

From: Chad Walldorf <[chad@eightysixllc.com](mailto:chad@eightysixllc.com)>  
To: Soura, ChristianChristianSoura@gov.sc.gov  
Date: 6/13/2013 5:10:20 PM  
Subject: Fwd: Hi Chad,

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FYI, see below.

We may have a bigger surplus for you to start with in next years budget...nothing like using one-time money to fill recurring holes in Medicaid funding if you aren't planning on being around to do the following years budget!

That being said, I'm still quite worried (having done it myself) that lots of one time capital gains were forward-loaded into 2012 that we won't see next year.

Begin forwarded message:

From: "Rainwater, Frank" <[Frank.Rainwater@ors.sc.gov](mailto:Frank.Rainwater@ors.sc.gov)>  
Date: June 13, 2013, 1:57:20 PM EDT  
To: Chad Walldorf <[chad@eightysixllc.com](mailto:chad@eightysixllc.com)>  
Subject: RE: Hi Chad,

Thanks Chad,

Actually 8:45 works best for me; I'll be at my desk then. The conference committee may be meeting in the afternoon, so it would be good to talk to you first.

On the study,

- We have made a few grammatical and formatting edits, but no substantive changes;
- I would especially like to know if the intro referencing you and the Gov's Office is okay;
- While we are excited about the report, I was not going to put it on our webpage until either you said okay or y'all make it public and we get asked for a copy; just let me know how y'all like to proceed.

On the monthly revenue,

- We will be sending our first briefing packet to all tomorrow.
- Overall, revenues, especially Paid with returns, came in stronger (DOR didn't get it all in in Apr). At the present time, our "surplus" has increased from the \$34 million last month to about \$70 million (or more if you take most optimistic scenario from each staff)
- I have talked to the legislative budget staffs and have given them a head's up that while we may not change the forecast, the final surplus discussed last meeting of \$34 million looks to be low at this time; I thought you might want to share this with the Gov's Office too as the budget prioritization and negotiations continue.
- Still no reason to change the FY 15 estimate – sales and withholdings continue to lag; corporate income and individual paid with returns are carrying the day and may not repeat.

Yes, Don came by on Tuesday and shared his news ... good for him but sad for us.

Also, I did a show for Carolina Business Review last week and Chris Williams said to tell you hello. I think the shows air tomorrow in Charlotte and next week in SC (our group discussed the first six months of the economy in SC and NC, though Chris did bring up some other issues on which I hoped I stayed neutral).

Let me know if there is anything else ... talk to you in the morning,

Frank

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From: Chad Walldorf [<mailto:chad@eightysixllc.com>]

Sent: Thursday, June 13, 2013 1:16 PM

To: Rainwater, Frank

Subject: RE: Hi Chad,

Or if not then I'm actually wide open from 12:30-4 tomorrow if that's better and won't interfere with the conference committee meeting.

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From: Chad Walldorf

Sent: Thursday, June 13, 2013 12:42 PM

To: 'Rainwater, Frank'

Subject: RE: Hi Chad,

I apologize as I've been meaning to reach out to you to discuss the incentives report (which is very well done, btw) for a week now and keep getting bogged down in other items.

Any chance you are available about 8:45 tomorrow AM? I am driving to pick up my daughter at camp on Seabrook so will have some time then if that works for you. I do want to wait until we talk (and it might be easiest to do in person before or after our meeting next week) about a couple of thoughts before we circulate the report...nothing major at all...just some potential tweaks.

I assume that Don has told you he's leaving us which I'm obviously sad to see as he brought lots of institutional memory and wisdom to the table – he will certainly be missed.

Again, sorry to have not circled back with you on the report yet,

Chad

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From: Rainwater, Frank [<mailto:Frank.Rainwater@ors.sc.gov>]

Sent: Thursday, June 13, 2013 11:43 AM

To: Chad Walldorf

Subject: Hi Chad,

Hi Chad,

I'd like to touch base with you a couple of items. If you could call later today or Friday, I'd appreciate it. Just let me know what time is best for you and I'll be available. The budget conference committee is meeting Friday, but I can step out of that to talk.

Hope all is well.

Frank