

**REVENUE AND FISCAL AFFAIRS  
BOARD MEETING  
AUGUST 25, 2022**



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE  
*Transforming data into solutions for South Carolina*

# ADOPTION OF MEETING MINUTES

# SUMMARY OF FY 2021-22 ACCOUNTABILITY REPORT



# FY 2021-22 Agency Accountability Report

- The Accountability Report is a subset of the agency's Strategic Plan.
- Ten strategies covering Customer Focus, Continuous Improvement, Information Security, and Workforce Development were identified for the Agency Accountability Report.
- Twenty criteria were selected to measure progress
  - Sixteen measures were achieved
  - Four measures were not within target
    - Completed two of the three planned county boundary segments certifications
    - Transitioned 13 of the planned 15 PSAPs to NextGen 911
    - The number of voluntary separations (7) stayed consistent with the FY 2020-21
    - Anticipated employment law training for managers was not conducted during the fiscal year
- Chairman Grimball and Mr. Rainwater will sign the report when completed

# **APPROVAL OF FY 2022-23 BUDGET PLANS AND UPDATE OF FY 2021-22 AND FY 2022-23 BUDGETS**



# FY 2021-22 YEAR-END – GENERAL FUND

- Carryforward of General Funds
  - FY21-22 actual – \$271,843
  - Target – \$285,000
- Carryforward projection for FY 22-23 – \$515,300, which includes:
  - Contingency – \$313,252 (5% reserve in the event of mid-year budget cut)
  - (2) vacant economist positions
  - Maximum allowable carryforward amount – \$626,504 (10% of total budget)
- Status of current vacancies:
  - Project Coordinator – posted
  - GIS Manager – hired
  - (2) Economists – posted

# FY 2021-22 YEAR-END – OTHER FUNDS

- Real Time Network
  - Fund balance– \$1,836,177
  - Planned recurring expenditures:
    - Hosted solution
    - Personnel costs
- Data Integration and Analysis Division
  - Fund balance – \$2,395,284
- SC Wireless 911 (2% Administrative Portion)
  - Fund balance – \$2,989,870

# FY 2022-23 – NEW APPROPRIATIONS

- Budget increase allocated for personnel costs – \$385,000
  - Total compensation increases from General Funds of \$334,224 and Other Funds of \$240,734
    - Include salary and fringe costs
    - Represent 87% of General Fund budget increase for personnel costs
  - Retained \$50,776, or 13%, for future targeted increases related to recruitment and retention efforts
- Breakdown of compensation adjustments:
  - Worked with Shared Services and State Human Resources in reviewing positions and options
  - Analysis focused on addressing agency needs and included reclassifications, assignment of additional duties, and internal pay equity issues
  - Increases given to all 66 current employees representing 26 different types of positions
    - 10 increases for reclassifications
    - 29 increases for additional duties
    - 27 increases for internal equity issues



# FY 2023-24 BUDGET PLAN

- No request for additional General Funds
- Request for Other Funds authorization increase - \$500,000
  - This request authorizes us to utilize existing funds from revenue generating activities (no additional funds are being requested)
  - Increased authorization will support:
    - Annual recurring costs associated with transitioning the Real Time Network to a hosted solution
    - Costs related to ongoing aerial imagery capture previously covered by the seed money we received from the General Assembly
- No proviso changes anticipated\*

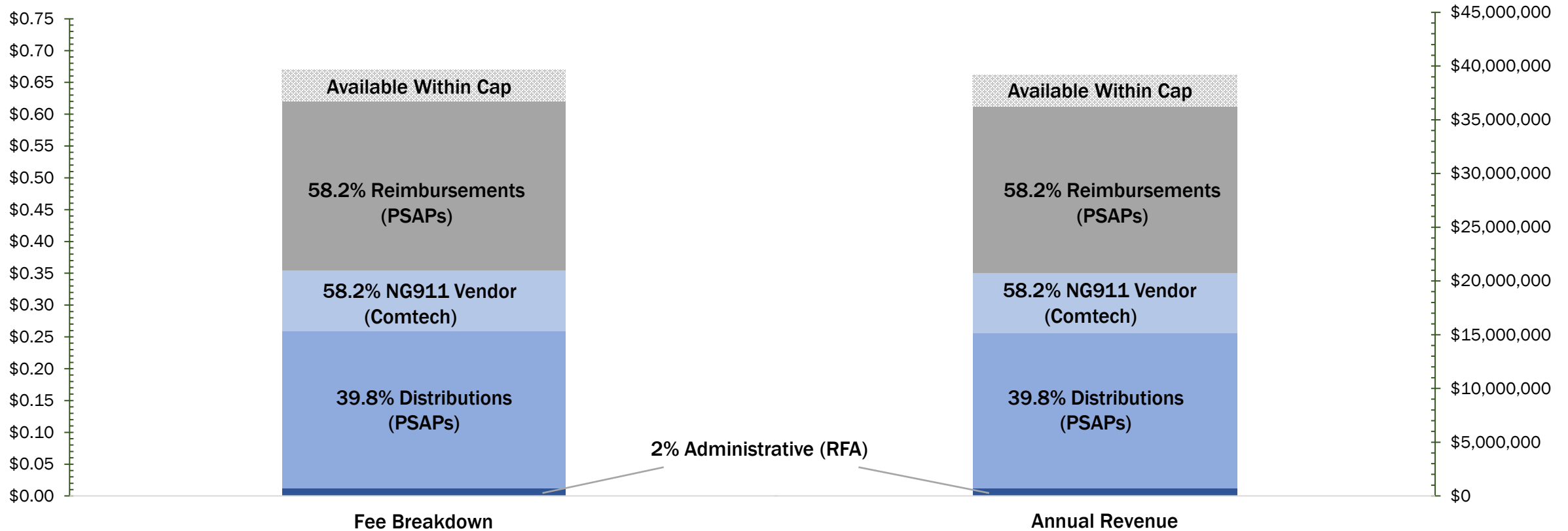
\*Maintain Proviso 103.6 suspending Section 11-9-1130(A) requiring initial forecast by November 10<sup>th</sup>

# SC WIRELESS 911 PROGRAM UPDATE



# ANALYSIS OF 9-1-1 WIRELESS FEE §23-47-50(F)

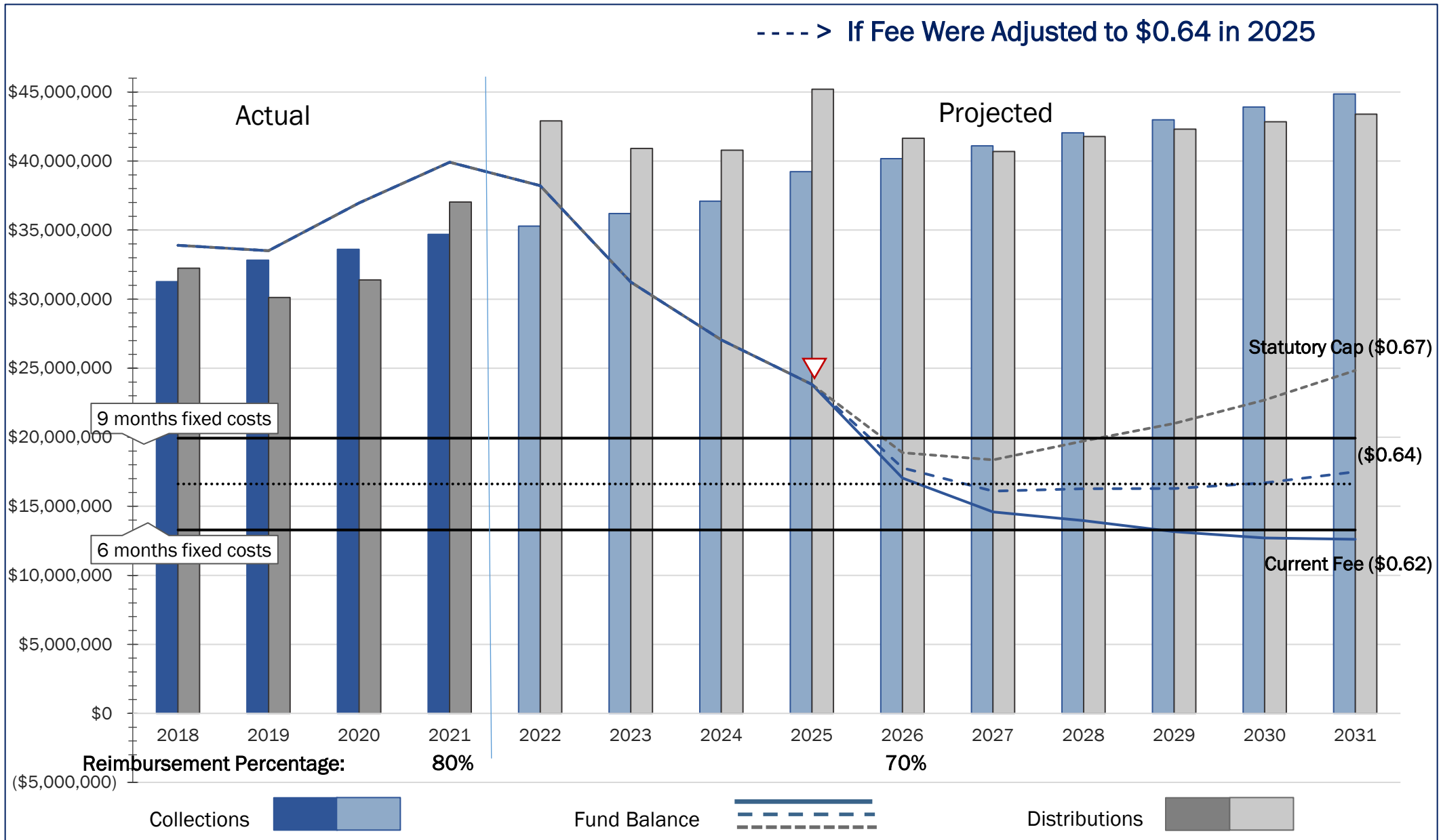
PSAPs receive 83% of revenue; NG vendor receives 15%; RFA receives 2% (personnel and aerial imagery)\*



\*Revenue calculations exclude interest income which is only distributed to the 58.2% and 39.8% portions of the fund

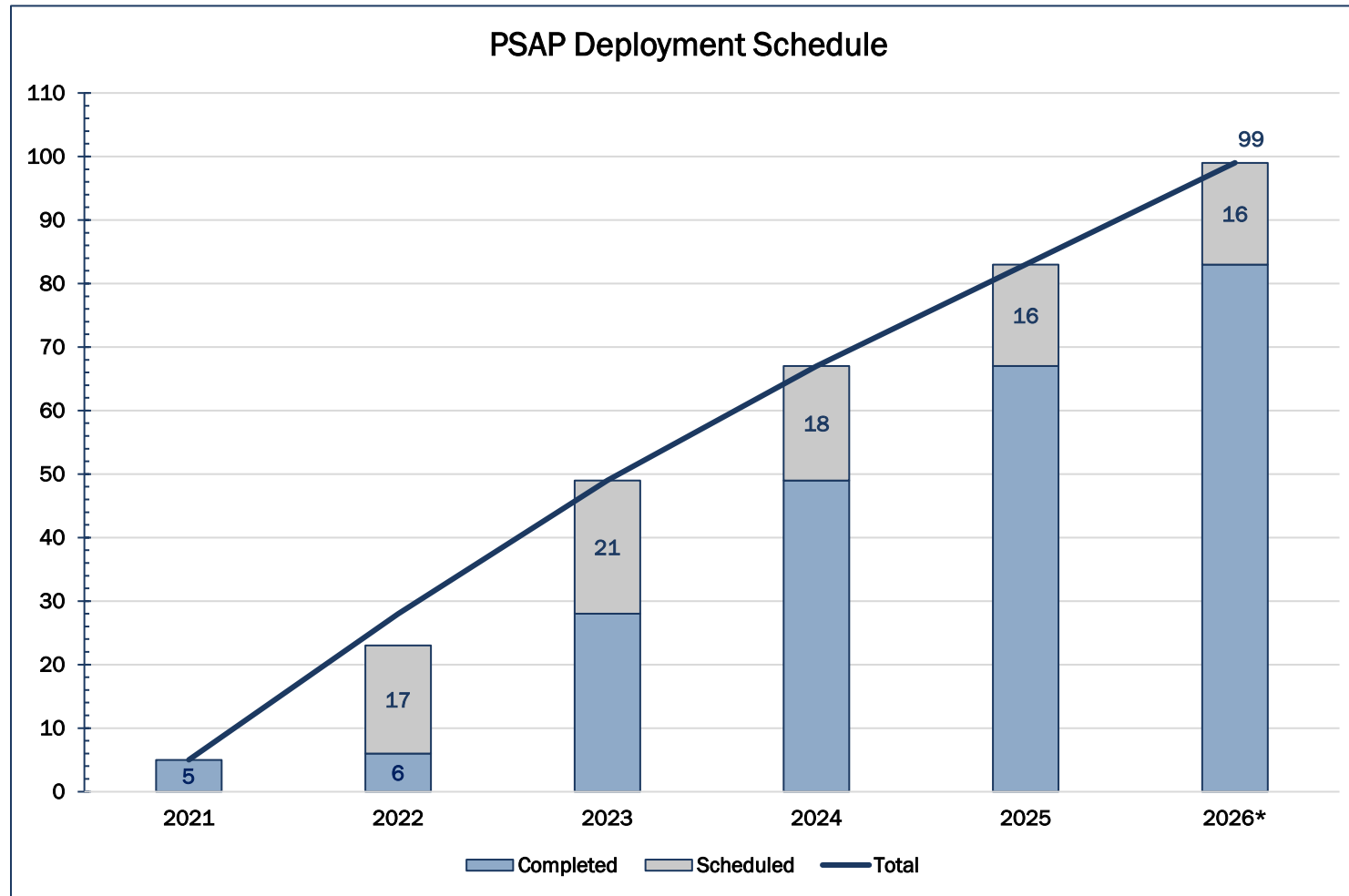
# FISCAL MODEL – 2022 MID-YEAR REVIEW

- Through the first six months of calendar year 2022, the fund balance has remained relatively constant due to the following:
  - Collections are trending over 10% higher than forecasts (conducting analysis to determine if this is a temporary gain or a change to the long-term trend)
  - Cost reimbursements to PSAPs are almost 20% below projections (awaiting outstanding invoices for the Coastal ESInet)
- If these conditions continue for the remainder of the year, we should finish with approximately \$7.5 million more in the fund than originally anticipated
- Since the lower costs for this year represent delayed costs to be incurred in the future, impacts to the fiscal model would be minimal:
  - The reimbursement percentage reduction to 70% could be delayed an additional year to 2026...
  - Assuming we continue with the wireless fee increase to \$0.64 in 2025
- These options are reflected in the following graph



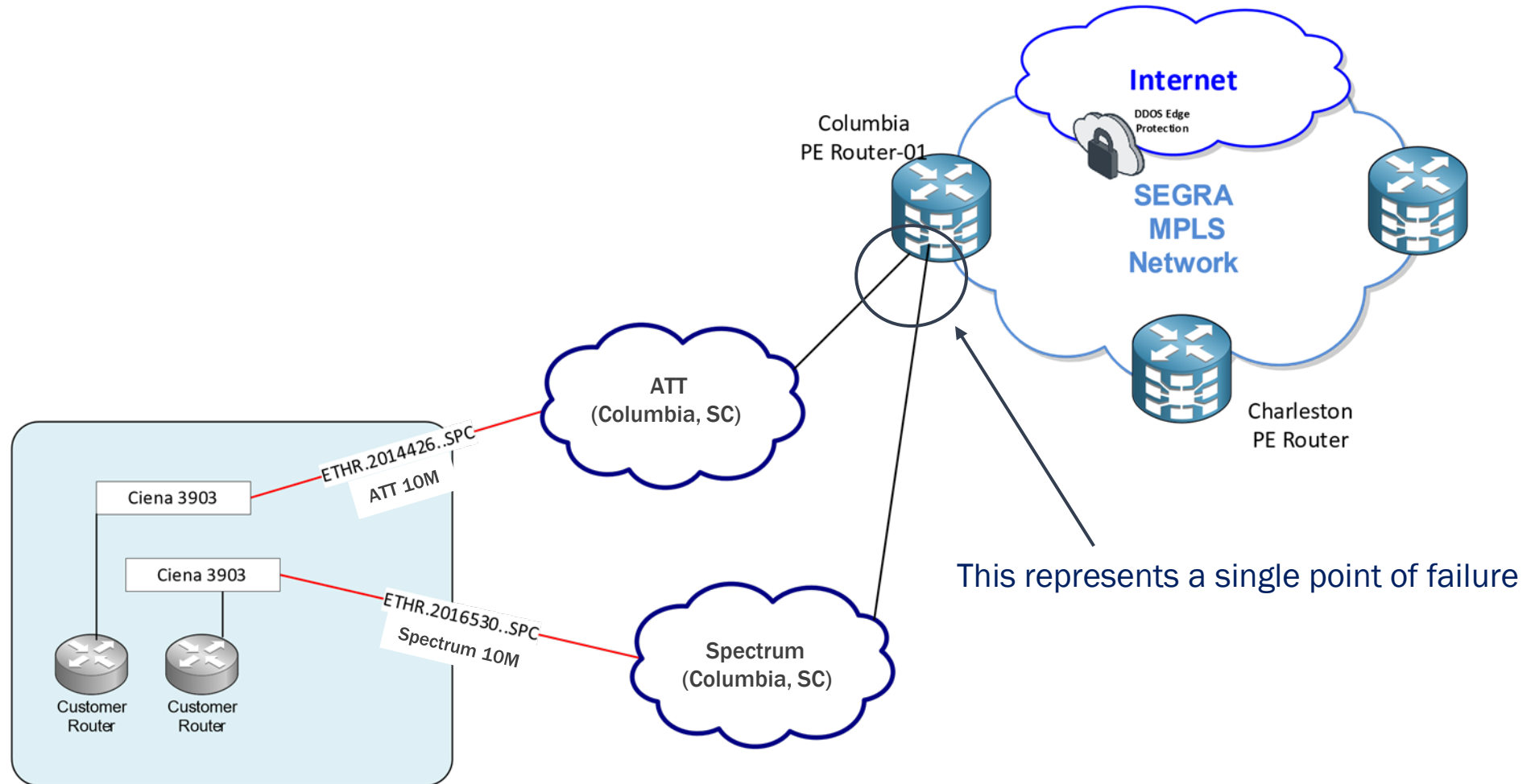
# ESTIMATED IMPLEMENTATION SCHEDULE TO THE STATE ESINET

<b>Total Jurisdictions:</b>	
Counties	46
Municipalities	4
<b>Total PSAPS:</b>	
Primary	68
Secondary	10
Backup	21



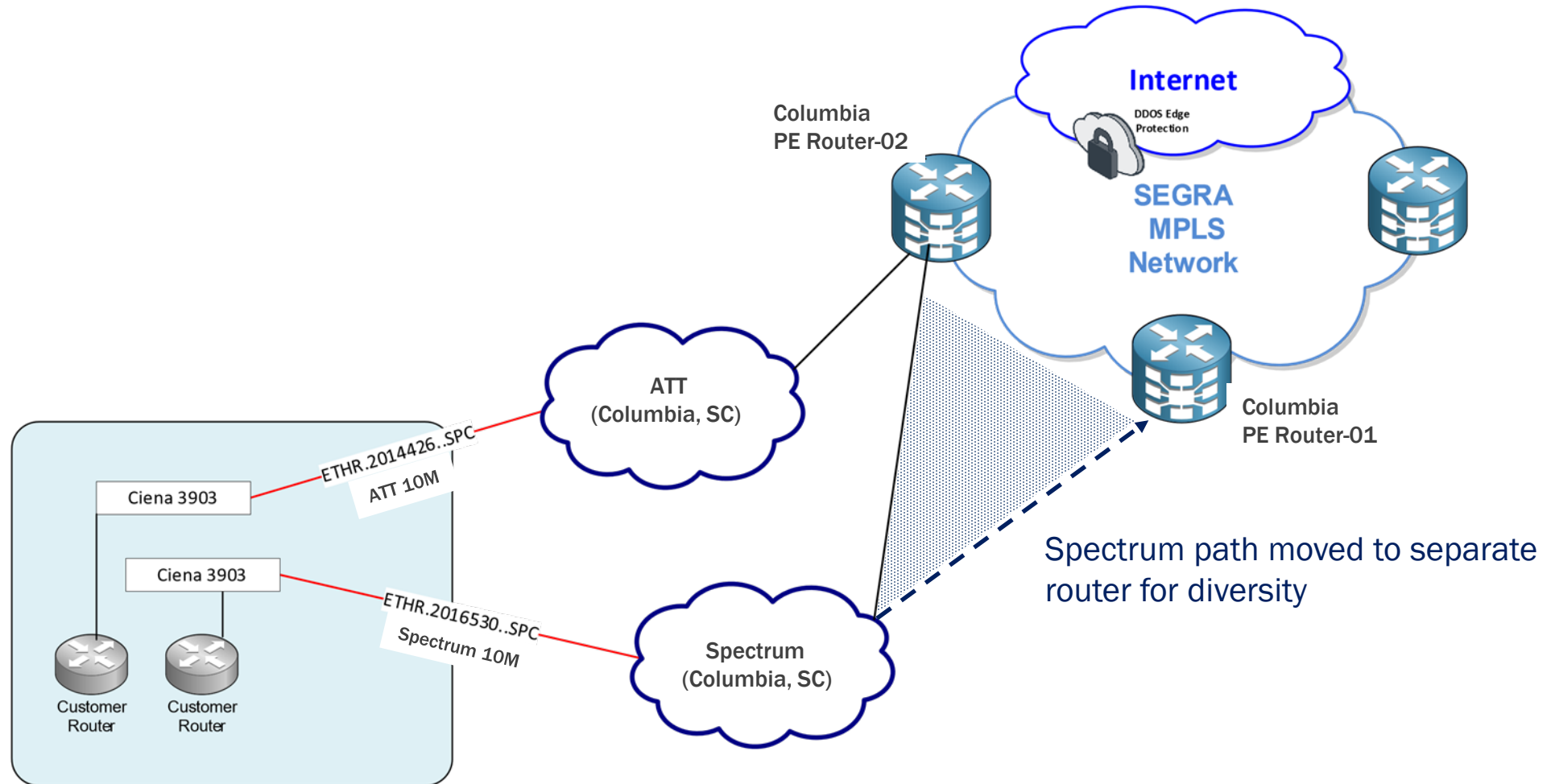
\*Coastal ESInet contracts may extend into CY 2026

# NETWORK DIVERSITY ISSUES – EXAMPLE OF SINGLE POINT OF FAILURE



\*Router A ASN-6500

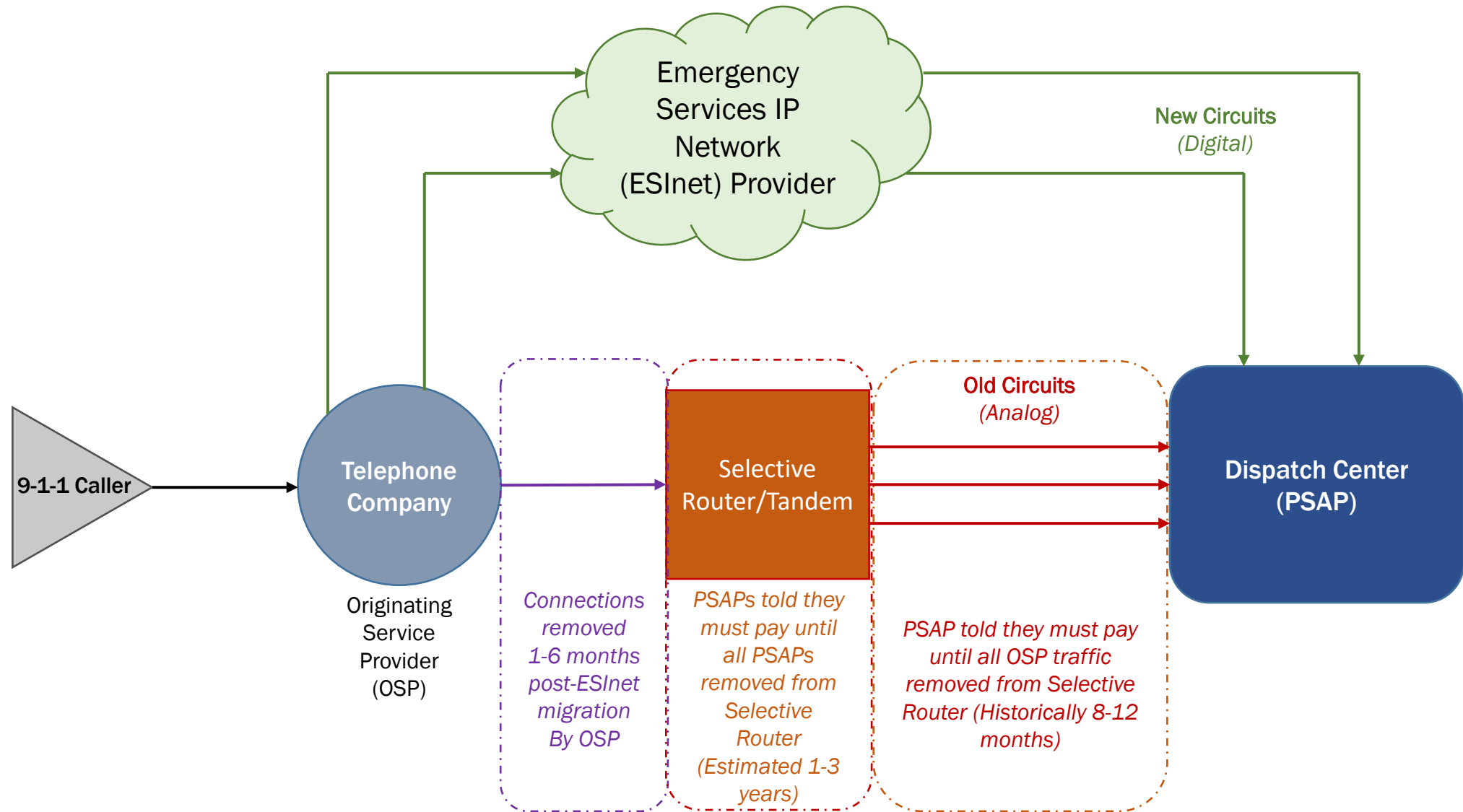
# NETWORK DIVERSITY SOLUTION – NG911 ENVIRONMENT



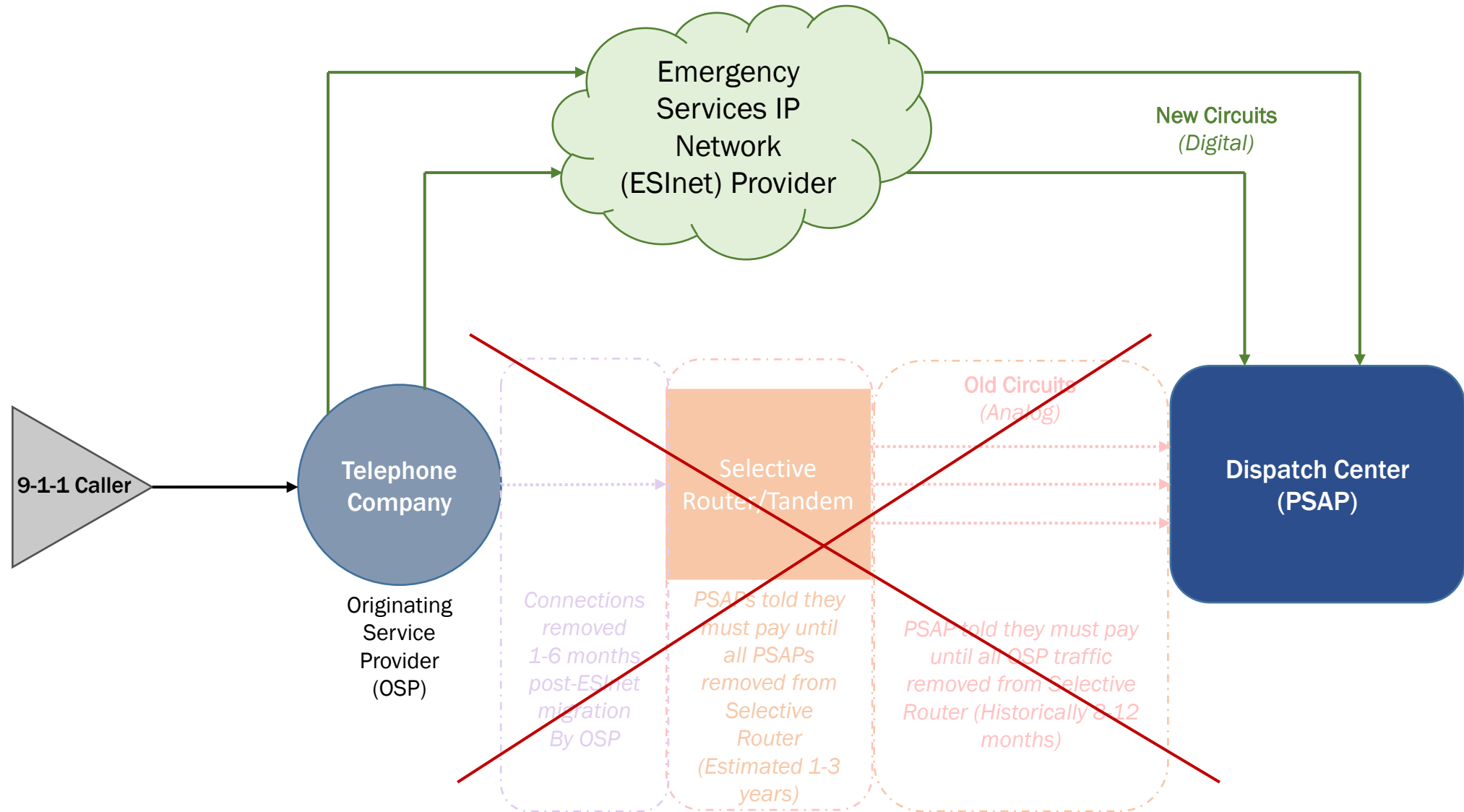
\*Router A ASN-6500



# CALL ROUTING – INTERMEDIATE STATUS



# CALL ROUTING – FUTURE STATE COST OFFSETS



# NG911 POLICY CHANGE

- Limited potential funds available under the statutory cap for future costs
  - Statutory cap – \$0.67 (calculated using the average monthly landline charges)
  - Breakdown of the \$0.05 differential between current fee and statutory cap:
    - \$0.03 would be applied to cost reimbursements and NG911 contract expenditures
    - \$0.02 would be distributed back to the PSAPs through the quarterly call volume distribution
    - \$0.01 would be applied to the 2% administrative portion of the fund for RFA 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.
  - In order 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.

# SC WIRELESS 911 REIMBURSEMENT POLICY DRAFT, AUGUST 2022

## PAGE 1

Pursuant to §23-47-65(2)(b), the responsibility of Revenue and Fiscal Affairs Office (RFA) is to hold and distribute not more than fifty-eight and two-tenths percent (58.2%) of the total monthly revenues in the interest-bearing account solely for the purposes of complying with the provisions of this chapter and the strategic plan. These funds may be utilized by RFA ~~the office~~, the PSAPs, and the CMRS providers licensed to do business in this State for the following purposes in connection with compliance with this chapter and the strategic plan including, but not limited to: acquiring, upgrading, maintaining, programming, and installing necessary data, networks, services, hardware, and software. Invoices detailing specific expenses for these purposes must be presented for approval to RFA ~~the Revenue and Fiscal Affairs Office~~ in connection with any request for reimbursement, ~~and the request must be approved by the Revenue and Fiscal Affairs Office~~, upon recommendation of the committee. Any invoices presented to the Revenue and Fiscal Affairs Office for reimbursements of costs not described by this section may be considered by the Revenue and Fiscal Affairs Board ~~board~~, but only upon unanimous approval of the committee, but in no event shall reimbursement be made for costs inconsistent with the strategic plan or which threaten the fiscal stability of the fund

# SC WIRELESS 911 REIMBURSEMENT POLICY DRAFT, AUGUST 2022

## PAGE 2

All wireless Wireless 911 surcharge fees are credited to a separate fund within the State Treasury for the defined statutory purposes. For Compliance Costs and PSAP services. Of this fund, 58.2% is allocated to local jurisdictions for Compliance Costs and to RFA for implementing the strategic plan. These funds are distributed back to the local jurisdictions based on cost recovery requests submitted by the PSAPs. PSAPs can apply for cost recovery of expenses involving the purchase of 911 equipment, upgrades to 911 equipment, and maintenance on that equipment. This distribution is dependent upon available funding and RFA receiving the necessary data from all local jurisdictions in a timely manner. Compliancy to the following procedures is necessary for the effective distribution of funds:

# SC WIRELESS 911 REIMBURSEMENT POLICY DRAFT, AUGUST 2022

## PAGE 3

1. Local jurisdictions may submit cost recovery requests for both recurring and non-recurring expenditures. Cost recoveries should be submitted on a quarterly basis, if possible, but bi-annual or annual requests are acceptable. Non-recurring requests may be submitted on an “as-needed” basis.
2. After December 31, 2020, the local jurisdictions must submit all documentation required for reimbursement of eligible 911 costs within two years from the date the final payment is made by the jurisdiction.
3. Any jurisdiction that has not submitted the necessary documents for reimbursement within this time frame will be ineligible for reimbursement of those costs.
4. Necessary documentation for reimbursement shall include either copies or originals of invoices for both recurring and non-recurring costs and proof of payment documentation for non-recurring and annual recurring costs. However, proof of payment documentation may also be required on an “as needed” basis for monthly recurring costs.
5. Refer to Appendix A for the complete list of eligible items for reimbursement from the Compliance Cost portion of the S.C. Wireless 911 Fund.

# SC WIRELESS 911 REIMBURSEMENT POLICY DRAFT, AUGUST 2022

## PAGE 4

### Appendix A

#### Reimbursable Items from the Compliance Costs portion of the South Carolina Wireless 9-1-1 Surcharge Fund (E500 4955)

#### NRC - Non-Recurring Charges (80%)

1. Customer Premise Equipment (CPE) necessary to process 9-1-1 calls
2. Workstation hardware for 9-1-1 telecommunicators:
  - Headsets / keyboard / mouse
  - PC's / Monitors
  - KVM switch
3. Computer Aided Dispatch (CAD) systems and the following associated items:
  - CAD to CAD solutions
  - EMD CAD software and training
4. Supplemental Automatic Location Information (ALI) solutions (software)
  - Smart911
  - RapidSOS
5. Call Recorders
6. UPS / Generator specific to dedicated 9-1-1 dispatch center (*proportioned amount determined by applicable load/amperage draw*)
7. Air conditioning unit specific to the 9-1-1 server room
8. 9-1-1 telecommunicator consoles and chairs
9. Repair costs associated with any eligible items listed above

# SC WIRELESS 911 REIMBURSEMENT POLICY DRAFT, AUGUST 2022

## PAGE 5

### **NRC - Non-Recurring Charges (100%)**

1. Geographic Information System (GIS) software (portion dedicated to 9-1-1 telecommunications)
2. Required dispatcher training at the South Carolina Criminal Justice Academy (SCCJA) or the equivalent APCO Public Safety Telecommunicator (PST) Training
3. CAD mapping components
4. Statistical Package for counting/reporting Phase II 9-1-1 calls

### **Recurring Charges (80%)**

1. Maintenance costs on eligible non-recurring items
2. Licensing fees and renewals on eligible non-recurring items
3. Services
  - Network service charges
  - Language translators

### **Recurring Charges (100%)**

1. Licensing fees and renewals on GIS/mapping components
2. Services
  - Network service charges specific to wireless 9-1-1 calls
  - Dedicated Phase II communication lines



# SC WIRELESS 911 REIMBURSEMENT POLICY DRAFT, AUGUST 2022

## PAGE 6

### Items Not Eligible for Reimbursement

1. No reimbursements will be provided for any costs incurred in the development, implementation, and/or maintenance of ESInets and/or NG core services separate from the State NG911 contract unless approved in advance by RFA
2. No reimbursements will be provided for any costs related to contracts or agreements for ESInet and/or NG core services renewed or extended without prior approval from both the 9-1-1 Advisory Committee and the RFA Board
3. No reimbursements will be provided for any costs related to the creation of additional, permanent PSAPs within the State of South Carolina separate from the Official PSAP List (Appendix B) without the removal of an existing approved PSAP and without prior approval from both the 9-1-1 Advisory Committee and the RFA Board\*

(\*note: relocation, co-location, and/or consolidation of these approved PSAPs is allowed upon notification of such intent to RFA)

~~(note: with the exception of existing reimbursements approved by RFA, costs incurred in the development, implementation, and/or maintenance of CPE, ESInets and/or NG core services separate from the Official PSAP List (Appendix B) under the State NG911 contract after August 1, 2020 are not reimbursable from the S.C. Wireless 911 fund. Relocation, co-location, and/or consolidation of these approved PSAPs is allowed upon notification of such intent to the RFA. Creation of any additional, permanent PSAP within the State of South Carolina without a removal of an existing approved PSAP will require approval from both the 9-1-1 Advisory Committee and the RFA Board.)~~

Appendix B - no recommended changes, omitted to save space.

# COUNTY BOUNDARY PROGRAM UPDATE



# STEPS FOR COMPLETING COUNTY BOUNDARY CLARIFICATION PROJECT

Conducted internally by RFA and contractors

- Research
  - Review historical information from various sources including State Code of Laws, County Registry of Deeds, and State Archives
- Surveying
  - Perform reconnaissance, recover the corners/turning points, and locate/replace monuments

Requires support and participation from external parties

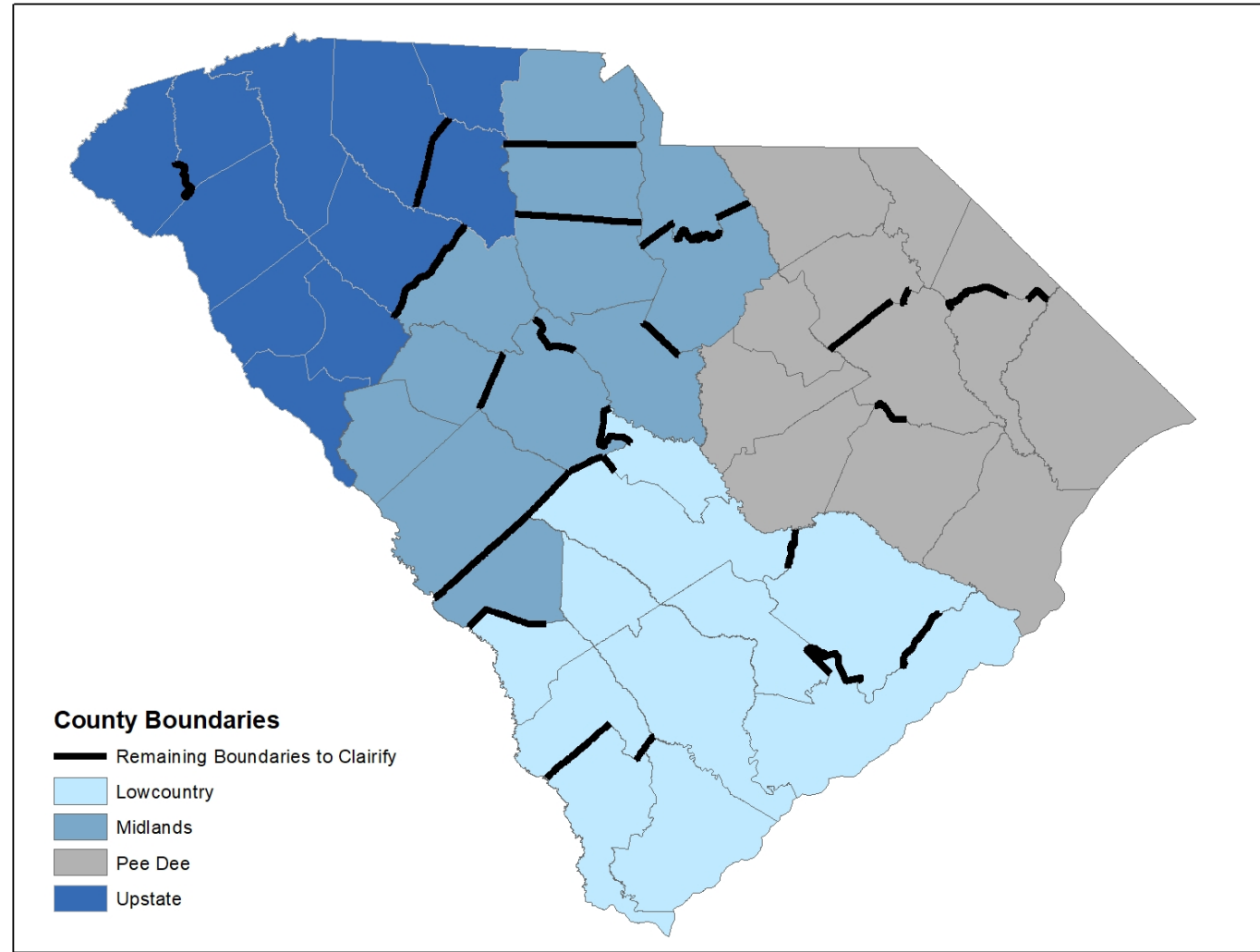
- Meeting with county officials
  - Meet with county officials to present findings and impacts to each county
- Public meeting
  - Notify affected property owners of impacts, hold a public forum to present findings, and certify the Plat of Survey which begins the 60-day window to appeal
- Certification
  - If no appeals are filed, record the signed plat and letter of certification with the Secretary of State, County Registry of Deeds, and State Archives

# SCHEDULE FOR COMPLETING MEETINGS FOR 12 PROJECTS – FY 2022-23

	Chester/York	Dillon/Marion	Berkeley/Orangeburg	Berkeley/Charleston	Berkeley/Charleston (US Forest)	Charleston/Dorchester (Ashley to Sawmill)	Darlington/Florence	Laurens/Newberry (Middle, NE 3rd, SW 3rd)	Beaufort/Hampton (Railroad)	Beaufort/Jasper (Railroad)	Lexington/Richland	Newberry/Richland
July 2022		County - 7/27/22										
August 2022												
September 2022			County - 8/31/22									
October 2022	Public - 9/28/22			County								
November 2022		Public				County						
December 2022				Public	Public			County				
January 2023												
February 2023						Public	County					
March 2023									County			
April 2023											County	County
May 2023									Public	Public		
June 2023											Public	Public
												6/30/2022

County Meeting Prep Time	
Public Meeting Prep Time	
Holiday/Vacation	
County Meeting	
Public Meeting	

# COUNTY BOUNDARY PROJECT – STATUS MAP



# APPROVAL OF AGENCY HEAD FY 2021-22 EVALUATION AND FY 2022-23 PLANNING STAGE

(POSSIBLE CLOSED SESSION §30-4-70(a)(1))

**Note: Slide modified after meeting to reflect correct dates**



# OTHER ITEMS FOR DISCUSSION

