

MINUTES OF

Budget and

Control Board

Meeting

December 4, 1978

MINUTES OF BUDGET AND CONTROL BOARD MEETING

DECEMBER 4, 1978

POLL

Executive Director William T. Putnam on this date completed a poll of all Budget and Control Board members begun on November 27 relating to a proposed policy statement on Board recommendations for 1979-80 personnel funding.

The policy statement, which was approved unanimously by the members, expresses the Board's endorsement of President Carter's efforts to stem inflation and its intention to recommend that federal guidelines be followed in granting pay increases to State employees for fiscal year 1979-80. The statement also indicated the Board's intention to recommend a 6% cost-of-living increase and a continuation of the compensation plan at the present level as provided in the 1978-79 General Appropriation Act and to notify the General Assembly that additional information and recommendations will be submitted on this issue as soon as an allowable funding level can be firmly established.

A copy of the referenced policy statement has been retained in these files and is identified as Exhibit I.

EXHIBIT I
12/4/78

BUDGET AND CONTROL BOARD

POLICY STATEMENT

1979-80 PERSONNEL FUNDING RECOMMENDATIONS

The Budget and Control Board endorses the President's efforts to stem inflation and has every intention of recommending that the Federal Guidelines be followed in granting pay increases to State employees for fiscal year 1979-80. However, because of the complexities of the wage program and the many questions to be answered, the Board finds that it would be impossible to resolve all such questions within a time frame which would permit a timely Budget Report to the General Assembly.

Previously, based upon information available at the time, the Budget and Control Board had agreed to include in its budget recommendations a six percent (6%) cost-of-living increase and a continuation of the compensation plan at the present level as provided in the 1978-79 General Appropriation Act. It now appears that this level of funding may exceed the President's Guidelines but the exact amount of such excess, if one in fact exists, cannot be determined without a substantial amount of additional information and without specific rulings pertaining to the situation as exists with employees of the State of South Carolina. Therefore, it is the intention of the Budget and Control Board to submit to the General Assembly a recommendation containing total funds as previously approved with notification that additional information and recommendations will be submitted as soon as questions can be resolved to establish an allowable funding level.

The Budget and Control Board has instructed its staff to continue working with the appropriate Federal officials in the hope that a firm recommendation will be available to the General Assembly when it convenes during the month of January, 1979.

Policy Statement
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The Budget and Control Board has unanimously agreed to recommend to the General Assembly that any surplus funds, whether generated through reduction of allowable pay increases or from other sources, be utilized to grant some degree of relief from the sales tax on electricity which is purchased by residential users.

WTP:sc
12/4/78

THE END