FY 2020-21 TRENDS AND ISSUES

SENATE FINANCE COMMITTEE
February 4, 2020
UNITED STATES CENSUS POPULATION
Change From 2010 to 2018

Source: S.C. Revenue and Fiscal Affairs Office - 211A - lpw/4/29/19
SOUTH CAROLINA CENSUS POPULATION
Change From 2010 to 2018

Source: 2010 PL, 94-171 database and 2016 Annual Estimates of the Resident Population

South Carolina Revenue and Fiscal Affairs Office
Personal Income in the United States and South Carolina

1980
SC = 1.08% of US Income

1990
SC = 1.15% of US Income

2000
SC = 1.17% of US Income

2010
SC = 1.20% of US Income

2018
SC = 1.24% of US Income

Source: U.S. Department of Commerce, Bureau of Economic Analysis, S.C. Board of Economic Advisors
SC PERSONAL INCOME ANNUAL PERCENT GROWTH - ACTUALS AND ESTIMATES
Dec 2018 Series and Feb 2019 Estimates

Source: Revenue and Fiscal Affairs/FAR/260/01-02-20
The call on the field was that SC Personal Income grew less than four percent. That data is under review.
Total Nonfarm Employment in the United States & South Carolina

Calendar Year

1980
SC = 1.31% of US Employment

1990
SC = 1.39% of US Employment

2000
SC = 1.40% of US Employment

2010
SC = 1.39% of US Employment

2018
SC = 1.44% of US Employment

Source: U.S. Department of Commerce, Bureau of Economic Analysis, S.C. Board of Economic Advisors
South Carolina Nonfarm Employment Growth by Sector – Percent Change (2017-2018)

ACCOMMODATIONS TAX

Source: Revenue and Fiscal Affairs Office/FAR/1-21-20
SC RETIREMENT SYSTEM FUNDED RATIO

Source: SC Retirement Systems CAFR and Joint Committee on Pension Systems Review, 197, GOS/FAR, 01/3/20

02/04/2020
SC UNEMPLOYMENT TRUST FUND STATUS
Ratio of Fund Balance to One Year Payout (Moderate Recession) - Actual vs Goal

Source: Revenue and Fiscal Affairs Office/FAR/1-9-20
SC INDIVIDUAL INCOME TAX LIABILITY
AS A PERCENTAGE OF FEDERAL AGI

Source: Revenue and Fiscal Affairs Office/FAR/1/16/20
General Fund Revenue (Net) With Trust Fund and Homestead Exemption Shortfall

Source: S.C. Revenue and Fiscal Affairs 213-LHJ 11/12/2019
ANNUAL GROWTH IN GENERAL FUND REVENUE

Source: Revenue and Fiscal Affairs - 169A/LHJ/11/12/19

($ in Millions)

FY 00 FY 01 FY 02 FY 03 FY 04 FY 05 FY 06 FY 07 FY 08 FY 09 FY 10 FY 11 FY 12 FY 13 FY 14 FY 15 FY 16 FY 17 FY 18 FY 19 FY 20 (e) FY 21 (e)

$119.0 $97.0 $4.5 $434.8 $581.0 $537.9 $36.4 $317.9 $367.4 $314.3 $523.8 $579.9 $108.4 $326.3 $319.1 $547.5 $696.1

($860.9) ($222.4) ($322.2) ($83.7) $266.0 $4.5

Source: Revenue and Fiscal Affairs - 169A/LHJ/11/12/19
Note: Tier III Expenditure includes $2.5M minimum disbursements and lease purchase lawsuit revisions. Revenue projection based upon 11/08/2019 BEA forecast.

Source: SC Revenue and Fiscal Affairs Office MKM-40- 11/08/19
TRANSFERS TO SC EDUCATION LOTTERY ACCOUNTS  
Inception to FY 2020-21 BEA Estimate

(Millions of Dollars)

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<th>Year</th>
<th>General Proceeds</th>
<th>Unclaimed Prizes</th>
<th>Interest</th>
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<td>FY 2020-21</td>
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Source: South Carolina Revenue and Fiscal Affairs Office RFA/265/jlw/01/22/2020
FY 2020-21 BUDGET PROCESS - AVAILABLE FUNDS

- FY 2020-21 Budget Growth: $863.0
- FY 2018-19 Surplus (NR): $350.0
- FY 2019-20 Projected Surplus (NR): $507.0
- FY 2019-20 Capital Reserve Fund (NR): $162.0

Source: Revenue and Fiscal Affairs Office/FAR/1-8-20
FY 2019-20 APPROPRIATIONS ACT EXPECTATIONS

Estimated Revenue Growth (April 2019)

Source: Revenue and Fiscal Affairs/FAR/11-6-19
FY 2019-20 REVISED REVENUE ESTIMATE

Source: Revenue and Fiscal Affairs Office/FAR/11/6/20
FY 2020-21 BUDGET "CATCH-UP"
Compounding Effect of FY 2018-19 Revenue Surplus on FY 2020-21 Budget (November 2019)

Source: Revenue and Fiscal Affairs/FAR/11-6-19
ROLLING FISCAL YEAR - TOTAL GENERAL FUND REVENUE

Actuals, Estimates, and Limits - FY 2018-19 to FY 2019-20

Source: Revenue and Fiscal Affairs Office/FAR/2/3/20
ROLLING FISCAL YEAR - CORPORATE INCOME & LICENSE TAXES
FY 2010-11 to FY 2019-20

Source: Revenue and Fiscal Affairs Office/FAR/2-3-20
BUDGET REQUESTS FY 2020-21

Source: Revenue and Fiscal Affairs Office/FAR/1-22-20

Recurring
Non-recurring
EFA BASE STUDENT COST
BSC Provided for Budget Compared to Final BSC

Source: S.C. Revenue and Fiscal Affairs Office - 267A - lpw/1/21/20
SOUTH CAROLINA SCHOOL ENROLLMENT
Annual Growth by Type of School

Source: S.C. Revenue and Fiscal Affairs Office - 267G - lpw/1/21/20
FY 2019-20 S.C. Actual teacher salary is $290 below the SE average.

Note: The FY 2019-20 S.C. actual teacher salary figure is a preliminary figure from the S.C. Department of Education.

Source: S.C. Revenue and Fiscal Affairs Office - 267B - lpw/1/21/20
Note: The Local Government Fund Appropriation is projected to increase from $233,740,696 in FY 2019-20 to $245,427,731 in FY 2020-21, which is a 5% increase.

Source: S.C Revenue and Fiscal Affairs Office - 193/ipw/11/14/19
Note: Local Government Fund estimates are based upon recurring funds of $233,740,696 as ratified by the General Assembly on May 22, 2019. The population figures are based on 2010 U.S. Census Bureau data and 2018 U.S. Census population estimates.

Source: S.C. Revenue and Fiscal Affairs Office - 211C - emm/06/03/19
MUNICIPAL LOCAL GOVERNMENT FUND CENSUS POPULATION IMPACT
Change in Funding with 2010 Census vs 2018 Estimated Population

Note: Local Government Fund estimates are based upon recurring funds of $233,740,696 as ratified by the General Assembly on May 22, 2019. The population figures are based on 2010 U.S. Census Bureau data and 2018 U.S. Census population estimates.

Source: S.C. Revenue and Fiscal Affairs Office - 211G - emm/06/04/19
Thank You!

South Carolina
Revenue and Fiscal Affairs Office

Our mission is to provide independent research, analysis, and resources to facilitate informed policy decisions and administration of services.