

SC RURAL INFRASTRUCTURE AUTHORITY

The mission of the SC Rural Infrastructure Authority is to assist in financing qualified rural infrastructure projects that will build the capacity of rural communities to compete for jobs and investment and provide environmental facilities that protect public health and meet quality standards.

Attendees:

Bonnie Ammon
Executive Director

Bobby Hitt
Chairman of the Rural Infrastructure Authority

Chris Huffman
Chief Financial Officer

**SC RURAL INFRASTRUCTURE AUTHORITY
TABLE OF CONTENTS**

Page

1 Cover Sheet

2 Table of Contents

3 Organizational Chart

4 FTE Breakdown

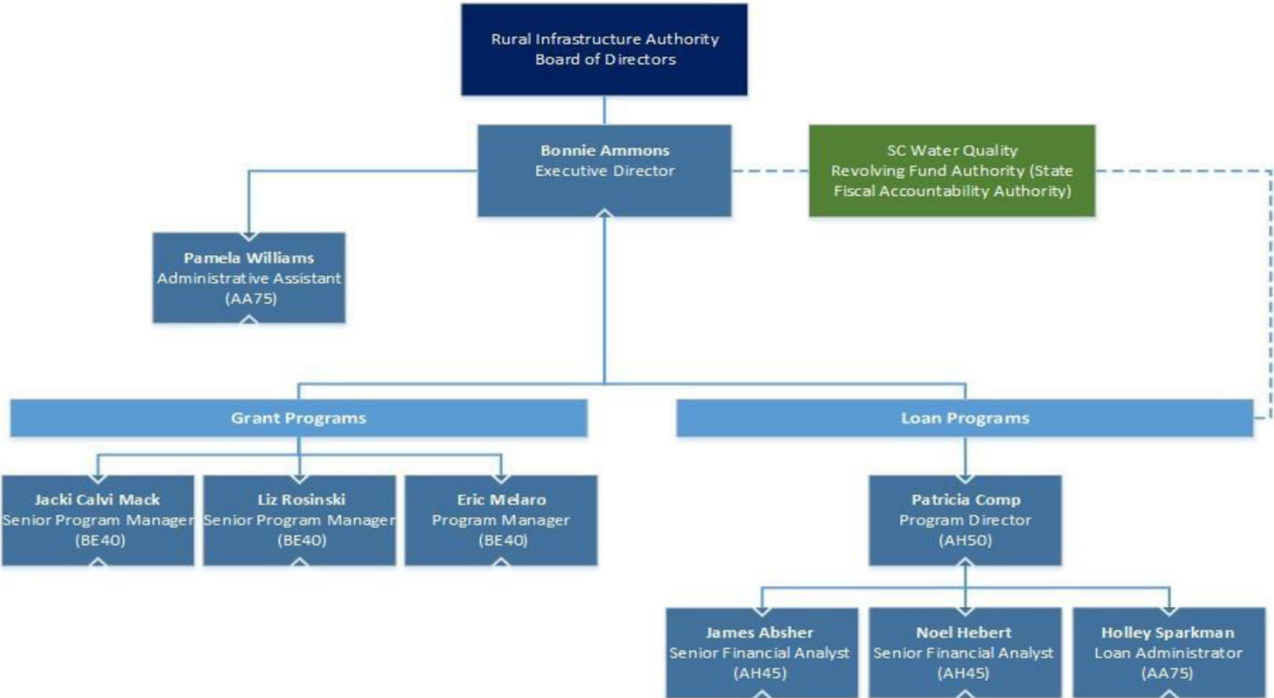
5 Performance Update

7 Financial Update

8 Budget Request Summary

9 Proviso Request Summary

**SC RURAL INFRASTRUCTURE AUTHORITY
ORGANIZATIONAL CHART**



SC RURAL INFRASTRUCTURE AUTHORITY
FTE Breakdown
As of December 31, 2019

	General Funds	Other Funds	Total Funds
Current Authorized FTEs		11.00	11.00
Filled FTEs		9.00	9.00
Total Vacant FTEs	-	2.00	2.00

2018-19 ACCOUNTABILITY REPORT EXECUTIVE SUMMARY

The SC Rural Infrastructure Authority (RIA) makes grant and loan financing available for qualified infrastructure (drinking water, sanitary sewer and storm water drainage facilities) statewide. By working in partnership with local communities, these financial investments are designed to address the key objectives of protecting public health, addressing environmental quality standards and preparing communities for economic opportunities. RIA assistance helps close financial gaps for areas in need of reliable infrastructure. In addition, RIA collaborates with stakeholders to identify and coordinate additional resources for infrastructure improvements.

This year a total of \$136 million in projects were approved through RIA's grant and loan financing programs.

Grant Program

Financial assistance is made available to eligible applicants (local governments, special purpose districts and public works commissions) annually through two competitive funding rounds. Funds are distributed through two program categories which align with the agency's objectives: (1) the Basic Infrastructure Program to address environmental concerns, public health issues and aging infrastructure needs; and (2) the Economic Infrastructure to provide reliable infrastructure serving new or existing businesses and expanding system capacity to boost economic opportunities.

Qualified projects are selected by the Board based on a comparative analysis of need, feasibility and impact and all applicants are notified of the results. Technical assistance is provided to applicants whose projects are not funded.

SUMMARY OF RESULTS:

- The RIA's Board of Directors (Board) approved 54 new grants totaling \$25.6 million.
- The grants awarded will impact more than 58,000 residential and business customers.
- 64% of projects funded were located in rural and distressed areas.
- Approximately 74% of funds awarded were for basic infrastructure needs to address health and environmental quality concerns while 26% will be used to build or improve infrastructure to support economic opportunities.
- RIA funds leveraged more than \$45 million dollars from local and other resources for infrastructure.

Since 2013, 305 projects totaling more than \$122 million have been awarded. Projects have been approved in every county and 80% have been awarded in the rural and distressed areas. RIA funds have leveraged \$393 million in additional infrastructure investments. Further, as a result of RIA assisted public infrastructure improvements, more than 7,500 jobs are expected to be created by announced economic development projects. These projects benefit communities by making reliable infrastructure available to residential and business customers as well as

improving the quality of life, increasing community sustainability and boosting opportunities for economic impact.

State Revolving Funds Loan Program

Low cost loan financing is provided through two federally capitalized State Revolving Funds (SRF) for Drinking Water and Clean Water (sewer). The SRF has been annually capitalized by the US Environmental Protection Agency (EPA) since 1989. The state program is administered jointly with the SC Department of Health and Environmental Control (DHEC). DHEC prioritizes projects, handles the technical aspects of the program and ensures compliance with EPA requirements. The RIA's Office of Local Government (OLG) manages the financial component including credit reviews, loan agreements, closings and disbursement of funds as well as loan repayments and administration.

SUMMARY OF RESULTS:

- \$110.9 million in loans closed (third consecutive year of over \$100 million closed.)
- \$120 million in loan disbursements (highest level in program history.)
- \$56 million in loan repayments.
- \$1.2 billion current loan portfolio.
- \$747 million in outstanding principal balance (11% increase.)

The Office of Local Government, which manages the SRF programs, was transferred to RIA in 2015. More than \$460 million in loans have been closed for major water, wastewater and storm water improvements since FY 2016. A number of steps have been taken to increase fund utilization by establishing a pipeline of infrastructure projects through enhanced outreach and coordination efforts. The result has been a record-setting level of achievement with over \$100 million in loans closed for the past three years and an estimated fourth year expected in FY 19 based on \$222 million in loan requests.

SC RURAL INFRASTRUCTURE AUTHORITY
Appropriations vs. Expenditures *

Major Budget Categories	FY 18-19 Appropriations versus Expenditures					
	Total General Fund Appropriations	Total General Fund Expenditures	Total General Fund Remaining	Total Other Funds Appropriations	Total Other Funds Expenditures	Total Other Funds Remaining
Personal Services			-	725,000	668,435	56,565
Other Operating			-	400,000	166,837	233,163
Fringe Benefits			-	269,000	238,566	30,434
Special Items	34,525,187	20,043,359	14,481,828	20,700,000	9,322,440	11,377,560
Total	34,525,187	20,043,359	14,481,828	22,094,000	10,396,278	11,697,722

Major Budget Categories	FY 19-20 Appropriations versus Expenditures as of 12/31/2019					
	Total General Fund Appropriations	Total General Fund Expenditures	Total General Fund Remaining	Total Other Funds Appropriations	Total Other Funds Expenditures	Total Other Funds Remaining
Personal Services			-	725,000	377,382	347,618
Other Operating			-	400,000	88,342	311,658
Fringe Benefits			-	269,000	136,948	132,052
Special Items	36,517,484	15,872,800	20,644,684	20,700,000	-	20,700,000
Total	36,517,484	15,872,800	20,644,684	22,094,000	602,672	21,491,328

* The State Revolving Loan Funds are unbudgeted funds and are not included in the above figures

FY 20-21 Prioritized Budget Request Summary

Rural Infrastructure Authority

BUDGET REQUESTS			FUNDING					FTEs				
Priority	Request Title	Description	General - Recurring	General - NR	Capital	Other	Federal	Total	State	Other	Federal	Total
1	Rural Infrastructure Fund	Additional funding for basic infrastructure and economic development projects.	\$ 4,129,944					\$ 4,129,944				
2	Water and Sewer Regionalization Fund	Develop a statewide assessment of the sustainability challenges facing small and rural water and sewer systems. Provide financial assistance to eligible water and sewer systems through a competitive process to encourage regionalization as a means toward sustainability.		\$ 4,300,000				\$ 4,300,000				
TOTAL BUDGET REQUESTS			\$ 4,129,944	\$ 4,300,000				\$ 8,429,944				

Economic Development and Natural Resources Subcommittee

Proviso Request Summary

FY 19-20 Proviso #	Renumbered FY 20-21 Proviso #	Proviso Title	Short Summary	FY of Proviso Introduction/ # of years in budget	Recommended Action	Proviso Language
54.1	54.1	Rural Infrastructure Fund Carry Forward	Authorizes the Rural Infrastructure Authority to carry forward funds	FY2014	CODIFY	54.1. (RIA: Rural Infrastructure Fund Carry Forward) The Rural Infrastructure Authority may carry forward from the prior fiscal year into the current fiscal year, funds appropriated to the Rural Infrastructure Fund. The authority shall retain any unexpended funds at the close of the fiscal year and these funds shall be carried forward from the prior fiscal year into the current fiscal year.
54.5	54.5	Statewide Water and Sewer Fund	Provides guidance for the use of the funds and authorizes the Authority to carry forward the funds	FY2017	CODIFY	54.5. (RIA: Statewide Water and Sewer Fund) The Rural Infrastructure Authority shall use the funds allocated for the Statewide Water and Sewer Fund to assist qualified infrastructure projects not eligible for the Rural Infrastructure Fund. The authority shall utilize the same procedures and guidelines established for the Rural Infrastructure Fund to select qualified projects for the Statewide Water and Sewer Fund. The authority may carry forward from the prior fiscal year into the current fiscal year, funds appropriated to the Statewide Water and Sewer Fund.