

Reserves, Debt Service, and Other Adjustments (19xxx)

	2021 Session Law-Enacted			2022 Legislative Session Recommended - FY 2022-23			
	2020-21 Actual	2021-22 Certified	2022-23 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2022-23 Revised
Requirements	925,945,554	849,624,208	738,912,381	14,441,298	615,487,000	629,928,298	1,368,840,679
Receipts	60,158,565	849,624,208	674,265,711	(15,338,702)	1,326,540,000	1,311,201,298	1,985,467,009
Net Appropriation	865,786,988	-	64,646,670	29,780,000	(711,053,000)	(681,273,000)	(616,626,330)
Positions (FTE)	0.000	0.000	0.000			0.000	0.000

	FY 2022-23 Recommended		
	R Changes	NR Changes	Adjustments
Debt Service			
1 Debt Service Adjustment			
Adjusts budgeted requirements and receipts to more accurately reflect debt service projections and adjusts the transfer from the State Capital Infrastructure Fund. The new total amount needed to support existing debt service is \$633,927,009.	Req \$ (15,338,702)	\$ -	\$ (15,338,702)
	Rec \$ (15,338,702)	\$ -	\$ (15,338,702)
	App \$ -	\$ -	\$ -
	FTE		0.000
Technical Adjustment			
2 Technical Adjustment			
Budgets \$742 million in additional federal receipts in FY 2022-23 resulting from the 5% sign-on bonus from expanding Medicaid on September 1, 2022. Additional federal receipts are expected to total \$1.5 billion over two years.	Req \$ -	\$ -	\$ -
	Rec \$ -	\$ 742,000,000	\$ 742,000,000
	App \$ -	\$ (742,000,000)	\$ (742,000,000)
	FTE		0.000
Compensation Reserves			
3 DOT Retention Bonuses			
Transfers General Fund funds to the Department of Transportation to repeat and augment the FY 2021-22 pandemic bonuses in SL 2021-180. A corresponding item in the Department of Transportation provides additional details on the use of these funds.	Req \$ -	\$ 20,947,000	\$ 20,947,000
	Rec \$ -	\$ -	\$ -
	App \$ -	\$ 20,947,000	\$ 20,947,000
	FTE		0.000
4 Salary to Market Range Minimum			
Provides funds to increase salaries to the minimum of the newly established salary ranges in accordance with market-based data.	Req \$ 2,530,000	\$ -	\$ 2,530,000
	Rec \$ -	\$ -	\$ -
	App \$ 2,530,000	\$ -	\$ 2,530,000
	FTE		0.000
5 Workers' Compensation Settlement Reserve			
Provides nonrecurring funding for the Office of State Human Resources (OSHR) to close pending workers' compensation claims. These funds will help the state avoid protracted and costly litigation. Between FY 2015-16 and FY 2017-18, OSHR deployed \$8.4 million in funds to support agencies in settling 273 claims, yielding projected savings of \$143 million.	Req \$ -	\$ 10,000,000	\$ 10,000,000
	Rec \$ -	\$ -	\$ -
	App \$ -	\$ 10,000,000	\$ 10,000,000
	FTE		0.000
Living Wage			
6 Temporary and Seasonal Workers Living Wage Reserve			
Creates a reserve to reimburse agency costs associated with increasing the hourly wage for temporary or seasonal employees employed by state agencies or the University of North Carolina to \$15 per hour. Funds will be distributed by the Office of State Budget and Management (OSBM).	Req \$ 2,250,000	\$ -	\$ 2,250,000
	Rec \$ -	\$ -	\$ -
	App \$ 2,250,000	\$ -	\$ 2,250,000
	FTE		0.000
7 Contractor Living Wage Reserve			
Establishes a reserve to cover increased contract costs due to the intention to pay all employees on state contracts a minimum of \$15 per hour. Agencies may seek reimbursement of additional contract costs resulting from this change from this reserve.	Req \$ 25,000,000	\$ -	\$ 25,000,000
	Rec \$ -	\$ -	\$ -
	App \$ 25,000,000	\$ -	\$ 25,000,000
	FTE		0.000

		R Changes	NR Changes	Adjustments
Statewide				
8 Clean Energy and Environment Reserve				
Provides nonrecurring funds to fund the Clean Energy and Environment Reserve. This reserve funds large investments in items such as state and local parks, floodplain buyouts, grants for communities, schools, and small businesses. Additional details are provided on individual projects in the Natural and Economic Resources and Department of Public Safety sections of this document.	Req \$	- \$	105,000,000 \$	105,000,000
	Rec \$	- \$	105,000,000 \$	105,000,000
	App \$	- \$	- \$	-
	FTE			0.000
9 Workforce and Economic Development Reserve				
Allocates nonrecurring funds to the Workforce and Economic Development Reserve. This reserve invests in workforce and site development to support existing and attract new businesses. The reserve also provides funding to business assistance organizations to meet small business counseling and financial needs. Additional details are provided on individual items within the Natural and Economic Resources, Health and Human Services, University of North Carolina, and Community Colleges sections of this document.	Req \$	- \$	182,540,000 \$	182,540,000
	Rec \$	- \$	182,540,000 \$	182,540,000
	App \$	- \$	- \$	-
	FTE			0.000
10 Affordable Housing Reserve				
Provides nonrecurring funds to the Affordable Housing Reserve. This reserve will be used to increase the availability of and access to affordable housing statewide. Funds in this reserve also address drinking water and wastewater infrastructure and energy burden for low to moderate-income households. Additional details are provided in the Housing Finance Agency, Department of Environmental Quality, and Department of Health and Human Services sections of this document.	Req \$	- \$	165,000,000 \$	165,000,000
	Rec \$	- \$	165,000,000 \$	165,000,000
	App \$	- \$	- \$	-
	FTE			0.000
11 Matching Funds Reserve				
Establishes the Matching Funds Reserve. These nonrecurring funds will support state agencies and other North Carolina stakeholders in meeting match requirements for federal grants, including Infrastructure Investment and Jobs Act grants. Additional details are provided for specific grants and initiatives in the Departments of Commerce, Environmental Quality, and Information Technology sections of this document.	Req \$	- \$	100,000,000 \$	100,000,000
	Rec \$	- \$	100,000,000 \$	100,000,000
	App \$	- \$	- \$	-
	FTE			0.000
12 IT Rates Impact to Agencies				
Funds the net impact of the Department of Information Technology's (DIT) approved FY 2022-23 subscription and service rates changes to state agencies, the University System, and Community Colleges. The approved subscription rate covers personnel costs and administrative support for DIT, such as internal audit, finance, human resources, and facility management.	Req \$	- \$	22,000,000 \$	22,000,000
	Rec \$	- \$	22,000,000 \$	22,000,000
	App \$	- \$	- \$	-
	FTE			0.000
13 Contingency and Emergency Fund				
Restores funding to the Contingency and Emergency Fund, established in GS 143C-4-4. This funding was eliminated in 2017. Funds are needed to respond to emergent circumstances, such as court or Industrial Commission orders or death benefits.	Req \$	- \$	10,000,000 \$	10,000,000
	Rec \$	- \$	10,000,000 \$	10,000,000
	App \$	- \$	- \$	-
	FTE			0.000
Total Change to Requirements		\$ 14,441,298	\$ 615,487,000	\$ 629,928,298
Total Change to Receipts		\$ (15,338,702)	\$ 1,326,540,000	\$ 1,311,201,298
Total Change to Net Appropriation		\$ 29,780,000	\$ (711,053,000)	\$ (681,273,000)
Total Change to Full-Time Equivalent (FTE)				0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)		\$	(681,273,000)	
Recommended Total FTE Changes				0.000

Governor's Office - State Budget and Management - Education Lottery Fund (23003)

	2021 Session Law-Enacted			2022 Legislative Session Recommended - FY 2022-23			
	2020-21 Actual	2021-22 Certified	2022-23 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2022-23 Revised
Requirements	729,399,707	802,000,000	830,000,000	51,900,000	-	51,900,000	881,900,000
Receipts	729,468,498	802,000,000	830,000,000	55,000,000	-	55,000,000	885,000,000
Δ in Fund Balance	68,791	-	-	3,100,000	-	3,100,000	3,100,000
Positions (FTE)	0.000	0.000	0.000			0.000	0.000

	FY 2022-23 Recommended		
	R Changes	NR Changes	Adjustments
1 Education Lottery Fund - Additional Receipts			
Budgets additional projected receipts from the State Lottery Fund.	Req \$ -	\$ -	\$ -
	Rec \$ 55,000,000	\$ -	\$ 55,000,000
	CFB \$ 55,000,000	\$ -	\$ 55,000,000
	FTE		0.000
2 Educational Lottery Fund – Early Childhood Education			
Transfers funding to the Department of Health and Human Services for early childhood education. Ten million dollars are allocated for Smart Start, and \$41.9 million are allocated for the prekindergarten program. Additional details are provided in the Department of Health and Human Services section of this document.	Req \$ 51,900,000	\$ -	\$ 51,900,000
	Rec \$ -	\$ -	\$ -
	CFB \$ (51,900,000)	\$ -	\$ (51,900,000)
	FTE		0.000
Total Change to Requirements	\$ 51,900,000	\$ -	\$ 51,900,000
Total Change to Receipts	\$ 55,000,000	\$ -	\$ 55,000,000
Total Change to Net Appropriation	\$ 3,100,000	\$ -	\$ 3,100,000
Total Change to Full-Time Equivalent (FTE)			0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$	3,100,000	
Recommended Total FTE Changes		0.000	

NC Education Lottery Proceeds (54641)

	2021 Session Law-Enacted			2022 Legislative Session Recommended - FY 2022-23			
	2020-21 Actual	2021-22 Certified	2022-23 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2022-23 Revised
Requirements	3,824,598,366	2,827,746,400	2,855,746,400	55,000,000	-	55,000,000	2,910,746,400
Receipts	3,821,318,752	2,827,746,400	2,855,746,400	55,000,000	-	55,000,000	2,910,746,400
Δ in Fund Balance	(3,279,614)	-	-	-	-	-	-
Positions (FTE)	0.000	0.000	0.000			0.000	0.000

	FY 2022-23 Recommended		
	R Changes	NR Changes	Adjustments
1 Lottery Proceeds			
Increases the transfer to the Education Lottery Fund and increases the lottery receipts consistent with the revenue forecast.	Req \$ 55,000,000	\$ -	\$ 55,000,000
	Rec \$ 55,000,000	\$ -	\$ 55,000,000
	CFB \$ -	\$ -	\$ -
	FTE		0.000
Total Change to Requirements	\$ 55,000,000	\$ -	\$ 55,000,000
Total Change to Receipts	\$ 55,000,000	\$ -	\$ 55,000,000
Total Change to Net Appropriation	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)			0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -
Recommended Total FTE Changes			0.000

NC Education Lottery Commission (54670)

	2021 Session Law-Enacted			2022 Legislative Session Recommended - FY 2022-23			
	2020-21 Actual	2021-22 Certified	2022-23 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2022-23 Revised
Requirements	150,524,296	117,716,400	117,716,400	316,473	-	316,473	118,032,873
Receipts	153,803,910	117,716,400	117,716,400	316,473	-	316,473	118,032,873
Δ in Fund Balance	3,279,613	-	-	-	-	-	-
Positions (FTE)	0.000	255.000	255.000			0.000	255.000

	FY 2022-23 Recommended		
	R Changes	NR Changes	Adjustments
1 Internal Auditors			
Budgets receipts to support internal auditing. The North Carolina Education Lottery shall use receipts for up to three internal auditor positions to help meet minimum recommended levels from the Council of Internal Auditing. These positions would improve efficiency, effectiveness, and compliance within the Lottery.	Req \$ 316,473	\$ -	\$ 316,473
	Rec \$ 316,473	\$ -	\$ 316,473
	CFB \$ -	\$ -	\$ -
	FTE		0.000
Total Change to Requirements	\$ 316,473	\$ -	\$ 316,473
Total Change to Receipts	\$ 316,473	\$ -	\$ 316,473
Total Change to Net Appropriation	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)			0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -		
Recommended Total FTE Changes			0.000