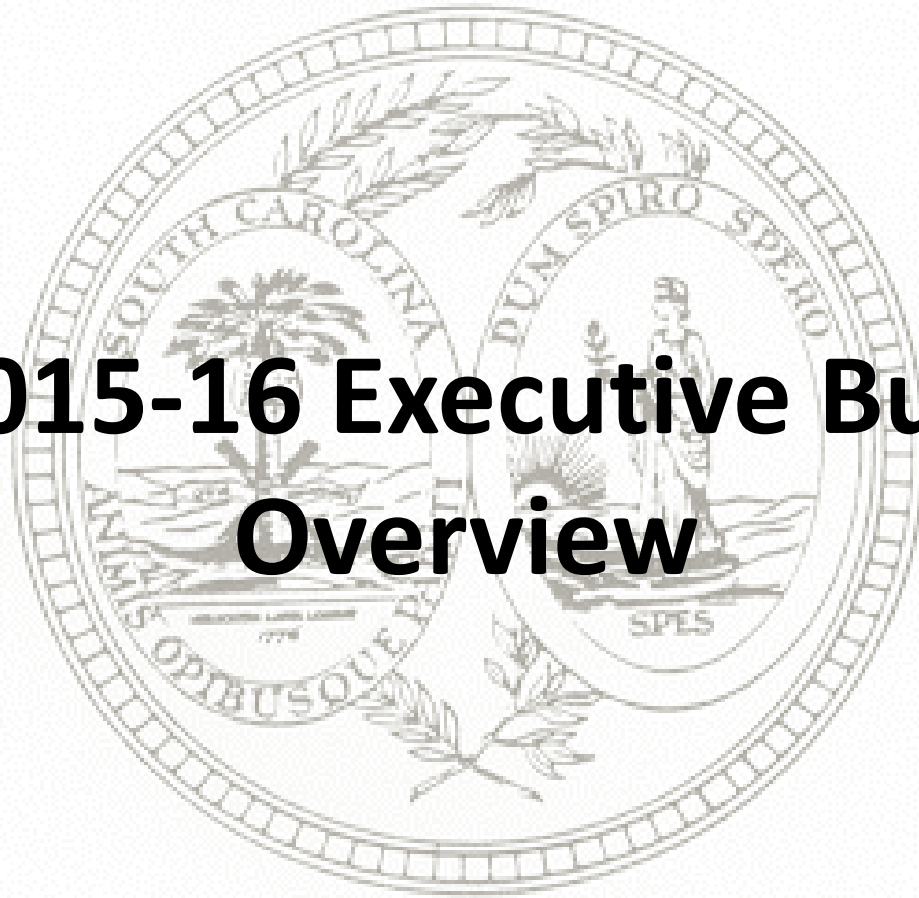


FY 2015-16 Executive Budget Overview



State of South Carolina
Office of the Governor



Headline Numbers

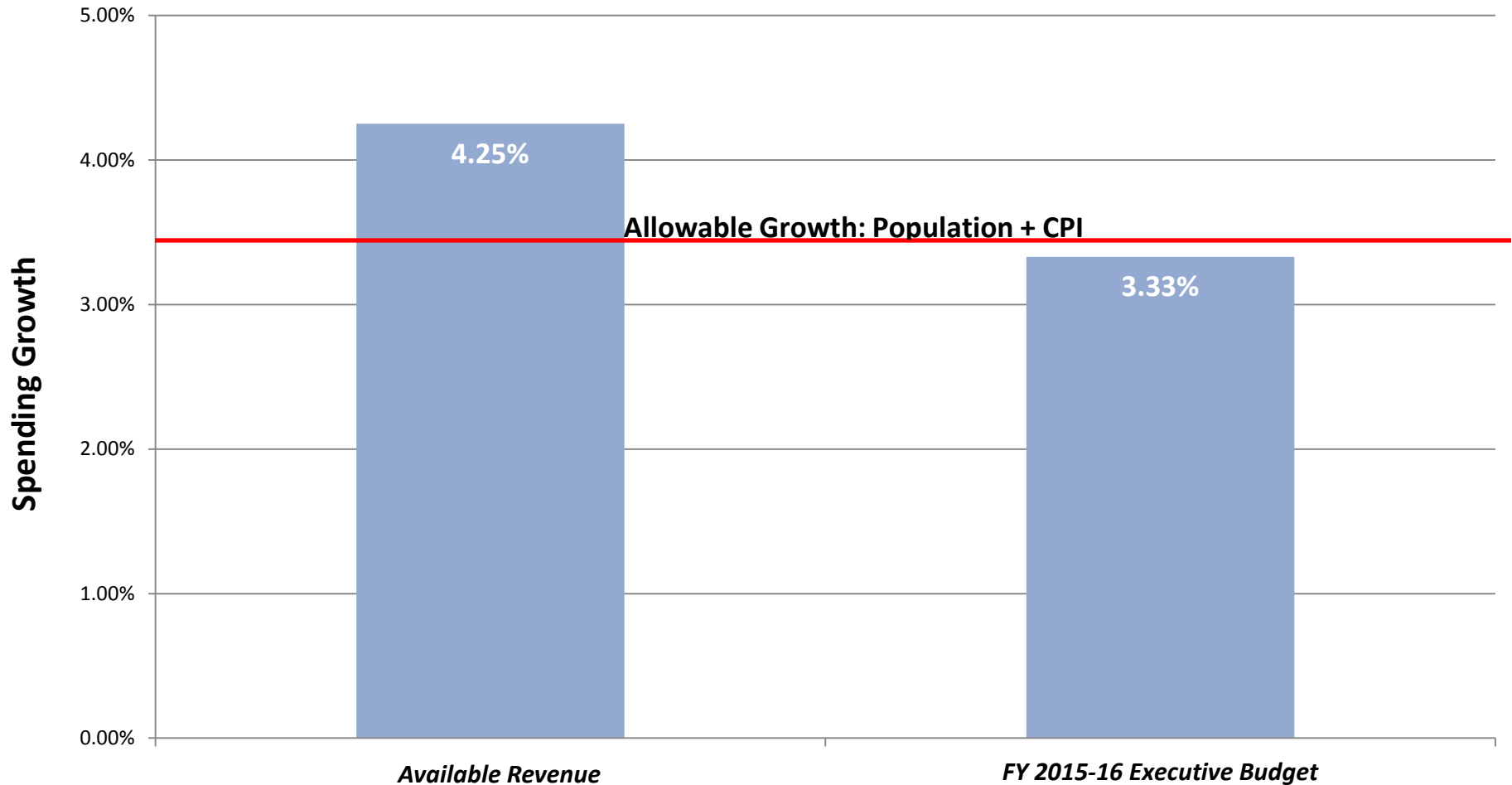


- 3.33% General Fund growth (\$221.7M)
 - 2015-16 \$6.881B
 - 2014-15 \$6.659B after vetoes
- Within spending cap by \$4.1M
 - Spending Cap is 3.39% (Pop + CPI)

Staying Under the Cap



SPENDING WITHIN OUR MEANS



General Fund – Recurring



Amount	Item
\$ 283.1M	Natural revenue growth
\$ (61.4M)	<i>Divert remainder of Motor Vehicle Sales Tax to DOT</i>
\$ 3.9M	<i>Expiration of statutory sales tax exemption</i>
\$ 225.6M	Available for appropriation in FY 2015-16

General Fund – Non-Recurring

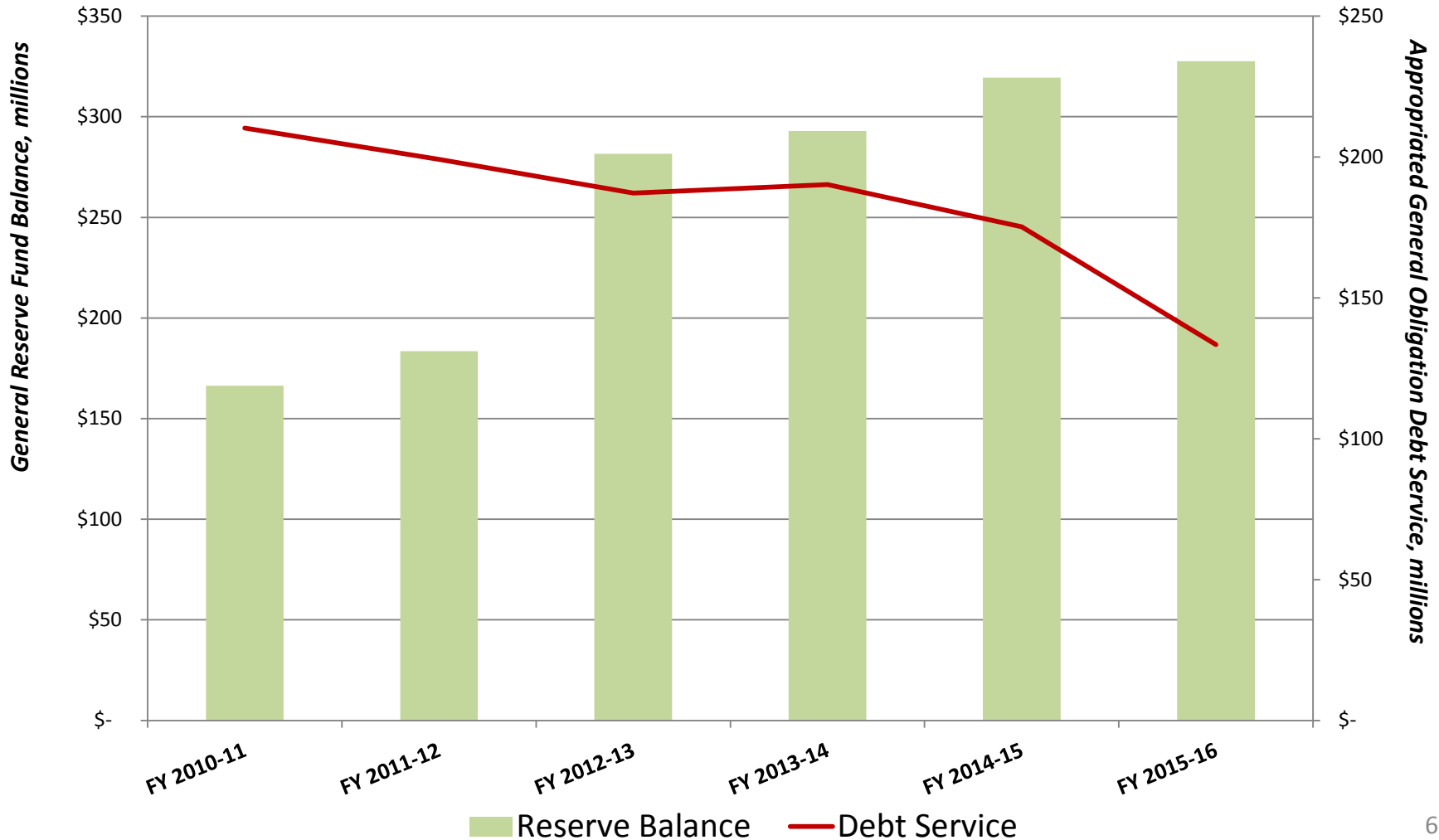


Amount	Item
\$ 19.7M	Surplus transferred to Contingency Reserve Fund
\$ 19.0M	FY 2014-15 surplus projected by BEA
\$ 8.5M	Forced Lapse of V04 – Debt Service Funds
\$ 2.9M	Chi Mei LCD Settlement Proceeds
\$ 50.2M	Available for appropriation in FY 2015-16

General Obligation Debt



HALEY ADMINISTRATION: GROWING RESERVES, DECLINING DEBT



Major Themes



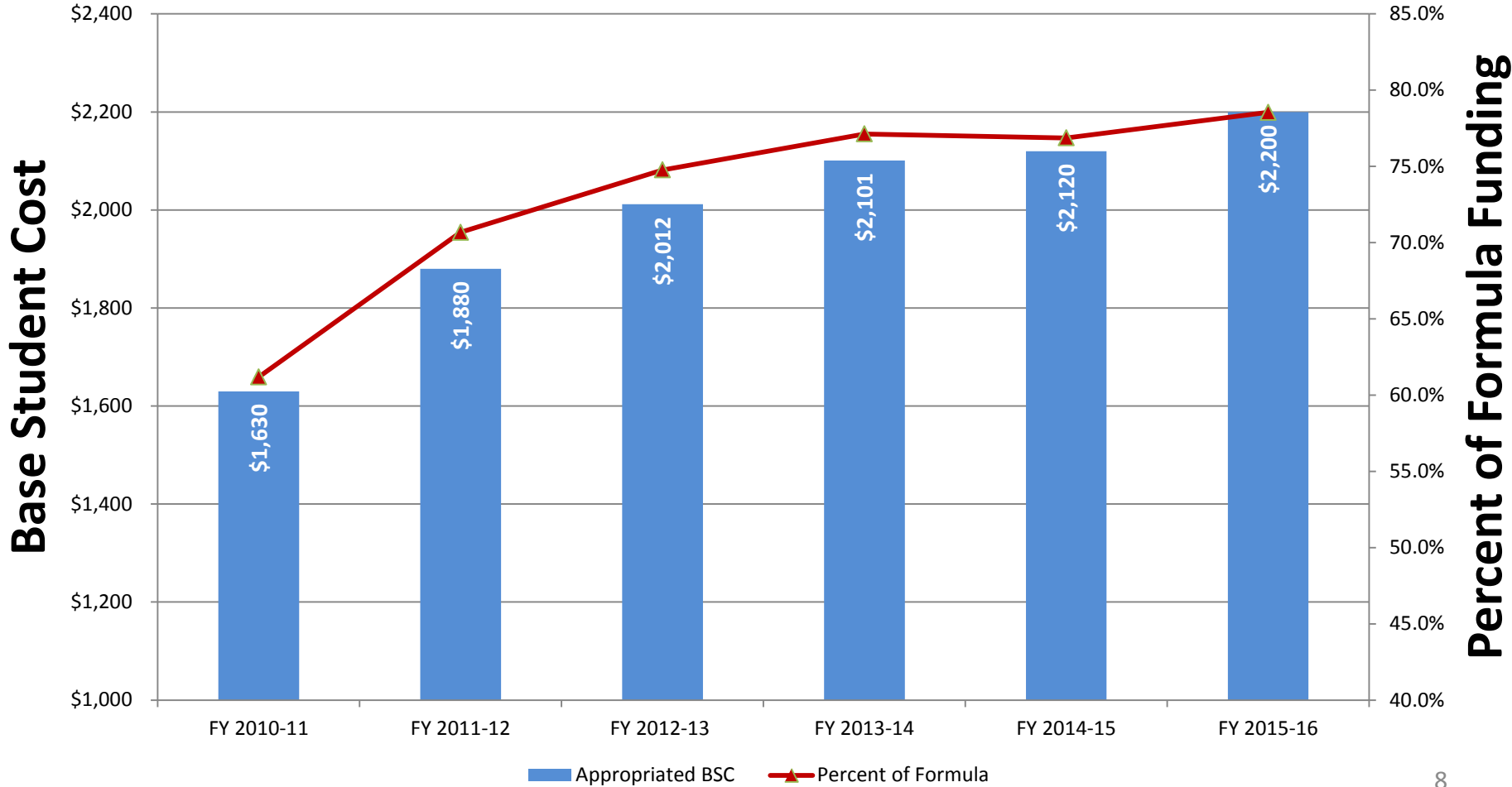
- Educational Success – Year 2
- Social Services Reform
- Building Safe Communities
- Effective and Sustainable Health Services

Fair and Simple Funding



EFA Base Student Cost

FY 2010-11 through FY 2015-16





- Reading Coach Expansion
 - Same 20% “not met” standard
 - \$6.4M to double investment for 30+ students
 - \$3.5M for professional development
- Technology remains in lottery at \$29.3M
- \$4M for technology professional development

Education Cont...



- \$11.8M for Public Charter School Supplement
 - Felton Lab is now an IHE Charter
 - Legacy Charter in Greenville not included
- Emergency Powers Expanded
 - Does not change §59-18-1570
 - Provides for external management/curriculum

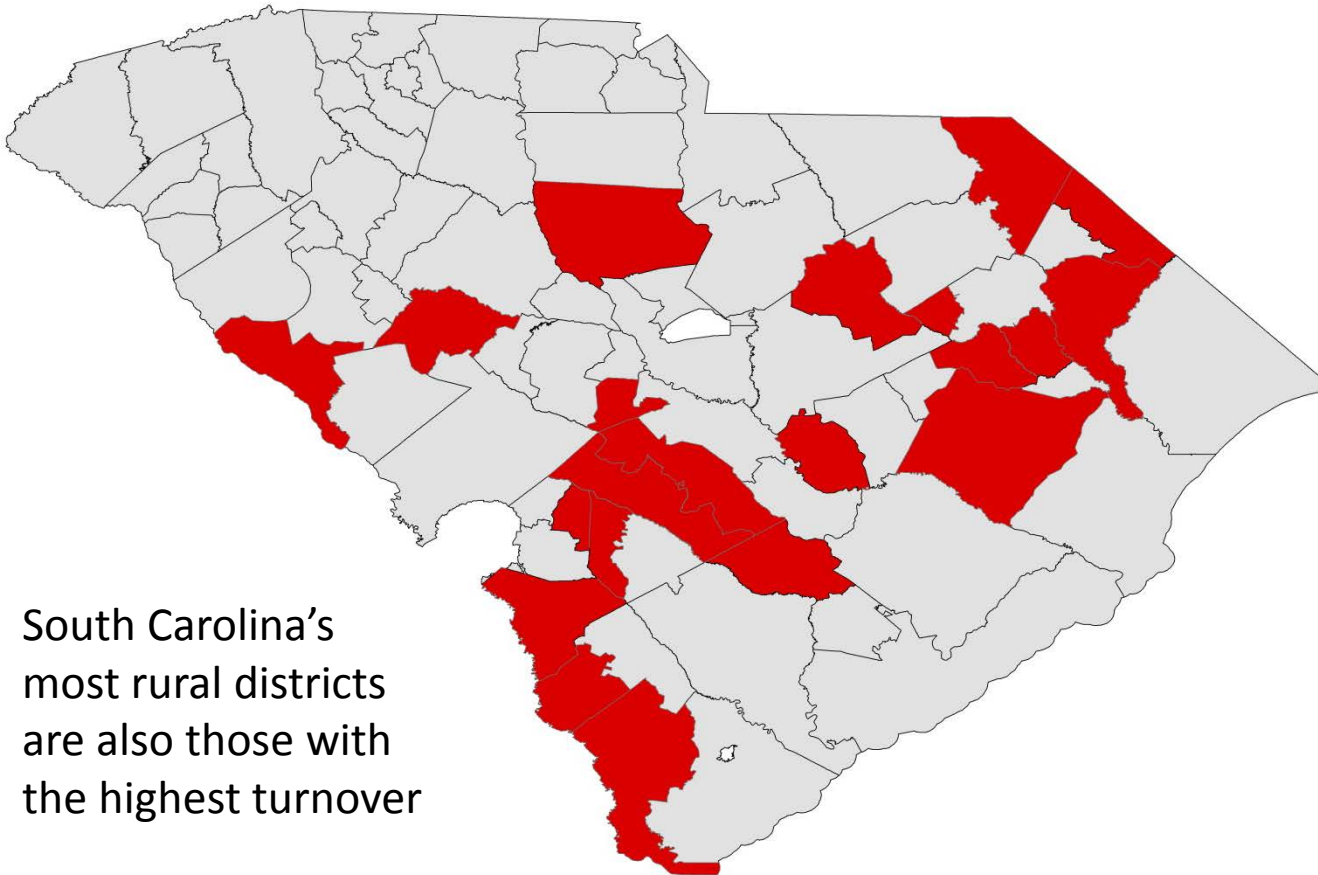
Rural Teacher Initiative



Districts with greater than 12% annual turnover

- Florence 4
- Hampton 2
- Allendale
- McCormick
- Lee
- Clarendon
- Bamberg
- Jasper
- Fairfield
- Florence 3
- Williamsburg
- Marlboro
- Lexington 4
- Orangeburg
- Barnwell 19
- Dorchester 4
- Orangeburg 4
- Dillon 4
- Saluda
- Marion 10
- Florence 2

South Carolina's most rural districts are also those with the highest turnover



Social Services Reform



- Some elements announced this Summer
 - \$3.9M: 200+ caseworkers
 - \$1.4M: 60+ caseworker assistants
 - \$1.8M: 10% pay increase for most human service workers
- Child Protective Service Accountability
 - Establish local fatality advisory committees
 - Additional constituent services staff

Building Safe Communities



\$2.2M Guardian ad Litem program to meet
CASA standards

\$1.6M Circuit Solicitor Support

44 Probation and Parole Agents

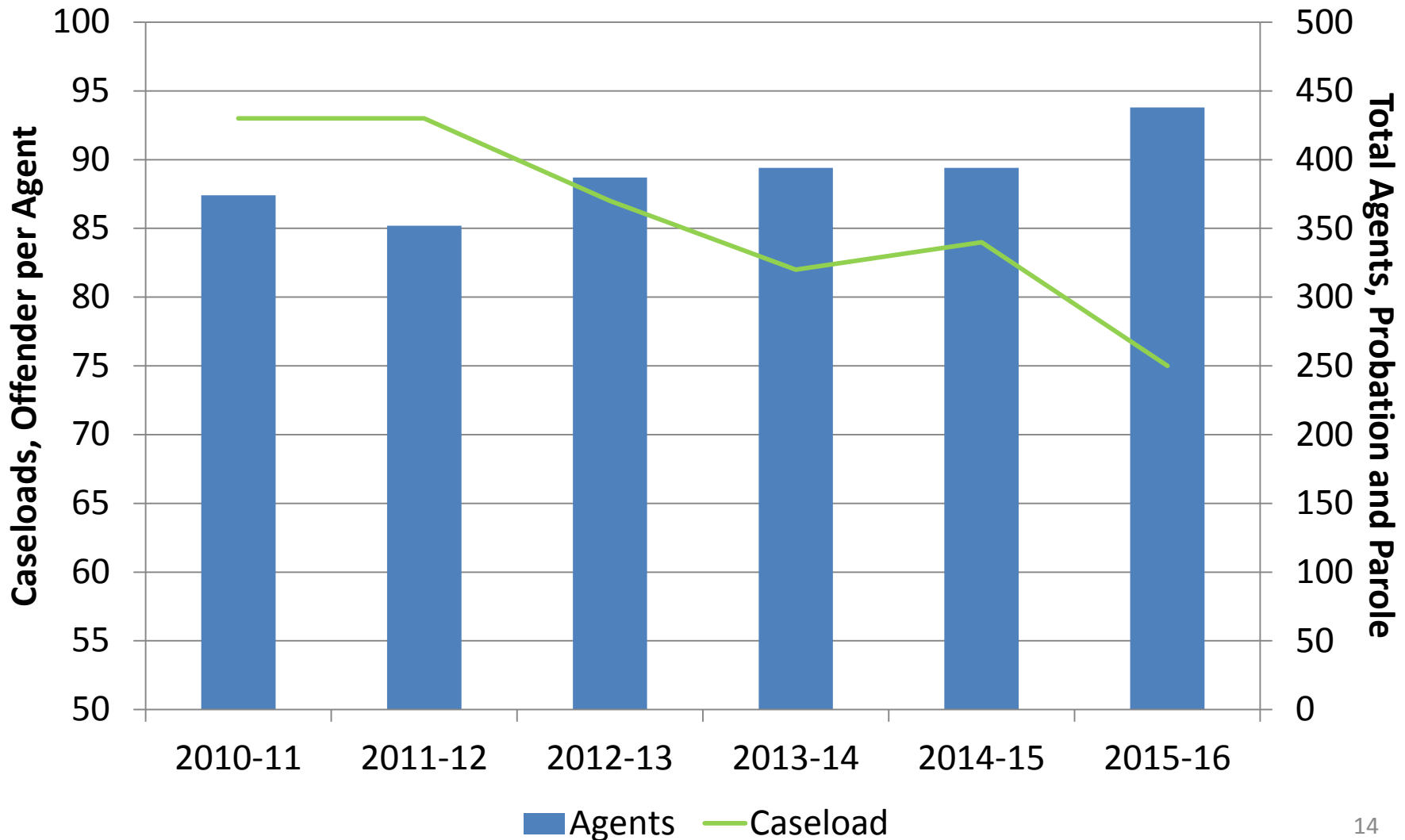
11 SLED Agents: Regional, Arson, SVU,
Forensics

3 Violent and Sex Crimes prosecutors
for Attorney General

Continuing Progress at PPP



Declining Caseloads for Parole Agents



Delivering Health Outcomes



- Sustainability
 - \$43M: Annualize reserve funding and lost revenue
 - \$11M: Natural growth in Medicaid enrollment
 - \$3.4M: Reduce DMH dependence on Medicaid Cost Settlements
 - \$3.0M: COLA increases for DDSN providers
- Initiative Funding
 - \$6.9M: 1,600 Disability Waiver Service Slots
 - \$4.8M: Autism Spectrum Disorder services
 - \$7.8M: Children's Mental Health Funding
 - \$3.2M: DMH Forensic Inpatient Services

Centralize Medicaid Match

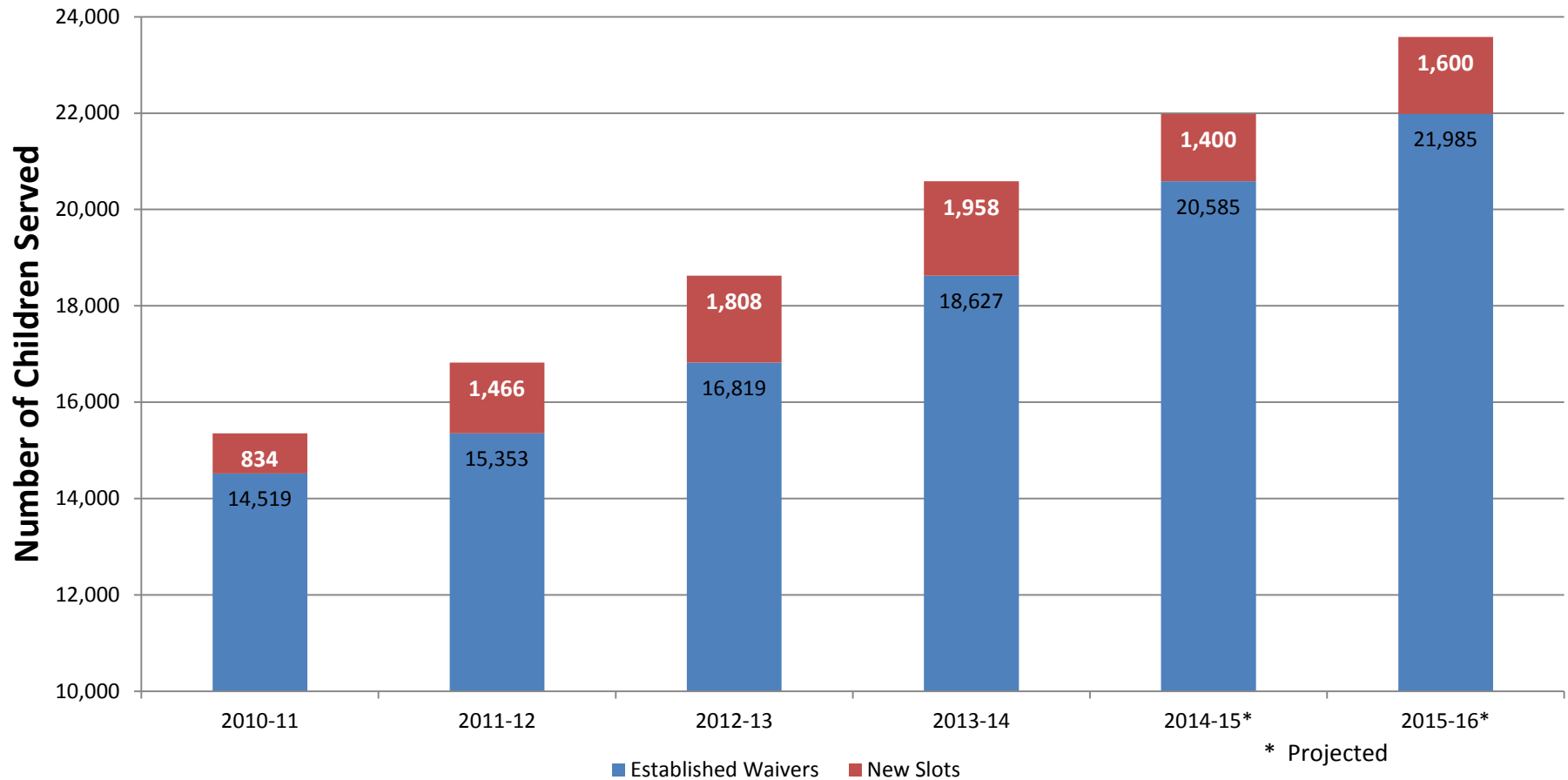


- \$0.3M: Continuum of Care
- \$6.6M: Department of Social Services
- \$ 1: Disabilities and Special Needs
 - Estimated DDSN Match is \$171 million
 - Proviso requires a transfer plan by October 2015

Improving Waiver Slots



Haley Administration: Serving South Carolina's Most Vulnerable Children



Act 121 of 2014 - Restructuring



- Department of Administration
 - OEPP folds into the DOA on July 1, 2015
- Revenue and Fiscal Affairs Office
- State Fiscal Accountability Authority (SFAA)
- Confederate Relic Room and Military Museum
- Other Agencies Receive Pieces
 - Energy Office to Regulatory Staff
 - Statewide Benefits to PEBA
 - Local Government Division to Rural Infrastructure



QUESTIONS?