

Note: Not all of the pages that appear in the printed version of the 1999-2001 Post-Legislative Budget Summary appear in this electronic version. Specifically four charts that are part of the DOT section were not available for inclusion in this electronic version of the summary. In addition, pages that were left intentionally blank in the printed version are not included to save space so the page numbers that appear in the table of contents point to the approximate location only. If you would like a printed version of this document, please contact Jean Surles at (919) 733-7061.

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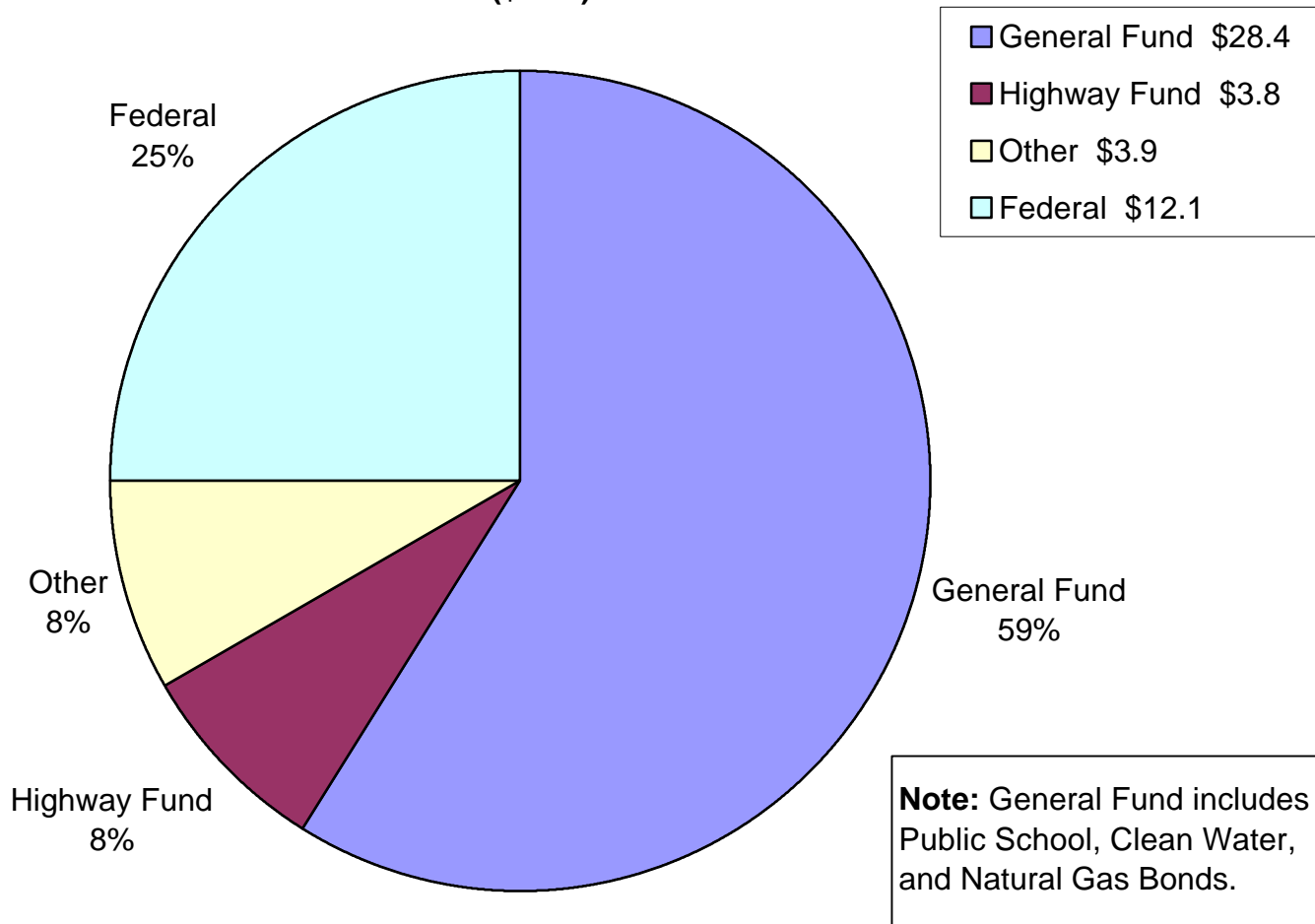
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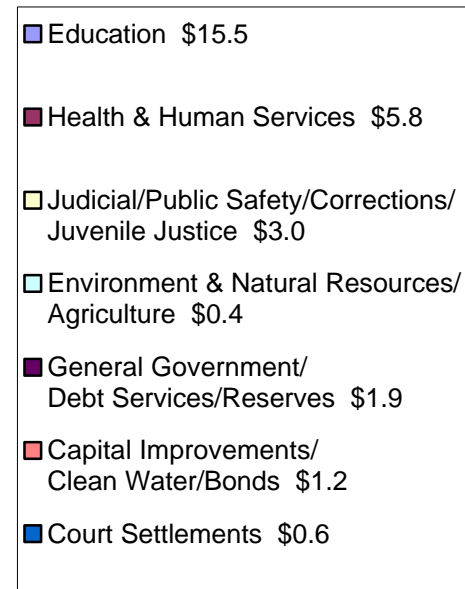
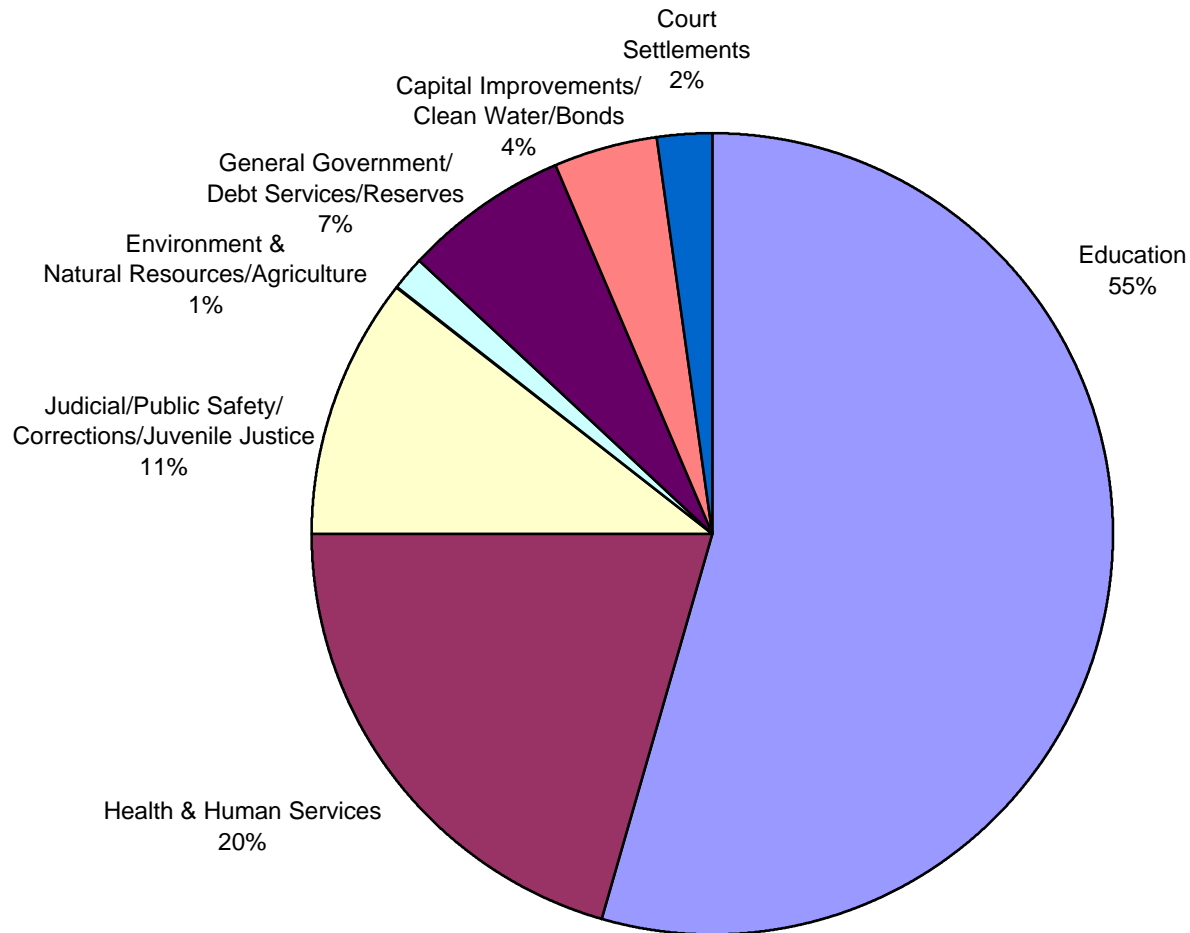
1999-2001 State Budget by Source

in Billions
(\$48.2)



1999-2001 General Fund by Functions

in Billions
(\$28.4)



Post-Legislative Budget Summary, 1999-2001

I. Total State Budget

The 1999 General Assembly enacted a state budget for the 1999-2001 biennium which totals \$48.2 billion including \$24.3 billion for 1999-2000 and \$23.9 billion for 2000-2001. The total state budget is supported from four primary sources including \$28.4 billion from General Fund Tax collections and the earnings from investments referred to as nontax revenue; \$3.8 billion from the Highway Fund and the Highway Trust Fund tax and nontax revenue; \$12.1 billion from federal funds allocated to North Carolina; and \$3.9 billion from other receipts such as tuition, fees, and other charges authorized by the General Assembly or other agency policy.

Funding for current operations of state government required \$46.4 billion distributed as \$22.8 billion in 1999-2000 and \$23.6 billion in 2000-2001. This level of funding represents an increase of \$5.2 billion or 12.5% over the 1997-1999 biennium. Current operations of state government, traditionally referred to as the "operating budgets" of agencies, include funding for existing programs along with authorized expansion of those programs, implementation of new programs authorized by the General Assembly, salary and other incentive compensation for teachers and state employees, and nonrecurring appropriations for equipment and other one-time expenditures. For 1999-2001, current operations compose 96.3% of the state budget while the remaining 3.7% are budgeted for capital improvements and other nonrecurring items.

With respect to the operating budgets of state agencies, the General Fund supported operating budget for 1999-2001 is \$26.6 billion, representing an increase of \$3 billion or 12.8% over the 1997-1999 biennium. Programmatically, the largest dedication or resources for the state budget is for support of education programs provided by the state's public schools, community colleges, and university system. These programs require \$15.5 billion, or 58.3% of the General Fund operating budget of the State. Public education programs received appropriations totaling \$11.0 billion; community colleges and universities received funding for programs totaling \$4.5 billion. The second largest component of the General Fund-supported biennial budget is the \$5.8 billion authorized to the Department of Health and Human Services for support of Medicaid, Temporary Assistance to Needy Families (TANF), Smart Start, and programs which assist individuals with problems associated with mental health, substance abuse, developmental disabilities, blind, deaf and hard of hearing. Another major component of the budget is the Department of Correction in which programs for housing, supervising, and rehabilitating inmates require appropriations totaling \$1.8 billion for the biennium. Combined, these three areas of the budget received increases in appropriations over 1998-1999 of \$1.4 billion and \$1.7 billion in 1999-2000 and 2000-2001 respectively.

The 1999 General Assembly continued to focus its resources on programs which have been initiated in prior years including attaining the national average for teachers by fiscal year 2000-2001 (\$479.7 million for the biennium) and further expansion of services statewide for Smart Start (\$136.9 million for the biennium). The General Assembly adopted a comprehensive compensation package for state employees which included 3% funding for salary increases for state employees consistent with the State Employees Pay Plan (\$315.5 million for the biennium) along with a \$125 bonus for all employees, and sufficient funds to support the employer's share of the increased cost of health insurance for teachers and state employees (\$257 million for the biennium). These items make up approximately 66.9% of all General Fund recurring expansion funds appropriated by the 1999 General Assembly.

Post-Legislative Budget Summary, 1999-2001
Total State Budget - Continued

While nonrecurring availability was limited due to the liabilities imposed as a result of the Bailey Case and the Intangibles Tax Case, which together required \$599 million, the General Assembly did authorize \$77.1 million for capital improvements in the 1999-2000 fiscal year. This is beyond the statutory reserves required for Repair and Renovations (\$150 million) and the Clean Water Management Trust Fund (\$30 million). Significant among the new capital authorizations are \$20 million for university capital projects on campuses with high growth enrollment; \$6.0 million for continued development of the State Ports; \$9.3 million to match federal funds for water resource projects; \$14 million for community colleges grants for land acquisitions and construction; \$9.5 million for a new multipurpose building at the North Carolina State Fair; and \$4.0 million for completion of the Museum of Natural Science.

The continuation, expansion, and capital budget of the Department of Transportation, supported primarily from the Highway Fund and the Highway Trust Fund tax and nontax revenue, increased by 17% over the 1997-1999 biennium. Appropriations to the Highway Trust Fund of \$880 million in 1999-2000 and \$912.1 million in 2000-2001 represent 31.4% of the department's total budget, while Highway Fund appropriations of \$1.1 billion in 1999-2000 and \$1.2 billion in 2000-2001 comprise 40.9% of the total budget. The remaining funding for the Department of Transportation budget is supported from federal funds, departmental receipts, and authorized transfers from the General Fund. The full budget for Transportation begins on page 191 of this document.

Post-Legislative Budget Summary, 1999-2001
Total State Budget – Continued

Table 1A
Total North Carolina State Budget by Function
and Source of Funds
1999-2000

Function	General Fund	Highway Fund**	Other	Federal	Total
General Assembly	\$ 34,980,575	\$ -	\$ 403,000	\$ -	35,383,575
Judicial	338,136,229	-	6,307,647	-	344,443,876
General Government	365,598,521	3,168,692	19,573,446	48,056,990	436,397,649
Public Safety & Regulation	161,762,292	121,285,445	65,721,082	249,938,513	598,707,332
Correction	891,179,444	-	6,954,124	1,100,000	899,233,568
Juvenile Justice	136,063,737	-	4,385,099	950,674	141,399,510
Education:					
Public Education*	\$ 5,502,497,934	\$ 25,926,243	\$ 14,645,469	\$ 490,176,132	6,033,245,778
Community Colleges*	579,803,851	-	94,173,212	7,568,106	681,545,169
Universities	<u>1,644,244,323</u>	<u>-</u>	<u>803,614,484</u>	<u>25,726,414</u>	<u>2,473,585,221</u>
Subtotal Education	\$ 7,726,546,108	\$ 25,926,243	\$ 912,433,165	\$ 523,470,652	9,188,376,168
Transportation	\$ 20,973,881	\$ 1,690,882,668	\$ 6,385,556	\$ 774,677,444	2,492,919,549
Health and Human Svcs.	2,778,776,783	419,644	730,733,061	4,304,748,658	7,814,678,146
Environment					
And Natural Resources	156,016,907	6,829,812	77,204,641	41,848,425	281,899,785
Agriculture and					
Consumer Services	56,813,419	3,421,496	17,659,738	6,315,957	84,210,610
Debt Service	193,066,878	-	51,000,000	-	244,066,878
Reserves and Transfers #	<u>195,729,687</u>	<u>26,868,715</u>	<u>-</u>	<u>-</u>	<u>222,598,402</u>
Total Current Operations	\$ 13,055,644,461	\$ 1,878,802,715	\$ 1,898,760,559	\$ 5,951,107,313	22,784,315,04
Capital Improvement – App.	\$ 77,059,168	\$ -	\$ -	\$ -	77,059,168
Capital Improvement R&R	150,000,000	-	-	-	150,000,000
Bailey/Emory/Patton	399,000,000	-	-	-	399,000,000
Intangibles Tax Settlement	200,000,000	-	-	-	200,000,000
Clean Water Mgmt Trust	30,000,000	-	-	-	30,000,000
General Obligation Bonds	<u>650,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>650,000,000</u>
Grand Total	<u>\$ 14,561,703,629</u>	<u>\$ 1,878,802,715</u>	<u>\$ 1,898,760,559</u>	<u>\$ 5,951,107,313</u>	<u>24,290,374,216</u>

* Appropriation for Public School Teachers included in Public Education (\$239,870,258).

** Includes Highway Fund and Highway Trust Fund.

Includes appropriation for the state employee's compensation increases, compensation bonus and the state health plan.

Note: Highway Fund appropriation excludes \$13.6 million transferred to the General Fund and \$170.0 million transferred from the Highway Trust Fund to the General Fund.

Post-Legislative Budget Summary, 1999-2001
Total State Budget - Continued

Table 1B
Total North Carolina State Budget by Function
and Source of Funds
2000-2001

<u>Function</u>	<u>General Fund</u>	<u>Highway Fund**</u>	<u>Other</u>	<u>Federal</u>	<u>Total</u>
General Assembly	\$ 39,518,408	\$ -	\$ 403,000	\$ -	\$ 39,921,408
Judicial	343,758,104	-	6,307,647	-	350,065,751
General Government	339,538,171	3,168,692	19,443,655	47,976,796	410,127,314
Public Safety & Regulation	142,779,533	121,745,269	64,022,629	219,787,793	548,335,224
Correction	889,745,650	-	6,954,124	-	896,699,774
Juvenile Justice	140,090,649	-	4,377,699	950,674	145,419,022
Education:					
Public Education*	\$ 5,517,388,506	\$ 26,201,384	\$ 14,495,469	\$ 490,176,132	\$ 6,048,261,491
Community Colleges	591,015,693	-	94,173,212	7,568,106	692,757,011
Universities	<u>1,656,863,227</u>	<u>-</u>	<u>827,804,498</u>	<u>25,727,013</u>	<u>2,510,394,738</u>
Subtotal Education	\$ 7,765,267,426	\$ 26,201,384	\$ 936,473,179	\$ 523,471,251	\$ 9,251,413,240
Transportation	\$ 15,434,165	\$ 1,739,303,703	\$ 6,385,556	\$ 774,677,444	\$ 2,535,800,868
Health and Human Svcs.	3,017,422,302	419,644	776,205,371	4,573,947,483	8,367,994,800
Environment and Natural Resources	157,700,273	7,291,622	77,126,219	41,848,425	283,966,539
Agriculture and Consumer Services	54,146,601	3,339,686	17,612,838	6,001,009	81,100,134
Debt Service	291,865,498	-	16,500,000	-	308,365,498
Reserves and Transfers #	<u>360,829,687</u>	<u>33,868,715</u>	<u>-</u>	<u>-</u>	<u>394,698,402</u>
Total Current Operations	\$ 13,558,096,467	\$ 1,935,338,715	\$ 1,931,811,917	\$ 6,188,660,875	\$ 23,613,907,974
General Obligation Bonds	<u>\$ 300,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,000,000</u>
Grand Total	<u>\$ 13,858,096,467</u>	<u>\$ 1,935,338,715</u>	<u>\$ 1,931,811,917</u>	<u>\$ 6,188,660,875</u>	<u>\$ 23,913,907,974</u>

* Appropriation for Public School Teachers included in Public Education (\$239,870,258).

** Includes Highway Fund and Highway Trust Fund Appropriation.

Includes appropriation for the state employee's compensation increases, compensation bonus and the state health plan.

Note: Highway Fund appropriation excludes \$13.8 million transferred to the General Fund and \$170.0 million transferred from Highway Trust Fund to the General Fund.

Post-Legislative Budget Summary, 1999-2001

II. Economic Conditions

A. For The Nation

At the beginning of fiscal year 1998-1999, the growing financial crisis in the Far East threatened the continuation of the long U.S. economic expansion. As the Asian economies weakened in unison, the negative impact on U.S. exports to that region was expected to be substantial. This did in fact occur. The Asian Crisis and a strong U.S. dollar exchange rate had a depressing effect on export markets in 1998. U.S. merchandise exports to Asia fell by 15%, with the Pacific and Midwestern states hardest hit. Unexpectedly though, U.S. consumers accelerated their rate of spending, keeping the economy going despite the drain from overseas.

Annual Rates of Growth for 1998-1999

	<u>Budget Forecast</u>	<u>Actual</u>
Real Gross Domestic Product	2.2%	3.9%
Real Personal Consumption	3.5	5.1
Real Exports	-0.8	0.7

A reverse of these trends is foreseen in 1999-2000. Although Japan remains weak, there are signs that many of Pacific Rim countries are now on a recovery path. The export of U.S. goods to these markets is projected to pick up over the coming biennium. It is unlikely though that American consumers can continue to outspend their incomes; and if a slowdown in spending growth does not occur voluntarily, the Federal Reserve will tame consumers through a series of interest rate hikes. After imposing 25 basis point increases in June and August, the Fed has increased the federal funds rate to 5.25%. In the view of Standard & Poor's DRI, this will be sufficient to slow the economy by mid-1999-2000. But, if inflation accelerates, or if overheating of the economy continues, there could be more rate hikes.

As shown on Table 2, real personal consumption growth is projected to slow, declining to a moderate 2.6% in 2000-2001. Waning domestic demand growth, along with labor shortages in some areas of the country, dampen the rate of increase in nonfarm employment over the biennium. However, despite the slowing of job growth, the rate of unemployment will remain below 4.5%. Rising mortgages rates will take the steam out of new housing construction and home refinancing. Following a strong 1.68 million new housing starts in 1998-1999, construction activity slides to 1.57 million and 1.53 million units in 1999-2000 and 2000-2001 respectively.

Post-Legislative Budget Summary, 1999-2001
Economic Conditions – Continued

B. For North Carolina

Many factors have contributed to North Carolina's comparatively strong record of economic growth in the past two decades. Low business costs have provided the state with a comparative advantage in attracting new industry. North Carolina has emerged as a high-technology center which has clustered industries in many areas of the state, most notably the Research Triangle. North Carolina provides industry with reliable, relatively low cost providers of electricity. The state's labor force is well skilled and highly productive. Governments, at both the state and local levels, have a reputation for providing quality public services at below-average tax rates. These fundamentals of economic success are sustained over the national business cycles. Therefore, as U.S. economic growth is projected to slow somewhat over the upcoming biennium, North Carolina is expected to continue to out perform the nation as a whole.

During the 1999-2001 Biennium, nonfarm employment growth is projected to exceed 2.0% annually, adding approximately 81,000 new jobs each year. As has been the state's recent experience, most of those new jobs will be created in the non-manufacturing sector, particularly the services and retail trade industries. On the negative side, growth in financial sector jobs is projected to slow from the 7.0% annual rates of recent years due to ongoing deregulation, consolidations, and the increased use of automatic-teller machines, Internet banking, and telephone transactions. Additionally, rising interest rates will hamper employment in the state's construction industry.

Overall, North Carolina manufacturing employment will continue to decline through the upcoming biennium from the three-pronged effect of increased productivity, migration to lower-cost locations abroad, and the cyclical slowing of the U.S. economy. As usual, the state's textile and apparel industries will suffer the greatest job losses. Declining domestic demand will continue to erode the ranks of tobacco manufacturing jobs. Partially offsetting these declines in the state's traditional industries will be gains in high-technology fields such as fiber optics and pharmaceuticals.

Growth in personal income in North Carolina will mirror the moderation in new job creation. After increasing at an average rate of 4.9% over the past three years, inflation-adjusted income growth is forecast to slip to 3.6% and 4.0% in 1999-2000 and 2000-2001 respectively. This weakening in real income growth is only apparent when viewed from recent performance. Over the 15 years from 1980 to 1995, real income growth in North Carolina averaged 3.6%.

Post-Legislative Budget Summary, 1999-2001
Economic Conditions - Continued

Table 2

Economic Conditions
(Annual Rates of Change)

	<u>1998-1999</u> <u>Actual</u>	<u>1999-2000</u> <u>Projected</u>	<u>2000-2001</u> <u>Projected</u>
<u>National (1)</u>			
Real Gross Domestic Product	3.9%	3.2%	2.4%
Real Personal Consumption	5.1	3.4	2.6
Industrial Production	2.2	2.6	3.6
Nonfarm Employment	2.3	1.8	1.5
Core Inflation (CPI)	2.3	2.4	2.5
Federal Funds Rate (%)	5.0	5.2	5.3
<u>North Carolina (2)</u>			
Industrial Production	2.5%	2.9%	3.8%
Nonfarm Employment	2.8	2.2	2.0
Unemployment Rate	3.2	3.2	3.5
Personal Income	6.2	5.5	5.8
1992 Dollars	5.2	3.6	4.0
Housing Starts (000)	83.2	78.2	75.9

Sources: (1) Standard & Poor's DRI, August 1999
(2) N.C. Office of State Budget and Management, August 1999

Post-Legislative Budget Summary, 1999-2001

III. General Fund

A. Revenue

The booming North Carolina economy generated strong baseline growth (prior to tax law changes and abnormal events) in General Fund tax revenue in 1998-1999. Tax receipts expanded by 9.2%, down only slightly from the 10.1% baseline growth rate recorded in 1997-1998. The defining difference between the two years was the absence of an “April Surprise” in 1998-1999 as individual income tax payments on 1997 tax year capital gains, bonuses, and stock options swelled tax collections in April 1998. The combined effect of tax reductions enacted during the 1995 through 1998 Sessions of the North Carolina General Assembly did have the intended impact on actual General Fund tax revenue growth. Reported total General Fund net tax collections grew by more moderate 7.9% due to nearly \$980 million in tax relief since 1995.

As a result of the aforementioned large tax relief packages enacted in the four prior legislative sessions and the critical need for program expansions in Smart Start, public education, juvenile justice, and environmental protection, legislation reducing General Fund tax revenue was more limited and more targeted during the 1999 Session. The General Assembly extended the Bill Lee Act which was slated to sunset, and expanded its coverage to customer call centers and mail order houses. The Bill Lee Act changes do not have a revenue impact in 1999-2001. A tax credit was also enacted for cigarette companies which manufacture cigarettes for export to foreign countries. Overall, the actions of the 1999 Session will have a negligible impact on General Fund tax receipts during the 1999-2001 Biennium.

As growth in the North Carolina economy moderates toward its long-run average, baseline tax revenue growth is projected to slow to 7.1% in 1999-2000. Although less than recent years, tax revenue growth remains healthy when compared to the forecast of 2.3% inflation in consumer prices. However, actual General Fund tax receipts are projected to grow at a much slower 4.3% due to previously enacted tax reductions. Most notable is the elimination of the sales tax on food for home consumption. The remaining 2% state sales tax on food was eliminated on May 1, 1998, and is estimated to reduce sales and use tax collections by \$184.5 million in 1999-2000. Corporate income tax revenue is anticipated to be aided by a one-time \$69.0 million windfall in capital gains taxes from the sale of RJR Nabisco’s international tobacco business to Japan Tobacco. Looking at Table 3, Piped Natural Gas is a new tax schedule in 1999-2000. Clarifying legislation, passed by the 1998 Session, eliminated the distinction between utility and non-utility distributors of natural gas and exempted cities with their own piped natural gas systems. As the legislation was designed to be revenue neutral, its effect is to shift sales and franchise tax payments to the new piped natural gas schedule.

Within nontax revenue, investment income is projected to fall by 5.3%, despite the expected rise in market interest rates. The projected decline is primarily due the impact of the \$399 million final settlement payment in the Bailey Case on investable cash balances and investment earnings. Miscellaneous nontax revenue reflects a one-time deposit of \$19.6 million from the Disproportionate Share Receipts reserve and \$1.3 million from the Flexible Benefits reserve.

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

As the annual impact of the 1995-1998 tax reduction packages wanes, baseline and actual tax revenue growth begin to converge in 2000-2001. Net General Fund taxes are projected to increase by 5.4%, up from the 4.2% anticipated for 1999-2000.

Table 3
General Fund Revenue, 1999-2001

	<u>1998-1999</u> <u>Actual</u>	<u>1999-2000</u> <u>Authorized</u>	<u>2000-2001</u> <u>Authorized</u>
Tax Revenue:			
Inheritance	\$ 169,935,220	\$ 137,500,000	\$ 133,600,000
Licenses	27588,260	30,900,000	30,800,000
Cigarette	44852,542	42,800,000	41,100,000
Soft Drink	12,349,253	1,500,000	-
Franchise	409,558,340	410,900,000	430,600,000
Income Tax:			
Individual	\$ 6,606,500,278	\$ 7,121,400,000	\$ 7,661,900,000
Corporate	848,509,669	829,200,000	702,700,000
Subtotal	\$ 7,455,009,947	\$ 7,950,600,000	\$ 8,364,600,000
Sales and Use			
Beverage	\$ 3,376,206,664	\$ 3,374,300,000	\$ 3,596,400,000
Gift	158,026,529	162,200,000	166,500,000
Freight Car Lines	19,334,909	20,500,000	21,700,000
Insurance	469,302	500,000	500,000
Piped Natural Gas	291,230,879	305,700,000	320,900,000
Miscellaneous	0	30,000,000	33,200,000
	<u>702,059</u>	<u>600,000</u>	<u>600,000</u>
Total Tax Revenue	\$ 11,965,263,904	\$ 12,468,000,000	\$ 13,140,500,000
Nontax Revenue:			
Investment Income	\$ 249,282,071	\$ 236,200,000	\$ 238,200,000
Judicial Fees	120,960,787	127,100,000	133,500,000
Disproportionate Share Receipts	85,000,000	105,000,000	105,000,000
Insurance -Trans. Reg. Fund	22,003,912	23,000,000	22,600,000
Insurance – Licenses/Fees	18,194,048	18,600,000	19,200,000
Miscellaneous	89,615,903	114,400,000	95,700,000
Total Nontax Revenue	\$ 585,056,721	\$ 624,300,000	\$ 614,200,000
Transfers:			
Highway Fund	\$ 13,400,000	\$ 13,600,000	\$ 13,800,000
Highway Trust Fund	170,000,000	170,000,000	170,000,000
Total General Fund Revenue	<u>\$ 12,733,753,625</u>	<u>\$ 13,275,900,000</u>	<u>\$ 13,938,500,000</u>

Post-Legislative Budget Summary, 1999-2001
General Fund – Continued

B. Condition of the Fund

Table 4

Condition of the General Fund
1999-2001

	<u>1998-1999</u> <u>Actual</u>	<u>1999-2000</u> <u>Authorized</u>	<u>2000-2001</u> <u>Authorized</u>
Unreserved Credit Balance	\$ 115,230,489	\$ 296,702,026	\$ -
Reserved Credit Balance			
Budget Stabilization Reserve	\$ 522,520,562	\$ 522,520,562	\$ 322,520,562
Repair and Renovations Reserve	145,000,000	150,000,000	-
Clean Water Management Trust			
Fund Reserve	47,397,819	31,054,152	1,054,152
Bailey/Emory Patton Reserve	400,000,000	-	-
Aquariums	-	30,000,000	-
Warren County Landfill	-	7,000,000	-
Disproportionate Share Receipts	35,447,111	-	-
<u>Work First Reserve</u>	<u>19,540,586</u>	<u>17,361,758</u>	<u>-</u>
Total Reserved Credit Balance	\$ <u>1,169,906,078</u>	\$ <u>757,936,472</u>	\$ <u>323,574,714</u>
Revenue			
Tax Revenue	\$ 11,965,263,904	\$ 12,468,000,000	\$ 13,140,500,000
Nontax Revenue	500,056,721	519,300,000	509,200,000
Highway Fund Transfer	13,400,000	13,600,000	13,800,000
Highway Trust Fund Transfer	170,000,000	170,000,000	170,000,000
<u>Disproportionate Share Receipts</u>	<u>104,551,863</u>	<u>105,000,000</u>	<u>105,000,000</u>
Total Revenue	\$ <u>12,753,272,488</u>	\$ <u>13,275,900,000</u>	\$ <u>13,938,500,000</u>
Total Availability	\$ 14,038,409,055	\$ 14,330,538,498	\$ 14,262,074,714
Appropriations			
Operating Budget	\$ 12,183,621,375	\$ 12,596,865,350	\$ 12,886,610,899
Adjustments to the Recommended			
Continuation Budget	-	(610,510,157)	(288,984,798)
Expansion Budget			
Recommended	<u>-</u>	<u>1,069,289,268</u>	<u>960,470,366</u>
Total Operating Budget	\$ 12,183,621,375	\$ 13,055,644,461	\$ 13,558,096,467
Capital Improvement - Direct			
Appropriation	\$ 185,699,500	\$ 77,059,168	\$ -

Post-Legislative Budget Summary, 1999-2001
General Fund – Table 4 - Continued

	Condition of the General Fund		
	1999-2001		
	1998-1999	1999-2000	2000-2001
	Actual	Authorized	Authorized
Appropriation by Earmarking of Availability			
Bailey/Emory/Patton Lawsuit	\$ 400,000,000	\$ 399,000,000	\$ -
Intangibles Tax Settlement	-	200,000,000	-
Appropriation from Earmarked Ending Balance (Reserves)			
Capital Improvement - Repair and Renovations	\$ 145,000,000	\$ 150,000,000	\$ -
Clean Water Management Trust Fund	47,397,819	0,000,000	-
Total Direct and Earmarked Appropriations	\$ 12,961,718,694	\$ 13,911,703,629	\$ 13,558,096,467
Direct Authorized Transfer from Reserve	\$ 2,500,000	\$ 54,361,758	\$ -
Ending Balance	\$ 1,074,190,361	\$ 364,473,111	\$ 703,978,247
Ending Reserved Balance			
Budget Stabilization Reserve	\$ 522,520,562	\$ 322,520,562	\$ 322,520,562
Clean Water Management Trust Fund	31,054,152	1,054,152	1,054,152
Repair and Renovations	150,000,000	-	-
Aquariums	30,000,000	-	-
Warren County Landfill	7,000,000	-	-
Disproportionate Share Receipts	19,551,863	-	-
Work First Reserve	17,361,758	-	-
Total Reserved Balance	\$ 777,488,335	\$ 323,574,714	\$ 323,574,714
Ending Unreserved Balance	\$ 296,702,026	\$ 40,898,397	\$ 380,403,533

Table 5A
1999-00 General Fund Budget

Departments	Continuation		Continuation		Additional		Expansion	
	Request	Adjustments	Recommended	Adjustments	Transfers	Authorized	Authorized	
Education:								
Public Education	\$ 5,143,579,517	\$ -	\$ 5,143,579,517	\$ (87,908,925)	\$ -	\$ 206,957,084	\$ 5,262,627,676	
Community Colleges	550,044,821	(453,912)	549,590,909	(30,569,037)	-	60,781,979	579,803,851	
University of North Carolina								
General Administration	41,959,204	(60,681)	41,898,523	(239,321)	-	-	41,659,202	
Lump-Sum Institution Prog.	28,840,936	-	28,840,936	(9,059,492)	-	74,902,830	94,684,274	
Related Educational Prog.	81,357,156	-	81,357,156	(3,455,000)	-	8,072,850	85,975,006	
UNC-CH Academic	179,781,245	(1,529,832)	178,251,413	(958,180)	-	-	177,293,233	
UNC-CH Health Affairs	146,348,108	(703,699)	145,644,409	(734,321)	-	-	144,910,088	
UNC-CH AHEC	44,212,633	(8,054)	44,204,579	(110,511)	-	-	44,094,068	
NCSU Academic	238,127,127	(968,484)	237,158,643	(2,826,877)	-	-	234,331,766	
NCSU - Ag. Research Service	46,191,972	(290,406)	45,901,566	(352,162)	-	-	45,549,404	
NCSU - Ag. Extension Service	36,323,976	(66,626)	36,257,350	(225,429)	-	-	36,031,921	
UNC at Greensboro	80,285,052	(874,180)	79,410,872	(600,568)	-	-	78,810,304	
UNC at Charlotte	83,884,257	(299,430)	83,584,827	(417,924)	-	-	83,166,903	
UNC at Asheville	22,143,243	-	22,143,243	(125,539)	-	-	22,017,704	
UNC at Wilmington	50,630,641	(420,789)	50,209,852	(251,996)	-	-	49,957,856	
ECU - Academic	102,848,749	(748,927)	102,099,822	(510,499)	-	-	101,589,323	
ECU - Health Affairs	44,331,650	-	44,331,650	(3,221,658)	-	-	41,109,992	
NC A&T State University	53,945,921	(151,710)	53,794,211	(301,757)	-	-	53,492,454	
Western Carolina University	47,742,146	(103,633)	47,638,513	(273,979)	-	-	47,364,534	
Appalachian State University	73,177,421	(622,643)	72,554,778	(490,889)	-	-	72,063,889	
UNC at Pembroke	20,846,459	(245,402)	20,601,057	(144,150)	-	-	20,456,907	
Winston-Salem State University	24,444,682	(238,647)	24,206,035	(205,526)	-	-	24,000,509	
Elizabeth City State University	19,710,018	(212,668)	19,497,350	(217,600)	-	-	19,279,750	
Fayetteville State University	26,157,951	(34,800)	26,123,151	(130,616)	-	-	25,992,535	
NC Central University	39,744,721	(244,149)	39,500,572	(293,587)	-	-	39,206,985	
NC School of the Arts	15,109,847	(400,102)	14,709,745	(246,299)	-	-	14,463,446	
NC School of Science & Math.	10,401,019	(9,774)	10,391,245	-	-	-	10,391,245	
Univ. of N.C. Hospital at C.H.	44,650,076	(5,559,214)	39,090,862	(2,739,837)	-	-	36,351,025	
Total UNC-Board of Governors	\$ 1,603,196,210	\$ (13,793,850)	\$ 1,589,402,360	\$ (28,133,717)	\$ -	\$ 82,975,680	\$ 1,644,244,323	
Total Education	\$ 7,296,820,548	\$ (14,247,762)	\$ 7,282,572,786	\$ (146,611,679)	\$ -	\$ 350,714,743	\$ 7,486,675,850	

Departments	Continuation Request	Adjustments	Continuation Recommended	Additional Adjustments	Transfers	Expansion Authorized	Authorized
Other Departments:							
Administration	\$ 60,370,587	\$ (209,152)	\$ 60,161,435	\$ (853,803)	\$ -	\$ 1,640,000	\$ 60,947,632
Administrative Hearings	2,687,664	-	2,687,664	-	-	69,535	2,757,199
Agriculture and Consumer Svc.	53,633,433	-	53,633,433	(675,088)	-	3,855,074	56,813,419
Auditor	12,031,717	(375,225)	11,656,492	(116,565)	-	74,704	11,614,631
Board of Elections	3,159,660	-	3,159,660	-	-	40,000	3,199,660
Commerce	40,132,400	(70,000)	40,062,400	(689,682)	(100,000)	7,825,730	47,098,448
State Aid	13,546,251	-	13,546,251	(10,000)	100,000	14,460,000	28,096,251
SIPS	-	-	-	-	-	3,596,000	3,596,000
Correction	926,592,101	(4,572,025)	922,020,076	(31,946,439)	(197,875)	1,303,682	891,179,444
Crime Control and Public Safety	35,723,850	-	35,723,850	(552,276)	2,125	1,620,220	36,793,919
Cultural Resources	60,635,211	(3,517,594)	57,117,617	(349,540)	-	13,120,000	69,888,077
Cul. Res. - Roanoke Island Com.	1,826,157	-	1,826,157	-	-	-	1,826,157
Environment & Natural Res.	155,056,733	(2,784,392)	152,272,341	(6,953,048)	-	10,697,614	156,016,907
General Assembly	35,695,575	-	35,695,575	(715,000)	-	-	34,980,575
Governor's Office	5,317,042	-	5,317,042	(53,678)	-	-	5,263,364
Juvenile Justice	130,100,131	(62,165)	130,037,966	(1,100,000)	72,271	7,053,500	136,063,737
Insurance	21,822,342	(348,395)	21,473,947	(191,740)	-	726,556	22,008,763
Ins. - Direct Appropriation	4,500,000	-	4,500,000	-	-	-	4,500,000
Housing Finance Agency	2,300,000	-	2,300,000	-	-	9,000,000	11,300,000
Health and Human Services							
Administration and Support	\$ 95,418,843	\$ (6,098,545)	\$ 89,320,298	\$ (1,233,168)	\$ -	\$ 4,999,000	\$ 93,086,130
Aging	29,742,117	-	29,742,117	-	-	300,000	30,042,117
Child Development	225,269,727	-	225,269,727	-	-	60,743,000	286,012,727
Svcs. Deaf/Hard of Hearing	31,812,075	(723,264)	31,088,811	(169,728)	-	685,000	31,604,083
Public Health	130,661,203	-	130,661,203	(1,384,320)	-	4,084,300	133,361,183
Social Services	170,578,458	(182,062)	170,396,396	(24,083,476)	2,000,000	4,081,200	152,394,120
Medical Assistance	1,502,870,953	-	1,502,870,953	(160,090,106)	-	5,673,000	1,348,453,847
N.C. Health Choice	23,992,346	-	23,992,346	(1,900,000)	-	-	22,092,346
Services for the Blind	17,252,679	-	17,252,679	(64,687)	-	275,000	17,462,992
Mental Health/DD/SAS	608,127,180	(2,651,912)	605,475,268	(6,928,722)	-	15,743,641	614,290,187
Facility Services	10,244,297	-	10,244,297	(200,000)	(2,125)	892,992	10,935,164
Vocational Rehabilitation	35,697,190	(53,836)	35,643,354	-	-	3,398,533	39,041,887

Departments	Continuation Request	Adjustments	Continuation Recommended	Additional Adjustments	Transfers	Expansion Authorized	Authorized
Tfr to Bailey/Emory Patton	-	-	-	-	-	399,000,000	399,000,000
Tfr to Clean Water Mgmt	-	-	-	-	-	30,000,000	30,000,000
Tfr to Intangibles Settlement	-	-	-	-	-	200,000,000	200,000,000
Repair and Renovations	-	-	-	-	-	150,000,000	150,000,000
Total General Fund	\$ 12,634,217,014	\$ (37,351,664)	\$ 12,596,865,350	\$ (610,510,157)	\$ -	\$ 1,925,348,436	\$ 13,911,703,629

Table 5B
2000-01 General Fund Budget

Departments	Continuation Request	Adjustments	Continuation Recommended	Additional Adjustments	Transfers	Expansion Authorized	Authorized
Education:							
Public Education	\$ 5,195,842,820	\$ -	\$ 5,195,842,820	\$ (25,417,981)	\$ -	\$ 107,093,409	\$ 5,277,518,248
Community Colleges	550,337,725	(908,996)	549,428,729	(23,327,015)	-	64,913,979	591,015,693
University of North Carolina							
General Administration	42,321,168	(34,655)	42,286,513	(209,493)	-	-	42,077,020
Lump-Sum Institution Prog.	28,840,936	-	28,840,936	(8,554,364)	-	71,777,830	92,064,402
Related Educational Prog.	81,396,395	-	81,396,395	(455,000)	-	8,022,850	88,964,245
UNC-CH Academic	180,249,826	(1,783,046)	178,466,780	(891,257)	-	-	177,575,523
UNC-CH Health Affairs	147,392,015	(820,106)	146,571,909	(728,222)	-	-	145,843,687
UNC-CH AHEC	44,234,875	(8,054)	44,226,821	(110,511)	-	-	44,116,310
NCSU Academic	237,707,140	(971,842)	236,735,298	(1,185,793)	-	356,632	235,906,137
NCSU - Ag. Research Service	46,034,782	(382,280)	45,652,502	(229,508)	-	-	45,422,994
NCSU - Ag. Extension Service	36,185,094	(33,985)	36,151,109	(181,287)	-	-	35,969,822
UNC at Greensboro	80,235,976	(792,264)	79,443,712	(397,054)	-	5,710	79,052,368
UNC at Charlotte	83,950,884	(154,454)	83,796,430	(417,924)	-	-	83,378,506
UNC at Asheville	22,172,413	-	22,172,413	(110,716)	-	-	22,061,697
UNC at Wilmington	50,993,031	(416,964)	50,576,067	(251,049)	-	-	50,325,018
ECU - Academic	103,601,971	(1,386,908)	102,215,063	(510,499)	-	-	101,704,564
ECU - Health Affairs	44,329,544	-	44,329,544	(221,658)	-	-	44,107,886
NC A&T State University	53,859,621	(98,674)	53,760,947	(268,971)	-	-	53,491,976
Western Carolina University	48,417,149	(639,817)	47,777,332	(238,193)	-	-	47,539,139
Appalachian State University	73,997,509	437,352	74,434,861	(362,774)	-	-	74,072,087
UNC at Pembroke	20,951,709	(395,924)	20,555,785	(103,005)	-	-	20,452,780
Winston-Salem State University	24,313,582	(44,810)	24,268,772	(121,030)	-	-	24,147,742
Elizabeth City State University	19,460,626	(20,726)	19,439,900	(97,487)	-	-	19,342,413
Fayetteville State University	26,177,951	(34,800)	26,143,151	(130,616)	-	-	26,012,535
NC Central University	39,427,004	(180,693)	39,246,311	(197,503)	-	-	39,048,808
NC School of the Arts	15,034,413	(250,440)	14,783,973	(73,549)	-	-	14,710,424
NC School of Science & Math.	10,432,372	-	10,432,372	-	-	-	10,432,372
Univ. of N.C. Hospital at C.H.	47,478,091	(5,695,481)	41,782,610	(2,739,838)	-	-	39,042,772
Total UNC-Board of Governors	\$ 1,609,196,077	\$ (13,708,571)	\$ 1,595,487,506	\$ (18,787,301)	\$ -	\$ 80,163,022	\$ 1,656,863,227
Total Education	\$ 7,355,376,622	\$ (14,617,567)	\$ 7,340,759,055	\$ (67,532,297)	\$ -	\$ 252,170,410	\$ 7,525,397,168

Departments	Continuation Request	Adjustments	Continuation Recommended	Additional Adjustments	Transfers	Expansion Authorized	Authorized
Other Departments:							
Administration	\$ 60,631,975	\$ (205,993)	\$ 60,425,982	\$ (486,656)	\$ -	\$ 150,000	\$ 60,089,326
Administrative Hearings	2,721,970	-	2,721,970	-	-	64,485	2,786,455
Agriculture and Consumer Svc.	53,590,208	-	53,590,208	(492,588)	-	1,048,981	54,146,601
Auditor	12,031,717	(375,225)	11,656,492	(116,565)	-	68,114	11,608,041
Board of Elections	3,159,660	-	3,159,660	-	-	40,000	3,199,660
Commerce	40,152,482	(70,000)	40,082,482	(712,847)	-	4,375,730	43,745,365
State Aid	13,546,251	-	13,546,251	(10,000)	-	3,560,000	17,096,251
SIPS	-	-	-	-	-	-	-
Correction	926,003,819	(4,572,025)	921,431,794	(32,351,540)	(197,875)	863,271	889,745,650
Crime Control and Public Safety	35,899,900	-	35,899,900	(552,276)	2,125	920,220	36,269,969
Cultural Resources	61,226,384	(3,214,380)	58,012,004	(349,540)	-	520,000	58,182,464
Cul. Res. - Roanoke Island Com.	1,826,157	-	1,826,157	-	-	-	1,826,157
Environ. & Natural Resources	155,132,541	(1,139,976)	153,992,565	(2,931,000)	-	6,638,708	157,700,273
General Assembly	39,518,408	-	39,518,408	-	-	-	39,518,408
Governor's Office	5,335,850	-	5,335,850	(53,678)	-	-	5,282,172
Juvenile Justice	131,016,543	(62,165)	130,954,378	(1,100,000)	72,271	10,164,000	140,090,649
Insurance	21,838,450	(353,729)	21,484,721	(191,740)	-	306,056	21,599,037
Ins. - Direct Appropriation	4,500,000	-	4,500,000	-	-	-	4,500,000
Housing Finance Agency	2,300,000	-	2,300,000	-	-	3,000,000	5,300,000
Health and Human Services							
Administration and Support	\$ 92,602,731	\$ (2,462,760)	\$ 90,139,971	\$ (1,233,168)	\$ -	\$ 900,000	\$ 89,806,803
Aging	29,742,117	-	29,742,117	-	-	50,000	29,792,117
Child Development	225,269,727	-	225,269,727	-	-	80,171,826	305,441,553
Svcs. Deaf/Hard of Hearing	32,318,874	(597,197)	31,721,677	(169,728)	-	437,600	31,989,549
Public Health	132,304,079	-	132,304,079	(1,384,320)	-	1,059,300	131,979,059
Social Services	181,280,896	(237,245)	181,043,651	(14,476)	3,328,791	4,430,200	188,788,166
Medical Assistance	1,653,624,285	-	1,653,624,285	(126,146,158)	-	12,071,143	1,539,549,270
N.C. Health Choice	25,509,475	-	25,509,475	-	-	-	25,509,475
Services for the Blind	17,244,842	-	17,244,842	(64,687)	-	275,000	17,455,155
Mental Health/DD/SAS	606,804,592	(2,371,328)	604,433,264	(7,938,722)	-	11,163,479	607,658,021
Facility Services	10,244,297	-	10,244,297	-	(2,125)	954,559	11,196,731
Vocational Rehabilitation	37,447,697	(589,827)	36,857,870	-	-	1,398,533	38,256,403

Departments	Continuation Request	Adjustments	Continuation Recommended	Additional Adjustments	Transfers	Expansion Authorized	Authorized
Total DHHS	\$ 3,044,393,612	\$ (6,258,357)	\$ 3,038,135,255	\$ (136,951,259)	\$ -	\$ 112,911,640	\$ 3,014,095,636
Judicial	\$ 275,220,551	\$ (853,374)	\$ 274,367,177	\$ (2,979,507)	\$ (5,228,416)	\$ 13,405,224	\$ 279,564,478
Judicial - Indigent Defense	65,768,397	-	65,768,397	(3,200,000)	1,625,229	-	64,193,626
Other Departments - continued							
Justice	71,621,864	(100,161)	71,521,703	(1,524,671)	400,000	2,578,918	72,975,950
Labor	16,641,758	(184,727)	16,457,031	(109,780)	-	22,000	16,369,251
Lt. Governor's Office	640,485	-	640,485	-	-	-	640,485
Revenue	75,100,098	(194,136)	74,905,962	(375,000)	-	1,224,671	75,755,633
Rules Review Commission	\$ 309,326	\$ -	\$ 309,326	\$ -	\$ -	\$ -	\$ 309,326
Secretary of State	6,248,106	(51,500)	6,196,606	(125,682)	-	385,009	6,455,933
State Budget and Management	4,268,782	-	4,268,782	(41,000)	-	20,000	4,247,782
Special Appropriations	3,080,000	-	3,080,000	-	-	-	3,080,000
State Controller	10,804,420	-	10,804,420	(216,105)	-	900,000	11,488,315
State Planning	2,147,099	-	2,147,099	-	-	-	2,147,099
State Treasurer	7,220,452	-	7,220,452	(1,085,128)	-	432,929	6,568,253
State Treasurer - Pensions	12,294,780	-	12,294,780	-	-	-	12,294,780
Transportation	15,434,165	-	15,434,165	-	-	-	15,434,165
Reserves:							
Contingency and Emergency	\$ 1,125,000	\$ -	\$ 1,125,000	\$ -	\$ -	\$ -	\$ 1,125,000
Compensation Increases	-	-	63,627,578	-	-	397,600,000	461,227,578
SPA Minimum Salary	-	-	-	-	-	100,000	100,000
Retirement Rate Adjustment	-	-	-	(900,000)	-	-	(900,000)
Positions Vacated by Retirement	-	-	-	(12,709,439)	-	-	(12,709,439)
Debt Service	311,096,050	-	311,096,050	(20,386,500)	-	-	290,709,550
Debt Service - Federal	1,155,948	-	1,155,948	-	-	-	1,155,948
Salary Adjustment Fund	4,444,303	-	4,444,303	-	-	-	4,444,303
Welfare Reform	412,503	-	412,503	-	-	-	412,503
State Health Plan	-	-	-	-	-	147,000,000	147,000,000
Consolidated Mail Services	-	-	-	(1,500,000)	-	-	(1,500,000)
General Fund Operating	\$ 12,918,864,214	\$ (32,253,315)	\$ 12,886,610,899	\$ (288,984,798)	\$ -	\$ 960,470,366	\$ 13,558,096,467

Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education

C. Appropriations by Department

General Fund Continuation and expansion appropriations are listed by department in the following pages. They are grouped in the categories of education, general government, health and human services, justice and public safety, natural and economic resources, and other appropriations.

Public Education

Public education receives the largest state appropriation, and for 1999-2000 and 2000-2001 totals \$5,262,627,676 and \$5,277,518,248, respectively. These appropriations plus the appropriation for the public education compensation increase represent 42.6% and 41.1% of the total General Fund operating budget for 1999-2000 and 2000-2001. The largest single factor affecting the level of funds appropriated to the Public School System is the number of students enrolled. The budgeted average daily membership (ADM) in grades K through 12 is 1,268,870 for 1999-2000 and 1,289,528 for 2000-2001, compared to the ADM of 1,251,287 budgeted for 1998-1999.

The State Board of Education establishes policy for the general administration of the state's Public School System. The Superintendent of Public Instruction, elected to office for a four-year term, is the administrative head of the Department of Public Instruction and member of the Council of State.

	Total Appropriations				
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$5,664,726,596	\$5,792,976,699	2.3%	\$5,808,153,248	0.3%
Receipts	<u>582,202,914</u>	<u>530,349,023</u>	<u>(8.9%)</u>	<u>530,635,000</u>	<u>0.1%</u>
Appropriation	<u>\$5,082,523,682</u>	<u>\$5,262,627,676</u>	<u>3.5%</u>	<u>\$5,277,518,248</u>	<u>0.3%</u>
No. of Positions	494.2	493.5	0.0%	493.5	0.0%

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Employee Benefit Programs – Public School Fund		
The following employee benefit programs were increased based on previous years' expenditure levels:		
Hospitalization	\$ 4,899,024	\$ 6,645,440
Short Term Disability	268,063	268,063
Longevity	11,478,418	11,478,418
Annual Leave	4,029,856	4,029,856
Worker's Compensation	8,250,993	8,250,993
2. Salary Related Changes – Departmental		
Funding for longevity in the Department of Public Instruction was revised to the 1997-1998 level of expenditure, adjusted for the salary increase received in 1998-1999.	(26,238)	(26,238)
3. Operating Expenses – Departmental		
Inflationary increases were allowed in the continuation budget for telephone, utilities, and food at the Governor's School. Dues paid by the Department of Public Instruction to the Council of Chief State School Officers and the Education Commission of the States were increased.	27,288	30,946

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
4a. One-Time Appropriations Deleted		
The following one time or pilot appropriations were deleted from the continuation budget:		
Teacher Evaluation Instrument	\$ (500,000)	\$ (500,000)
ExplorNet	(500,000)	(500,000)
NC HELPS	(2,000,000)	(2,000,000)
Small School Supplement	(3,000,000)	(3,000,000)
ABC Incentive Awards	(98,000,000)	(98,000,000)
Additional Pay for Mentors	(14,235,124)	(14,235,124)
Total Quality Education	(450,000)	(450,000)
A+ Schools	(400,000)	(400,000)
Global Curriculum	(150,000)	(150,000)
School Leadership Pilot	(150,000)	(150,000)
School Technology	(4,800,000)	(4,800,000)
Model Teacher Consortium	<u>(1,500,000)</u>	<u>(1,500,000)</u>
Total	\$ (125,685,124)	\$ (125,685,124)
4b. One Time Appropriations Deleted – 1998 Continuing Resolution		
The following one time appropriations were included in the 1998 Continuing Resolution and were deleted from the continuation budget:		
Longevity	\$ (9,010,274)	\$ (9,010,274)
ABC Incentive Awards	(17,118,003)	(17,118,003)
School Bus Replacement	(24,199,403)	(24,199,403)
School Technology	<u>(4,700,000)</u>	<u>(4,700,000)</u>
Total Requirements	\$ (55,027,680)	\$ (55,027,680)
Total Receipts	<u>(55,027,680)</u>	<u>(55,027,680)</u>
Appropriation	\$ -	\$ -
5. Testing		
The 1997 General Assembly encouraged the inclusion of \$850,000 for testing in the continuation budget request for subsequent years. (1997 Session Laws, Chapter 443, Sec. 8.41)	850,000	850,000

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
6. Model Teacher Consortium		
The 1998 Session of the General Assembly directed that the Model Teacher Consortium be transferred from the Department of Public Instruction to the UNC General Administration. (1998 Session Laws, Chapter 212, Sec. 11.12(c))	\$ (785,000)	\$ (785,000)
7. Revise Average Daily Membership (ADM)		
Adjustments included in the continuation budget were based on ADM projections made in December 1998. An updated revision was made in the expansion budget and is described in item 30 below.		
Requirements	\$ 124,576,814	\$ 211,197,855
Receipts (Highway Fund/Driver's Education)	<u>3,233,789</u>	<u>3,519,766</u>
Appropriation	\$ 121,343,025	\$ 207,678,089
8. School Bus Replacement		
Funds for the purchase of school buses were increased according to the existing schedule for replacement. (See items 37 and 38 for further adjustments)	36,345,530	523,695

Expansion Budget:

9. DWI Position		
Receipts budgeted for support of the position established by the 1998 General Assembly for administering a contract to handle confiscated cars were adjusted.		
Requirements	\$ -	\$ -
Receipts	<u>(60,000)</u>	<u>(60,000)</u>
Appropriation	\$ 60,000	\$ 60,000

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
10. School-Based Incentive Awards Under the ABCs Program			
The ABCs initiative directs that each year a school must assure that the students receive a year's worth of education for a year of instruction. According to G.S. 115C-105.36, incentive awards will be given when a school either meets or exceeds the projected levels of improvement in student performance. In accordance with State Board of Education policy, incentive awards in schools that achieve higher than expected improvement may be up to \$1,500 for each teacher and certified personnel, and \$500 for each teacher assistant.			
 In accordance with State Board of Education policy, incentive awards in schools that meet the expected improvements may be up to \$750 for each teacher and certified personnel, and \$375 for each teacher assistant. Nonrecurring funds in the amount of \$98 million were appropriated in the 1998 Short Session for those awards to be earned in the 1998-1999 school year and awarded in July 1999.			
 The total amount made available for incentive awards by the 1999 General Assembly was \$140 million in nonrecurring funds.			
Appropriation – Nonrecurring	\$ 140,000,000	NR	\$ -

NR-Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

1999-2000

2000-2001

11a Increasing Teacher Salaries to the National Average

A total of \$239,870,258 in recurring funds was appropriated for 1999-2001 to increase the teacher salary schedule an average of 7.5% to continue to compensate certified teaching personnel for achieving higher standards, performing special assignments, and increasing the salaries for beginning teachers. The amount of increase for individual teachers will vary accordingly.

The increase appropriated will apply to certified teachers and certified instructional support, including psychologists, social workers, counselors, librarians, media coordinators, and nationally certified nurses.

11b Salary Increases – Other Public School Employees

Funds were appropriated in a statewide reserve to provide an average annual salary increase of 3% effective July 1, 1999, for all public school employees not paid from the teacher salary schedule or the principal/assistant principal salary schedule. This includes the certified nonteaching positions in central office administration (superintendents and school administrators) and noncertified employees such as finance officers, clerical workers, teacher assistants, custodians, bus drivers, bus mechanics, and maintenance supervisors. In addition, a nonrecurring salary bonus of \$125/employee was appropriated for 1999-2000 for employees not paid from the teacher or principal/assistant principal salary schedules.

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

1999-2000

2000-2001

**Salary Increases – Other Public School
Employees – Continued**

Funding was included in a statewide reserve for an average 8% increase in the base salary for principals and assistant principals. Principals and assistant principals also will receive an additional 1% over the appropriate step on the salary schedule for 1999-2000 if their school met or exceeded the projected levels of improvement in student performance for 1997-1998 or 1998-1999 fiscal years in accordance with the ABCs of Public Education Program; and/or an additional permanent 1% if the local board of education found in 1997-1998 or 1998-1999 fiscal years that the principal/assistant principal's school met goals set by the local board for maintaining a safe and orderly school. If a principal or assistant principal's school was classified as safe in 1997-1998 and 1998-1999 in addition to being classified as meeting or exceeding ABC projections, the principal or assistant principal will be paid 4% above the base salary. This represents a potential total permanent increase of 4%. (1999 Session Laws, Chapter 237, Sec. 18.14(e))

In addition, principals and assistant principals are eligible to receive a 1% bonus or lump sum payment if their school meets or exceeds the projected levels of improvement earned for the 1999-2000 fiscal year, in accordance with the ABCs of Public Education Program; or if the local board of education finds that the principal/assistant principal's school has met the 1999-2000 goals of the local plan for maintaining a safe and orderly school. If both of these conditions are met, the principal or assistant principal will receive a lump sum payment or bonus of 2%. (1999 Session Laws, Chapter 237, Sec. 14(f))

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
12. Teacher Longevity: 1999-2000 Salary Increases		
Funds were appropriated for teacher longevity increases associated with the fiscal year 1999-2000 salary increases that are part of the Excellent Schools Act.	\$ 8,199,548	\$ 5,000,000
13. Mentor Teachers		
The Excellent Schools Act provides support for beginning teachers by requiring the State Board of Education to “develop a mentor program to provide ongoing support for teachers entering the profession.” The General Assembly first appropriated funding for mentors in the 1997 Session. Nonrecurring funds provided mentors for newly certified teachers (teachers who have never taught before) and three additional days of employment for orientation and classroom preparation for new teachers. In the 1998 Short Session, the General Assembly continued support for newly certified teachers and extended the program to provide mentors for teachers who had mentors during the 1997-1998 school year and entry level instructional support personnel who had not previously been teachers.		
Each mentor is compensated at the rate of \$100 per month for each month he or she serves as a mentor, for a maximum of 10 months with an additional \$100 for serving as a mentor for a first year teacher for one day prior to the beginning of the school year. Funds were appropriated to continue support of the existing mentor program. (1999 Session Laws, Chapter 237, Sec. 8.22)	14,235,124	14,235,124

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
14. Improving Student Accountability		
Funds were appropriated for improving student accountability to provide funds to local school systems to improve student performance in grades K-8. Funds will be allocated to local school systems based on the numbers of students scoring at Level I and II on the end-of-grade test.	\$ 20,582,412	\$ 20,582,412

Continuation budget funds previously appropriated for NC HELPS and for the middle school pilot project shall be transferred to the new student accountability allocation category; and local boards of education are encouraged to use federal funds such as Goals 2000 and Title I Comprehensive School Reform Development Funds and to examine the use of state funds to ensure that every student is performing at or above grade level in reading and mathematics. The dedication of these funds together with the new appropriation make a total of \$31 million available for student accountability. (1999 Session Laws, Chapter 237, Sec. 8.17)

The General Assembly also encouraged local boards of education to use at least 20% of the funds received through the Low Wealth and Small School Supplemental allotments to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades three through eight and children who are performing at Level I or II on the writing tests in grades four and seven. (1999 Session Laws, Chapter 237, Sec. 8.5 (b) and Sec. 8.6(f))

**Post-Legislative Budget Summary, 1999-2001
 General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
15. Limited English Proficiency		
Students whose primary language is not English and who are of limited proficiency in English represent a steadily increasing percentage of North Carolina's school population and are found at all grade levels, in urban, suburban, and rural communities across the state. Federal statutes require that school systems provide an equal educational opportunity for all students, including those of limited proficiency in English. Funds were appropriated to assist Local Education Agencies (LEAs) and charter schools in improving services to students with limited proficiency in English.	\$ 5,000,000	\$ 5,000,000

Five million dollars was budgeted in the continuation budget for Limited English Proficiency (LEP); and an additional \$5 million was appropriated for a total budget of \$10 million for LEP for 1999-2000 and 2000-2001. The State Board of Education shall allocate these funds to local school administrative units and to charter schools under a formula that takes into account the average percentage of students in the units or the charters over the past three years who have limited English proficiency. Local school administrative units shall use funds allocated to them to pay for classroom teachers, teacher assistants, textbooks, classroom materials/instructional supplies/equipment, and staff development for students with limited English proficiency. (1999 Session Laws, Chapter 237, Sec. 8.10)

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
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16. **Low Wealth Supplemental Funding**
 Additional funding was appropriated to provide supplemental funds in low wealth counties for the enhancement of instructional programs and student achievement. The low wealth school system allocation is for counties in which the county wealth as a percentage of the state average wealth is less than 100%. The funds are used only for instructional positions, instructional support positions, teacher assistants, and clerical positions; instructional supplies and equipment, staff development, and textbooks. Funds are allocated to each eligible system based on ADM. These funds are to supplement, not supplant, existing state and local funding for public schools. This category was first funded in the 1991 session and has been increased in every session since 1991. The total budget for Low Wealth for 1999-2000, revised to include this appropriation and the legislative compensation increase for 1999-2000 is approximately \$77.6 million. According to the funding formula for Low Wealth, a total budget of approximately \$120.4 million would be required in order to fully fund Low Wealth at the current level of effort.

Local boards of education are encouraged to use at least 20% of the funds received through the Low Wealth allotment category to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades three through eight and children who are performing at Level I or II on the writing tests in grades four and seven. (1999 Session Laws, Chapter 237, Sec. 8.5(b))

	\$ 10,000,000	\$ 10,000,000
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**Post-Legislative Budget Summary, 1999-2001
 General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
<p>17. Small School Supplemental Funding Funds were appropriated to continue the \$3 million in nonrecurring funds appropriated in the 1998 Short Session to provide additional support for Small School Supplemental Funding. Funding for small school systems was first provided by the 1991 session and, with this appropriation, totals \$21.6 million each year for 1999-2001. The small school allocation is for county systems with less than 3,150 students and for county systems with 3,150 to 4,000 students if the county adjusted property tax base per student is below the average state adjusted property tax base per student, and the student membership in all systems within the county combined is 3,150 to 4,000. These funds are to supplement, not supplant, existing state and local funding for public schools.</p> <p>Local boards of education are encouraged to use at least 20% of the funds they receive through the Small School Supplemental Funding allotment category to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades three through eight and children who are performing at Level I or II on the writing tests in grades four and seven. (1999 Session Laws, Chapter 237, Sec. 8.6(f))</p>	\$ 3,000,000	\$ 3,000,000

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

1999-2000

2000-2001

18. ExplorNet Funding

Funds were appropriated to ExplorNet, a nonprofit corporation, to provide additional state support to establish a public-private partnership to encourage, promote, and expand technology in the public schools. The purpose of the partnership is to enlist public, private, and volunteer sectors to develop creative means of bringing technology to classrooms at minimal cost to the state. This effort would include helping schools wire classrooms to connect to school networks as well as the Internet, and helping develop programs to train teachers in the use of technology. Seven local administrative units will be selected to participate in the technology recycling program. The State Board of Education was appropriated \$500,000 in recurring funds in the 1997 General Assembly for the purpose of contracting with ExplorNet to administer these programs. An additional \$500,000 in nonrecurring funds was appropriated in the 1998 Short Session bringing the total for 1998-1999 to \$1 million. The 1999 appropriation together with the recurring appropriation from the 1997 Session provides a total budget of \$2,500,000 for 1999-2000.

\$ 2,000,000

\$ 2,000,000

19. Student Information System

Over the last ten years, a series of systems have been put into place by the Department of Public Instruction in response to G.S. 115C-12(18) which charged the State Board of Education with implementing a Uniform Education Reporting System (UERS) for the collection, processing, and reporting of fiscal, personnel, and student data, by means of electronic transfer of data files from local computers to the State Computer Center through the State Communication Network. Funds in the amount of \$2,551,197 were appropriated in the 1997

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
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Student Information System – Continued

Session to modify and enhance the existing UERS to support the redefined mission of the Department of Public Instruction and the data requirements of the new individual school accountability plan which is part of the ABCs initiative.

The Student Information Management System (SIMS) is a component of the larger UERS. Nonrecurring funds in the amount of \$2 million were appropriated to begin replacement of SIMS software in the 1998 Session. This represented the initial phase of a comprehensive student information and accountability system to incorporate all of the existing systems in addition to tracking mechanisms designed to respond to special legislative information requirements. Funding appropriated for the UERS and SIMS were designated not to revert at the end of the 1998-1999 fiscal year but to remain available until expended on the project.

Recurring funds in the amount of \$10 million were appropriated for the second year of the biennium to continue implementation of a new student information system in the public schools. The new system supports the State Board of Education’s goals under the ABC program and previous information requirements of the General Assembly. This appropriation together with the \$2 million budgeted in the continuation budget for SIMS provides a total of \$12 million. Funding appropriated for the UERS and SIMS again was designated not to revert at the end of the 1999-2000 and 2000-2001 fiscal years but to remain available until expended on the project. (1999 Session Laws, Chapter 237, Sec. 8.4)

	\$ -	\$ 10,000,000
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**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
20. Teacher Cadet Program Funds were appropriated for the North Carolina Teacher Cadet Program.	\$ 100,000	\$ 100,000
21. Programs to Assist Local School Systems Funds in the amount of \$600,000 were appropriated to the North Carolina State Board of Education on a continuing basis to assist local school systems in programs to improve student performance. Programs include Total Quality Education (TQE), Global Curriculum, and the North Carolina Geographic Alliance. In the previous year, nonrecurring funds in the amount of \$450,000 were appropriated by the 1998 General Assembly to continue support of TQE, an initiative providing training to educators in the use of Total Quality Management processes and practices. Also, nonrecurring funds in the amount of \$150,000 were appropriated by the 1998 General Assembly to continue support of the Global Curriculum program, the purpose of which is to improve knowledge and understanding of middle and high school students in international and cultural studies by identifying and training master teachers, and providing orientation and materials.	600,000	600,000

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
22. A+ Schools		
A+ Schools focus on improving basic skills through an interdisciplinary teaching and learning approach using such vehicles as the arts to help students achieve grade level proficiency in reading, writing, and mathematics. State funds are combined with funds from the Kenan Charitable Trust and local funds to support the A+ Schools Program. Nonrecurring funds have been appropriated for this program by the General Assembly since 1995.	\$ 400,000	\$ 400,000
23. Textbook Commission Expansion		
Funds were appropriated to support additional members for the State Textbook Commission. Under this modified version of G.S. 115C-87, six members shall be teachers or principals in grades K-5; five shall be teachers or principals in grades 6-8; four shall be superintendents, teachers, or principals in grades 9-12; three shall be parents of students in grades K-5 at the time of appointment; three shall be parents of students in grades 6-8 at the time of appointment; and two shall be parents of students in grades 9-12 at the time of appointment. These changes become effective January 1, 2000; and additional members appointed under this legislation shall hold office until the new Governor takes office in 2001, and their successors are appointed and qualified. (1999 Session Laws, Chapter 237, Sec. 8.30)	50,000	50,000

**Post-Legislative Budget Summary, 1999-01
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
24. School Leadership Pilot			
Nonrecurring funds were appropriated to the North Carolina State Board of Education for the school leadership pilot project. The four school districts receiving the funds (Pasquotank, Mecklenburg, Brunswick, and Buncombe) will participate in the nationwide program of the Center for Leadership in School Reform.			
Appropriation – Nonrecurring	\$ 240,000	NR	\$ -
25. School Breakfast Program			
Funds were appropriated to begin implementation of a school breakfast program for all kindergarten students, regardless of income, beginning in January 2000. Any school that serves kindergarten students is eligible to receive funds under the program for the 1999-2000 fiscal year for those students. Schools participating in the program shall provide breakfast, without charge, to all kindergarten students. If the funds appropriated are not adequate to expand the program to all students in schools that elect to participate for the 1999-2000 school year, the Board of Education shall give priority to schools with a high concentration of children who qualify for free or reduced price lunches. (1999 Session Laws, Chapter 237, Sec. 8.26)			
	1,100,000		1,100,000
26. Funds for School Needs			
Nonrecurring funds were appropriated to the Critical School Facility Needs Fund to assist local school administrative units in which one or more schools were damaged or destroyed.			
Appropriation - Nonrecurring	200,000	NR	-

NR-Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
27. North Carolina Network Funds		
Funds were appropriated to the North Carolina State Board of Education for the North Carolina Network to provide training for school based management teams, and to improve the management capacity of local school administrative units.	\$ 250,000	\$ 250,000
28. Technology Funds Pilot		
Nonrecurring funds were appropriated to the North Carolina State Board of Education for the Highland School of Technology Pilot Project. These funds will be used to help support an innovative public-private partnership in school technology through Gaston County Educational Foundation, Inc.		
Appropriation - Nonrecurring	1,000,000	NR -

Adjustments:

- 29. Average Annual Salary Adjustment**
A total adjustment of (\$24,579,946) for 1999-2000 and (\$24,917,981) for 2000-2001 was necessary to revise budgeted average annual salaries including principals and assistant principals using actual salaries for the sixth month of the 1998-1999 fiscal year as the base and a reanalysis of more current teacher certification data.

This adjustment is made annually by the General Assembly after reviewing budgeted salary projections for all certified personnel. Typically, because of turnover in these positions, the actual salaries are lower than what is budgeted, and a reduction is made accordingly. This adjustment does not reduce any salary paid to certified personnel.

NR-Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Adjustments:

	<u>1999-2000</u>	<u>2000-2001</u>
Average Annual Salary Adjustment – Continued		
The initial adjustment, appearing in the Governor’s Recommended Budget, included an average annual salary adjustment of (\$14,227,946) in 1999-2000 and (\$14,417,981) in 2000-2001, reflecting actual experience through December 1998.	\$ (14,227,946)	\$ (14,417,981)
Reanalysis of the 1998 certified payroll data by the Department of Public Instruction found that more current teacher certification data produced an additional change of (\$10,352,001) in 1999-2000 and (\$10,500,000) in 2000-2001, and this change was incorporated by the General Assembly.	(10,352,000)	(10,500,000)
30. Revise Average Daily Membership		
Positions, textbooks, instructional equipment, and supplies allocated to the public schools are budgeted on the basis of average daily membership (ADM) of students in the classroom. Budgeted ADM was 1,251,287 in 1998-1999. Adjustments included in the continuation budget were based on ADM projections made in December 1998. In February 1999, final ADM projections were revised to 1,268,870 for 1999-2000 and 1,289,528 for 2000-2001 to reflect changes in the expected number of students in various grade levels.	(16,319,791)	1,905,473

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Adjustments:

	<u>1999-2000</u>		<u>2000-2001</u>
31. Reduce State Literary Fund Balance			
To create funding availability, a total of \$2.5 million in nonrecurring funds was appropriated from the State Literary Fund to the Department of Public Instruction for fiscal year 1999-2000 for aid to local school administrative units (LEAs). This appropriation from the fund balance of the Literary Fund creates a reduction of \$2.5 million in that fund and increases the receipt support in the Public School Fund by replacing existing state appropriation with the transfer from the Literary Fund. (1999 Session Laws, Chapter 237, Sec. 8.18)			
The Literary Fund was established for loans for LEAs for erection and equipment of school plants, maintenance buildings and transportation garages.			
Appropriation - Nonrecurring	\$ (2,500,000)	NR	\$ -
32. Reduce Children's Trust Fund Balance			
The balance in the Children's Trust Fund was reduced to increase nonrecurring fund availability. The Children's Trust Fund provides grants to prevent child abuse. Grants are awarded on an application basis. The continuation budget for the Department of Public Instruction includes an annual appropriation of \$250,000 for these grants and administration of the program; plus, \$5 from every marriage license granted in North Carolina is deferred to this program.			
Appropriation - Nonrecurring	(1,300,000)	NR	-

NR-Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Adjustments:

	<u>1999-2000</u>		<u>2000-2001</u>
33. Transfer from Unemployment Reserve Fund			
The General Assembly directed the State Board of Education to transfer \$850,000 from the Unemployment Reserve to the General Fund in the 1999-2000 fiscal year. Of the funds appropriated to the Department of Public Instruction, \$850,000 in fiscal year 1999-2000 is to be used as a part of the State Aid to Local School Administrative Units. These funds are intended to provide educational programs similar to the state and federal programs that comprise the unemployment reserve.			
The purpose of the Unemployment Reserve Fund is to pay all unemployment claims filed by federally supported public school employees. Initially the balance in this fund came from federal sources, but significant interest has accumulated over the years and is available for this nonrecurring reduction. (1999 Session Laws, Chapter 237, Sec. 8.19)			
Appropriation – Nonrecurring	\$ (850,000)	NR	\$ -
34. Prospective Teacher Scholarship Loan Program			
To create nonrecurring funding availability, the General Assembly reduced the balance in the Prospective Teacher Scholarship Loan Program Fund. This reduction will have no impact on the number of scholarships available in the 1999-2001 biennium.			

NR-Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Adjustments:

	<u>1999-2000</u>		<u>2000-2001</u>
Prospective Teacher Scholarship Loan Program – Continued			
<p>The purpose of the Prospective Teacher Scholarship Loan is to provide approximately 800 scholarship loans of \$2,500 annually to any resident of North Carolina who is interested in preparing to teach in the public schools of North Carolina. Loans in the amount of \$1,200 are also made for up to 150 teacher assistants. These scholarship loans and the interest accrued on them are forgiven if the recipient teaches in the North Carolina public schools. If the recipient does not meet the teaching service requirements, the loan and interest are paid to the Scholarship Loan Fund. Funds are awarded on a competitive basis.</p>			
	\$ (500,000)	NR	\$ -
35.	Teaching Fellows Program		
	<p>The purpose of this fund is to account for the Teaching Fellow scholarship/loans awarded by the Public School Forum. The annual appropriation for the scholarships is made to the Department of Public Instruction (DPI). The Forum advises DPI as to the amount of scholarship funds to be disbursed to each teacher education program. If recipients do not complete the program or meet the requirements for loan forgiveness by teaching in North Carolina public schools, they must repay the loans. The forum contracts with a collection agency to process principal and interest payments, and these payments are in turn sent to DPI for redeposit into this fund as part of the fund balance. The goal of the forum is to award 1,600 scholarships annually in the amount of \$6,500 each. This reduction in the fund balance does not affect the award of scholarships or the operation of the forum.</p>		
	Appropriation – Nonrecurring		(8,500,000) NR -

NR-Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Adjustments:

	<u>1999-2000</u>		<u>2000-2001</u>
36. Textbook Fund			
The Textbook Fund provides textbooks for students in North Carolina public schools. Allocation to local education agencies (LEAs) is based on average daily membership (ADM) of \$49.11 per ADM in grades 1-12 for 1999-2000, including Trainable Mentally Handicapped. A fund balance has accumulated in this account from the mark up allowed to cover internal operations. This balance was reduced to increase nonrecurring fund availability.			
Appropriation – Nonrecurring	\$ (500,000)	NR	\$ -
37. Deferral of School Bus Purchases			
Due to the successful phase-in of diesel buses replacing gasoline engines and the subsequent savings on the replacement schedule, funding required for school bus purchases was projected to drop dramatically from the first to the second year of the biennium.			
Accordingly, the replacement schedule for school buses was modified in the Governor’s Recommended Budget for 1999-2000 to delay the purchase of 377 buses until the following year 2000-2001. This delay resulted in a nonrecurring reduction in the first year of the biennium and reinstatement of the necessary recurring funds in the second year. See item 38 below.			
Appropriation (1999-2000) – Nonrecurring	(18,021,731)	NR	18,532,943

NR-Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Adjustments:

	<u>1999-2000</u>		<u>2000-2001</u>	
38. Additional Deferral of School Bus Purchases				
The General Assembly accepted the Governor's recommended deferral of buses (see item 37 above) and made an additional deferral of the purchase of school buses in fiscal year 1999-2000, restoring the funding in fiscal year 2000-2001. With this additional deferral, the State will still purchase \$26.1 million in buses during fiscal year 1999-2000.				
Appropriation - Nonrecurring	\$ (14,337,457)	NR	\$ 14,337,457	NR
39. State Funds for Unemployment				
Excess state funds budgeted for unemployment in the Public School Fund were reduced.	(500,000)		(500,000)	

Other Provisions:

40. Charter School Advisory Committee/Charter School Evaluation

The State Board of Education may spend up to \$50,000 each year from State Aid to Local School Administrative Units for the 1999-2000 and 2000-2001 fiscal years to continue support of a charter school advisory committee. (1999 Session Laws, Chapter 237, Sec. 8.(a))

The State Board of Education may spend up to \$150,000 each year from State Aid to Local School Administrative Units for the 1999-2000 and 2000-2001 fiscal years to conduct an evaluation of charter schools. (1999 Session Laws, Chapter 237, Sec. 8.(b))

41. Litigation Reserve

Effective June 30, 1999, funds in the State Board of Education's Litigation Reserve that are not expended or encumbered on June 30, 1999, shall not revert on July 1, 1999, but shall remain available for expenditure until June 30, 2000. (1999 Session Laws, Chapter 237, Sec. 8.1(a) and (b))

NR-Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Other Provisions:

1999-2000

2000-2001

Litigation Reserve – Continued

The State Board of Education may expend up to \$500,000 for the 1999-2000 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation. (1999 Session Laws, Chapter 237, Sec. 8.1(c))

42. Alternative Schools/At Risk Students

The State Board of Education may use up to \$200,000 of the funds in the Alternative Schools/At Risk Student allotment each year for the 1999-2000 and 2000-2001 fiscal years to implement G.S. 115C-12(24) (Duty to Develop Guidelines for Alternative Learning Programs, Provide Assistance on Implementation of Programs and Evaluate Programs). (1999 Session Laws, Chapter 237, Sec. 8.3)

43. Driving Education Certificates/Teacher Recruitment

The State Board of Education may use funds appropriated for drivers education for the 1999-2000 fiscal year and for the 2000-2001 fiscal year for driving eligibility certificates. (1999 Session Laws, Chapter 237, Sec. 8.11(a))

The State Board of Education may use up to \$200,000 of the funds appropriated for State Aid to Local School Administrative Units for the 1999-2000 and 2000-2001 fiscal years to enable teachers who have received National Board for Professional Teaching Standards (NBPTS) certification or who have otherwise received special recognition to advise the State Board of Education on teacher recruitment and other strategic priorities of the State Board. (1999 Session Laws, Chapter 237, Sec. 8.11(b))

Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued

Other Provisions:

1999-2000

2000-2001

44. **Funds to Implement the ABCs of Public Education Program**

The State Board of Education may use funds appropriated to State Aid to Local Administrative Units for assistance teams to low-performing schools. (1999 Session Laws, Chapter 237, Sec. 8.8(b))

45. **Teaching Fellows Administrative Costs**

The Public School Forum, as administrator for the Teaching Fellows Program, may use up to \$150,000 annually from the fund balance for costs associated with administration of the Teaching Fellows Program. These funds are in addition to funds required for collection costs related to loan repayments. (1999 Session Laws, Chapter 237, Sec. 8.12)

46. **High School Exit Exams**

Of the funds appropriated to State Aid to Local School Administrative Units, the State Board of Education may use up to \$2 million for the 1999-2000 fiscal year to develop a high school exit examination. The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to the expenditure of these funds. (1999 Session Laws, Chapter 237, Sec. 8.20)

47. **Study of School Transportation for Children with Special Needs**

The State Board of Education may spend up to \$50,000 from funds appropriated for public school transportation to perform a study on school transportation for children with special needs. (1999 Session Laws, Chapter 237, Sec. 8.24)

**Post-Legislative Budget Summary, 1999-2001
General Fund - Public Education - Continued**

Other Provisions:

1999-2000

2000-2001

48. Establish a Pilot Program to Test and Evaluate a Revised School Accountability Model for the ABCs Plan

The State Board of Education shall establish a match of 25% in local funds for participating school units that do not qualify for Low Wealth or Small School supplemental funding. The match shall be used to meet the pilot program financial awards level in those school units. (1999 Session Laws, Chapter 237, Sec. 8.36)

49. Crime Control Purchase Metal Detectors to Reduce Crime in Schools

The Department of Crime Control and Public Safety shall expend the sum of \$350,000 for the 1999-2000 fiscal year to provide metal detectors for the public schools. (1999 Session Laws, Chapter 237, Sec. 20.5(a))

50. Drivers Education Funding

The Department of Transportation shall pay for the increased costs for drivers education due to the projected increase in average daily membership in the ninth grade drivers education program. (1999 Session Laws, Chapter 237, Sec. 27.24)

51. Communities in Schools

Funds in the amount of \$450,000 were appropriated to the Office of Juvenile Justice to continue support of Communities in Schools. Communities in Schools is a non-profit organization that develops community “stay in school efforts” for at-risk children and court involved juveniles.

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

Community Colleges

The mission of the North Carolina Community College System has been defined in the North Carolina General Statutes (G.S. 115D) as the establishment, organization, and administration of a system of educational institutions throughout the state offering courses of instruction in one or more of the general areas of two-year college parallel, technical, vocational, and adult education programs.

The law further states that the major purpose of each and every institution operating under the provisions of this chapter shall be and shall continue to be the offering of vocational and technical education and training, and of basic, high school level, academic education needed in order to profit from vocational and technical education, for students who are high school graduates or who are beyond the compulsory age limit of the public school system and who have left the public schools.

The working mission statement of the North Carolina Community College System is to open the door to opportunity for adults seeking to improve their lives and well-being by providing education and training for the workforce. This training includes basic skills and literacy education, occupational and prebaccalaureate programs, and support for economic development through services to business and industry, and services to communities which improve the quality of life.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 674,306,361	\$ 698,248,317	3.6%	\$ 705,460,159	1.0%
Receipts	89,017,824	118,444,466	33.1%	114,444,466	(3.4%)
Appropriation	<u>\$ 585,288,537</u>	<u>\$ 579,803,851</u>	<u>(0.9%)</u>	<u>\$ 591,015,693</u>	<u>1.9%</u>
No. of Positions	186.5	184.5	(1.1%)	184.5	0.0%

**Post-Legislative Budget Summary, 1999-2001
General Fund – Community Colleges – Continued**

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	1999-2001	2000-2001
1. Community Colleges System Office		
The budget for the System Office has been increased by \$3,017 for salary-related changes and \$8,175 for fixed charges for 1999-2000 and 2000-2001. Also, a new printing system in the amount of \$162,180 was approved for 1999-2000.		
Appropriation – Recurring	\$ 11,192	\$ 11,192
Appropriation – Nonrecurring	162,180 NR	-
2. State Aid Inflationary Adjustments		
Adjustments were made to increase the continuation budget at the colleges for the following: Longevity in the amount of \$158,000 and Unemployment Compensation in the amount of \$21,000.		
	\$ 179,000	\$ 179,000
3. One Time Appropriations		
Funds were removed from the budget for one-time nonrecurring appropriations, including the following:		
Prison Start Up Program funds	\$ 500,000	
Technology funds	\$ 1,000,000	
Library Books	\$ 1,950,000	
Educational Equipment	\$ 7,050,000	
CATT Grant in Aid	\$ 150,000	
Anson-Union Reserve	\$ 4,000,000	
Montgomery CC Scholarship	\$ 400,000	
Equipment Reserve	\$21,000,000	
	(36,050,000)	(36,050,000)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – Community Colleges – Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
4. Enrollment Increases		
Funds were appropriated for the estimated enrollment increase of 5,884 full time equivalent (FTE) students in the Community Colleges from 138,548 FTE to 144,432 FTE for fiscal year 1999-2000. It is estimated that there will be 4,206 additional FTE enrollment in Curriculum Programs and 582 FTE additional enrollment in Continuing Education Programs and an increase of 1,096 FTE enrollment in the Basic Skills Programs.		
Requirements	\$ 21,446,539	\$ 21,446,539
Receipts	<u>2,676,642</u>	<u>2,676,642</u>
Appropriation	\$ 18,769,897	\$ 18,769,897
5. Need-Based Financial Aid		
Funds were appropriated for the largest community college need-based financial aid program in North Carolina's history. This appropriation is anticipated to offset any tuition increase for those students who are not eligible for the Federal Hope and Lifetime Learning tax credit. These funds do not revert. (1999 Session Laws, Chapter 237, Sec. 9.4)		
	5,000,000	5,000,000
6. Management Information System Reserve		
North Carolina's Community College System does not have a Management Information System (MIS). This appropriation will allow the State Board of Community Colleges to begin the development of a comprehensive MIS. This reserve will not revert. (1999 Session Laws, Chapter 237, Sec 9.9)		
	8,000,000	15,000,000

Post-Legislative Budget Summary, 1999-2001
General Fund – Community Colleges – Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
7. Multi-Campus Funds Funds were appropriated to provide additional funding for the operation of multi-campus colleges. The funds will be equally distributed to those 14 multi-campus sites.	\$ 1,000,000	\$ 1,000,000
8. Central Piedmont Community College Nonrecurring funds were appropriated for Central Piedmont Community College for the use of either its Regional Information Technology Training program or to pilot an Adult High School Certification initiative. Appropriation – Nonrecurring	200,000 NR	-
9. Hosiery Technology Center Funds Nonrecurring funds were appropriated for additional support for the Hosiery Technology Center operations at Catawba Valley Community College. Appropriation – Nonrecurring	350,000 NR	-
10. Fayetteville Tech Botanical Lab Funds Nonrecurring funds were appropriated for a grant-in-aid to Fayetteville Technical Community College to develop a regional botanical laboratory in partnership with the Cape Fear Botanical Garden. Appropriation – Nonrecurring	450,000 NR	-
11. Regional Emergency Services Training Facility Nonrecurring funds were appropriated for a grant-in-aid to Central Carolina Community College to create a regional emergency services training facility. Appropriation – Nonrecurring	750,000 NR	-

NR – Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Community Colleges - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
12. New Community College Serving Anson, Union and Stanley County. Nonrecurring funds in the amount of \$300,000 were appropriated for the creation of a new multi-county community college serving Anson and Union counties. Nonrecurring funds in the amount of \$300,000 were also appropriated to Stanley Community College for its loss in students. These funds do not revert, but may be carried forward and expended any time within the 1999-2001 biennium. (Joint Conference Committee Report, June 29, 1999)			
Appropriation – Nonrecurring	\$ 600,000	NR	\$ -
13. Scotland County Satellite Funds Nonrecurring funds were appropriated as a grant-in-aid to Richmond Community College for its Scotland County satellite.			
Appropriation – Nonrecurring	318,000	NR	-
14. A-B Tech Small Business Center Funds Nonrecurring funds were appropriated for Asheville-Buncombe Technical Community College to use in its Small Business Center.			
Appropriation – Nonrecurring	200,000	NR	-
15. Additional Faculty Salary Increase Funds Funds were appropriated to provide an additional 2% faculty salary increase. These funds will be distributed in accordance with the policies of the State Board of Community Colleges.	7,144,082		7,144,082

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Community Colleges - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
<p>16. Instructional and Administrative Support Funds were provided for additional college support positions. These funds will significantly reduce the transfers that have taken place from the salary budget. The State Board of Community Colleges shall ensure that at least one additional financial aid counselor is distributed to each college to actively promote financial assistance opportunities for students and to help maximize the benefits and understanding of the Federal tax credits in order for North Carolinians to fully utilize the Federal funds that are available. No more than 2% systemwide may be transferred from faculty salaries without approval of the State Board of Community Colleges. (1999 Session Laws, Chapter 237, Sec. 9.5)</p>	\$ 8,000,000	\$ 8,000,000
<p>17. Increase “Other Costs” Formula Funds Funds were appropriated to increase the funding formula for non-salary “other costs” items. This will free existing salary funds that had been transferred to other costs in the past. This should then either enhance faculty salaries or reduce the dependence on part-time faculty. This is the first increase in the “other costs” formula line since 1985 and will more accurately reflect the colleges’ actual expenditures. No more than 2% systemwide may be transferred from faculty salaries without approval of the State Board of Community Colleges. (1999 Session Laws, Chapter 237, Sec. 9.5)</p>	10,000,000	10,000,000

Post-Legislative Budget Summary, 1999-2001
General Fund - Community Colleges - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
18. Community Services Block Grant The Community Colleges will spend down the institutional fund balances and offer hobby and leisure courses on a self-supporting basis for one year only. This will not affect the policy regarding senior citizens free tuition. Appropriation – Nonrecurring	\$ (1,821,797)	NR	\$ -
19. Shift Focused Industrial Training Program to Worker Training Trust Fund For one year only the worker training trust fund will provide \$300,000 additional funding for the Focused Industrial Training program. Appropriation – Nonrecurring	(300,000)	NR	-
20. Refund of Kodak New and Expanding Industry Training Funds A nonrecurring reduction was made to the New and Expanding Industry Training program due to a refund from a prior year by Kodak. Appropriation – Nonrecurring	(1,020,225)	NR	-
21. Human Resources Development Program The Human Resources Training program has been underspending its appropriation for several years. This reduction in funding will bring the budget closer in line with actual expenditures.	(100,000)		(100,000)
22. Special Allotment for Nursing Programs This eliminates funding that was needed in prior years for the nursing program, but is now funded adequately by the regular funding formula.	(410,000)		(410,000)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Community Colleges - Continued

Expansion Budget:

	1999-2000		<u>2000-2001</u>
23. Unemployment Compensation			
Funding for unemployment compensation has been reduced based on more recent estimates.			
Appropriation – Nonrecurring	\$ (100,000)	NR	\$ -
24. Interest Only Scholarship Reserve			
This interest only scholarship reserve was not generating sufficient financial aid resources for the Community Colleges. Therefore this program was eliminated, and the new direct recurring appropriation for need-based financial aid outlined in item 5 replaced this program.			
Requirements	\$ -		\$ -
Receipts	<u>4,000,000</u>		<u>-</u>
Appropriation – Nonrecurring	\$ (4,000,000)	NR	\$ -
25. Vacant Positions Reductions			
Two vacant positions were eliminated from the budget in the Community College System Office.			
Number of Positions	(67,015)		(67,015)
	(2.0)		(2.0)
26. Continuing Education Fee			
The State Board of Community Colleges was directed to create a sliding fee for continuing education to reflect both the length of the class and the ability to absorb a fee increase. (Joint Conference Committee Report, June 29, 1999)			
Requirements	\$ -		\$ -
Receipts	<u>4,750,000</u>		<u>4,750,000</u>
Appropriation	\$ (4,750,000)		\$ (4,750,000)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Community Colleges - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
27. Curriculum Tuition		
Tuition was increased by approximately \$95 per semester and a pro rata amount for summer term which will allow financially needy North Carolinians to access and maximize benefits of the Federal Pell Grants, Hope and Lifetime Learning Tax Credits. Those students not qualifying for these federal benefits are anticipated to benefit from need-based financial aid funded in this budget (item 5). A significant portion of these receipts to the Community College System can be received from these federal programs.		
Requirements	\$ -	\$ -
Receipts	<u>18,000,000</u>	<u>18,000,000</u>
Appropriation	\$ (18,000,000)	\$ (18,000,000)

Other Provisions:

- 28. Over-realized Tuition and Fees**
 If receipts for community college tuition and fees exceed the amount certified in General Fund Codes at the end of a fiscal year, the State Board of Community Colleges shall transfer the amount of receipts and fees above those budgeted to the non-reverting Equipment Reserve Fund. (1999 Session Laws, Chapter 237, Sec. 9.3)
- 29. New and Expanding Industry Budget Transfers**
 The General Assembly finds that due to the extraordinary growth of new and expanding industry in the State, funds appropriated to the New and Expanding Industry Training Program may be inadequate to meet demand for Program services during the 1999-2000 fiscal year. The Director of the Budget may, after consultation with the Joint Legislative Commission on Governmental Operations, transfer funds from

Post-Legislative Budget Summary, 1999-2001
General Fund - Community Colleges - Continued

Other Provisions - Continued:

1999-2000

2000-2001

New and Expanding Industry Budget - Continued

any agency or program funded from the General Fund to the New and Expanding Industry Training Program to supplement the needs of this program during the 1999-2000 fiscal year. (1999 Session Laws, Chapter 237, Sec. 9.7)

30. **Employment Security Commission Training and Employment Account Funds**

Funds were appropriated from the Employment Security Commission Training and Employment Account to the Community Colleges System Office in the amounts of \$18,000,000 for the 1999-2000 fiscal year and \$48,500,000 for the 2000-2001 fiscal year. The appropriation amounts in House Bill 275 prevails to the extent of the conflict in the expenditure schedule. These funds shall be used for the following: Equipment, Technology, Start-Up Fund for Regional and Cooperative Initiatives, New and Expanding Industry Training Program, and the Focused Industrial Training Program. Funds appropriated in this section shall be used for nonrecurring expenses only and shall not obligate the State financially in future fiscal years. (1999 Session Laws, Chapter 237, Sec. 9.11 and Chapter 321, Sec. 9.11)

31. **Institutional Salary Increase Funds**

Funds were appropriated to a statewide reserve in the Office of State Budget and Management, and will be transferred to the Community Colleges, for an average salary increase of 3% for institutional personnel, including faculty, administrators, and support staff. In addition, a nonrecurring bonus of \$125 per full time employee was granted to all institutional staff except for teaching faculty. Teaching faculty received a 2% additional salary increase (item 15). These salary funds shall be allocated in accordance with guidelines adopted by the State Board of Community Colleges. (1999 Session Laws, Chapter 237, Sec. 28.11 and Sec. 28.13)

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

University of North Carolina

The University of North Carolina is a public, multi-campus university dedicated to the service of North Carolina and its people. It encompasses the 16 diverse constituent institutions and other educational, research, and public service organizations. Each shares in the overall mission of the university. That mission is to discover, create, transmit, and apply knowledge to address the needs of individuals and society. This mission is accomplished through instruction, which communicates the knowledge and values and imparts the skills necessary for individuals to lead responsible, productive and personally satisfying lives; through research, scholarship and creative activities which advance knowledge and enhance the educational process; and through public service, which contributes to the solution of societal problems and enriches the quality of life in the state. In the fulfillment of this mission, the university seeks an efficient use of available resources to ensure the highest quality in its service to the citizens of the state. Teaching and learning constitute the primary service that the university renders to society. Teaching, or instruction, is the primary responsibility of each of the constituent institutions. The relative importance of research and public service, which enhance teaching and learning, varies among the constituent institutions, depending on their overall missions.

The Board of Governors is responsible for the 16 constituent institutions of The University of North Carolina System, the UNC Health Care System, UNC General Administration (including the Center for Public Television), agricultural research and extension programs, certain related educational programs (Aid to Students Attending Private Colleges, Aid to Private Medical Schools, Southern Regional Education Board contracts, etc.) and the North Carolina School of Science and Mathematics.

Total Appropriations					
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 2,042,656,198	\$ 2,091,386,136	2.4%	\$ 2,101,948,265	0.5%
Receipts	433,476,228	447,141,813	3.2%	445,085,038	(0.5%)
Appropriation	<u>\$ 1,609,179,970</u>	<u>\$ 1,644,244,323</u>	<u>2.2%</u>	<u>\$ 1,656,863,227</u>	<u>0.8%</u>
No. of Positions	26,960.12	27,218.86	1.0%	27,294.86	0.3%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Salary-Related Increases		
Funds were appropriated for statutory salary-related items including Social Security, retirement, health insurance, worker's compensation, longevity, overtime and premium payments.		
Requirements	\$ 1,522,733	\$ 1,547,911
Receipts	<u>(140,322)</u>	<u>(140,077)</u>
Appropriation	\$ 1,663,055	\$ 1,687,988

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
2. Inflationary Increases		
Funds were appropriated for inflationary increases for items including food, drugs, medical, and motor vehicle supplies.		
Requirements	\$ 143,410	\$ 188,714
Receipts	<u>1,103</u>	<u>1,702</u>
Appropriation	\$ 142,307	\$ 187,012
3. Utilities and Communications Adjustments		
Funds were adjusted for fiscal years 1999-2000 and 2000-2001 for utilities based on three-year average expenditures. Funds were appropriated for allowable increases in communications.		
Requirements	\$ (1,215,039)	\$ 355,505
Receipts	<u>369,414</u>	<u>567,134</u>
Appropriation	\$ (1,584,453)	\$ (211,629)
4. Accreditation Reviews		
Funds were appropriated to cover anticipated expenses associated with accreditation team reviews of institutional academic programs.	314,835	261,436
5. Equipment and Textbooks		
Funds were appropriated for the purchase of motor vehicles, other equipment and textbooks for the UNC System.		
Requirements	\$ 1,208,423	\$ 762,783
Receipts	<u>109,417</u>	<u>59,206</u>
Appropriation	\$ 1,099,006	\$ 703,577
6. Reserves for Operating New Facilities		
Funds were provided for operating and maintenance costs of new facilities in the UNC System that will be completed during the 1999-2001 biennium.	3,860,457	9,424,612

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
7. One Time Appropriations		
In accordance with General Statute 116-11(9), funds were appropriated by the 1998 General Assembly to the University of North Carolina a lump sum for distribution to the 16 constituent institutions. These funds were designated as nonrecurring and have been removed for the following:		
UNC Information Technology	\$ (15,500,000)	\$ (15,500,000)
UNC Libraries	(9,500,000)	(9,500,000)
UNC School Services Matching		
Incentive Grants	(975,000)	(975,000)
UNC-G Reading Together	(300,000)	(300,000)
UNC New Degree Programs	(200,000)	(200,000)
UNC Learning Link	(535,500)	(535,500)
UNC Distinguished Professors Endowment		
Trust Fund	(5,600,000)	(5,600,000)
NCSU Manufacturing Extension Partnership	(750,000)	(750,000)
NCSU Pfiesteria Research	(1,000,000)	(1,000,000)
NC A & T Agricultural Programs	(400,000)	(400,000)
NCSU Turfgrass Research	(300,000)	(300,000)
UNC-G Center for Global Business		
Education and Research	(60,000)	(60,000)
UNC-CH Institute of Medicine	(200,000)	(200,000)
NCCU Fiber Optic Infrastructure	(540,000)	(540,000)
UNC-CH Oyster Research	(200,000)	(200,000)
Total	<u>\$ (36,060,500)</u>	<u>\$ (36,060,500)</u>
8. Model Teacher Consortium		
The 1998 Session of the General Assembly directed that the Model Teacher Consortium be transferred from the Department of Public Instruction to the UNC General Administration. (1998 Session Laws, Chapter 212, Sec. 11.12 (c))		
	785,000	785,000

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
9. Related Educational Programs		
Adjustments in appropriations were made as a result of projected changes in the numbers of students attending regional and private educational programs. Funds were increased by \$4,025,013 for fiscal years 1999-2000 and 2000-2001 for the Legislative Tuition Grant and State Contractual Scholarship Fund programs. (See Item 16 for increases in the per student rate.) Other related educational programs were adjusted to reflect a change in projected students and projected receipts.		
Accumulated balances in scholarship trust funds (Nurse Scholars, Principal Fellows, Nurse Education Scholarship Loans and the Social Work Education Loan Fund) were used to offset a one-time \$3 million reduction of appropriations which are transferred to the trust funds for awarding of scholarships. (1999 Session Laws, Chapter 237, Sec. 10.6)		
Requirements	\$ 1,019,036	\$ 4,058,275
Receipts	<u>(142,976)</u>	<u>(142,976)</u>
Appropriation	\$ 1,162,012	\$ 4,201,251
10. UNC Hospitals at Chapel Hill		
An appropriation was provided to increase the support of UNC Hospitals at Chapel Hill for the 2000-2001 fiscal year.	-	2,691,748

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
11. Operating Efficiencies		
A 0.5% decrease was made in the operating budgets for the 16 campuses and The University of North Carolina General Administration. The 0.5% reduction was accomplished through operating efficiencies throughout the UNC system. The reduction for Area Health Education Centers (AHEC) was 0.25%. Student financial aid was not included in the reduction. Similar to the requirements of General Statute 116-11(9), this reduction was allocated to the Board of Governors in a “lump sum” for distribution to the campuses.	\$ (7,233,554)	\$ (7,233,554)
12. East Carolina University Medicare Receipts		
The budgeted receipts were increased by \$1 million for Medicare Medical Education reimbursements for one year. Additionally, a transfer of \$2 million from the trust fund balance was made for general fund operations for one year. (1999 Session Laws, Chapter 237, Sec. 10.7)		
Requirements	\$ -	\$ -
Receipts	<u>3,000,000</u>	<u>-</u>
Appropriation – Nonrecurring	\$ (3,000,000) NR	\$ -

Expansion Budget:

- 13. Schedule of Priorities**
 General Statute 116-11(9) requires the Board of Governors of The University of North Carolina to “develop, prepare and present to the Governor, Advisory Budget Commission, and the General Assembly a single, unified recommended budget for all of public senior education.” Funds requested for expansion, new programs and activities, increases in enrollment, remedying deficiencies, etc. are to be itemized in priority order; and any funds appropriated for the priority schedule are to be in a “lump sum.”
 NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
Schedule of Priorities - Continued		
In response to the Board of Governors' 1999-2001 "Schedule of Priorities," the following lines from the Board of Governors' expansion budget request were funded:		
Line 1a - Regular Term Enrollment Changes		
Regular term enrollment projections from the Board of Governors indicated an increase in the enrollment for 1999-2000 over the current budgeted enrollment of 133,336 full time equivalent (FTE) students. Based upon the Board's estimate, enrollment in the university is projected to increase by 2,163 FTE in 1999-2000 to 135,499 FTE.		
Requirements	\$ 21,815,684	\$ 21,815,684
Receipts	<u>2,322,680</u>	<u>2,322,680</u>
Appropriation	\$ 19,493,004	\$ 19,493,004
Number of Positions	157.90	157.90
Line 1b – Distance Education/Extension Enrollment Changes		
The Board of Governors projected an increase in distance education enrollment for fiscal year 1999-00 of 20,694 student credit hours. This increase is primarily due to the expansion of baccalaureate completion and master's programs throughout the system.		
Requirements	\$ 4,281,964	\$ 4,281,964
Receipts	<u>386,777</u>	<u>386,777</u>
Appropriation	\$ 3,895,187	\$ 3,895,187
Number of Positions	45.30	45.30

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
Schedule of Priorities – Continued		
Line 1c - New Degree Programs		
Funds were appropriated to support newly authorized degree programs at East Carolina University, Elizabeth City State University, NC A & T State University, NC State University, UNC at Charlotte, and Winston-Salem State University. (1999 Session Laws, Chapter 237, Sec. 10.16)	\$ 1,340,000	\$ 1,340,000
Line 1d - Transition of East Carolina University to Doctoral II Status		
Funding was provided for the second phase of change in the classification of East Carolina University to a Doctoral II University. The 1998 session of the General Assembly appropriated \$1,500,000 for the first phase of change.	1,500,000	1,500,000
Line 1e - Additional Need-Based Student Financial Aid		
Funds were provided for increases in the North Carolina Student Incentive Grant, with the increase earmarked for high need students within the university.	1,300,000	1,300,000
Line 1f - Efforts to Improve College Going Rate		
In order to improve the statewide college going rate, funding was provided to institute PATHWAYS, a statewide guidance system for students in grades 7-12 and their parents.	1,000,000	1,000,000
Line 2a - Information Technology		
These funds support the university-wide effort to provide information technology, including hardware, software and operational support to all campuses.	10,000,000	10,000,000

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
Schedule of Priorities - Continued		
Line 2d - Strategic Initiative Reserve		
These funds were provided so that the university can more rapidly and flexibly target issues that concern several or all constituent institutions. In anticipation of an increase of 48,000 students over the next ten years, the University of North Carolina was directed to use \$2 million of the Strategic Initiatives Reserve for 1999-2000 to develop enrollment growth plans for the seven institutions designated for 20% growth by fall 2003. (1999 Session Laws, Chapter 237, Sec. 10.8.(b))	\$ 3,000,000	\$ 3,000,000
Line 3a - Rewarding Teaching Excellence		
Funds were provided to the University of North Carolina for faculty salary increases for excellence in teaching. These funds will be awarded in accordance with guidelines established by the Board of Governors. (1999 Session Laws, Chapter 237, Sec. 10.3)	7,077,639	7,077,639
Line 3d - Graduate Assistant Tuition Remission		
Tuition remission or resident graduate tuition awards are used as an incentive to attract outstanding graduate students to the university. Funds were provided for the non research I universities for this purpose. (1999 Session Laws, Chapter 237, Sec. 10.9)	3,500,000	3,500,000

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
Schedule of Priorities - Continued		
Line 4 – University-School Programs		
In an effort to strengthen the university’s support to public schools, continuing funds in the amount of \$1 million were provided for the UNC Center for School Leadership for K-16, Matching Incentive Grants, Model Teacher Consortium, and High Performance Lighthouse Schools. Additional continuing appropriation of \$112,000 was provided for the International Educator Exchange for K-12 and \$300,000 for UNC at Greensboro’s Reading Together program.	\$ 1,412,000	\$ 1,412,000
Line 5b – Public Service		
Recurring appropriation was provided to support the following university public service activities: \$100,000 for the Institute on Aging, \$100,000 for the NC Center for International Understanding’s Hispanic Initiative, \$900,000 for North Carolina State University’s Manufacturing Extension Partnership, and \$250,000 for the North Carolina Arboretum. Nonrecurring appropriation in the amount of \$250,000 for matching funds was provided for the International Cooperative programs in science and technology between North Carolina and Israel.		
Recurring appropriations of \$350,000 and nonrecurring appropriations of \$1,150,000 were made for the Biomedical/Biotechnology Research Institute at NCCU for equipment and program operations, including research staff, for research and training in cardiovascular diseases, drug abuse, and environmental toxicology. (1999 Session Law, Chapter 237, Sec. 10.18)		
Appropriation – Recurring	\$ 1,700,000	\$ 1,700,000
Appropriation – Nonrecurring	1,400,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
<p>14. UNC Focused Enrollment Growth In anticipation of an increase of 48,000 students over the next ten years, funds were appropriated for focused enrollment growth. The Board of Governors has developed a plan that will target enrollment growth to underutilized campuses in the system. Funding was provided to assist in this effort and will be used for assessment of needs, better operating efficiencies through economies of scale, physical facilities management, faculty improvement, and development capacity. Three million dollars was appropriated for continuing operating funds for institutions with less than 5,000 FTEs to plan for rapid enrollment growth. Three million dollars in continuing funds was appropriated to improve faculty instruction at the seven campuses targeted for major enrollment growth. Two million dollars in continuing funds was appropriated to enhance development offices at smaller institutions. One million dollars in continuing funds was appropriated to develop facilities management support. One million dollars in continuing funds was appropriated to prevent reductions in faculty positions at the seven growth institutions.</p> <p>The seven campuses are: Elizabeth City State University; Fayetteville State University; North Carolina Agricultural and Technical State University; North Carolina Central University; the University of North Carolina at Pembroke; Western Carolina University; and Winston-Salem State University. (1999 Session Laws, Chapter 237, Sec. 10.8)</p>	\$ 10,000,000	\$ 10,000,000

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
<p>15. Overhead Receipts Retained by Research I Campuses The Research I campuses will retain the 5% of their overhead receipts which previously had been transferred to UNC General Administration for operations. These receipts have been replaced with appropriation for UNC General Administration. (1999 Session Laws, Chapter 237, Sec. 10.13)</p>	\$ 3,500,000	\$ 3,500,000
<p>16. Aid to Students Attending North Carolina Private Colleges and Universities “Aid to Students Attending Private Colleges” is composed of two programs: the Legislative Tuition Grant (LTG) and the State Contractual Scholarship Fund (SCSF). The LTG provides a payment to private institutions for each North Carolina resident student, which is credited directly to the student’s account. The SCSF provides funds to each institution based on the number of full time North Carolina undergraduate resident students. The funds are then used for scholarships for needy North Carolina students attending private colleges. The amount for the LTG and the SCSF was increased by \$150 per year to \$1,750 and \$1,050 respectively. (1999 Session Laws, Chapter 237, Sec. 10.0)</p>	8,022,850	8,022,850

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
<p>17. Center for Alcohol Studies Endowment Fund Beginning in 1990-1991, appropriations have been transferred to the Center for Alcohol Studies Endowment Fund. Fees collected for driver’s license restoration fees supported the annual transfers. In fiscal year 1997-1998 the endowment fund reached its legislatively mandated cap of \$5 million. The 1997 Session of the General Assembly (Session Laws 1997, Chapter 377) increased the cap of the Center for Alcohol Studies Endowment Fund from \$5 million to \$10 million. It was the intent of the General Assembly to annually appropriate the funds deposited in the General Fund to be used for the endowment. However, since the endowment fund reached its initial cap of \$5 million no funds have been deposited to the endowment. Funds were appropriated for deposit into the Center for Alcohol Studies Endowment Fund until the cap of \$10 million is reached.</p>	\$ 500,000	\$ 500,000
<p>18. Agricultural Programs Funds were provided for several initiatives in the area of Agricultural Research and Cooperative Extension including:</p>		
<p style="padding-left: 40px;">Christmas Tree Research-NCSU Funds were appropriated to support research in Christmas tree genetics at North Carolina State University.</p>	100,000	100,000
<p style="padding-left: 40px;">Turf Grass Research-NCSU Nonrecurring funds were appropriated to support research on turf grass at North Carolina State University. Appropriation – Nonrecurring</p>	150,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
Agricultural Programs - Continued		
Agricultural Matching Funds - NC A & T		
Funds were appropriated for North Carolina Agricultural and Technical State University to match federal funding for research and extension programs.	\$ 750,000	\$ 750,000
19. Reallocation of Funds for Priorities		
Some support for the UNC expansion priorities will be obtained from the nonrecurring reallocation of previously required reversions.		
Appropriation – Nonrecurring	(1,300,000)	NR -
20. Salary Increase		
Funds were provided for salary increases for employees of the university and the North Carolina School of Science and Mathematics (NCSSM), including those supported by state funds and who are either exempt from the State Personnel Act (EPA) or subject to the act (SPA) effective July 1, 1999. For EPA teaching and non-teaching faculty, funds were provided for an average increase of 3% in 1999-2000 according to rules adopted by the Board of Governors. Teaching faculty at the NCSSM received funds for an average salary increase of 7.5%, comparable to the public school teacher salary increase. For SPA employees, funds were provided for a 3% salary increase in 1999-2000. In addition, a \$125 one-time bonus was funded for all university employees, except EPA teaching faculty of the university and the NCSSM.		

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
21. Tuition Increase		
The Board of Governors recommended a 4.9% tuition increase for North Carolina undergraduate students at all of the 16 University of North Carolina campuses and similar dollar increases for non-resident undergraduates. Graduate tuition increases range from 6.9% to 8.4% for in-state graduate students.		
Requirements	\$ -	\$ -
Receipts	<u>7,759,492</u>	<u>8,554,364</u>
Appropriation	\$ (7,759,492)	\$ (8,554,364)
22. Special Recurring Appropriations		
Special recurring appropriations were approved for the Board of Governors and designated for the following programs:		
Institute of Medicine		
Funds were provided to support research at the Institute of Medicine at UNC-Chapel Hill.	200,000	200,000
Teacher Academy		
Funds were provided for staff development activities for the Teacher Academy.	250,000	250,000
Learn NC		
Funds were provided to continue the Learn NC technology initiative at UNC-Chapel Hill.	1,000,000	1,000,000
World View and K-12 International Outreach Programs		
Funds were provided for the “World View” program and the “K-12 International Outreach” program at UNC-Chapel Hill.	260,000	260,000

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
23. Special One Time Appropriations			
Special nonrecurring appropriations were approved for the Board of Governors and designated for the following programs:			
Leadership NC			
Nonrecurring funds were provided for a non-profit leadership training program entitled Leadership NC.			
Appropriation – Nonrecurring	\$ 75,000	NR \$	-
PT CAM			
Nonrecurring funds were provided for one-time operating support for the Piedmont Triad Center for Applied Manufacturing (PT CAM) operated by NC A&T State University.			
Appropriation – Nonrecurring	250,000	NR	-
Carbon Dioxide Dyeing Project			
Nonrecurring funds were provided to support the purchase of prototype commercial textile dyeing equipment to test new processes developed at NC State University.			
Appropriation – Nonrecurring	500,000	NR	-
Diabetes Funding			
Nonrecurring funds were provided for the diabetes programs at the Schools of Medicine in the amounts of \$200,000 to UNC-Chapel Hill and \$100,000 to East Carolina University.			
Appropriation – Nonrecurring	300,000	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
Special One Time Appropriations – Continued			
Endowed Chair for Study of Anorexia and Bulimia			
Nonrecurring funds were provided for the state match to create an endowed chair at the UNC-Chapel Hill School of Medicine. These funds shall not revert, but will be held in trust until the required \$200,000 in private matching funds is received. (1999 Session Laws, Chapter 237, Sec. 10.23)			
Appropriation – Nonrecurring	\$ 400,000	NR \$	-
Aid to Private Colleges – Students with Learning Disabilities			
Nonrecurring funds were provided to assist Louisburg College for development of a program to provide postsecondary educational opportunities and learning skills to students with learning difficulties.			
Appropriation – Nonrecurring	50,000	NR	-
Program on Southern Politics, Media and Public Life			
Nonrecurring funds were provided to support Southern Politics, Media, and Public Life program operations at UNC-Chapel Hill.			
Appropriation – Nonrecurring	50,000	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – University of North Carolina- Continued

Other Provisions:

	<u>1999-2000</u>	<u>2000-2001</u>
24. UNC-Wilmington - Land Sales Proceeds The proceeds from the sale of the site of the old Marine Science Center may be used for the completion and equipping of the new Marine Science Center. (1999 Session Laws, Chapter 237, Sec. 10.10)		
25. UNC General Administration Flexibility An amount not to exceed 2.5% may be carried forward from the general fund credit balance in code 16010 for one time expenditures. The President of the university will receive appropriations for code 16010 in a single sum with the same duties and responsibilities as the Chancellor of a special responsibility constituent institution. (1999 Session Laws, Chapter 237, Sec. 10.14)		
26. UNC Carryforward Of the funds remaining in budget code 16010 at June 30, 1999, \$400,000 shall be carried forward to assist in funding an addition to the Chancellor's residence at UNC-Pembroke and the purchase of a new Chancellor's residence at NC A&T State University. (1999 Session Laws, Chapter 237, Sec. 10.22)		

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – Continued

Department of Administration

The purpose of the Department of Administration is to provide innovative leadership for the effective management and efficient operation of state government agencies. The department delivers administrative and auxiliary services to agencies, allowing them to efficiently render services to the public, and provides opportunities for citizen advocacy efforts within and outside of state government.

Total Appropriations

	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 67,386,301	\$ 67,659,409	0.4%	\$ 66,801,103	(1.3%)
Receipts	<u>6,711,777</u>	<u>6,711,777</u>	<u>0.0%</u>	<u>6,711,777</u>	<u>0.0%</u>
Appropriation	<u>\$ 60,674,524</u>	<u>\$ 60,947,632</u>	<u>0.4%</u>	<u>\$ 60,089,326</u>	<u>(1.4%)</u>
No. of Positions	785.2	791.7	0.9%	791.7	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.	\$ (513,089)	\$ (248,542)
2. State Health Plan Purchasing Alliance Operating funds were reduced in various line items to correspond to actual requirements.	(43,632)	(43,632)

Post-Legislative Budget Summary, 1999-2001
General Fund - Administration - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
3. Office of State Personnel		
One human resources consultant position was eliminated and operating funds were reduced in various line items.	\$ (111,000)	\$ (111,000)
Number of Positions	(1.0)	(1.0)
4. State Property Office		
One vacant processing assistant III position was eliminated.	(22,948)	(22,948)
Number of Positions	(1.0)	(1.0)
5. Reserve for New Facility		
The reserve in the Facility Management Division, for operating support of the new Museum of Natural Science, was reduced due to a delay in the museum opening date until Spring 2000.		
Appropriation – Nonrecurring	(367,147) NR	-
6. Reduce Utilities		
As a result of energy saving programs implemented in state buildings and mild weather, funding for electricity was reduced in the Facilities Management Division.	(209,587)	(209,587)
7. Purchase and Contract		
One vacant processing assistant III position was eliminated.	(23,916)	(23,916)
Number of Positions	(1.0)	(1.0)
8. Veteran's Affairs		
The veterans affairs assistant director position was eliminated. The duties of this position can be performed through the field offices.	(40,573)	(40,573)
Number of Positions	(1.0)	(1.0)
9. Ethics Board		
Operating funds were reduced to correspond to actual requirements.	(35,000)	(35,000)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Administration - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
10. Domestic Violence Commission		
Funds were provided for an executive director, an administrative assistant and the operating expenses of the commission.	\$ 150,000	\$ 150,000
Number of Positions	2.0	2.0
11. Domestic Violence Prevention Funds		
Funds were provided to the N.C. Council for Women for grants to existing domestic violence programs, the N.C. Coalition Against Domestic Violence, Inc., and to develop new domestic violence programs. None of these funds may be used for operating expenses.		
Appropriation – Nonrecurring	1,000,000 NR	-
12. Sexual Assault Funds		
Funds were provided to the N. C. Council for Women to continue grants to sexual assault programs in North Carolina.		
Appropriation – Nonrecurring	225,000 NR	-
13. Century of Women Celebrations		
Funds were provided to the N. C. Council for Women to support "A Century of Women" statewide celebrations.		
Appropriation – Nonrecurring	15,000 NR	-
14. Board of Science and Technology		
Funds were provided to support research collaborations among researchers in North Carolina and those from other states and countries.		
Appropriation – Nonrecurring	250,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

Office of Administrative Hearings

The Office of Administrative Hearings is responsible for assuring uniformity and fairness in the application of administrative rules promulgated by the various departments of state government. These rules are a part of administrative law, and departments are authorized to complement the General Statutes by formulating, publishing, and enforcing any rules required within their respective areas of authority.

	Total Appropriations				
	1998-1999	1999-2000	% Over	2000-2001	% Over
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	2,782,427	2,828,373	1.7%	2,857,629	1.0%
Receipts	71,174	71,174	0.0%	71,174	0.0%
Appropriation	<u>2,711,253</u>	<u>2,757,199</u>	<u>1.7%</u>	<u>2,786,455</u>	<u>1.0%</u>
No. of Positions	44.0	45.0	2.3%	45.0	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.	\$ (23,589)	\$ 10,717

Post-Legislative Budget Summary, 1999-2001
General Fund - Office of Administrative Hearing - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
2. Reduce Civil Rights Caseload			
Funds were appropriated for a senior civil rights investigator to reduce caseload backlog, improve timeliness of investigations, and provide expertise in investigating political discrimination cases.			
Appropriation – Recurring	\$ 64,485		\$ 64,485
Appropriation – Nonrecurring	5,050	NR	-
Number of Positions	1.0		1.0

NR - Nonrecurring

Department of State Auditor

The goal of the Department of State Auditor is to promote and assure within state government good management, compliance with generally accepted accounting principles, and the efficient and effective use of public resources.

	Total Appropriations				
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 13,376,481	\$ 13,375,207	0.0%	\$ 13,368,617	(0.1%)
Receipts	1,410,576	1,760,576	24.8%	1,760,576	0.0%
Appropriation	<u>\$ 11,965,905</u>	<u>\$ 11,614,631</u>	<u>(2.9%)</u>	<u>\$ 11,608,041</u>	<u>(0.1%)</u>
No. of Positions	194.0	193.0	(0.5%)	193.0	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund – State Auditor – Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ 40,587	\$ 40,587
Receipts	<u>350,000</u>	<u>350,000</u>
Appropriation	\$ (309,413)	\$ (309,413)
2. Reduce Operating Expenses		
The operating expenses for Support Services were reduced to correspond to the reduction in field audit staff.	(4,500)	(4,500)
3. Reduce Personnel		
Two assistant state auditor II positions were eliminated and related operating costs in various line items were reduced.	(112,065)	(112,065)
Number of Positions	(2.0)	(2.0)

Expansion Budget:

4. Information System Auditor		
Funding was provided for an additional information system auditor position to enable the office to increase the audits of the growing number of computer applications and installations in state government.		
Appropriation – Recurring	68,114	68,114
Appropriation – Nonrecurring	6,590 NR	-

NR – Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund – Continued**

Office of the State Controller

The goal of the State Controller’s Office is to prescribe, develop, operate, and maintain the State Accounting and Disbursing Systems.

	Total Appropriations				
	<u>1998-1999 Authorized</u>	<u>1999-2000 Certified</u>	<u>% Over 1998-1999</u>	<u>2000-2001 Certified</u>	<u>% Over 1999-2000</u>
Requirements	\$ 13,120,466	\$ 12,113,513	(7.7%)	\$ 12,119,260	0.1%
Receipts	80,945	630,945	679.5%	630,945	0.0%
Appropriation	<u>\$ 13,039,521</u>	<u>\$ 11,482,568</u>	<u>(12.0%)</u>	<u>\$ 11,488,315</u>	<u>0.1%</u>
No. of Positions	99.8	95.8	(4.0%)	95.8	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.	\$ (2,240,848)	\$ (2,235,101)
2. Adjustments in Personnel		
Four vacant positions were eliminated.	(216,105)	(216,105)
Number of Positions	(4.0)	(4.0)

Post-Legislative Budget Summary, 1999-2001
General Fund – State Controller - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
3. North Carolina Accounting System Support		
The General Assembly provided funds to support additional requirements of the North Carolina Accounting System with the appropriation of \$900,000 and \$550,000 in receipts available from the revenue transferred from the Special Reserve Account (24172).		
Requirements	\$ 1,450,000	\$ 1,450,000
Receipts	<u>550,000</u>	<u>550,000</u>
Appropriation	\$ 900,000	\$ 900,000

Department of Cultural Resources
(Includes the Roanoke Island Commission)

The mission of the Department of Cultural Resources is to enrich the cultural, educational, and economic well-being of citizens and visitors to North Carolina. This mission is accomplished through the preservation, development, presentation, promotion, and dissemination of artistic and historical information.

	Total Appropriations				
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 80,247,459	\$ 78,618,580	(2.0%)	\$ 66,829,773	(15.0%)
Receipts	<u>5,586,878</u>	<u>6,904,346</u>	<u>23.6%</u>	<u>6,821,152</u>	<u>(1.2%)</u>
Appropriation	<u>\$ 74,660,581</u>	<u>\$ 71,714,234</u>	<u>(4.0%)</u>	<u>\$ 60,008,621</u>	<u>(16.3%)</u>
No. of Positions	749.5	747.5	(0.3%)	762.5	2.0%

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and Retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ (14,399,339)	\$ (13,588,146)
Receipts	<u>1,317,468</u>	<u>1,234,274</u>
Appropriation	\$ (15,716,807)	\$ (14,822,420)
2. Reduce Operating Funds		
Operating funds were reduced in the following divisions:		
Archives and History	(\$ 10,000)	
Archives and Records	(\$ 10,000)	
State Historic Sites	(\$162,825)	
Museum of Art	(\$ 66,412)	
N.C. Arts Council	(\$ 5,000)	
State Library	(\$ 2,000)	
Museum of History	(\$ 93,303)	
	(349,540)	(349,540)

Post-Legislative Budget Summary, 1999-2001
General Fund - Cultural Resources - Continued

Expansion Budget:

		<u>1999-2000</u>		<u>2000-2001</u>
3.	Grants to Local Organizations Funds were appropriated to provide grants to local arts, cultural, and historical organizations, and local museums. Appropriation – Nonrecurring	\$ 8,000,000	NR	\$ -
4.	Increase Operating Funds Funds were provided to replace computers in the Administrative Services Division. Appropriation – Nonrecurring		100,000 NR	-
5.	Old Salem Funds were provided for the restoration of historic St. Phillips Church and for the construction of the North Carolina Heritage Education Center. Appropriation – Nonrecurring		1,000,000 NR	-
6.	Basic Grants Program Funds were appropriated to the N. C. Arts Council to provide an increase in grants to local arts organizations. Appropriation – Nonrecurring		1,200,000 NR	-
7.	Grassroots Grant Program Funds were appropriated to the N. C. Arts Council to provide an increase in per capita grants to counties for local arts programs. Appropriation – Nonrecurring	\$ 800,000	NR	\$ -
8.	Shakespeare Festival Funds Funds were provided for the Educational Outreach Touring Program.		260,000	260,000

NR - Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Cultural Resources - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
9. The Lost Colony Funds were provided to the Roanoke Island Historical Association to support the Lost Colony outdoor drama productions.	260,000	260,000
10. N. C. Symphony Grant Funds were provided for acoustical enhancements to the new concert hall at the Memorial Auditorium. Appropriation – Nonrecurring	1,500,000 NR	-

General Assembly

The goal of the North Carolina General Assembly is to enact general and local laws promoting the best interests of the state and the people of North Carolina.

	Total Appropriations				
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 34,856,820	\$ 35,383,575	(21.4%)	\$ 39,921,408	12.8%
Receipts	303,000	403,000	(97.1%)	403,000	0.0%
Appropriation	<u>\$ 34,553,820</u>	<u>\$ 34,980,575</u>	<u>11.6 %</u>	<u>\$ 39,518,408</u>	<u>13.0%</u>
No. of Positions	218.0	218.0	0.0%	218.0	0.0%

NR - Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund – General Assembly – Continued**

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.	\$ 1,141,755	\$ 4,964,588
2. Reduce Reserves and Transfers		
Funding for Reserves and Transfers was reduced.		
Appropriation – Nonrecurring	(715,000) NR	-

NR – Nonrecurring

Office of the Governor

The purpose of this office is to provide support to enable the Governor to fulfill his duties and responsibilities as required by the Constitution and General Statutes.

	Total Appropriations				
	<u>1998-1999 Authorized</u>	<u>1999-2000 Certified</u>	<u>% Over 1998-1999</u>	<u>2000-2001 Certified</u>	<u>% Over 1999-2000</u>
Requirements	\$ 5,515,629	\$ 5,484,149	(0.6%)	\$ 5,489,744	0.1%
Receipts	263,794	220,785	(16.3%)	207,572	(6.0%)
Appropriation	<u>\$ 5,251,835</u>	<u>\$ 5,263,364</u>	<u>0.2%</u>	<u>\$ 5,282,172</u>	<u>0.4%</u>
No. of Positions	69.0	69.0	0.0%	69.0	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund – Office of the Governor – Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ 22,198	\$ 27,793
Receipts	<u>(43,009)</u>	<u>(56,222)</u>
Appropriation	\$ 65,207	\$ 84,015
2. Operating Budget Reductions		
Funds were reduced in various operating line items.	(53,678)	(53,678)

Office of State Budget and Management

This office serves the Governor as Director of the Budget by providing fiscal advise, formulating in detail the recommended state budget, executing the legislatively authorized budget in accordance with the Executive Budget Act (G.S. 143) and special provisions of Session Laws, estimating revenue and monitoring revenue during the course of the fiscal year to insure availability of funds for expenditure by agencies, providing economic analysis for budget preparation and execution, and controlling the allotment of funds for compliance with law.

	Total Appropriations				
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 4,489,690	\$ 4,216,116	(6.1%)	\$ 4,317,780	2.4%
Receipts	<u>68,500</u>	<u>69,998</u>	2.2%	<u>69,998</u>	0.0%
Appropriation	<u>\$ 4,421,190</u>	<u>\$ 4,146,118</u>	<u>(6.2%)</u>	<u>\$ 4,247,782</u>	<u>2.4%</u>
No. of Positions	55.0	55.0	0.0%	55.0	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund – Office of State Budget and Management - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ (252,574)	\$ (150,910)
Receipts	<u>1,498</u>	<u>1,498</u>
Appropriation	\$ (254,072)	\$ (152,408)
2. Operating Budget Reductions		
Funds were reduced in various operating line items.	(41,000)	(41,000)

Expansion Budget:

3. Advisory Budget Commission		
Additional travel funds were provided for the annual statewide tours of the commission.	20,000	20,000

Office of State Planning

The purpose of this office is to encourage more effective state government operations by providing better information (analytical, demographic, and geographic) and by ensuring the development and review of long-term plans.

Post-Legislative Budget Summary, 1999-2001
General Fund – Office of State Planning - Continued

	Total Appropriations				
	1998-1999 <u>Authorized</u>	1999-2000 <u>Certified</u>	% Over <u>1998-1999</u>	2000-2001 <u>Certified</u>	% Over <u>1999-2000</u>
Requirements	\$ 3,545,163	\$ 2,400,121	(32.3%)	\$ 2,400,121	0.0%
Receipts	247,141	253,022	2.4%	253,022	0.0%
Appropriation	<u>\$ 3,298,022</u>	<u>\$ 2,147,099</u>	<u>(34.9%)</u>	<u>\$ 2,147,099</u>	<u>0.0%</u>
No. of Positions	41.0	41.0	0.0%	41.0	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ (1,145,042)	\$ (1,145,042)
Receipts	<u>5,881</u>	<u>5,881</u>
Appropriation	\$ (1,150,923)	\$ (1,150,923)

North Carolina Housing Finance Agency

The purpose of the North Carolina Housing Finance Agency is to generate capital through the sale of tax-free revenue bonds and to provide short- and long-term loans for residential housing occupied by persons or families of low to moderate incomes. The agency also provides financial assistance to developers of multifamily housing units and administers rental subsidies for low and moderate income families to insure quality housing for families in North Carolina, and develops apartment financing programs that are not dependent on federal subsidy assistance. The General Assembly provides appropriation support for the Housing Trust Fund and matching support for the Federal HOME Program.

Post-Legislative Budget Summary, 1999-2001
General Fund – North Carolina Housing Finance Agency - Continued

Total Appropriations					
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 4,300,000	\$ 11,300,000	162.8%	\$ 5,300,000	(53.1%)
Receipts	-	-	0.0%	-	0.0%
Appropriation	<u>\$ 4,300,000</u>	<u>\$ 11,300,000</u>	<u>162.8%</u>	<u>\$ 5,300,000</u>	<u>(53.1%)</u>

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
One time appropriations were eliminated.	\$ (2,000,000)	\$ (2,000,000)

Expansion Budget:

2. Housing Trust Fund		
Funds were appropriated to support the Housing Trust Fund. Of these funds, \$500,000 annually, and an additional \$2,000,000 for the 1999-2000 fiscal year, is earmarked to provide affordable housing for the elderly.	3,000,000	3,000,000
Appropriation - Nonrecurring	6,000,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001

**Department of Insurance
(Includes Direct Appropriation Code)**

The purpose of the Department of Insurance is to educate consumers and regulate the insurance industry to ensure that insurance products are readily available from sound companies at reasonable costs to informed customers. Further, it is the responsibility of the Department of Insurance to insure state-owned property, enforce the state's building code, serve as the central support office for the state's fire and rescue service communities, and to regulate other specified activities and industries.

Total Appropriations

	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 32,658,889	\$ 32,738,065	0.2%	\$ 32,331,802	(1.2%)
<u>Receipts</u>	<u>6,149,713</u>	<u>6,229,302</u>	<u>1.3%</u>	<u>6,232,765</u>	<u>0.1%</u>
Appropriation	<u>\$ 26,509,176</u>	<u>\$ 26,508,763</u>	<u>0.0%</u>	<u>\$ 26,099,037</u>	<u>(1.5%)</u>
No. of Positions	392.9	396.9	1.0%	396.9	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ (455,640)	\$ (441,403)
Receipts	<u>79,589</u>	<u>83,052</u>
Appropriation	\$ (535,229)	\$ (524,455)
2. Building Code Sales		
Funds were reduced in the Safety Services Division for the printing of building code books. This reduction corresponds to the actual demand for the books.	(191,740)	(191,740)

Post-Legislative Budget Summary, 1999-2001
General Fund - Insurance - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
3. Information Services			
Funds were provided to establish two computer systems analyst III positions and one computer support technician II position in the Company Services Division. Nonrecurring funds were provided to replace outdated computer equipment.			
Appropriation - Recurring	\$ 202,056		\$ 202,056
Appropriation - Nonrecurring	420,500	NR	-
Number of Positions	3.0		3.0
4. Senior Health Information Program			
Funds were provided to establish one administrative assistant I position and for additional operating expenses to expand education and counseling services to senior citizens regarding Medicare supplemental insurance.			
Number of Positions	104,000		104,000
	1.0		1.0

NR – Nonrecurring

Office of the Lieutenant Governor

The purpose of this office is to provide support to enable the Lieutenant Governor to fulfill his duties as set forth by law, including serving as President of the State Senate, serving on the Council of State, and serving as a member of various other boards and commissions.

	Total Appropriations				
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 665,485	\$ 640,485	(3.8%)	\$ 640,485	0.0%
Receipts	-	-	0.0%	-	0.0%
Appropriation	<u>\$ 665,485</u>	<u>\$ 640,485</u>	<u>(3.8%)</u>	<u>\$ 640,485</u>	<u>0.0%</u>
No. of Positions	9.0	9.0	0.0%	9.0	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund – Office of Lieutenant Governor - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
One time appropriations were eliminated.	\$ (25,000)	\$ (25,000)

Department of Revenue

The goal of the Department of Revenue is to fairly and equitably administer the revenue laws as enacted by the General Assembly and to collect and account for all of the taxes due under the provisions of those laws. This department also provides research on revenue matters and exercises general and specific supervision over the valuation of real and personal property located throughout the state.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 87,393,807	\$ 84,082,988	(3.8%)	\$ 80,570,637	(4.2%)
Receipts	4,735,734	4,815,004	1.7%	4,815,004	0.0%
Appropriation	<u>\$ 82,658,073</u>	<u>\$ 79,267,984</u>	<u>(4.1%)</u>	<u>\$ 75,755,633</u>	<u>(4.4%)</u>
No. of Positions	1,243.0	1,265.0	2.3%	1,265.0	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund – Revenue - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), miscellaneous changes in expenditures and receipts, and the elimination of one time appropriations which includes funds for the new Remittance Processing System (initial funding for the two year Data Capture Project).		
Requirements	\$ (10,030,010)	\$ (10,014,701)
Receipts	<u>79,270</u>	<u>79,270</u>
Appropriation	\$ (10,109,280)	\$ (10,093,971)
2. Data Capture		
Continuation funds were provided for the completion of the Data Capture Project as initial funding was provided in 1998. The department's new data capture strategy integrates an imaged based remittance processing system with an automated data extraction process that further reduces the manual components of the process.	5,779,395	2,341,860
3. Adjust Operating Budget		
Budget reductions were made for temporary wages and related benefits.	(375,000)	(375,000)

Post-Legislative Budget Summary, 1999-2001
General Fund - Revenue - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
4. Expansion of Audit/Enforcement Function			
Funds for additional audit/enforcement positions and related staff support were appropriated by the General Assembly for the following divisions: Interstate Audits, Field Collections, Field Examinations, and Unauthorized Substance Tax Enforcement.			
Appropriation - Recurring	\$ 974,671		\$ 974,671
Appropriation - Nonrecurring	90,125	NR	-
Number of Positions	22.0		22.0
5. Tax Research Positions and Performance Audit Funds			
The General Assembly appropriated funds in House Bill 1476 to establish additional tax analyst positions in the Tax Research Division and provided \$100,000 in the 1999-2000 fiscal year to defray costs associated with a performance audit to be performed by the Office of the State Auditor.			
	250,000		250,000

NR - Nonrecurring

Rules Review Commission

The Rules Review Commission primarily works to ensure that administrative rules proposed by state agencies are supported by statutory authority. In addition, the commission and its staff review rules to ensure the clarity and necessity of the rules. The commission also approves repeals of rules that are superseded or no longer necessary.

	Total Appropriations				
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 285,713	\$ 317,343	11.0%	\$ 309,326	2.5%
Receipts	-	-	0.0%	-	0.0%
Appropriation	<u>\$ 285,713</u>	<u>\$ 317,343</u>	<u>11.0%</u>	<u>\$ 309,326</u>	<u>2.5%</u>
No. of Positions	4.0	4.0	0.0%	4.0	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund – Rules Review Commission – Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.	\$ 31,630	\$ 23,613

Department of Secretary of State

The goal of the Department of Secretary of State is to serve and protect citizens, the business community, and government agencies by facilitating business activities, by providing accurate and timely information, and by preserving documents and records.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 7,127,603	\$ 7,005,181	3.9%	\$ 6,772,996	(3.3%)
Receipts	265,113	317,063	45.3%	317,063	0.0%
Appropriation	<u>\$ 6,862,490</u>	<u>\$ 6,688,118</u>	<u>2.5%</u>	<u>\$ 6,455,933</u>	<u>(3.5%)</u>
No. of Positions	117.80	145.75	27.9%	145.75	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund – Secretary of State - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ (526,434)	\$ (613,934)
Receipts	<u>51,950</u>	<u>51,950</u>
Appropriation	\$ (578,384)	\$ (665,884)
2. Operating Budget Reductions		
Operating budget reductions were made in various line items for the following divisions:		
General Administration	(21,199)	
Publications	(9,193)	
Corporations	(14,125)	
Uniform Commercial Code	(33,125)	
Securities Registration	(8,125)	
Business License	(32,665)	
Notary Public	(4,125)	
Land Records Management	(3,125)	
	(125,682)	(125,682)

**Post - Legislative Budget Summary, 1999-2001
General Fund – Secretary of State - Continued**

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
3. Electronic Commerce Specialist Position			
Funds were appropriated for an analyst/programmer specialist position. This position will serve as the department's electronic commerce specialist responsible for regulating electronic signatures and certification authorities as provided for in the Electronic Commerce Act.			
Appropriation – Recurring	\$ 79,964		\$ 79,964
Appropriation – Nonrecurring	6,700	NR	-
Number of Positions	1.0		1.0
4. Directory of Women in North Carolina General Assembly			
The General Assembly provided funds to update and reprint the directory of women in the NC General Assembly in partnership with the Western Carolina Women's Coalition and NC Council for Women.			
Appropriation – Nonrecurring	10,000	NR	-
5. Electronic Commerce Demonstration Project			
To allow for the ordering, production, and delivery of Certificates of Existence by electronic media including the Internet and the World Wide Web, funds were provided to implement an Electronic Commerce Demonstration Project.			
Appropriation – Nonrecurring	98,000	NR	-
6. Securities Registration Division Staff Expansion			
Funds were appropriated for a registration analyst position and two investment advisor field auditor positions to examine securities registration applications and to audit investment advisor firms.			
Appropriation – Recurring	130,045		130,045
Appropriation – Nonrecurring	29,985	NR	-
Number of Positions	3.0		3.0

NR - Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Secretary of State - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
7. Reserves and Transfers		
Budget reserves were provided for start-up costs for the Corporations Division for personnel and computer costs associated with changes implemented with SB 297 and SB 835.	\$ 175,000	\$ 175,000

State Board of Elections

The goal of the State Board of Elections is to promote confidence among the citizens of North Carolina in the integrity of the free election process through the consistent administration and equal application of all elections and campaign finance laws, rules, and regulations.

Total Appropriations

	<u>1998-1999 Authorized</u>	<u>1999-2000 Certified</u>	<u>% Over 1998-1999</u>	<u>2000-2001 Certified</u>	<u>% Over 1999-2000</u>
Requirements	\$ 3,632,725	\$ 3,202,160	(11.9%)	\$ 3,202,160	0.0%
Receipts	2,500	2,500	0.0%	2,500	0.0%
Appropriation	<u>\$ 3,630,225</u>	<u>\$ 3,199,660</u>	<u>(11.9%)</u>	<u>\$ 3,199,660</u>	<u>0.0%</u>
No. of Positions	19.0	19.0	0.0%	19.0	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.	\$ (470,565)	\$ (470,565)

Post-Legislative Budget Summary, 1999-2001
General Fund – State Board of Elections – Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
2. Voter Registration Forms		
Funds were provided for the annual distribution of voter registration forms to all North Carolina institutions of higher learning, as required by the Higher Education Act passed by Congress in 1998.	\$ 40,000	\$ 40,000

Department of State Treasurer

The goal of the Department of State Treasurer is to assure that the following duties and obligations assigned by statute to the State Treasurer and the department are fulfilled: (1) assure that public funds are lawfully expended; (2) invest surplus funds prudently; (3) make debt service payments on state general obligation debt; (4) assist local governments in maintaining sound fiscal policies and positions; and (5) administer the pension and employee programs assigned to the department.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 35,539,471	\$ 35,058,492	(1.4%)	\$ 34,593,108	(1.5%)
Receipts	15,025,239	15,952,868	6.2%	15,730,075	(1.4%)
Appropriation	<u>\$ 20,514,232</u>	<u>\$ 19,105,624</u>	<u>(6.9%)</u>	<u>\$ 18,863,033</u>	<u>(1.3%)</u>
No. of Positions	259.5	286.5	0.0%	286.5	0.0%

**Post-Legislative Budget Summary, 1999-2001
General Fund – State Treasurer – Continued**

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary-related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ (2,098,500)	\$ (2,098,500)
Receipts	<u>(1,099,500)</u>	<u>(1,099,500)</u>
Appropriation	\$ (999,000)	\$ (999,000)
2. Investment Management Funds		
The amount budgeted for financial investment administrative services was reduced to more accurately reflect actual requirements for custodial services.		
	\$ (1,085,128)	\$ (1,085,128)

Expansion Budget:

3. Information System Mainframe		
Funds were appropriated for the annual payment on the lease-purchase agreement for the department's mainframe and storage system. The General Assembly's Select Committee on Information Technology will assess and report on the information technology needs for the department prior to the start of the 2000 Session of the General Assembly.		
Appropriation - Nonrecurring	268,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – State Treasurer - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
4. Information System Personnel			
The General Assembly appropriated funds for additional Information Systems Division positions. These positions will help maintain the department's growing technological infrastructure. The cost of these positions will be allocated among both receipt supported and appropriation supported division within the State Treasurer's Office.			
Requirements	\$ 348,858		\$ 431,488
Receipts	<u>191,024</u>		<u>236,455</u>
Appropriation - Recurring	\$ 157,561		\$ 195,033
Number of Positions	5.0		5.0
Requirements	\$ 50,000		\$ -
Receipts	<u>27,350</u>		<u>-</u>
Appropriation - Nonrecurring	\$ 22,600 NR		\$ -
5. Local Government Operations Staff Expansion			
Funds were appropriated for additional positions and related operating costs in the Local Government Operations Division to help meet the growing demands of the division.			
Appropriation – Recurring	211,359		237,896
Appropriation – Nonrecurring	16,000 NR		-
Number of Positions	2.0		2.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - State Treasurer - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
6. Retirement Operations		
Funds were provided for additional positions in the Retirement Operations Division. The positions are needed to meet the level of demand from members of the state's retirement system. This division is a receipt supported function of the department.		
Requirements	\$ 979,170	\$ 979,170
Receipts	<u>979,170</u>	<u>979,170</u>
Appropriation – Recurring	\$ -	\$ -
Number of Positions	20.0	20.0
Requirements	\$ 140,000	\$ 140,000
Receipts	<u>140,000</u>	<u>140,000</u>
Appropriation - Nonrecurring	\$ - NR	\$ - NR

Department of Health and Human Services

Part XIA of Chapter 443 of the 1997 Session of the General Assembly created the Department of Health and Human Services. The Department employs more than 18,000 people and administers the following programs: mental health services, services to the developmentally disabled, substance abuse services, vocational rehabilitation services for the physically and mentally disabled, services to the blind and hard of hearing, services to children and youth including training schools and community programs, services to the elderly, and services to needy families. In addition, the department administers public health programs such as Maternal and Child Health, Sickle Cell, Epidemiology and the State Center for Health Statistics. The appropriations increase in the Department of Health and Human Services over 1998-1999 totals to \$128.2 million in fiscal year 1999-2000 and \$366.8 million in fiscal year 1999-2001.

Total Appropriations

	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 8,148,496,383	\$ 8,382,285,956	2.87%	\$ 8,871,846,018	5.84%
Receipts	<u>5,497,885,750</u>	<u>5,603,509,173</u>	1.92%	<u>5,854,423,716</u>	4.48%
Appropriation	<u>\$ 2,650,610,633</u>	<u>\$ 2,778,776,783</u>	4.84%	<u>\$ 3,017,422,302</u>	8.59%
No. of Positions	18,043.2	18,128.4	0.47%	18,176.4	0.26%

Post-Legislative Budget Summary, 1999-2001
General Fund – Health and Human Services - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Division of Services for the Blind

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Vacant Positions		
Funding was eliminated by the General Assembly for two positions: Assistant Principal and a Processing Assistant II.	\$ (64,687)	\$ (64,687)
Number of Positions	(2.0)	(2.0)

Division of Public Health

2. Vacant Positions		
Funding was eliminated by the General Assembly for four positions: Physician III-A, Processing Unit Supervisor V, Processing Assistant III, and Office Assistant III.	(185,558)	(185,558)
Number of Positions	(2.8)	(2.8)
3. Tuberculosis Program Pharmaceutical Budget		
The General Assembly reduced the Tuberculosis Program pharmaceutical budget to better reflect program need.	(198,762)	(198,762)
4. AIDS Drug Assistance Program Funding		
The General Assembly reduced the AIDS Drug Assistance Program (HIV Medications Program) funding due to increased federal receipts funding.	(1,000,000)	(1,000,000)

Post-Legislative Budget Summary, 1999-2001
General Fund – Health and Human Services - Continued

Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

	<u>1999-2000</u>	<u>2000-2001</u>
5. Thomas S. Funding In January 1998, the Fourth U.S. District Court found that the state had firmly established a constitutionally adequate system of services Thomas S. clients, dismissed the class action suit, <i>Thomas S. et al v. Bruton</i> . With an adequate system in place, the General Assembly eliminated unnecessary funding for the Thomas S. program.	\$ (3,900,000)	\$ (3,900,000)
6. Capital Reserves for Area Mental Health Programs The 1994 Session of the General Assembly appropriated funds to support the capital needs of area mental health programs. Unexpended funds were eliminated by action of the 1999 Session. Appropriation - Nonrecurring	(500,000) NR	-
7. Waiting List Management for Persons with Developmental Disabilities Funds requested in the Governor's Recommended Continuation Budget to help manage the waiting list for developmental disabilities services were eliminated by the General Assembly.	(500,000)	(500,000)
8. DMH Schools Funds In anticipation of additional Medicaid receipts, the General Assembly reduced appropriations for Wright and Whitaker Schools, and residential treatment programs for violent and assaultive children.		
Requirements	\$ -	\$ -
Receipts	<u>650,000</u>	<u>960,000</u>
Appropriation	\$ (650,000)	\$ (960,000)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001

General Fund – Health and Human Services - Mental Health, DDSAS - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
9. Patient Receipts Adjustments		
The General Assembly approved the Governor’s recommendation to increase patient receipts at the State’s psychiatric hospitals and mental retardation centers and adjusted appropriations accordingly.		
Requirements	\$ -	\$ -
Receipts	<u>1,300,000</u>	<u>2,500,000</u>
Appropriation	\$ (1,300,000)	\$ (2,500,000)
10. Vacant Positions		
The General Assembly approved the Governor’s recommendation to eliminate non-critical, long term vacancies in the division.		
Requirements	\$ (106,608)	\$ (106,608)
Receipts	<u>(27,886)</u>	<u>(27,886)</u>
Appropriation	\$ (78,722)	\$ (78,722)
Number of Positions	(4.0)	(4.0)

Division of Medical Assistance

11. Increase Drug Rebate Receipts		
The Governor recommended and the General Assembly enacted an increase in receipts from the drug rebate program due to increased expenditures for prescription drugs.		
Requirements	\$ (39,948,073)	\$ (58,160,876)
Receipts	<u>(27,341,677)</u>	<u>(39,679,135)</u>
Appropriation	\$ (12,606,396)	\$ (18,481,741)
12. Medicaid Forecast Adjustments		
The Governor recommended and the General Assembly enacted a reduction in base year expenditures to reflect the most current projections for the Medicaid program.		
Requirements	\$ (91,340,427)	\$ (143,447,596)
Receipts	<u>(72,244,312)</u>	<u>(113,376,783)</u>
Appropriation	\$ (19,096,115)	\$ (30,070,813)

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Medical Assistance - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
13. Inflation Adjustments		
The Governor recommended and the General Assembly enacted a reduction in inflation for most Medicaid services.		
Requirements	\$ (13,033,407)	\$ (13,851,516)
Receipts	<u>(9,137,995)</u>	<u>(9,600,392)</u>
Appropriation	\$ (3,895,412)	\$ (4,251,124)
14. Service Intensity Adjustments		
The Governor recommended and the General Assembly enacted a reduction that eliminates all policy enhancements found in the continuation budget.		
Requirements	\$ (76,135,163)	\$ (81,312,884)
Receipts	<u>(51,954,445)</u>	<u>(55,254,420)</u>
Appropriation	\$ (24,180,718)	\$ (26,058,464)
15. Carolina Alternatives Adjustment		
The Governor recommended and the General Assembly enacted an adjustment for the Carolina Alternatives program.	(2,500,000)	(2,500,000)
16. Administrative Overhead Adjustment		
The Governor recommended and the General Assembly enacted a reduction in expenditures for printing and postage due to lower utilization by Work First clients.		
Requirements	\$ (128,146)	\$ (129,427)
Receipts	<u>(64,073)</u>	<u>(64,713)</u>
Appropriation	\$ (64,073)	\$ (64,714)

Post-Legislative Budget Summary, 1999-2001

General Fund – Health and Human Services - Medical Assistance - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
17. Transfer Reserve Funds		
The Governor recommended and the General Assembly enacted a transfer of funds from the G.S. 143-23.2 reserve to increase receipts and decrease appropriations.		
Requirements	\$ -	\$ -
Receipts	<u>16,000,000</u>	<u>16,000,000</u>
Appropriation - Recurring	\$ (16,000,000)	\$ (16,000,000)
Requirements	\$ -	\$ -
Receipts	<u>55,000,000</u>	<u>-</u>
Appropriation - Non-Recurring	\$ (55,000,000)	\$ -
18. Inflation for Hospitals and Nursing Homes		
The General Assembly enacted a reduction in inflationary increases for hospitals and nursing homes.		
Requirements	\$ (15,159,552)	\$ (16,848,956)
Receipts	<u>(10,114,552)</u>	<u>(11,449,346)</u>
Appropriation	\$ (5,045,000)	\$ (5,399,610)
19. Utilization Changes for NC Health Choice		
The General Assembly enacted a reduction in NC Health Choice expenditures because program utilization is lower than initial projections.		
Requirements	\$ (7,262,997)	\$ -
Receipts	<u>(5,362,997)</u>	<u>-</u>
Appropriation - Non-Recurring	\$ (1,900,000) NR	\$ -
20. Lower Utilization by Work First Eligibles		
The Governor recommended and the General Assembly enacted a reduction resulting from lower projected utilization of Medicaid by Work First recipients.		
Requirements	\$ (94,721,091)	\$ (75,684,484)
Receipts	<u>(73,018,619)</u>	<u>(52,364,792)</u>
Appropriation	\$ (21,702,472)	\$ (23,319,692)

NR – Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services - Continued

Division of Social Services

Continuation Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
21. State/County Special Assistance			
The Governor recommended and the General Assembly approved a reduction in the State/County Special Assistance budget to reflect an October 1, 1999, effective date.			
Requirements	\$ (2,072,000)		\$ -
Receipts	<u>(1,036,000)</u>		<u>-</u>
Appropriation - Nonrecurring	\$ (1,036,000)	NR	\$ -
22. Work First Reserve Transfer			
The General Assembly transferred funds from the statewide Work First Reserve to support the Division of Social Services' operations.			
Requirements	\$ -		\$ -
Receipts	<u>17,000,000</u>		<u>-</u>
Appropriation - Nonrecurring	\$ (17,000,000)	NR	\$ -
23. Vacant Positions			
The General Assembly approved the Governor's recommendation to eliminate non-critical, long-term vacancies in the division.			
Requirements	\$ (144,770)		\$ (144,770)
Receipts	<u>(130,294)</u>		<u>(130,294)</u>
Appropriation	\$ (14,476)		\$ (14,476)
Positions	(3.00)		(3.00)
24. Workfirst Automation Reserve			
The Governor recommended and the General Assembly approved a reduction to the Workfirst Automation Reserve found in the Division of Social Services' budget.			
Appropriation - Nonrecurring	(4,000,000)	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Social Services -Continued

Continuation Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
25. Receipt Adjustments			
The General Assembly increased prior year earned revenue receipts budgeted in the Division of Social Services.			
Requirements	\$ -		\$ -
Receipts	<u>2,033,000</u>		<u>-</u>
Appropriation - Nonrecurring	\$ (2,033,000)	NR	\$ -

Central Administration

26. Rural Health Reserve			
The General Assembly adopted a recommendation from the Governor to eliminate a reserve in the Office of Rural Health. The reserve was established to set-aside appropriations made available due to the budgeting of additional federal receipts, which were earned as part of the department's revenue maximization effort. These funds are not needed to continue current service levels.			
	(380,370)		(380,370)
27. Vacant Positions			
The General Assembly adopted a recommendation from the Governor to eliminate 2.05 positions: Film Library Supervisor, Information Processing Assistant II, and Computing Consultant I.			
Number of Positions	(52,798)		(52,798)
	-2.05		-2.05
28. Mental Health Medicaid Match Reserve			
The General Assembly reduced the amount of state appropriations in the reserve based on more current expenditure projections.			
	(600,000)		(600,000)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Social Services -Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
29. Funding for the Office of Economic Opportunity		
The General Assembly reduced state appropriations in the Office of Economic Opportunity. The state funding has been replaced by an increase in the Community Services Block Grant.	\$ (200,000)	\$ (200,000)

Division of Facility Services

30. Fire Protection Loan Fund		
The General Assembly eliminated uncommitted state funding appropriated for the Fire Protection Loan Fund. The North Carolina Housing Finance Agency manages the funds.		
Appropriation - Nonrecurring	(200,000) NR	-
31. Transfer Bingo Program		
In Section 11.18 of Chapter 237, the General Assembly transferred the Bingo Program from the Division of Facility Services to the Department of Crime Control and Public Safety.		
Requirements	\$ (42,453)	\$ (42,453)
Receipts	(40,328)	(40,328)
Appropriation	\$ (2,125)	\$ (2,125)
Number of Positions	-1.0	-1.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services - Continued

Division of Child Development

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
32. Smart Start		
The General Assembly supported the Governor's recommendation to increase Smart Start funding in all of North Carolina's 100 counties. The General Assembly appropriated \$58 million in 1999-2000 and \$78.9 million in 2000-2001 to expand direct program services statewide. Additional funding includes \$165,000 in 1999-2000 and 2000-2001 to support increases in program evaluation costs due to statewide expansion of the program, and \$1.5 million in 1999-2000 to support county collaboration efforts in local partnerships which were implemented in phase three through five of the programs.		
Appropriation - Recurring	\$ 58,165,000	\$ 79,093,826
Appropriation - Nonrecurring	1,500,000 NR	-
33. T.E.A.C.H. Program		
The General Assembly accepted the Governor's recommendation to appropriate additional funds to the Teacher Education and Compensation Helps (T.E.A.C.H.) Early Childhood Project. The program provides a variety of educational scholarship opportunities for people working in regulated child care centers and homes.		
	778,000	778,000
34. Touching the Lives of Children		
The General Assembly appropriated funds for the Touching the Lives of Children Program, a non-profit agency. The program improves the cognitive and language development skills of children who have been identified as educationally and emotionally disadvantaged. Teachers, teacher assistants, childcare providers, and community volunteers work with children and their families to improve learning skills, literacy, and life skills.		
	300,000	300,000

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Child Development - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
35. Alzheimer’s Association The General Assembly appropriated additional funds for the three chapters of the North Carolina Alzheimer’s Association: the Western Alzheimer’s Chapter, the Southern Piedmont Alzheimer’s Chapter, and the Eastern Alzheimer’s Chapter.	\$ 50,000	\$ 50,000
36. Start-up Grants for Adult Day Care Programs The General Assembly appropriated funding for up to ten start-up grants for new Adult Day Care Programs.	250,000	-

Division of Facility Services

37. Complaint Investigators The General Assembly supported the Governor’s Long-Term Care System Improvements recommendation for additional nurse consultants to investigate complaints in nursing homes. The appropriation will enable the Division of Facility Services to respond to complaints in a more timely manner. The effective date of the 15 positions is January 1, 2000. Additional long-term care improvements recommended by the Governor and funded by the General Assembly can be found in items 66 and 84.	111,375	222,750
Number of Positions	15.0	15.0

Post-Legislative Budget Summary, 1999-2001

General Fund - Health and Human Services – Facility Services - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
38. Group Care Monitoring Staff		
The General Assembly accepted the recommendation from the Governor to improve the safety of community-based mental health facilities. Funding is appropriated for 15 additional staff to inspect the facilities prior to licensure, investigate complaints, and conduct biennial license renewal inspections. One of the 15 positions is designated to be an administrative position for Adult Care Home Administrator Certification.	\$ 781,617	\$ 731,809
Number of Positions	15.0	15.0

Central Administration

39. Human Services Grants-in-Aid		
The General Assembly appropriated funds to a grants-in-aid reserve. The funds are to be awarded to public and non-profit human service organizations that serve older adults; adults with disabilities; at-risk children; and youth and families.		
Appropriation - Nonrecurring	4,000,000 NR	-
40. ABCs Plan in DHHS Schools		
The General Assembly appropriated funds for staff at the DHHS residential schools to participate in professional development activities. Also included in the appropriation are funds to increase the pay grades of cottage and residential staff.	400,000	400,000

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001

General Fund - Health and Human Services – Central Administration - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
41. Prescription Drug Program for the Elderly			
The General Assembly appropriated start-up funding to establish a program that will assist elderly persons purchase outpatient prescription drugs. Participation in the program is limited to people who are: 1) over the age of 65 and not eligible for full Medicaid benefits, 2) whose income is not more than 150% of the federal poverty level, and 3) who have been diagnosed with cardiovascular disease or diabetes.	\$ 500,000		\$ 500,000
42. NC/Israel Project			
The General Assembly appropriated funds for the NC/Israel Project, a non-profit corporation. The funds will be used to improve the cultural awareness and training of professionals serving children and families from diverse socio-economic backgrounds.			
Appropriation - Nonrecurring	99,000	NR	-
43. Independent Living (IL) Rehabilitation Program			
To alleviate the backlog of client needs at program offices statewide, the General Assembly approved recurring and nonrecurring appropriations to the Independent Living Program.			
Appropriation - Recurring	1,000,000		1,000,000
Appropriation - Nonrecurring	2,000,000	NR	-
Number of Positions	11.00		11.00
44. NC Assistive Technology Project			
General Assembly appropriated funds to support the Assistive Technology Demonstration Centers in providing technical assistance, training, and equipment loans to individuals with disabilities and their families.			
Requirements	\$ -		\$ -
Receipts	(398,533)		(398,533)
Appropriation	\$ 398,533		\$ 398,533

NR-Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services - Continued

Division of Public Health

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
45. Royall Children's Vision Screening Improvement Program The General Assembly appropriated fund for a statewide training and certification program for school-based vision screeners.	\$ 419,000		\$ 419,000
46. Healthy Start Foundation The General Assembly appropriated non-recurring funds for the statewide public information and education activities of the First Step Campaign and for local communities to implement pilot programs aimed at reducing infant mortality. Appropriation - Nonrecurring	650,000	NR	-
47. Osteoporosis Task Force The General Assembly appropriated non-recurring funds to continue the support for the Osteoporosis Task Force. Appropriation - Nonrecurring	150,000	NR	-
48. State Games of North Carolina The General Assembly appropriated non-recurring funds for the Governor's Council on Physical Fitness to support the State Games. Appropriation - Nonrecurring	200,000	NR	-
49. Arthritis Prevention Project The General Assembly appropriated non-recurring funds to continue the grant-in-aid for private/local projects providing services for arthritis patients in Mecklenburg County. Appropriation - Nonrecurring	25,000	NR	-

NR-Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Public Health - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
50. SUD Program			
The General Assembly appropriated funds to start-up and operate intensive investigation of sudden unexpected deaths of infants and young children.	\$ 190,000	\$	190,000
Number of Positions	2.00		2.00
51. Cancer Control Program			
The General Assembly appropriated funds to the Advisory Committee on Cancer Coordination and Control to promote the prevention, early detection, data collection, and optimal care in the control of cancer.	250,000		250,000
52. Pediatric Cancer Services			
The General Assembly appropriated nonrecurring funds to provide for pediatric cancer awareness, victim assistance, and clinical trials for experimental treatments.			
Appropriation - Nonrecurring	250,000	NR	-
53. Asthma Education Program			
The General Assembly appropriated non recurring funds to support asthma management, control, surveillance, and education.			
Appropriation - Nonrecurring	250,000	NR	-
54. Hepatitis C Education			
The General Assembly appropriated nonrecurring funds for Hepatitis C education and awareness activities.			
Appropriation – Nonrecurring	150,000	NR	-
55. Central Cancer Registry			
The General Assembly appropriated funds for additional Central Cancer Registry personnel.	200,300		200,300
Number of Positions	5.00		5.00

NR-Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Public Health - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
56. Healthy Carolinians			
The General Assembly appropriated nonrecurring funds to provide for the creation of Healthy Carolinian Task Forces throughout the state.			
Appropriation - Nonrecurring	\$ 1,000,000	NR	\$ -
57. Birth Defects Monitoring Program			
The General Assembly appropriated non recurring funds to initiate the development of a birth defects registry.			
Appropriation - Nonrecurring	100,000	NR	-
58. Heart Disease and Stroke Prevention			
The General Assembly appropriated nonrecurring funds to the Heart Disease and Stroke Prevention Task Force for the implementation of the NC Plan to Prevent Heart Disease and Stroke, 1999-2003.			
Appropriation - Nonrecurring	100,000	NR	-
59. Office of Minority Health			
The General Assembly appropriated nonrecurring funds to support the Office of Minority Health activities.			
Appropriation - Nonrecurring	150,000	NR	-

NR – Nonrecurring

Division of Services for the Blind

60. Early Intervention Services		
The General Assembly appropriated funds to expand early intervention services for visually impaired children ages birth through five years.		
Requirements	225,000	225,000
Number of Positions	3.00	3.00

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Services for the Blind - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
61. Governor Morehead School The General Assembly appropriated funds to provide for library materials, textbooks, and education-related technology.	\$ 50,000	\$ 50,000

Division of Services for the Deaf and Hard of Hearing

62. Cued Speech Center, Inc. The General Assembly appropriated funds to provide a grant-in-aid for the Cued Speech Center, Inc. for preschool, transitional, and resource services.	135,000	135,000
63. North Carolina School for the Deaf The General Assembly appropriated funds for four positions (Occupational Therapist, Physical Therapist, Staff Development Specialist, and Community Employment Specialist II), establishment and operational support of a video networking site, library materials and automation, an elevator in the elementary school, and playground equipment.		
Appropriation - Recurring	275,000	302,600
Appropriation - Nonrecurring	275,000 NR	-
Number of Positions	4.00	4.00

NR-Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services - Continued

Division of Mental Health, Developmental Disabilities and Substance Abuse Services

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
64. Camp Royall Funds			
The General Assembly appropriated operating funds to support the collaborative efforts of University of North Carolina at Chapel Hill, Division of TEACH Administration and Research; and the North Carolina Autism Society for Camp Royall, a summer program for children and adults with autism.			
Appropriation - Nonrecurring	\$ 471,000	NR	\$ -
65. Area Mental Health Program Merger Funds			
In addition to funds allocated to the Cleveland County and Gaston-Lincoln Area Mental Health Programs, through the Division of Mental Health Developmental Disabilities and Substance Abuse Services, the General Assembly appropriated funds to complete the merger of the two area programs. The additional funds will support administration, salaries, facility renovation, and other infrastructure costs necessary to complete the merger.			
	800,000		800,000
66. ACH Resident Assessment Services			
The Governor's Long-Term Care System Improvements Plan was adopted by the General Assembly. The Plan funds screening of adult home residents, mental health assessments and treatment to improve the safety and quality of care for residents in long-term care facilities. Additional Long Term Care Improvements recommended by the Governor and funded by the General Assembly can be found in items 37 and 84.			
	302,866		609,953

NR-Nonrecurring

Post-Legislative Budget Summary, 1999-2001

General Fund - Health and Human Services – Mental Health, DDSAS - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
67. Deaf/Mentally Ill Services The General Assembly approved funding for specialized mental health and residential services for deaf clients.	\$ 247,000	\$ 247,000
68. Mental Health Housing Funding was approved for residential services for the mentally ill, including clients who suffer from deafness.	495,000	495,000
69. Area Mental Health Board Training To improve the oversight of area mental health programs, the General Assembly appropriated funds to support training of area authority board members. Appropriation - Nonrecurring	150,000	NR -
70. Autism Society Funds of NC The General Assembly appropriated funds to the Autism Society to help support residential services, advocacy and weekend camping.	620,000	620,000
71. TEACCH Funds were appropriated to University of North Carolina at Chapel Hill, Division of TEACCH Administration and Research to provide services to individuals with autism.	1,052,000	1,052,000
72. First Step Farms The General Assembly appropriated funds to increase contracted bed utilization at First Step Farms, a short term substance abuse and habilitation services provider in western North Carolina.	158,000	158,000

NR-Nonrecurring

Post-Legislative Budget Summary, 1999-2001

General Fund - Health and Human Services – Mental Health, DDAS - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
73. Violent and Assaultive Children			
The General Assembly appropriated funds to provide services required by state and federal law for children who were identified as Willie M. class members at the time of dissolution of the class, for violent and assaultive children, and for other children at risk of institutionalization.			
Appropriation - Nonrecurring	\$ 4,353,003	NR	\$ -
74. Early Intervention Services			
The General Assembly appropriated funds for the development of an integrated client database and for establishment of a pilot site for a regional transdisciplinary team of experts to serve children ages birth through five years.			
Number of Positions	203,000 5.0		610,000 5.0
75. Community Mental Health Programs			
The General Assembly authorized the expansion of community services to address the needs of individuals waiting for mental health, developmental disabilities, and substance abuse services.			
	6,000,000		6,000,000
76. Neurobehavioral Treatment Unit			
The General Assembly authorized the establishment of a 12 bed unit at Black Mountain Center to provide behavioral health services to victims of traumatic brain injuries. The unit will provide cost effective services to victims as they cope with cognitive, emotional and behavioral difficulties.			
Appropriation - Recurring	571,526		571,526
Appropriation - Nonrecurring	120,246	NR	-
Number of Positions	51.0		51.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001

General Fund - Health and Human Services – Mental Health, DDAS - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
77. Union House			
The General Assembly appropriated grant-in aid to Union House, a psychosocial treatment facility for the severe and persistently mentally ill.			
Appropriation - Nonrecurring	\$ 200,000	NR	\$ -

NR - Nonrecurring

Division of Medical Assistance

78. Physician Rate Increase			
The General Assembly appropriated an increase in physician rates to match Medicare rates.			
Requirements	\$ 11,334,923		\$ 11,857,528
Receipts	<u>7,734,923</u>		<u>8,057,528</u>
Appropriation	\$ 3,600,000		\$ 3,800,000
79. Expand Transitional Medicaid to 24 Months			
The General Assembly expanded transitional Medicaid for Former TANF recipients from 12 to 24 months. Expansion shall be effective October 1, 1999.			
Requirements	\$ 6,994,803		\$ 27,727,924
Receipts	<u>4,921,803</u>		<u>19,456,781</u>
Appropriation	\$ 2,073,000		\$ 8,271,143

Division of Social Services

80. Local Adoption and Foster Care Workers			
The General Assembly provided funding for additional social worker staff (effective July 1, 2000) in local departments of social services to recruit, train, license and support foster care and adoptive families and to provide interstate and post adoption services.			
		-	159,000

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Social Services - Continued

Expansion Budget:

		<u>1999-2000</u>		<u>2000-2001</u>	
81.	Project Homestead Pilots The General Assembly provided funding to initiate pilot programs for employment training activities which would target unskilled and under skilled individuals such as former TANF recipients, non-custodial parents and previously incarcerated individuals.				
	Appropriation - Nonrecurring	\$ 200,000	NR	\$	-
82.	State Maternity Homes Fund The General Assembly provided funding to bring the budget in line with actual expenditures.	250,000		250,000	
83.	Family Success Initiative/Pilots The General Assembly provided funding for pilot programs targeting at-risk children and families.				
	Appropriation - Nonrecurring	250,000	NR	250,000	NR
84.	Adult Care Home Assessment Services The Governor's Long Term Care Plan was adopted by the General Assembly. Funding was approved to establish adult care home positions in the department and in county Departments of Social Services. Additional Long Term Care Improvements can be found in items 37 and 66.				
	Requirements	\$ 2,000,000		\$ 4,000,000	
	Receipts	<u>1,368,800</u>		<u>2,728,800</u>	
	Appropriation	\$ 631,200		\$ 1,271,200	
85.	Food Banks The General Assembly provided funds for the Second Harvest Food Banks.				
	Appropriation - Nonrecurring	1,000,000	NR	-	

NR-Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Health and Human Services – Social Services - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
86. Special Assistance Personal Needs Allowance		
The General Assembly increased the personal needs allowance for State/County Special Assistance recipients from \$31 to \$36 a month.		
Requirements	\$ 1,500,000	\$ 1,500,000
Receipts	<u>750,000</u>	<u>750,000</u>
Appropriation	\$ 750,000	\$ 750,000
87. Adult Protective Services		
The General Assembly appropriated funds to support additional social worker positions providing adult protective services through local departments of social services.		
Requirements	\$ 1,333,333	\$ 2,666,667
Receipts	<u>333,333</u>	<u>666,667</u>
Appropriation	\$ 1,000,000	\$ 2,000,000

Department of Correction

The Department of Correction is responsible for protecting society and promoting public safety by carrying out criminal sentences imposed by the courts. The department promotes a coordinated, efficient, and effective correctional system through the use of appropriate correctional sanctions and programs for work, education, treatment, and recreation which provides the offender the opportunity to display lawful and responsible community behavior.

	Total Appropriations				
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 891,028,093	\$ 912,667,800	2.4%	\$ 908,984,006	0.0%
Receipts	<u>22,678,105</u>	<u>21,488,356</u>	<u>(5.3%)</u>	<u>19,238,356</u>	<u>0.1%</u>
Appropriation	<u>\$ 868,349,988</u>	<u>\$ 891,179,444</u>	<u>2.6%</u>	<u>\$ 889,745,650</u>	<u>0.0%</u>
No. of Positions	19,035.7	18,331.7	(3.7%)	18,331.65	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Line items for salary and related expenditures, including annualization of salaries for established positions funded less than a year, were adjusted to the anticipated annual requirements. Reserves for operating new facilities that were not budgeted for a whole year in 1998-1999 were increased to an annual basis. Other adjustments were made in medical fees, (including hospital and physician costs), drugs, rent, food, repairs of motor vehicles, supplies, clothing, drugs, medical supplies, motor fuels, utilities, motor vehicles, All non recurring appropriations made by the General Assembly for the 1998-1999 fiscal year were eliminated. Receipts were adjusted to the expected level of revenue based on prior experience.		
Requirements	\$ 49,430,339	\$ 57,321,555
Receipts	<u>(4,239,749)</u>	<u>(4,239,749)</u>
Appropriation	\$ 56,670,088	\$ 53,081,806
Number of Positions	155.0	155.0

2. Close GPAC Prison Facilities
 The department recommended that nine prison units be closed due to the high cost of operation and/or the lack of need for minimum custody beds. The General Assembly agreed to close six of the nine. These units and the closing dates of the units are as follows:

<u>Unit</u>	<u>Closing Date</u>		
Goldsboro (Wayne County)	8-1-99		
Blanch (Caswell County)	9-1-99		
Stokes	10-1-99		
Stanly	7-1-99		
Yadkin	9-1-99		
Iredell	10-1-99	\$ (8,537,975)	\$ (10,888,590)
Number of Positions		(347.0)	(347.0)

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
3. Close Nash Prison Unit		
The old Nash Prison Unit that has operated as a minimum custody unit under the new Nash unit was recommended to be closed by the department and the General Assembly agreed. This unit will be closed effective September 1, 1999.		
Number of Positions	(344,275)	(413,130)
	(15.0)	(15.0)
4. Convert Currituck Unit to Minimum Custody		
The Currituck unit was converted from medium custody to minimum custody. This conversion will provide minimum custody inmates to be used for community work crews.		
Number of Positions	(619,695)	(743,634)
	(27.0)	(27.0)
5. Eliminate Double Celling		
Due to overcrowding of the prison population, inmates were double celled at Marion, Pasquotank, and Central Prison in cells constructed as single cells. Now with additional beds the department can operate these cells as single cells and reduce its budget for staff and support originally appropriated in order to operate as double cells.		
Number of Positions	\$ (3,045,348)	\$ (3,999,260)
	(125.0)	(125.0)

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
6. Eliminate Expanded Operating Capacity Positions		
The department was allowed to operate minimum custody units at up to 125% of standard operating capacity (SOC). With the reduction in need for minimum custody beds, the department can operate 16 units that were operating above SOC at SOC. Operating at SOC will reduce cost.		
Number of Positions	(2,039,745) (108.0)	(3,059,618) (108.0)
7. Reduce Perimeter Security Positions		
The number of officers performing perimeter security has been reduced from two on the evening shift to one at prison units having electronic intrusion systems.		
Number of Positions	(247,880) (12.0)	(330,506) (12.0)
8. Eliminate Adult Schools at Eastern and Harnett		
Teacher positions were eliminated at Eastern and Harnett. Correctional Institution. Necessary educational requirements will be met through the community college system.		
Number of Positions	(95,139) (2.0)	(103,788) (2.0)
9. Abolish Education Positions		
Four physical education teachers, three vocational education teachers, and one Assistant education director were eliminated from the department's budget. Other staff at the affected units or at community college systems will continue to deliver necessary services.		
Number of Positions	\$ (144,753) (8.0)	\$ (167,704) (8.0)

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
10. Education Director Position at Eastern		
The position of education director at Eastern was abolished effective July 1, 1999.	(67,322)	(67,322)
Number of Positions	(1.0)	(1.0)

Expansion Budget:

11. Abolish Parole/Post Release Hearing Officers		
Five parole/post release hearing officer positions were deleted. The department will conduct the hearings that were conducted by these officers with contractual employees.	(291,540)	(291,540)
Number of Positions	(5.0)	(5.0)
12. Reduce Leased Space Funds		
Funding for leased space was reduced by consolidating offices and implementing a pilot home as duty station program within the Division of Community Correction.	(343,220)	(343,220)
13. Consolidate Female Intensive Motivational Program of Alternative Correctional Treatment (IMPACT) with Male IMPACT Program		
The female IMPACT program operated at Hoffman, N. C. has been closed due to difficulty in filling the slots with females. This operation will be consolidated with the program for males at Morganton, N.C. thus allowing a reduction in positions and funding. The program for females and males will not be operated in the same space at the same time.	(940,783)	(940,783)
Number of Positions	(25.0)	(25.0)

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
14. Additional Reduction in IMPACT Female		
When the IMPACT program for females in Hoffman was consolidated with the program for males in Morganton, N. C., 12 positions that had been budgeted for the female unit remained. Eight of these positions were deleted with the remaining four to work at the adult unit in food services and maintenance.		
Number of Positions	\$ (400,832) (8.0)	\$ (400,832) (8.0)
15. Reduce Parole Commission from Five to Three		
Due to the declining number of paroles since the passage of structured sentencing, the number of post release supervision and parole commissioners was reduced from five to three. The terms of all current commissioners will expire July 31, 1999, and three appointments will be made effective August 1, 1999.		
Number of Positions	(161,766) (2.0)	(161,766) (2.0)
16. Abolish Two Positions in Parole Commission		
Two positions, a victims services coordinator and a public information officer, from the Post Release Supervision and Parole Commission have been deleted.		
Number of Positions	(92,033) (2.0)	(92,033) (2.0)
17. Additional Reductions in Parole Commission		
Due to a continuing reduction in the workload of the Post Release Supervision and Parole Commission two additional positions and support cost were deleted from the budget.		
Number of Positions	(101,000) (2.0)	(101,000) (2.0)
18. Eliminate Vacant Positions		
Nine positions that had been vacant for one year or longer in the department were deleted. One position was in the Division of Community Corrections and the remainder were in the Division of Prisons.		
Number of Positions	(323,563) (9.0)	(323,563) (9.0)

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
19. Reduce Inmate Costs at Closed Facilities		
The per diem or variable cost of operating facilities that have closed or will be closed has been deleted from the department's budget.	\$ (1,078,020)	\$ (1,265,694)
20. Close Stanly and Yadkin Units Early		
The department was able to close the Stanly unit earlier than originally projected and will be able to close the Yadkin unit earlier than projected. An appropriation reduction was made for the first year of the biennium to reflect these earlier than anticipated closures.		
Appropriation – Nonrecurring	(541,305) NR	-
21. Reduce Automobile Replacement Funds		
Some vehicles that were scheduled for replacement will not need to be replaced. The funding for these vehicles was deleted from the budget.		
Appropriation – Nonrecurring	(360,197) NR	-
22. Reduce Medical Contractual Personnel Funds		
Funding for medical contractual services was decreased with the anticipation that new medical personnel would replace the need.	(475,000)	(475,000)
23. Eliminate Funding for New Trainers		
Funding for ten new correctional training instructors in the Division of Community Corrections was deleted.		
Appropriation - Recurring	(415,575)	(498,650)
Appropriation - Nonrecurring	(84,410) NR	-
Number of Positions	(10.0)	(10.0)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
24. Eliminate Funds for New Administrative Assistants			
Funding was decreased for 13 new administrative assistants in the Division of Community Corrections for the managers in the largest judicial districts.			
Appropriation - Recurring	\$ (472,588)		\$ (567,060)
Appropriation - Nonrecurring	(105,820)	NR	-
Number of Positions	(13.0)		(13.0)
25. Reduce Funds for New Probation/Parole Officers			
The Governor's Budget recommended 110 new intermediate officers (PPO II). Instead of establishing new positions, the General Assembly appropriated funds to the department to speed-up reallocation of 161 positions from PPO I (Community) to PPO II (Intermediate). The intent of this funding is to allow a total of 10% raises for all 514 of the PPO II positions that have been created by reallocation.			
Appropriation - Recurring	(3,905,306)		(4,447,586)
Appropriation - Nonrecurring	(921,690)	NR	-
Number of Positions	(110.0)		(110.0)
26. Eliminate Funding for New Supervisors and Clerks			
The Governor's Recommended Continuation Budget included 11 new chief PPO's and 11 office assistants based on the addition of 110 intermediate officers (see item # 25.). Due to funds not being appropriated for the 110 officers, these positions are not needed.			
Appropriation - Recurring	(796,913)		(956,219)
Appropriation - Nonrecurring	(288,706)	NR	-
Number of Positions	(22.0)		(22.0)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
27. Remove Inflationary Increase for CJPP Funding was decreased for a 2.5% inflation increase in implementation grants for the counties participating in the Criminal Justice Partnership Program.	\$ (240,000)	\$ (240,000)
28. Reduce Funding for Non-Participating Counties-CJPP Funding was eliminated for the ten counties not expected to participate during 1999-2000 in the Criminal Justice Partnership Program. Appropriation – Nonrecurring	(705,704) NR	-
29. One Time Reduction in Prison Enterprises The General Assembly made a one time reduction in the Prison Enterprise budget fund balance and transferred the amount reduced to the department’s General Fund. Appropriation - Nonrecurring	(400,000) NR	-
30. Reduce DART Cherry Aftercare Funds The General Assembly reduced funding for the DART aftercare program operated in Wayne county. Appropriation - Nonrecurring	(50,000) NR	-
31. Inmate Road Squad Receipts The General Assembly increased budgeted receipts from the Highway Fund and reduced the General Fund appropriation necessary for operating inmate road squads.		
Requirements	\$ -	\$ -
Receipts	<u>500,000</u>	<u>500,000</u>
Appropriation	\$ (500,000)	\$ (500,000)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
32. Alien Assistance Receipts			
The General Assembly increased budgeted receipts from federal funds that are received to partially fund the cost of housing illegal aliens who are inmates in the state's prison system.			
Requirements	\$ -		\$ -
Receipts	<u>1,100,000</u>		<u>-</u>
Appropriation - Nonrecurring	\$ (1,100,000)	NR	\$ -
33. Inmate Co-Pay Receipts - Reduce General Fund			
The General Assembly increased budgeted receipts from inmate co-pay for visits to prison infirmaries.			
Requirements	\$ -		\$ -
Receipts	<u>300,000</u>		<u>300,000</u>
Appropriation	\$ (300,000)		\$ (300,000)
34. Inmate Canteen Fund			
The General Assembly made a one time reduction in the fund balance of the Inmate Welfare Fund. The amount reduced will be transferred to the department's general fund.			
Requirements	\$ -		\$ -
Receipts	<u>750,000</u>		<u>-</u>
Appropriation - Nonrecurring	\$ (750,000)	NR	\$ -
35. Eliminate Vacant Medical Positions			
The General Assembly decreased funding for 12 medical positions authorized for Central prison.	(540,000)		(540,000)
Number of Positions	(12.0)		(12.0)
36. Reduce Office Furniture Budget			
Funding for office furniture in the Division of Community Corrections' operating budget was deleted by the General Assembly.	(118,336)		(118,336)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
37. Modular Prison Unit The General Assembly appropriated additional funding to support the purchase of a modular unit at Henderson Correctional Center. Bids for the unit exceeded the amount previously appropriated.			
Appropriation – Nonrecurring	\$ 60,000	NR	\$ -
38. Continue Boot Camp Aftercare Program The General Assembly appropriated funds to continue the IMPACT aftercare program in Forsyth, Mecklenburg, New Hanover, Nash/Edgecombe and Buncombe counties.	440,000		440,000
39. Women at Risk Program Funding was appropriated to expand the women at risk program currently in Buncombe County and to expand it to Burke, Caldwell and Catawba Counties.	75,000		75,000
40. Harriet’s House Funds were appropriated to provide additional support to Harriet's House. Harriet's House is a transitional home for female ex-offenders and their children.			
Appropriation – Nonrecurring	75,000	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Correction - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
41. Continue Victims Assistance Pilot and Department of Correction Program			
Funds were appropriated to continue the program to provide assistance to victims through the Division of Community Corrections. The program, in Craven and Wake counties, includes one victims assistant in each location and a clerical position in Craven. This appropriation also provides one time funds to reprogram the Offender Population Unified System (OPUS) for tracking victims information statewide for the department.			
Appropriation - Recurring	\$ 119,915		\$ 119,915
Appropriation - Nonrecurring	75,000 NR		-
Number of Positions	3.0		3.0
42. Equipment/Furniture Funds for Parole Commission			
Funding was appropriated to replace outdated equipment and furniture for the Post Release Supervision and Parole Commission.			
Appropriation - Nonrecurring	50,000 NR		-
43. Inmate Road Squads at Avery/Mitchell			
Funds were appropriated to add two additional road squads at the new Avery/Mitchell unit.			
Number of Positions	133,767 6.0		178,356 6.0
44. Funds for Inmate Education Programs			
Funding was appropriated to allow the department to contract with small community colleges to provide education and training for inmates at those small colleges that otherwise could not afford to provide services.			
	50,000		50,000
45. Additional Discretionary Funding for CJPP			
Funds were appropriated to increase the amount of discretionary grants available to counties participating in the Criminal Justice Partnership Program.			
Appropriation- Nonrecurring	225,000 NR		-

NR – Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

Department of Crime Control and Public Safety

The Department of Crime Control and Public Safety is responsible for protecting the people of North Carolina by reducing crime through statewide crime control programs, enforcing highway and alcohol laws, preparing for and responding to disaster situations, and providing assistance to victims of crime.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 79,593,927	\$ 80,346,065	0.9%	\$ 79,882,702	(0.6%)
Receipts	43,494,100	43,552,146	0.2%	43,612,733	0.1%
Appropriation	<u>\$ 36,099,827</u>	<u>\$ 36,793,919</u>	<u>1.9%</u>	<u>\$ 36,269,969</u>	<u>(1.4%)</u>
No. of Positions	722.0	725.0	0.4%	725.0	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments		
Line items for salary-related expenditures, National Guard pension system, motor vehicles, utilities, fuels and lubricants, and rent were adjusted to the statutory rate or to the anticipated level of expenditures. Requirements supported by one time appropriations made by the General Assembly were eliminated. Receipts were adjusted to the expected level of revenue based on prior experience and revised grant termination dates.		
Requirements	\$ 350,121	\$ 586,758
Receipts	<u>726,098</u>	<u>786,685</u>
Appropriation	\$ (375,977)	\$ (919,927)

Post-Legislative Budget Summary, 1999-2001
General Fund - Crime Control and Public Safety - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
2. Abolish One Position in Victim and Justice Services		
Based upon a recommendation by the department, the General Assembly eliminated a vacant clerical position in Victim and Justice Services. The elimination of the position is effective July 1, 1999.		
Number of Positions	\$ (25,642) (1.0)	\$ (25,642) (1.0)
3. Transfer Crime Prevention Division		
Based upon a recommendation of the department, the General Assembly abolished three positions in the Division of Crime Prevention. The remaining four positions were transferred along with the responsibilities of Crime Prevention to the Governor's Crime Commission.		
Number of Positions	(167,059) (3.0)	(167,059) (3.0)
4. Transfer Funding of Three Positions to Highway Fund		
The department recommended and the General Assembly accepted the transfer of support for three positions in the General Fund to the Highway Fund. These positions are performing duties that specifically support the Highway Patrol operation.		
	(209,575)	(209,575)
5. Reduce Operating Funds in Department		
The General Assembly reduced the operating funds for the department by decreasing funding for workmen's compensation expenditures and aid to governmental units in the Division of Emergency Management.		
	(150,000)	(150,000)

Post-Legislative Budget Summary, 1999-2001
General Fund - Crime Control and Public Safety - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
6. Tarheel Challenge Funds Funds were appropriated to match the federal funding received by the Tarheel Challenge program. The federal/state match share is 70% / 30%. This residential program operates in Sampson County and works with non-criminally involved high school dropouts and those expelled from high school.	\$ 710,000	\$ 710,000
7. Boxing Commission Funds Funding was appropriated for personnel and operating expenses for the Boxing Commission.	110,220	110,220
8. National Guard Tuition Assistance Program The General Assembly appropriated funds for each year of the biennium to augment the \$914,288 already in the budget to provide for educational assistance benefits for members of the National Guard.	100,000	100,000
9. Funds for School Metal Detectors The General Assembly appropriated funding for the first year of the biennium to purchase metal detectors for public schools in North Carolina. Appropriation - Nonrecurring	350,000 NR	-
10. Victims Assistance Funds Funds were appropriated for the first year of the biennium by the General Assembly to expand the services provided by the North Carolina Victims Assistance Network. Appropriation - Nonrecurring	350,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

The Judicial Department

The Judicial Department is responsible for protecting and preserving the legal rights of all the people, as guaranteed by the Constitutions and laws of the United States and North Carolina, by providing a fair, independent, and accessible forum for the just, timely, and economical resolution of their legal affairs.

Total Appropriations					
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 268,417,971	\$ 279,393,660	4.1%	\$ 279,969,015	0.2%
Receipts	401,825	404,537	0.7%	404,537	0.0%
Appropriation	<u>\$ 268,016,146</u>	<u>\$ 278,989,123</u>	<u>4.1%</u>	<u>\$ 279,564,478</u>	<u>0.2%</u>
No. of Positions	4,892.9	5,007.9	2.4%	5,005.9	(0.0%)

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments		
Line items for salary and related expenditures, including annualization of salaries for positions funded less than a year, were adjusted in the recommended budget to the required level. Other adjustments were made in utilities, communications, supplies, maintenance agreements, contractual services, rent, and equipment. One time appropriations by the General Assembly were reduced. Receipts were adjusted to the expected level of revenue based on prior experience.		
Requirements	\$ 8,893,144	\$ 6,353,743
Receipts	<u>2,712</u>	<u>2,712</u>
Appropriation	\$ 8,890,432	\$ 6,351,031

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
2. Reduce Salary Reserve Funds The General Assembly reduced the salary reserve funds available to the department for each year of the biennium. Salary reserve funds are generated when positions are filled at less than the budgeted amount.	\$ (958,363)	\$ (1,007,767)
3. Reduce Workmen's Compensation Funds The General Assembly reduced the budget for workmen's compensation in the department based upon an anticipated reduction in claims and the department's claims experience.	(200,000)	(200,000)
4. Reduce Out of State Travel Expenses The General Assembly reduced the out-of-state travel budget for all divisions in the department.	(95,552)	(95,552)
5. Eliminate Reserves for Operations The General Assembly reduced the reserve that is budgeted in the department to cover unforeseen needs for operation. The department will be required to cover any necessary expenses within the department's own budget.	(405,612)	(405,612)
6. Reserve for General Office Supplies The General Assembly reduced the reserve for general office supplies in the department. Any shortfall in the supply budget must be covered within the department's own budget.		
Appropriation - Recurring	(106,983)	(106,983)
Appropriation - Nonrecurring	(200,000) NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Continued

Continuation Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
7. Eliminate Vacant Positions			
Funds for two positions budgeted in Judicial District 6B was deleted by the General Assembly. One position was a special projects coordinator and one position was a district attorney investigator.	\$ (142,367)	\$	(142,367)
Number of Positions	(2.0)		(2.0)
8. Reduce Software Maintenance Agreements			
Funding for software license agreements was reduced based upon revised contracts in the department.	(420,148)		(420,148)
9. Reduce Replacement Equipment Funds			
Funds to support the replacement of existing office equipment and computer related equipment was reduced by extending the department's replacement schedule.			
Appropriation - Nonrecurring	(1,250,000)	NR	-
10. Reduce Operating Funds Related to Non IV-D Cases			
Funds used to support the child support collection effort in the department was reduced due to this activity being transferred to the Department of Health and Human Services.	(601,078)		(601,078)

Expansion Budget:

11. Superior Court Judges			
Funding was appropriated to add four special judges and one resident superior court judge effective October 1, 1999.			
Appropriation - Recurring	566,440		707,095
Appropriation - Nonrecurring	38,236	NR	-
Number of Positions	5.0		5.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
12. District Court Judges			
Funds were appropriated to add nine additional district court judges. These new judges will be added in judicial districts 2, 5, 13, 15A, 18, 19A, 26, 27A, and 30 with all of the judgeships effective January 1, 2000.			
Appropriation - Recurring	\$ 543,897		\$ 1,058,301
Appropriation - Nonrecurring	99,522	NR	-
Number of Positions	9.0		9.0
13. Judges Support Staff			
Funds were appropriated to add seven new support staff for judges. These positions include two judicial assistant II's and three judicial assistant I's effective January 1, 2000, and a project coordinator effective October 1, 1999.			
Appropriation - Recurring	192,809		314,683
Appropriation - Nonrecurring	37,777	NR	-
Number of Positions	7.0		7.0
14. New Court Reporters/Increase Transcript Fee			
Funding was appropriated to support eight additional court reporters effective January 1, 2000. Additionally, the transcript fee paid to court reporters was increased from \$2.25 per page to \$2.35.			
Appropriation - Recurring	240,061		434,037
Appropriation - Nonrecurring	49,848	NR	-
Number of Positions	8.0		8.0
15. Magistrate Positions			
Funds were appropriated to provide an additional magistrate position in Cumberland, Camden, and Union counties to be effective January 1, 2000.			
Appropriation - Recurring	50,625		101,223
Appropriation - Nonrecurring	15,783	NR	-
Number of Positions	3.0		3.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
16. Deputy Clerks of Court			
Funding was appropriated to support the establishment of 11 additional deputy clerk positions to be effective January 1, 2000.			
Appropriation - Recurring	\$ 158,816		\$ 313,775
Appropriation - Nonrecurring	44,836	NR	-
Number of Positions	11.0		11.0
17. Assistant District Attorneys			
Funds were appropriated effective January 1, 2000, to add nine Assistant District Attorneys. These positions will be added in judicial districts 5, 10, 12, 13, 15A, 19A, 20, and 26 with district 10 receiving two positions.			
Appropriation - Recurring	324,891		644,868
Appropriation - Nonrecurring	58,887	NR	-
Number of Positions	9.0		9.0
18. District Attorney Investigators			
Effective January 1, 2000, funding was appropriated to provided for three district attorney investigators in Judicial Districts 5, 10, and 22.			
Appropriation - Recurring	74,175		148,868
Appropriation - Nonrecurring	16,539	NR	-
Number of Positions	3.0		3.0
19. District Attorney Support Staff			
In an effort to provide assistance to domestic violence misdemeanor victims, funds were appropriated for 25 additional victim witness/legal assistant positions. These positions will be effective January 1, 2000.			
Appropriation - Recurring	465,325		926,275
Appropriation - Nonrecurring	135,250	NR	-
Number of Positions	25.0		25.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
20. Family Court Funds			
Funds were appropriated to annualize the three Family Court Projects started in the 1998 session of the General Assembly. These projects operate in Mecklenburg, Durham, Anson, Stanly, Union, and Richmond counties.	\$ 611,399		\$ 724,915
Number of Positions	15.0		15.0
21. Other Judicial Positions			
Funds were appropriated to support one additional appellate court reporter effective January 1, 2000.			
Appropriation - Recurring	38,825		77,544
Appropriation - Nonrecurring	6,352	NR	-
Number of Positions	1.0		1.0
22. Court Management Pilot Program			
Funding was appropriated to support two court management administrator positions in the two pilot programs currently funded.			
Appropriation - Nonrecurring	150,000	NR	-
Number of Positions	2.0		
23. Emergency Judge Pay			
Funds were appropriated in order to continue employing emergency judges at the rate of \$300 per day.	278,245		278,245
24. Expand Family Court Programs/Education Funds			
Funding was appropriated to expand the Family Court Program into three additional judicial districts. This appropriation will allow for the establishment of eight case manager positions effective January 1, 2000, and provide funds to establish an educational program for parents that are parties to a custody or visitation action.			
Appropriation - Recurring	251,608		428,216
Appropriation - Nonrecurring	40,000	NR	-
Number of Positions	8.0		8.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
25. Drug Treatment Court (DTC)			
Funds were appropriated to continue/develop the DTC's in Wake, Mecklenburg, Person/Caswell, Warren, Forsyth, Vance, and New Hanover counties and to work with counties planning for DTC's. Funding is included in this appropriation to continue a position in District 26 that was funded with non recurring funds in 1998-1999.	\$ 1,000,000		\$ 1,430,000
Number of Positions	1.0		1.0
26. Bad Check Program			
Funding was provided to continue the four existing Bad Check Programs in Columbus, Durham, Rockingham, and Wake counties. This funding will also support the expansion of the Columbus program into Bladen and Brunswick and establish a new program in New Hanover and Pender counties.			
Appropriation - Recurring	337,621		381,474
Appropriation - Nonrecurring	12,778 NR		-
Number of Positions	10.0		10.0
27. Community Mediation Center Funds			
Funds were appropriated to provide additional support for Community Mediation Centers statewide.	350,000		350,000
28. District Court Mediated Settlement Program			
Funds were appropriated to establish program in district court that assist in mediating equitable distribution, alimony, and child support issues.	45,142		45,142
Number of Positions	1.0		1.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
29. Increase Community Penalties Funding			
Funding was appropriated to provide salary increases comparable to those received by state employees for contract employees in the Community Penalties programs across the state.			
Appropriation - Recurring	\$ 86,935		\$ 86,935
Appropriation - Nonrecurring	12,422	NR	-
30. Business Court Funds			
Funds were appropriated in order to provide Guilford County with sufficient resources to rent space for the North Carolina Business Court.			
Appropriation - Nonrecurring	52,000	NR	-
31. Disaster Recovery Program			
Funds were appropriated to complete a disaster recovery program for court information systems.			
Appropriation - Nonrecurring	350,000	NR	-
32. Transfer Funds for Teen Courts to the Office of Juvenile Justice			
The General Assembly transferred the continuation budget appropriation for Teen Courts to the Office of Juvenile Justice.	(183,660)		(183,660)
33. Transfer Position to Office of Juvenile Justice			
The General Assembly transferred one position from the department that had been working on some juvenile justice related matters.	(90,736)		(90,736)
Number of Positions	(1.0)		(1.0)

NR - Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Continued**

The Judicial Department - Indigent Defense

The Judicial Department is responsible for ensuring that indigent persons that have a right to state paid counsel receive fair and effective legal representation while in the judicial system.

	Total Appropriations				
	1998-1999 <u>Authorized</u>	1999-2000 <u>Certified</u>	% Over <u>1998-1999</u>	2000-2001 <u>Certified</u>	% Over <u>1999-2000</u>
Requirements	\$ 59,854,676	\$ 65,272,485	9.1%	\$ 70,319,005	0.1%
Receipts	6,125,379	6,125,379	0.0%	6,125,379	0.0%
Appropriation	<u>\$ 53,729,297</u>	<u>\$ 59,147,106</u>	<u>10.1%</u>	<u>\$ 64,193,626</u>	<u>0.1%</u>
No. of Positions	324.0	329.0	1.5%	329.0	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments Line items for salary and related expenditures, including annualization of salaries for positions funded less than a year, were adjusted in the recommended budget to the required level. Other adjustments were made in communications, supplies and for Indigent Defense payments to counsel.	\$ 6,977,316	\$ 12,039,100
2. Reduce Indigent Fund Requirements Funding for the payment of counsel for eligible indigent defendants was reduced by the General Assembly. This reduction was made based upon revised projections on the need for counsel for capital and non-capital cases.	(3,200,000)	(3,200,000)

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Indigent Defense - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
3. Manage Indigent Fund			
Funds were appropriated to establish an administrative assistant position to review expenditures in the Indigent Defense Fund.			
Appropriation - Recurring	\$ 29,601		\$ 59,253
Appropriation - Nonrecurring	7,096	NR	-
Number of Positions	1.0		1.0
4. Guardian Ad Litem Funds			
Funds were appropriated to establish four district secretary positions effective January 1, 2000, and to increase the rate paid to attorneys that provide services to the Guardian Ad Litem program.			
Appropriation - Recurring	482,804		565,976
Appropriation - Nonrecurring	20,992	NR	-
Number of Positions	4.0		4.0
5. Transfer Indigent Funds for Capital Case Program			
The General Assembly authorized the Judicial Department to utilize up to \$358,103 in 1999-2000 and \$396,845 in 2000-2001 from the Indigent Persons Attorney Fee Fund to establish three assistant public defenders and one investigator to work on capital cases.			
Number of Positions	-		-
	4.0		4.0
6. Assistant Public Defenders from Indigent Defense			
The General Assembly authorized the Judicial Department to utilize up to \$161,448 in 1999-2000 and \$284,840 in 2000-2001 from the Indigent Persons Attorney Fee Fund to establish four additional assistant public defender positions. These positions will be effective January 1, 2000.			
Number of Positions	-		-
	4.0		4.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Judicial Department - Indigent Defense - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
7. State Bar Funds		
Funding in the amount of \$1,000,000 was appropriated for each years of the biennium for the State Bar. The State Bar will use \$660,000 for legal services and \$340,000 for the Center for Death Penalty Litigation each year.	\$ 1,000,000	\$ 1,000,000
8. Funds for Indigency Screeners		
An appropriation was made by the 1999 session of the General Assembly to establish an indigency screening program in Wake County.	-	-

Department of Justice

The Department of Justice, under the supervision of the Attorney General, is responsible for providing legal and law enforcement services to state agencies, local government, and the citizens of North Carolina.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 84,501,358	\$ 86,890,743	2.8%	\$ 86,188,071	(0.8%)
Receipts	12,921,852	13,339,621	3.2%	13,212,121	(1.0%)
Appropriation	<u>\$ 71,579,506</u>	<u>\$ 73,551,122</u>	<u>2.8%</u>	<u>\$ 72,975,950</u>	<u>(0.8%)</u>
No. of Positions	1,235.5	1,242.0	0.5%	1,242.0	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund - Justice - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments		
Update data		
Line items for salary-related expenditures, motor vehicles, communications, supplies and materials, and utilities were adjusted to the anticipated levels of expenditure. Requirements supported by one time appropriations made by the General Assembly were eliminated. Receipts were adjusted to the expected level of revenue based on prior experience and revised grant termination dates.		
Requirements	\$ 1,011,363	\$ 132,466
Receipts	<u>317,594</u>	<u>190,269</u>
Appropriation	\$ 693,594	\$ (57,803)
2. Reduce Funding to Replace SBI Vehicles		
The General Assembly reduced funding for replacement of seven vehicles in 1999-2000 by deferring their replacement until the following year. Funds were added in the following year for purchase.		
Appropriation - Nonrecurring	(103,900) NR	123,918 NR
3. Eliminate Funding for Legal Services Bonuses		
Funding for bonuses paid to attorneys performing at an outstanding level were deleted from the budget.	(93,453)	(93,453)
4. Eliminate Information Systems Manager Position		
The position of information systems manager in the Legal Services section of the department was eliminated with an effective date of August 1, 1999.	(66,916)	(71,812)
Number of Positions	(1.0)	(1.0)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Justice - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
5. Reduce Safe Neighborhoods Program		
Funding for the Safe Neighborhoods Program was deleted from the budget for both years of the biennium.	\$ (59,406)	\$ (59,406)
6. Increase Budgeted Receipts for Division of Criminal Information (DCI) Fees		
Receipts from criminal record checks and other services provided by DCI were increased with a corresponding decrease in appropriation.		
Requirements	\$ -	\$ -
Receipts	<u>100,000</u>	<u>100,000</u>
Appropriation	\$ (100,000)	\$ (100,000)

Expansion Budget:

7. Reduction in Lease Expenses for DCI		
The lease/purchase of DCI's mainframe computer will be completed in 1999-2000. Funding for this purpose has been deleted in the second year.	-	(1,200,000)
8. Expansion Funding Division of Criminal Investigation		
Funds were appropriated to support a disaster recovery plan and to upgrade the computer system for new applications in 1999-2000. Second year funding was to continue upgrading the system and transitioning from the current mainframe.	431,088	1,631,088
9. NC Leaf		
An appropriation was made by the General Assembly to provide loan repayment assistance for attorneys employed in law-related public service positions.	125,000	125,000

Post-Legislative Budget Summary, 1999-2001
General Fund - Justice - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
10. Minority Sensitivity Training			
An appropriation was made by the General Assembly to develop a program of minority sensitivity training for law enforcement. The position is effective October 1, 1999.			
Appropriation - Recurring	\$ 144,760		\$ 161,094
Appropriation - Nonrecurring	5,240	NR	-
Number of Positions	1.0		1.0
11. New Attorney			
Funds were appropriated to establish a new attorney position to work with the Judicial Department. The position is effective October 1, 1999.			
Appropriation - Recurring	49,114		65,548
Appropriation - Nonrecurring	5,000	NR	-
Number of Positions	1.0		1.0
12. Paralegals for Tort Claims Section			
Funds were appropriated to establish two new paralegal II positions in the Tort Claims section of Legal Services to assist with the heavy workload being experienced. Positions will be effective October 1, 1999.			
Appropriation - Recurring	57,214		76,285
Appropriation - Nonrecurring	9,600	NR	-
Number of Positions	2.0		2.0
13. Sheriff's Standards Commission			
Funding was appropriated to establish a criminal justice field representative effective October 1, 1999 and to purchase computer software.			
Appropriation - Recurring	29,039		37,052
Appropriation - Nonrecurring	2,250	NR	-
Number of Positions	1.0		1.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Justice - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
14. Operational funds for New Dormitory			
Funds were appropriated to operationalize a new dormitory anticipated to be completed in August 1999. The funding will provide for the establishment of 2.5 positions effective October 1, 1999, utilities, and the furnishing/equipment of the facility.			
Appropriation - Recurring	\$ 162,446		\$ 192,169
Appropriation - Nonrecurring	142,000	NR	-
Number of Positions	2.5		2.5
15. New SBI Personnel to Handle DNA Testing			
Funding was appropriated for two new database technicians to assist in DNA analysis effective December 1, 1999. An additional \$100,000 was added for each year for supplies that are necessary to conduct DNA analysis.			
Number of Positions	138,946		166,764
	2.0		2.0
16. Funds for Criminal Justice Information System			
The General Assembly appropriated funding to continue the development of the Juvenile Justice Information System. This funding will be controlled by the Criminal Justice Information System Governing Board that is housed in the Department of Justice, but operates independently.			
Appropriation - Recurring	15,000		15,000
Appropriation - Nonrecurring	385,000	NR	385,000 NR

NR - Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
General Fund - Continued**

Office of Juvenile Justice

The Office of Juvenile Justice is responsible for implementing the policies of the state as set forth in the North Carolina General Statutes, promoting public safety, and preventing the commission of delinquent acts by juveniles.

	Total Appropriations				
	1998-1999 <u>Authorized</u>	1999-2000 <u>Certified</u>	% Over <u>1998-1999</u>	2000-2001 <u>Certified</u>	% Over <u>1999-2000</u>
Requirements	\$ 137,586,531	\$ 142,344,834	3.5%	\$ 146,364,346	2.8%
Receipts	6,143,563	6,281,097	2.2%	6,273,697	(0.1%)
Appropriation	<u>\$ 131,442,968</u>	<u>\$ 136,063,737</u>	<u>3.5%</u>	<u>\$ 140,090,649</u>	<u>(0.3%)</u>
No. of Positions	1,813.6	1,885.4	4.0%	1,885.4	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments		
Line items for salary-related expenditures, medical contractual services, motor vehicles, food, clothing, and drugs were adjusted to the statutory rate or to the anticipated level of expenditures. Reserves to operate new facilities and to support converting temporary positions in training schools to permanent positions were included. Requirements supported by one time appropriations made by the General Assembly were eliminated. Receipts were adjusted to the expected level of revenue based on prior experience and revised grant termination dates.		
Requirements	\$ (1,205,303)	\$ (296,291)
Receipts	<u>137,534</u>	<u>130134</u>
Appropriation	\$ (1,342,837)	\$ (426,425)
2. Reduce Electronic House Arrest Funds		
The funding for electronic house arrest units was reduced by the General Assembly.	(100,000)	(100,000)

Post-Legislative Budget Summary, 1999-2001
General Fund – Office of Juvenile Justice - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
3. Training School Positions		
The recommended budget item of \$1,998,584 that included 72 positions for staffing training schools that have been continuously exceeding capacity was reduced due to the recent projection that the training school population would decrease. The General Assembly reduced this item by \$1,000,000 and directed that the remainder be used to establish part time positions for transportation and that \$75,000 be used to fund an evaluation of training school and detention center staffing.	\$ (1,000,000)	\$ (1,000,000)
Number of Positions	(47.0)	(47.0)
4. Local Juvenile Justice Programs		
Funds were appropriated to expand the intermediate level of sanctions and prevention programs in the communities. Of the funding included in this item, \$500,000 each year must go to Boys and Girls Clubs in counties with high rates of commitments to training schools. This \$500,000 will be used to provide services to court involved and at risk juveniles.	1,000,000	1,000,000
5. Guard Response Funds (GRASP) Program		
Funds were appropriated to expand from four to six programs effective October 1, 1999.		
Appropriation - Recurring	62,500	84,000
Appropriation - Nonrecurring	11,000 NR	-
6. Funds for Eckerd Camp		
Funds were appropriated to operate a new Eckerd Camp funded by the 1998 Session of the General Assembly. The new camp is projected to become operational around January 1, 2000.	850,000	2,000,000

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – Office of Juvenile Justice - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
<p>7. Funding for Multipurpose Group Homes Funds were appropriated to operate four 8-bed Multipurpose Group Homes funded by the 1998 Session of the General Assembly. These homes will become operational on a staggered basis.</p>	\$ 800,000	\$ 2,000,000
Number of Positions	0.8	0.8
<p>8. Support Our Students Funding was appropriated to expand the Support Our Students program into three new counties.</p>	250,000	250,000
Number of Positions	1.0	1.0
<p>9. Communities in Schools Funds were appropriated to continue the efforts begun by the one time appropriation made for the 1998-1999 fiscal year. The one time appropriation made for 1998-1999 was \$700,000.</p>	450,000	450,000
<p>10. Center for Prevention of School Violence Funds were appropriated to continue the one time appropriation made for the 1998-1999 fiscal year.</p>	500,000	500,000
<p>11. Juvenile Justice Institute The General Assembly appropriated funds to establish a Juvenile Justice Institute at North Carolina Central University. This institute will serve as a resource for research and information on juvenile justice issues.</p>	575,000	575,000
<p>12. Teen Court Funds Funds were appropriated to continue programs begun in 1998-1999 with one time funding. These programs operate in Wake, Duplin, Durham, and Onslow counties. Additionally, the current funding for teen courts in the amount of \$183,660 was transferred to the Office of Juvenile Justice from the Judicial Department.</p>	288,660	288,660

Post-Legislative Budget Summary, 1999-2001
General Fund – Office of Juvenile Justice - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
<p>13. Juvenile Assessment Center Funding was appropriated to continue the operation of the Juvenile Assessment Center located in Judicial District 12 (Cumberland County).</p>	150,000	150,000
<p>14. Project Challenge Funds The General Assembly appropriated funds to Project Challenge, Inc. to continue providing services in judicial districts 24, 25, 29, and 30 and to expand to judicial districts 5, 6A, 6B, and 23.</p>	150,000	150,000
<p>15. Pilot Juvenile Program Funding was appropriated to allow the Office of Juvenile Justice to contract with a for profit or non-profit organization to operate a 100 bed multi-disciplinary facility. The types of service to be offered and the amount of each service to be offered at the facility can be determined by the office.</p>	-	2,500,000
<p>16. Grant for Forsyth County Detention Center An appropriation was made to provide a grant in aid to the Forsyth Detention Center. Appropriation - Nonrecurring</p>	1,750,000 NR	-
<p>17. Four Positions Transferred In The General Assembly transferred three positions from the Department of Correction and one position from the Judicial Department. These positions were transferred to assist the Office of Juvenile Justice in setting up, operating and integrating the office's administration and programs. Number of Positions</p>	288,611 4.0	288,611 4.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – Continued

Department of Agriculture and Consumer Services

The North Carolina Department of Agriculture and Consumer Services operates regulatory and service programs that ensure the availability of life-sustaining food and natural fiber, free of adulteration and contamination, and produced in a manner consistent with environmentally-sound production practices. Programs are operated to benefit consumers and agricultural producers, to protect the environment, health, and economic well-being of all North Carolina citizens and business enterprises.

The department has five primary goals:

- to maintain and enhance agriculture’s ability to provide an adequate, wholesome supply of food and natural fiber;
- to protect consumers from unwholesome food products;
- to protect the social and economic well-being of N.C. citizens;
- to preserve agriculture and natural resources, and to protect the environment for the benefit of future generations;
- to carry out departmental programs in a professional and cost-effective manner.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 75,272,991	\$ 76,144,299	1.2%	\$ 72,873,423	(4.3%)
Receipts	<u>18,543,398</u>	<u>19,330,880</u>	<u>4.3%</u>	<u>18,726,822</u>	<u>(3.1%)</u>
Appropriation	<u>\$ 56,729,593</u>	<u>\$ 56,813,419</u>	<u>0.2%</u>	<u>\$ 54,146,601</u>	<u>(4.7%)</u>
No. of Positions	1,254.75	1,277.75	0.0%	1,281.75	0.0%

Post-Legislative Budget Summary, 1999-2001
General Fund - Agriculture and Consumer Services - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>		<u>2000-2001</u>	
1. Statutory, Inflationary, and Miscellaneous Changes				
Adjustments were made for statutory changes in salary related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations and adjustment of grants, and miscellaneous changes in expenditures and receipts.				
Requirements	\$ (2,955,486)		\$ (3,088,996)	
Receipts	<u>140,674</u>		<u>50,389</u>	
Appropriation - Recurring	\$ (3,096,160)		\$ (3,139,385)	
Requirements	\$ 446,808		\$ 133,035	
Receipts	<u>446,808</u>		<u>133,035</u>	
Appropriation - Nonrecurring	\$ -	NR	\$ -	NR
2. Administrative Services - Eliminate Vacant Position				
This will eliminate a vacant accounting clerk IV position in the Administrative Services Division.				
Number of Positions	(28,792)		(28,792)	
	(1.0)		(1.0)	
3. Agricultural Statistics - Eliminate Vacant Position and Reduce Operating Support				
This will eliminate a vacant processing assistant IV position and reduce various operating line items in the Agricultural Statistics Division.				
Number of Positions	(53,854)		(53,854)	
	(1.0)		(1.0)	

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Agriculture and Consumer Services - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
4. Agronomic Services - Eliminate Vacant Position and Reduce Operating Support This will eliminate a vacant chemistry tech. III position and reduce various operating line items in the Agronomic Services Division. Number of Positions	\$ (75,705) (1.0)	\$ (75,705) (1.0)
5. Department Wide - Reduce Operating Support This will reduce operating line items that support the positions being eliminated.	(6,000)	(6,000)
6. Food and Drug Protection - Reduce Operating Support This will reduce various operating line items in the Division of Food and Drug Protection.	(55,000)	(72,500)
7. Research Stations and State Farms - Eliminate Vacant Position This will eliminate a vacant agriculture research assistant III position in the Research Stations and State Farms Division. Number of Positions	(30,325) (1.0)	(30,325) (1.0)
8. Reserves and Special Funds - Reduce North Carolina Warehouse Act Fund This will reduce the departments general fund appropriation for the 1999-2000 fiscal year and replace it with a one time transfer from the North Carolina Warehouse Act Fund, reducing the fund's cash balance.		
Requirements	\$ -	\$ -
Receipts	<u>200,000</u>	<u>-</u>
Appropriation - Nonrecurring	\$ (200,000) NR	\$ -

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Agriculture and Consumer Services - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
9. Structural Pest Control - Eliminate Vacant Positions		
This will eliminate three vacant positions in the Structural Pest Control Division. A pesticide specialist II, structural pest assistant director, structural pest inspector.		
Number of Positions	\$ (133,547) (3.0)	\$ (133,547) (3.0)
10. Veterinary Services - Reduce Pseudorabies Program		
This will reduce operating support for the Pseudorabies Program as the disease nears eradication.	(50,000)	(50,000)
11. Eliminate Vacant Position		
This will eliminate a vacant animal health technician I position in the Veterinary Services Division.	(41,865)	(41,865)
Number of Positions	(1.0)	(1.0)

Expansion Budget:

12. Administrative Services - Information Technology Improvements		
This provides funds for the Division of Administrative Services to purchase office automation software and to cover costs associated with the IRMC policy requiring agencies to connect and store e-mail messages in a central message store, maintained by State Information Processing Services Division.		
Appropriation - Recurring	29,600	29,600
Appropriation - Nonrecurring	55,000 NR	-
13. Commissioner's Office - Small, Family Farms - Marketing and Promotion		
This will provide funds for marketing and promotional assistance to small, family farms.		
Appropriation - Nonrecurring	50,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Agriculture and Consumer Services - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
14. Local Agricultural Fairs Grants Funds			
This will provide funds for grants to local agricultural fairs.			
Appropriation - Nonrecurring	\$ 50,000	NR	\$ -
15. Farmland Preservation Trust Fund			
This provides funds to the Farmland Preservation Trust Fund for the acquisition of agricultural conservation easements to protect rural lands, particularly in the vicinities of urban growth areas and near waterways and other sensitive areas.			
Appropriation - Nonrecurring	500,000	NR	-
16. Food and Drug Protection - Pesticide Disposal Assistance Program			
This provides funds for one position and operating costs associated with the department's program for the disposal of banned, obsolete, or unwanted pesticides.			
Appropriation - Recurring	90,000		90,000
Appropriation - Nonrecurring	10,000	NR	-
Number of Positions	1.0		1.0
17. Grants-in-Aid - Duplin County Agricultural Center			
This provides the county with funds to be used as a match to secure federal and private funding for the county's agricultural center.			
Appropriation - Nonrecurring	500,000	NR	-
18. Markets - Goodness Grows in North Carolina			
This provides funds to expand the Goodness Grows In North Carolina advertising program.	200,000		200,000

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Agriculture and Consumer Services - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
19. Seafood and Aquaculture Marketing This provides funds to market the state's seafood and aquaculture industries through marketing promotions, trade shows, advertising, and promotional literature.	\$ 300,000	\$ 300,000
20. Local Farmers' Markets Funds This will provide funds for grants to local farmers' markets. Appropriation - Nonrecurring	100,000 NR	-
21. Plant Industry - Gypsy Moth Control Funds This will provide funds to support the department's program to control the gypsy moth. Appropriation - Nonrecurring	110,320 NR	-
22. Research Stations and State Farms - Oxford Research Station Funds This will provide funds for operating support including two positions for activities at the Oxford Research Station due to the federal government withdrawing support from the site. Appropriation - Recurring Appropriation - Nonrecurring Number of Positions	196,346 17,000 NR 2.0	196,346 - 2.0
23. Specialty Crops Funds This will provide funds to support further development of the Specialty Crops Program at the Cunningham Research Farm (Kinston) as a joint program with North Carolina State University. Appropriation - Nonrecurring	100,000 NR	-
24. Center for Environmental Farming Systems This provides funds for equipment for Environmental Farming Systems at Cherry Farm. Appropriation - Nonrecurring	100,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Agriculture and Consumer Services - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
25. Reserves and Special Funds - Southern Dairy Compact Commission Funds			
This provides funds to support the start - up costs of the Southern Dairy Compact Commission and the initial costs of administration and enforcement of the Southern Dairy Compact.			
Appropriation - Nonrecurring	\$ 500,000	NR	\$ -
26. Rural Rehabilitation Corporation - Small Family - Owned Farms Loan Program			
This provides another year of nonrecurring funds to continue the Small Family-Owned Farms Loan Program to provide loan funds to farms having difficulty in obtaining affordable conventional loans from other sources.			
Appropriation - Nonrecurring	400,000	NR	-
27. Veterinary Services – Field Automation/ Salmonella Sampling			
This provides funds for equipment and training to support field automation and electronic data transmission in the Field Automation Information Management (FAIM) Program. It also provides funds to facilitate the sampling and laboratory analysis of ground meats and carcasses for salmonella.			
Appropriation - Recurring	133,035		133,035
Appropriation - Nonrecurring	313,773	NR	-
28. Equine Infections Anemia Funds			
This provides funds for operating support and one position to enforce a mandatory testing program of equines for equine infectious anemia prior to sale or prior to exhibition or assembly at public stables or other public places.			
	100,000		100,000
	1.0		1.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001

Department of Commerce

It is the mission of the Department of Commerce to improve the economic well being and quality of life for all North Carolinians.

Total Appropriations					
	1998-1999 <u>Authorized</u>	1999-2000 <u>Certified</u>	% Over <u>1998-1999</u>	2000-2001 <u>Certified</u>	% Over <u>1999-2000</u>
Requirements	\$ 101,677,353	\$ 95,208,119	(6.4%)	\$ 91,855,036	(3.5%)
Receipts	48,091,387	48,109,671	0.0%	48,109,671	0.0%
Appropriation	<u>\$ 53,585,966</u>	<u>\$ 47,098,448</u>	<u>(12.1%)</u>	<u>\$ 43,745,365</u>	<u>(7.1%)</u>
No. of Positions	435.5	434.5	(0.3%)	434.5	(0.0%)

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments		
Adjustments were made for statutory changes in salary-related items such as social security and retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ (13,625,282)	\$ (13,605,200)
Receipts	<u>(101,716)</u>	<u>(101,716)</u>
Appropriation	\$ (13,523,566)	\$ (13,503,484)
2. Eliminate Vacant Positions		
Positions determined to be vacant for more than one year are eliminated from the continuation budgets of the Division of Business and Industry and the Center for Entrepreneurship and Technology.		
Number of Positions	(96,315) (2.0)	(96,315) (2.0)

Post-Legislative Budget Summary, 1999-2001
General Fund - Commerce - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
3. Reduce Operating Expenses		
Reductions are associated with various operating and equipment line items associated with vacant positions, including a reduction to postage and telephone line items in the Division of Tourism, Film, and Sports Development and salary funds for contract personnel in foreign offices in the International Trade Division, and aircraft lease costs.	\$ (281,000)	\$ (304,165)
4. Eliminate Appropriation to the Division of Energy		
General fund appropriation is eliminated for the Division of Energy and funding is shifted to available receipt sources.		
Requirements	\$ -	\$ -
Receipts	<u>192,367</u>	<u>192,367</u>
Appropriation	\$ (192,367)	\$ (192,367)
Number of Positions	(3.0)	(3.0)
5. Increase Administrative Charges		
Administrative charges are increased for accounting and personnel services provided by the department to receipt supported regulatory commissions and agencies.		
Requirements	\$ -	\$ -
Receipts	<u>120,000</u>	<u>120,000</u>
Appropriation	\$ (120,000)	\$ (120,000)

Expansion Budget:

6. Marketing and Trade Missions			
Funds are appropriated to support the division's participation in marketing missions and at industry trade shows, as well as for general advertising initiatives to promote economic development in the state.			
Appropriation - Recurring	250,000		250,000
Appropriation - Nonrecurring	250,000	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Commerce - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
7. Industrial Recruitment Competitive Fund		
The General Assembly appropriated funds to continue nonrecurring funding of the Industrial Recruitment Competitive Fund which was established in 1993 to provide financial assistance to those businesses or industries which are vital to a healthy and growing state economy, and for those which are making significant efforts to locate or expand in North Carolina.		
Appropriation - Nonrecurring	\$ 2,000,000 NR	\$ -
8. Councils of Government/Lead Regional Organizations		
Additional recurring funding is appropriated for the state's 18 councils of governments/lead regional organizations which were originally established in 1972 by the General Assembly. This appropriation raises the total funding level to \$990,000 and allocates up to \$55,000 to each organization.	125,730	125,730
9. NC/Israel Partnership		
Nonrecurring funding is appropriated to the NC/Israel Partnership (NCIP) to promote economic development in the entire Middle East region.		
Appropriation - Nonrecurring	100,000 NR	-
10. Regional Economic Development Commissions		
Recurring funds are appropriated to increase support for the state's seven regional economic development commissions from \$4.275 million to \$6.075 million.	1,800,000	1,800,000

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Commerce - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
11. Smart Growth, Infrastructure, and Development Issues		
This appropriation provides funds for a commission to study growth, infrastructure, and development issues and recommend initiatives to promote comprehensive and coordinated local, regional, and state planning, facility financing, and growth management.		
Appropriation - Nonrecurring	\$ 200,000 NR	\$ -
12. Job Loss Assistance Funds		
Funds are appropriated to assist counties having the greatest number of announced business closings and permanent layoffs in fiscal year 1998-1999 relative to total county population.		
Appropriation - Nonrecurring	500,000 NR	-
13. Advertising and Marketing Funds		
The General Assembly appropriated recurring funds to the Travel and Tourism Division to expand current promotional advertising funds and associated expenses to increase the awareness and perception of North Carolina as a desirable travel destination. This appropriation moves North Carolina to a more competitive funding status with other southeastern states.		
	2,000,000	2,000,000
14. Rural Tourism Development Grant Funds		
Nonrecurring funds were appropriated in the amount of \$300,000 to support the Rural Tourism Development grants program which provides grants to local governments and nonprofit organizations to encourage the development of new tourism projects and activities in rural areas of the state.		
Appropriation - Nonrecurring	300,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Commerce - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
15. Expand Heritage Tourism		
North Carolina's vast cultural, historic, and natural resources provide rich opportunities for the changing nature of tourism throughout the country, from escapism to enrichment. Tourists can experience valuable educational resources while localities and their attractions experience strong economic development, especially in rural areas. This recurring funding will provide funds for staff and operating support at four new Heritage tourism sites in addition to the four sites funded in 1997-1998.	\$ 200,000	\$ 200,000
Number of Positions	4.0	4.0

Department of Commerce - Division of Information Technology Services

It is the mission of the Division of Information Technology Services within the Department of Commerce to provide technological leadership and infrastructure in support of the economic, social, and intellectual development of the citizens of North Carolina.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 10,140,689	\$ 3,596,000	(64.5%)	\$ -	(100%)
Receipts	3,997,529	-	0.0%	-	0.0%
Appropriation	<u>\$ 6,143,160</u>	<u>\$ 3,596,000</u>	<u>(41.5%)</u>	<u>\$ -</u>	<u>(100%)</u>

Post-Legislative Budget Summary, 1999-2001

General Fund - Commerce – Division of Information Technology Section - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments		
Adjustments were made for the elimination of one time appropriations and reductions in expenditures and receipts.		
Requirements	\$ (10,140,689)	\$ (10,140,689)
Receipts	<u>(3,997,529)</u>	<u>(3,997,529)</u>
Appropriation	\$ (6,143,160)	\$ (6,143,160)

Expansion Budget:

2. N.C. Information Highway		
Nonrecurring funds are appropriated to continue the operation of 133 sites across the state. The N.C. Information Highway provides government operations with (i.e., crime victim hearings) and high speed data transfer, education for distance learning and internet access, and health care through telemedicine and public health training.		
Appropriation - Nonrecurring	3,596,000 NR	-

Department of Commerce - State Aid to Non-State Entities

This code was established to account for appropriations made by the General Assembly through the Department of Commerce to various nonstate recipients.

	Total Appropriations				
	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 45,137,651	\$ 28,096,251	(37.8%)	\$ 17,096,251	(39.2%)
Receipts	-	-	0.0%	-	0.0%
Appropriation	<u>\$ 45,137,651</u>	<u>\$ 28,096,251</u>	<u>(37.8%)</u>	<u>\$ 17,096,251</u>	<u>(39.2%)</u>

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – Commerce - State Aid to Non-State Entities - Continued

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments		
Adjustments were made for the elimination of one time appropriations.	\$ (31,591,400)	\$ (31,591,400)

Expansion Budget:

2. **Minority Economic Development Programs**

This appropriation provides recurring funding for certain minority economic development programs for which the Governor recommended recurring funding:

- Land Loss Prevention Project (\$450,000)
- NC Coalition of Farm and Rural Families (\$ 250,000)
- NC Institute of Minority Economic Development (\$1,500,000)
- Minority Support Center (\$ 600,000)
- NC Association of Community Development Corps. (\$ 400,000)

Additionally, nonrecurring funding in addition to their recurring appropriation is provided to these minority economic development programs:

- Minority Support Center (\$1,000,000)
- NC Community Development Initiative (\$1,000,000)

Appropriation - Recurring	3,200,000		3,200,000
Appropriation - Nonrecurring	2,000,000	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund – Commerce - State Aid to Non-State Entities - Continued

Expansion Budget:

	1999-2000	2000-2001
3. Economic Development and Other Grant-in-Aid		
Nonrecurring funds are provided to various non-state entities for economic development activities including:		
<ul style="list-style-type: none"> • 4-H Clubs/Eastern North Carolina Livestock Arena for construction of a facility that will be available for horse- and swine-breeding stock auctions, cattle sales, and functions associated with the Future Farmers of America and 4-H Clubs. (\$100,000) • Yadkin/Pee Dee Lakes Project to promote tourism and economic development. (\$100,000) • World Trade Center to support international trade education programs to small and medium sized businesses. (\$200,000) • Small Town Revitalization/County Planning Program to enhance economic development in Western North Carolina. (\$100,000) • Technological Development Authority for entrepreneurial support and infrastructure including creating new business incubators, enhancing existing incubators, developing capital formation initiatives and supporting research commercialization programs. (\$3,500,000) 	\$ 4,000,000	NR \$ -
4. NC Biotechnology Center		
Nonrecurring funds are appropriated to continue the center's biotechnology research, development, and commercialization initiatives, programs, and activities in order to achieve long-term economic benefit to North Carolina.	2,000,000	NR -

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Commerce - State Aid to Non-State Entities - Continued

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
5. Rural Economic Development Center		
The purpose of the Rural Economic Development Center is to improve economic conditions, support increased entrepreneurial development, and make more and better jobs available in rural areas, with a special focus on low-income residents. Recurring funds are appropriated for:		
• Administration of the Clean Water and Natural Gas Critical Needs Bond Act of 1998 (\$200,000)		
• OIC's by reallocating the reduced appropriation (\$40,000) to the now defunct Pitt-Greenville OIC to the four existing OIC's as well as by providing additional funding of \$40,000 to each of the four existing OIC's (\$150,000)		
Additionally, nonrecurring funds are appropriated for:		
• Supplemental Funding Program for economic development projects, principally water and sewer, in rural areas. (\$1,500,000)		
• Capacity Building Assistance Program to pay all or a portion of the costs for providing technical and financial assistance for water and sewer projects. (\$1,500,000)		
Appropriation – Recurring	\$ 350,000	\$ 350,000
Appropriation – Nonrecurring	3,000,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

Department of Environment and Natural Resources

The goal of the Department of Environment and Natural Resources is to promote, protect, and conserve the environment and natural resources of North Carolina through responsible stewardship and excellence in public service.

The department has three primary goals:

- to develop creative ways to improve environmental quality while ensuring the economic prosperity of our citizens;
- to be better stewards of the environment for our children and future generations; to concentrate our conservation efforts more on protecting whole ecosystems--river basins, watersheds, and habitats;
- to make government work better, eliminate red tape and bureaucracy, and emphasize successful results; to make quality our hallmark.

Total Appropriations

	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Certified</u>	<u>% Over</u> <u>1998-1999</u>	<u>2000-2001</u> <u>Certified</u>	<u>% Over</u> <u>1999-2000</u>
Requirements	\$ 243,726,125	\$ 238,495,070	(2.15%)	\$ 239,650,014	.48%
Receipts	81,500,241	82,478,163	1.20%	81,949,741	(.64%)
Appropriation	<u>\$ 162,225,884</u>	<u>\$ 156,016,907</u>	<u>(3.83%)</u>	<u>\$ 157,700,273</u>	<u>1.07%</u>
No. of Positions	3,547.0	3,346.3	0.0%	3,396.3	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Changes		
Adjustments were made for statutory changes in salary related items such as Social Security and retirement, annualization of salary increases and programs implemented during fiscal		

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

	<u>1999-2000</u>		<u>2000-2001</u>	
Statutory, Inflationary, and Miscellaneous Changes - (Continued)				
year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations and adjustments of grants, and miscellaneous changes in expenditures and receipts.				
Requirements - Recurring	\$ (10,006,059)		\$ (8,297,916)	
Receipts	<u>(52,516)</u>		<u>(64,597)</u>	
Appropriation	\$ (9,953,543)		\$ (8,233,319)	
Requirements - Nonrecurring	\$ (63,007)		\$ (63,007)	
Receipts	<u>(63,007)</u>		<u>(63,007)</u>	
Appropriation	\$ -	NR	\$ -	NR

Administration

2. Eliminate Vacant Positions and Salary Reserve

This will eliminate three vacant positions in the administrative area and an additional \$13,838 of salary reserves.

	(66,715)		(66,715)	
Number of Positions	(3.10)		(3.10)	

Regional Offices

3. Shift Position to Receipts

This will shift funding for a computer consultant IV position from appropriations to receipts.

Requirements - Recurring	\$ -		\$ -	
Receipts	<u>69,644</u>		<u>69,644</u>	
Appropriation	\$ (69,644)		\$ (69,644)	
Number of Positions	(1.0)		(1.0)	

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

Aquariums

	<u>1999-2000</u>	<u>2000-2001</u>
4. Reduce Operating Support		
This will reduce operating support line items in the aquariums budget.	\$ (88,009)	\$ (88,009)

Forest Resources

5. Eliminate Vacant Position and Reduce Salary Reserve		
This will eliminate a vacant pilot III position and replace additional salary reserves in the Division of Forest Resources.	(51,966)	(51,966)
Number of Positions	(1.0)	(1.0)
6. Equipment Reduction		
This will delay the replacement of fire-fighting helicopters by one year.		
Appropriation - Nonrecurring	(2,100,000) NR	-
7. Division Wide Reductions		
This will reduce various operating equipment line items throughout the Division of Forest Resources.		
Appropriation - Recurring	(400,000)	(400,000)
Appropriation - Nonrecurring	(180,000) NR	-

Marine Fisheries

8. Eliminate Vacant Position		
This will eliminate a vacant research vessel crew member position in the Division of Marine Fisheries.	(25,555)	(25,555)
Number of Positions	(1.0)	(1.0)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

Forest Resources - Continued:

	<u>1999-2000</u>	<u>2000-2001</u>
9. Increase Budgeted Receipts		
This will increase the budgeted amount of license receipts to reflect increased revenue from the sale of commercial and recreational commercial game fishing licenses as a result of the fisheries Reform Act of 1997.		
Requirements - Recurring	\$ -	\$ -
Receipts	<u>150,000</u>	<u>150,000</u>
Appropriation	\$ (150,000)	\$ (150,000)

Museum of Natural Sciences

10. Eliminate Position and Reduce Equipment		
This will eliminate a vacant scientific illustrator position and reduce equipment line items at the Museum of Natural Sciences.		
Number of Positions	(58,316) (1.0)	(58,316) (1.0)
11. Eliminate Vacant Position and Reduce Salary Reserve		
This will eliminate a vacant program assistant IV position and reduce salary reserve at the Museum of Natural Sciences.		
Number of Positions	(44,810) (1.0)	(44,810) (1.0)

North Carolina Zoological Park

12. Eliminate Vacant Position		
This will eliminate a vacant Groundswoker position at the N. C. Zoological Park.		
Number of Positions	(8,614) (.50)	(8,614) (.50)
13. Reduce Equipment		
This will reduce equipment line items in the N. C. Zoological Park budget.	(92,487)	(92,487)

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

Office of Environmental Education

	<u>1999-00</u>	<u>2000-01</u>
14. Reduce Operating Support		
This will reduce various operating support line items in the Office of Environmental Education budget.	\$ (6,291)	\$ (6,291)

Parks and Recreation

15. Eliminate Vacant Position				
This will eliminate a vacant office assistant III position.	\$ (22,948)		\$ (22,948)	
Number of Positions	(1.0)		(1.0)	
16. Delay Operating Reserve Increase				
This will delay the increase in the Division of Parks and Recreation's continuation budget operating reserve for capital project.	-		65,969	
Appropriation - Nonrecurring	(876,598)	NR	365,500	NR

Air Quality

17. Shift Position to Receipt				
This will shift source of funds that supports an environmental chemist I position from appropriations to fuel tax receipts in the Division of Air Quality.				
Requirements - Recurring	\$ -		\$ -	
Receipts	<u>38,992</u>		<u>38,992</u>	
Appropriation	\$ (38,992)		\$ (38,992)	
Number of Positions	(1.0)		(1.0)	
18. Increase Budgeted Receipts				
This will increase the amount of budgeted receipts and reduce the general fund appropriation in the Division of Air Quality.				
Requirements - Recurring	\$ -		\$ -	
Receipts	<u>100,000</u>		<u>100,000</u>	
Appropriation	\$ (100,000)		\$ (100,000)	

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

Coastal Management

	<u>1999-2000</u>		<u>2000-2001</u>
19. Reduce Grants			
This will reduce funds for land-use planning grants to local governments for one year in the Division of Coastal Management.			
Appropriation - Nonrecurring	\$ (100,000)	NR	\$ -

Environmental Health

20. Eliminate Vacant Positions			
This will eliminate a vacant environmental technician III position and a vacant environmental health regulation specialist position in the Division of Environmental Health.			
Number of Positions	(55,217) (1.5)		(55,217) (1.5)
21. Eliminate Position and Operating Support			
This will eliminate a vacant water/wastewater treatment plant consultant partial position in the Public Water Supply program along with support funds.			
Number of Positions	(29,801) (.5)		(29,801) (.5)
22. Reduce Equipment			
This will reduce equipment replacement funds in the Shellfish Sanitation Program.	(25,725)		(25,725)

Land Resources

23. Eliminate Vacant Low Level Radioactive Waste Position			
This will eliminate a vacant geologist II position assigned to the Low Level Radioactive Waste project.			
Number of Positions	(42,907) (1.0)		(42,907) (1.0)

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
24. Shift Position to Receipt Support		
This will shift funding for an environmental engineer I position in the sedimentation program from appropriations to receipt support.		
Requirements - Recurring	\$ -	\$ -
Receipts	<u>52,929</u>	<u>52,929</u>
Appropriation	\$ (52,929)	\$ (52,929)
Number of Positions	(1.0)	(1.0)
25. Reduce Operation Support		
This will reduce various operating support line items in the Division of Land Resources.	(65,696)	(65,696)
Pollution Prevention/Environmental Assistance		
26. Eliminate Pollution Prevention Challenge Grants		
This will eliminate funding for Pollution Prevention Challenge Grants for business and industry.	(70,000)	(70,000)
Radiation Protection		
27. Reduce Low Level Radioactive Waste Positions		
Eliminate two positions assigned to the Low Level Radioactive Waste project (LLRW). One environmental radiation specialist position and one data entry specialist in the Division of Radiation Protection.	(67,016)	(67,016)
Number of Positions	(2.0)	(2.0)
28. Reduce Rent/Lease Costs		
This will reduce the continuation budget inflationary increase for office/lab space rental to reflect actual lease agreement.	(17,275)	(51,825)

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

Waste Management

	<u>1999-2000</u>	<u>2000-2001</u>
29. Reduce Superfund Matching Funds/Cash Balance		
This will eliminate the recurring appropriation to match federal funds to clean up contaminated hazardous waste sites on the National Priority List (NPL) of Superfund sites. Also reduce the departments General Fund appropriation for the 1999-2000 fiscal year by \$200,000 and replace the funds with a one time transfer from the Superfund Cost Share Fund, thereby reducing the funds cash balance.		
Requirements - Recurring	\$ (800,000)	\$ (800,000)
Receipts	<u>200,000</u>	<u>-</u>
Appropriation	\$ (1,000,000)	\$ (800,000)

Water Quality

30. Eliminate Vacant Positions		
This will eliminate three vacant positions in the Division of Water Quality. One community planner II position, one environmental specialist II position, and one environmental engineer I position.		
Number of Positions	(120,749) (3.0)	(120,749) (3.0)
31. Reduce Equipment		
This will reduce the continuation budget increase for replacement of equipment in the Division of Water Quality.		
	(300,000) NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
32. Increase Budgeted Receipts		
This will increase budgeted receipts for the Animal Waste Compliance program and reduce the General Fund appropriation by an equal amount.		
Requirements - Recurring	\$ -	\$ -
Receipts	<u>150,000</u>	<u>150,000</u>
Appropriation	\$ (150,000)	\$ (150,000)
33. Eliminate Pesticide Study Positions		
This will eliminate two positions assigned to work with the Department of Agriculture and Consumer Services on a study of pesticide contamination in groundwater and the development of statewide pesticide management plans.		
Number of Positions	(100,000) (2.0)	(100,000) (2.00)
Water Resources		
34. Reduce Operating Support		
This will reduce operating support line items in the Division of Water Resources.	(52,888)	(52,888)
Departmentwide		
35. Reduce Operating Support		
This will reduce operating support associated with vacant positions eliminated.	(21,900)	(21,900)
36. Surplus Property - Increase Receipts		
This will increase the amount of budgeted receipts from the sale of surplus property for the 1999-2000 fiscal year and reduce the department's General Fund appropriation by an equal amount.		
Requirements - Nonrecurring	\$ -	\$ -
Receipts	<u>50,000</u>	<u>-</u>
Appropriation	\$ (50,000) NR	\$ -

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Continuation Budget:

Reserves and Special Funds

	<u>1999-2000</u>		<u>2000-2001</u>
37. Eliminate Cash Balance - Beach Erosion Loan Fund			
This will reduce the department's General Fund appropriation for the 1999-2000 fiscal year and reduce the funds with a one time transfer from the Beach Erosion Loan Fund. This reduction eliminates the cash balance in the loan fund.			
Requirements - Nonrecurring	\$ -		\$ -
Receipts	<u>250,000</u>		<u>-</u>
Appropriation	\$ (250,000)	NR	\$ -

Forest Resources

38. Assistant County Ranger			
This will provide funds to support a position for an assistant county ranger in Nash County.			
Requirements - Recurring	\$ 38,848		\$ 38,848
Receipts	<u>15,539</u>		<u>15,539</u>
Appropriation	\$ 23,309		\$ 23,309
Number of Positions	1.0		1.0
Requirements - Nonrecurring	\$ 40,852		\$ -
Receipts	<u>16,341</u>		<u>-</u>
Appropriation	\$ 24,511	NR	\$ -

Expansion Budget:

Marine Fisheries

39. Information Technology Funds			
This will provide nonrecurring funds for fiscal year 1999-2000 to continue consolidation and modernization of existing computerized information management systems to facilitate access to licensing, permitting, commercial landings, biological and habitat data.			
Appropriation - Nonrecurring	1,000,000	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Expansion Budget:

Marine Fisheries – Continued

	<u>1999-2000</u>	<u>2000-2001</u>
40. Grassroots Science Museums		
This will provide additional funds to expand the Grassroots Science program and to add three new museums to the program:		
Aurora Fossil Museum		
Colburn Gem and Mineral Museum		
Granville County Museum - Harris Gallery		
Appropriation - Recurring	\$ 2,785,000	\$ 2,785,000
Appropriation - Nonrecurring	250,000 NR	-

Office of Environmental Education

41. Environmental Education Grants		
This will provide funds for grants to public schools K-12, public libraries and environmental education centers to purchase environmental education materials and to support school group field trips to environmental education centers.		
Appropriation - Nonrecurring	200,000 NR	-

Parks and Recreation

42. Expand Natural Heritage Program		
This will provide funds to inventory natural areas in counties that have not been surveyed under the Natural Heritage program.		
Appropriation - Nonrecurring	50,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Expansion Budget:

Soil and Water Conservation

	<u>1999-2000</u>		<u>2000-2001</u>
43. Agriculture Cost Share County Technical Assistance			
This will provide additional funds to reimburse counties up to 50% of the costs of providing technical assistance in the planning, design and installation of agricultural Best Management Practices (BMPs) to improve water quality.	\$ 50,000		\$ 50,000
44. N. C. Conservation Reserve Enhancement Program (CREP)			
This will provide funds to administer the Conservation Reserve Enhancement Program (CREP) program, a state-federal partnership to enroll 100,000 acres of agricultural cropland adjacent to rivers, streams, estuarine waters and wetlands in long-term conservation easements. The focus of the program will be development of riparian buffers in Chowan, Neuse and Tar-Pamlico River Basins and the Lake Jordan watershed.			
Appropriation - Recurring	353,044		353,044
Appropriation - Nonrecurring	153,000	NR	-
Number of Positions	4.0		4.0

Environmental Health

45. Food Sanitation Program			
This will provide funds for training and continuing education to local environmental health specialist to improve the consistency of implementation and enforcement of food sanitation rules.			
Appropriation - Nonrecurring	100,000	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Expansion Budget:

Land Resources

	<u>1999-2000</u>		<u>2000-2001</u>
46. Sedimentation and Erosion Control Expansion			
This will provide funds for additional field staff to perform erosion and sediment control inspections at commercial and residential development sites to determine compliance with required management practices to minimize the impact of land disturbing activities on water quality. Funds will also be used to provide technical training and incentives to local governments to start and improve sediment control programs.			
Appropriation - Recurring	\$ 756,399		\$ 756,399
Appropriation - Nonrecurring	307,773	NR	-
Number of Positions	10.0		10.0

Water Quality

47. Groundwater Quality Protection			
This will provide funds to characterize and evaluate aquifers in the piedmont and mountain areas of the state to help define areas of highly vulnerable groundwater and to begin development of a long-term groundwater protection plan.			
Appropriation - Recurring	537,111		700,020
Appropriation - Nonrecurring	22,000	NR	-
Number of Positions	8.0		8.0
48. Protect Buffers and Wetlands			
This will provide funds to administer the state's riparian buffer protection requirements, compensatory mitigation program and restoration fund. Funds are also to improve compliance with 401 Water Quality Certifications issued by the state.			
Appropriation - Recurring	339,467		339,467
Appropriation - Nonrecurring	46,000	NR	-
Number of Positions	6.0		6.0

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Expansion Budget:

Reserves and Special Funds

	<u>1999-2000</u>		<u>2000-2001</u>
49. Cape Fear River Assembly, Inc. This will provide funds for programs to monitor and improve water quality of the Cape Fear River.			
Appropriation - Nonrecurring	\$ 500,000	NR	\$ -
50. Chatham LLRW Facility Siting Assistance Funds This will provide funds for a Grant-in-Aid to Chatham County for expenses incurred as part of their participation in the licensing and siting of a low level radioactive waste facility.			
Appropriation - Nonrecurring	100,000	NR	-
51. Partnership for the Sounds This will provide funds for ecotourism projects and programs. Funds are limited to existing projects and programs or any expansion recommended by the Board of Directors of the Partnership for the Sounds.			
Appropriation - Nonrecurring	25,000	NR	-
52. Rivernet Water Quality Monitoring and Research Funds This will provide funds to implement a Rivernet pilot project in an area of the state with impaired waters using a technology-based water quality and nutrient monitoring system to monitor, collect and disseminate water quality data. Also provides research funds for collaborative water quality studies among DENR and any constituent institution of the University of North Carolina.			
Appropriation - Recurring	700,000		700,000
Appropriation - Nonrecurring	500,000	NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Environment and Natural Resources - Continued

Expansion Budget:

Reserves and Special Funds - Continued

	<u>1999-2000</u>		<u>2000-2001</u>
53. Resource Conservation and Development Councils			
This will provide funds to give each of the state's nine Resource Conservation and Development Councils a \$25,000 grant to use as leverage for other grants to be allocated by each county in the regional council.			
Appropriation - Nonrecurring	\$ 225,000	NR	\$ -
54. Museum of Life and Science			
This will provide funds to support the BioQuest Exhibit at the Museum of Life and Science.			
Appropriation - Nonrecurring	1,000,000	NR	-
55. Conservation Trust for North Carolina			
This will provide funds for technical assistance and other support for North Carolina's private land trusts and to promote the State Conservation Tax Credit Program for land conservation.			
Appropriation - Nonrecurring	150,000	NR	-
Wildlife Resources Commission			
56. Beaver Control Program			
This will provide funds to support the Beaver Control Program statewide.			
	500,000		500,000

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

Department of Labor

The goal of the Department of Labor is to protect the health, safety, and general well-being of the working people of North Carolina. The department encourages the development of skilled craft workers through apprenticeship and on-the-job training programs, promotes economic development in North Carolina, and insures compliance with state labor laws, include the Occupational Safety and Health Act (OSHA).

Total Appropriations					
	<u>1998-1999</u>	<u>1999-2000</u>	<u>% Over</u>	<u>2000-2001</u>	<u>% Over</u>
	<u>Authorized</u>	<u>Certified</u>	<u>1998-1999</u>	<u>Certified</u>	<u>1999-2000</u>
Requirements	\$ 25,444,917	\$ 25,390,265	(0.2%)	\$ 25,490,265	0.4%
Receipts	8,296,569	8,921,014	7.5%	9,121,014	2.2%
Appropriation	<u>\$ 17,148,348</u>	<u>\$ 16,469,251</u>	<u>(4.0%)</u>	<u>\$ 16,369,251</u>	<u>(0.6%)</u>
No. of Positions	435.0	437.0	0.5%	437.0	0.0%

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
1. Statutory, Inflationary, and Miscellaneous Adjustments		
Adjustments were made for statutory changes in salary-related items such as Social Security and Retirement, annualization of salary increases and programs implemented during fiscal year 1998-1999, utilization/inflation increases (where allowed), the elimination of one time appropriations, and miscellaneous changes in expenditures and receipts.		
Requirements	\$ (817,724)	\$ (817,724)
Receipts	<u>(126,407)</u>	<u>(126,407)</u>
Appropriation	\$ (691,317)	\$ (691,317)
2. Eliminate Vacant Positions		
Positions determined to be vacant for more than one year are eliminated from the continuation budget.	(80,006)	(80,006)
Number of Positions	(2.0)	(2.0)

Post-Legislative Budget Summary, 1999-2001
General Fund - Labor - Continued

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
3. Reduce Operating Expenses		
Reduce various operating and equipment line items department (associated with vacant positions) throughout the department.	\$ (29,774)	\$ (29,774)

Expansion Budget:

4. Elevator Inspectors		
The establishment of two elevator inspectors to conduct safety inspections in the Raleigh and Charlotte areas is authorized by the General Assembly. Funds to support these positions will be generated by inspections conducted by them.		
Requirements	\$ 115,852	\$ 115,852
Receipts	<u>115,852</u>	<u>115,852</u>
Appropriation	\$ -	\$ -
Number of Positions	2.0	2.0
5. Boiler Inspectors		
The establishment of four boiler inspectors to conduct safety inspections is authorized by the General Assembly. Funds to support these positions will be generated by inspections conducted by them.		
Requirements	\$ 235,000	\$ 235,000
Receipts	<u>235,000</u>	<u>235,000</u>
Appropriation	\$ -	\$ -
Number of Positions	4.0	4.0
6. Information Technology Funds		
Funds are appropriated to support the costs of implementing the IRMC policy required agencies to connect and store e-mail messages in a central message store maintained by ITS in addition to funds to support the implementation of an Enterprises Document Management System.		
Appropriation - Recurring	22,000	22,000
Appropriation - Nonrecurring	100,000 NR	-

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
General Fund - Continued

Other Appropriations

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
Debt Service		
1. The 1999 General Assembly appropriated funds in the amount of \$191,910,930 in 1999-2000 and \$290,709,550 in 2000-2001 to support the General Fund cost of currently outstanding bonds and bonds anticipated to be issued for the biennium under current authorizations. Included in this is the estimate of the cost for bonds which will be issued under the recent voter approved \$1.0 billion bond issue for water, sewer, utilities and economic development. No further bond debt was authorized by 1999 Session which will require general fund support. The summary of total debt service is as follows:		
Requirements	\$ 242,910,930	\$ 307,209,550
Receipts	<u>51,000,000</u>	<u>16,500,000</u>
Appropriations	\$ 191,910,930	\$ 290,709,550

Post-Legislative Budget Summary, 1999-2001

IV. Highway Fund and Highway Trust Fund

A. Overview

Total funding for transportation programs in North Carolina is budgeted at approximately \$2.9 billion for each year of the 1999-2001 biennium. Charts 1 and 2 depict the principal sources of these funds. State motor fuel taxes account for 37% of these funds, while the taxes and fees we impose on vehicles and drivers make up 33%. These major state revenues, along with certain smaller revenue items, are collected into and disbursed from two major special funds: the Highway Fund and the Highway Trust Fund that are dedicated to transportation purposes. Table 8 summarizes how these state revenue sources are divided between these two funds. Federal funds make up 27% of the funding, well over 90% of which is earmarked for Highway Construction. The balance supports public transportation, airport development, and highway safety. General Fund appropriations were also made available for state aid. The estimated collections from the sales tax on aviation fuel supports airport development. The program activities to which these funds will be applied for the biennium are summarized on Charts 3 and 4. Direct spending on Highway Construction and Maintenance consumes nearly three quarters of the outlay. Most of these program activities are carried out by the Department of Transportation (DOT), although about 13% of the funding goes to the General fund or to agencies outside the DOT.

Tables 9 and 10 summarize the total funding for transportation programs showing the source of funds for each activity. The following describes in greater detail the revenue sources and appropriations made from the Highway Fund and the Highway Trust Fund for the 1999-2001 biennium.

Table 6

Distribution of Budgeted Transportation Revenues between the Highway Fund and the Highway Trust Fund for 1999-2001 Biennium

	1999-2000 Highway Fund	1999-2000 Highway Trust Fund	2000-2001 Highway Fund	2000-2001 Highway Trust Fund
Motor Fuel Taxes	\$ 790,830,000	\$ 258,226,000	\$ 826,680,000	\$ 268,551,000
Vehicle and Driver Taxes and Fees	347,520,000	584,879,000	356,150,000	605,461,000
Other Sources				
Investments	11,140,000	36,939,000	11,580,000	38,048,000
Carry Forward	5,200,000	-	-	-
Total	<u>\$1,154,690,000</u>	<u>\$ 880,044,000</u>	<u>\$ 1,194,410,00</u>	<u>\$ 912,060,000</u>

**Post Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued**

Table 7

North Carolina Transportation Program, 1999-2000

Budget Code		Highway Fund	Highway Trust Fund	Dpt. Receipts	Federal Funds	General Fund	Total
Department of Transportation							
84210	Administration	\$ 64,405,831	\$ 5,719,685	\$ 568,382	\$ -	\$ -	\$ 70,693,898
84220	Administration	36,476,296	6,748,033	463,675	-	-	43,688,004
84230	Construction	119,877,000	639,190,912	-	722,432,597	-	1,481,500,509
84230	Maintenance	463,069,469	-	-	-	-	463,069,469
84230	Planning and Research	2,959,649	-	-	10,648,368	-	13,608,017
84230	Motor Carrier Safety	897,172	-	-	-	-	897,172
84230	OSHA Program	425,000	-	-	-	-	425,000
84230	Ferry Operations	18,174,622	-	-	-	-	18,174,622
State Aid							
84230	Municipalities	84,777,000	42,085,006	-	-	-	126,862,006
84230	Public Transportation	36,246,921	-	-	6,828,057	-	43,074,978
84230	Airports	-	-	-	15,478,062	12,148,881	27,626,943
84230	Railroads	20,834,405	-	-	-	-	20,834,405
84240	Governor's Highway Safety	338,121	-	-	4,567,689	-	4,905,810
84260	Division of Motor Vehicles	91,133,577	4,158,449	5,353,499	-	-	100,645,525
84270	Other State Agencies	175,001,332	-	-	-	8,825,000	183,826,332
84270	Res. & Transfers	40,073,605	-	-	-	-	40,073,605
84290	Tfr to Gen. Fund	-	170,000,000	-	-	-	170,000,000
84290	Additional Admin. Transfer	-	8,000,000	-	-	-	8,000,000
84290	Uncommitted Trust Fund Admin.	-	4,141,915	-	-	-	4,141,915
Grand Total		\$ 1,154,690,000	\$ 880,044,000	\$6,385,556	\$ 759,954,773	\$20,973,881	\$ 2,822,048,210

**Post Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued**

Table 8

North Carolina Transportation Program, 2000-2001

Budget Code		Highway Fund	Highway Trust Fund	Department Receipts	Federal Funds	General Fund	Total
Department of Transportation							
84210	Administration	\$ 64,409,242	\$ 5,720,183	\$ 568,382	\$ -	\$ -	\$ 70,697,807
84220	Administration	36,495,582	6,748,700	463,675	-	-	43,707,957
84230	Construction	122,810,000	667,897,873	-	736,871,200	-	1,527,579,073
84230	Maintenance	462,069,469	-	-	-	-	462,069,469
84230	Planning and Research	2,959,649	-	-	10,932,436	-	13,892,085
84230	Motor Carrier Safety	897,172	-	-	-	-	897,172
84230	OSHA Program	425,000	-	-	-	-	425,000
84230	Ferry Operations	18,174,622	-	-	-	-	18,174,622
State Aid							
84230	Municipalities	87,710,000	44,033,663	-	-	-	131,743,663
84230	Public Transportation	33,046,921	-	-	6,828,057	-	39,874,978
84230	Airports	-	-	-	15,478,062	11,609,165	27,087,227
84230	Railroads	21,507,088	-	-	-	-	21,507,088
84240	Governor's Highway Safety	338,121	-	-	4,567,689	-	4,905,810
84260	Division of Motor Vehicles	92,987,232	4,158,449	5,353,499	-	-	102,499,180
84270	Other State Agencies	176,316,297	-	-	-	3,825,000	180,141,297
84270	Res. & Transfers	61,263,605	-	-	-	-	61,263,605
84290	Tfr to Gen. Fund	-	170,000,000	-	-	-	170,000,000
84290	Additional Admin. Transfer	-	8,000,000	-	-	-	8,000,000
84290	Uncommitted Trust Fund Admin.	-	5,501,132	-	-	-	5,501,132
Grand Total		* \$ 1,181,410,000	\$ 912,060,000	\$6,385,556	\$ 774,677,444	\$15,434,165	\$ 2,889,967,165

*There is an unappropriated balance of \$13,000,000.

Post Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued

B. Highway Fund

The Highway Fund receives support from three primary sources. Three fourths of the motor fuels tax is deposited in the Highway Fund, with the remaining portion going to the Highway Trust Fund. Motor fuels taxes make-up 69% of Highway Fund revenue. Licenses and fees represent 30% of Highway Fund revenue, while the remaining 1% percent comes from interest earned by the State Treasurer.

1. Revenue

Highway Fund collections totaled \$1,131.0 million for 1998-1999, representing an increase of 1.7% from the previous fiscal year. Stimulated by falling fuel prices, a demand for heavier vehicles, and continued economic expansion, motor fuel consumption expanded by 4.7%. However, a decline in fuel prices led to a fall in the wholesale component of the motor fuel tax. Thus, the motor fuel tax collections of \$775.5 million were only slightly greater than the 1997-1998 collections. Licenses and fees collections and other state revenue totaled \$339.9 million, for growth of 3.6%. As a result of delayed payments from other states, international registration plan revenue grew by almost 15%, while the remaining licenses and fee schedules increase in the 2% to 3% range. Large credit balances resulted in Treasurer's investments totaling \$15.5 million, which was an increase of 53.5%.

Revenue growth will continue to be sluggish in 1999-2000, as Highway Fund revenue is projected to total \$1,149.5 million, or a growth of 1.7%. Continued depressed fuel prices combined with a slowing economic expansion will result in motor fuel tax collections totaling \$790.8 million, for a growth of 2.0%. It is anticipated that licenses and fee collections and other state revenue will total \$347.6 million, and increase by 2.3%. Faced with large construction and maintenance needs, average credit balances should decline. Investment income is projected to total \$11.1 million, which is a decline of 28.3%.

Highway Fund revenue is projected to return to a more normal rate of growth in 2000-2001. Revenue is estimated to total \$1,194.4 million, or an increase of 4.0%. It is anticipated that motor fuel tax collections will increase by 4.6% and total \$826.7 million, while licenses and fee collections and other state revenue will total \$356.1 million, and investment income \$11.6 million. This represents growths of 2.3% and 4% respectively.

Post Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued

Table 9

Highway Fund Revenue, 1999-2001

	1998-1999	1999-2000	2000-2001
	Actual	Authorized	Authorized
Motor Fuels Tax:			
Motor Fuel Tax	\$ 762,888,008	\$ 777,750,000	\$ 813,230,000
Gasoline Inspection Fee	12,491,183	12,780,000	13,150,000
Highway Use Registration Fee	<u>162,905</u>	<u>300,000</u>	<u>300,000</u>
Total Motor Fuels Tax	\$ 775,542,096	\$ 790,830,000	\$ 826,680,000
Licenses and Fees:			
Staggered Registration Plan	\$ 139,114,535	\$ 140,900,000	\$ 144,490,000
Drivers' Licenses	62,278,971	73,140,000	74,450,000
Truck Plates	56,781,624	55,970,000	57,310,000
International Registration Plan	50,791,801	48,060,000	49,260,000
Restoration Fees	7,003,646	6,015,000	6,135,000
Service Process Fees	4,600,685	4,004,000	4,184,000
Safety Inspection Fees	3,637,982	4,174,000	4,357,000
Registration Fees	2,488,706	2,640,000	2,893,000
Overweight/Size Permits	2,439,250	2,178,000	2,268,000
Dealers and Manufacturers Licenses	<u>1,204,073</u>	<u>1,276,000</u>	<u>1,402,000</u>
Total Licenses and Fees	\$ 330,341,273	\$ 338,357,000	\$ 346,749,000
Other State Revenue:			
Penalties	\$ 8,069,143	\$ 8,325,000	\$ 8,546,000
Miscellaneous	<u>1,535,378</u>	<u>838,000</u>	<u>855,000</u>
Total Other State Revenue	\$ 9,604,521	\$ 9,163,000	\$ 9,401,000
Investment Income	<u>\$ 15,541,363</u>	<u>\$ 11,140,000</u>	<u>\$ 11,580,000</u>
Total Highway Fund Revenue	<u><u>\$1,131,029,253</u></u>	<u><u>\$ 1,149,490,000</u></u>	<u><u>\$ 1,194,410,000</u></u>

Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued

2. Condition of the Fund

Total budgeted funding for 1999-2000 in the Highway Fund includes the revenues described above plus appropriation reversions of \$5,200,000. No unused funds from 1999-2000 are expected to be available for 2000-2001.

Table 10, Condition of the Highway Fund, summarizes the budgeted sources and uses of funds for 1999-2000 and 2000-2001.

Table 10
Condition of the Highway Fund, 1999-2001

	<u>1998-1999</u> <u>Estimated</u>	<u>1999-2000</u> <u>Authorized</u>	<u>2000-2001</u> <u>Authorized</u>
<u>Availability</u>			
Beginning Credit Balance:			
Appropriations Reversions	\$ 18,191,517	\$ 5,200,000	\$ -
Overrealized Revenue	<u>(5,643,866)</u>	<u>-</u>	<u>-</u>
Subtotal	\$ 12,547,651	\$ 5,200,000	\$ -
Appropriation Reserves	44,270,734	-	-
State Highway Revenue	<u>1,131,029,253</u>	<u>1,149,490,000</u>	<u>1,194,410,000</u>
Total Availability	\$ 1,187,847,638	\$ 1,154,690,000	\$ 1,194,410,000
Expended and Reserved	<u>1,182,647,638</u>	<u>1,154,690,000</u>	<u>1,181,410,000</u>
Ending Credit Balance	<u>\$ 5,200,000</u>	<u>\$ -</u>	<u>\$ 13,000,000</u>

Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued

3. Summary of Appropriations

Table 11 represents a summary of Highway Fund appropriations and details of the changes made during the 1999 Legislative Session; narrative explanations of these changes and the General Fund changes are included in the pages that follow.

Table 11

Highway Fund Appropriations, 1999-2001

	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Appropriation</u>	<u>2000-2001</u> <u>Appropriation</u>
DOT-General Administration	\$ 74,830,569	\$ 64,405,831	\$ 64,409,242
Highway Division Administration	36,784,784	36,476,296	36,495,582
State Match for Federal Aid-Planning and Research	2,959,649	2,959,649	2,959,649
Construction Program:			
State Secondary System	\$ 81,233,000	\$ 84,777,000	\$ 87,710,000
State Urban System	14,000,000	14,000,000	14,000,000
Discretionary Funds	10,000,000	10,000,000	10,000,000
Spot Safety Improvements	9,100,000	9,100,000	9,100,000
Access and Public Service Roads	2,000,000	2,000,000	2,000,000
Motor Carrier Safety	<u>897,172</u>	<u>897,172</u>	<u>897,172</u>
Total Construction Program	\$ 117,230,172	\$ 120,774,172	\$ 123,707,172
Maintenance Program:			
Primary System	\$ 114,393,724	\$ 114,393,724	\$ 114,393,724
Secondary System	195,247,571	195,247,571	195,247,571
Urban System	37,475,926	37,475,926	37,475,926
Contract Resurfacing	<u>131,303,900</u>	<u>115,952,248</u>	<u>114,952,248</u>
Total Maintenance Program	\$ 478,421,121	\$ 463,069,469	\$ 462,069,469
Ferry Operations	\$ 19,174,622	\$ 18,174,622	\$ 18,174,622
State Aid to Municipalities	81,233,000	84,777,000	87,710,000
State Aid to Railroads	18,800,000	20,834,405	21,507,088
State Aid for Public Transportation	24,046,921	36,246,921	33,046,921
Asphalt Plant Cleanup	425,000	425,000	425,000
Governor's Highway Safety Program	330,303	338,121	338,121
Division of Motor Vehicles	<u>93,170,729</u>	<u>91,133,577</u>	<u>92,987,232</u>
Sub-Total Current Operations	\$ 947,406,870	\$ 939,615,063	\$ 943,830,098

Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund
Table 11 - Continued

	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Appropriation</u>	<u>2000-2001</u> <u>Appropriation</u>
Appropriations to Other State Agencies:			
Agriculture	\$ 3,165,092	\$ 3,421,496	\$ 3,339,686
Revenue	2,765,685	3,018,692	3,018,692
State Treasurer-Sales Tax	13,400,000	13,600,000	13,800,000
Public Instruction-Driver Education	23,093,432	25,926,243	26,201,384
Crime Control and Public Safety- Highway Patrol	126,491,324	121,285,445	121,745,269
Environment, Health, and Natural Resources:			
LUST Trust Fund	6,579,223	6,329,812	6,791,622
Chemical Test	419,644	419,644	419,644
Global Transpark	<u>750,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Total-Other State Agencies	\$ 176,664,400	\$ 175,001,332	\$ 176,316,297
Reserves and Transfers:			
Legislative Salary Increase	\$ 17,668,715	\$ 27,668,715	\$ 25,668,715
Salary Adjustment	-	200,000	200,000
DMV Pay Equity	3,390,708	3,390,708	3,390,708
Computer Reserve	1,000,000	-	-
DMV Systems Reserves	3,508,527	-	-
Minority Contractor Development	150,000	150,000	150,000
State Fire Protection Grant	150,000	150,000	150,000
DMV Vehicle Seizure	112,050	29,182	29,182
State Health Plan	-	5,000,000	7,000,000
Reserve for General Maintenance	-	30,010,000	31,000,000
Stormwater Discharge Permit	500,000	500,000	500,000
Reduce Retirement Contribution	(3,612,248)	(7,000,000)	-
Deferred Equipment Purchases	-	(6,000,000)	-
Additional Administrative Transfer	-	(8,000,000)	(8,000,000)
Administrative Cost Reduction	-	(7,200,000)	-
Additional Funding for Visitor Centers	-	175,000	175,000
Prescription Drug Card Program	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>
Total Reserves and Transfers	\$ 22,867,752	\$ 40,073,605	\$ 61,263,605
Total Current Operations	<u>\$ 1,146,939,022</u>	<u>\$ 1,154,690,000</u>	<u>\$ 1,181,410,000</u>
Capital Improvements	\$ 4,040,348	\$ -	\$ -
Total Highway Fund Appropriation	<u>\$ 1,150,979,370</u>	<u>\$ 1,154,690,000</u>	<u>\$ 1,181,410,000</u>

**Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued**

Department of Transportation

	Total Appropriations				
	1998-1999 Authorized	1999-2000 Certified	% Over 1998-1999	2000-2001 Certified	% Over 1998-1999
Requirements	\$ 2,770,309,518	\$ 2,822,048,210	1.9%	\$ 2,889,967,165	4.3%
Receipts	779,336,148	787,314,210	1.1%	796,497,165	2.2%
Appropriation	<u>\$ 1,990,973,370</u>	<u>\$ 2,034,734,000</u>	<u>2.2%</u>	<u>\$ 2,093,470,000</u>	<u>5.1%</u>
No. of Positions	14,268.0	14,261.0	(0.1%)	14,261.0	(0.1%)

Appropriation Items (Changes Enacted Over Fiscal Year 1998-1999)

Transportation Operations - 84220

Continuation Budget:

	1999-2000	2000-2001
1. Eliminate Vacant Positions		
The General Assembly eliminated seven vacant positions in the Engineer Trainee Program.	\$ (300,238)	\$ (300,238)
Number of Positions	(7.0)	(7.0)
 Total Transportation Operations	\$ (300,238)	\$ (300,238)
Total Number of Positions	(7.0)	(7.0)

Transportation Construction and Maintenance - 84230

Continuation Budget:

2. Reduce Ferry Operating Funds		
After a review of the budgeted operating line items for the Ferry Division it was determined that a nonrecurring reduction could be made from various line items for both years of the biennium.	(1,000,000) NR	(1,000,000) NR

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund
Transportation Construction and Maintenance - 84230 - Continued

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>		
3. Increase Funding for Contract Resurfacing					
Current appropriations do not adequately provide the level of maintenance needed statewide to keep our roadways in the condition necessary to meet citizen expectations and to protect the investment of the state in its roadway infrastructure. Additional nonrecurring funds were appropriated to help meet this critical need.	\$ 8,000,000	NR	\$ 7,000,000	NR	
4. Additional Rail Funds					
Funds were appropriated to expand the state's Rail Program. The allocation of those funds is as follows:					
	<u>1999-2000</u>		<u>2000-2001</u>		
State Aid	\$ (12,100,000)		\$(12,100,000)		
Piedmont and Carolinian					
Operating	2,875,000		2,875,000		
Industrial Access	1,000,000		1,000,000		
Sealed Corridor	1,500,000		1,750,000		
Environmental Studies	2,025,000		1,750,000		
Station Improvements	1,000,000		-		
Western North					
Carolina Service	-		3,525,000		
Improve Raleigh-Charlotte					
Travel Time	<u>12,434,405</u>		<u>10,607,088</u>		
Total	\$ 8,734,405		\$ 9,407,088		
Total Non-recurring		8,734,405	NR	9,407,088	NR
5. Additional Funds for Public Transportation					
The Governor's Transit 2000 Commission recommends the state increase funding of public transit and rail projects in North Carolina. The 1998-1999 funds for this purpose were \$26 million in Highway Fund appropriations. The Continuation Budget for Public Transportation decreases in each year of the biennium by \$12.6 million as a result of nonrecurring appropriations. The General Assembly provided additional appropriations to help meet the Public Transportation needs across our state.					
		78,007		78,007	
	18,821,993	NR	15,621,993	NR	
Total Construction and Maintenance	\$ 34,634,405		\$ 31,107,088		

**Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued**

Division of Motor Vehicles - 84260

Continuation Budget:

	<u>1999-2000</u>		<u>2000-2001</u>
6. Reduction in Budget for Branch Agent Fees After reviewing the current and projected trends in Branch Agent transactions it was determined that a nonrecurring reduction in the funds that support that program could be made.	\$ (500,000)	NR	\$ -
7. Reduction in Budget for License Plates and Stickers As a result of the review of current inventories and projected needs a nonrecurring reduction in the funds to purchase license plates and stickers was made.	(500,000)	NR	-
8. Reduction in Budget for Driver License Photos The contractual cost of producing driver license photos is \$1.05 per license issued. After careful review of current needs and projections it was determined that a nonrecurring reduction could be made in the funds to lease the photographic equipment.	(800,000)	NR	-
Total Division of Motor Vehicles	\$ (1,800,000)		\$ -

Reserves and Transfers - 84270

Continuation Budget

9. Eliminate Transfer to the Highway Trust Fund As per G.S. 136-183 Highway Funds are required to be transferred to the Highway Trust Fund. These funds represent revenue available from the retirement of refunding bonds issued to repay highway construction bonds. As the bonds are retired funds equal to the amount of debt service is paid to the Highway Trust Fund. This transfer has been eliminated for each year of the biennium.	(38,000,000)	NR	(38,000,000)	NR
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NR - Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund
Reserves and Transfers - 84270 - Continued**

Continuation Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
10. Increase in Trust Fund Administration Support As a result of a study by the Department of Transportation it was determined that the Highway Trust Fund was not paying an appropriate amount to the Highway Fund for administrative support. Accordingly charges to the Highway Trust Fund were increased thereby decreasing Highway Fund requirements.	\$ (8,000,000)	\$ (8,000,000)
11. Defer Equipment Purchases In an effort to reduce expenses and maximize Highway Fund appropriations equipment purchases will be deferred for one year only.	(6,000,000) NR	-
12. Delay the Filling of Vacancies The Department of Transportation will continue to reduce expenses from the Highway Fund by keeping all vacant positions unfilled for two additional months during fiscal year 1999-2000.	(7,200,000) NR	-
13. Contributions - Retiree Health Plan Premium Reserve Actions by the General Assembly suspended, for one year only, the surcharge on employer retirement contributions for retiree health benefit premiums. The retiree health benefits premiums for fiscal year 1999-2000 will be funded from the state's reserve for retiree health benefits.	(7,000,000) NR	-

NR - Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
 Highway Fund and Highway Trust Fund
 Reserves and Transfers - 84270 - Continued**

Expansion Budget:

	<u>1999-2000</u>	<u>2000-2001</u>
14. Increase in Global Transpark Funding		
The current funding level of \$750,000 in Highway Fund appropriations to the Global Transpark Authority was increased by \$250,000 to help meet increases in administrative costs. This additional appropriation brings the total Highway Funds appropriated to the Global Transpark Authority to \$1 million in each year of the biennium.		
This increase will fund three new administrative positions. A chief fiscal officer, an administrator, a secretary and miscellaneous expenses.	\$ 250,000	\$ 250,000
15. Compensation Bonus		
Funds were appropriated to provide a one time bonus of \$125 to all employees paid from the Highway Fund.	2,000,000 NR	-
16. Funds for Legislative Salary Increases		
Recurring funds were appropriated in the amount of \$12 million to provide for a 2% increase in career growth and a 1% increase as cost of living for all employees funded from the Highway Fund. This is consistent with the state pay plan and current law	12,000,000	12,000,000
17. State Health Plan		
An increase in the appropriation to the Teacher's and State Employees Comprehensive Major Medical Plan was provided for each year of the biennium. The appropriation will be used for premiums paid by employing agencies for active employees and retirees.	5,000,000	7,000,000

NR - Nonrecurring

**Post-Legislative Budget Summary, 1999-2001
 Highway Fund and Highway Trust Fund
 Reserves and Transfers - 84270 - Continued**

Expansion Budget:

	<u>1999-2000</u>		<u>2000-2001</u>	
18. Reserve for General Maintenance				
Nonrecurring funds were appropriated to be placed in a reserve to be used to help meet highway maintenance needs across North Carolina. These funds will be distributed according to maintenance priorities.	\$ 30,010,000	NR	\$ 31,000,000	NR
19. Prescription Drug Card for State Employees				
The General Assembly provided funds to implement a Prescription Drug Card Program, effective January 2000, in the State Employee Health Benefit Plan's Self Insured Indemnity Program. The program replaces the deductible and 20% coinsurance assessed members of the program for outpatient prescription drugs requiring copayments to be paid by members to the pharmacies at the time of purchase.	1,000,000		1,000,000	
20. Additional Funding for Visitor Centers				
Appropriations were made to provide for a \$25,000 supplement for each of the seven Visitor Centers across the state. The \$25,000 supplement plus the \$75,000 from the Special Registration Plate Account brings the total to \$100,000 each center receives.	175,000		175,000	
Total Transportation Reserves and Transfers	\$ (15,765,000)		\$ 5,425,000	
Total Department of Transportation	\$ 16,769,167		\$ 36,231,850	
Total Number of Positions	(7.0)		(7.0)	

NR - Nonrecurring

Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued

C. Highway Trust Fund

The 1989 Session of the General Assembly, in Chapter 692 of the Session Laws, ratified House Bill 399 to establish the Highway Trust Fund. Revenue for the funding was provided from four primary sources: (1) one-fourth of the Motor Fuels Tax collected by the Department of Revenue; (2) Highway Use Taxes on the sales of motor vehicles in excess of \$170 million, which is dedicated to the General Fund; (3) most of the Title Fees and some various Registration Fees collected by the Division of Motor Vehicles; and (4) interest earned from investment of the Trust Fund cash balance by the State Treasurer. Effective July 1, 1996, all revenue from Title Fees is deposited in the Highway Trust Fund. In addition to the revenues above, there has been a transfer from the Highway Fund each year as required by G.S. 136-183, but this transfer was deleted for the biennium.

The legislation also sets out the various roads identified as the Intrastate System and Urban Loops which are to be funded. Also identified are supplemental funds for Secondary Road Construction and Aid to Municipalities. Formula funding for administration as well as for the mentioned purposes is likewise included in the legislation.

1. Revenue

Highway Trust Fund revenue totaled \$873.8 million in 1998-1999, for an increase of 4.6% from the previous year. Declining fuel prices lowered the wholesale component of the motor fuel tax. Although fuel consumption expanded in 1998-1999, collections totaled \$254.7 million, a slight increase from 1997-1998. Highway use taxes totaled \$489.5 million, title and registration fees \$90.3 million, and investment income \$39.3 million.

Highway Trust Fund revenue is projected to total \$880 million in 1999-2000, representing a growth of just under 1%. Low fuel prices coupled with a slowing economy will continue to depress motor fuel tax collections. It is estimated that collections will expand by 1.4%, and total \$258.2 million. Highway use taxes will increase by a modest 0.9%, while title and registration fees will grow by 1.2%. Tight credit balances will result in a decline in investment income. It is anticipated that investment income will fall by 9.7%, and total \$36.9 million.

Highway Trust Fund revenue will return to more traditional growth rates in 2000-2001, as it is anticipated that collections will total \$912.1 million, while expanding by 3.6%. Although fuel prices are anticipated to remain low, there will be some increases. Collections are anticipated to total \$268.6 million and grow by 4.0%. A 3.8% increase in highway use taxes is anticipated, as collections total \$512.4 million. Title and registrations fees are projected to continue to expand in the 2% range. Finally, it is anticipated that the downward spiral in investment income will end, with revenue growing by 3% and totaling \$38.0 million.

Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued

Table 12

Highway Trust Fund Revenue, 1999-2001

	<u>1998-1999</u> <u>Actual</u>	<u>1999-2000</u> <u>Authorized</u>	<u>2000-2001</u> <u>Authorized</u>
Anticipated Collections:			
Motor Fuel Tax Revenue	\$ 254,740,679	\$ 258,226,000	\$ 268,551,000
Highway Use Tax	489,513,431	493,594,000	512,350,000
Title Fees:			
Certificates of Title	78,154,154	78,900,000	80,478,000
Miscellaneous Title Fees	12,098,358	12,385,000	12,633,000
Treasurer's Investments	39,323,555	36,939,000	38,048,000
Subtotal	<u>\$ 873,830,177</u>	<u>\$ 880,044,000</u>	<u>\$ 912,060,000</u>
Amount Required to be Transferred to the General Fund (1)	<u>(170,000,000)</u>	<u>(170,000,000)</u>	<u>(170,000,000)</u>
Balance Available	<u><u>\$ 703,830,177</u></u>	<u><u>\$ 710,044,000</u></u>	<u><u>\$ 742,060,000</u></u>

(1) Transfer required by G.S. 105-187.9.

Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued

2. Condition of the Highway Trust Fund

In addition to the revenues cited above, the Highway Trust Fund normally receives an annual transfer from the Highway Fund in accordance with the provisions of G.S. 136-183. This amount for 1997-1998 and subsequent years was \$38 million, which approximates the annual debt service payment from the Highway Fund on Highway Bonds outstanding at the time of the enactment of the Highway Trust Fund. The final payment of these bonds in the amount of \$5 million, including interest, was made in 1996-1997. However, the transfer provision has been discontinued for 1998-1999 and the 1999-2001 biennium.

Unused funds from prior fiscal years are available to the Highway Trust Fund, but prior year commitments of 1999-2000 and 2000-2001 revenue to fund projects under the "cash flow" funding provisions of the Executive Budget Act must be deducted, as well as debt service requirements.

Table 13 summarizes the funding and outlays for the Highway Trust Fund for 1998-1999, 1999-2000, and 2000-2001.

Table 13

Condition of the Highway Trust Fund, 1999-2001

	<u>1998-1999</u> <u>Estimated</u>	<u>1999-2000</u> <u>Authorized</u>	<u>2000-2001</u> <u>Authorized</u>
<u>Availability:</u>			
Appropriation Reserves	\$ 145,707,309	\$ -	\$ -
Highway Trust Fund Revenue	<u>873,830,177</u>	<u>880,044,000</u>	<u>912,060,000</u>
Total Availability	\$ 1,019,537,486	\$ 880,044,000	\$ 912,060,000
Expenditures and Commitments:			
Expended and Reserved	\$ 849,537,486	\$ 710,044,000	\$ 742,060,000
Transfer to General Fund (1)	170,000,000	170,000,000	170,000,000
Total Expenditures and Commitments	<u>\$ 1,019,537,486</u>	<u>\$ 880,044,000</u>	<u>\$ 912,060,000</u>
Ending Credit Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(1) Transfer required by G.S. 105-187.9.

Post-Legislative Budget Summary, 1999-2001
Highway Fund and Highway Trust Fund - Continued

3. Summary of Appropriations

Highway Trust Fund revenues are appropriated in accordance with funding formulas set out in G.S. 136-176. These appropriations are depicted in Table 14.

Table 14

Highway Trust Fund Appropriations, 1999-2001

	<u>1998-1999</u> <u>Authorized</u>	<u>1999-2000</u> <u>Appropriation</u>	<u>2000-2001</u> <u>Appropriation</u>
Department of Transportation:			
Maximum Allowance for Administration	\$ 27,215,955	\$ 28,768,082	\$ 30,128,464
Construction Allocation:			
Intrastate System	377,292,874	401,102,481	419,674,677
Urban Loop System	152,561,525	162,189,139	169,698,962
Secondary Roads	73,306,823	75,899,292	78,524,234
State Aid to Municipalities	39,586,823	42,085,006	44,033,663
Transfer to the General Fund (1)	<u>170,000,000</u>	<u>170,000,000</u>	<u>170,000,000</u>
Total Highway Trust Fund	<u><u>\$ 839,964,000</u></u>	<u><u>\$ 880,044,000</u></u>	<u><u>\$ 912,060,000</u></u>

(1) Transfer required by G.S. 105-187.9.

Department of Transportation Budgeted Revenues, 1999-2000

**Highway
Fund
\$1,149.5 M**

Truck licenses	\$ 56.0 M
Staggered vehicle registration fees	\$ 140.9 M
Motor Fuels Tax	\$ 790.5 M
Driver license fees	\$ 73.1 M
Motor Vehicle Inspection fees	\$ 4.2 M
International Registration Plan fees	\$ 48.1 M
Highway Usage registration fees	\$ 0.30 M
Other taxes and fees	\$ 25.3 M
Interest on invested funds	\$ 11.1 M

*Does not include \$5,200,000 of unused funds from the 1998-99 fiscal year that were brought forward to 1999-2000.

**Highway
Trust Fund
\$880.0 M**

Title Fees	\$ 78.9 M
Motor Fuels Tax	\$ 258.2 M
Highway Use Tax	\$ 493.6 M
Interest on invested funds	\$ 36.9 M
Miscellaneous registration fees	\$ 12.4 M

**Federal
Funds
\$760.0 M**

Federal Highway Fund	\$ 733.1 M
Other Federal Funds	\$ 26.9 M

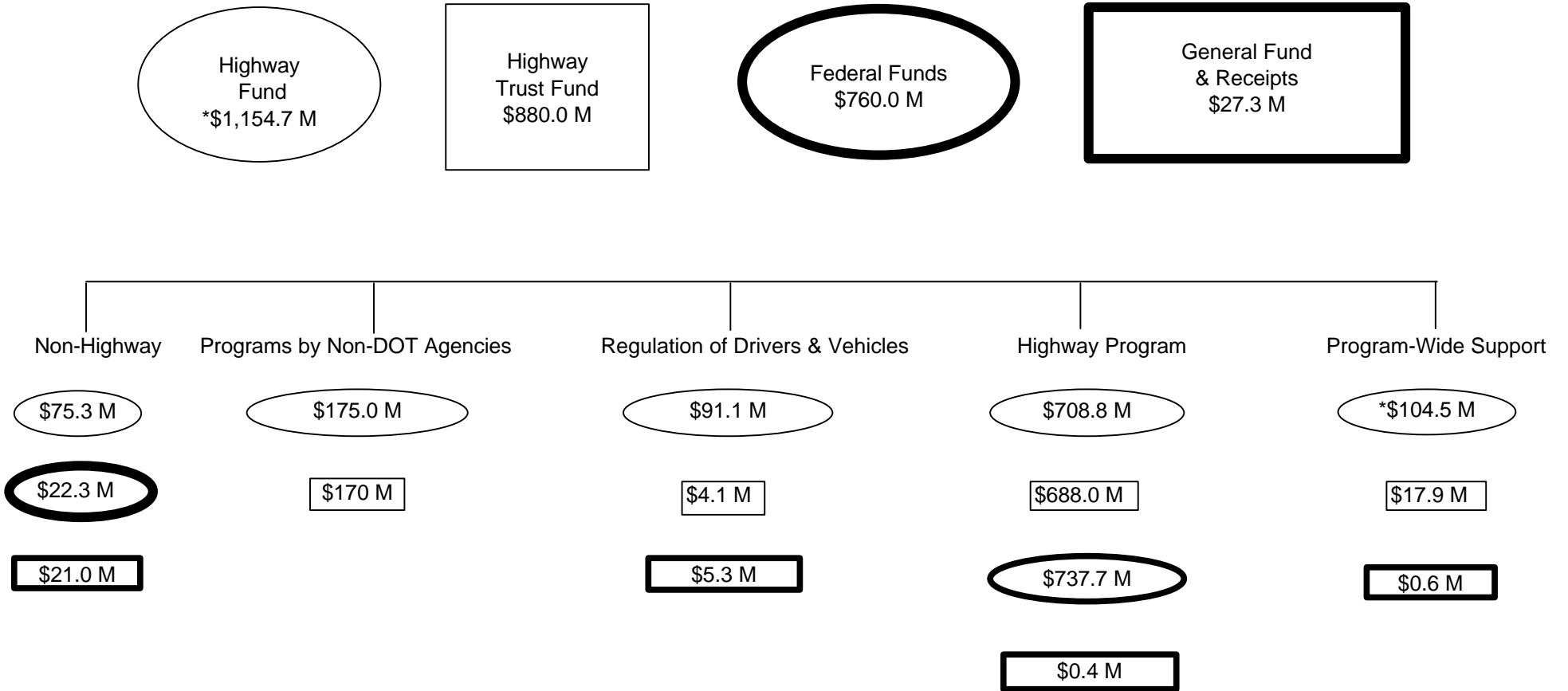
**General Fund
& Receipts
\$27.3 M**

General Fund	\$20.9 M
Other Receipts	\$ 6.4 M

*Does not include \$5.2 million reversion from FY 98-99

TOTAL BUDETED REVENUES: \$ 2,816.8* Million

North Carolina Department of Transportation Budgeted Expenditures, 1999-2000



*Includes \$5.2 million brought forward from FY 98-99.

TOTAL BUDGETED EXPENDITURES: \$ 2,822.0* Million

Department of Transportation Budgeted Revenues, 2000-01

**Highway
Fund
\$1,194.4 M**

Truck licenses	\$ 57.3 M
Staggered vehicle registration fees	\$ 144.5 M
Motor Fuels Tax	\$ 826.4 M
Driver license fees	\$ 74.5 M
Motor Vehicle Inspection fees	\$ 4.4 M
International Registration Plan fees	\$ 49.3 M
Highway Usage registration fees	\$ 0.30 M
Other taxes and fees	\$ 26.1 M
Interest on invested funds	\$ 11.6 M

**Highway
Trust Fund
\$912.1 M**

Title Fees	\$ 80.5 M
Motor Fuels Tax	\$ 268.6 M
Highway Use Tax	\$ 512.4 M
Interest on invested funds	\$ 38.0 M
Miscellaneous registration fees	\$ 12.6 M

**Federal
Funds
\$774.7 M**

Federal Highway Fund	\$ 747.8 M
Other Federal Funds	\$ 26.9 M

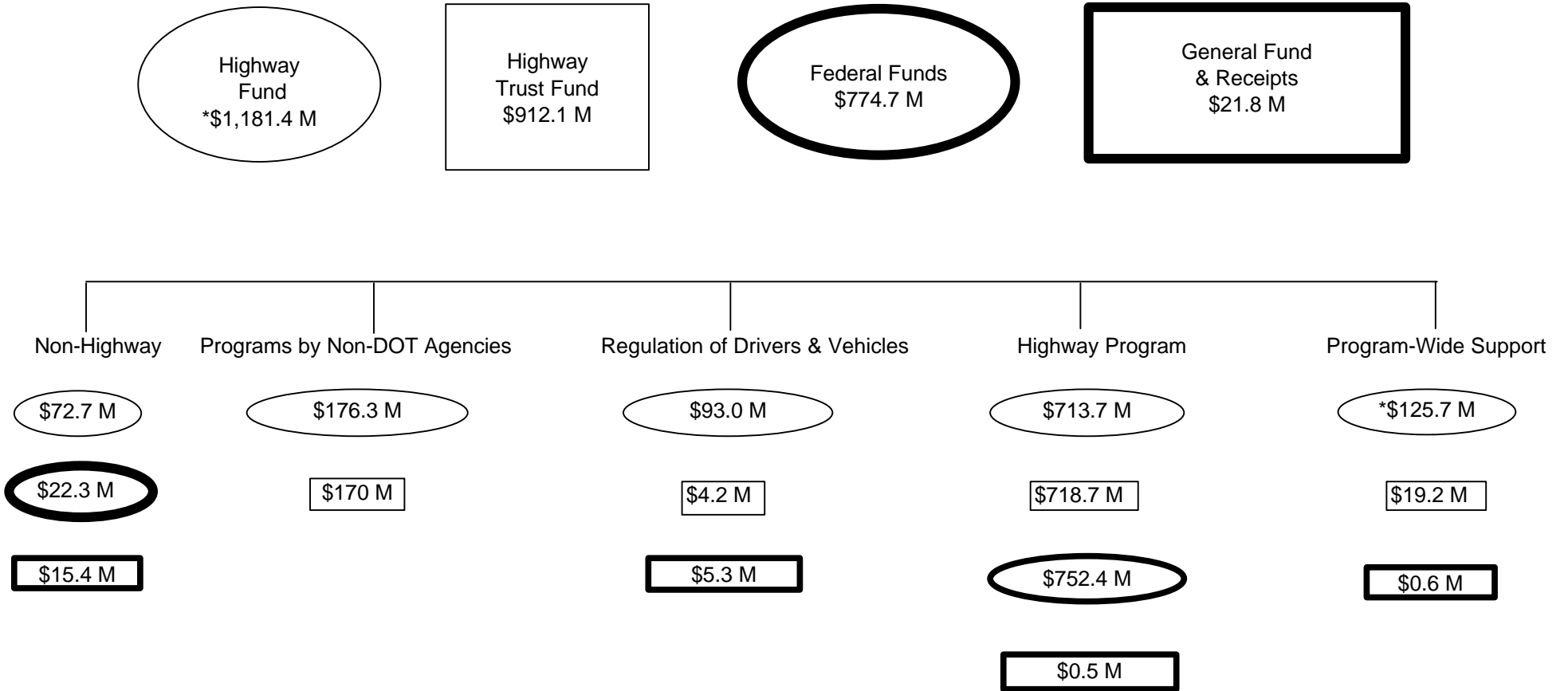
**General Fund
& Receipts
\$21.8 M**

General Fund	\$15.4 M
Other Receipts	\$ 6.4 M

*Includes \$13.0 million in unbudgeted revenue to support 2001-02 appropriation

TOTAL BUDGETED REVENUES: \$ 2, 822.0* Million

North Carolina Department of Transportation Budgeted Expenditures, 2000-01



*Does not include \$13.0 million unbudgeted revenue to support 2001-02.

TOTAL BUDGETED EXPENDITURES: \$2, 890.0* Million

Post-Legislative Budget Summary, 1999-2001

V. Compensation Increases

Seven and one-half percent (7.5%) funding was provided for a revised teacher salary schedule. School-based administrators (principals and assistant principals) received an average of 8% increase. In addition, principals and assistant principals are also eligible for an additional 1% increase if their schools exceeds projected levels of improvement in student performance and another 1% if the local plan for maintaining safe and orderly schools is deemed exemplary by the local board of education. Three percent funding was provided for all other state employees' effective July 1, 1999. The total reserve for 1999-2000 is \$397.6 million and for 2000-2001 is \$397.6 million. A reserve was funded for 1999-2000 at \$12.0 million and for 2000-2001 at \$12.0 million to provide a 3% compensation package for Highway Fund supported positions. The specific allocations for the distribution are reflected below:

	<u>1999-2000</u>	<u>2000-2001</u>
State Funded Compensation Increases		
Funding was provided to increase salaries of public school, community college and state employees. The percentage of salary increase by group is listed below:	\$ 397,600,000	\$ 397,600,000
A. Public Schools		
Teacher Salary Schedule - 7.5% Average Increase		
School-based Administrator Salary Schedule (Principals & Assistant Principals) - 8% Increase		
All other Public School Employees - 3% Increase		
B. Community College Employees		
All Community College Employees - 3% Average Increase		

Post-Legislative Budget Summary, 1999-2001
General Fund – Compensation Increases - Continued

	<u>1999-2000</u>	<u>2000-2001</u>
C. State Employees		
State employees and UNC system state employees subject to the State Personnel Act:		
2% Career Growth Award		
1% Cost of Living Adjustment		
State employees exempt from the State Personnel Act -		
3% Increase		
UNC system state employees exempt from the State Personnel Act -		
3% Average Increase		
State Agency Teachers -		
7.5% Average Increase		
<u>School of Science and Math Faculty -</u>		
7.5% Average Increase		
Highway Fund Employees		
A recurring 3% salary increase for fiscal years 1999-2000 and 2000-2001 was awarded to employees supported by Highway Funds that are subject to the State Personnel Act.		
	\$ 12,000,000	\$ 12,000,000

Compensation Bonus

The General Assembly appropriated \$16,400,000 from the General Fund and \$2,000,000 from the Highway Fund for the 1999-2000 fiscal year to grant a one time bonus of \$125 to each employee, with the exception of teachers and teaching faculty in the university and community college systems.

Teachers' and State Employees' Retirement System

The 1999 General Assembly enacted legislation to award persons who retired on or before July 1, 1998, and surviving beneficiaries a cost-of-living increase of 2.3%.

Post-Legislative Budget Summary, 1999-2001
General Fund – Compensation Increases - Continued

Retiree Health Premium Reserve

A one time reduction was enacted by the 1999 General Assembly to the Retiree Health Premium Reserve paid by the employer which will result in General Fund savings of \$144,000,000 and Highway Fund savings of \$7,000,000 in the 1999-2000 fiscal year.

The General Assembly also authorized a rate reduction for the Consolidated Judicial Retirement Contribution of \$900,000 for fiscal years 1999-2000 and 2000-2001.

Reserve for Salary Adjustment Fund for Employees Subject to the State Personnel Act

The Salary Adjustment Fund is a reserve established to enable the State Personnel Commission, through the normal classification process, to evaluate positions and to provide pay grade adjustments. The Salary Adjustment Fund is used to provide salary adjustments for classification changes and range revisions when a department does not have available salary reserve funds. A General Fund appropriation totaling \$500,000 was approved for the 1999-2000 fiscal year and \$1,000,000 was approved for the fiscal year 2000-2001.

Minimum Compensation for State Employees

The General Assembly created a reserve of \$100,000 in each year of the biennium to raise the minimum salary of permanent full-time state employees subject to the State Personnel Act to the income level for a family of four under the federal poverty guidelines. (Currently \$16,700).

Teachers and State Employees' Comprehensive Major Medical Health Plan

The General Assembly enacted legislation to increase funding from the General Fund for this plan by \$100,000,000 in fiscal year 1999-2000 and \$135,000,000 in fiscal year 2000-2001. The increase from the Highway Fund is \$5,000,000 for fiscal year 1999-2000 and \$7,000,000 for fiscal year 2000-2001. This increase will continue existing benefits in the State Employee Health Benefit Plan's self-insured indemnity program with continued full employer funding for employee and retiree individual premiums. The increase also supports the new cost of premiums provided to Health Maintenance Organizations (HMO).

Post-Legislative Budget Summary, 1999-2001
General Fund – Compensation Increases - Continued

Prescription Drug Card Program

The General Assembly enacted legislation implementing a prescription drug card program in the State Employee Health Benefits Plan's self-insured indemnity program effective January 2000. The program replaces the deductible and coinsurance amounts assessed to members of the program for outpatient prescription drugs with prescription co-payments paid by members to pharmacies at the time of purchase. For this program, the General Assembly appropriated \$10,000,000 for fiscal year 1999-2000, \$12,000,000 for fiscal year 2000-2001 from the General Fund, and \$1,000,000 for each fiscal year of the biennium from the Highway Fund.

Salary Reductions of Vacated Positions

The General Assembly created a reserve of \$12,709,439 by reducing the salaries of positions vacated due to retirement during fiscal year 1999-2000. This reduction excludes public school teachers, employees whose salaries are set by statute, and teaching faculty at university and community colleges.

Post-Legislative Budget Summary, 1999-2001

VI. Capital Improvement

Capital improvement appropriations are for construction of new facilities, repairs to existing facilities, land purchases, equipment purchases, and grants to local governments for improvements to infrastructure. The 1999 Session of the General Assembly appropriated funds from the General Fund totaling \$77,059,168 for capital projects in 1999-2000 in Chapter 237 of the 1999 Session Laws. The 1999 General Assembly also authorized capital projects totaling \$313,378,300 from non-General Fund sources available to institutions of the University of North Carolina. Additionally, the 1999 General Assembly authorized the transfer of \$150,000,000 to the Reserve for Repairs and Renovations fund for improvements to the state’s facilities. The total authorized from all sources for capital projects for the 1999-2000 fiscal year is \$540,437,468.

Of the \$77,059,168 appropriated from the General Fund by the 1999 General Assembly, \$20,000,000 is for the University of North Carolina System; \$14,500,000 for grants-in-aid to 58 existing community colleges for purposes of capital improvements or land acquisition; \$9,245,000 for water resources projects; \$6,000,000 for the State Port facilities at Morehead City and Wilmington; \$4,000,000 for the Natural Science Museum for facility upfit and preparation of exhibits; and \$2,000,000 for construction of Division of Forestry county headquarters to be located at several sites throughout the state. The \$150 million appropriated for repairs and renovations will be allocated for specific projects by the Office of State Budget and Management and the Board of Governors of the University of North Carolina after consultation with the Joint Legislative Commission on Governmental Operations.

GENERAL FUND

Department of Administration

	<u>1999-2000</u>
1. Indian Cultural Center - Reserve for Land Acquisition	\$ 250,000
Total – Department of Administration	\$ 250,000

Department of Agriculture and Consumer Services

1. Multipurpose Building on State Fairgrounds- Reserve for Construction.	\$ 9,500,000
2. Eastern Agriculture Center – Continued Development.	1,000,000
3. Western North Carolina Farmers Market – Expansion of the Small Dealers Building.	250,000
4. Southeastern Farmers Market and Agriculture Center – Continued Development.	500,000
5. Vernon James Research & Extension Center – Phase II of the Headhouse-Greenhouse project.	<u>827,168</u>
Total – Department of Agriculture and Consumer Services	\$ 12,077,168

Post-Legislative Budget Summary, 1999-2001
Capital Improvement - Continued

Community Colleges

1999-2000

1. Community College Grants – Grant-in-aid of \$250,000 to each of 58 existing community colleges for purposes of capital improvements or land acquisition. These funds are not subject to a matching requirement.	\$ <u>14,500,000</u>
Total – Community Colleges	\$ 14,500,000

Department of Cultural Resources

1. Museum of Art – Expansion and Renovation – Continued development of the expansion and renovation of the North Carolina Museum of Art.	\$ <u>1,000,000</u>
Total – Department of Cultural Resources	\$ 1,000,000

Department of Environment and Natural Resources

1. Water Resources Development Projects – Provides state match for civil works projects, including the Wilmington Harbor Deepening Project.	\$ 9,245,000
2. Museum of Natural Sciences - Funds for facility upfit and preparation of exhibits.	4,000,000
3. Forest Resources – Reserve for construction of Division of Forestry county headquarters. Projects are to be identified by the department in accordance with needs priority.	2,000,000
4. Museum of Forestry- Capital funds for the Museum of Forestry in Columbus County.	<u>250,000</u>
Total – Department of Environment and Natural Resources	\$ 15,495,000

Department of Health and Human Services

1. Eastern Vocational Rehabilitation Facility in Goldsboro- Supplement for repairs and renovations.	\$ 2,000,000
2. Whitaker School- Construction.	<u>5,400,000</u>
Total – Department of Health and Human Services	\$ 7,400,000

North Carolina State Ports Authority

1. Port Facilities – Continue ports facilities development in accordance with Ports Authority schedule of priorities.	\$ <u>6,000,000</u>
Total - North Carolina State Ports Authority	\$ 6,000,000

Post-Legislative Budget Summary, 1999-2001
Capital Improvement - Continued

Office of State Budget and Management

1999-2000

1. Reserve for Repairs and Renovations	\$ <u>81,000,000</u>
Total - Office of State Budget and Management	\$ 81,000,000

Office of Juvenile Justice

1. Stonewall Jackson School – Demolition and removal of old homes on confined grounds	\$ <u>337,000</u>
Total - Office of Juvenile Justice	\$ 337,000

University of North Carolina – Board of Governors

1. Focused Enrollment Growth Capital – Supplemental Funds to meet repair and renovation needs on campuses with planned high enrollment growth	\$ 20,000,000
2. Reserve for Repairs and Renovations	69,000,000
3. University of North Carolina at Chapel Hill- Teaching Research Building – School of Public Health	
Requirements	\$ 25,598,300
Less Self - Liquidating Sources	<u>25,598,300</u>
Appropriation	-
4. University of North Carolina at Chapel Hill- Addition to Carrington Hall – School of Nursing	
Requirements	\$ 7,904,000
Less Self – Liquidating Sources	<u>7,904,000</u>
Appropriation	-
5. University of North Carolina at Chapel Hill- Residence Halls for 1,000 Students	
Requirements	\$ 42,067,500
Less Self – Liquidating Sources	<u>42,067,500</u>
Appropriation	-
6. University of North Carolina at Chapel Hill- Medical School Office Building	
Requirements	\$ 33,677,000
Less Self – Liquidating Sources	<u>33,677,000</u>
Appropriation	-

Post-Legislative Budget Summary, 1999-2001
Capital Improvement - Continued

1999-2000

7.	University of North Carolina at Chapel Hill- Acquisition of Chapel Hill North Office Building	Requirements	\$ 6,200,000	
		Less Self - Liquidating Sources	<u>6,200,000</u>	
		Appropriation		\$ -
8.	University of North Carolina at Chapel Hill- Airport Drive Office Building	Requirements	\$ 7,005,200	
		Less Self - Liquidating Sources	<u>7,005,200</u>	
		Appropriation		-
9.	North Carolina State University - Central Stores Surplus Warehouse Expansion	Requirements	\$ 4,185,400	
		Less Self - Liquidating Sources	<u>4,185,400</u>	
		Appropriation		-
10.	North Carolina State University - Academic and Practice Facility	Requirements	\$ 22,071,100	
		Less Self - Liquidating Sources	<u>22,071,100</u>	
		Appropriation		-
11.	North Carolina State University - East Campus Dining Facility	Requirements	\$ 3,134,800	
		Less Self - Liquidating Sources	<u>3,134,800</u>	
		Appropriation		-
12.	University of North Carolina at Greensboro - High-Rise Residence Hall Roof Replacements	Requirements	\$ 737,500	
		Less Self - Liquidating Sources	<u>737,500</u>	
		Appropriation		-
13.	University of North Carolina at Greensboro - Residence Hall Data Wiring and Electrical Renovations	Requirements	\$ 4,525,000	
		Less Self - Liquidating Sources	<u>4,525,000</u>	
		Appropriation		-
14.	University of North Carolina at Greensboro - Elliott University Center Renewal and Bookstore/Food Court Addition	Requirements	\$ 22,000,000	
		Less Self - Liquidating Sources	<u>22,000,000</u>	
		Appropriation		-
15.	University of North Carolina at Charlotte - Bookstore	Requirements	\$ 4,099,200	
		Less Self - Liquidating Sources	<u>4,099,200</u>	
		Appropriation		-

Post-Legislative Budget Summary, 1999-2001
Capital Improvement - Continued

		<u>1999-2000</u>
16.	University of North Carolina at Charlotte – Cone Center Renovations	
	Requirements	\$ 4,473,400
	Less Self - Liquidating Sources	<u>4,473,400</u>
	Appropriation	\$ -
17.	University of North Carolina at Charlotte – Parking Deck ‘F’	
	Requirements	\$ 8,223,400
	Less Self - Liquidating Sources	<u>8,223,400</u>
	Appropriation	-
18.	University of North Carolina at Asheville – New Residence Hall	
	Requirements	\$ 5,699,700
	Less Self - Liquidating Sources	<u>5,699,700</u>
	Appropriation	-
19.	University of North Carolina at Asheville – North Carolina Center for Creative Retirement	
	Requirements	\$ 3,471,600
	Less Self – Liquidating Sources	<u>3,471,600</u>
	Appropriation	-
20.	University of North Carolina at Wilmington – Housing for 200 Students	
	Requirements	\$ 8,043,900
	Less Self - Liquidating Sources	<u>8,043,900</u>
	Appropriation	-
21.	University of North Carolina at Wilmington – University Union Addition and Renovation	
	Requirements	\$ 7,615,000
	Less Self – Liquidating Sources	<u>7,615,000</u>
	Appropriation	-
22.	Western Carolina University – Hinds University Center Addition	
	Requirements	\$ 4,904,200
	Less Self – Liquidating Sources	<u>4,904,200</u>
	Appropriation	-
23.	Western Carolina University – New Student Housing (300 Beds)	
	Requirements	\$ 14,480,600
	Less Self – Liquidating Sources	<u>14,480,600</u>
	Appropriation	-
24.	Western Carolina University – Housing for Students with Families (20 units)	
	Requirements	\$ 1,476,300
	Less Self - Liquidating Sources	<u>1,476,300</u>
	Appropriation	-

Post-Legislative Budget Summary, 1999-2001
Capital Improvement - Continued

1999-2000

25.	Appalachian State University – Athletic Facilities		
	Requirements	\$ 6,241,500	
	Less Self – Liquidating Sources	<u>6,241,500</u>	
	Appropriation		\$ -
26.	Appalachian State University – Improvements to Student Residence Facilities		
	Requirements	\$ 9,417,000	
	Less Self - Liquidating Sources	<u>9,417,000</u>	
	Appropriation		-
27.	Appalachian State University – Central Campus Parking Deck		
	Requirements	\$ 9,169,400	
	Less Self - Liquidating Sources	<u>9,169,400</u>	
	Appropriation		-
28.	Appalachian State University – Plemmons Student Union Interior/Exterior Renovations		
	Requirements	\$ 4,046,700	
	Less Self - Liquidating Sources	<u>4,046,700</u>	
	Appropriation		-
29.	Appalachian State University – Bookstore Renovations		
	Requirements	\$ 2,250,000	
	Less Self - Liquidating Sources	<u>2,250,000</u>	
	Appropriation		-
30.	Elizabeth City State University – Renovation of Residence Halls		
	Requirements	\$ 2,050,000	
	Less Self - Liquidating Sources	<u>2,050,000</u>	
	Appropriation		-
31.	East Carolina University – Materials Warehouse		
	Requirements	\$ 2,900,300	
	Less Self - Liquidating Sources	<u>2,900,300</u>	
	Appropriation		-
32.	East Carolina University – Jones Hall Renovations and College Hill Central Chiller Plant		
	Requirements	\$ 18,544,200	
	Less Self – Liquidating Sources	<u>18,544,200</u>	
	Appropriation		-
33.	East Carolina University – Strength and Conditioning Center		
	Requirements	\$ 8,587,000	
	Less Self – Liquidating Sources	<u>8,587,000</u>	
	Appropriation		-

Post-Legislative Budget Summary, 1999-2001
Capital Improvement – Continued

1999-2000

34. North Carolina A&T State University –Williams Cafeteria Renovation and Expansion		
Requirements	\$ 8,579,100	
Less Self - Liquidating Sources	<u>8,579,100</u>	
Appropriation		-
Total University of North Carolina – Board of Governors		\$ 89,000,000
GRAND TOTAL – GENERAL FUND		<u>\$227,059,168</u>

Post-Legislative Budget Summary, 1999-2001

VII. Grants to Non-State Agencies

A. Special Appropriations

<u>Recipient/Description</u>	<u>1999-2000</u>	<u>2000-2001</u>
North Carolina Humanities Council Funds are appropriated to the North Carolina Humanities Council, a non-profit corporation, for the programs of the council.	\$ 100,000	\$ -
Western Carolina Women’s Coalition Funds are appropriated to support expansion of the regional network in the 25 westernmost counties among women and women’s organizations aimed at fostering communications and collaboration and building capacity for economic self-sufficiency, leadership, and service and to support a major Women’s Conference and Women’s Equity Day Event.	25,000	-
Special Events Funds Reserve created for the promotion of special events throughout the state.	500,000	-
Graveyard of the Atlantic Funds appropriated to match Federal funds for the Graveyard of the Atlantic.	750,000	-
Regional Soccer Funds Funds appropriated to match funds for regional soccer facilities in Cumberland County.	1,000,000	-
Community Learning Center A grant-in-aid was provided to the Community Learning Center, a non-profit organization, to expand their services in Wake County and the region.	<u>200,000</u>	<u>-</u>
Total – Grants to Non-State Agencies	<u>\$ 2,575,000</u>	<u>\$ -</u>

VIII. APPENDIX

**Post-Legislative Budget Summary, 1999-2001
Appendix - Continued**

**Appendix Table 1A
Condition of the General Fund
1974-1975 to 1998-1999
(Includes Federal Revenue Sharing and Anti-Recession Revenues)**

Fiscal Year	Beginning Balance July 1	Transfers From Reserves	Net Collections	Total Appropriation Expenditures	Reserve Transfers #	Ending Balance June 30
1974-75	\$ 108,532,052	- \$	1,597,146,807	\$ 1,721,068,968	- \$	56,609,891
1975-76	56,609,891	-	1,710,532,207	1,698,673,699	-	68,468,399
1976-77	68,468,399	-	2,018,349,566	1,935,935,992	-	150,882,006
1977-78	150,882,006	-	2,196,552,943	2,162,483,376	-	184,951,573
1978-79	184,951,573	-	2,486,968,295	2,484,341,660	-	187,578,208
1979-80	187,578,208	-	2,842,041,456	2,744,651,008	-	284,968,657
1980-81	284,968,657	-	3,023,812,433	3,154,154,198	-	154,626,892
1981-82	154,626,892	-	3,229,540,752	3,275,619,875	-	108,547,769
1982-83	108,547,769	-	3,405,116,476	3,440,694,342	-	72,969,903
1983-84	72,969,903	-	3,957,447,438	3,775,487,080	-	254,930,261
1984-85	254,930,261	-	4,527,147,566	4,401,980,073	-	380,097,754
1985-86	380,097,754	-	4,910,870,016	4,971,858,475	-	319,109,295 a)
1986-87	319,109,295	-	5,392,076,697	5,349,003,039	-	362,182,953
1987-88	362,182,953	-	5,804,527,342	5,773,774,887	-	392,935,408
1988-89	392,935,408	-	6,154,529,607	6,409,558,219	-	157,048,576
1989-90	157,048,576	-	6,988,406,667	6,923,212,860	-	222,242,383
1990-91	222,242,383	-	7,207,815,194	7,429,617,079	-	440,498
1991-92	440,498	-	7,817,050,946	7,652,318,443 b)	41,593,253	123,579,748
1992-93	123,579,748	-	8,292,796,568	7,879,046,057	191,332,565	345,997,694
1993-94	345,997,694	178,000,000	9,102,334,828	9,003,619,540	215,678,246	407,034,736
1994-95	407,034,736	269,932,954 c)	9,970,738,717	9,967,684,132	387,411,138	292,611,137
1995-96	292,611,137	153,100,000 d)	10,090,225,385	9,809,354,769	320,445,592 e)	406,136,161
1996-97	406,136,131	1,595,394 f)	10,933,860,552	10,466,775,861	556,126,043 g)	318,690,202
1997-98	318,690,202	174,544,955	11,727,128,530	11,436,138,797	268,994,402	515,230,488
1998-99	515,230,488	227,844,930	12,753,272,488	12,961,718,694	237,927,186	296,702,026

Reserve transfers for Savings Reserve, Repair and Renovations Reserve, and Reserve for Tax Relief.

a) Funds in the amount of \$28,600,000 required to be reserved by the June 1986 Session in accordance with Section 44 of Chapter 791 of the 1985 Session Laws are included in this figure.

b) This number excludes \$400,000 transferred to the Savings Reserve account for 1991-1992 as appropriated.

c) This number includes the Reserve for Disproportionate Share \$209,932,954 and \$60,000,000 authorized for Repairs and Renovations.

d) This number includes the Reserve for Tax Relief \$28,100,000 and \$125,000,000 authorized for Repairs and Renovations.

e) The number includes \$130 million for Repair and Renovations, \$77,342,025 Savings Reserve, \$25 million Federal Retiree Refund, \$1.2 Federal Retiree Refund Administration, \$47.1 million Clean Water Management, \$39,519,567 Capital Improvements, and \$284,000 library grants.

f) Reserve for Disproportionate Share.

g) This number includes \$115,510,195 for Disaster Relief, \$174,260,955 for Repair and Renovations, 49,354,893 for Clean Water Management, \$156 million for Intangibles Tax Refunds, and \$61 million for the Railroad Purchase Reserve.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 1B
Condition of the Highway Fund
1974-1975 to 1998-1999
(Includes Federal Aid Participation)

Fiscal Year	Beginning Balance July 1	Net Collections*	Total Appropriation Expenditures	Ending Balance June 30
1974-75	\$ 110,948,079	\$ 672,255,228	\$ 628,849,033	\$ 154,354,274
1975-76	154,354,274	493,536,624	550,259,908	97,630,990
1976-77	97,630,990	692,175,363	623,935,040	165,871,313
1977-78	165,871,313	613,161,176	676,460,378	102,572,111
1978-79	102,572,111	698,424,160	681,582,831	119,413,440
1979-80	119,413,440	688,864,174	696,345,679	111,931,935
1980-81	111,931,935	666,935,631	612,035,936	166,831,612
1981-82	166,831,612	729,968,258	674,034,180	222,765,690
1982-83	222,765,690	862,394,389	762,384,819	322,775,260
1983-84	322,775,260	918,012,956	945,996,357	294,791,859
1984-85	294,791,859	1,053,678,404	1,041,253,080	307,217,183
1985-86	307,217,183	1,016,891,045	1,031,831,352	292,276,879
1986-87	292,276,879	1,190,806,504	1,169,873,310	313,210,073
1987-88	313,210,073	1,232,282,636	1,222,631,851	322,860,858
1988-89	322,860,858	1,409,839,386	1,315,847,645	416,852,599
1989-90	416,852,599	1,232,848,473	1,345,684,467	304,016,605
1990-91	304,016,605	1,399,958,822	1,351,535,540	352,439,887
1991-92	352,439,887	1,605,877,793	1,528,101,820	430,215,860
1992-93	430,215,860	1,697,651,523	1,770,759,812	357,107,571
1993-94	357,107,571	1,752,701,588	1,747,469,878	362,339,281
1994-95	362,339,281	1,619,505,085	1,748,159,076	233,685,290
1995-96	233,685,290	1,851,464,315	1,773,223,724	311,925,881
1996-97	311,925,881	2,310,485,801	2,429,520,589	192,891,093
1997-98	192,891,093	2,206,983,140	2,099,049,223	300,825,010
1998-99	300,825,010	2,301,524,041	2,142,510,030	459,839,021

*Includes Local Aid Participation and Interfund Transfers.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 1C
Condition of the Highway Trust Fund
1989-1990 to 1998-1999

Fiscal Year	Beginning Balance July 1	Total Revenue and Other Sources	Contracting Authorization From Future Years Cash Flow	Total Appropriation Expenditures*	Ending Balance June 30
1989-90	\$ -	\$ 243,893,008	\$ -	\$ 204,692,423	\$ 39,200,585
1990-91	39,200,585	286,946,282	137,223,500	434,021,519	29,348,848
1991-92	29,348,848	537,809,797	(79,055,757)	428,739,384	59,363,504
1992-93	59,363,504	574,157,887	(37,617,743)	501,440,081	94,463,567
1993-94	94,463,567	645,111,384	45,600,000	648,731,304	136,443,647
1994-95	136,443,647	689,536,522	50,150,000	771,874,365	104,255,804
1995-96	104,255,804	813,462,828	45,800,000	718,955,090	152,963,542
1996-97	152,963,542	1,011,488,313	119,185,000	943,081,732	102,185,123
1997-98	102,185,123	935,138,876	62,740,759	828,875,931	145,707,309
1998-99	145,707,309	803,338,157	30,421,905	760,821,140	218,646,231

*Expenditures include all interfund transfers for both Highway and General Funds.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 1D
Analysis of Federal Revenue Sharing
and Anti-Recession Revenues
1974-1975 to 1986-1987

(Included in the Condition of the General Fund)

Fiscal Year	Beginning Balance July 1	Net Collections	Total Appropriation Expenditures	Ending Balance June 30
1974-75	\$ 5,834,164	\$ 53,049,755	\$ 57,200,000	\$ 1,683,919
1975-76	1,683,919	62,454,307	53,493,619	10,644,607
1976-77	10,644,607	65,775,566	67,080,962	9,339,211
1977-78	9,339,211	61,731,759	65,100,357	5,970,613
1978-79	5,970,613	56,413,983	62,514,051	129,455
1979-80	129,455	56,781,692	56,911,047	100
1980-81	100	28,391,909	28,391,897	112
1981-82	112	262,403	262,515	-
1982-83	-	1,273,723	-	1,273,723
1983-84	1,273,723	129,926	-	1,403,649
1984-85	1,403,649	52,895	1,456,544	-
1985-86	-	-	-	-
1986-87	-	-	-	-

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 1E
Schedule of Savings Reserve Account Balance
1990-1991 to 1998-1999

Fiscal Year	Beginning Balance July 1	Authorized Transfer	Authorized Reserve for Current Year	Ending Balance June 30
1990-91	\$ 141,000,000	\$ (141,000,000) a)	\$ -	\$ -
1991-92	400,000	-	41,193,253	41,593,253
1992-93	41,593,253	-	134,332,565	175,925,818
1993-94	175,925,818	(121,000,000) b)	155,678,246	210,604,064
1994-95	210,604,064	146,305,569	66,700,000 c)	423,609,633
1995-96	423,609,633	-	77,342,026	500,951,659
1996-97	500,951,659	-	-	500,951,659
1997-98	500,951,659	-	21,568,903	522,520,562
1998-99	522,520,562	-	- d)	522,520,562
1999-00	522,520,562	(200,000,000) e)	-	322,520,562

a) The General Assembly appropriated \$141.0 million; the reserve was used to balance a shortfall revenue in 1990-1991.

b) The 1993 Session of the General Assembly authorized the transfer of reserves to support appropriation for the June 30 payroll restoration.

c) The 1993 Session of the General Assembly (1994 Short Session) appropriated \$66.7 million to the reserve.

d) The 1999 Session of the General Assembly fixed the balance of the reserve at the previous year level for 1998-1999 only .

e) The 1999 Session of the General Assembly authorized the use of these funds to pay the first installment of the Intangibles Tax liability.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 1F
Schedule of Reserve for Repairs and Renovations
1992-1993 to 1998-1999

Fiscal Year	Beginning Balance July 1	Authorized Transfer	Authorized Reserve for Current Year	Ending Balance June 30
1992-93	\$ -	\$ -	\$ 57,000,000	\$ 57,000,000
1993-94	57,000,000	(57,000,000)	60,000,000	60,000,000
1994-95	60,000,000	(60,000,000)	146,305,569	146,305,569
1995-96	146,305,569	(125,000,000)	130,000,000	151,305,569
1996-97	151,305,569	(151,305,569) a)	174,260,955	174,260,955
1997-98	174,260,955 b)	(174,260,955)	145,000,000	145,000,000
1998-99	145,000,000	(145,000,000)	150,000,000	150,000,000
1999-00	150,000,000	(150,000,000)		

a) Repair and Renovations of \$130 million and the balance was authorized for special appropriations.

b) Includes \$135 million by provision of G.S. 143-15.3A and \$39,260,955 by special provision of the General Assembly.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 1G
Schedule of Reserve for Disproportionate Share Receipts
1993-1994 to 1998-1999

Fiscal Year	Beginning Balance July 1	Authorized Revenue and/or Reserve Transfer	Current Year Collections	Authorized Reserve for Current Year	Ending Balance June 30
1993-94	\$ -	\$ 93,200,000	\$ 303,132,954	\$ 209,932,954	\$ 209,932,954
1994-95	209,932,954	303,932,954	95,595,394	1,595,394	1,595,394
1995-96	1,595,394	106,900,000	76,013,459 a)	-	1,595,394
1996-97	1,595,394	103,595,394	100,843,546	-	-
1997-98 b)	-	-	35,447,111	35,447,111	35,447,111
1998-99	35,447,111	120,447,111	104,551,863	19,551,863	-
1999-00	19,551,863	124,551,863			

a) The collections for 1995-96 were \$30,886,541 below the authorized revenue.

The 1996 Extra Session of the General Assembly transferred the \$1,595,394 to availability, for the 1996-97 budget.

b) General Assembly appropriated 1997-98 receipts to the Department of Health and Human Services.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 1H
Reserve for Clean Water Management Trust Fund
1995-1996 to 1999-2000

Fiscal Year	Beginning Balance July 1	Authorized Transfer/Approp.	Authorized Reserve for Current Year	Ending Balance June 30
1995-96	\$ -	\$ -	\$ 47,100,000	\$ 47,100,000
1996-97	47,100,000	(47,100,000) ^{a)}	49,354,893	49,354,893
1997-98	49,354,893	(49,354,893)	47,397,819	47,397,819
1998-99	47,397,819	(47,397,819)	31,054,152	31,054,152
1999-00	31,054,152	(30,000,000)	1,054,152	

a) The Second Extra Session 1996 authorized the transfer of \$9.2 million of the Clean Water Management Trust Fund Reserve to the Wetlands Resortation Fund.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table II
Schedule of Reserve for Tax Relief
1994-1995 to 1995-1996

Fiscal Year	Beginning Balance July 1	Authorized Transfer	Authorized Reserve for Current Year	Ending Balance June 30
1994-95	\$ 28,100,000	\$ -	\$ -	\$ 28,100,000
1995-96	28,100,000	(28,100,000)	-	-

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 2
Total Authorized North Carolina State Budget, 1968-1969 to 2000-2001
(In Millions)

Fiscal Year	Operating	Capital Improvements	Local Tax Reimb. and Other	Budget Stabilization	Total
1968-69	\$ 1,318.6	\$ -	\$ -	\$ -	\$ 1,318.6
1969-70	1,686.8	129.8	-	-	1,816.6
1970-71	1,772.4	-	-	-	1,772.4
1971-72	2,089.8	148.4	-	-	2,238.2
1972-73	2,217.2	-	-	-	2,217.2
1973-74	2,635.7	242.2	-	-	2,877.9
1974-75	2,983.5	97.4	-	-	3,080.9
1975-76	3,205.7	41.9	-	-	3,247.6
1976-77	3,409.8	54.0	-	-	3,463.8
1977-78	3,901.7	75.6	-	-	3,977.3
1978-79	4,280.8	130.1	-	-	4,410.9
1979-80	4,877.9	153.8	-	-	5,031.7
1980-81	5,332.4	110.7	-	-	5,443.1
1981-82	5,720.9	31.8	-	-	5,752.8
1982-83	5,915.0	72.4	-	-	5,987.4
1983-84	6,602.9 1)	116.0	-	-	6,718.9
1984-85	7,203.6	234.1	-	-	7,437.7
1985-86	8,102.5	298.0	-	-	8,400.5
1986-87	8,622.3 2)	334.1 2)	-	-	8,956.4
1987-88	9,467.1	257.1	-	-	9,724.2
1988-89	10,093.5	316.9	-	-	10,410.4
1989-90	11,387.1	377.6	231.7	-	11,996.4
1990-91	12,027.2	294.6 3)	476.8	141.0	12,939.6
1991-92	12,892.7	242.6 4)	474.6	0.4	13,610.3
1992-93	13,997.3	274.6	236.8	-	14,508.7
1993-94	16,130.8 5)	374.0 6)	236.8	-	16,741.6
1994-95	17,320.5 5)	412.6	236.8	-	17,969.9
1995-96	17,600.6	456.0	-	-	18,056.6
1996-97 7)	18,662.2	1,118.0	-	-	19,780.2
1997-98 8)	19,923.4	1,201.4	-	-	21,124.8
1998-99 8)	21,300.7	883.5	447.4	-	22,631.6
1999-00 9)	22,784.3	877.1	629.0	-	24,290.4
2000-01 10)	23,613.9	300.0	-	-	23,913.9

- 1) Includes \$25.8 million transferred from the General Fund to the Highway Fund.
- 2) Includes emergency appropriation for the Department of Correction.
- 3) Includes \$75 million from legislative bonds.
- 4) Includes \$45 million from legislative bonds and \$112.5 million from prison bonds.
- 5) Includes \$214.2 million for June 1994 payroll restoration 1993-94/\$120 million for teacher payroll restoration 1994-95.
- 6) Includes \$87.5 million from prison bonds.
- 7) Includes \$4.7 million for community colleges from the 1997 Session of the General Assembly.
- 8) Includes public school bonds and highway bonds (\$700.0 million in 1997-98 and \$450.0 million in 1998-99).
- 9) Includes \$450.0 million for public school bonds in 1999-00 and \$200 million for Clean Water and Natural Gas Bonds.
- 10) Includes \$300 million for Clean Water and Natural Gas Bonds.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 3A
Total North Carolina State Budget by Function,
Department, and Source of Funds
1999-2000

Function	General Fund	Highway Fund #	Other	Federal	Total
General Assembly	\$ 34,980,575	\$ -	\$ 403,000	\$ -	\$ 35,383,575
Judicial	278,989,123	-	182,268	-	279,171,391
Judicial - Indigent Defense	59,147,106	-	6,125,379	-	65,272,485
General Government:					
Secretary of State	\$ 6,688,118	\$ -	\$ 317,063	\$ -	\$ 7,005,181
State Auditor	11,614,631	-	50	-	11,614,731
State Treasurer	6,810,844	-	627,630	-	7,438,474
State Treasurer - Special Contributions	12,294,780	150,000	-	-	12,444,780
Justice	73,551,122	-	5,669,803	923,588	80,144,513
Lieutenant Governor	640,485	-	-	-	640,485
Administrative Hearings	2,757,199	-	71,174	-	2,828,373
Rules Review Comm.	317,343	-	-	-	317,343
Governor's Office	5,263,364	-	171,738	-	5,435,102
Special Appropriations	5,655,000	-	-	-	5,655,000
State Budget & Mgmt.	4,146,118	-	18,500	-	4,164,618
State Planning	2,147,099	-	2,020,602	-	4,167,701
Housing Finance Agency	11,300,000	-	-	37,242,359	48,542,359
Revenue	79,267,984	3,018,692	1,000	-	82,287,676
Cultural Resources	69,888,077	-	1,825,779	4,846,242	76,560,098
Roanoke Island Commission	1,826,157	-	-	-	1,826,157
Administration	60,947,632	-	8,819,162	5,044,801	74,811,595
Administration-Central Mail	(1,000,000)	-	-	-	(1,000,000)
State Controller	11,482,568	-	30,945	-	11,513,513
Subtotal General Government	\$ 365,598,521	\$ 3,168,692	\$ 19,573,446	\$ 48,056,990	\$ 436,397,699
Public Safety and Regulation:					
Labor	\$ 16,469,251	\$ -	\$ 3,201,501	\$ 5,094,504	\$ 24,765,256
Insurance	22,008,763	-	27,568,810	942,085	50,519,658
Insurance - GF Direct	4,500,000	-	-	-	4,500,000
Commerce	47,098,448	-	25,847,474	202,960,581	275,906,503
State Aid to Nonstate Entities	28,096,251	-	-	-	28,096,251
Information Tech. Svc.	3,596,000	-	-	-	3,596,000
Crime Control & Public Safety	36,793,919	121,285,445	6,193,613	40,941,343	205,214,320
State Board of Elections	3,199,660	-	2,500	-	3,202,160
Special Boards & Commissions	-	-	2,907,184	-	2,907,184
Subtotal Public Safety and Regulation	\$ 161,762,292	\$ 121,285,445	\$ 65,721,082	\$ 249,938,513	\$ 598,707,332
Correction	\$ 891,179,444	\$ -	\$ 6,954,124	\$ 1,100,000	\$ 899,233,568
Juvenile Justice	\$ 136,063,737	\$ -	\$ 4,385,099	\$ 950,674	\$ 141,399,510

Appendix Table 3A - Continued

Post-Legislative Budget Summary, 1999-2001
Appendix Table 3A - Continued

Function	General Fund	Highway Fund #	Other	Federal	Total
Education:					
Public Education*	\$ 5,502,497,934	\$ 25,926,243	\$ 14,645,469	\$ 490,176,132	\$ 6,033,245,778
Community Colleges	579,803,851	-	94,173,212	7,568,106	681,545,169
Universities:					
UNC - General Adm.	\$ 41,659,202	\$ -	\$ 15,500	\$ -	\$ 41,674,702
Lump Sum	94,684,274	-	7,759,492	-	102,443,766
Related Education	85,975,006	-	-	550,000	86,525,006
UNC at Chapel Hill					
Academic	177,293,233	-	76,341,152	246,671	253,881,056
Health Affairs	144,910,088	-	18,257,503	-	163,167,591
AHEC	44,094,068	-	-	-	44,094,068
N.C. State University					
Academic	234,331,766	-	72,979,499	141,312	307,452,577
Agricultural Research	45,549,404	-	2,001,100	7,540,269	55,090,773
Agricultural Extension	36,031,921	-	358,700	16,269,927	52,660,548
UNC at Greensboro	78,810,304	-	24,465,263	63,291	103,338,858
UNC at Charlotte	83,166,903	-	30,283,105	80,000	113,530,008
UNC at Asheville	22,017,704	-	4,532,299	10,400	26,560,403
UNC at Wilmington	49,957,856	-	18,961,295	71,575	68,990,726
East Carolina University					
Academic	101,589,323	-	35,060,893	145,900	136,796,116
Health Affairs	41,109,992	-	4,748,000	-	45,857,992
N. C. A&T State Univ.	53,492,454	-	16,260,557	58,714	69,811,725
Western Carolina Univ.	47,364,534	-	11,950,539	105,608	59,420,681
Appalachian State Univ.	72,063,889	-	24,100,603	77,725	96,242,217
UNC at Pembroke	20,456,907	-	3,541,735	24,818	24,023,460
Winston-Salem State Univ.	24,000,509	-	3,647,551	74,805	27,722,865
Elizabeth City State Univ.	19,279,750	-	2,893,578	48,400	22,221,728
Fayetteville State Univ.	25,992,535	-	5,909,365	99,018	32,000,918
N. C. Central University	39,206,985	-	10,357,482	108,431	49,672,898
N. C. School of Arts	14,463,446	-	5,636,229	9,550	20,109,225
N. C. School of Science & Math	10,391,245	-	303,920	-	10,695,165
UNC Hosp. - Chapel Hill	36,351,025	-	423,249,124	-	459,600,149
Subtotal Universities	\$ 1,644,244,323	\$ -	\$ 803,614,484	\$ 25,726,414	\$ 2,473,585,221
Total Education	\$ 7,726,546,108	\$ 25,926,243	\$ 912,433,165	\$ 523,470,652	\$ 9,188,376,168
Transportation	\$ 20,973,881	\$ 1,690,882,668	\$ 6,385,556	\$ 774,677,444	\$ 2,492,919,549
Health and Human Services					
Admin. and Supp.	\$ 93,086,130	\$ -	\$ 985,913	\$ 35,126,686	\$ 129,198,729
Aging	30,042,117	-	8,415,921	27,196,934	65,654,972
Child Development	286,012,727	-	56,000	222,221,952	508,290,679
Services for Deaf and Hard of Hearing	31,604,083	-	248,905	89,362	31,942,350
Public Health	133,361,183	419,644	4,254,739	216,708,552	354,744,118
Social Services	152,394,120	-	420,602,620	589,658,565	1,162,655,305
Medical Assistance	1,348,453,847	-	249,493,442	2,984,981,294	4,582,928,583
N.C. Health Choice	22,092,346	-	1,577,463	62,958,417	86,628,226
Services for the Blind	17,462,992	-	1,481,311	13,161,061	32,105,364
Mental Health/DD/SAS	614,290,187	-	41,185,243	83,792,315	739,267,745
Facility Services	10,935,164	-	547,908	7,245,411	18,728,483
Vocational Rehab.	39,041,887	-	1,883,596	61,608,109	102,533,592
Subtotal Human Res.	\$ 2,778,776,783	\$ 419,644	\$ 730,733,061	\$ 4,304,748,658	\$ 7,814,678,146

Appendix Table 3A - Continued

Post-Legislative Budget Summary, 1999-2001
Appendix Table 3A - Continued

<u>Function</u>	<u>General Fund</u>	<u>Highway Fund</u> #	<u>Other</u>	<u>Federal</u>	<u>Total</u>
Environment & Natural Res.	\$ 156,016,907	\$ 6,829,812	\$ 77,204,641	\$ 41,848,425	\$ 281,899,785
Agriculture & Consumer Serv.	56,813,419	3,421,496	17,659,738	6,315,957	84,210,610
Debt Service	193,066,878	-	51,000,000	-	244,066,878
Reserves:					
Contingency & Emergency	\$ 1,125,000	\$ -	\$ -	\$ -	1,125,000
Compensation Increase	221,357,320	25,668,715	-	-	247,026,035
Compensation Bonus	16,400,000	-	-	-	16,400,000
All Other St. Employees		2,000,000	-	-	2,000,000
Salary Adjustments	3,944,303	200,000	-	-	4,144,303
Welfare Reform	412,503	-	-	-	412,503
SPA Minimum Salary	100,000	-	-	-	100,000
Positions Vacated by Retiree	(12,709,439)	-	-	-	(12,709,439)
Retirement Adjustment	(144,000,000)	(7,000,000)	-	-	(151,000,000)
AOC Retirement Rate	(900,000)	-	-	-	(900,000)
State Health Plan	110,000,000	6,000,000	-	-	116,000,000
Subtotal Reserves	\$ 195,729,687	\$ 26,868,715	\$ -	\$ -	222,598,402
Total Current Operation	\$ 13,055,644,461	\$ 1,878,802,715	\$ 1,898,760,559	\$ 5,951,107,313	\$ 22,784,315,098
Bailey/Emory Patton	399,000,000				399,000,000
Intangibles Tax Settlement	200,000,000				200,000,000
Clean Water Management Trst	30,000,000				30,000,000
Capital Improvement R&R	150,000,000				150,000,000
Capital Improvement Approp.	77,059,168				77,059,168
General Obligation Bonds	650,000,000	-	-	-	650,000,000
Grand Total	\$ 14,561,703,629	1,878,802,715	\$ 1,898,760,559	\$ 5,951,107,313	\$ 24,290,374,216

#Highway Fund and Highway Trust Fund is reduced to reflect transfers to General Fund (\$183,600,000)

* Appropriation for Public School Teachers included in Public Education (\$239,870,258).

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 3B
Total North Carolina State Budget by Function,
Department, and Source of Funds
2000-2001

Function	General Fund	Highway Fund	Other	Federal	Total
General Assembly	\$ 39,518,408	\$ -	\$ 403,000	\$ -	\$ 39,921,408
Judicial	279,564,478	-	182,268	-	279,746,746
Judicial - Indigent Defense	64,193,626	-	6,125,379	-	70,319,005
General Government:					
Secretary of State	\$ 6,455,933	\$ -	\$ 317,063	\$ -	\$ 6,772,996
State Auditor	11,608,041	-	50	-	11,608,141
State Treasurer	6,568,253	-	627,630	-	7,195,883
State Treasurer -					
Special Contributions	12,294,780	-	-	-	12,294,780
Justice	72,975,950	-	5,542,303	923,588	79,441,841
Lieutenant Governor	640,485	-	-	-	640,485
Administrative Hearings	2,786,455	-	71,174	-	2,857,629
Rules Review Comm.	309,326	-	-	-	309,326
Governor's Office	5,282,172	-	172,447	-	5,454,619
Special Appropriations	3,080,000	150,000	-	-	3,230,000
State Budget & Mgmt.	4,247,782	-	18,500	-	4,266,282
State Planning	2,147,099	-	2,020,602	-	4,167,701
Housing Finance Agency	5,300,000	-	-	37,242,359	42,542,359
Revenue	75,755,633	3,018,692	1,000	-	78,775,325
Cultural Resources	58,182,464	-	1,822,779	4,766,048	64,771,291
Roanoke Island Commission	1,826,157	-	-	-	1,826,157
Administration	60,089,326	-	8,819,162	5,044,801	73,953,289
Administration-Central Mail	(1,500,000)	-	-	-	(1,500,000)
State Controller	11,488,315	-	30,945	-	11,519,260
Subtotal General Government	\$ 339,538,171	\$ 3,168,692	\$ 19,443,655	\$ 47,976,796	\$ 410,127,364
Public Safety and Regulation:					
Labor	\$ 16,369,251	\$ -	\$ 3,201,501	\$ 5,194,504	\$ 24,765,256
Insurance	21,599,037	-	27,073,282	942,085	49,614,404
Insurance - GF Direct	4,500,000	-	-	-	4,500,000
Commerce	43,745,365	-	25,847,474	172,661,099	242,253,938
State Aid to Nonstate Entities	17,096,251	-	-	-	17,096,251
Crime Control & Public Safety	36,269,969	121,745,269	4,988,938	40,990,105	203,994,281
State Board of Elections	3,199,660	-	2,500	-	3,202,160
Special Boards & Commissions	-	-	2,908,934	-	2,908,934
Subtotal Public Safety and Regulation	\$ 142,779,533	\$ 121,745,269	\$ 64,022,629	\$ 219,787,793	\$ 548,335,224
Correction	\$ 889,745,650	\$ -	\$ 6,954,124	\$ -	\$ 896,699,774
Juvenile Justice	\$ 140,090,649	\$ -	\$ 4,377,699	\$ 950,674	\$ 145,419,022

Appendix Table 3B - Continued

Post-Legislative Budget Summary, 1999-2001
Appendix Table 3B - Continued

Function	General		Highway		Other		Federal		Total	
	Fund		Fund	#						
Education:										
Public Education*	\$	5,517,388,506	\$	26,201,384	\$	14,495,469	\$	490,176,132	\$	6,048,261,491
Community Colleges		591,015,693		-		94,173,212		7,568,106		692,757,011
Universities:										
UNC - General Adm.	\$	42,077,020	\$	-	\$	7,500	\$	-	\$	42,084,520
Lump Sum		92,064,402		-		8,554,364		-		100,618,766
Related Education		88,964,245		-		-		550,000		89,514,245
UNC at Chapel Hill										
Academic		177,575,523		-		76,342,352		246,671		254,164,546
Health Affairs		145,843,687		-		18,260,703		-		164,104,390
AHEC		44,116,310		-		800		-		44,117,110
N.C. State University										
Academic		235,906,137		-		72,969,419		141,312		309,016,868
Agricultural Research		45,422,994		-		1,989,950		7,540,868		54,953,812
Agricultural Extension		35,969,822		-		359,200		16,269,927		52,598,949
UNC at Greensboro		79,052,368		-		24,465,263		63,291		103,580,922
UNC at Charlotte		83,378,506		-		30,283,105		80,000		113,741,611
UNC at Asheville		22,061,697		-		4,529,399		10,400		26,601,496
UNC at Wilmington		50,325,018		-		18,963,395		71,575		69,359,988
East Carolina University										
Academic		101,704,564		-		35,052,793		145,900		136,903,257
Health Affairs		44,107,886		-		1,748,000		-		45,855,886
N. C. A&T State Univ.		53,491,976		-		16,258,821		58,714		69,809,511
Western Carolina Univ.		47,539,139		-		11,950,539		105,608		59,595,286
Appalachian State Univ.		74,072,087		-		24,098,553		77,725		98,248,365
UNC at Pembroke		20,452,780		-		3,537,835		24,818		24,015,433
Winston-Salem State Univ.		24,147,742		-		3,643,851		74,805		27,866,398
Elizabeth City State Univ.		19,342,413		-		2,890,478		48,400		22,281,291
Fayetteville State Univ.		26,012,535		-		5,909,365		99,018		32,020,918
N. C. Central University		39,048,808		-		10,354,882		108,431		49,512,121
N. C. School of Arts		14,710,424		-		5,635,679		9,550		20,355,653
N. C. School of Science & Math		10,432,372		-		303,920		-		10,736,292
UNC Hosp. - Chapel Hill		39,042,772		-		449,694,332		-		488,737,104
Subtotal Universities	\$	1,656,863,227	\$	-	\$	827,804,498	\$	25,727,013	\$	2,510,394,738
Total Education	\$	7,765,267,426	\$	26,201,384	\$	936,473,179	\$	523,471,251	\$	9,251,413,240
Transportation	\$	15,434,165	\$	1,739,303,703	\$	6,385,556	\$	774,677,444	\$	2,535,800,868
Health and Human Services										
Admin. and Supp.	\$	89,806,803	\$	-	\$	985,913	\$	34,626,686	\$	125,419,402
Aging		29,792,117		-		8,332,587		27,196,934		65,321,638
Child Development		305,441,553		-		56,000		222,221,952		527,719,505
Services for Deaf and Hard of Hearing		31,989,549		-		260,005		89,362		32,338,916
Public Health		131,979,059		419,644		4,254,739		216,708,552		353,361,994
Social Services		188,788,166		-		434,019,859		598,054,699		1,220,862,724
Medical Assistance		1,539,549,270		-		281,633,230		3,239,891,608		5,061,074,108
N.C. Health Choice		25,509,475		-		1,609,012		71,966,548		99,085,035
Services for the Blind		17,455,155		-		1,480,811		13,165,043		32,101,009
Mental Health/DD/SAS		607,658,021		-		41,139,912		80,375,132		729,173,065
Facility Services		11,196,731		-		547,908		7,468,161		19,212,800
Vocational Rehab.		38,256,403		-		1,885,395		62,182,806		102,324,604
Subtotal Human Res.	\$	3,017,422,302	\$	419,644	\$	776,205,371	\$	4,573,947,483	\$	8,367,994,800

Post-Legislative Budget Summary, 1999-2001
Appendix Table 3B - Continued

Function	General Fund	Highway Fund #	Other	Federal	Total
Environment & Natural Res.	\$ 157,700,273	\$ 7,291,622	\$ 77,126,219	\$ 41,848,425	\$ 283,966,539
Agriculture & Consumer Serv.	54,146,601	3,339,686	17,612,838	6,001,009	81,100,134
Debt Service	291,865,498	-	16,500,000	-	308,365,498
Reserves:					
Contingency & Emergency	\$ 1,125,000	\$ -	\$ -	\$ -	1,125,000
Compensation Increase '98-99	221,357,320	25,668,715	-	-	247,026,035
Salary Adjustments	4,444,303	200,000	-	-	4,644,303
Welfare Reform	412,503	-	-	-	412,503
SPA Minimum Salary	100,000	-	-	-	100,000
Positions Vacated by Retiree	(12,709,439)	-	-	-	(12,709,439)
AOC Retirement Rate	(900,000)	-	-	-	(900,000)
State Health Plan	147,000,000	8,000,000	-	-	155,000,000
Subtotal Reserves	\$ 360,829,687	\$ 33,868,715	\$ -	\$ -	\$ 394,698,402
Total Current Operation	\$ 13,558,096,467	\$ 1,935,338,715	\$ 1,931,811,917	\$ 6,188,660,875	\$ 23,613,908,024
General Obligation Bonds	300,000,000	-	-	-	300,000,000
Grand Total	\$ 13,858,096,467	1,935,338,715	\$ 1,931,811,917	\$ 6,188,660,875	\$ 23,913,907,974

#Highway Fund and Highway Trust Fund is reduced to reflect transfers to General Fund (\$183,800,000).

* Appropriation for Public School Teachers salary increase included in Public Education (\$239,870,258).

Post-Legislative Budget Summary, 1999-2001

Appendix - Continued

**Appendix Table 3C
Trends in the Total State Budget
1977-1978 to 2000-2001
(In Millions)**

Fiscal Year	Public Education	Higher Education	Community Colleges	Human Resources	Transportation	Correction
1977-78	1,192.3	540.1	136.3	902.5	536.2	95.3
1978-79	1,307.5	584.5	161.4	1,007.9	571.3	106.1
1979-80	1,487.9	644.3	165.2	1,213.2	595.8	123.5
1980-81	1,655.8	727.4	195.3	1,315.2	611.4	144.8
1981-82	1,768.2	821.0	219.4	1,411.2	617.4	162.7
1982-83	1,798.5	856.4	232.0	1,462.2	626.8	176.1
1983-84	1,906.6	944.4	261.7	1,601.3	864.3	190.5
1984-85	2,170.4	1,058.9	288.2	1,719.6	893.4	212.7
1985-86	2,501.4	1,219.8	304.7	1,945.6	908.1	244.3
1986-87	2,660.6	1,300.7	337.1	2,032.8	1,005.7	261.7
1987-88	2,939.7	1,414.4	358.9	2,251.2	1,086.1	306.0
1988-89	3,230.8	1,483.2	364.7	2,435.8	1,111.7	343.1
1989-90	3,468.2	1,662.2	403.2	2,695.5	1,399.1	380.8
1990-91	3,672.0	1,700.0	433.5	3,012.3	1,378.5	428.0
1991-92	3,688.6	1,647.3	410.7	3,661.6	1,512.3	484.8
1992-93	3,829.0	1,728.9	476.8	4,244.2	1,614.3	517.2
1993-94	4,128.2	1,850.9	504.0	5,289.4	1,727.9	577.4
1994-95	4,417.1	1,932.9	534.6	5,616.5	1,850.1	732.5
1995-96	4,477.5	2,035.1	546.1	5,910.1	1,917.5	815.4
1996-97	4,783.6	2,121.3	576.6	6,324.4	1,987.6	833.3
1997-98	5,191.6	2,262.6	610.6	6,955.9	2,106.4	831.0
1998-99	5,549.9	2,321.1	659.9	7,604.9	2,125.4	859.0
1999-00	6,033.2	2,473.6	681.5	7,814.7	2,492.9	899.2
2000-01	6,048.3	2,510.4	692.8	8,368.0	2,535.8	896.7

Fiscal Year	General Government	Debt Service	Reserves *	Capital#	Other	Total
1977-78	419.1	76.7	3.1	75.6	-	3,977.2
1978-79	450.2	82.7	9.3	130.1	-	4,411.0
1979-80	545.6	84.9	8.2	153.8	-	5,022.4
1980-81	594.5	92.5	5.8	110.7	-	5,453.4
1981-82	610.5	99.2	8.8	31.8	-	5,750.2
1982-83	640.7	114.2	11.4	72.4	-	5,990.7
1983-84	698.4	117.8	2.9	116.0	-	6,703.9
1984-85	755.1	114.5	6.3	234.1	-	7,453.2
1985-86	843.4	114.2	21.1	298.0	-	8,400.6
1986-87	909.9	98.2	15.8	334.0	-	8,956.5
1987-88	972.4	111.9	18.7	265.3	-	9,724.6
1988-89	1,012.7	108.9	2.6	316.9	-	10,410.4
1989-90	1,270.4	107.6	-	377.6	231.8	11,996.4
1990-91	1,289.8	108.7	147.3	292.5	476.8	12,939.5
1991-92	1,375.7	117.9	0.9	242.6	468.0	13,610.4
1992-93	1,437.0	127.0	(5.4)	274.5	232.4	14,508.7
1993-94	1,701.9	129.6	221.5	910.1	236.8	17,277.7
1994-95	1,859.3	142.5	235.0	592.6	236.8	18,149.9
1995-96	1,735.0	157.0	6.9	456.0	-	18,056.6
1996-97	1,764.2	135.4	135.6	1,118.0	#	19,780.2
1997-98	1,693.5	167.2	104.6	1,201.4	#	21,124.8
1998-99	1,759.0	200.4	221.1	883.5	#	22,631.6
1999-00	1,922.5	244.1	222.6	877.1	#	24,290.4
2000-01	1,858.8	308.4	394.7	300.0	-	23,913.9

* Includes funds transferred to the Reserve for Budget Stabilization.

Includes General Obligation Bonds

Note: Other includes Local Government Transfer and Appropriated Reserves (R&R is included under capital).

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 3D
Total Authorized State Budget by Source of Funds
1974-1975 to 2000-2001
(In Millions)

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Federal Revenue Sharing</u>	<u>Highway Fund</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>
1974-75	\$ 1,734.6	\$ 57.2	\$ 392.7	\$ 648.6	\$ 247.8	3,080.9
1975-76	1,733.2	51.7	422.8	747.6	292.3	3,247.6
1976-77	1,922.4	67.1	414.6	776.8	282.9	3,463.8
1977-78	2,158.0	66.9	433.1	967.9	351.4	3,977.3
1978-79	2,515.4	62.5	461.8	1,042.7	328.5	4,410.9
1979-80	2,787.7	57.0	497.6	1,240.5	448.8	5,031.7
1980-81	3,216.4	28.4	506.1	1,296.5	395.7	5,443.1
1981-82	3,435.0	-	535.0	1,312.7	470.0	5,752.8
1982-83	3,623.6	-	555.6	1,322.3	485.9	5,987.4
1983-84	3,872.6	-	664.0	1,597.4	584.9	6,718.9
1984-85	4,516.6	-	713.6	1,655.8	551.7	7,437.7
1985-86	5,130.5	-	735.5	1,838.1	696.4	8,400.5
1986-87	5,531.3	-	839.4	1,887.4	698.3	8,956.4
1987-88	5,977.9	-	882.4	2,026.8	837.1	9,724.2
1988-89	6,586.1	-	918.7	2,117.4	788.2	10,410.4
1989-90	7,360.0	-	1,236.6	2,366.8	1,033.0	11,996.4
1990-91	8,149.6 1)	-	1,223.8	2,616.8	949.4	12,939.6
1991-92	7,983.0 1)	-	1,323.3	3,127.8	1,176.2	13,610.3
1992-93	8,209.5	-	1,318.4	3,617.6	1,363.2	14,508.7
1993-94	9,405.4	-	1,363.3	4,516.4	1,456.5	16,741.6
1994-95	10,268.4	-	1,480.9	4,639.9	1,580.7	17,969.9
1995-96	10,055.5	-	1,553.4	4,664.4	1,783.3	18,056.6
1996-97	11,252.6 2)	-	1,622.5	4,917.3	1,987.8	19,780.2
1997-98	12,015.3 3)	-	2,025.5	5,220.4	1,863.6	21,124.8
1998-99	13,561.6 3)	-	1,807.6	5,465.3	1,797.1	22,631.6
1999-00	14,561.7 3)	-	1,878.8	5,951.1	1,898.8	24,290.4
2000-01	13,858.1 3)	-	1,935.3	6,188.7	1,931.8	23,913.9

1) Includes legislative bonds for capital improvements.

2) Includes \$4.7 million from the 1997 Session of the General Assembly and general obligation bonds.

3) Includes general obligation bonds.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 4
Highway Fund State Tax and Nontax Revenue
1974-1975 to 2000-2001
(In Millions)

Fiscal Year	Motor Fuel Taxes ⁽¹⁾	Licenses, Fees, and Other Revenue	Treasurer's Investments	Total Revenue	Annual Percentage Change
1974-75	\$ 265.8	\$ 95.2	\$ 23.9	\$ 384.9	0.1
1975-76	286.4	103.8	15.1	405.4	5.3
1976-77	298.3	106.5	11.9	416.6	2.8
1977-78	312.0	114.2	9.9	436.2	4.7
1978-79	322.8	120.5	21.7	465.0	6.6
1979-80	304.0	125.7	17.9	447.6	(3.7)
1980-81	291.2	130.0	13.9	435.1	(2.8)
1981-82	380.8	151.7	22.3	554.8	27.5
1982-83	388.6	161.1	28.5	578.2	4.3
1983-84	411.8	200.0	30.2	642.0	11.0
1984-85	421.7	212.7	33.3	667.7	4.0
1985-86	438.7	219.7	26.5	684.9	2.6
1986-87	569.3	234.3	26.2	829.8	21.2
1987-88	612.2	250.5	33.9	896.6	8.0
1988-89	625.8	257.2	30.7	913.7	1.9
1989-90	619.7	257.9	26.6	904.2	(1.0)
1990-91	629.4	252.6	21.4	903.4	(0.1)
1991-92	650.6	273.6	19.6	943.8	4.5
1992-93	648.8	275.9	17.6	942.3	(0.2)
1993-94	677.6	283.8	18.4	979.8	4.0
1994-95	681.1	295.6	19.7	996.5	1.7
1995-96	709.2	320.4	19.7	1,049.3	2.7
1996-97	742.8	320.2	13.1	1,076.1	2.6
1997-98	774.5	328.4	10.1	1,113.0	3.4
1998-99	775.5	340.0	15.5	1,131.0	1.6
1999-00 (2)	790.8	347.6	11.1	1,149.5	1.6
2000-01 (2)	826.7	356.1	11.6	1,194.4	3.9

(1) Includes highway use registration fee.

(2) Authorized

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 5
Highway Trust Fund Tax and Nontax Revenue
1989-1990 to 2000-2001
(In Millions)

Fiscal Year	Gasoline Tax	Highway Use Tax	Other Revenue	Treasurer's Investments	Total Revenue	Annual Percentage Change
1989-90	\$ 184.9	\$ 164.7	\$ 51.5	\$ 7.4	408.5	- %
1990-91	206.6	231.1	55.4	20.8	513.9	25.8
1991-92	213.4	242.4	58.4	23.1	537.3	4.6
1992-93	212.4	273.3	62.2	24.1	572.0	6.4
1993-94	222.0	330.5	68.1	22.5	643.1	12.4
1994-95	223.0	364.6	77.1	28.7	693.5	7.8
1995-96	232.7	396.0	76.7	32.7	738.1	6.4
1996-97	243.7	407.6	85.7	35.7	772.7	4.7
1997-98	254.6	453.3	87.0	40.9	835.8	8.2
1998-99	254.7	489.5	90.3	39.3	873.8	4.5
1999-00 (1)	258.2	493.6	91.3	36.9	880.0	0.7
2000-01 (1)	268.5	512.4	93.1	38.0	912.1	3.6

(1) Authorized

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 6
General Fund Tax and Nontax Revenue
1974-1975 to 2000-2001
(In Millions)

(Excludes Federal Revenue Sharing and Federal Anti-Recession Funds)

Fiscal Year	Tax Revenues	Percent Increase Over Previous Year	Tax and Nontax Revenues ¹⁾	Percent Increase
1974-75	\$ 1,451.2	\$ 6.85%	\$ 1,544.1	\$ 7.99%
1975-76	1,571.8	8.31%	1,648.1	6.74%
1976-77	1,870.0	18.97%	1,952.6	18.48%
1977-78	2,060.5	10.19%	2,134.8	9.33%
1978-79	2,337.2	13.43%	2,430.3	13.84%
1979-80	2,639.2	12.92%	2,785.3	14.61%
1980-81	2,846.0	7.84%	2,995.4	7.54%
1981-82	3,077.7	8.14%	3,229.5	7.82%
1982-83	3,279.0	6.54%	3,403.8	5.40%
1983-84	3,814.4	16.33%	3,957.3	16.26%
1984-85	4,336.7	13.69%	4,527.1	14.40%
1985-86	4,694.5	8.25%	4,910.9	8.48%
1986-87	5,180.6	10.35%	5,392.1	9.80%
1987-88	5,551.3	7.16%	5,804.5	7.65%
1988-89	5,928.5	6.79%	6,154.5	6.03%
1989-90	6,561.4	10.68%	6,988.4	13.55%
1990-91	6,692.5	2.00%	7,207.8	3.14%
1991-92	7,438.4	11.15%	7,817.0	8.45%
1992-93	7,883.0	5.98%	8,292.8	6.09%
1993-94	8,516.8	8.04%	9,102.3	9.76%
1994-95	9,365.8	9.97%	9,969.9	9.53%
1995-96	9,458.8	0.99%	10,090.3	1.21%
1996-97	10,239.1	8.25%	10,933.9	8.36%
1997-98	11,092.4	8.33%	11,727.1	7.25%
1998-99	11,965.3	7.87%	12,753.3	8.75%
1999-00	²⁾ 12,468.0	4.20%	13,275.9	4.10%
2000-01	²⁾ 13,140.5	5.39%	13,938.5	4.99%

NOTE: Actual revenue is based on the Statement of Condition of the General Fund for 1974-1975 through 1998-1999.

1) Nontax revenue includes transfers from the Highway Fund and Highway Trust Fund and Capital Improvement appropriations returned to the General Fund.

2) Authorized

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 7
Authorized
General Fund Appropriations
1968-1969 to 2000-2001
(In Millions)

(Including Federal Revenue Sharing and Anti-Recession Revenues)

<u>Fiscal Year</u>	<u>Operating</u>	<u>Percent Change</u>	<u>Total</u>	<u>Percent Change</u>
1968-69	\$ 735.1	8.2 %	\$ 735.1	(7.1) %
1969-70	894.0	21.6	969.6	31.9
1970-71	961.4	7.5	961.4	(0.8)
1971-72	1,087.1	13.1	1,152.0	19.8
1972-73	1,173.6	8.0	1,173.6	1.9
1973-74	1,520.7	29.6	1,712.5	45.9
1974-75	1,698.4	11.7	1,791.8	4.6
1975-76	1,756.2	3.4	1,784.9	(0.4)
1976-77	1,944.4	10.7	1,989.5	11.5
1977-78	2,193.5	12.8	2,224.9	11.8
1978-79	2,451.9	11.8	2,577.9	15.9
1979-80	2,760.3	12.6	2,844.7	10.3
1980-81	3,140.9	13.8	3,244.8	14.1
1981-82	3,404.8	8.4	3,435.0	5.9
1982-83	3,557.8	4.5	3,623.6	5.5
1983-84	3,797.8 ¹⁾	6.7	3,857.6	6.5
1984-85	4,304.0	13.3	4,516.6	17.1
1985-86	4,877.0	13.3	5,130.5	13.6
1986-87 ²⁾	5,233.7	7.3	5,531.6	7.8
1987-88	5,813.1	11.1	5,977.9	8.1
1988-89	6,302.4	8.4	6,561.1	9.8
1989-90	6,883.0	9.2	7,360.0	12.2
1990-91	7,249.5	5.3	8,074.6	9.7
1991-92	7,350.5	1.0	7,825.5	(3.1)
1992-93	7,877.5	7.0	8,209.5	4.9
1993-94	8,674.5	10.1	9,317.9	13.5
1994-95	9,662.2	11.4	10,268.4	10.2
1995-96	9,793.1	1.4	10,031.6	(2.3)
1996-97 ³⁾	10,450.4	6.7	10,607.6	5.7
1997-98 ⁴⁾	11,258.5	7.7	11,585.8	9.2
1998-99	12,333.5	9.5	13,111.6	13.2
1999-00	13,055.6	5.9	13,911.7	6.1
2000-01	13,558.1	3.8	13,558.1	(2.5)

1) Includes \$25.8 million transferred to the Highway Fund.

2) Includes \$240,101 for Department of Correction emergency appropriation for operating budget and \$15,125,690 for capital improvements.

3) Includes \$4.7 million for Community Colleges appropriation for operating budget.

4) Includes \$20.5million - SIPS for Year 2000.

Appendix Table 8
North Carolina State General Fund Operating Appropriation
For Public Schools, Community Colleges, and Higher Education
(Including Carry-Forwards for Encumbrances)
1969-1970 to 2000-2001

Year	General Fund								Percent of Total Education	Other
	Total Current Operations#	Public Schools		Community Colleges		Higher Education				
		Amount	Percent	Amount	Percent	Amount	Percent			
1969-70	\$ 876,169,359	\$ 459,814,709	52.5 %	\$ 41,431,965	4.7 %	\$ 130,344,741	14.9 %	72.1 %	\$ 244,577,944	
1970-71	981,127,808	510,055,771	52.0	44,935,256	4.6	147,326,678	15.0	71.6	278,810,103	
1971-72	1,073,289,571	533,536,652	49.7	55,958,450	5.2	163,331,175	15.2	70.1	320,463,294	
1972-73	1,187,443,130	575,012,350	48.4	63,193,535	5.3	179,910,706	15.2	68.9	369,326,539	
1973-74	1,520,694,407	718,947,864	47.3	99,582,404	6.5	222,838,796	14.7	68.5	479,325,343	
1974-75	1,698,417,672	789,391,908	46.5	109,218,752	6.4	280,638,400	16.5	69.4	519,168,612	
1975-76	1,737,659,496	800,937,335	46.1	105,465,494	6.1	270,526,549	15.6	67.7	560,730,118	
1976-77	1,962,976,606	899,151,043	45.8	116,481,854	5.9	307,123,340	15.6	67.4	640,220,369	
1977-78	2,193,405,714	997,654,527	45.5	114,065,103	5.2	357,790,592	16.3	67.0	723,895,492	
1978-79	2,452,011,095	1,098,173,958	44.8	139,794,869	5.7	394,767,166	16.1	66.6	819,275,102	
1979-80	2,750,988,834	1,230,099,474	44.7	145,243,264	5.3	436,949,552	15.9	65.9	938,696,544	
1980-81	3,150,963,479	1,390,907,313	44.1	174,996,965	5.6	515,255,082	16.4	66.0	1,069,804,119	
1981-82	3,401,694,904	1,495,263,953	44.0	194,452,082	5.7	567,573,821	16.7	66.4	1,144,405,048	
1982-83	3,561,142,890	1,515,742,033	42.6	205,585,837	5.8	599,235,054	16.8	65.2	1,240,579,966	
1983-84	3,812,808,921	1,620,044,340	42.5	232,195,091	6.1	653,091,405	17.1	65.7	1,307,478,085	
1984-85	4,319,568,173	1,886,700,077	43.7	259,101,105	6.0	746,998,910	17.3	67.0	1,426,768,081	
1985-86	4,877,060,744	2,185,803,123	44.8	281,875,727	5.8	840,311,094	17.2	67.8	1,569,070,800	
1986-87	5,233,578,633	2,346,139,866	44.8	307,102,490	5.9	909,134,150	17.4	68.1	1,671,202,127	
1987-88	5,805,245,729	2,639,237,658	45.5	326,296,294	5.6	980,746,492	16.9	68.0	1,858,965,285	
1988-89	6,302,733,865	2,930,643,886	46.5	332,064,381	5.3	1,039,510,499	16.5	68.3	2,000,515,099	
1989-90	6,883,003,393	3,134,428,205	45.5	365,537,274	5.3	1,109,917,895	16.1	67.0	2,273,120,019	
1990-91	7,249,549,110	3,329,171,720	45.9	387,611,956	5.3	1,143,216,957	15.8	67.0	2,389,548,477	
1991-92	7,350,501,134	3,293,699,663	44.8	344,131,858	4.7	1,121,976,740	15.3	64.8	2,590,692,873	
1992-93	7,881,908,182	3,435,634,234	43.6	398,689,471	5.1	1,170,947,533	14.9	63.5	2,876,636,944	
1993-94	8,674,510,752 a)	3,632,087,114	41.9	423,253,702	4.9	1,229,449,670	14.2	60.9	3,389,720,266	
1994-95	9,595,509,023 a)	3,962,959,317 b)	41.3	455,651,184	4.7	1,296,558,991	13.5	59.6	3,880,339,531	
1995-96	9,793,062,378	3,998,978,216	40.8	470,880,697	4.8	1,301,040,079	13.3	58.9	4,022,163,386	
1996-97	10,450,411,229	4,301,626,282	41.2	501,802,184	4.8	1,385,611,961	13.3	59.2	4,261,370,802	
1997-98	11,258,582,548	4,697,892,305	41.7	534,873,175	4.8	1,489,866,397	13.2	59.7	4,535,950,671	
1998-99	c) 12,327,025,974	5,068,634,951	41.1	587,542,475	4.8	1,628,888,154	13.2	59.1	5,041,960,394	
1999-00	d) 13,055,644,461	5,563,082,302	42.6	595,381,852	4.6	1,697,068,135	13.0	60.2	5,200,112,172	
2000-01	d) 13,558,096,467	5,577,972,874	41.1	606,593,694	4.5	1,709,687,039	12.6	58.2	5,663,842,860	

Note: Figures in all categories include compensation increases.

Operating budget excludes capital and local government appropriations.

a) 1993-1994 and 1994-1995 excludes \$214 million (1993-1994) and \$120 million (1994-1995) for payroll restoration.

b) 1994-1995 includes \$42 million for education technology equipment.

c) 1998-1999 includes all appropriation as of June 30, 1999.

d) 1999-2001 includes estimated distribution of the Compensation Increase Reserve.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 9
North Carolina's Bond Indebtedness
1968-1969 to 1998-1999

Fiscal Year	Bond Indebtedness*			Per Capita
	General Fund	Highway Fund	Total	
1968-69	\$ 210,270,000	\$ 189,200,000 a)	\$ 399,470,000	\$ 79.80
1969-70	198,740,000	282,200,000 b)	480,940,000	95.56
1970-71	186,910,000	253,000,000	439,910,000	86.12
1971-72	174,780,000	240,000,000	414,780,000	79.74
1972-73	208,360,000	217,000,000	425,360,000	80.30
1973-74	194,995,000	199,000,000	393,995,000	73.17
1974-75	215,370,000	181,000,000	396,370,000	72.54
1975-76	305,870,000	163,000,000	468,870,000	84.66
1976-77	418,900,000	145,000,000	563,900,000	100.73
1977-78	530,600,000	127,000,000	657,600,000	115.90
1978-79	507,200,000	164,000,000	671,200,000	116.82
1979-80	533,300,000	201,000,000	734,300,000	126.43
1980-81	574,750,000	179,000,000	753,750,000	128.19
1981-82	544,200,000	219,000,000	763,200,000	128.15
1982-83	582,700,000	323,000,000	905,700,000	150.48
1983-84	630,900,000	306,500,000	937,400,000	154.25
1984-85	589,200,000	290,000,000	879,200,000	142.62
1985-86	548,500,000	272,500,000	821,000,000	131.26
1986-87	508,000,000	254,000,000	762,000,000	120.51
1987-88	525,500,000	250,000,000	775,500,000	121.06
1988-89	481,410,000	226,750,000	708,160,000	109.23
1989-90	457,698,902	202,730,000	660,428,902	100.54
1990-91	412,038,903	175,965,000	588,003,903	88.66
1991-92	441,378,903	148,635,000	590,013,903	87.44
1992-93	548,678,902	118,695,000	667,373,902	97.67
1993-94	493,678,902	87,055,000	580,733,902	83.59
1994-95	936,191,005	55,285,000	991,476,005	140.40
1995-96	990,245,681	29,445,000	1,019,690,681	141.90
1996-97	940,252,373	4,895,000	945,147,373	129.32
1997-98	1,508,215,259	0	1,508,215,259	202.97
1998-99	1,867,480,343	250,000,000	2,117,480,343	280.56

* The State Treasurer's Annual Report and Official Statement of the State Treasurer as of June 30 for the following fiscal year.

a) Includes \$60 million from bond anticipation notes.

b) Includes \$120 million from bond anticipation notes.

Post-Legislative Budget Summary, 1999-2001
Appendix - Continued

Appendix Table 10
Total North Carolina Budget for Debt Services
1968-1969 to 2000-2001

Fiscal Year	Authorized Budget			Per Capita*
	General Fund	Highway Fund	Total	
1968-69	\$ 17,780,948	\$ 34,106,500	\$ 51,887,448	\$ 10.37
1969-70	17,774,223	40,401,067	58,175,290	11.56
1970-71	17,757,503	25,599,500	43,357,003	8.49
1971-72	18,631,260	32,617,500	51,248,760	9.85
1972-73	21,466,030	25,749,000	47,215,030	8.91
1973-74	48,147,042	25,083,000	73,230,042	13.60
1974-75	-	24,415,500	24,415,500	4.47
1975-76	34,870,615	23,776,500	58,647,115	10.59
1976-77	40,024,500	23,156,000	63,180,500	11.29
1977-78	49,202,210	27,522,500	76,724,710	13.52
1978-79	53,000,000	29,596,000	82,596,000	14.38
1979-80	55,341,050	29,292,661	84,633,711	14.57
1980-81	62,173,700	30,329,757	92,503,457	15.73
1981-82	65,062,550	30,062,040	95,124,590	15.97
1982-83	75,020,500	38,772,567	113,793,067	18.91
1983-84	79,525,500	38,288,000	117,813,500	19.39
1984-85	76,077,250	38,401,500	114,478,750	18.57
1985-86	75,781,250	38,445,500	114,226,750	18.26
1986-87	64,506,250	38,445,500	102,951,750	16.28
1987-88	73,929,627	32,453,812	106,383,439	16.61
1988-89	71,636,370	37,295,105	108,931,475	16.80
1989-90	69,083,445	38,491,163	107,574,608	16.38
1990-91	71,259,383	37,392,600	108,651,983	16.10
1991-92	79,683,770	38,227,230	117,911,000	17.47
1992-93	89,020,478	38,018,250	127,038,728	18.59
1993-94	92,263,558	37,359,875	129,623,433	18.66
1994-95	114,837,478	27,631,295	142,468,773	20.17
1995-96	131,836,603	25,133,780	156,970,383	21.84
1996-97	129,326,640	4,978,215	134,304,855	18.38
1997-98	165,973,573	-	165,973,573	22.34
1998-99	199,286,633	28,357,925	227,644,558	30.16
1999-00	242,910,930 ¹⁾	27,607,550 ²⁾	270,518,480	41.66
2000-01	307,209,550 ¹⁾	26,857,175 ²⁾	334,066,725	55.31

* Based on July 1 population estimates.

1) Total budgeted requirements.

2) Projected Debt Service.