



## **MEMORANDUM FOR THE RECORD**

**Date:** November 18, 2025, upon adjournment of RFA meeting

**Location:** Revenue and Fiscal Affairs Office, Conference Room 417/Web Conference

**Subject:** Minutes of the Board of Economic Advisors (BEA) Meeting

**Participants:** *Board Members* – Edward Grimball - Chairman, Curtis Hutto, Dr. Michael Mikota, and Hartley Powell (*via web conference*). Frank Rainwater – Executive Director, *Staff* – Lisa Jolliff, Morgan Daigle, Dr. Marian Manic, and Karl Vesely; **Attendees:** *RFA* – Chris Finney, Kathryn Kelley, and Emily Prosser. *Seventy-five additional participants via web conference.*

Note: Guests were invited to attend in-person or virtually. An email invitation was sent to the Distribution list and Working Group list members, and the meeting notification was posted on the RFA website and in the Rembert Dennis Building. Meeting information and log-in instructions were posted online. Meeting materials were posted online 15 minutes prior to the start of the meeting, and the documents were also shared via web conference.

- I. Chairman Grimball welcomed everyone to the meeting at 9:05 a.m., shortly after the Revenue and Fiscal Affairs Board meeting adjourned.
- II. Chairman Grimball presented the October 14, 2025, meeting minutes, which previously had been shared with the Members, and asked if any Member had edits or questions. Hearing no amendments or objections, Chairman Grimball declared the minutes approved as written. ([See minutes](#))

*Chairman Grimball noted that the October meeting included presentations from a guest panel of regional economists that helped form the basis of the upcoming forecast and noted that a Press Release will be issued following the meeting.*

- III. General Fund Revenue Forecast ([See materials](#))

*Mr. Rainwater began the presentation by stating that this meeting marks the culmination of many weeks of work by staff and collaboration with many different individuals regarding data and revenue trends. He noted that the assistance by the Department of Revenue, Comptroller General's Office, State Treasurer's Office, and the SC Education Lottery is greatly appreciated, as well as the guest panel of economists.*

Mr. Rainwater presented a review of revenue estimates and assumptions for FY 2025-26 (FY 26) and FY 2026-27 (FY 27), noting three factors affecting today's actions:

- FY 2024-25 (FY 25) surplus of \$410.7 million above the BEA's estimate.
- Continued above average growth in the economy and revenues.
- Prudent budget actions by the General Assembly not to appropriate all of the FY 25 and FY 26 revenue estimated in May.

Mr. Rainwater then reviewed revenue results for the month of October and total revenues for fiscal year-to-date (*slides 2-4*):

- For the first four months of the fiscal year, revenues were \$244 million above expectations.

- There is a concern, however, as the largest revenue category, Withholdings, was behind expectations even though the next largest category, Sales tax, was well ahead of expectations.

Mr. Rainwater began the review of the forecast by noting the adjustment to the economic working assumptions in response to the presentations and comments by the panel of guest economists during the October meeting (*slide 6*).

Mr. Rainwater then discussed the trends and expectations in the major revenue categories (*slides 10-26*).

Mr. Rainwater concluded the analysis and presented the complete list of estimates, further noting that all revenue items were reviewed and updated (*slides 30-31*).

- The proposal called for increasing the May 2025 estimate for FY 26 by \$189.5 million from \$14,491.9 million to \$14,681.4 million and adopting an initial estimate for FY 27 of \$15,009.9 million, which represented growth of \$328.5 million, or 2.2 percent.

***Dr. Mikota moved to approve the General Fund Revenue Forecast presented on pages 30 and 31 of the posted meeting materials. Mr. Hutto seconded the motion, and all voted aye.***

Ms. Jolliff then presented the budget outlook and Long-Range Forecast (pursuant to §11-11-350) (*slides 32-39*).

- The budget outlook for FY 27 noted available “new” recurring revenue of \$733.9 million and total non-recurring revenue of \$1,714.0 million.

***Dr. Mikota moved to approve the Long-Range Forecast presented on pages 38 and 39 of the posted meeting materials. Mr. Hutto seconded the motion, and all voted aye.***

*Members asked questions throughout the presentation, which generated further discussions between Members and staff.*

*At the conclusion of the presentation, Mr. Rainwater complimented the Working Group members, staff, and Board Members on their fine work in developing the forecast.*

- IV. Reports from Working Group Members  
*No Working Group members offered comments.*
- V. Other Items for Discussion
- VI. The next scheduled meeting is December 16, 2025.
- VII. Dr. Mikota moved to adjourn the meeting, and Mr. Hutto seconded the motion. All voted aye, and the meeting adjourned at 9:46 a.m.

Public notice of this meeting was posted at <http://rfa.sc.gov> and the Rembert Dennis Building.

These minutes were approved on 1/22/2026

Emily Prosser *Emily Prosser*