



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT



Employment First State for Individuals with Disabilities

ROY COOPER
GOVERNOR

CHARLES PERUSSE
STATE BUDGET DIRECTOR

May 6, 2021

MEMORANDUM

TO: Senator Phil Berger, President Pro-Tempore of the Senate
Representative Tim Moore, Speaker of the House of Representatives

FROM: Charles Perusse *Charles Perusse*

SUBJECT: Department of Insurance Deviation Reporting/ Consultation

The Office of State Budget and Management (OSBM), as required by G.S. 143C-6-4(b)(3)(b1), must consult with the Joint Legislative Commission on Governmental Operations when a department's certified budget is expected to be exceeded by more than three percent (3%).

Please see the attached report regarding the Department of Insurance Volunteer Fire Department Fund deviation.

If you have questions, please contact Mercidee Benton by email to mercidee.benton@osbm.nc.gov.

Attachment

REQUEST TO DEVIATE UNDER G.S. 143C-6-4:

(b1) Prior consultation with Governmental Operations is required when the overexpenditure would cause a department's total requirements for a fund to exceed the department's certified budget for a fiscal year for that fund by more than three percent (3%) prior to authorizing the overexpenditures.

DEPARTMENT: Insurance
FISCAL YEAR: 2020-2021
Date: 5/5/2021
Budget Revision #: 12-0034 & 12-0053

GASB 1335 - Special Budget Code	Certified Requirements	3% Deviation Threshold	Amount of the Overexpenditure Request	Amount the Request Exceeds the Deviation Threshold
23900	\$ 7,430,425	\$ 222,913	\$ 1,833,902	\$ 1,610,989
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
Fund Type Total	\$ 7,430,425	\$ 222,913	\$ 1,833,902	\$ 1,610,989

JUSTIFICATION FOR REQUEST:

G.S. 143C-6-4.(b1) requires reporting an overexpenditure that would cause a department's total requirements for a Fund to exceed the department's certified budget by 3% for a fiscal year.

Budget revision 12-0034 budgeted the available cash balance for the Volunteer Fire Department grants in the amount of \$11,749,094; budget revision 12-0053 requested a reduction in the budget to reflect only the estimated expenditure level required for Fiscal Year 2020-21.

Instructions: REQUEST TO DEVIATE UNDER G.S. 143C-6-4

1. Department

Enter the department/agency name.

2. Fiscal Year

Enter the current fiscal year.

3. Date

Enter the current date.

4. Budget Revision #

Enter the budget revision number for the overexpenditure request from the IBIS system.

5. Budget Code

Enter all of the agency budget codes for the requested fund type only (general fund, special fund, etc.)

6. Certified Requirements

Enter the current certified requirements for the budget code as reflected on the BD 701 report.

7. 3% Deviation Threshold

This is calculated as 3% of the Certified Requirements. These figures will be calculated automatically for each budget code.

8. Amount of the Overexpenditure Request

Enter the amount of the overexpenditure request. This figure should represent the amount requested on the budget revision.

9. Amount Over Deviation Threshold

This is the total amount of the current request over the 3% Threshold. This figure will be calculated automatically. If the figure is not greater than zero, no consultation is required.

10. Submit the completed form to your Budget Analyst in the Office of State Budget and Management for consultation with the Joint Legislative Commission on Governmental Operations.