaufort County Treasurer									
Purpose	New Money Pay 2005 BANs; Capital Projects		New Money Capital Projects									
Color Legend												
Non-Callable												
Callable and Partially Advance Refundable												
Callable and Advance Refundable												
Callable and Non Advance Refundable												