

MEMORANDUM FOR THE RECORD

DATE: October 15, 2014
Room 335, Dennis Building
10:30am

SUBJECT: Minutes of the Revenue and Fiscal Affairs Board (RFA) Meeting

ATTENDEES: *Board Members* – Chad Walldorf-Chairman, Howell Clyborne, Emerson Gower, *Executive Director*, Frank Rainwater, *Staff* – Debbie Glenn, Robert Martin, Karen Rhinehart, Greg DiBiase, Les Boles, Bobby Bowers, Lisa Jolliff, Gordon Shuford, Will Roberts, Amy Simpson, Matt Wellslager, Stephen Gardner, Rebecca Leach, David Morrison. *Guests* – (Governor’s Office), (Comptroller General’s Office),(DOR), (B&CB), Shakun Tahiliani, Mike McDermott (Treasurer’s Office), (W&M), Grant Gibson, Quentin Hawkins (Senate Finance), Morgan O’Donnell (Executive Budget Office), (Senate Research), (SC Tech), (CHE), Mellanie Jinnette (Dept. of Education), (SCDMH), (Lottery Commission), (DJJ), (DSS), (SCPRT), (PEBA), (DHHS), Ted Creech, Jim Lake (E911).

Press: Cassie Cope – The State

1. Chairman Walldorf called the meeting to order.
2. The minutes of September 30, 2014 were approved.
3. Frank Rainwater presented agency updates. (See attached)
4. Frank Rainwater presented budget information for FY 2015-16. (See attached)
~Chairman Walldorf commended Frank and staff on decreasing the budget and taking on additional responsibilities.
~Frank Rainwater and Emerson Gower agreed that the staff had worked hard to reach this goal.
5. Frank Rainwater presented information on the agency head performance planning document. (See attached)
~Emerson Gower asked if the succession planning section was included and Frank Rainwater responded that it was. There were no other comments.
~Chairman Walldorf asked for a motion to vote on the planning document; Emerson Gower made the motion; Howell Clyborne seconded and all voted aye to approve the planning document.
6. David Morrison provided information on the Wireless E911 program. (See attached)
 - An historical overview was provided.
 - David mentioned that the costs, in a large part are maintenance and people who answer the calls.
 - The E911 collections amount increased due to the fact that DOR deposited 18 months of collections in FY 2013.
 - The reimbursement percentage was raised from 40% to 70% which will be maintained going forward.
 - The prepaid wireless surcharge was introduced in FY 2011. Currently prepaid charges compose 21% of all surcharges.
 - For FY 2014 the number of cost recovery requests is estimated at over 200.
 - Interstates that pass through counties affect the number of calls. Refunds are based on these calls.
 - CMRS Advisory Committee requests that the reimbursement percentage for allowable costs be increased from 70% to 80% to match the percentage wireless calls constitute of total volume.
 - RFA is working on an RFP for a consultant to develop a strategic plan. RFA receives 2% of E911 funds for administration and will use these funds to cover the consultant fee.
~Frank Rainwater thanked the CMRS committee and Jim Lake for their suggestion for a model. The model will make it easier to estimate costs.

- The CMRS Advisory Committee recommends that the annual wireless fee be set at the maximum allowable rate of \$.63.
- In September 2014 there was \$30.5 million in the wireless fee fund.
 - ~Chairman Walldorf is not in favor of raising the fee if there is a \$30 million balance. Would like to keep the rate at \$.62 but raise the reimbursement percentage to 80%. He suggested reviewing the Charleston model to manage the fund differently in order to lower the balance.
 - ~Jim Lake and Ted Creech agreed that looking at other models for cost efficiencies is a good idea.
 - ~Howell Clyborne asked what the dollar amount per year would be if the fee was increased
 - ~Frank Rainwater responded the increase would provide an additional \$500,000 annually. He recommended waiting to see what information the consultant provided.
 - ~Emerson Gower agreed and asked how many bids would be submitted-would there be at least three?
 - ~Frank Rainwater stated that he did not expect many, but would try for three.
 - ~Jim Lake mentioned he only knows of four companies in the country that may provide bids.
 - ~Chairman Walldorf asked if there were any more comments. If not, he recommended the Board vote on the reimbursement rate of 80% and wireless fee of \$.62.
 - ~Emerson Gower motioned for a vote, Howell Clyborne seconded and all voted aye.

7. Future Meetings (See attached)

With no further business pending, the meeting adjourned at 11:17 A.M.

The next scheduled meeting is November 10, 2014.

Attachments: Agenda, Meeting Materials

Public Notice of this meeting was posted at: <http://www.rfa.sc.gov/calendar?m=08&y=2014>

These minutes were approved on 2/13/15.


Karen Rhinehart

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