

MEMORANDUM FOR THE RECORD

Date: August 25, 2022, 1:00 p.m.
Rembert Dennis Building, Room 417 / Attendees via Zoom

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

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

Note: Guests were invited to attend virtually. An email invitation was sent to the Distribution list 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 shared via Zoom.

- I. Chairman Grimball called the meeting to order at 1:13 p.m.
- II. Chairman Grimball presented the June 16, 2022 and August 3, 2022 meeting minutes which previously had been shared with the Members and asked if any Member had edits or questions.
Mr. Hutto motioned to approve the minutes, Mr. Gower seconded, all voted aye and the minutes of the June 16, 2022 and the August 3, 2022 meetings were approved. (See minutes)
- III. Agency Updates and Actions
 - A. Sandra Kelly provided a summary of the agency accountability report which will be submitted to the Executive Budget Office as required. *(see materials)*
Ms. Kelly commented that once all components of the report are complete, Chairman Grimball and Mr. Rainwater will review and sign the report prior to submission to the Department of Administration.
 - B. Paul Athey presented an update of the FY 2021-22 and FY 2022-23 Budgets. His highlights included:
 - Carryforward of FY 2021-22 General Funds was \$271,843 which was within the target cap of \$285,000.
 - FY 2023-24 Budget Plan to be submitted to the Executive Budget Office
 - No request for additional General Funds
 - Request for Other Funds authorization increase - \$500,000

Members commented on the information presented and asked questions which generated further discussions between Members and staff. Chairman Grimball, Mr. Gower, and Mr. Hutto stated they had no objection to requesting an increase in Other Funds authorization.

Chairman Grimball thanked Ms. Kelly and Mr. Athey for their presentations.

- C. Paul Athey presented an update for the SC Wireless 911 program. Highlights included:
- Analysis of the 9-1-1 Wireless Fee §23-47-50(F) – PSAPs receive 83% of revenue; Next Generation 911 vendor receives 15%; RFA receives 2%
 - Fiscal Model – 2022 Mid-Year Review:
 - Through the first 6 months of calendar year 2022, the fund balance has remained constant due to collections trending 10% higher than forecast and cost reimbursements being 20% below projections (awaiting outstanding invoices).
 - If this trend continues, the fund balance could be \$7.5 million more than anticipated.
 - The anticipated wireless fee increase of \$0.02 per month is estimated for 2025 and the proposed reduction in the reimbursement rate to 70 percent could be delayed until 2026. These adjustments are expected to maintain a sufficient reserve balance to cover overhead costs for 7.5 months.

Frank Rainwater presented the proposed amendments to the NG911 Reimbursement Policy.

- ❖ Note: The amendment to the reimbursement policy provided that reimbursements would be made based on the available funds and that reimbursement for new or extended ESInet services are contingent upon approval by the 911 Advisory Committee and the RFA to help ensure fiscal sustainability. This amendment was shared with the 911 Advisory Committee on July 29, 2022 and addressed at the 911 Advisory Committee meeting on August 16, 2022.

Mr. Rainwater made the following remarks:

- *The policy change does not affect the funding for current contracts but is prospective on new or renewed contracts*
- *The change is necessary so everyone is on notice that our reimbursement for new contracts will be dependent on the availability of funds*
- *This agency does not have, nor does it want, any control over local PSAP contracts. This agency is, however, responsible for the fiscal management of these funds and without this added step, there is concern the funds could be overcommitted.*
- *The agency will continue to work with or discuss with PSAPs on this or any other issues going forward.*

- *In recent weeks, RFA has learned that some PSAPs are considering continuing their systems which raises concerns about costs and the ability to fund these expectations in the coming years.*
- *We emphasize that PSAPs are free to choose which system works best for them but if they are expecting funding from the state, we cannot be left in the dark about costs and reimbursements.*
- *Last week staff discussed this amendment with the 911 Advisory Committee and asked for their support. The Committee had a difference of opinion and several concerns, so no action was taken. Nevertheless, this inaction raised a concern that the continued expectation that funding was available could lead to a negative fiscal result.*
- *We have a lot of respect for the 911 Advisory Committee; however, our office has the fiscal responsibility for the funds. Therefore, we are requesting the Board to consider the changes in the policy.*

Mr. Rainwater invited guests in the audience and via Zoom to speak. The following guests spoke on behalf of their respective organizations:

- Rick Blackwell, E9-1-1 Director, Greenville County and Chairman, South Carolina 911 Advisory Committee
Mr. Blackwell's main points were:
 - *The 911 Advisory Committee was not notified of the intent to approve the policy change at the RFA Board meeting until the day before the meeting*
 - *There is a need for the State to provide core 9-1-1 services*
 - *Regional 911 systems are important*
 - *Redundancy is important*
 - *The 911 Advisory Committee would like time to review the 911 Strategic Plan before the policy is revised*
 - *There is a fear is that the policy change will require PSAPs to obtain State approval for funding*

- Neil Baxley, Emergency Management Division Commander, Beaufort County Sherriff's Office
Mr. Baxley's main points were:
 - *Concerned with the short meeting notification*
 - *South Carolina is a diverse state and faces many challenges including hurricanes, winter weather, earthquakes, and tourism; because of this one state plan will not meet every county's needs*
 - *His understanding was the State would provide core services, and regions would build regional ESInets to meet their specific needs*
 - *Redundancy is important*
 - *The SC 911 Advisory Committee felt they had a plan in place to move forward at their meeting last week by taking time to have discussions regarding the proposed policy changes; then they were notified the Board was meeting to approve changes*

- *It is naive to think we can stay at the \$0.62 per month fee for much longer*
- Michael Ball, 9-1-1 Project Manager, RFA
Mr. Ball's main points were:
 - *The statewide system has NextGen Core Services and an ESInet*
 - *There are 2 MPLS networks within the state and 2 data centers providing core services*
 - *No expectation that there is one design for each PSAP. Each PSAPs system is designed to best meet their unique needs.*
- Dennis Gardner, 9-1-1 Director, Cherokee County
Mr. Gardner's stated Cherokee County was the first PSAP in the state to have an ESInet and now are being told to abandon that plan and the money invested. This comment resulted in conversation between Mr. Athey and Mr. Gardner, and they agreed to meet and discuss after the Board meeting adjourned.

Mr. Gardner then commented that he did not understand why the revisions had to be made today instead of after meetings with the PSAPS. Mr. Rainwater responded that he is concerned that we are at risk if we do not make the changes.
- Renee Hardwick, 9-1-1 Director, Horry County
Ms. Hardwick's main points were:
 - *The PSAPs represented are asking that a decision not be made today. Time is needed to have conversations and make decisions.*
 - *Some PSAPs feel like they are being penalized for having their own ESInet.*

Members, staff, and guests provided input which generated further discussion.

NG911 Policy Changes:

- Limited potential funds available under the statutory cap for future costs
- Proposed changes to the reimbursement policy:
 - *Because the statute requires the agency to manage the fund and ensure its solvency, we need to make sure our reimbursement policy has mechanisms in place that allow us to evaluate any renewals or extensions to existing contracts before they take place.*
 - *To maintain fiscal accountability, RFA staff is recommending that reimbursements be set on available funds after meeting statutory obligations and which do not involve duplication of services.*

Note: All changes to the policy are included in the meeting materials. Mr. Rainwater asked the Board to review and vote on the changes shown on pages 20-25 of the meeting material. Chairman Grimball motioned to approve the policy change. Mr. Hutto seconded the motion, and all voted aye, and policy change was approved. Chairman Grimball stated the motion is carried with no caveats but off record a provision that Mr. Rainwater, Mr. Athey,

Mr. Morrison, and Mr. Ball will follow-up with the PSAPs to resolve any issues that do not have a firm answer at this time. Mr. Rainwater agreed.

D. Paul Athey presented an update for the County Boundary Program. *(see materials)*

- Twelve projects are scheduled for completion in FY 2022-23 to get on track to complete all boundaries prior to the 2030 census.

IV. Personnel Matter

A. Approval of Agency Head FY 2021-22 Evaluation and FY 2022-23 Planning Stage

- *Chairman Grimball stated that the Board met on August 3, 2022 and went into Executive Session as per §30-4-70(a)(1) to discuss the Agency Head FY 2021-22 Evaluation and FY 2022-23 Planning Stage.*
- *Mr. Hutto motioned for approval of the documents and for the Chairman, and Members as needed, to discuss the agency and Agency Head performance with the South Carolina Agency Head Salary Commission (SCAHSC). Mr. Gower seconded, all voted aye and the Agency Head FY 2021-22 Evaluation and FY 2022-23 Planning Stage and the discussion with the SCAHSC were approved.*

V. Other Items for Discussion

VI. The next scheduled meeting, if necessary, is September 15, 2022, upon adjournment of BEA Meeting.

VII. The meeting was adjourned at 3:04 pm by Chairman Grimball.

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/about>

These minutes were approved on 11/14/2022

Kathryn Kelley *Kathryn Kelley*

RFA Board Zoom Webinar Attendee Report

Staff:

Amy Simpson
Ben Coomer
Carrie Bundrick
Geoff Johnson
Lisa Wren
Ragan Griffith
Shannon Fields
Stephen Gardner
Will Tipton

Guests:

2 unidentified guests
Brian Gaines
Cdgreene
Dthomas
Emily Heatwole Keeney
Frank Bishop
Gran Gibson
Hall
Harry
Hinsons
Jake Scoggins
Jeffrey Collins - AP
Jessa Wigington
Kathy Johnson
Kevin Ethridge
LudlamSA
Mary Greene
Melissa Kelley
Mike Flynn
Mitch
Mmccraw
Morgan Odonnell
Neil Baxter
Renee Hardwick
S Gallman
Susan von Schenk
Tnance
Tpressley
Tthomp
Wendi Rooney
Will