

“The time has come,” the Walrus said...

PRESENTED TO



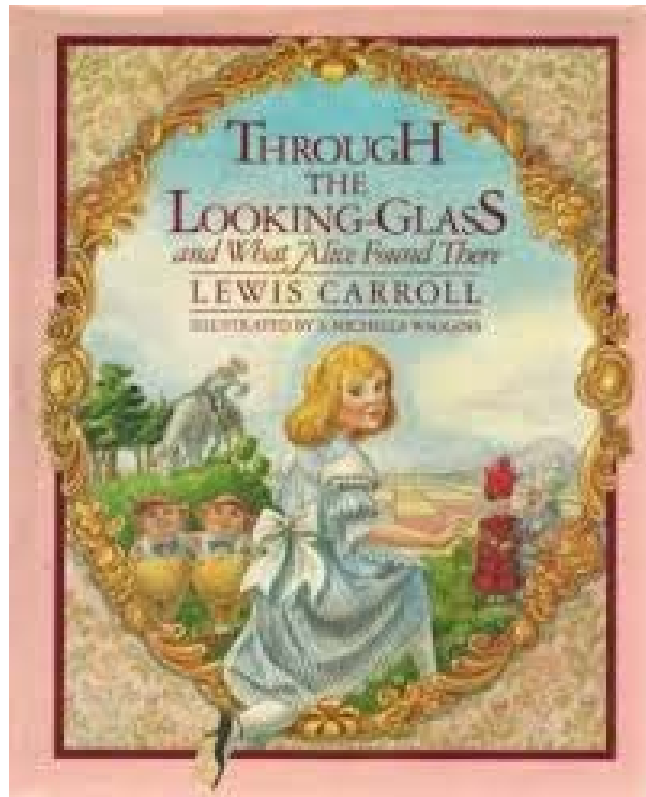
January 18, 2019

By
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Executive Director

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Through the Looking-Glass Lewis Carroll December 1871



But first.....

*Alice's Adventures in
Wonderland*

Lewis Carroll
November 1865



Economy 2002-2008



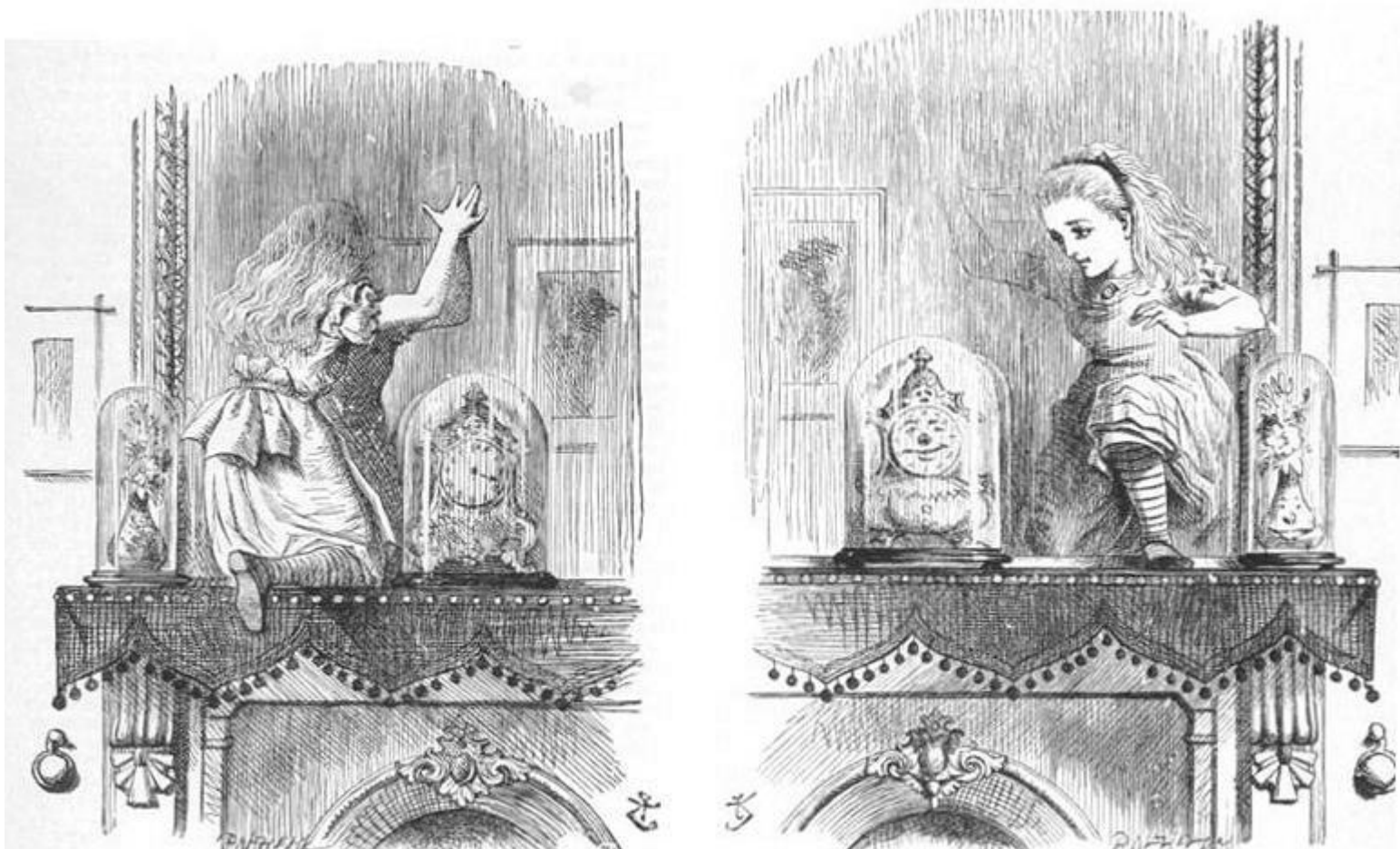
The Great Recession 2008-2009



Economy 2010-2018



Through the Looking Glass 2019 - ?



*“The time has come,” the Walrus said, “to
talk of many things:*

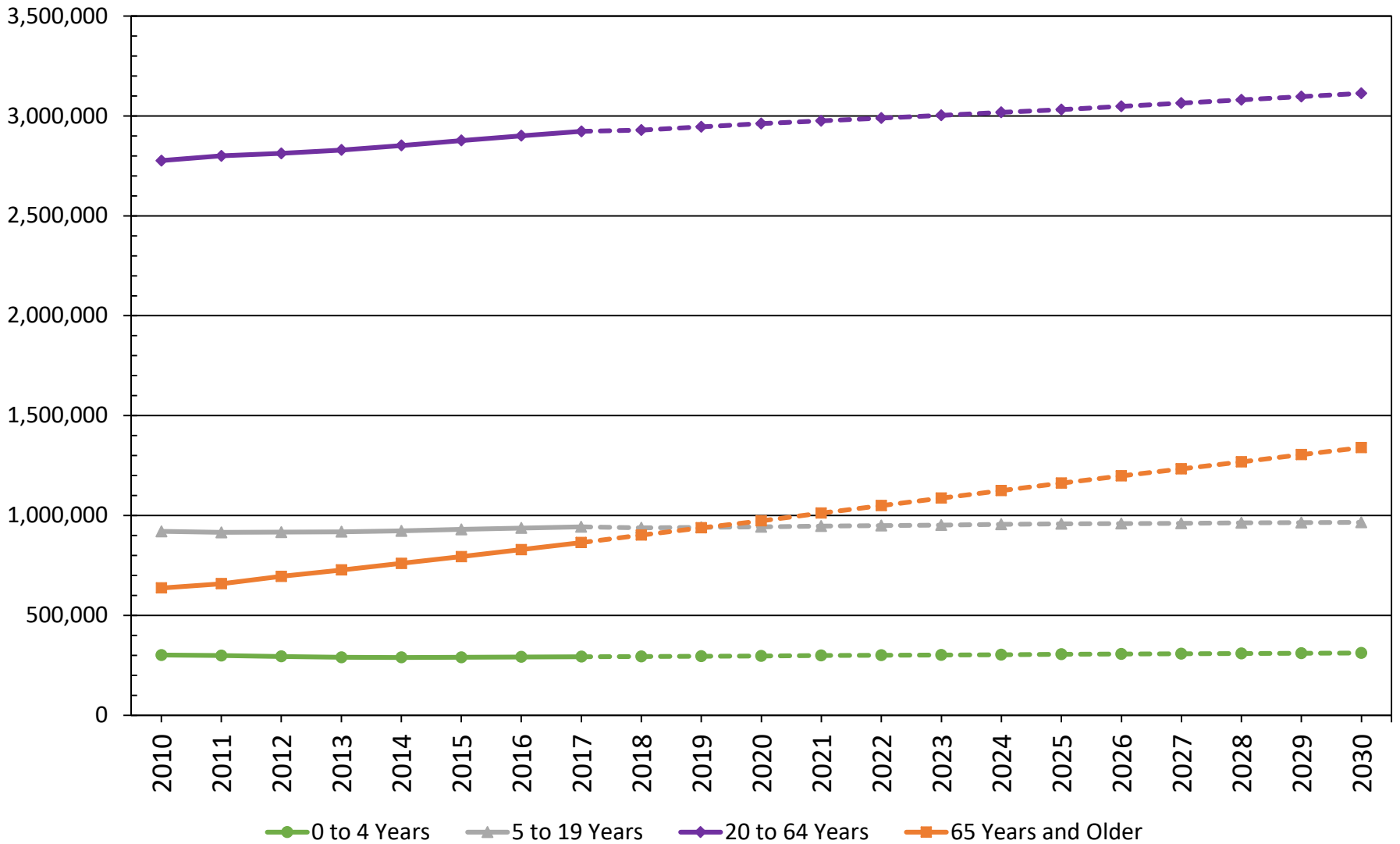


Of shoes --- and ships ---



SOUTH CAROLINA POPULATION BY AGE GROUP

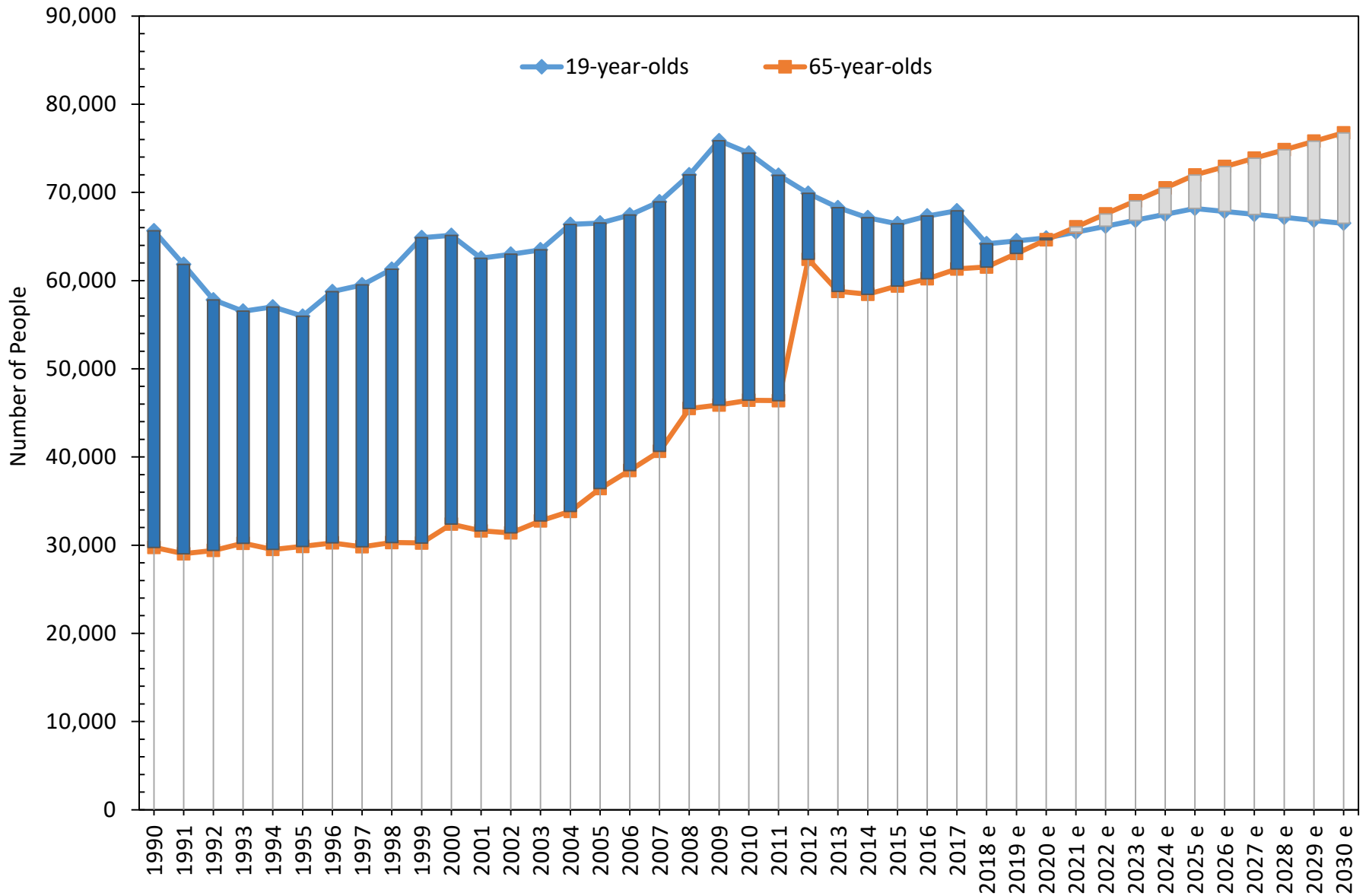
2010 to 2030 Estimates and Projections



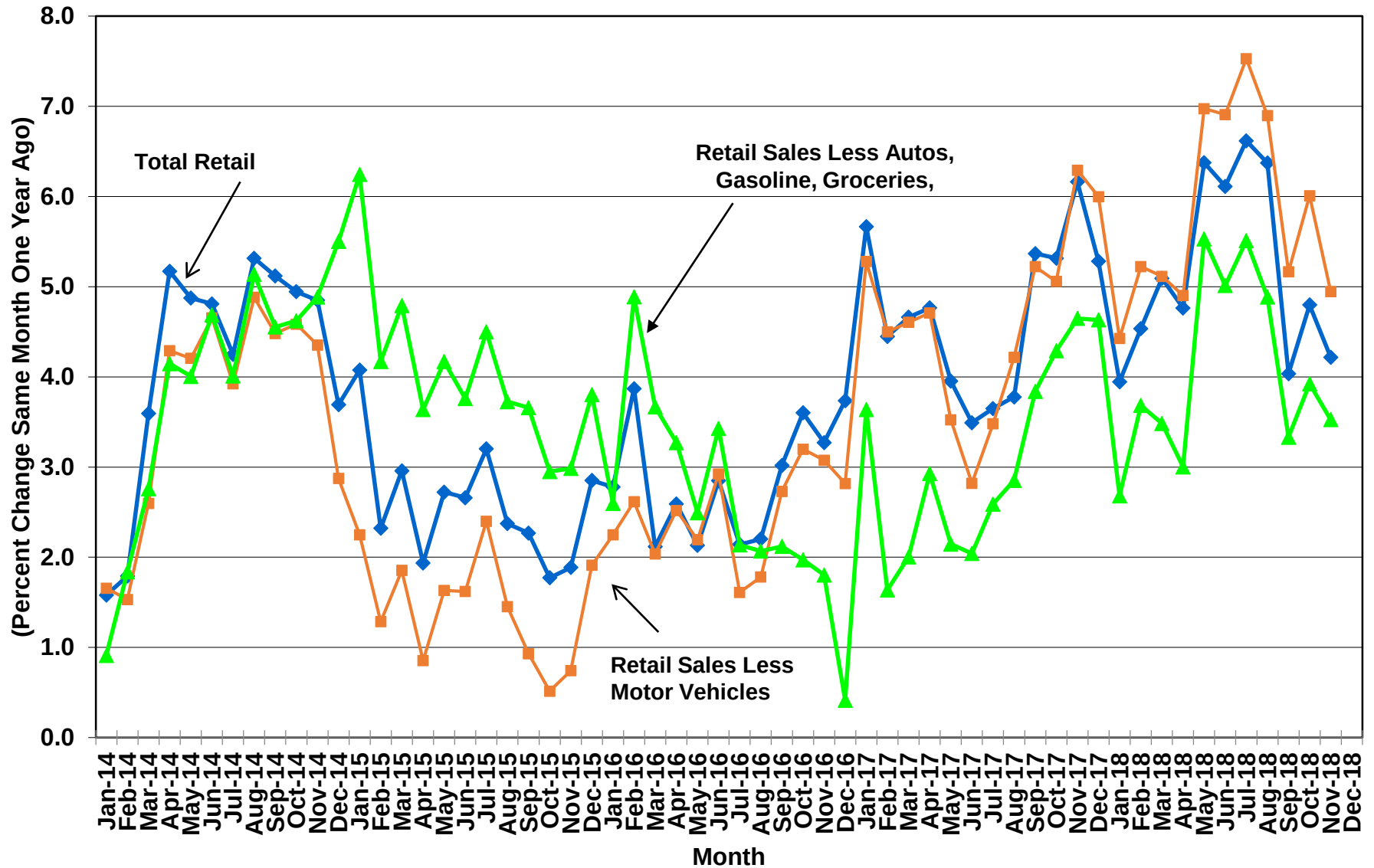
Note: U.S. Census Bureau, population estimates 2010 to 2017; Revenue and Fiscal Affairs Office, population projections 2018 to 2030

SOUTH CAROLINA

Number of 19-year-olds and Number of 65-year-olds



U.S. Retail & Food Service Sales



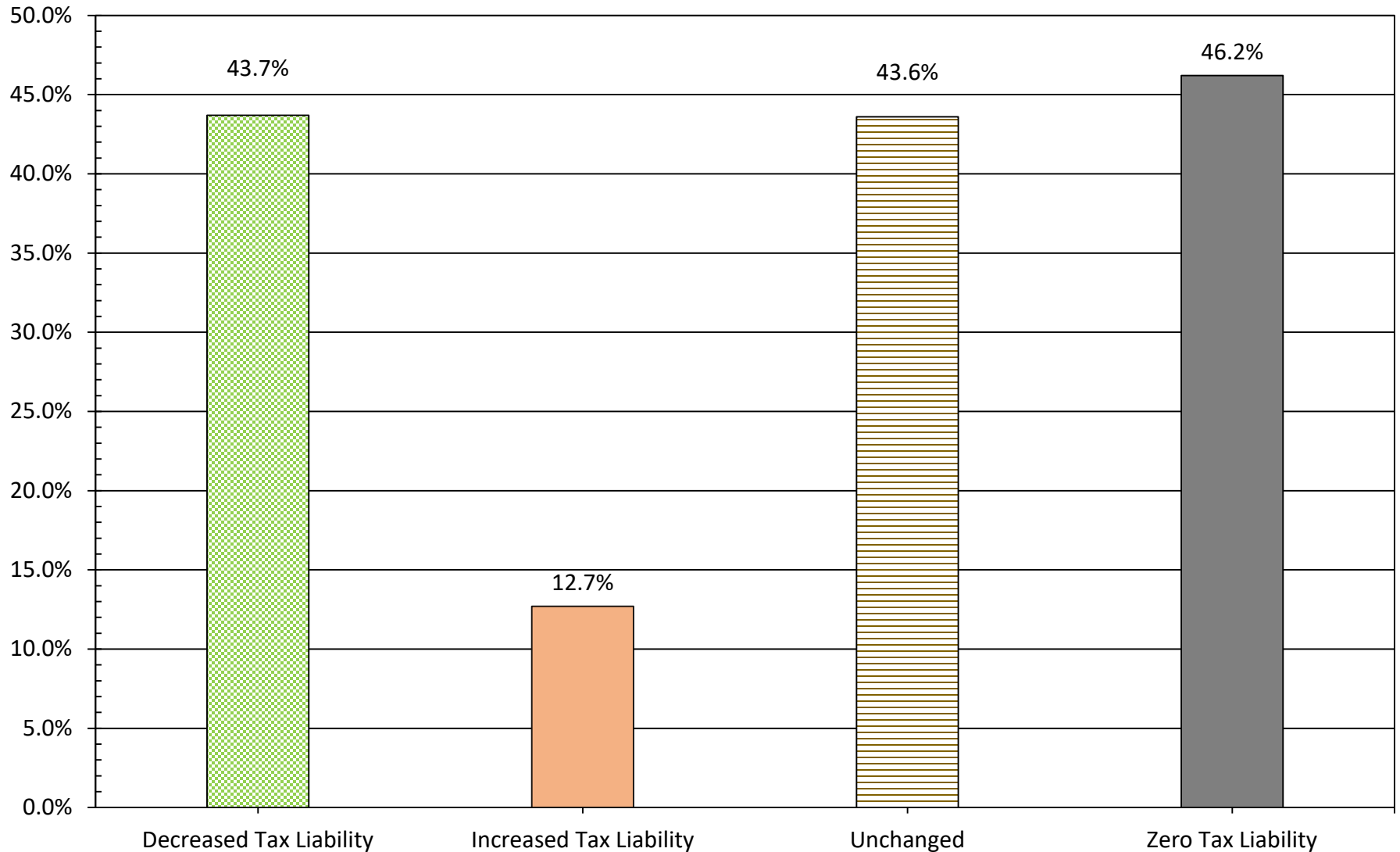
--- And sealing wax ---



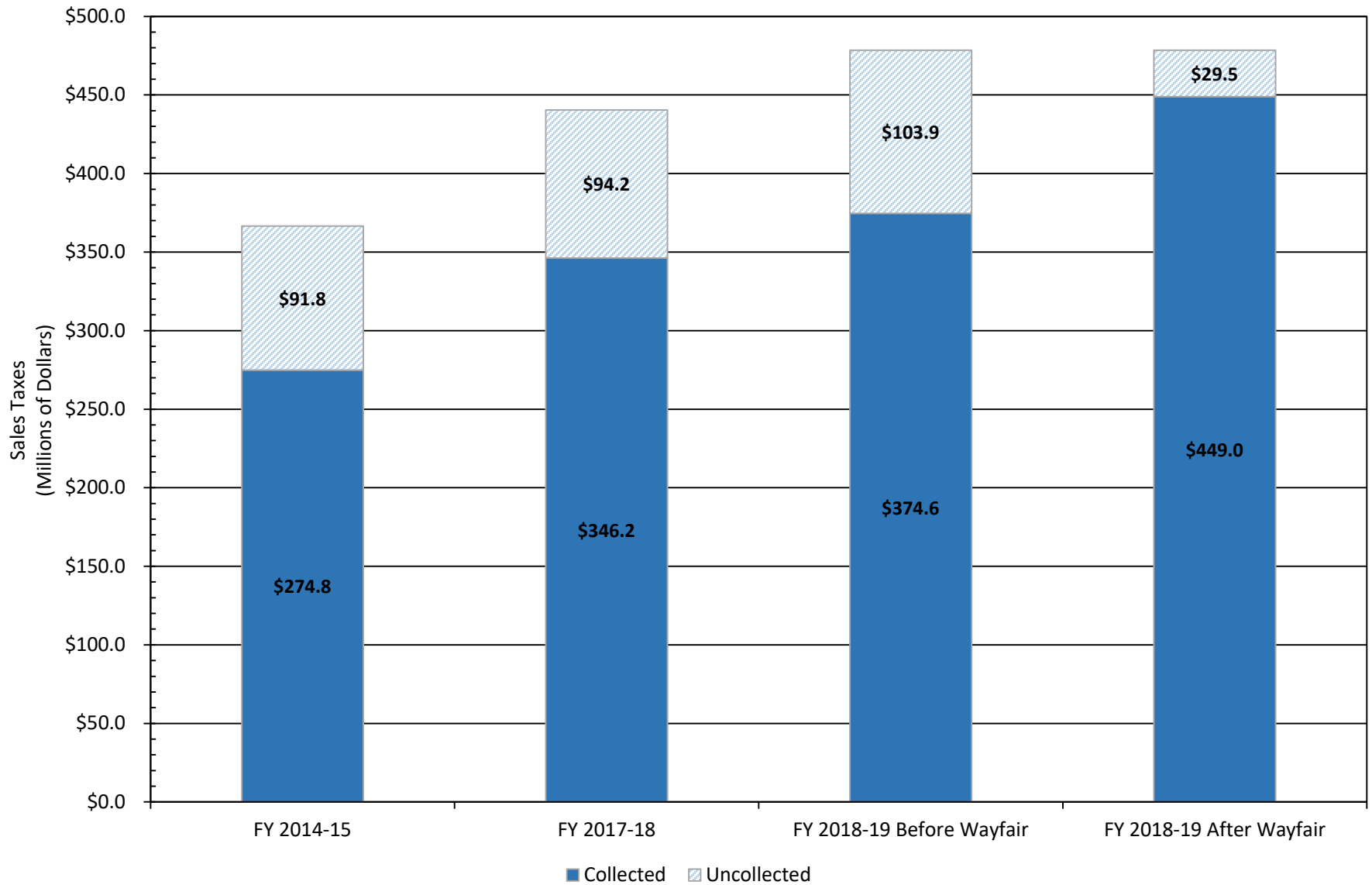
SOUTH CAROLINA STATE INDIVIDUAL INCOME TAX LIABILITY IMPACT

Tax Year 2018 - Projected Impact of Federal Tax Changes

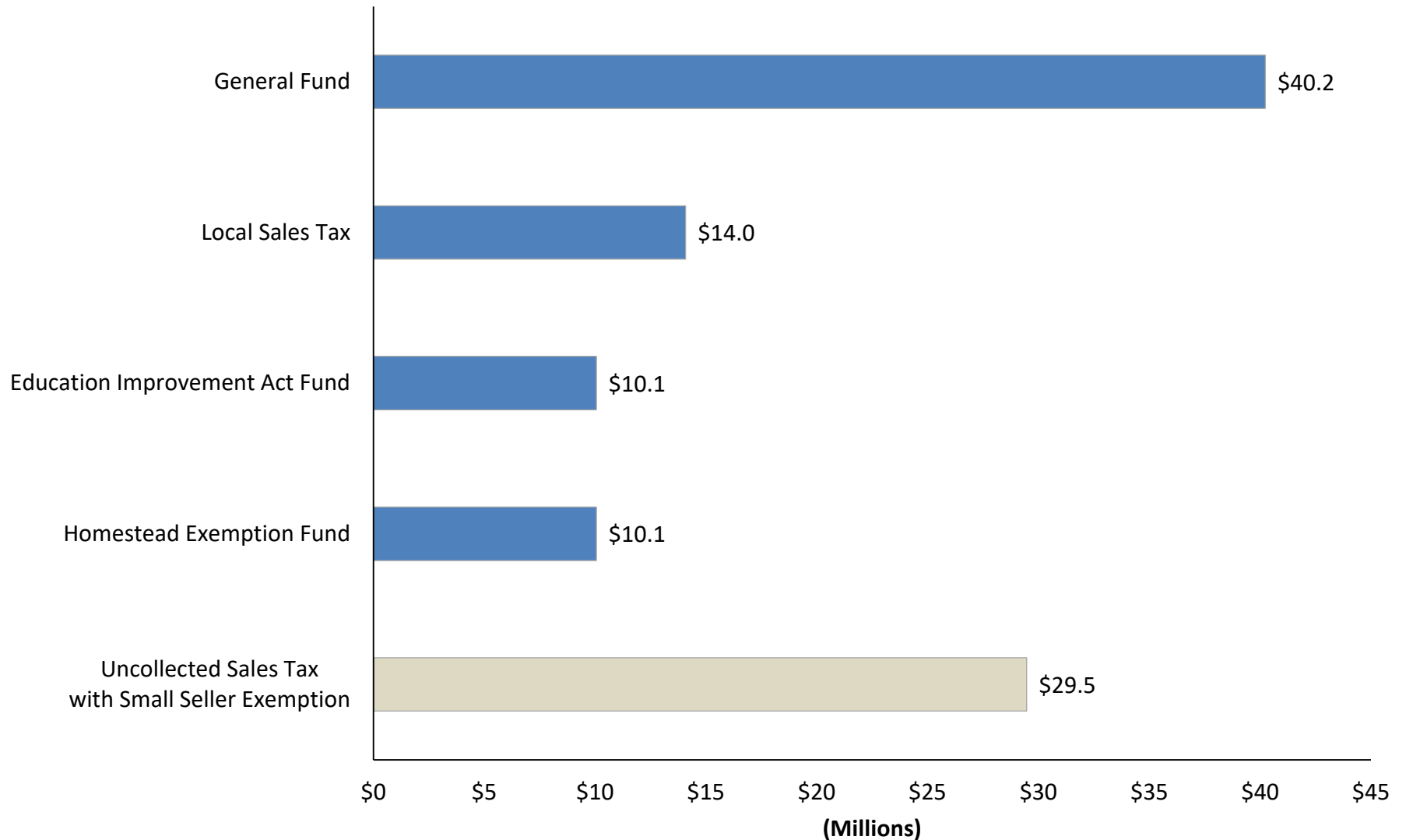
Percentage of Returns



ESTIMATED E-COMMERCE SALES TAXES Collected and Uncollected



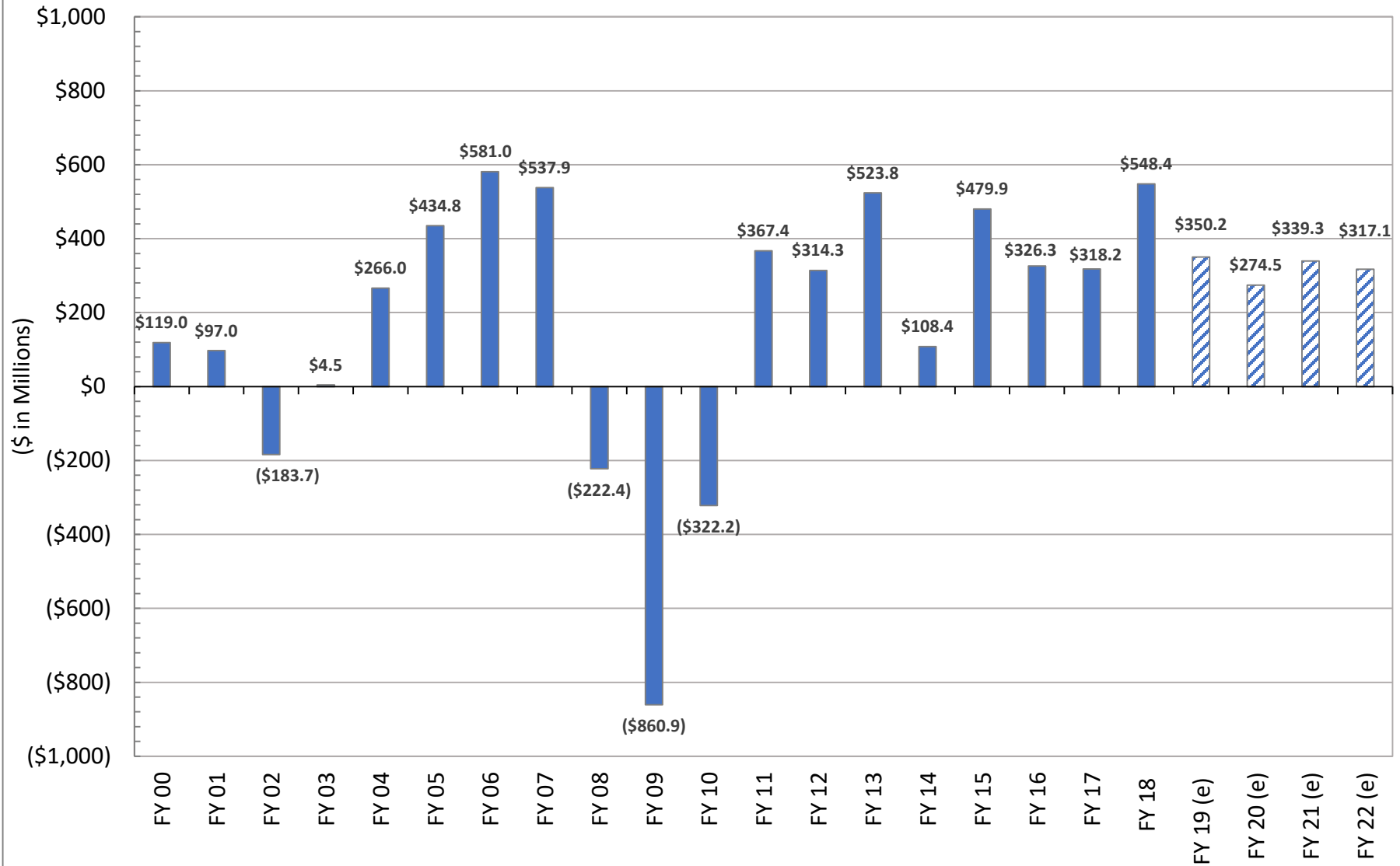
ESTIMATED ANNUAL INCREASE IN E-COMMERCE SALES AND USE TAX - \$74.4 MILLION



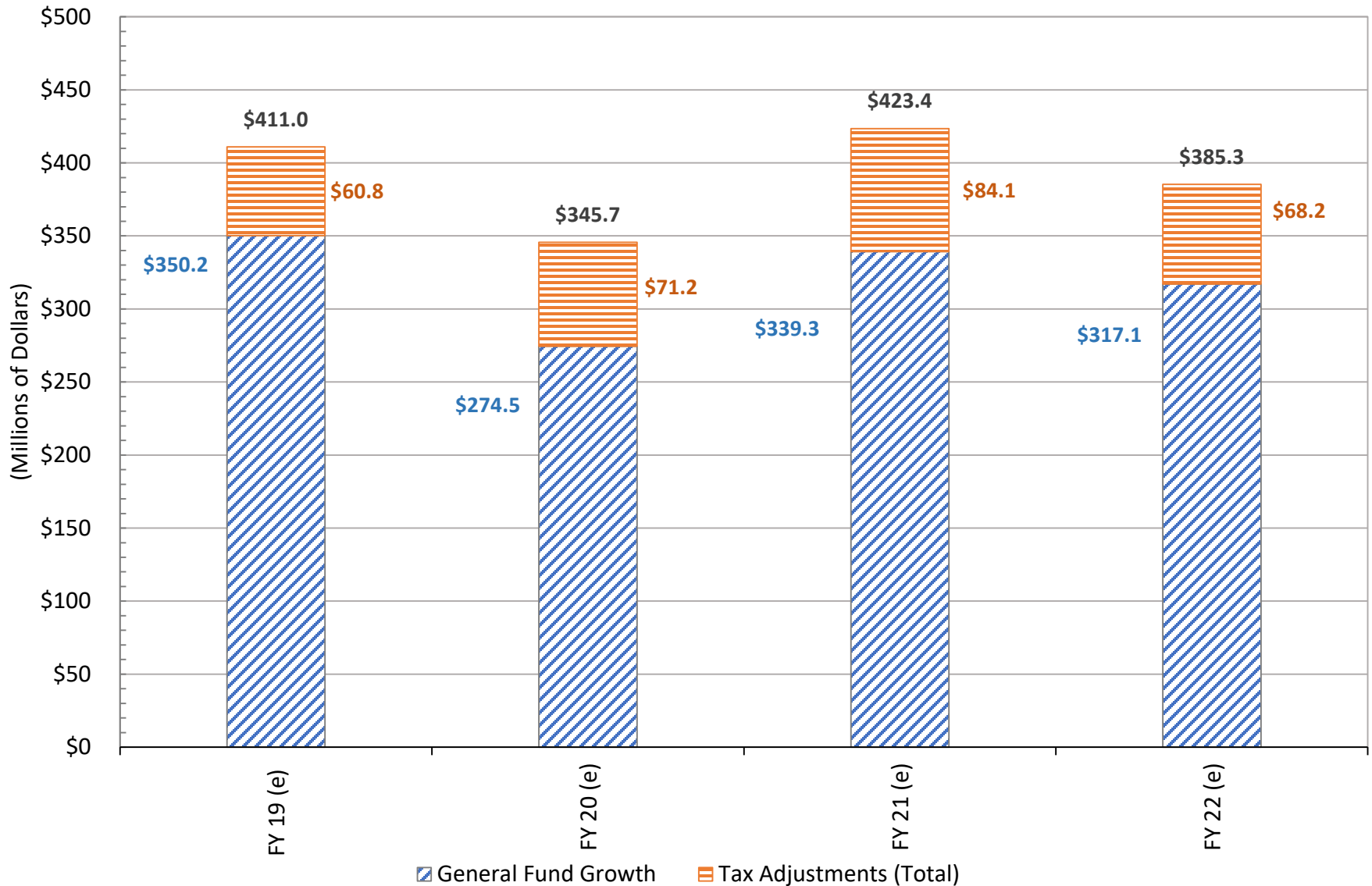
Of cabbages --- and kings ---



ANNUAL GENERAL FUND REVENUE GROWTH



ANNUAL GENERAL FUND REVENUE GROWTH With Tax Adjustments



And why the sea is boiling hot ---



FY 2019-20 Revenue

Recurring Revenue	\$ 497.8 M
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Non-recurring Revenue	\$ 548.9 M
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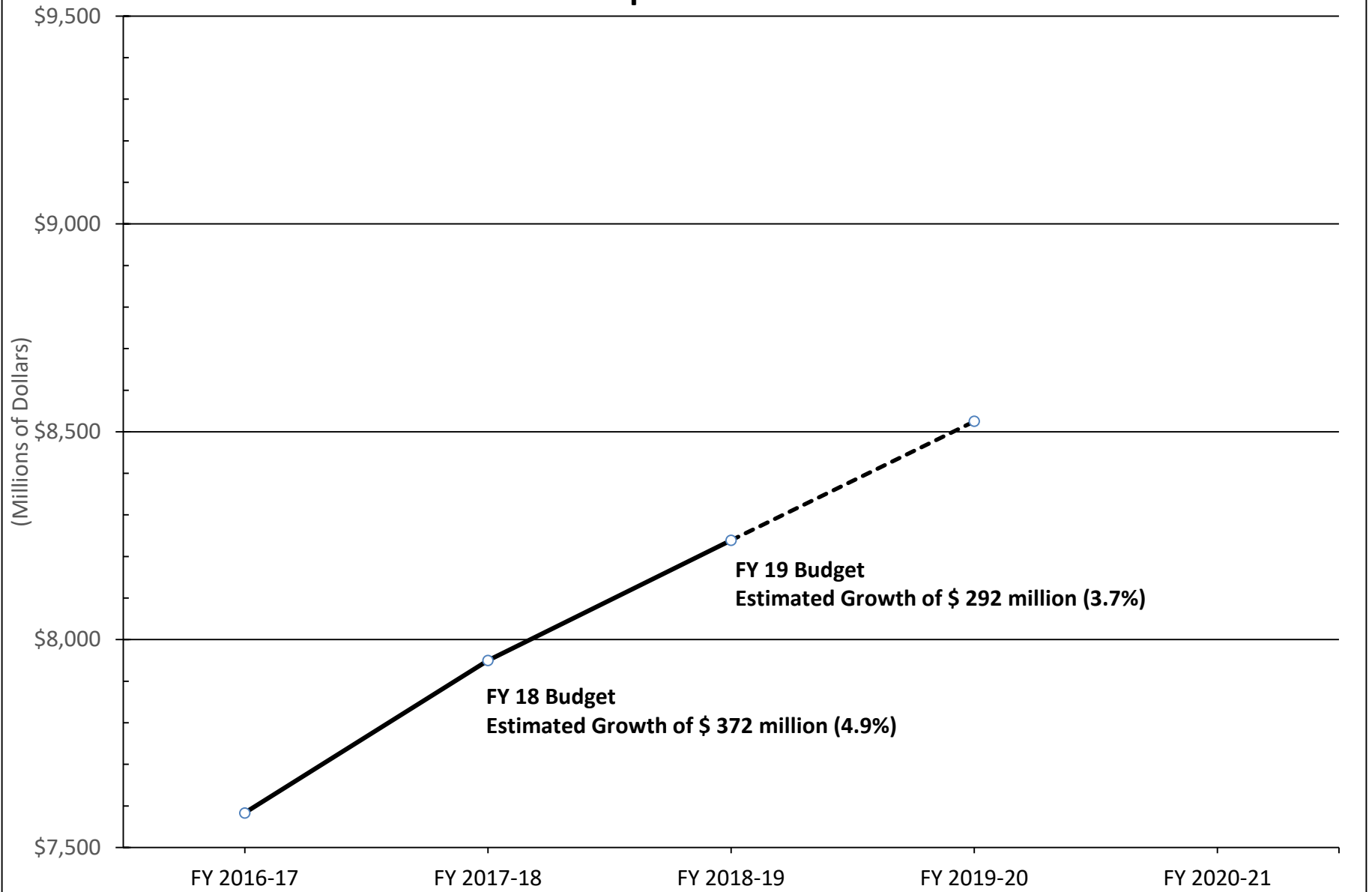
FY 2018-19 Capital Reserve Fund	\$ 151.6 M
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FY 2017-18 Surplus (Contingency Reserve Fund)	\$ 177.1 M
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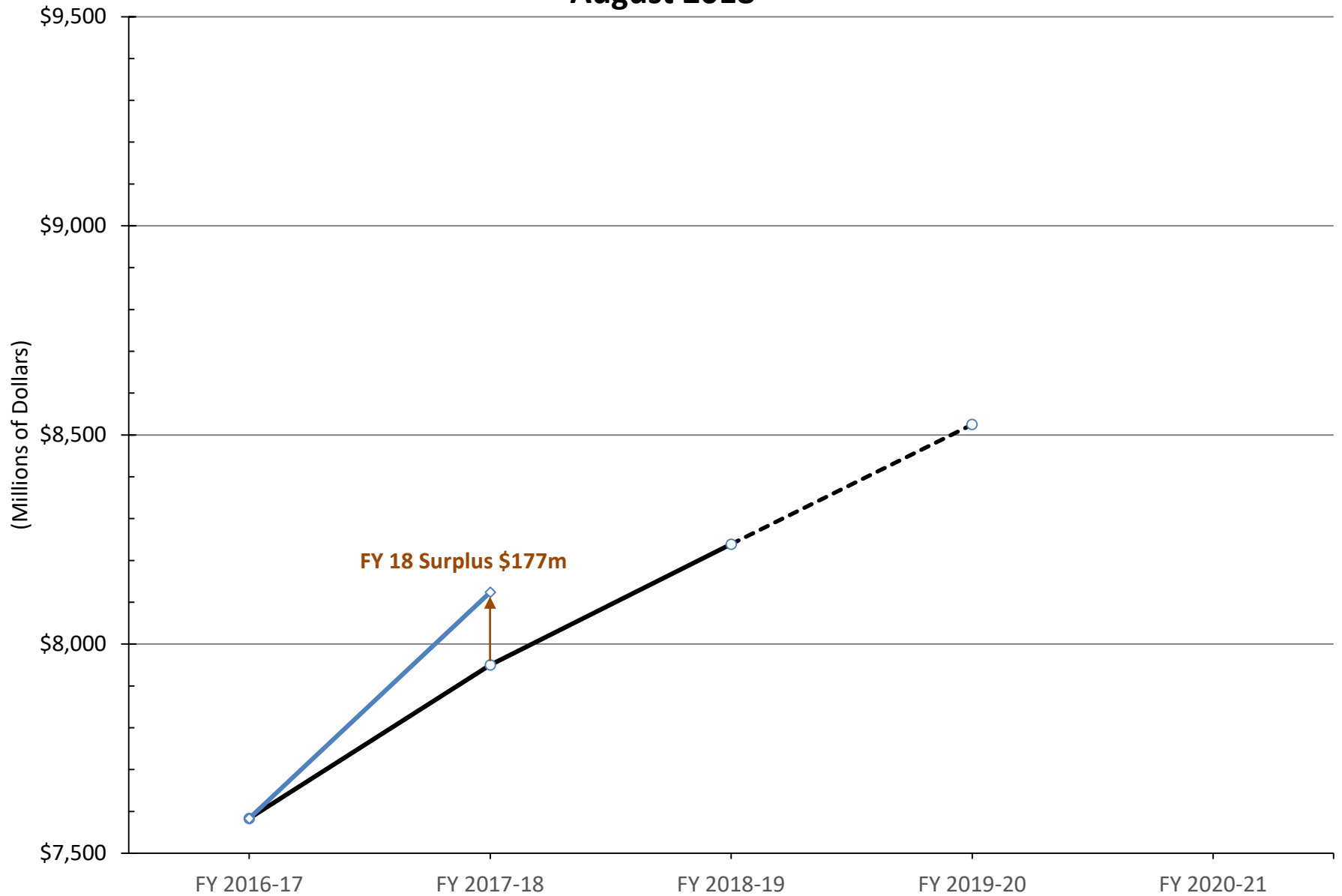
FY 2018-19 Projected General Fund Surplus	\$ 220.2 M
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Litigation Recovery Account	\$ 8.0 M
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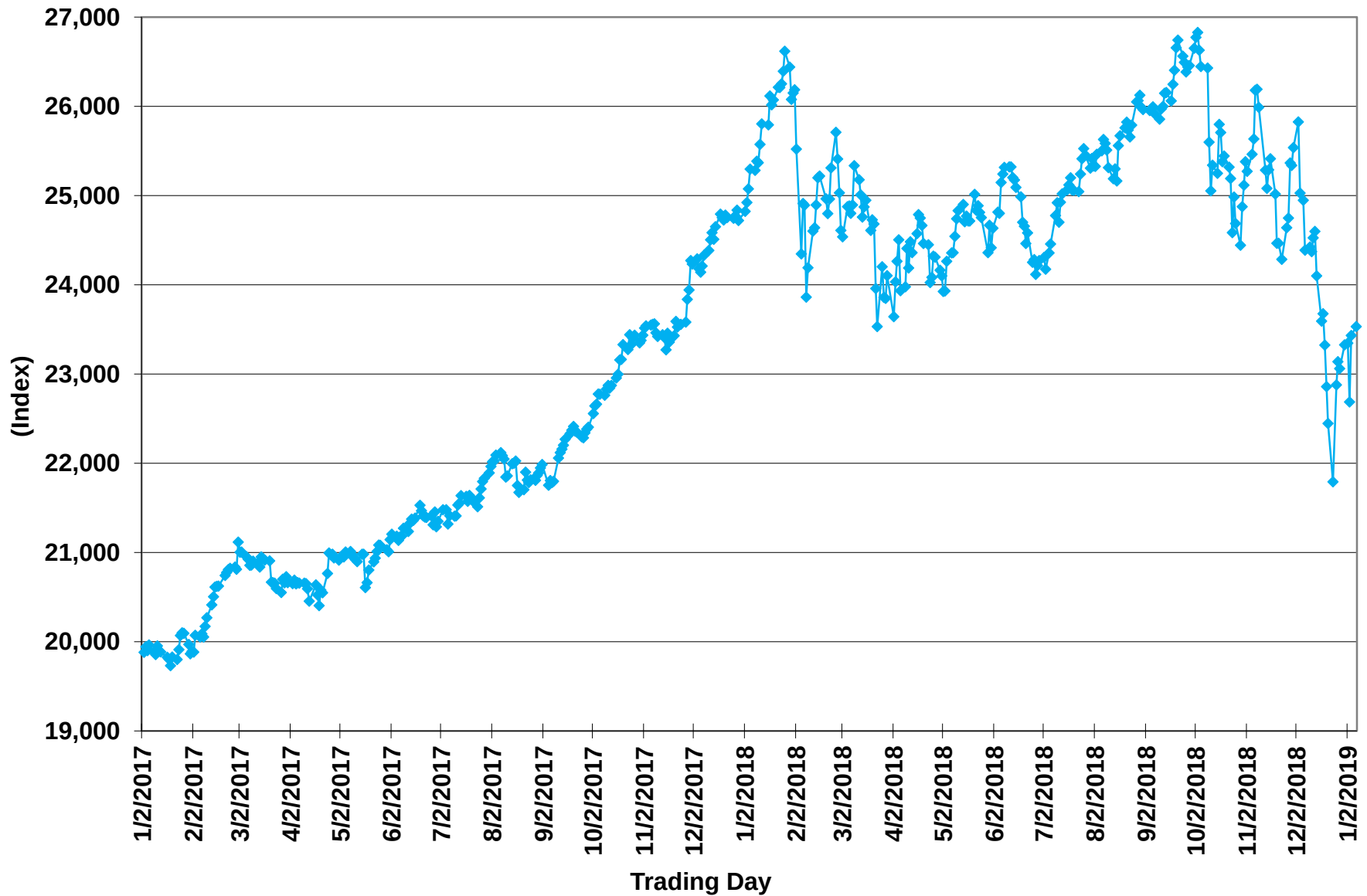
FY 2018-19 BUDGET ESTIMATES AND BEYOND April 2018



FY 2018-19 BUDGET and FY 2017-18 SURPLUS August 2018

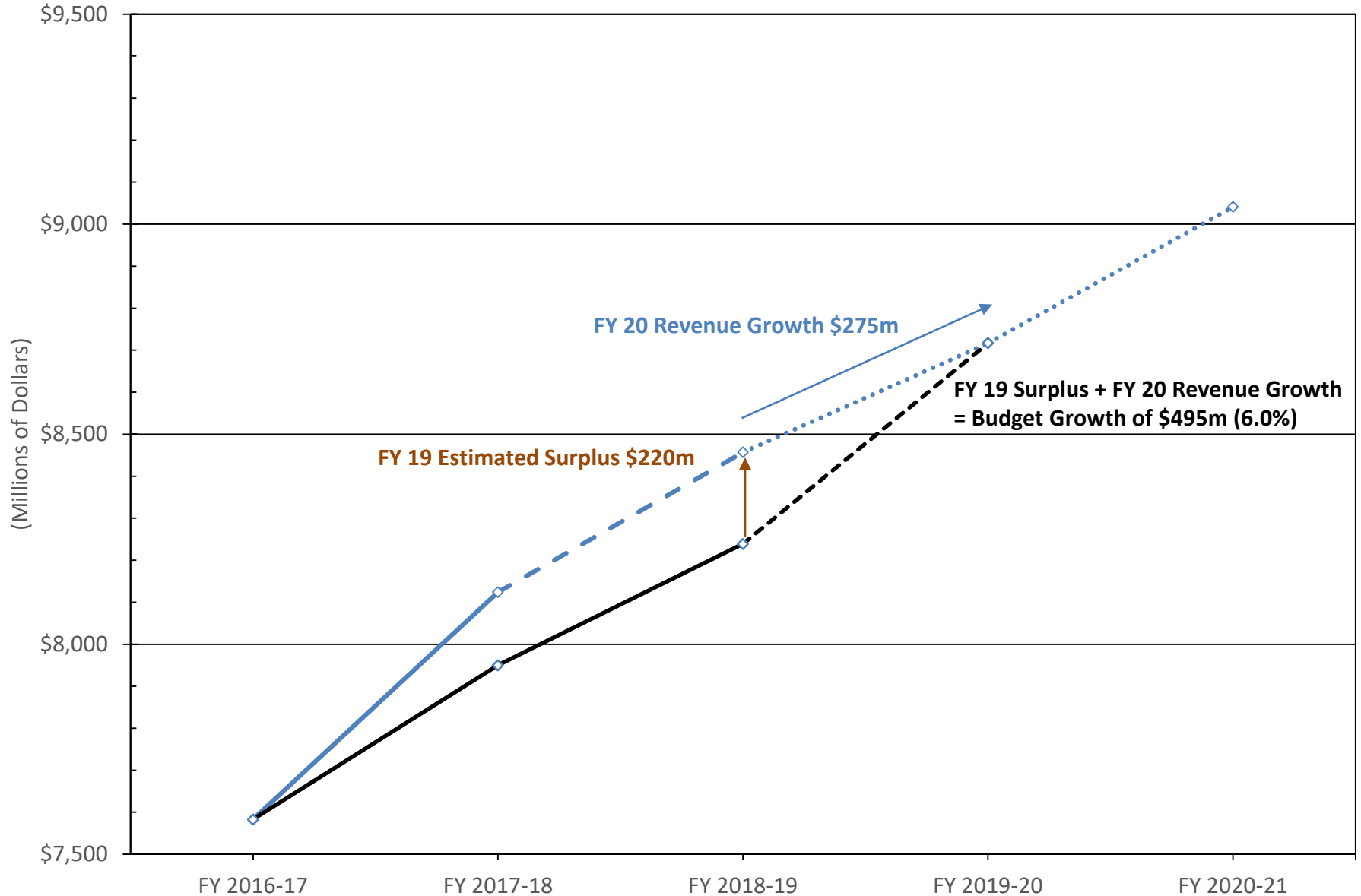


Dow Jones Industrial Average



FY 2019-20 BUDGET ESTIMATES AND BEYOND

December 2018

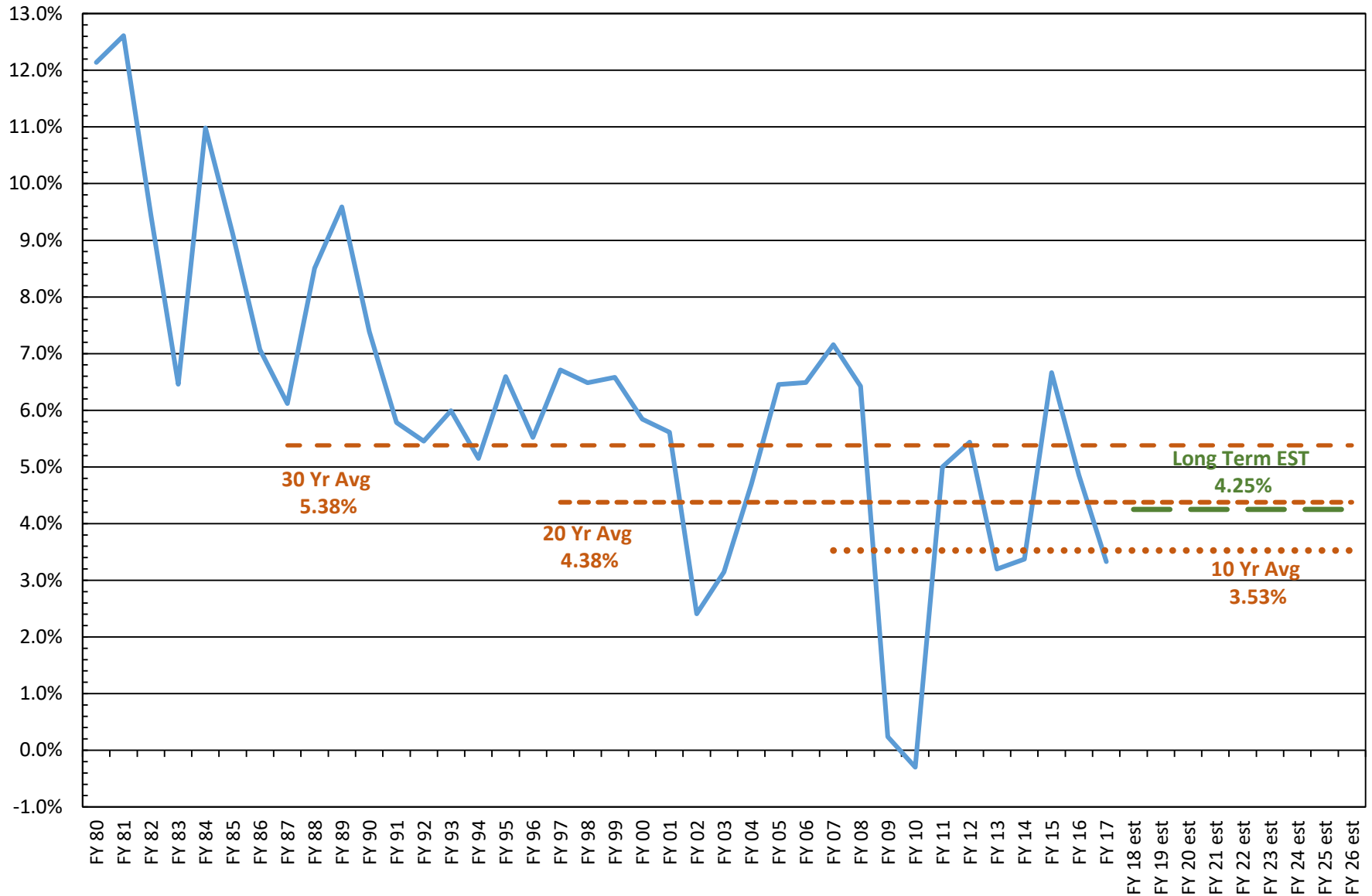


And whether pigs have wings."

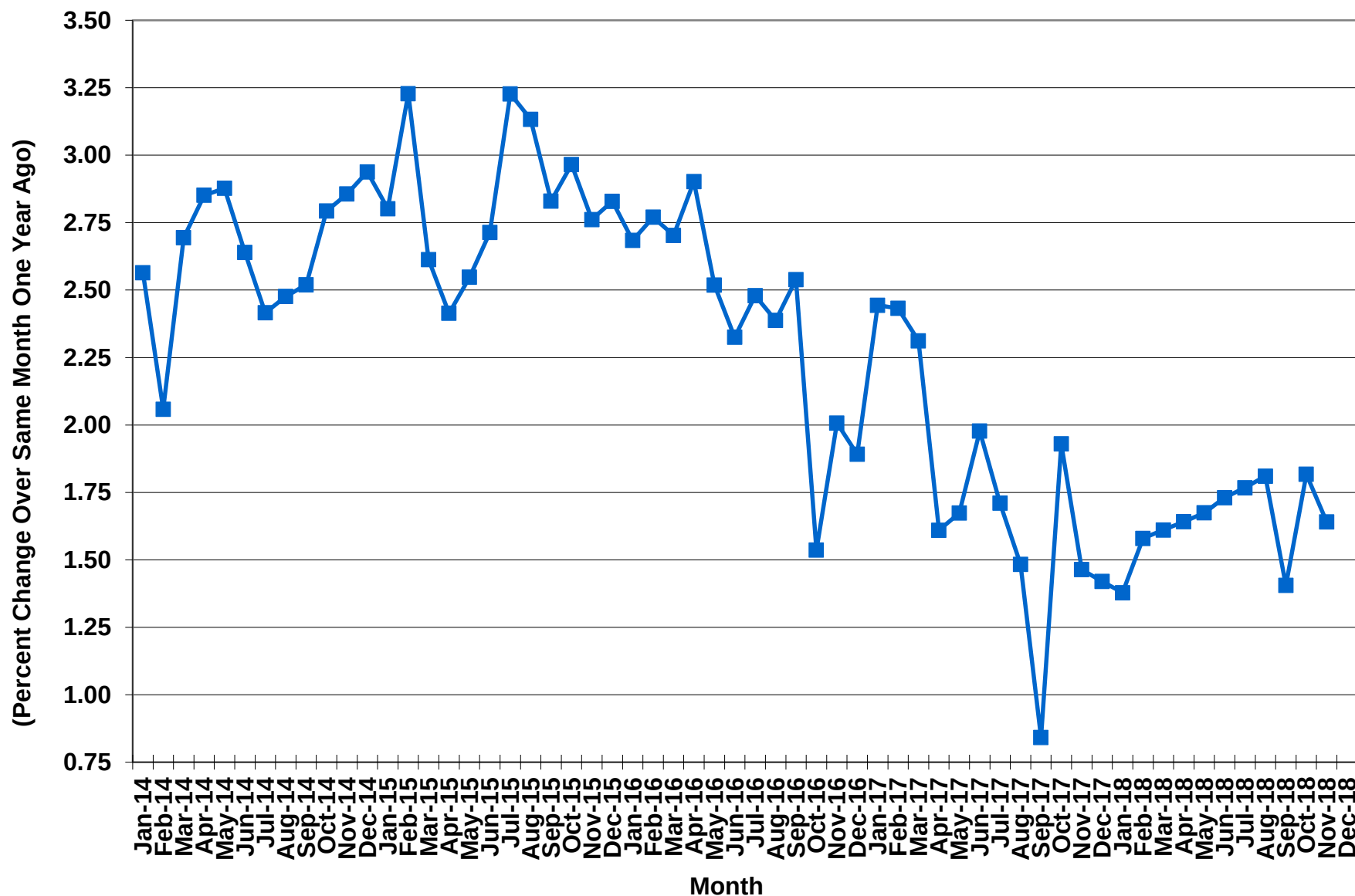


SC PERSONAL INCOME FISCAL YEAR GROWTH RATES

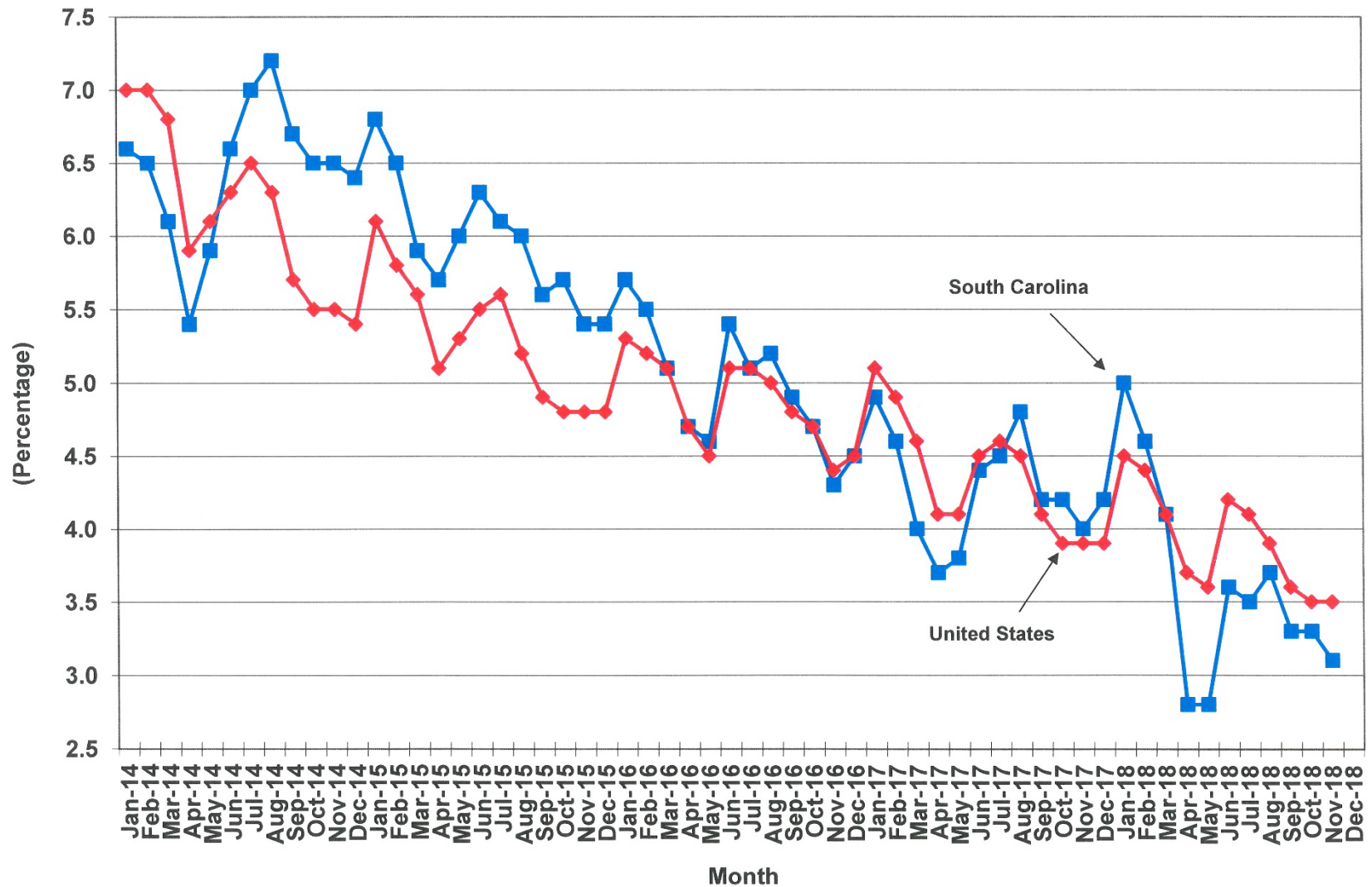
Actuals, Estimates, and Averages



Total Nonfarm Employment Growth in South Carolina



Unemployment Rate in South Carolina (Unadjusted)

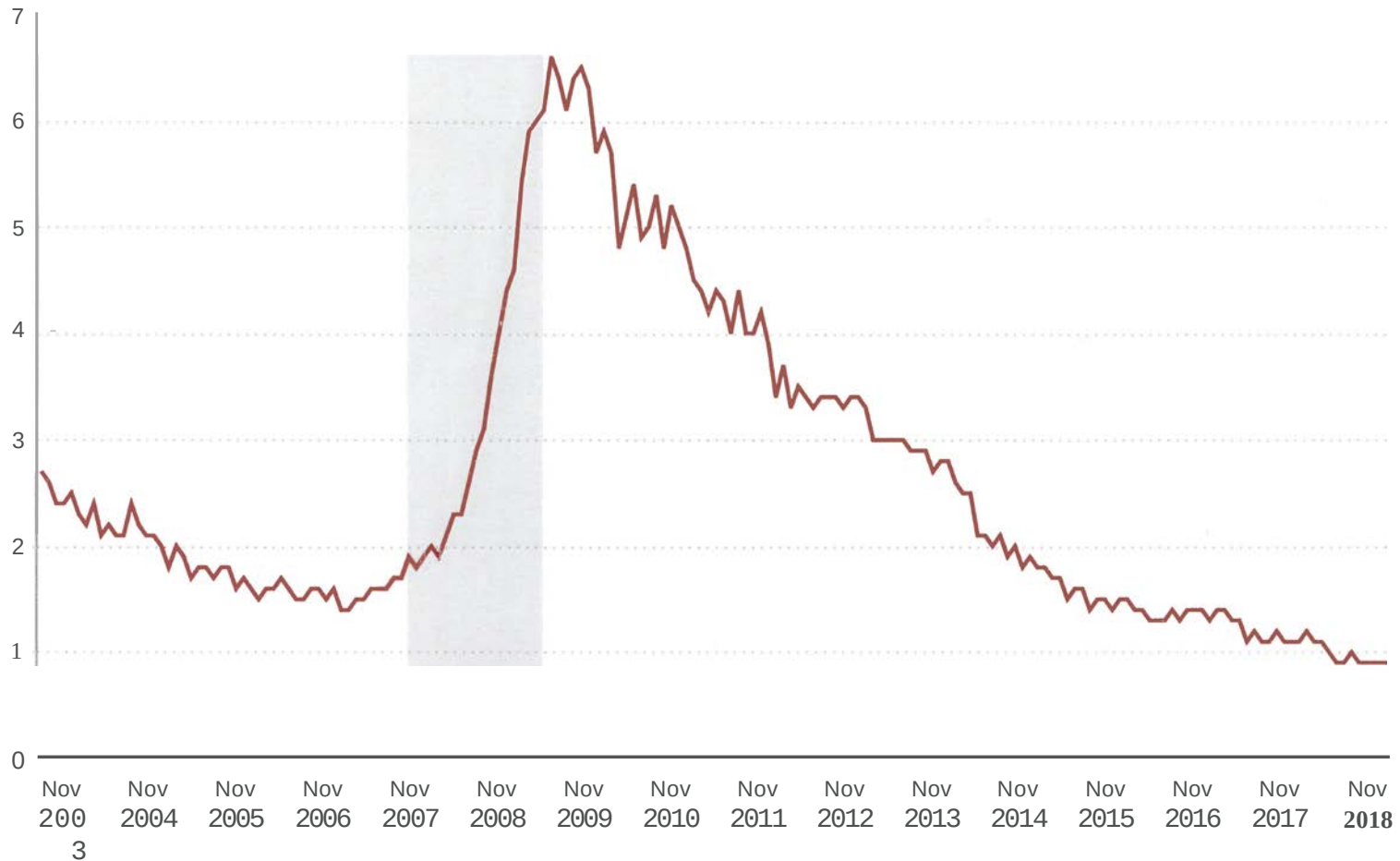


Source: U.S. Department of Labor, Bureau of Labor Statistics

SCBEA/RWM/10/18/18

Number of unemployed persons per job opening, seasonally adjusted

Click and drag within the chart to zoom in on time periods

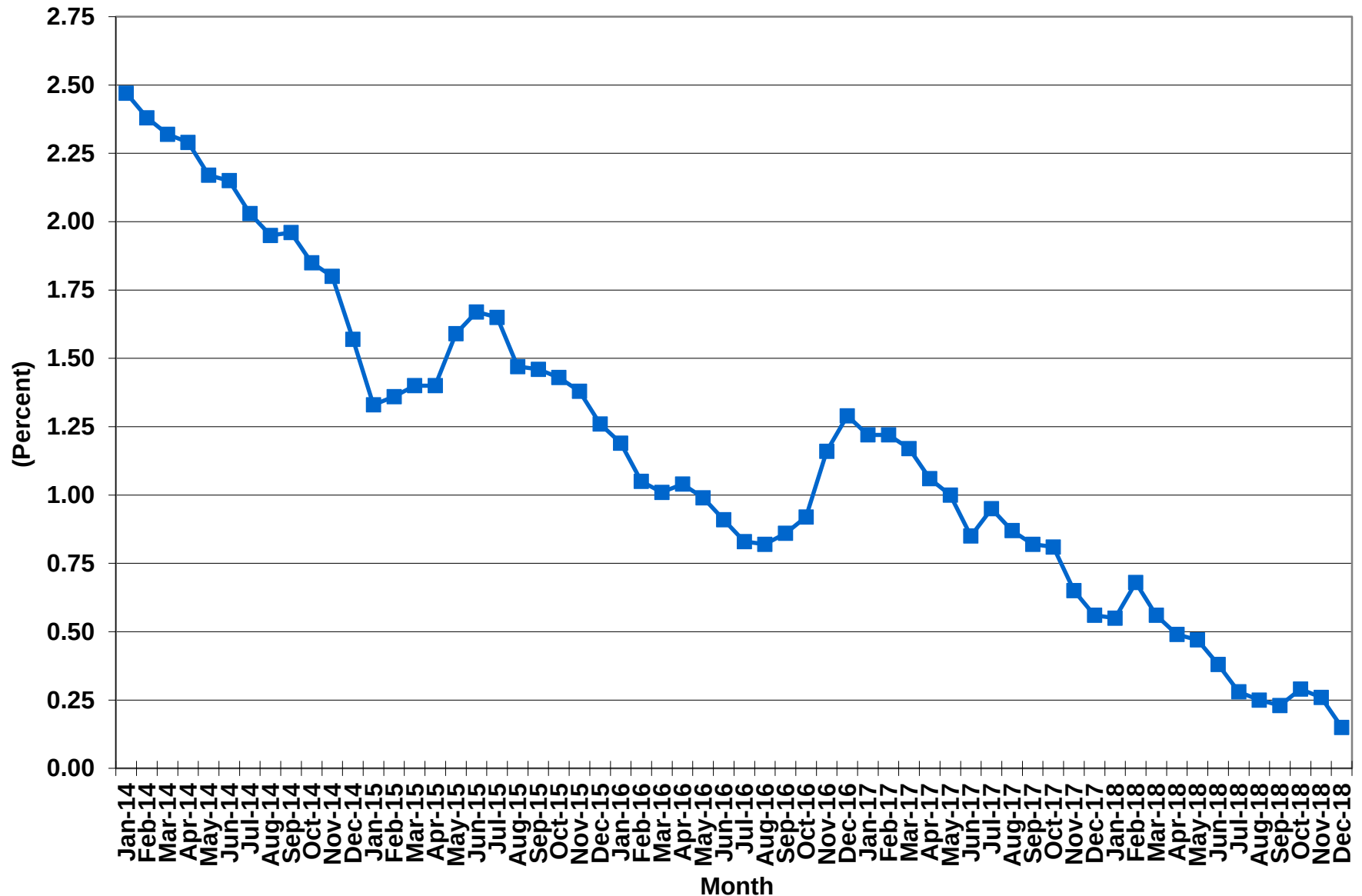


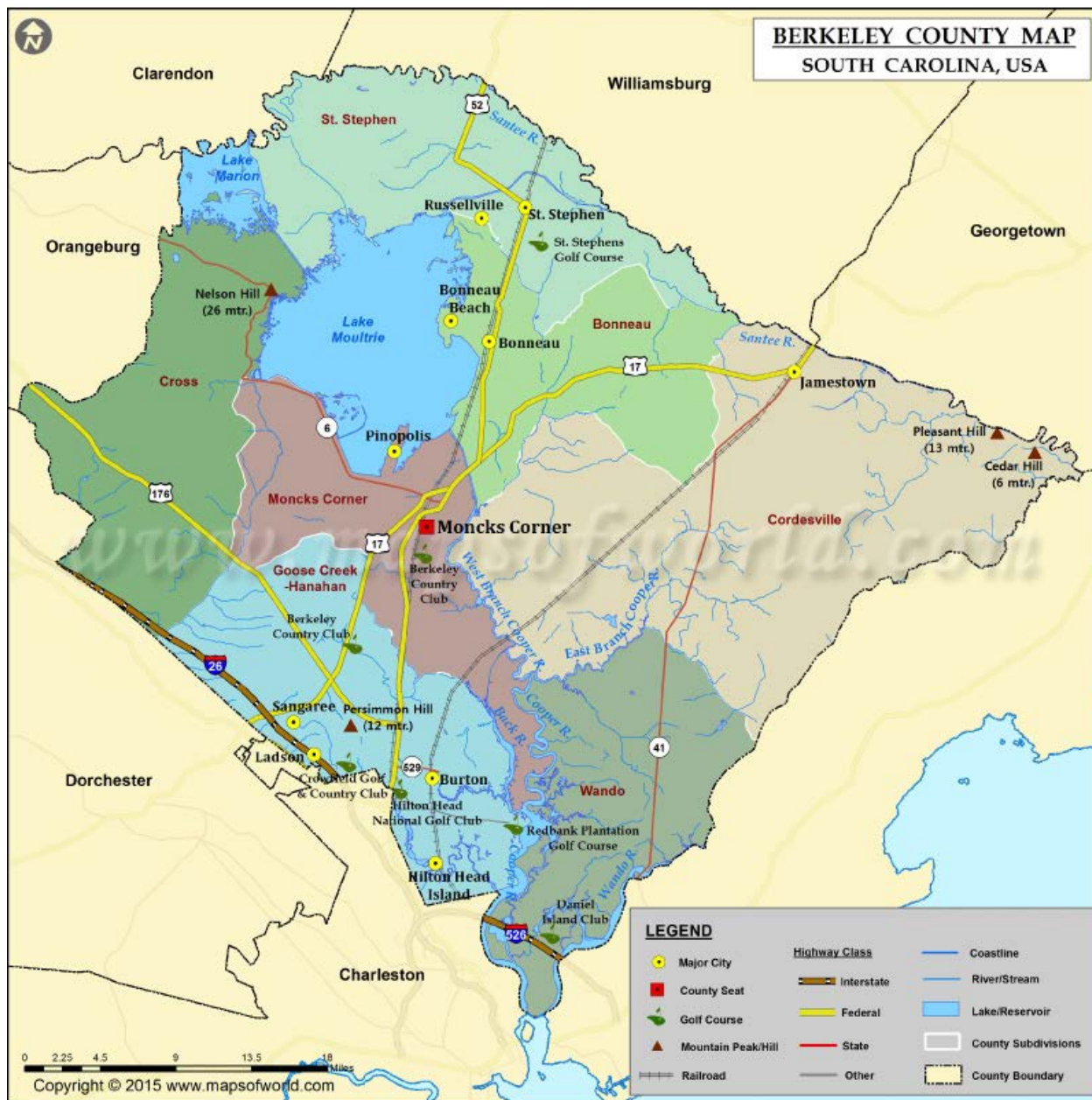
Hover over chart to view data.

Note: Shaded area represents recession, as determined by the National Bureau of Economic Research.

Source: U.S. Bureau of Labor Statistics.

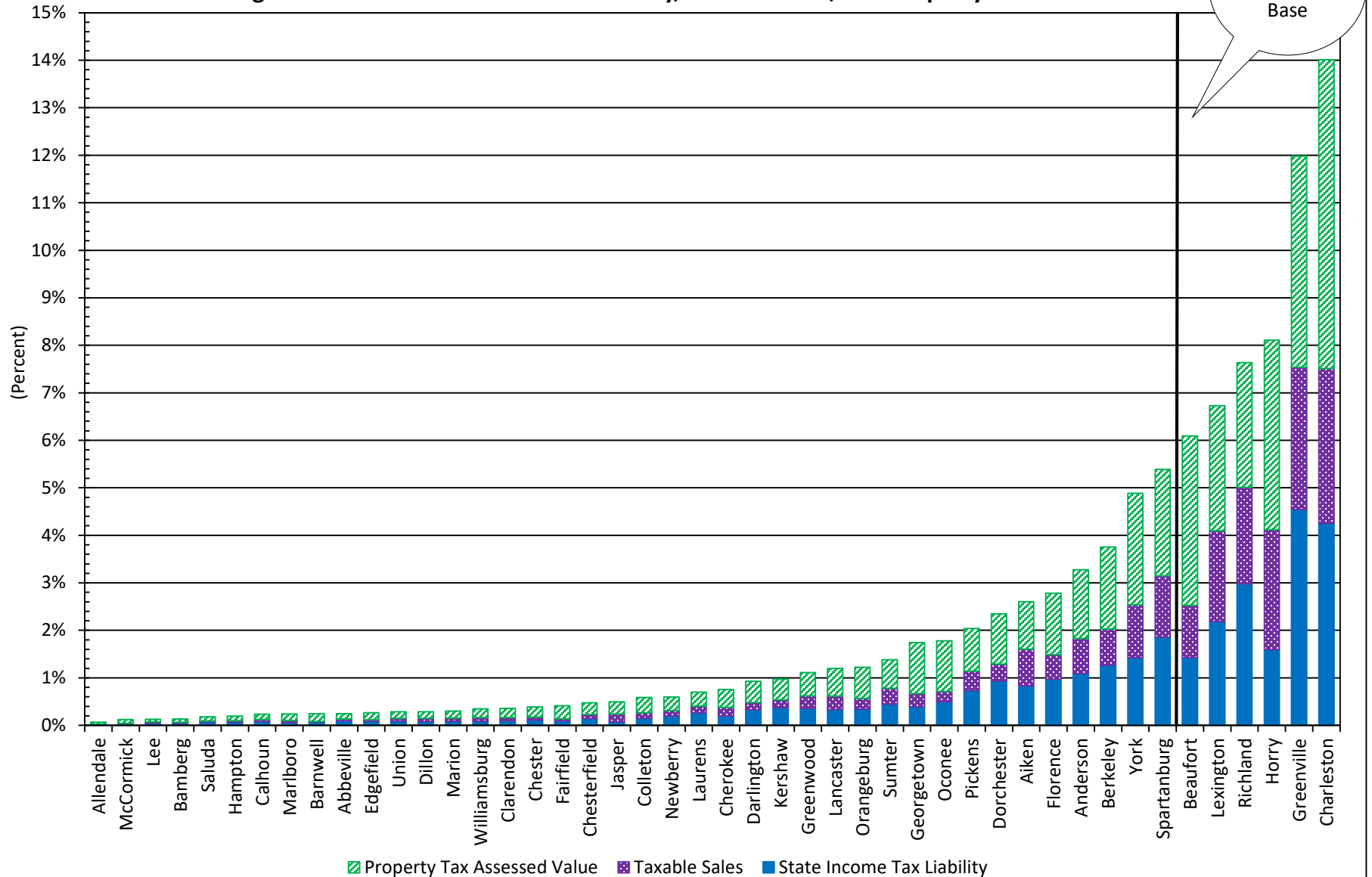
Interest Rate Spread Between 10-Year Bond & 2-Year Bond



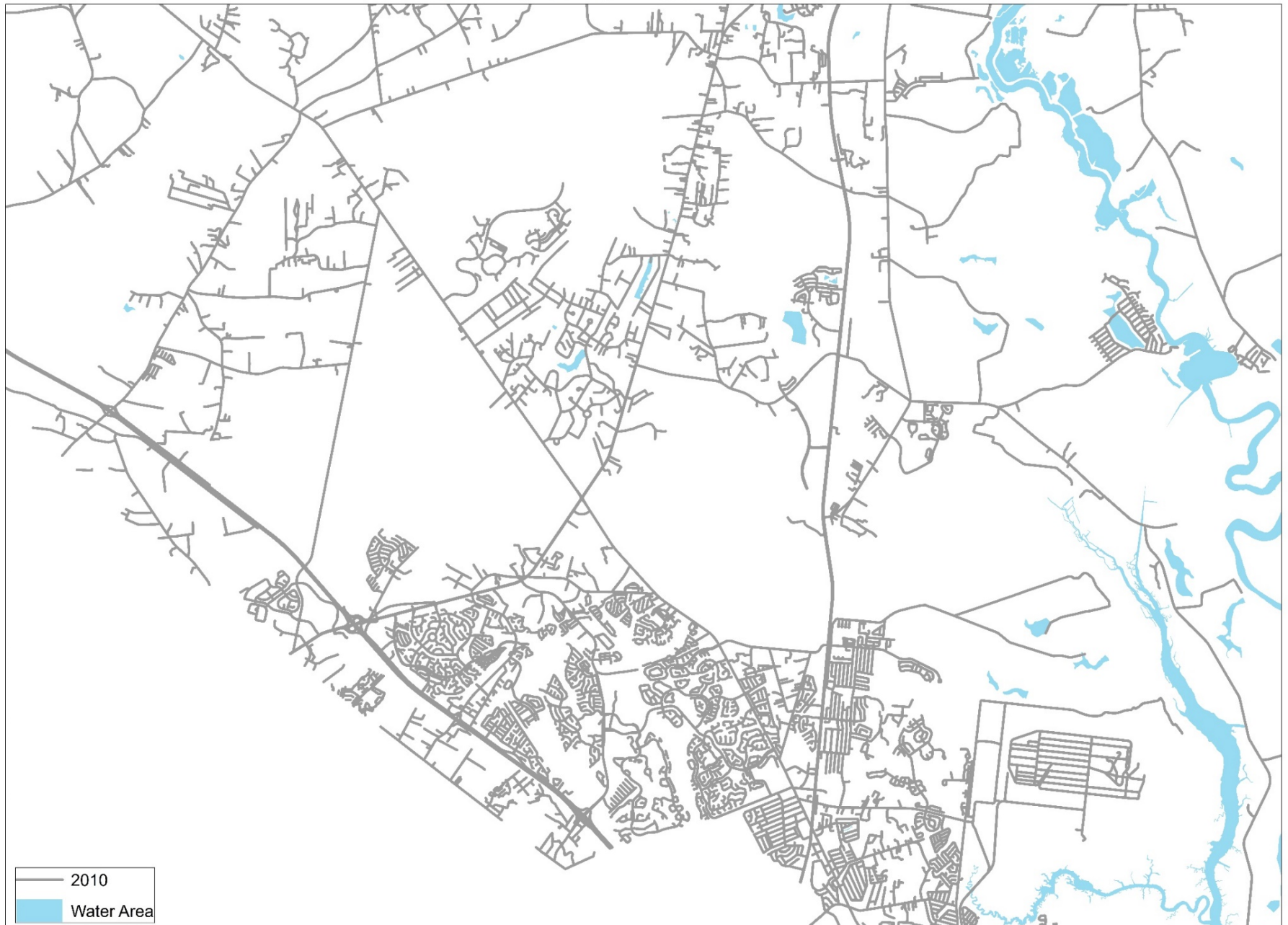


TOTAL COMBINED TAX BASE - TY 2015

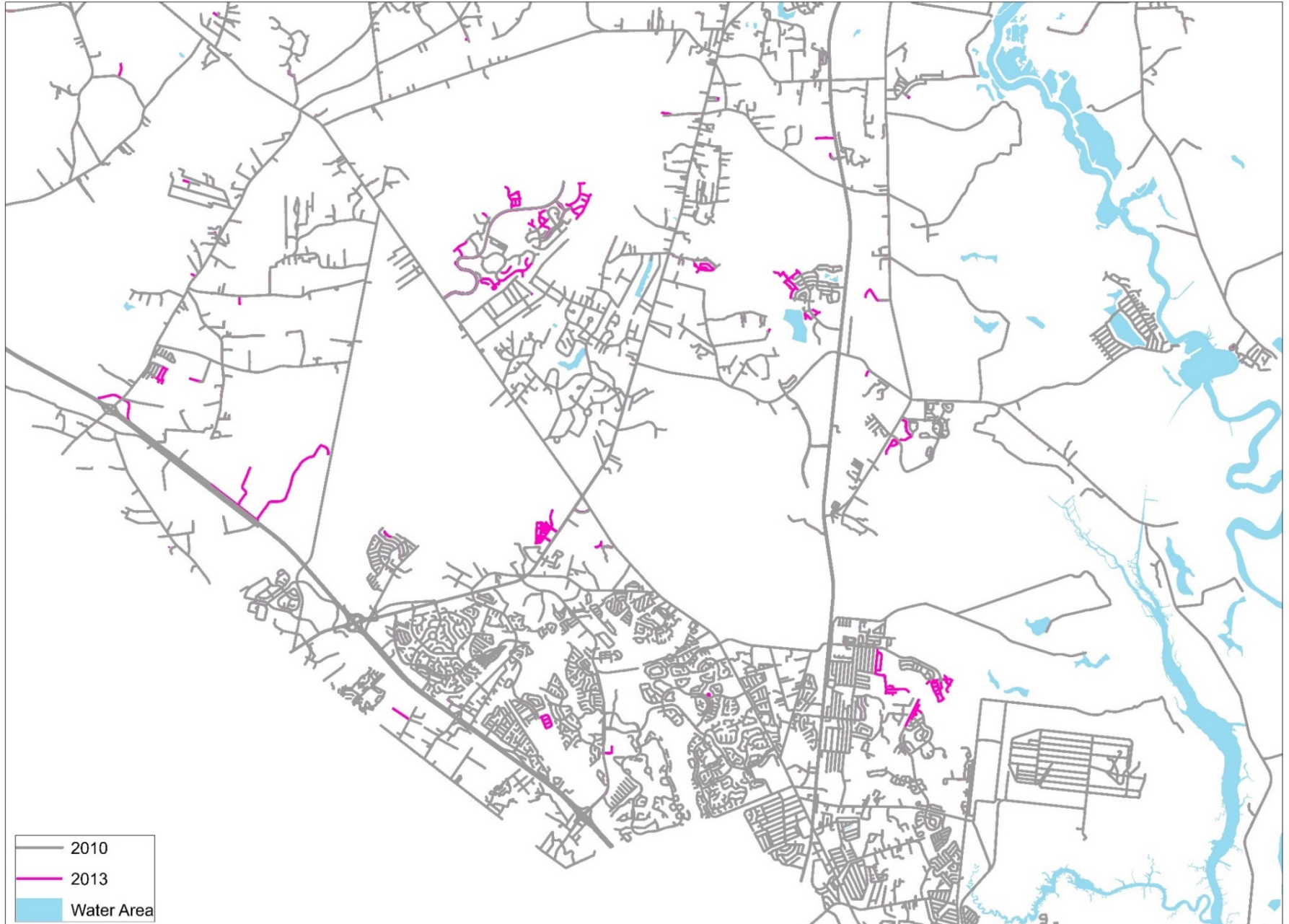
Percentage of State Total of Income Tax Liability, Taxable Sales, and Property Tax Assessed Value



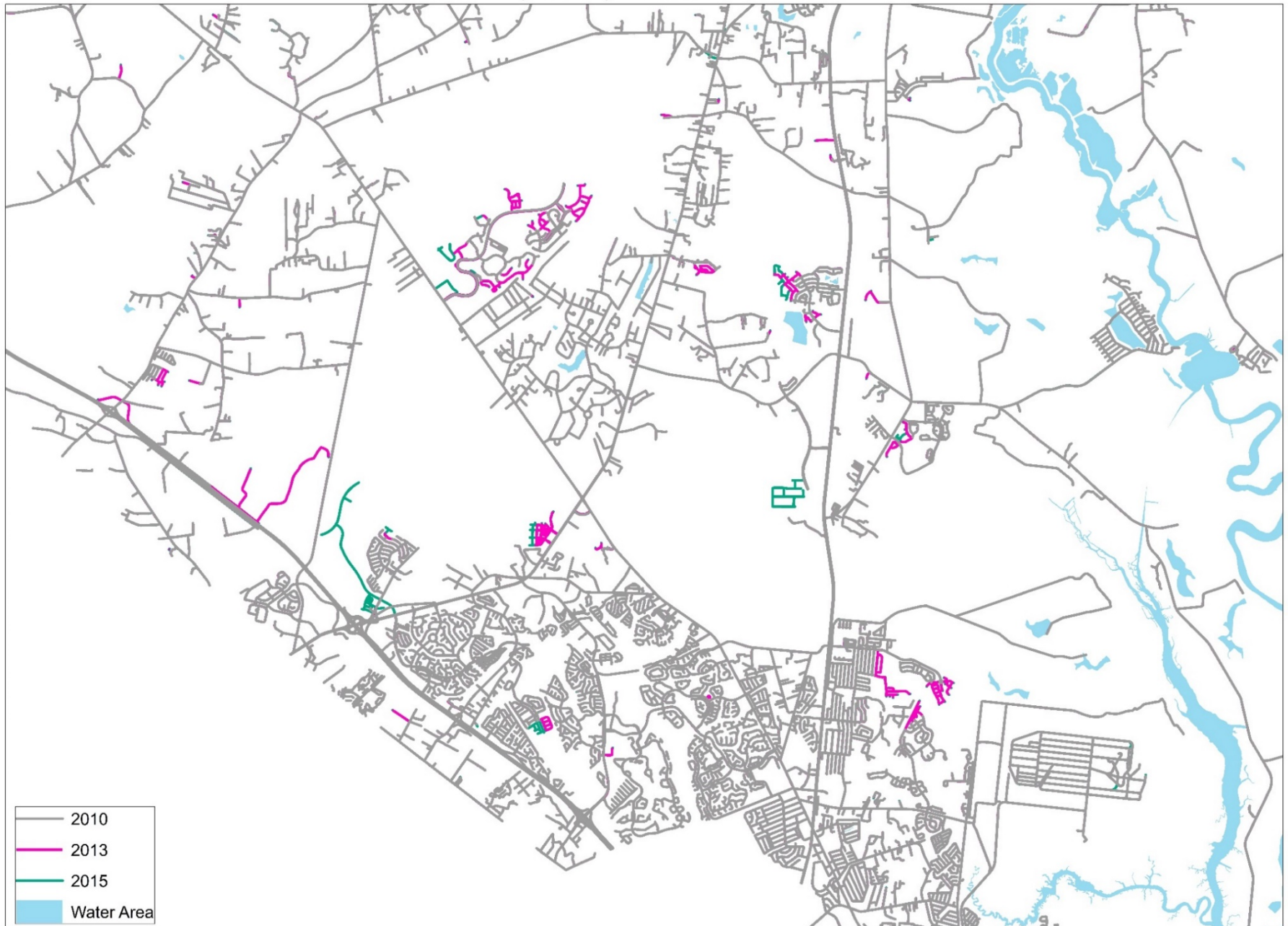
Berkeley County Growth 2010-2018



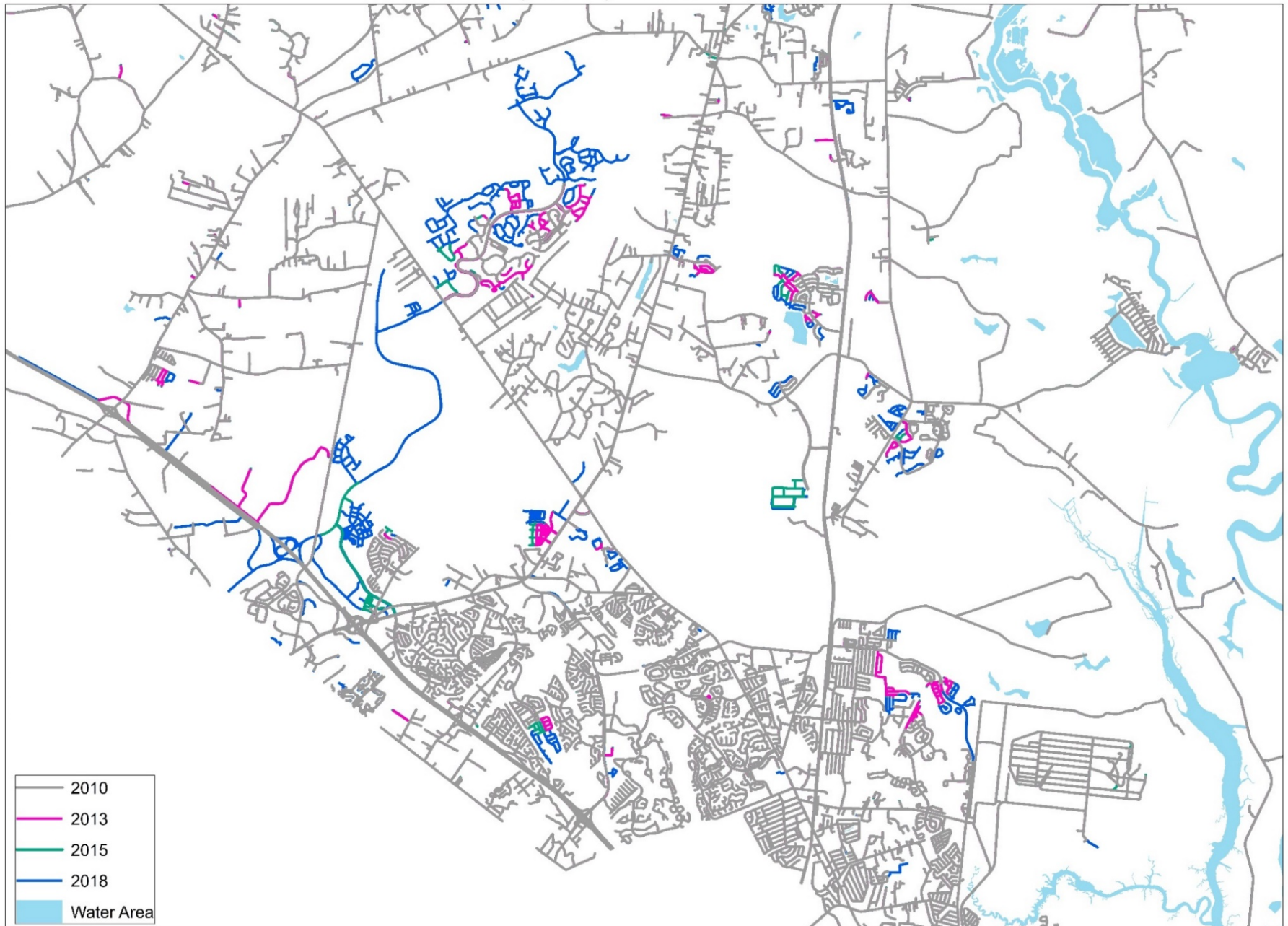
Berkeley County Growth 2010-2018



Berkeley County Growth 2010-2018



Berkeley County Growth 2010-2018



Outlook for 2019

Slower Growth – Uncertainty

- Businesses adopting a “wait and see” approach
- Demand for product vs. labor supply
- Impact of tariffs, interest rates, Brexit, and government shutdown