

Budget Update Fiscal Year 2020-2021

Ways and Means Committee September 11, 2020

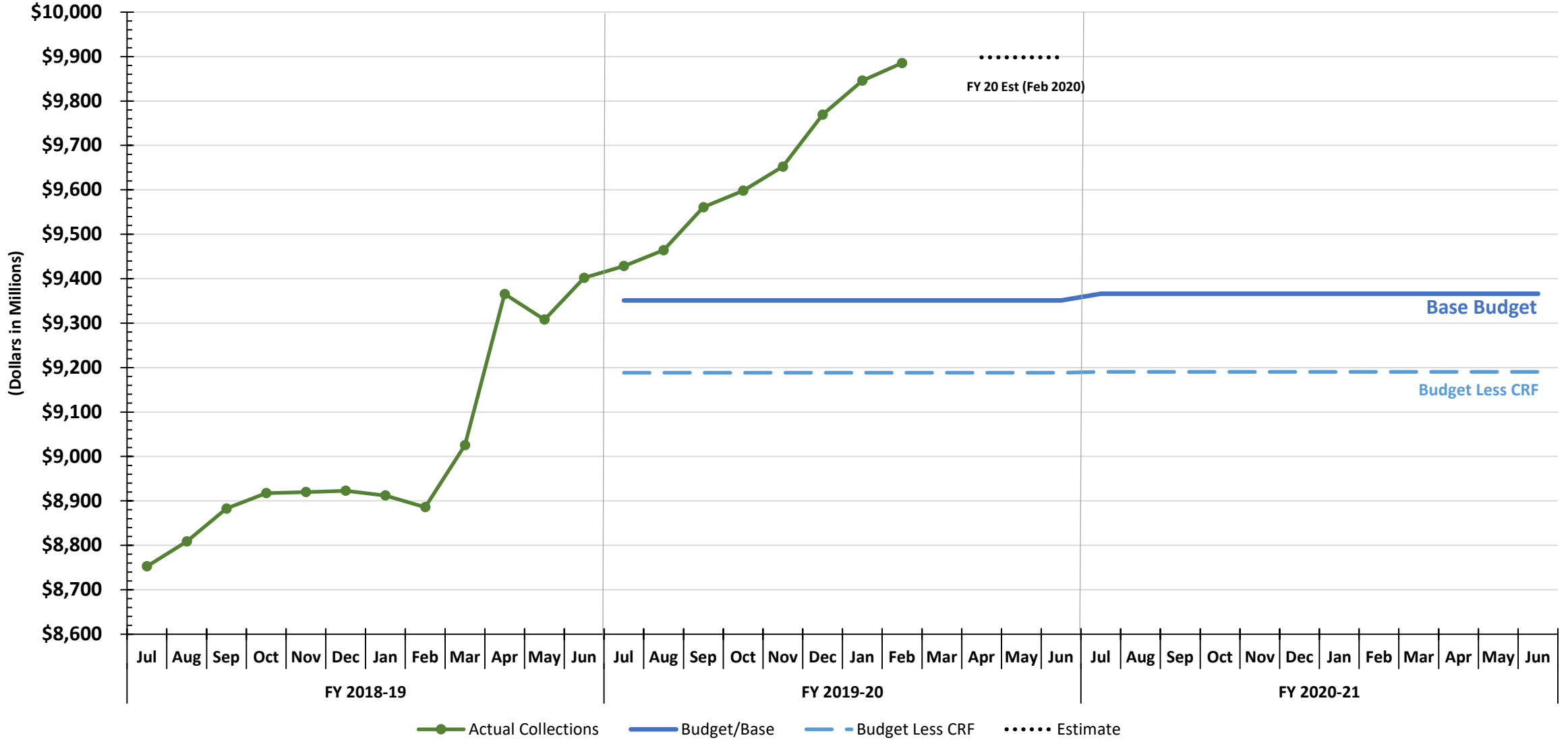


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Budget Status as of February 2020

ROLLING FISCAL YEAR - GENERAL FUND REVENUE

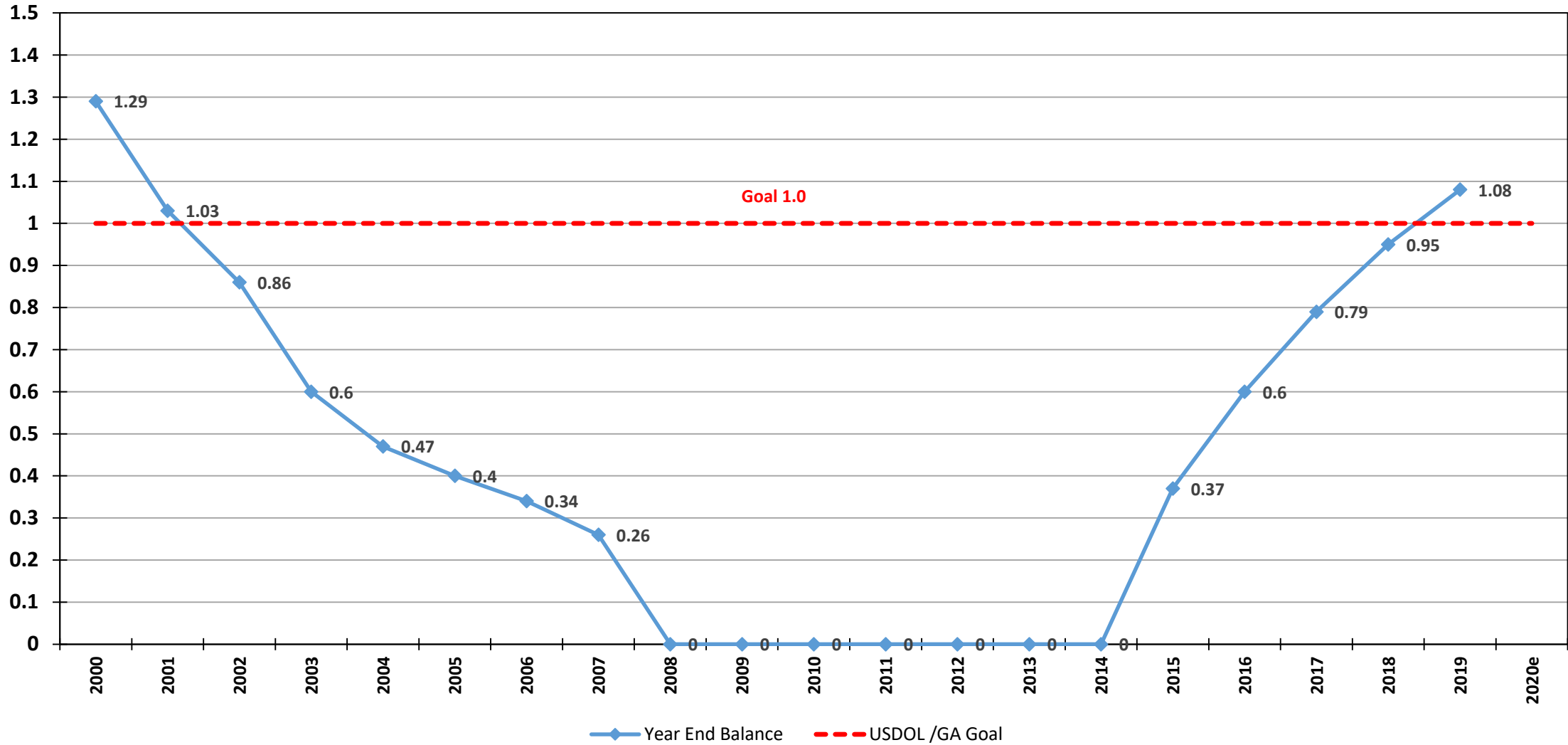
Actual, Estimates, and Base Budget Amount for FY 2019-20 and FY 2020-21 as of February 2020



Source: SC Revenue and Fiscal Affairs, RFY -G4/FAR/8/28/20

SC UNEMPLOYMENT TRUST FUND STATUS

Ratio of Fund Balance to One Year Payout (Moderate Recession) - Actual vs Goal



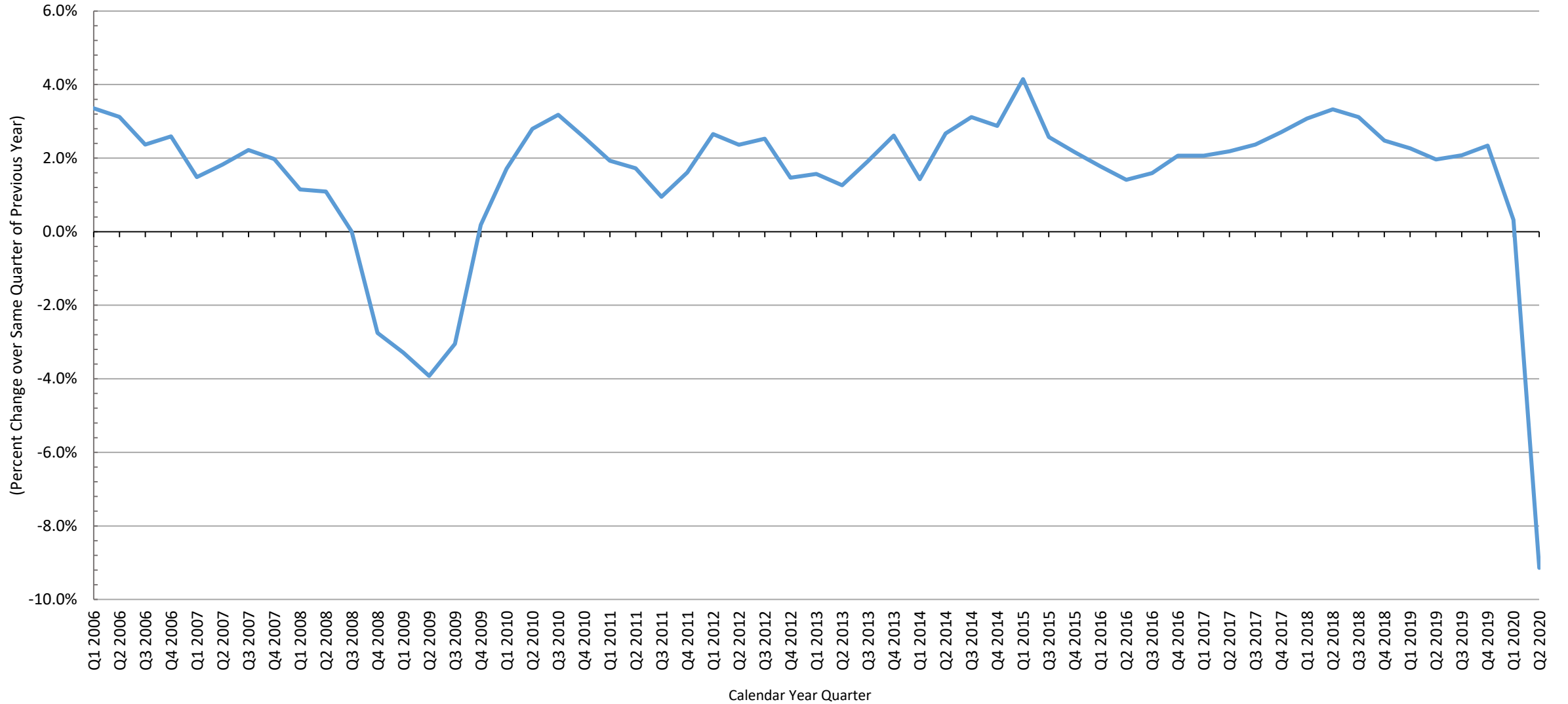
Source: S.C. Department of Employment and Workforce 271-RFA/far/03-2020

Changes in the Economy Since March 2020



U.S. REAL GROSS DOMESTIC PRODUCT

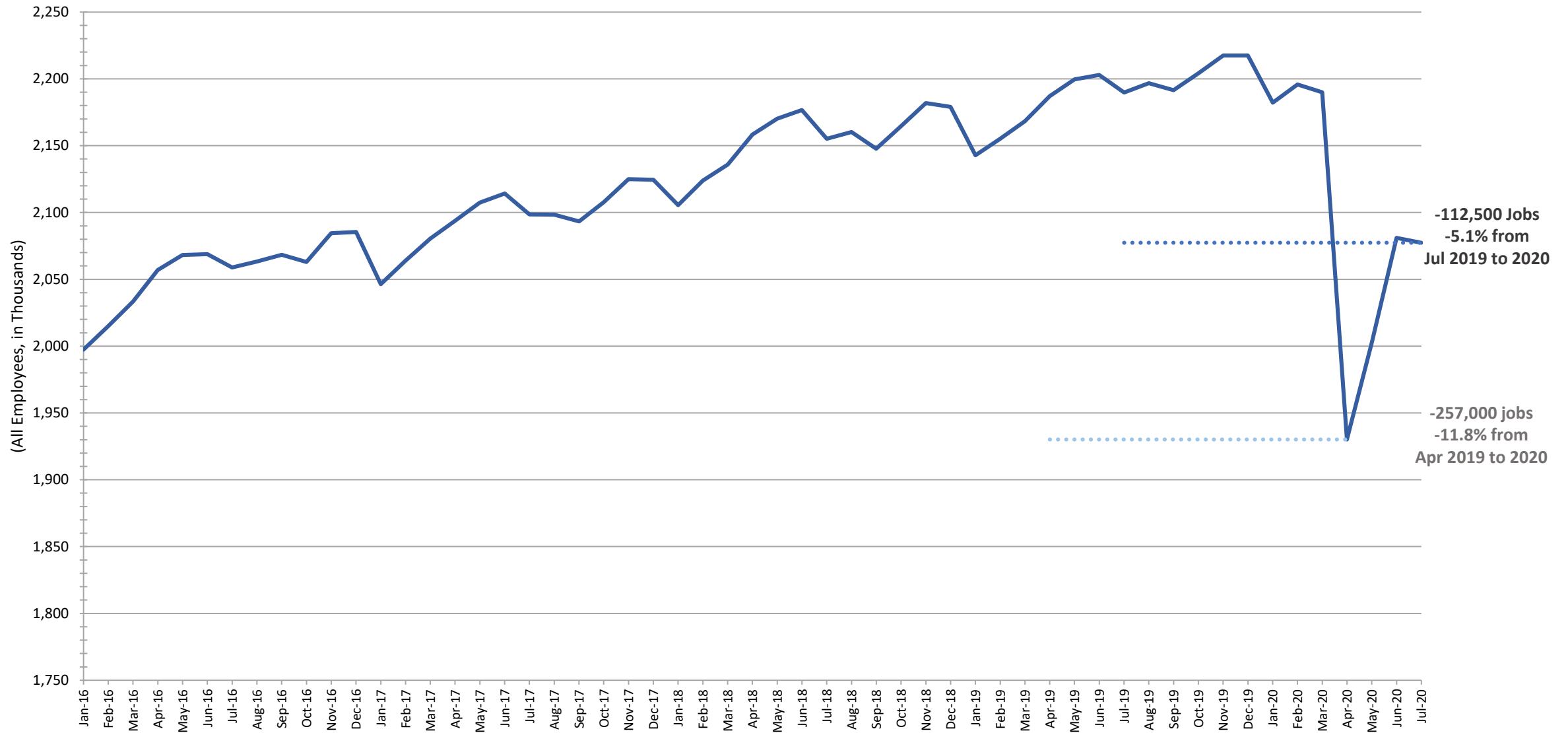
Annual Growth by Quarter



Source: U.S. Dept. of Commerce, Bureau of Economic Analyses



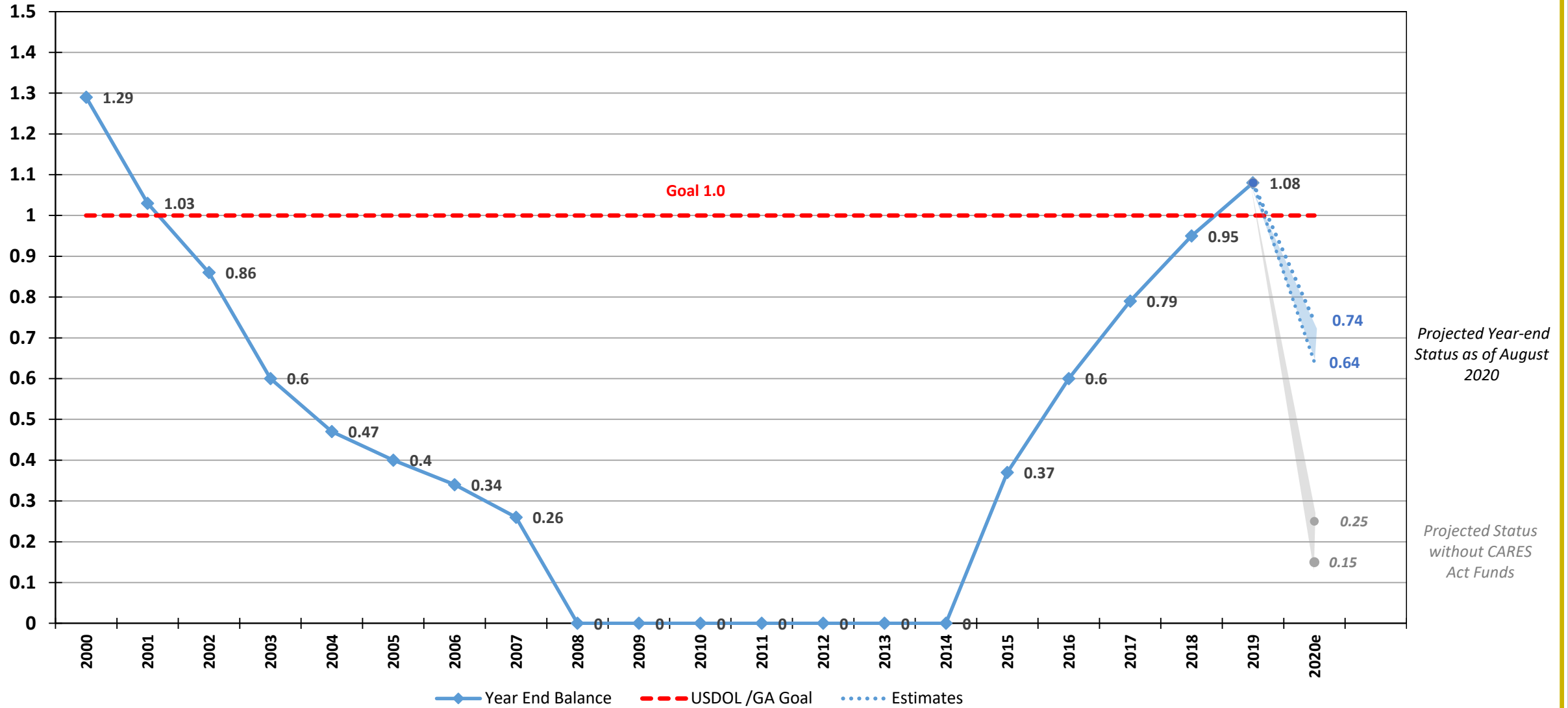
TOTAL NONFARM EMPLOYMENT IN SOUTH CAROLINA



Source: U.S. Department of Labor, Bureau of Labor Statistics 60-RFA/lhj/09/01/2020

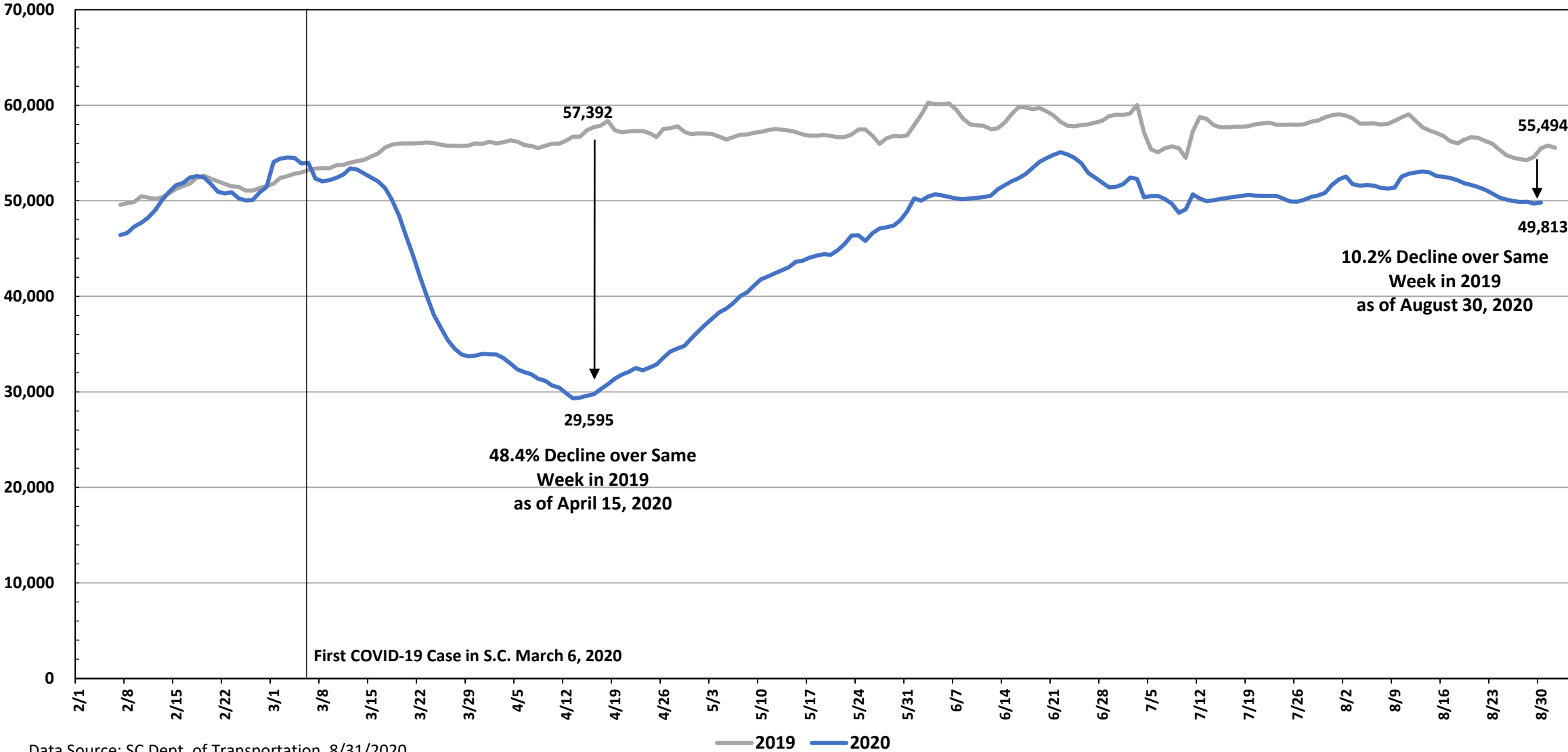
SC UNEMPLOYMENT TRUST FUND STATUS

Ratio of Fund Balance to One Year Payout (Moderate Recession) - Actual vs Goal



Source: S.C. Department of Employment and Workforce 271-RFA/lhj/08/31/2020

ROLLING WEEKLY AVERAGE TRAFFIC COUNTS



Data Source: SC Dept. of Transportation, 8/31/2020

— 2019 — 2020

Uncertainty and Risks to the Forecast

Uncertainty and Risks to the Forecast

- Challenges for businesses include economic restrictions, consumer behavior, and school and day care availability
 - Even greater challenge for hospitality sector
- Increased rates for unemployment compensation for employers
- Potential for layoffs as federal payroll protection program expires on October 1st
- Additional stimulus actions at the federal level
- Income tax liability in April 2021 for tax year 2020 compared to tax year 2019
- Infection rates for COVID-19, particularly entering flu season



COVID-19 Infection Projections for South Carolina

- Institute for Health Metrics and Evaluation (IHME) at University of Washington
- Forecasts the **estimated** number of COVID-19 infections daily, (reported infections and estimates of those not tested)
- Gives three projections:
 - Current
 - Mandates easing
 - Universal masks

IHME Projections for South Carolina

Daily infections and testing

Estimated infections are the number of people we estimate are infected with COVID-19 each day, including those not tested.

Estimated infections

Confirmed infections

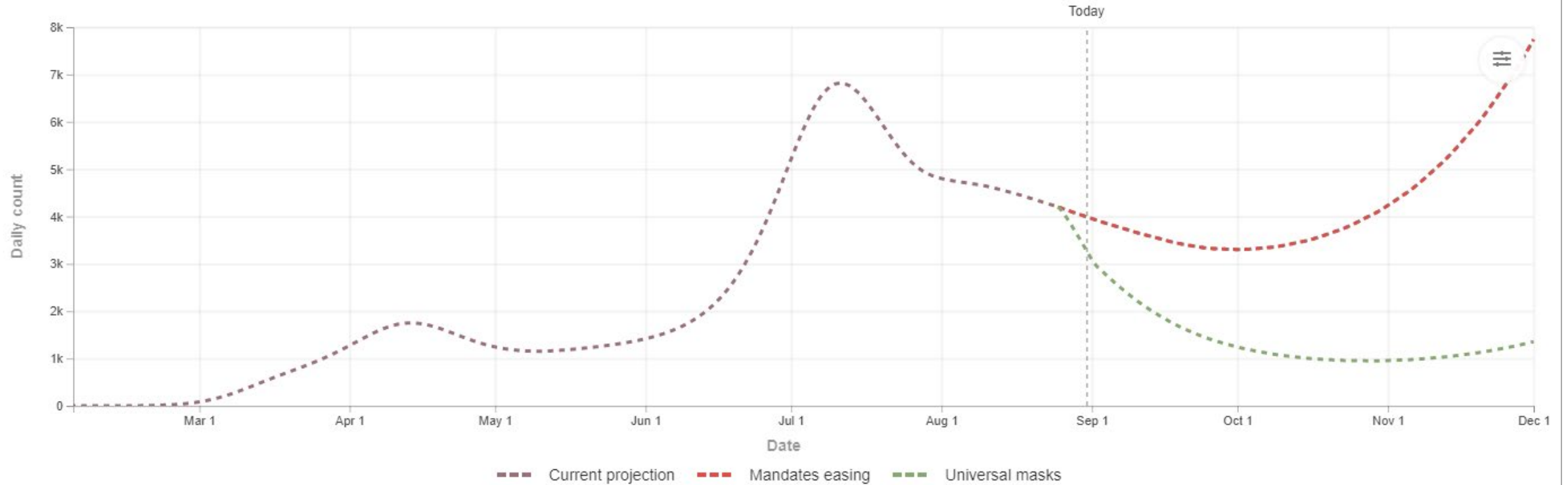
Tests

Scenario ⓘ

Projection ×

Easing ×

Masks ×



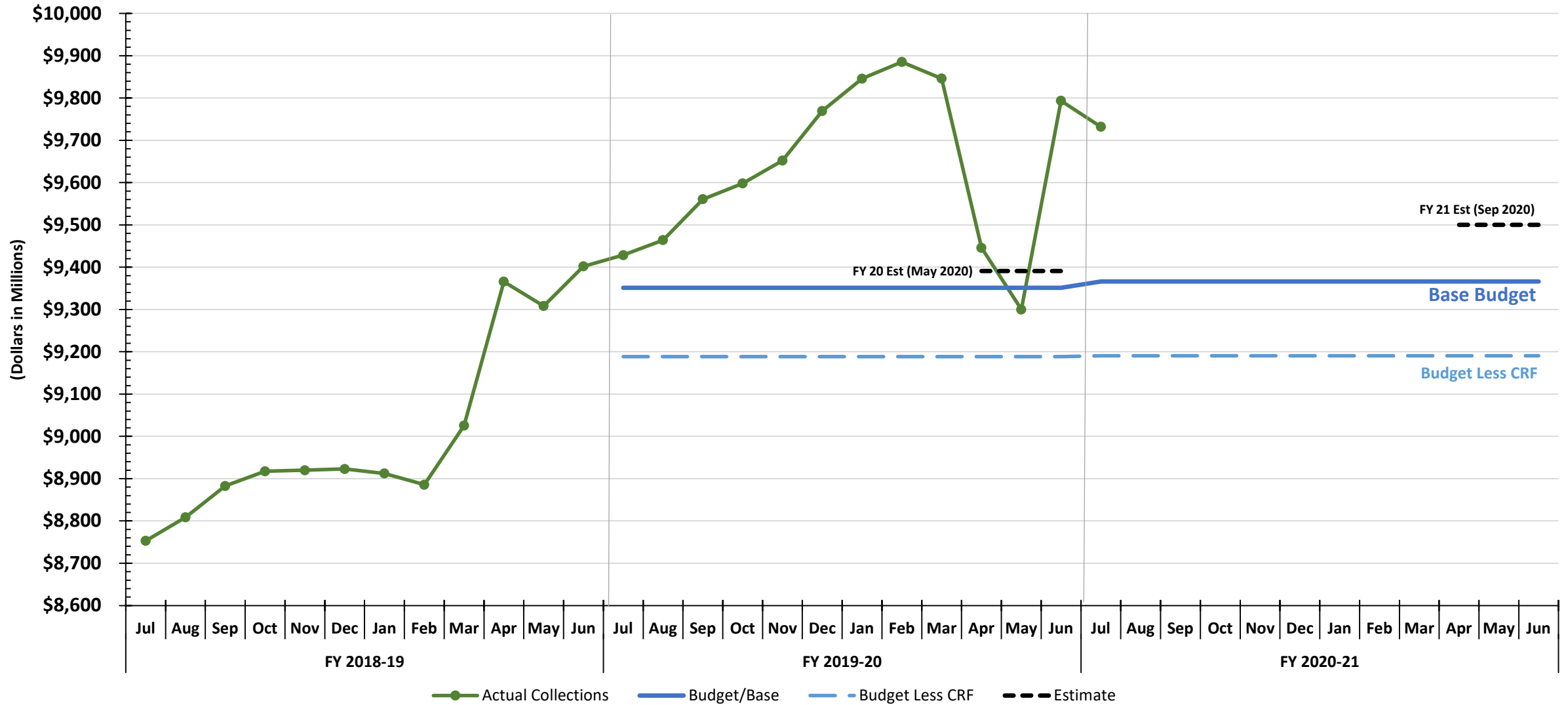
Source: <http://www.healthdata.org/> Institute for Health Metrics and Evaluation at University of Washington, as of August 31, 2020



Budget Status as of August 2020

ROLLING FISCAL YEAR - GENERAL FUND REVENUE

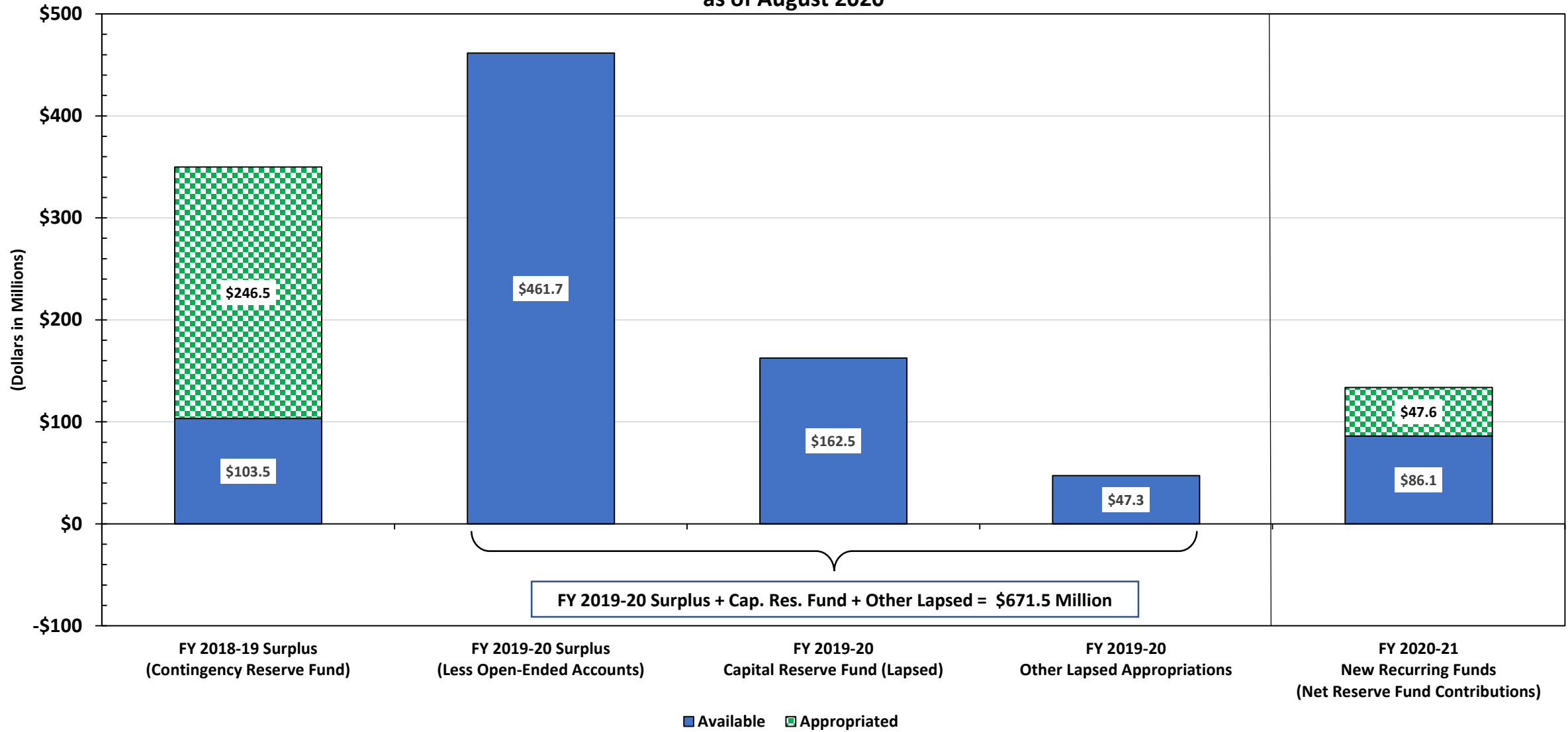
Actual, Estimates, and Base Budget Amount for FY 2019-20 and FY 2020-21



Source: SC Revenue and Fiscal Affairs, RFY –G4/FAR/8/28/20

AVAILABLE FUNDS - FY 2020-21 BUDGET PROCESS

as of August 2020



Source: S.C. Revenue and Fiscal Affairs 8-31-2020

GENERAL FUND APPROPRIATIONS BY MAJOR BUDGET CATEGORY FY 2019-20

