

South Carolina Department of Agriculture

FY 2024-25 Budget Hearing

Agency Attendees

- Hugh E. Weathers, Commissioner of Agriculture
- Clint Leach, Assistant Commissioner for External Affairs and Economic Development
- Derek Underwood, Assistant Commissioner for Consumer Protection
- Aaron Wood, Assistant Commissioner for Agency Operations

Relevant Information

- **S.399 moves the following programs to SCDA:**
 - Retail Food Protection (Restaurants, Caterers, Retail Meat and Seafood Markets, Institutional Food Service including school cafeterias and central kitchens).
 - Home-Based Food Production (Cottage Foods).
 - Milk Inspection, Milk Laboratory.
 - Manufactured Foods (Dairy, Soft Drinks, Bottled Water, and Ice).
- **115 positions (113 FTE, 1 TG, 1 Temp).**
 - Employees must be on-boarded, learn SCDA operations, and integrated into our culture.
- **Approximately 100 vehicles.**
- **No new state space.**
- **Much greater efficiency; we will do much more with the same # of employees.**

Recurring Budget Requests

- **\$926,000: Direct Costs of DHEC Food Protection Restructuring.**
 - 65 vehicles to be leased from State Fleet.
 - Telematics, emergency kits.
 - \$300,000 in lost revenue from FDA.
- **\$606,000: Technology Efficiency Infrastructure.**
 - DTO Shared Services, UPS Power Supply, IT Service Desk, Software Maintenance and Support (including new programs for Food and Milk).
 - Cybersecurity Training.
 - Camera Licensing.

Recurring Budget Requests, p.2

- **\$811,000: Employee Recruitment, Retention, and Well-Being.**
 - Supplies for employees and HR.
 - Employee Assistance Program (EAP) and Clothing Allowances.
 - Training and Development (HR, Red Cross, Employee Recognition, Reward, Service, and Retirement).
 - Employer Insurance (Workers Comp, Tort Premiums, Drug Testing).
 - Salary adjustments for recruitment and retention due to S.399.
 - 15 FTE positions to be funded with **other funds (revenue)**.
- **\$5,000,000: Federal Funds Authority.**
 - SCDA is currently managing 24 federal grant awards totaling \$33,640,393.
 - Approximately \$13 million in grant and coop agreements per year.

Non-Recurring Budget Requests

- **\$1,046,000: Direct Costs of DHEC Food Protection Restructuring.**
 - Upfitting existing space in 3 buildings.
 - Consumer Protection Laboratory – new milk and dairy lab and relocation of current feed grinding room.
 - Phillips Market Center – program support staff.
 - Jennings Training Facility – program support staff.
 - Furniture and equipment.
- **\$1,377,120: Technology Efficiency Infrastructure.**
 - Complete website refresh with additions of S.399 programs
 - Retail and manuf. food, and milk inspection and registration program builds.
 - Complete camera system integration

Non-Recurring Budget Requests, p.2

- **\$3,000,000 ChangeSC Pilot Project.**

- Increase awareness about obesity and the inverse relationship of healthy foods.
- Focus on locally-grown fruits and vegetables.
- Work to improve access to local agricultural products to food-insecure areas.
- Partner with healthcare and other service providers to amplify the impact.

Capital Budget Request

- **\$2,500,000: RV Park Construction and Repaving at Pee Dee State Farmers Market (PDSFM).**
 - Needs assessment and market analysis study completed in spring 2023 by Clemson University Department of Parks, Recreation & Tourism Management.
 - 30 to 35 high quality sites, bathhouse/laundry facility, community center.
 - 80% occupancy rate = \$314,984 annual profit.
 - 50% occupancy rate = \$116,240 annual profit.
 - Resurface all pavement at PDSFM.

Provisos

- There are no new proviso requests.
- We are asking to codify 9 provisos, keep 1, and amend 1 (below).
- 44.12 (AGRI: State Farmers Market Escrow Accounts):

The department may retain remaining revenues associated with the State Farmers Market Escrow, **Lease Escrow**, and the State Farmers Market Sale Proceeds and may expend these funds for the planning, development, construction, improvement, and maintenance of the State Farmers Market including, but not limited to, capital improvements approved by the Joint Bond Review Committee and the State Fiscal Accountability Authority.

Contingency Plan

- The agency carried forward \$1,252,517 of general funds from FY23 into FY24, some of which were encumbered but the goods or services were not received at FY end.
- Contingencies are built-in at the program / division level.
- If we were to have to make a 3% cut (\$534,472), and the contingency was for some reason not available, it would be absorbed between programs, as outlined on Form E.

South Carolina Department of Agriculture
 Budget vs Actual For Fiscal Years 2023 and 2024 and Carryforward Balances
 December 21, 2023

	Fiscal Year 2023		Cash Carried Forward From FY2023	Fiscal Year 2024	
	Authorization	Expenditures		Authorization	Expenditures Through 12/21/23
General Funds	30,353,909	21,949,351	1,252,517	74,791,504	50,327,721
Earmarked Funds	9,901,515	6,445,943	13,591,282	13,866,665	4,619,216
Restricted Funds	-	-	7,044,166	40,126,000	-
Federal Funds	10,752,250	9,216,265	2,843,310	12,535,444	6,251,971

* Includes budgeted accounts, capital project funds and unbudgeted trust & agency accounts.