

Agency Name:	Rural Infrastructure Authority		
Agency Code:	P450	Section:	54



Fiscal Year FY 2024-2025

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Bonnie Ammons	(803) 734-1399	bammons@ria.sc.gov
SECONDARY CONTACT:	Patrick Jarvis	(803) 737-0462	pjarvis@sccommerce.com

I have reviewed and approved the enclosed FY 2024-2025 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE: TYPE/PRINT NAME:	<u>Agency Director</u>	<u>Board or Commission Chair</u>

This form must be signed by the agency head – not a delegate.

Fiscal Year 2024-2025 Executive Summary

Agency Code:	P450
Agency Name:	Rural Infrastructure Authority
Section:	54

Agency Priority	Request Type	Title	General Dollars	Federal Dollars	Earmarked Dollars	Restricted Dollars	Total Dollars	General FTEs	Federal FTEs	Earmarked FTEs	Restricted FTEs	Total FTEs
1	B1 - Recurring	Water Quality Revolving Loan Fund Match	\$11,400,000	\$0	\$0	\$0	\$11,400,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Rural Infrastructure Fund	\$7,870,056	\$0	\$0	\$0	\$7,870,056	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Statewide Water and Sewer Fund	\$8,000,000	\$0	\$0	\$0	\$8,000,000	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Grant Administration Support	\$0	\$164,775	\$0	\$54,925	\$219,700	2.00	0.00	0.00	0.00	2.00
Subtotal:			\$27,270,056	\$164,775	\$0	\$54,925	\$27,489,756	2.00	0.00	0.00	0.00	2.00

Agency Name:	Rural Infrastructure Authority		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Water Quality Revolving Loan Fund Match
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$11,400,000</p> <p>Federal: \$0</p> <p>Other: \$0</p> <p>Total: \$11,400,000</p>
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	Number of entities assisted through loans closed and the value of loans executed.
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	Local governments or local governing authorities.
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FUNDS

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

State funds are required to match federal capitalization grants for environmental facilities on a 5 to 1 basis. Federal funds from the US Environmental Protection Agency are provided through the Clean Water and Safe Drinking Water Acts, as amended. The Federal Bipartisan Infrastructure Law increased the funds available to South Carolina by approximately \$50 million dollars a year through 2027. The state provides a 20% match and that match will increase to over \$17.5 million on an annual basis. The federal formula grant amount increased significantly and we must have the resources on hand to match the federal grant before any federal funds may be utilized.

This request was granted for FY24 as non-recurring. Without a recurring fund source moving forward, State Infrastructure Revolving Loan (SIRF) funds will need to be used to fill the gap between existing state funding and the needed matching dollars, which is not sustainable.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Rural Infrastructure Authority		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Rural Infrastructure Fund
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$7,870,056 Federal: \$0 Other: \$0 Total: \$7,870,056
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>This funding would assist the Authority with improving the quality of life by addressing infrastructure that impacts public health and the environment, creating opportunities for economic impact by providing infrastructure capacity and enhancing long-term community sustainability.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	<p>Grantees are made up of local governments, special purpose districts, public service districts and public works commissions. Grants are distributed through a competitive process based on eligibility that is consistent with the enabling statute.</p>
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FUNDS

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Board of the Rural Infrastructure Authority is seeking to expand its current annual funding levels from approximately \$26 million to \$42 million. This \$42M would be split into three programs: (1) Rural Infrastructure Fund - \$20.7 million, (2) Statewide Water and Sewer Fund - \$16 million and (3) Planning and Technical Assistance for Small and Rural Utilities - \$5 million.

The Rural Infrastructure Fund would be increased to \$20,740,112 from its current level of \$12,870,056 (\$7,870,056 in state appropriations and \$5 million from Proviso 109.3).

In accordance with Act 244, the Authority received more than \$2 billion in requests for infrastructure funding assistance to address the most immediate needs. These additional funds are needed to address the significant demand for financial assistance to build the infrastructure capacity to compete for jobs and investment and replace aging infrastructure in distressed, rural areas as well as growing areas. These additional funds will provide local utilities with a reliable source of assistance to enhance affordability and reliability of services and it helps the Authority to carry out its mission.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Statewide Water and Sewer Fund
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$8,000,000</p> <p>Federal: \$0</p> <p>Other: \$0</p> <p>Total: \$8,000,000</p>
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>This funding would assist the Authority with improving the quality of life by addressing infrastructure that impacts public health or the environment, create opportunities for economic impact by providing infrastructure capacity and enhance community sustainability.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	<p>Grantees are made up of local governments, special purpose districts, public service districts and public works commissions. Grants are distributed through a competitive process based on eligibility that is consistent with the enabling statute and existing</p>
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FUNDS

proviso.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Board of the Rural Infrastructure Authority is seeking to expand its current annual funding levels from approximately \$26 million to \$42 million. This \$42M would be split into three programs: (1) Rural Infrastructure Fund - \$20.7 million, (2) Statewide Water and Sewer Fund - \$16 million and (3) Planning and Technical Assistance for Small and Rural Utilities - \$5 million.

The Statewide Water and Sewer Fund would be increased to \$16,000,000 from the current level of \$8,000,000.

In accordance with Act 244, the Authority received more than \$2 billion in requests for infrastructure funding assistance to address the most immediate needs. These additional funds are needed to address the significant demand for financial assistance to build the infrastructure capacity to compete for jobs and investment and replace aging infrastructure in distressed, rural areas as well as growing areas. These additional funds will provide local utilities with a reliable source of assistance to enhance affordability and reliability of services and it helps the Authority to carry out its mission.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Grant Administration Support
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$0</p> <p>Federal: \$164,775</p> <p>Other: \$54,925</p> <p>Total: \$219,700</p>
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	2.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>This administrative support will allow the agency to manage grant programs in an effective manner including the ability to provide more robust technical assistance to rural and other areas in identifying needs, resources and implementing critical water and wastewater projects.</p> <p>Such assistance helps communities protect public health, provide for a more resilient environment, and set the table for greater economic opportunities.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	Two new FTE's (Program Manager I level) hired to administer and provide technical assistance for the RIA Grant Programs.
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FUNDS

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

During FY23, over \$1.4 billion in federal American Rescue Plan funds were allocated to the agency which awarded grants to 219 projects benefitting every county across the State. These grants were approved for significant capital improvement projects designed to modernize and improve infrastructure. The agency also awards more than \$25 million in state grants annually.

Such funds represent a significant opportunity for impact statewide. Additional FTEs will allow the agency to hire qualified staff to administer these grant programs in an effective manner and provide an enhanced level of customer assistance to rural and other communities in the implementation of projects.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM D – PROVISIO REVISION REQUEST

NUMBER	NEW
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	Carry Forward - Planning and Technical Assistance Funds
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	Planning and Technical Asst - Small & Rural Utilities; 54.II
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

REQUESTED ACTION	Add
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>This proviso will give RIA the authority to carry forward funds appropriated for Planning and Technical Assistance in the current fiscal year to the new fiscal year to promote regional efforts to address the long-term viability concerns of water and sewer utilities.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

N/A

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

The Rural Infrastructure Authority may carry forward from the prior fiscal year into the current fiscal year, funds appropriated for Planning and Technical Assistance - Small & Rural Utilities and expend such funds in the current fiscal year for the same purpose.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Rural Infrastructure Authority		
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FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$811,070
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	None
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	Rural Infrastructure Fund - \$271,213, Statewide Water and Sewer Fund - \$275,691, Planning and Technical Assistance - \$51,692 and Matching Funds for State Revolving Loan Funds \$212,474.
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What programs or activities are supported by the General Funds identified?

SUMMARY	For the Rural Infrastructure Fund, Statewide Water and Sewer Fund and Planning and Technical Assistance, RIA would have less funds available to help communities with financing for qualified infrastructure projects. If the funds appropriated for the Matching Funds for the State Revolving Loan Funds are not sufficient to match the federal grants available to our state, then the funds would need to be transferred from the State Infrastructure Revolving Fund to ensure the state can access the new federal funds.
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS

N/A

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?