



EDWARD B. GRIMBALL, Chairman
HOWELL CLYBORNE, JR.
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SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

FRANK A. RAINWATER
Executive Director

RFA BOARD AGENDA November 8, 2018 2:30pm or Upon Adjournment of BEA Meeting Bowers Conference Room Room 417, Rembert C. Dennis Building

- I. Welcome
- II. Adoption of Meeting Minutes for October 18, 2018
- III. Employee Recognition
 - A. Years of Service
 - B. Veterans
- IV. Agency Matters
 - A. E-9-1-1 Wireless Program
 - 1. Update (David Morrison, Program Manager)
 - 2. Local/Regional Update (Jim Lake, Director, Charleston County Consolidated 9-1-1 Center)
 - 3. Adoption of Wireless Fee for 2019 (§23-47-50(F))
 - B. Amended Budget Request (Paul Athey)
- V. Other Business
- VI. Future Meetings
 - A. December 13, 2018, Upon Adjournment of BEA Meeting (if necessary)
 - B. January 17, 2019, Upon Adjournment of BEA Meeting (Quarterly Review)
 - C. February 14, 2019, Upon Adjournment of BEA Meeting (if necessary)
 - D. March 21, 2019, Upon Adjournment of BEA Meeting (if necessary)
 - E. April 8, 2019, Upon Adjournment of BEA Meeting (Quarterly Review and Customer Survey Results)
- VII. Adjournment

Please note the Agenda is subject to change.



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
Transforming data into solutions for South Carolina

RFA BOARD MEETING

NOVEMBER 8, 2018



EMPLOYEE RECOGNITION



YEARS OF SERVICE

5 Years

- David Ballard – Mapping & Operations, Geodetic Survey
- Sidra Nelson – Fiscal Analysis, Economic Research

10 Years

- Ben Fenner – Health & Demographics, Development
- Ken Harris – Mapping & Operations, Communications
- John Long – Health & Demographics, Development
- Morgan O'Donnell – Mapping & Operations, Business Services

YEARS OF SERVICE

20 Years

- Carla Sadlier – Health and Demographics, Project Research

30 Years

- Debbie Cooper – Fiscal Analysis, Economic Research
- Josephine Wilson-King – Health and Demographics, Health Resources

HAPPY VETERANS DAY

A heartfelt thank you to our Veterans and families



SOUTH CAROLINA WIRELESS 911 PROGRAM UPDATE



CURRENT STATE OF THE PROGRAM

DISTRIBUTIONS AND FUND BALANCES

PSAP Services (39.8%) – based on quarterly wireless 911 call volume

- FY17-18 – \$12.2 million
- Fund Balance – \$3,115,259*

Compliance Costs (58.2%) – cost recovery requests submitted by the PSAPs and WSPs

- FY17-18 – processed 195 requests totaling \$18 million
 - \$17.4 million – PSAPs
 - \$600 thousand – WSPs
- Fund Balance – \$25,904,759*

Board Operations (2.0%) – administrative support services

- FY17-18 – \$435,880
- Fund Balance – \$2,761,351*

Total E911 Fund Balance – \$31,781,369*

*Fund balances as of 9/30/2018

CURRENT STATE OF THE PROGRAM

TRANSITION TO NG9-1-1

- ❖ Continuing to work towards the transition to statewide NG9-1-1 technology (internet protocol based emergency service networks with functional applications, databases, and other core services)
 - ❖ Allows for enhanced backup capabilities and improved interoperability between PSAPs in the event of a disaster
 - ❖ Enables expanded means of communication received from the public for providing emergency response
- ❖ Working with committee members and staff from the House and Senate to amend the current legislation to authorize use of the wireless fund for NG9-1-1 costs
- ❖ Applying for federal grant funding to supplement existing funds for implementation costs

NG9-1-1 TRANSITION – FINANCIAL MODEL

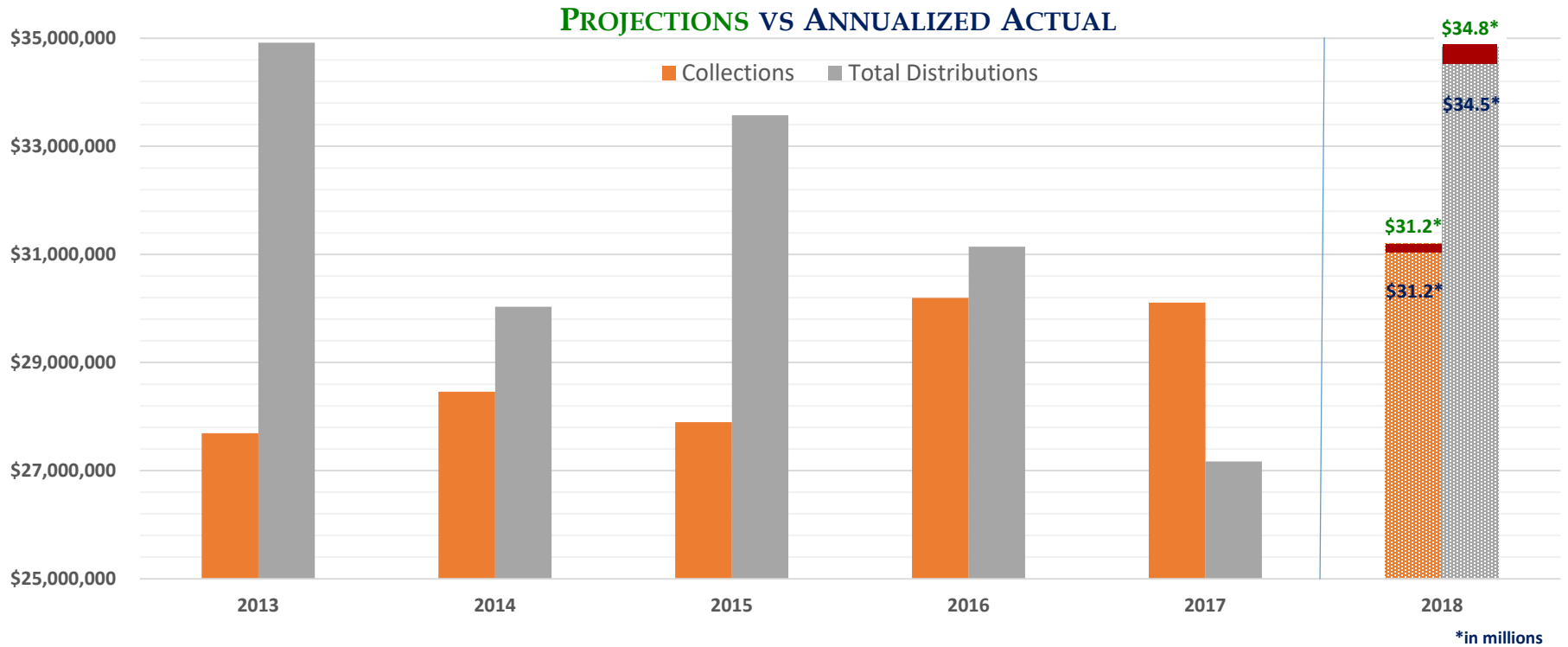
Assumptions:

- ❖ NG9-1-1 transition and core services will be managed by the state
- ❖ Reimbursement rate to PSAPs for expenditures will decline from the current level of 80% as the state assumes more costs. CMRS Advisory Committee will recommend the reimbursement rate and priority funding for the Board to adopt on an annual basis
- ❖ Operating reserve will be established within an approximate range of 20% to 30% of prior year expenditures
- ❖ Any additional revenue generated within the statutory cap will be dedicated to maintaining the system within the reserve threshold.
- ❖ Requesting a transfer of the E911 fund from a non-budgeted account with the State Treasurer to a budgeted account under RFA to ensure transparency
 - ❖ All revenues and expenses would be reflected under RFA's budget
 - ❖ Total agency authorization levels would need to increase to accommodate 911 expenditures occurring in a budgeted account

CURRENT STATE OF THE PROGRAM

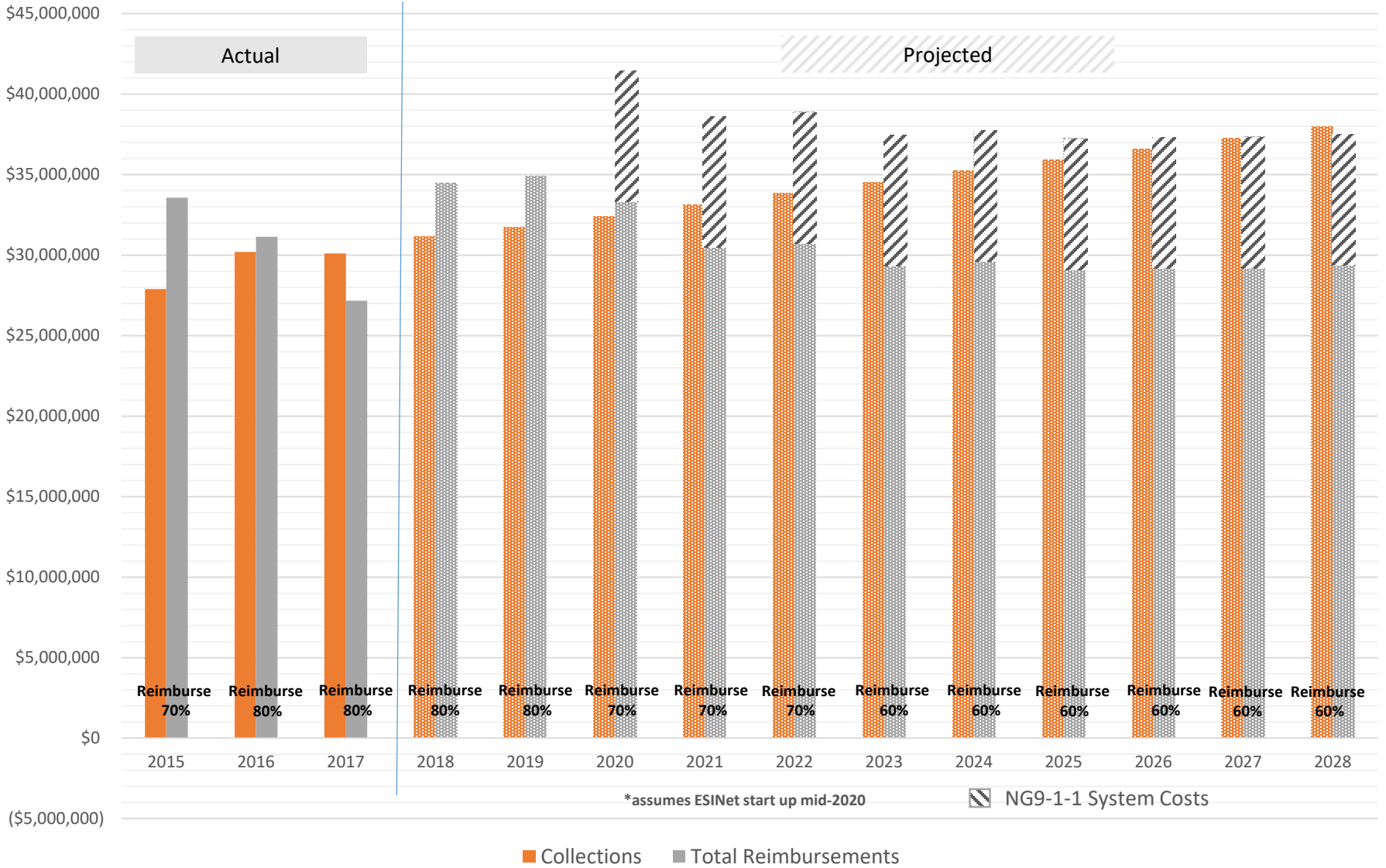
FUND MANAGEMENT

Monitoring the fund's performance compared to our fiscal model projections:

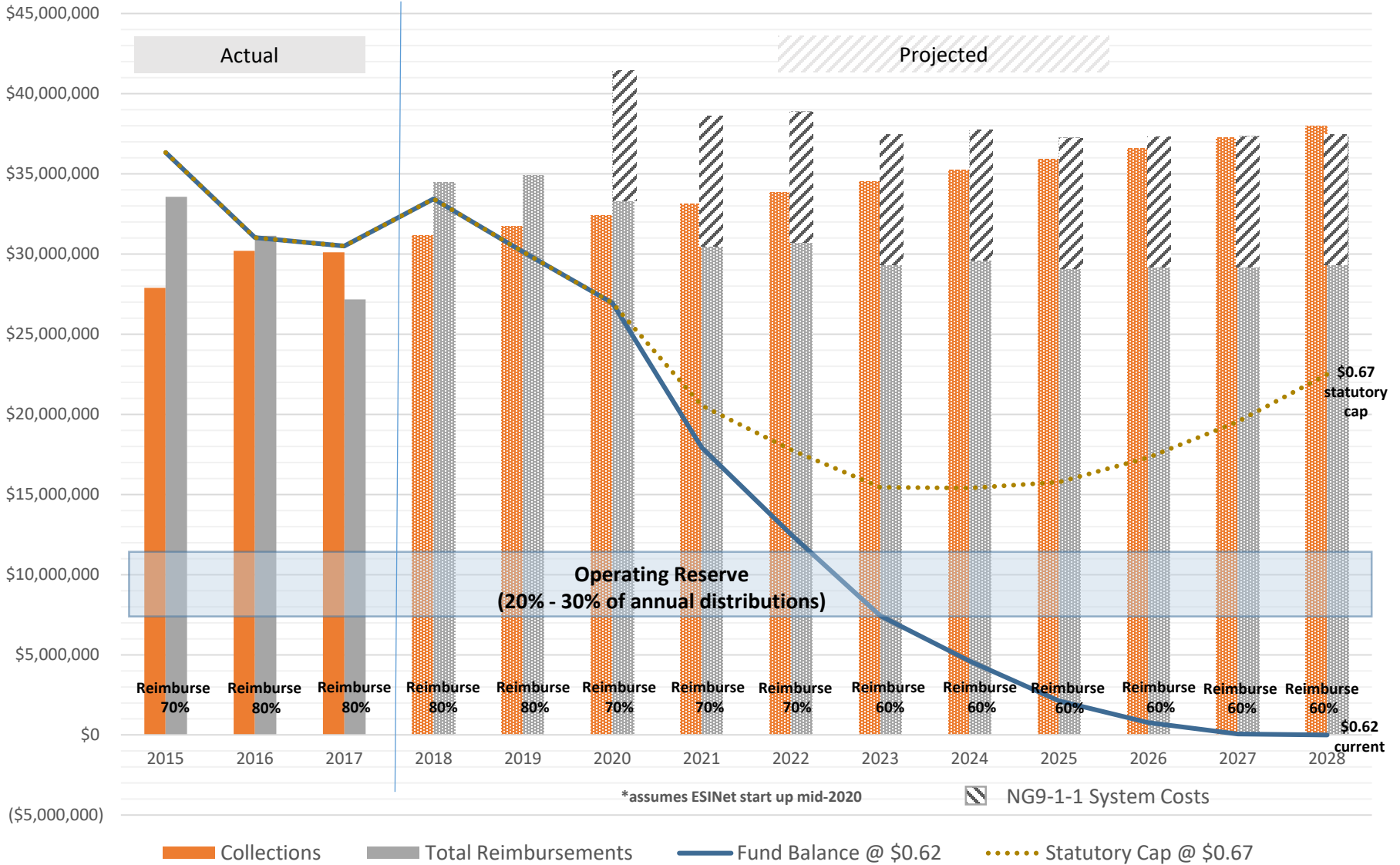


- ❖ Our forecast model projected distributions would exceed collections by \$3.6 million in CY 2018 due to equipment replacement cycles
- ❖ Based on actual data through September 2018 (annualized), we anticipate the excess of distributions over collections will only be \$3.3 million

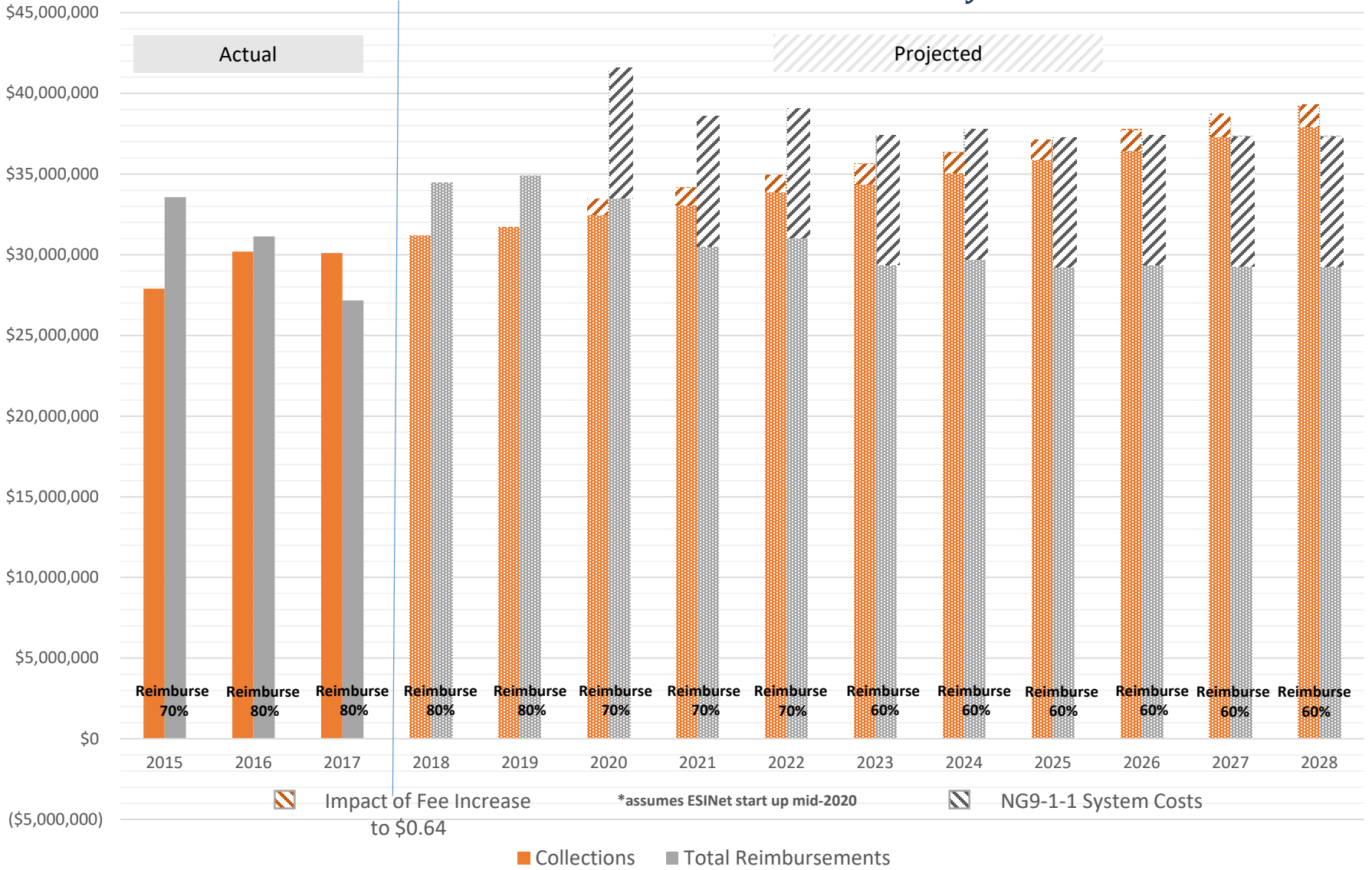
NG9-1-1 FINANCIAL MODEL - PROJECTIONS



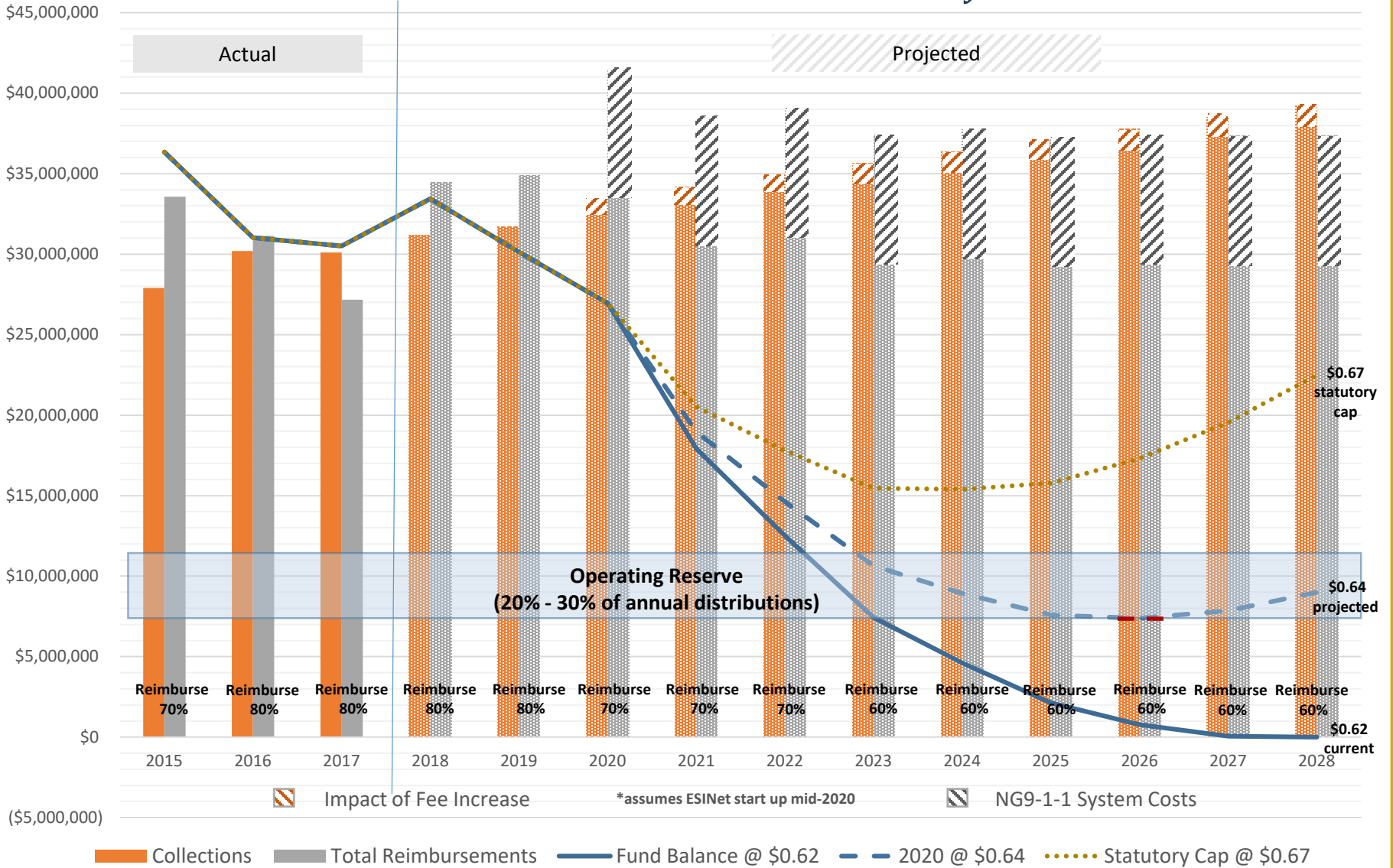
NG9-1-1 FINANCIAL MODEL - PROJECTIONS



NG9-1-1 FINANCIAL MODEL - PROJECTIONS

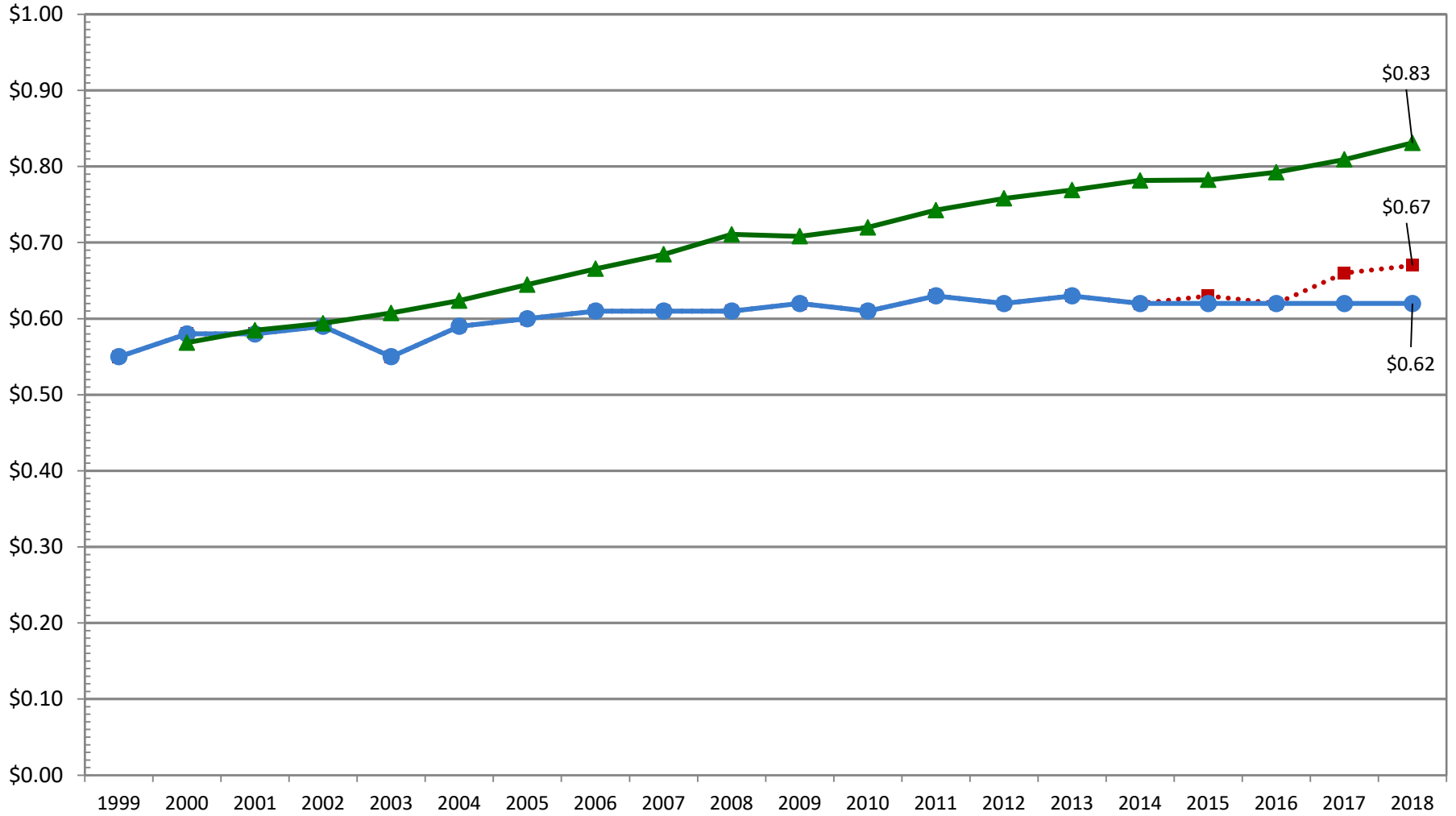


NG9-1-1 FINANCIAL MODEL - PROJECTIONS



WIRELESS EMERGENCY SURCHARGE FEE

● ■ Maximum Fee
 ● Actual Fee
 ▲ Inflation Adjusted Fee



REQUESTED BOARD ACTIONS

- ❖ Annual calculation of the wireless 911 surcharge fee resulted in a cap of \$0.67
- ❖ CMRS Advisory Committee recommends maintaining the wireless 911 surcharge fee at \$0.62 for 2019 (§23-47-50(F))
- ❖ Staff supports the Committee's recommendation

2020 CONSIDERATIONS

- ❖ The committee may request a fee increase for 2020 pending the financial impact of NG9-1-1 implementation, potential federal grant funding, and updated fiscal model projections
- ❖ Committee anticipates a request to lower the reimbursement rate to 70% in 2020
- ❖ The Fiscal Subcommittee will continually monitor the funds and update fiscal projections contingent upon actual wireless collections, distributions, and NG9-1-1 transition costs

AMENDED FY 2019-20 BUDGET REQUEST



Amended Budget Requests

Authorization Increases:

- Pending transfer of the State GIS Coordinator position and operating expenses from DNR to RFA (revenue funded program through the Geographic Information Council) – \$180,000
- Transition of the state’s wireless 911 expenses from a non-budgeted account in E16 with the State Treasurer to a budgeted SCEIS account under RFA – \$32,000,000 (approx.)

Funding Request:

- Proposal for non-recurring appropriations to conduct a statewide aerial photography project – \$4,000,000
 - Entire state in year 1
 - One-third of the state per year over years 2-4

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.