

## MEMORANDUM FOR THE RECORD

**Date:** August 25, 2022, 1:00 p.m.  
Revenue and Fiscal Affairs Office/Zoom

**Subject:** Minutes of Board of Economic Advisors Meeting

**Attendees:** *Board Members* – Edward Grimball-Chairman, Emerson Gower, Curtis Hutto, and Hartley Powell (all Members via Zoom). Frank Rainwater, Executive Director; *Staff* – Paul Athey, Michael Ball, Carrie Bundrick, Ben Coomer, Adam DeMars, Lisa Jolliff, Kathryn Kelley, Sandra Kelly, David Morrison, David Patterson, and Matt Wellslager; *Guests* – Rick Blackwell, Dennis Gardner, and Brandon Peeler; *Forty-two additional attendees via Zoom (see attached).*

Note: Guests were invited to attend 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 Zoom.

- I. Chairman Grimball welcomed everyone to the meeting at 1:00 p.m.
- II. Chairman Grimball presented the May 24, 2022 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](#))
- III. Chairman Grimball turned the meeting over to Frank Rainwater for the General Fund Revenue FY 2021-22 Year-End Update.

Mr. Rainwater began the presentation with the following statement:

*We are going to be brief because we will have a lot more discussion in September when more data is available, and we can provide further analysis, but we did want to spend a few minutes to talk about final Fiscal Year 22 revenue. The Comptroller General closed the books on general funds last week and we have data here on general funds, but we understand they are still working on EIA and other non-general fund items.*

Mr. Rainwater presented General Fund Revenue FY 2021-22 Year-End Update which included the following key points:

- General Fund – Actuals vs. Estimates
  - Revenues ended \$880.1 million above the estimate for FY 2021-22, growing at 23.1% compared to the 15.2% estimated.
- Summary of FY 2021-22 Results:
  - Actual collections exceeded estimates in nearly every major revenue category

- Main drivers of the \$880.1 million excess:
  - Greater durability of consumer spending growth than expected, driving Sales tax \$246.7 million over the estimate
  - An exceptionally strong tax-filing season, propelling Non-Withholdings \$209.9 million above the estimate and Refunds below the estimate by \$131.3 million
  - Persistent growth in retail sales above expectations, driving Corporate Income tax \$146.8 million above the estimate
  - \$74.4 million in one-time non-economic transfers, \$61.3 million of which is from federal pandemic funds to offset the \$10,200 unemployment compensation tax exemption for tax year 2020

*Chairman Grimball added that at the May meeting the Board increased the forecast for this year by \$952 million, and noted the Board felt like it should act within the constraints of caution because of the unpredictability of the economy going forward. Mr. Rainwater further stated that a year ago we started seeing phenomenal growth in sales tax and we are still growing on double-digit growth. At some point things have to slow down so we need to remain cautious.*

Mr. Rainwater ended the presentation by outlining the next several meetings which are noted below.

- IV. Reports from Working Group Members  
*No Working Group members offered comments.*
- V. Other Items for Discussion
- VI. Future Meetings:
  - September 15, 2022:
    - Full review of FY 2021-22 revenues and potential impact on forecast for FY 2022-23
    - Review of July and August FY 2022-23 revenue
    - Discussion of SC economy with industry professionals
  - October 18, 2022:
    - Review of FY 2022-23 revenue and performance
    - Initial consideration of economic assumptions for FY 2023-24
    - Annual Regional Advisory Meeting – discussion of SC economy with regional economists
  - November 15, 2022:
    - Adoption of forecast for FY 2022-23 and FY 2023-24
- VII. Mr. Gower motioned to adjourn the meeting and Mr. Hutto seconded the motion. All voted aye, and the meeting adjourned at 1:11 p.m.

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

The meeting agenda and presentation are posted on our website:  
<https://rfa.sc.gov/boards-committees/bea>.

These minutes were approved on 9/15/22

Kathryn Kelley Kathryn Kelley

## BEA Zoom Webinar Attendee Report

### *Staff:*

Shannon Fields  
Geoff Johnson  
Lisa Wren  
Will Tipton  
Carrie Bundrick  
Ragan Griffith  
Stephen Gardner

### *Guests:*

7 unidentified guests  
Allen Lee  
Billy Routh  
Brad  
Cdgreene  
Chris Huffman  
Dseigler  
Dthomas  
Emily Heatwole Keeney  
Grant Gibson  
Hinsons  
Jake Scoggins  
Jeffrey Collins - AP  
Jennifer Patterson  
Katie Turner  
Kevin Etheridge  
Ktaylor  
Mary Greene  
Mitch

Mmccraw  
Mmoore  
Neil Baxley  
Rhardwick  
S Gallman  
Susan von Schenk  
Tpressley  
Tthomp  
TWatson  
Will