

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Bill 1853 (House Finance Committee Substitute)

SHORT TITLE: UNC Nonappropriated Capital/Rev. Bonds

SPONSOR(S): Representative Miller & Hurley

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>
REVENUES		No Fiscal Impact			
EXPENDITURES					
General Fund		\$113,179	\$195,153	\$310,973	\$323,907
POSITIONS:		3	3	5	5
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: The University of North Carolina – General Administration					
EFFECTIVE DATE: This act is effective when it becomes law.					

BILL SUMMARY: The bill authorizes the construction and financing, without appropriations from the General Fund, of capital improvements projects of the constituent institutions of the University of North Carolina. The bill amends the definition of “institution” to include the UNC Health Care System and UNC General Administration. The bill also amends the definition of the term “project.”

ASSUMPTIONS AND METHODOLOGY: The 13 projects listed in this bill are being constructed with funds other than the state General Fund (see attached chart). However, there are two projects that the institutions will request a General Fund appropriation for operating expenses. Operating expenses includes both salary and benefits for new personnel and non-personnel items such as utilities. The data provided by the UNC-General Administration includes a 3% increase per year for salaries and benefits and a 5% increase per years for non-personnel items and utilities.

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Campus	Project	Amount	Source of Funds	Increase in Annual Operating Costs	Source of Operating Costs
Appalachian State University	New Central Dining Hall - Supplement	\$9,569,744	Dining receipts	\$330,180	Dining funds
Appalachian State University	Steam Distribution/Return System Reconstruction	\$3,109,200	ASU Utilities Operating Reserves	\$89,362	ASU Utilities Operating Reserves
East Carolina University	West End Dining Hall - Supplement	\$5,089,700	Dining and housing receipts	\$162,808	Dining and housing receipts
East Carolina University	Diabetes Research & Education Center - Planning	\$500,000	Gifts		
N.C. School of the Arts	Technology Infrastructure - Residence Halls	\$1,000,000	Housing receipts	\$0	
NC State University	Expansion of Parking Facilities	\$9,000,000	Parking receipts	\$68,669	Parking receipts
NC State University	Centennial Campus Infrastructure	\$18,780,000	Campus maintenance & operation receipts	\$112,979	Campus maintenance & operation receipts
NC State University	Centennial Campus Tenant Upfits	\$6,750,000	Campus maintenance & operation receipts	\$459,926	Campus maintenance & operation receipts
UNC- Asheville	New Residence Hall - Supplement	\$3,720,800	Housing receipts	\$348,065	Housing receipts
UNC-Chapel Hill	Sonja H. Stone Black Cultural Center	\$9,000,000	Gifts	\$211,632	General Fund
UNC-Charlotte	Alumni Center	\$3,300,000	Gifts	\$117,773	General Fund
UNC-Greensboro	Parking Deck	\$11,000,000	Parking receipts	\$116,202	Parking receipts
UNC-Pembroke	Dining Hall Addition	\$750,000	Food service receipts	\$19,495	Food service receipts
Total		\$81,569,444		\$329,405 \$1,707,686	(General Fund) (General Fund)

Notes: The chart lists the annual operating costs of each project in the first five years of year-round operation.

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION 733-4910

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