State of South Carolina
Office of the Comptroller General

1200 Senate Street
305 Wade Hampton Office Building
Columbia, South Carolina 29201

Telephone: (803) 734-2121
Fax: (803) 734-1765
E-Mail: cgoffice@cg.sc.gov

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL

WILLIAM E. GUNN
CHIEF OF STAFF

NEWS RELEASE

Aug. 28, 2013

FOR IMMEDIATE RELEASE

The Books are Closed and the Results are Good

Columbia, S.C. – The state finished the 2013 fiscal year that ended June 30 on a positive note. The state's Rainy Day Fund has increased to $281.6 million, representing 5 percent of the prior year's General Fund revenues. (The S.C. Constitution was amended in 2011 to require that the minimum balance in the Rainy Day Fund be increased over four years from 3 percent of prior year's General Fund revenues to 5 percent in annual increments of 0.5 percent. The state reached this 5 percent level of funding two year's ahead of schedule.) The Capital Reserve account, containing $112.7 million, is also fully funded at 2 percent of prior year's General Fund revenues. In addition, because of surplus revenues, $68.3 million will be available to transfer to the state's Contingency Reserve Fund.

The state General Fund generated tax and fee revenues of $6.4 billion for the year and spent $6.2 billion. In addition to amounts spent, state agencies were allowed to carry over $381.1 million of unspent 2013 appropriations for use in the current fiscal year.

State revenues generated this fiscal year grew by $525.1 million (8.2 percent increase) over prior year's revenues. Yet in spite of improved economic conditions, the state has continuing challenges with funding retirement benefits. It faces funding shortfalls of about $14 billion in its pension benefit plans and $10 billion in its retiree health benefit plan. Renewed focus and commitment will be needed to satisfy these major obligations.

A detailed breakdown of the fiscal 2013 close-out can be found in the accompanying report.

For more information please contact Eric Ward, public information director, at 803-734-2538; 803-206-6293 or eward@cg.sc.gov.

END

State of South Carolina

BUDGETARY HIGHLIGHTS

BUDGETARY GENERAL FUND
Fiscal Year Ended June 30, 2013
(Unaudited)

Factors that produced the fiscal year budgetary surplus:	
Actual revenue over revenue estimates used in Appropriations Act	$ 270,879,197
Agency appropriations that lapsed at year-end	1,166,292
Governor's FY12-13 vetoes that were sustained by General Assembly	1,038,300
"Open-Ended" appropriations	(2,437,072)
Net budgetary surplus available for distribution	**270,646,717**
Distribution of Surplus:	
Supplementally appropriated by FY13-14 Proviso 118.17, net of Governor's vetoes totaling $2,751,286 that were sustained	(158,876,570)
Supplementally appropriated by FY13-14 Act 98	(50,000,000)
Available for transfer to Contingency Reserve Fund as of July 1, 2013....	**$ 61,770,147** [a]

[a] *Effective September 1, 2013, an unappropriated balance of $6,600,000 in the Capital Reserve will lapse to the General Fund and also will be available for transfer to the Contingency Reserve.*

BUDGETARY GENERAL FUND

Changes in Budgetary Fund Balance

Fiscal Year Ended June 30, 2013

(Unaudited)

	General Reserve	Appropriations Carried Forward	Capital Reserve	Contingency Reserve	Unreserved/ Undesignated	Total
Revenues	$ —	$ —	$ —	$ —	$ 6,389,576,248	$ 6,389,576,248
Expenditures	—	—	—	—	(6,199,710,905)	(6,199,710,905)
Transfer to General Reserve per Appropriations Act	98,175,036	—	—	—	(98,175,036)	—
Transfer to Capital Reserve per Appropriations Act	—	—	112,656,555	—	(112,656,555)	—
Transfer to Contingency Reserve per Appropriations Act	—	—	—	379,537,954	(379,537,954)	—
Capital Reserve appropriations	—	—	(104,837,915)	—	5,010,364	(99,827,551)
Contingency Reserve appropriations	—	—	—	(501,871,643)	501,871,643	—
Appropriations:						
Brought forward from last year [a]	—	(165,875,841)	—	—	165,875,841	—
Carried forward to next year [b]	—	381,144,883	—	—	(381,144,883)	—
Net fiscal year changes	98,175,036	215,269,042	7,818,640	(122,333,689)	(108,891,237)	90,037,792
Fund balance–July 1, 2012	183,466,352	165,875,841	104,837,915	122,333,689	379,537,954	956,051,751
Fund balance–June 30, 2013	$ 281,641,388	$ 381,144,883	$ 112,656,555 [c]	$ —	$ 270,646,717 [c]	$ 1,046,089,543

a *These represent current year expenditures that did not require current year appropriations.*

b *These represent current year appropriations that will not be expended until next year.*

c *The June 30, 2013, Capital Reserve balance includes $106,056,555 of agency appropriations and $6,600,000 that lapses to the General Fund unreserved, undesignated fund balance effective September 1, 2013.*

BUDGETARY GENERAL FUND

Revenue Analysis

Fiscal Year Ended June 30, 2013

(Unaudited)

Regular sources:	Estimated Revenue Used in Approp. Act	Actual Revenue	Actual Over (Under) Estimated Revenue	Percent Over (Under)
Individual income tax	$ 2,732,202,909	$ 2,843,945,204	$ 111,742,295	4.09
Corporation income tax	190,365,829	351,080,053	160,714,224	84.42
Retail and casual sales tax	2,466,430,613	2,448,348,202	(18,082,411)	(0.73)
Total income and sales taxes	5,388,999,351	5,643,373,459	254,374,108	4.72
Admissions tax	27,803,724	28,492,643	688,919	2.48
Aircraft tax	4,014,377	4,404,948	390,571	9.73
Alcoholic liquors tax	62,138,620	64,062,481	1,923,861	3.10
Bank tax	16,639,978	34,104,685	17,464,707	104.96
Beer and wine tax	105,547,794	100,542,813	(5,004,981)	(4.74)
Business license (tobacco) tax	23,811,376	27,677,135	3,865,759	16.23
Coin-operated device tax	1,746,052	1,402,113	(343,939)	(19.70)
Corporation license tax	94,479,543	74,208,001	(20,271,542)	(21.46)
Departmental revenue	36,590,056	54,401,731	17,811,675	48.68
Documentary (deed stamp) tax	22,571,698	28,992,878	6,421,180	28.45
Earned on investments	29,000,000	26,374,158	(2,625,842)	(9.05)
Insurance tax	196,999,264	200,995,342	3,996,078	2.03
Motor vehicle licenses	15,980,088	9,639,310	(6,340,778)	(39.68)
Private car lines tax	4,092,317	3,638,486	(453,831)	(11.09)
Excess earnings from Public Service Authority	19,792,150	20,473,492	681,342	3.44
Retailers' license tax	966,428	810,225	(156,203)	(16.16)
Savings and Loan Association tax	1,811,348	3,074,066	1,262,718	69.71
Workers' Compensation insurance tax	12,025,746	11,543,478	(482,268)	(4.01)
Total regular sources	6,065,009,910	6,338,211,444	273,201,534	4.50
Miscellaneous sources:				
Circuit and family court fines	9,951,395	8,537,814	(1,413,581)	(14.20)
Debt service reimbursements	112,780	491,081	378,301	335.43
Indirect cost recoveries	11,061,222	10,046,036	(1,015,186)	(9.18)
Nonrecurring revenue	14,168,936	13,897,065	(271,871)	(1.92)
Parole and probation supervision fees	3,392,808	3,392,808	----	----
Unclaimed property fund transfers	15,000,000	15,000,000	----	----
Total miscellaneous sources	53,687,141	51,364,804	(2,322,337)	(4.33)
Total	$ 6,118,697,051	$ 6,389,576,248	$ 270,879,197	4.43

BUDGETARY GENERAL FUND

Appropriations and Expenditures

Fiscal Year Ended June 30, 2013

(Unaudited)

Expenditures by Function	Appropriations Per Act	Adjusted Authorizations	Disposition of Adjusted Authorizations: Expenditures	Disposition of Adjusted Authorizations: Appropriations Carried Forward to 2014	Disposition of Adjusted Authorizations: Lapsed
Health and Human Services	$ 1,093,753,004	$ 1,142,999,576	$ 910,434,044	$ 232,565,532	$ —
House of Representatives	21,279,788	31,323,175	15,129,560	16,193,615	—
Education	2,119,081,545	2,231,709,645	2,215,951,550	15,758,095	—
Budget and Control Board	172,162,626	59,936,110	46,321,309	13,614,801	—
Governor's Office	41,922,007	55,164,469	44,141,646	10,822,131	200,692
Corrections	357,161,299	387,171,274	377,142,394	10,028,880	—
Debt Service	187,229,698	199,352,146	189,489,410	9,862,736	—
Commerce	25,409,228	38,255,818	28,988,027	9,267,791	—
Health and Environmental Control	93,647,984	102,836,410	95,393,531	7,442,879	—
Stand-alone Schools	26,182,351	30,975,276	23,644,183	7,172,088	159,005
Senate	12,564,177	18,275,191	11,812,600	6,462,591	—
Social Services	119,895,834	124,722,085	119,961,540	4,760,545	—
Parks, Recreation and Tourism	29,651,597	32,053,875	27,439,343	4,614,532	—
Revenue	41,666,698	46,744,358	42,839,185	3,905,173	—
Rural Infrastructure Authority	—	5,144,320	1,912,513	3,231,807	—
Juvenile Justice	90,126,541	94,995,750	92,306,456	2,689,294	—
Forestry Commission	12,432,480	16,424,499	13,941,683	2,482,816	—
Public Safety	67,855,207	78,535,244	76,126,199	2,409,045	—
Disabilities and Special Needs	174,402,648	185,067,241	182,834,290	2,232,951	—
Higher Education	594,940,870	646,484,590	644,309,232	2,175,358	—
Adjutant General	4,864,006	6,757,262	4,771,703	1,985,559	—
Attorney General	7,378,976	8,680,559	6,859,215	1,821,344	—
Probation, Parole, and Pardon	20,951,060	23,518,726	21,766,541	1,752,185	—
Legislative Support Agencies	9,896,683	10,851,181	9,407,725	1,443,456	—
Lieutenant Governor	6,558,102	6,833,022	5,390,718	1,442,304	—
Natural Resources	15,754,782	18,578,233	17,728,147	850,086	—
Judicial Department	43,486,162	45,413,454	44,632,218	781,236	—
Transportation	57,270	1,302,939	653,592	649,347	—
Prosecution Coordination Commission	11,553,409	12,088,166	11,493,449	594,717	—
Election Commission	4,541,699	5,337,551	4,966,925	370,626	—
Commission on Indigent Defense	17,812,898	18,151,907	17,853,776	298,131	—
Archives and History	2,200,936	2,308,766	2,031,893	244,899	31,974
Commission for Blind	2,468,925	2,733,827	2,506,364	227,463	—
Comptroller General	2,015,196	2,343,134	2,141,804	201,330	—
Administrative Law Court	1,875,524	2,124,972	1,937,420	187,552	—
Human Affairs Commission	1,260,524	1,415,517	1,141,050	130,938	143,529
Law Enforcement Training Council	1,182,966	1,219,079	1,100,113	118,966	—
Aeronautics	1,091,461	1,163,307	1,069,503	93,804	—
Alcohol and Other Drug Abuse Services	6,255,633	6,521,315	6,436,795	84,520	—
Sea Grant Consortium	428,223	444,994	397,230	44,499	3,265
Mental Health	151,669,318	154,824,627	154,780,281	44,346	—
State Library	8,802,743	8,850,872	8,809,554	41,318	—
Consumer Affairs	697,382	718,026	702,316	15,710	—
State Ethics Commission	286,898	323,007	309,259	13,748	—
Museum Commission	2,748,744	2,772,922	2,766,118	6,804	—
Procurement Review Panel	111,930	121,057	114,883	6,174	—
Secretary of State	830,494	862,109	861,011	1,098	—
Arts Commission	1,937,598	1,987,774	1,987,736	38	—
Agriculture	4,900,150	5,014,318	5,014,293	25	—
Aid to Local Government	308,531,494	340,820,829	340,193,002	—	627,827
Ports Authority	—	300,000,000	300,000,000	—	—
Employment and Workforce	31,138,844	34,162,786	34,162,786	—	—
Vocational Rehabilitation	12,184,005	13,711,512	13,711,512	—	—
Insurance	3,557,339	3,692,274	3,692,274	—	—
State Treasurer	1,532,797	2,663,461	2,663,461	—	—
SC Conservation Bank	—	2,000,000	2,000,000	—	—
Workers' Compensation Commission	1,763,619	1,843,376	1,843,376	—	—
Labor, Licensing and Regulation	1,246,103	1,298,531	1,298,531	—	—
Commission for Minority Affairs	378,678	395,636	395,636	—	—
Total	**$ 5,975,318,153** *	**$ 6,582,022,080**	**$ 6,199,710,905**	**$ 381,144,883**	**$ 1,166,292**

** The Appropriations per Act column of $5,975,318,153 does not include Capital Reserve appropriations of $112,656,555. The General Fund recapitulation in the FY12-13 Appropriations Act shows these two amounts combined for a total of $6,087,974,708.*

BUDGETARY GENERAL FUND

Appropriations Carried Forward to FY13–14

Fiscal Year Ended June 30, 2013

(Unaudited)

	Total Carried Forward	Special Carry-Forwards[a]	General Carry-Forwards[b]
Health and Human Services	$ 232,565,532	$ 231,864,895	$ 700,637
House of Representatives	16,193,615	16,193,615	—
Education	15,758,095	9,933,188	5,824,907
Budget and Control Board	13,614,801	11,533,100	2,081,701
Governor's Office	10,822,131	7,807,858	3,014,273
Corrections	10,028,880	983,005	9,045,875
Debt Service	9,862,736	9,862,736	—
Commerce	9,267,791	8,599,698	668,093
Health and Environmental Control	7,442,879	3,822,061	3,620,818
Stand-alone Schools	7,172,088	5,568,864	1,603,224
Senate	6,462,591	6,462,591	—
Social Services	4,760,545	454,992	4,305,553
Parks, Recreation and Tourism	4,614,532	2,469,229	2,145,303
Revenue	3,905,173	—	3,905,173
Rural Infrastructure Authority	3,231,807	3,231,807	—
Juvenile Justice	2,689,294	149,181	2,540,113
Forestry Commission	2,482,816	2,165,925	316,891
Public Safety	2,409,045	973,611	1,435,434
Disabilities and Special Needs	2,232,951	—	2,232,951
Higher Education	2,175,358	1,560,856	614,502
Adjutant General	1,985,559	1,752,831	232,728
Attorney General	1,821,344	1,820,227	1,117
Probation, Parole and Pardon	1,752,185	647,898	1,104,287
Legislative Support Agencies	1,443,456	1,443,456	—
Lieutenant Governor	1,442,304	1,025,972	416,332
Natural Resources	850,086	845,350	4,736
Judicial Department	781,236	781,236	—
Transportation	649,347	649,347	—
Prosecution Coordination Commission	594,717	—	594,717
Election Commission	370,626	223,890	146,736
Commission on Indigent Defense	298,131	—	298,131
Archives and History	244,899	18,345	226,554
Commission for Blind	227,463	—	227,463
Comptroller General	201,330	—	201,330
Administrative Law Court	187,552	—	187,552
Human Affairs Commission	130,938	—	130,938
Law Enforcement Training Council	118,966	—	118,966
Aeronautics	93,804	20,449	73,355
Alcohol and Other Drug Abuse Services	84,520	—	84,520
Sea Grant Consortium	44,499	—	44,499
Mental Health	44,346	44,263	83
State Library	41,318	—	41,318
Consumer Affairs	15,710	—	15,710
State Ethics Commission	13,748	—	13,748
Museum Commission	6,804	6,419	385
Procurement Review Panel	6,174	—	6,174
Secretary of State	1,098	—	1,098
Arts Commission	38	—	38
Agriculture	25	—	25
Total	$ 381,144,883	$ 332,916,895	$ 48,227,988

[a] *Provisos contained within Part 1B of the FY12-13 Appropriations Act allowed certain agencies to carry forward specific appropriation balances to FY13-14 for expenditure.*

[b] *Proviso 117.24 of the FY13-14 Appropriations Act allows agencies to carry forward up to ten percent of original appropriations reduced by special carryforwards (as defined).*

BUDGETARY GENERAL FUND

Open-Ended Appropriations

Fiscal Year Ended June 30, 2013

(Unaudited)

Agency Name	Description	Amount
Aid to Subdivisions–State Treasurer.....	Aid to Fire Districts - Formula Funding Shortfall	$ 241,384
Aid to Subdivisions–Department of Revenue.....	Aid to Counties - Homestead Exemption Shortfall	1,749,448
Aid to Subdivisions–State Treasurer.....	Aid to Counties - Mini Bottle Hold-Harmless	395,249
Budget and Control Board-Employee Benefits.....	Workers' Compensation Insurance	50,991
Total Open-Ended Appropriations [1]		**$ 2,437,072**

[1] *"Open-ended" appropriations* result either from Legislative commitments to fund certain budgetary items without providing sufficient appropriations to fully fund them or to cover an agency's budgetary deficit provided that it is approved by Budget and Control Board action. In either of these instances, the State uses year-end budgetary surpluses to fund appropriation shortfalls.

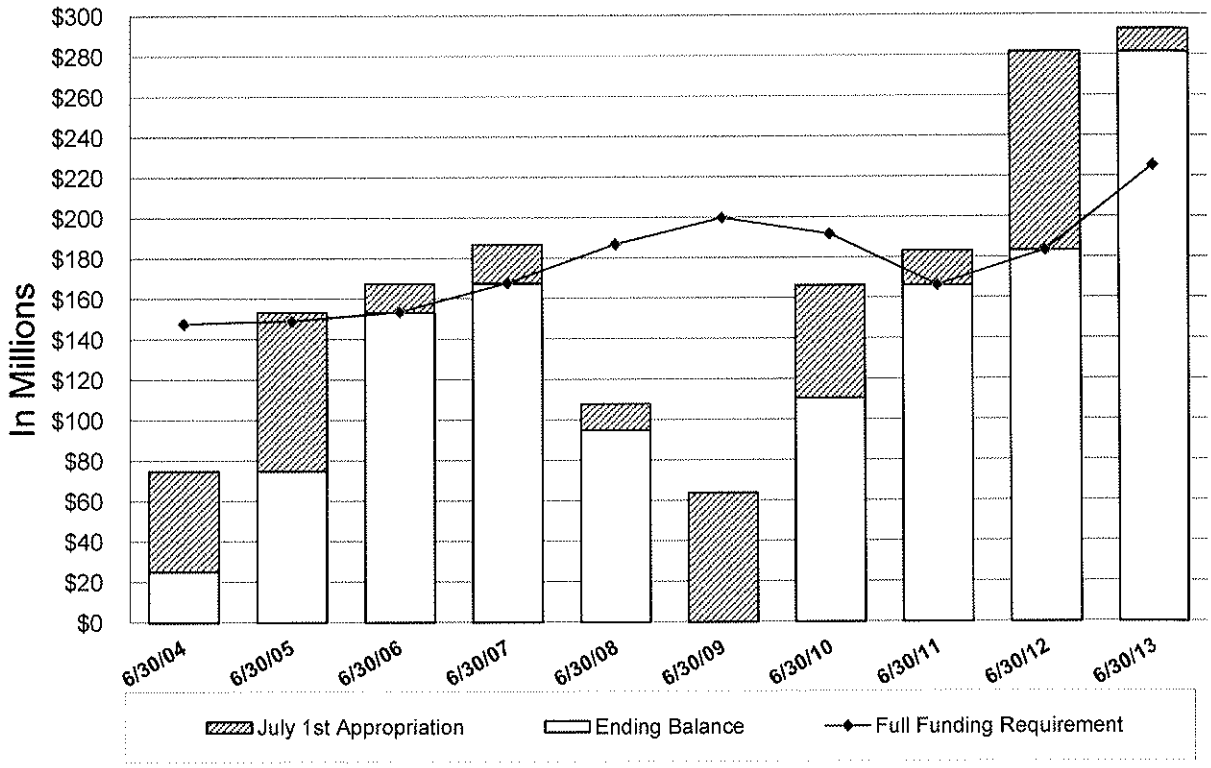
BUDGETARY GENERAL FUND

General Reserve

Fiscal Years Ended June 30
(Unaudited)

Year	Beginning Balance	Net Additions (Reductions)	Ending Balance	Full Funding Requirement	Over (Under) Funded	July 1st Appropriation[a]
2004	$ —	$ 25,154,528	$ 25,154,528	$ 147,707,970	$ (122,553,442)	$ 50,000,000
2005	25,154,528	50,000,000	75,154,528	149,034,038	(73,879,510)	78,333,866
2006	75,154,528	78,333,866	153,488,394	153,488,394	—	14,243,425
2007	153,488,394	14,243,425	167,731,819	167,731,819	—	19,048,978
2008	167,731,819	(72,609,202)	95,122,617	186,780,797	(91,658,180)	12,974,290
2009	95,122,617	(95,122,617)	—	199,755,087	(199,755,087)	63,923,944
2010	—	110,883,455	110,883,455	191,771,831	(80,888,376)	55,441,728
2011	110,883,455	55,441,728	166,325,183	166,325,183	—	17,141,169
2012	166,325,183	17,141,169	183,466,352	183,466,352	—	98,175,036
2013	183,466,352	98,175,036	281,641,388	225,313,110	56,328,278	11,248,376

[a] *Ending balances in table above do not reflect payments made on July 1 of any succeeding year as a result of appropriations to the General Reserve Fund. The graph below shows balances in the General Reserve Fund that include these July 1 appropriations (cross-checked portion of columns). The minimum balance for the General Reserve Fund required by the S.C. Constitution increased in FY 2012-2013 from 3.5% to 4% of the prior year's general fund revenues. This increase is a part of a phased-in annual 0.5% increase over a four-year period which began in FY 2011-2012. The FY 2013-2014 Appropriations Act includes an appropriation of $11,248,376 to fund the General Reserve Fund at its 5% minimum balance in FY 2013-2014, two years ahead of the phase-in schedule.*



BUDGETARY GENERAL FUND

Capital Reserve

Fiscal Years Ended June 30
(Unaudited)

Year	Beginning Balance	Appropriation	Amount Applied Against Revenue Shortfall	Used for Supplemental Appropriations	Ending Balance	Full Funding Requirement
2004	$ —	$ 98,599,197	$ (98,599,197)	$ —	$ —	$ 98,599,197
2005	—	99,356,026	—	—	99,356,026	99,356,026
2006	99,356,026	102,325,596	—	(99,356,026)	102,325,596	102,325,596
2007	102,325,596	111,821,213	—	(102,325,596)	111,821,213	111,821,213
2008	111,821,213	124,520,532	(124,520,532)	(111,821,213)	—	124,520,532
2009	—	133,170,058	(133,170,058)	—	—	133,170,058
2010	—	127,847,888	(127,847,888)	—	—	127,847,888
2011	—	110,883,455	—	—	110,883,455	110,883,445
2012	110,883,455	104,837,915	—	(110,883,455)	104,837,915	104,837,915
2013	104,837,915	112,656,555	—	(104,837,915)	112,656,555 [a]	112,656,555

[a] *The June 30, 2013, Capital Reserve balance includes $106,056,555 of agency appropriations and $6,600,000 that lapses to the General Fund unreserved, undesignated fund balance effective September 1, 2013.*

