



MEMORANDUM FOR THE RECORD

Date: June 20, 2024, upon adjournment of BEA meeting
Location: Revenue and Fiscal Affairs Office, Conference Room 417/Web Conference
Subject: Minutes of the Revenue and Fiscal Affairs (RFA) Board Meeting

Participants: *Board Members* – Edward Grimball- Chairman, Curtis Hutto, and Dr. Michael Mikota (*all via web conference*). Frank Rainwater– Executive Director, *Staff* – Paul Athey, Chris Finney, Lisa Jolliff, Byron Kirby, and Daniel Tompkins.

Attendees: RFA – Carrie Bundrick, Kathryn Kelley, Emily Prosser, Sabrina Vascinec, and Matt Wellslager. *Additional participants via web conference.*

Note: Guests were invited to attend in-person or 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 posted online prior to the start of the meeting, and the documents were also shared via web conference.

- I. Chairman Grimball called the meeting to order at 9:25 a.m., shortly after the Board of Economic Advisors meeting adjourned.
- II. Chairman Grimball presented the April 10, 2024, 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. Agency Updates ([See materials](#)):

Frank Rainwater shared that a special guest speaker was being added to the agenda, Mr. Jeff Robertson, President of the Terrestrial Wireless Business Segment of Comtech, in order to address concerns regarding their recent financial disclosures with the Securities and Exchange Commission and investors. Comtech is the vendor implementing a statewide Next Generation 911 (NG911) system for South Carolina. (Note: Comtech is the second largest provider of NG911 systems in the US and SC is one of several states under contract with Comtech.) Earlier in the month, Mr. Robertson had conversations with RFA staff and provided a written explanation, which had been shared with the Board. Mr. Robertson attended today for further discussion with the Board.

Mr. Robertson stated that regarding one of the two concerns pertaining to their financial health, Comtech did complete a debt refinancing on Monday, June 17th, 2024, with terms extending to 2028. Regarding the second concern, Comtech is in the process of completing deliverables on their federal contract(s), enabling them to invoice approximately \$100 million, and they anticipate this Statement of Going Concern will no longer be required for insertion in their next quarterly report, which should be issued in September.

Regarding the two business segments of Comtech, the Satellite and Space Division and the Wireless and Terrestrial Division, Mr. Robertson stated that the company is split about 50/50 between the two units. The Wireless and Terrestrial Division, which includes NG911 activities, is performing well, with NG911 contracts in eleven regions across the country.

The Satellite and Space Division should see significant improvement in operations with the recent addition of a \$500 million contract with the federal government. Mr. Robertson noted that SC is a valued customer. Their first step in SC is to establish a Next Generation network and the second is to add new technology to the users.

The Board Members asked questions of Mr. Robertson. Chairman Grimball noted that this financial situation has been shared with State Procurement, which issued the contract. He thanked Mr. Robertson for providing the information and for taking the time to address the issues.

Mr. Rainwater noted that staff will continue to monitor this situation and Comtech's progress on addressing the fiscal items.

- A. Paul Athey provided an update on the anticipated budget requests for FY 2024-25 and FY 2025-26.
 - The agency anticipates no requests for additional funding for FY 2025-26.
 - The agency anticipates making a request for additional funding for FY 2026-27 for employee retention, but that request may be impacted by a soon-to-be released study by the State Department of Human Resources.
- B. Mr. Athey also presented the FY 2023-24 Agreed Upon Procedures Report results from the Office of the State Auditor (OSA).
 - Thirteen procedures covering year-end reporting for FY 2022-23, and current year procedures through March 2024 were reviewed by OSA.
 - OSA noted one finding related to the monthly reconciliation of the Real Time Network (RTN) payment portal transactions.
- C. Byron Kirby discussed the FY 2023-24 Customer Satisfaction Survey results.
 - Ninety-six percent of respondents indicated overall satisfaction, consistent with the results of the previous survey two years ago.
 - Longer relationships tend to exhibit higher degree of satisfaction.
- D. Daniel Tompkins provided a demonstration of the newly created Population Dashboard, which is expected to be made available to the public on the agency's website in July.

Members asked questions throughout the presentations, which generated further discussions between Members and staff. Chairman Grimball thanked the presenters for a job well done.

IV. Other Items for Discussion
No items for discussion.

V. The next scheduled meeting, if necessary, is July 25, 2024.

VI. Dr. Mikota moved to adjourn the meeting, and Mr. Hutto seconded the motion. All voted aye, and the meeting adjourned at 10:31 a.m.

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

These minutes were approved on 11/19/2024

Emily Prosser *Emily Prosser*