

FILED FOR RECORD

STATE OF SOUTH CAROLINA

2012 MAY -9 PM 12:39

ORDINANCE NO. 2012 - 5-281

COUNTY OF BARNWELL

RHONDA D. McELVEEN
CLERK OF COURT
BARNWELL COUNTY, S.C.

AN ORDINANCE TO ASSUME RESPONSIBILITY FOR PAYMENT OF THE BARNWELL COUNTY HOSPITAL VESTED PENSION PLAN OBLIGATIONS

WHEREAS, Barnwell County Hospital has not contributed to its vested pension benefit plan since 1996, and its prior contributions were not enough to fully fund the plan, and

WHEREAS, the debt of Barnwell County Hospital as an agency of the County is not the debt of Barnwell County Council, and

WHEREAS, the Unfunded Actuarial Accrued Liability of the hospital retirement plan was estimated as of October of 2011 to be One Million Fifty-Five Thousand (\$1,055,707.00) Dollars with an unfunded plan termination cost of Two Million Two Hundred Sixty-Four Thousand Sixty (2,264,060.00) Dollars, and

WHEREAS, the estimated annual cost to properly fund the Hospital's plan is currently estimated to be One Hundred Forty-Three Thousand (\$143,000.00) Dollars per year for not less than ten years, and

WHEREAS, the Barnwell County Hospital has been incapable of honoring its obligations to the pension plan, and is currently in bankruptcy - Barnwell County Council desires to protect the interest of the Hospital's retirees,:

IT IS HEREBY ORDAINED by the Barnwell County Council that ,

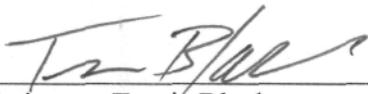
1. Subject to the following conditions and conditions precedent, Barnwell County will agree to assume the unfunded liability of the Barnwell County Hospital Retirement Plan.
2. The assumption of the liability is contingent upon confirmation and successful conclusion of Barnwell County Hospital's Chapter Nine Bankruptcy plan.
3. The assumption is further contingent upon closing the pending sale of the Barnwell County Hospital to the Regional Health System, LLC, pursuant to that certain Asset Purchase Agreement ("APA") entered into in the Fall of 2011.
4. The assumption is further contingent upon a 75% reduction of Barnwell County's costs for Emergency Medical Services (E-911 transport) in two years pursuant to the agreement

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for the sale of assets to Regional Health System, LLC, and the elimination of the hospital millage subsidy three years after the sale of assets.

5. Under the foregoing conditions the Barnwell County Council agrees that it would assume the obligation of paying the unfunded actuarial accrued liability of the Barnwell County Hospital vested retirement plan, as determined on a year to year basis, or by lump sum payment.

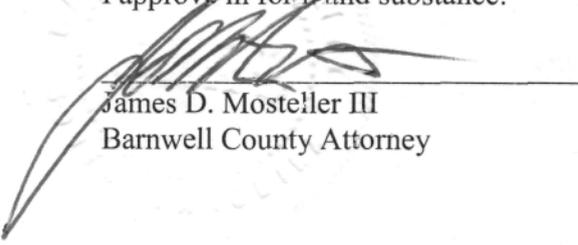
This ordinance is to take effect upon three readings and a public hearing, and a majority vote of Barnwell County Council.


Chairman, Travis Black

I Attest:


Kim Futrell, Clerk to Council

I approve in form and substance:


James D. Mosteller III
Barnwell County Attorney

First Reading: 3/13/12
Second Reading: 4/10/12
Third Reading: 5/8/12