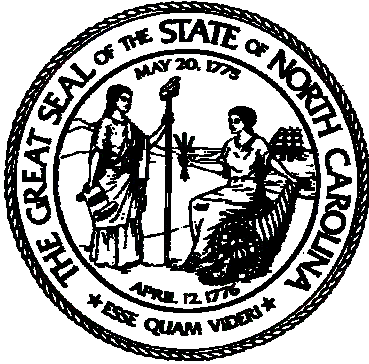


**State of
North Carolina**

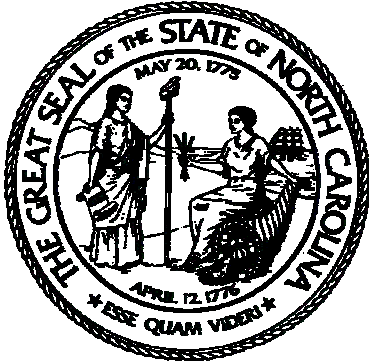


**Executive Budget Summary
For the 2005-07 Biennium**

Governor Michael F. Easley

**Prepared by
Office of State Budget and Management
February 2005**

**State of
North Carolina**



**Executive Budget Summary
For the 2005-07 Biennium**

Governor Michael F. Easley

**Michael F. Easley
Governor**

Office of State Budget and Management
www.osbm.state.nc.us

David T. McCoy, State Budget Officer
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February 2005

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Summary of the State Budget

■ Total Budget for FY 2005-06 ■

The Governor's recommended budget for FY 2005-06 totals \$32.7 billion. This amount includes funds to continue the current operations of state government (traditionally referred to as the "operating budget" for agencies) as well as monies for capital improvements and other nonrecurring items. The total budget is supported from the four primary revenue sources listed in Table 1.

Of total revenue, 51.8% originates from tax collections and other sources comprising the General Fund, 31.2% from federal funds, 7.4% from the Highway Fund components, and 9.6% from other receipts and charges. The budget includes funding to continue existing programs, to implement new programs recommended by the Governor, and to fund employee benefit changes for teachers and state employees. The General Fund budget is 5.5% above the estimated adjusted 2004-05 budget and is within the Governor's proposed spending cap, which limits budget growth to the ten-year average of personal income growth.

For FY 2005-06, current operations make up 95.1% of the total state budget, while the remaining 4.9% is budgeted for capital improvements and other nonrecurring items.

Table 1. Revenue for the 2005-06 Budget

Fund Type	Sources	Amount (Billions)	Percent of Total
General	Tax collections Investment earnings Nontax revenues Bonds	\$ 16.9	51.8%
Federal	Allocations to North Carolina	10.2	31.2%
Highway	Motor fuel taxes Licenses and fees Investments Sales and use of motor vehicles	2.5	7.4%
Other	Tuition, fees, and other charges	3.1	9.6%
Total Budget Revenue		\$ 32.7	100.0%

■ **General Fund Revenue** ■

The Governor's budget continues the current state sales tax rate at 4.5% and the current method of taxing estates to ensure sufficient revenue for education and health care. In addition, the proposal continues the use of some monies from the tobacco settlement. The budget also uses funds from overcollection of revenues and monies that are unexpended at the end of the 2004-05 fiscal year. The proposal includes changes to simplify and modernize the sales tax in order to comply with the Streamlined Sales Tax Agreement and to equalize rates on consumption. The budget also includes a 45 cent per pack increase in the cigarette tax over two years and an 18% increase in the tax on other tobacco products. Table 2 shows the total budgeted revenues by major category.

Table 2. Revenue for the General Fund, 2005-06

<u>Category</u>	<u>Amount (Millions)</u>
Tax revenues	
Individual income	\$ 8,499
Sales and use	4,810
Corporate income	975
All other	1,655
Subtotal tax revenues	<u>15,939</u>
Nontax revenues	
Judicial fees and disproportionate share	245
Investment income and insurance	130
Tobacco settlement	37
Highway Fund and Trust Fund	249
All other	150
Subtotal nontax revenues	<u>811</u>
Other availability	
Beginning credit balance	222
Earmarked for Savings Reserve	(38)
Earmarked for One NC Fund	(5)
Earmarked for community college equipment	(10)
Earmarked for IT Fund	(20)
Earmarked for retirement payback	(5)
Unreserved credit balance	<u>144</u>
Total General Fund Revenue and Other Availability	\$ 16,894

■ **General Fund Expenditures** ■

The Governor's total recommended budget for 2005-06 is \$16,894 million, which includes \$16,407 million for continuation budget services, \$690 million in expansion recommendations, and \$203 million in budget reductions. This proposal is 5.5% above the estimated adjusted 2004-05 budget and is within the Governor's proposed spending cap, which limits budget growth to the ten-year average of personal income growth. The distribution of these recommended expenditures is summarized in Table 3.

Major Expansion Items

The majority of funding increases are for education, human services, and employee benefit programs.

Education

The Governor's budget increases education funding by \$532 million (5.8%) over 2004-05 levels. Specifically, it provides full funding for enrollment increases in the public schools (\$135 million), UNC system (\$73.6 million), private colleges and universities (\$3.0 million), and the community college system (\$7.9 million). In addition, it recommends full funding for higher education financial aid as well as funding that may be lost due to Pell Grant rule changes (\$19 million). The proposal includes disadvantaged student supplemental funding (\$25 million) and low-wealth funds (\$16.6 million) to enhance public school instructional programs and student achievement throughout the state. In FY 2006-07, \$58.5 million is recommended in order to fully fund the low-wealth formula for public schools. Funds are also provided to support at-risk children. These funds include an additional 3,200 slots for the More at Four Program (\$16.6 million), which prepares at-risk four-year-old children for success in school, as well as funds to better connect public schools with health, mental health, and social services programs (\$15 million). The budget also provides funds to expand the 21st Century High School Initiatives (\$5.9 million) and to pay for ABC bonuses earned in the 2004-05 school year (\$100 million).

Human Services

The budget recommends additional funding for Medicaid (\$215 million) and Health Choice (\$17.4 million), which will provide health insurance for all those expected to sign up for the program, thereby avoiding waiting lists. In addition, expansion funds are recommended for child care subsidies (\$2.3 million) and information technology initiatives (\$5.0 million) to increase efficiency in providing health care services. The budget recommends additional monies for the Mental Health Trust Fund to facilitate progress toward mental health reform. The proposal also recommends funds for the Division of Facilities Services to enhance licensure and monitoring capacity (\$4.2 million), which will assist in protecting vulnerable people in facilities throughout North Carolina.

Other Programs

The Governor's budget provides funds for economic development and biotechnology programs (\$13.7 million), monies to hire additional assistant district attorneys and victim assistants (\$4 million), juvenile justice programs (\$2 million), and funds to assist victims of crime (\$1 million). In addition, the proposal authorizes funds to match federal clean water, drinking water, and Superfund programs (\$6.3 million), as well as programs that support the goals of the One North Carolina Naturally Initiative (\$1 million), which include protecting and restoring sounds and ocean habitats.

Employee Benefits

The budget provides \$296 million in 2005-06 to support employee benefit programs. Specifically, it recommends a 2.0% recurring compensation increase for all teacher salary schedule staff and other state employees (\$168 million), as well as an additional 2% increase for community college faculty and professional staff (\$13.2 million). In addition, the State Health Plan will receive funds to cover increased employee health care premiums (\$80 million). The Governor's budget recommends a 2.0% cost-of-living adjustment for state government retirees (\$13.8 million). Finally, this proposal earmarks \$5 million from the FY 2004-05 credit balance to continue repayment of funds withheld from the Retirement System in 2000-01 due to the budget crisis.

Capital Improvements

The budget includes \$13.0 million in direct appropriations to match federal and local funds for water resources development projects, as well as \$5 million for equipment and infrastructure needs at the state ports. In addition, the proposal recommends that \$25 million (\$20 million from the 2004-05 credit balance and \$5 million from ITS receipts) be earmarked for statewide information technology projects. These funds will be used to upgrade the Human Resources/Payroll System and to meet requirements for security, project management, state portal, and other enterprise initiatives.

Savings Reserve Account (Rainy Day Fund)

The Governor's budget recommendation earmarks \$38.2 million from the 2004-05 credit balance to replenish the Savings Reserve Account (Rainy Day Fund).

Table 3. General Fund Expenditures, 2005-06

Category	Amount (Billions)	Percent of Total
Education	\$ 9.76	57.8%
Public schools		
Community colleges		
Universities		
Health and human services	4.09	24.2%
Justice and public safety	1.76	10.4%
Prisons		
Court system		
Other public safety agencies		
General government	0.74	4.4%
Environment		
Infrastructure		
Regulatory agencies		
Debt service, reserves, and capital	0.54	3.2%
Total General Fund Expenditures	\$ 16.89	100.0%

■ Transportation Budget ■

The FY 2005-06 budget for the Department of Transportation totals \$3.5 billion. The budget is supported from the four primary sources of revenue found in Table 4. These funds are distributed to the Highway Fund and the Highway Trust Fund based on a formula. Appropriations to the Highway Fund total \$1.5 billion and represent 43% of the total budget, while Highway Trust Fund appropriations of \$1.1 billion comprise 31% of the total budget. The budgeted resources are allocated as shown in Table 5.

Table 4. Revenue for the 2005-06 Transportation Budget

Source	Amount (Millions)	Percent of Total
Motor fuel taxes	\$ 1,436	41%
Vehicle and driver taxes and fees	1,152	33%
Federal funds	890	25%
General Fund and other sources	31	1%
Total Transportation Budget Revenue	\$ 3,509	100%

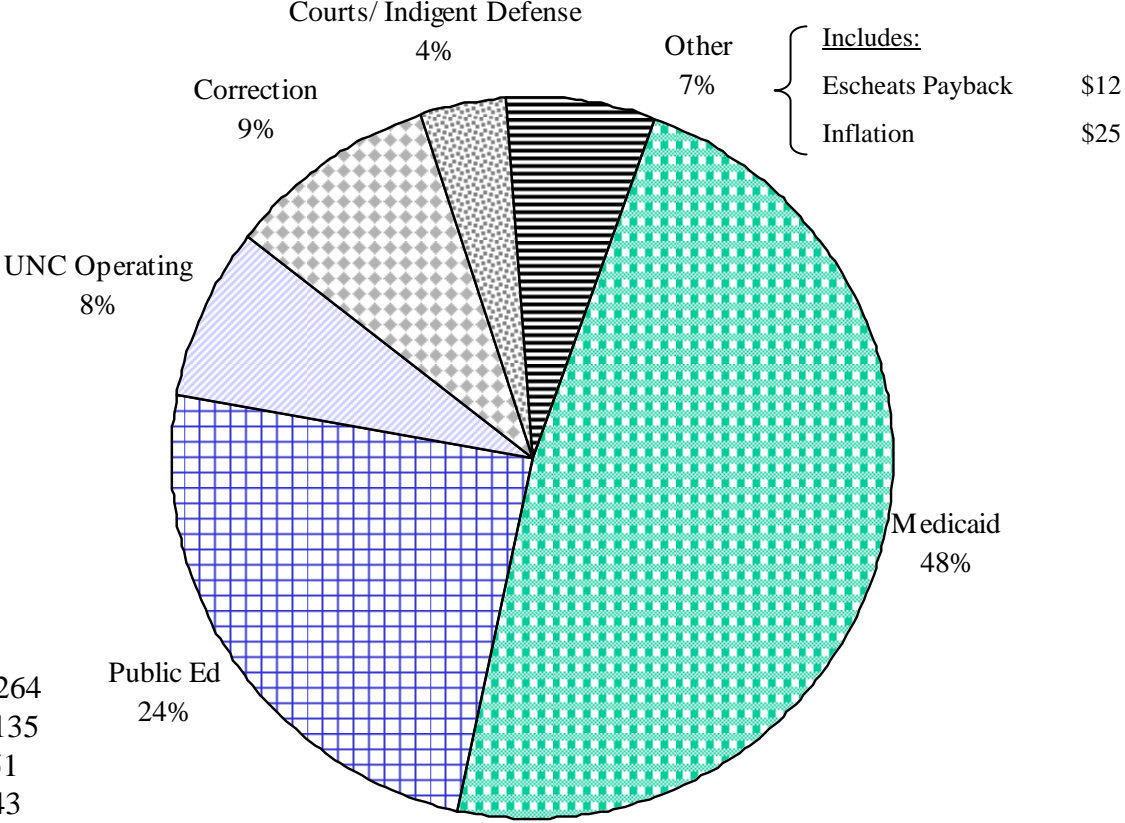
Table 5. Allocation of Transportation Funding for 2005-06

Category	Amount (Millions)	Percent of Total
Highway construction	\$ 1,725	49%
Highway maintenance and municipal aid	978	28%
General Fund agencies	439	13%
DOT management and support	177	5%
Non-highway transportation	45	1%
Division of Motor Vehicles	109	3%
Reserves	36	1%
Total Transportation Allocation	\$ 3,509	100%

Appropriations Information

Recommended General Fund Budget for FY 2005-06

Summary of Continuation Budget Increases*



<u>Total:</u>	
Medicaid	\$264
Public Ed	\$135
Correction	\$51
UNC Operating	\$43
Courts/Indigent Defense	\$22
Other	<u>\$37</u>
Total	\$552

*Requested continuation budget increase totaled \$897 million

North Carolina Office of State Budget and Management
Summary of Recommended Appropriations for FY 2005-07 Biennial Budget

Line #	Description	FY 2005-06	FY 2006-07
1	Continuation Budget	16,406,572,261	17,055,340,726
2			
3	Budget Reductions	(203,055,511)	(179,718,829)
4			
5	Education Expansion Items:		
6			
7	<u>At-Risk Programs - Public Schools</u>		
8	Disadvantaged Students' Supplemental Funding	25,000,000	25,000,000
9	Child and Family Services Initiative	15,045,425	22,631,342
10	Low Wealth Funding	16,550,111	58,527,635
11	Subtotal	56,595,536	106,158,977
12			
13	<u>Access/Opportunity/Strengthen Support Structures</u>		
14	ADM Adjustment	9,273,407	6,533,846
15	UNC Enrollment	73,629,935	73,629,935
16	UNC Financial Aid	8,674,000	8,674,000
17	Pell Grant Rule Change Offset	5,200,000	5,200,000
18	Private Colleges Enrollment	2,957,400	2,957,400
19	Private Colleges Financial Aid	1,285,100	1,285,100
20	Community Colleges Enrollment	7,897,979	7,897,979
21	Community Colleges Financial Aid	3,928,909	3,928,909
22	More-at-Four Program	16,640,531	29,103,657
23	NCSU Friday Institute	1,000,000	1,000,000
24	CFNC Marketing and Recruitment	25,000	25,000
25	Subtotal	130,512,261	140,235,826
26			
27	<u>Economic Development</u>		
28	Learn and Earn	4,164,926	10,259,440
29	Specialty Schools Pilot	1,446,877	1,446,877
30	Center for 21st Century Skills	250,000	500,000
31	Community Colleges Equipment (from credit balance)	-	-
32	Subtotal	5,861,803	12,206,317
33			
34	<u>Recruiting/Retaining Teachers and Administrators</u>		
35	ABC Bonuses	100,000,000	-
36	UNC System and Community Colleges Partnership	2,480,000	2,640,000
37	Teaching Fellows for Math/Science Teachers	-	330,000
38	Prospective Teacher Scholarship Loan	1,000,000	1,000,000
39	Principals Executive Program	125,000	125,000
40	National Board Certification for Non-LEA Teachers	94,000	94,000
41	On-Line Resource Center	100,000	-
42	Subtotal	103,799,000	4,189,000

North Carolina Office of State Budget and Management
Summary of Recommended Appropriations for FY 2005-07 Biennial Budget

Line #	Description	FY 2005-06	FY 2006-07
43	<u>Other</u>		
44	Community Colleges - System Office Staff	39,550	52,715
45	UNC TV Close-Captioned Funds	483,978	629,307
46	UNC Asheville Arboretum	65,250	87,000
47	Subtotal	588,778	769,022
48			
49	Total for Education Items	297,357,378	263,559,142
50			
51	Health and Human Services Expansion Items:		
52	Children's Health Insurance Program	17,384,247	31,298,680
53	Child Care Subsidies (additional \$ from block grants)	2,300,000	7,000,000
54	Health Initiative (Update IT systems)	5,000,000	-
55	Quality Improvement for Care and Safety	4,185,106	5,946,956
56	Mental Health Trust Fund	5,000,000	
57	OES - Translator and Interpreter Services	96,254	120,504
58	DPH - Adoption Processing	59,061	74,748
59	Subtotal	34,024,668	44,440,888
60			
61	Economic Development / Biotechnology Items:		
62	One NC Fund (\$5 million from credit balance)		
63	Job Development Investment Grant Program (JDIG)	3,500,000	7,900,000
64	Film Incentives	4,000,000	4,000,000
65	NC Biotechnology Center	3,000,000	1,500,000
66	UNC Initiatives:		
67	Biomanufacturing Training Center (NCSU)	2,000,000	2,000,000
68	Bioprocessing Research Institute (NCCU)	500,000	500,000
69	Small Business Technology Development Centers	900,000	-
70	Subtotal	13,900,000	15,900,000
71			
72	Justice and Public Safety Items:		
73	Courts - Assistant DA's / Victim Witness Assistants	4,050,000	4,500,000
74	Courts - Critical Equipment Needs	1,500,000	-
75	Courts - Judicial College (through Institute of Gov't)	250,000	500,000
76	Correction - Medical/Safety/IT Security Positions	902,000	1,191,851
77	Juvenile Justice - Transition Funds	750,000	1,000,000
78	Juvenile Justice - Eckerd Camp Beds	500,780	500,780
79	Juvenile Justice - Community Services	500,000	500,000
80	Crime Control - Crime Victims' Compensation Fund	1,000,000	1,500,000
81	Crime Control - Operating Funds Ft. Bragg Facility	122,000	133,313
82	Crime Control - National Guard	500,000	500,000
83	Justice - SBI DNA Analysis/Methamphetamine/Computer	499,229	767,979
84	Subtotal	10,574,009	11,093,923

North Carolina Office of State Budget and Management
Summary of Recommended Appropriations for FY 2005-07 Biennial Budget

Line #	Description	FY 2005-06	FY 2006-07
86	Other Expansion Items	21,101,833	16,805,347
87			
88	Employee Benefits Items:		
89	Teacher's Salary Increase (2% average)	54,000,000	46,000,000
90	State Employees Salary Increase (2%)	114,000,000	114,000,000
91	Community Colleges Pay Plan (additional 2%)	13,200,000	13,200,000
92	Retirement System COLA	13,810,800	13,810,800
93	Retirement System - Disability / Death Benefit	20,769,300	20,769,300
94	Health Plan Premium Increase	80,000,000	100,000,000
95	Subtotal	295,780,100	307,780,100
96			
97	Capital Items:		
98	Water Resources Projects	13,013,000	-
99	State Ports	5,000,000	-
100	Subtotal	18,013,000	-
101			
102	Total Expansion Items	690,750,988	659,579,400
103			
104	Total Recommended Budget	16,894,267,738	17,535,201,297
105			
106	% Growth in Budget Over Prior Year	5.5%	3.8%

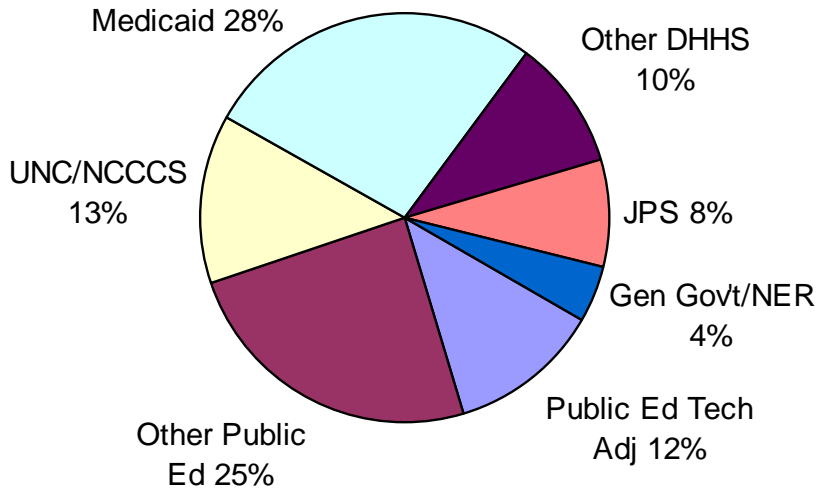
North Carolina Office of State Budget and Management

Summary of Recommended Reductions and Adjustments for FY 2005-07 Biennial Budget

Line #	Description	FY 2005-06	FY 2006-07
1	Health and Human Services		
2	Medicaid Inflation	(18,000,000)	(24,000,000)
3	Medicaid Prescription Drug Costs	(15,000,000)	(20,000,000)
4	Increase Copayments	(6,000,000)	(6,000,000)
5	Medicare Part D Clawback	(11,000,000)	(22,000,000)
6	Prior Year Earned Revenue	(5,000,000)	0
7	Medicaid Trust Fund	(5,000,000)	0
8	Subtotal	(60,000,000)	(72,000,000)
9			
10	Public Education		
11			
12	<u>Technical Adjustment:</u>		
13	Average Salary Adjustment (updated information)	(23,642,099)	(23,965,417)
14			
15	<u>Other Items:</u>		
16	Public School Capital Fund Receipts	(15,000,000)	(15,000,000)
17	Use Federal NCLB Funds for Tests	(1,753,412)	(1,753,412)
18	LEA Discretionary Reduction	(27,660,000)	0
19	ADM Contingency Reserve	(1,000,000)	0
20	DPI - ADM Contingency Reserve / School Tech Funds	(5,000,000)	0
21	Subtotal	(50,413,412)	(16,753,412)
22			
23	Total Public Education	(74,055,511)	(40,718,829)
24			
25	Statewide Reserves/Other		
26	Insurance - Volunteer Safety Workers Fund	(2,000,000)	0
27	Information Technology Efficiencies	(3,000,000)	(3,000,000)
28	1% Management Flexibility Reduction for Agencies	(64,000,000)	(64,000,000)
29	Subtotal	(69,000,000)	(67,000,000)
30			
31			
32	Total Adjustments and Reductions	(203,055,511)	(179,718,829)

Breakdown of Recommended Adjustments/Reductions and Expansion by Area for FY 2005-06

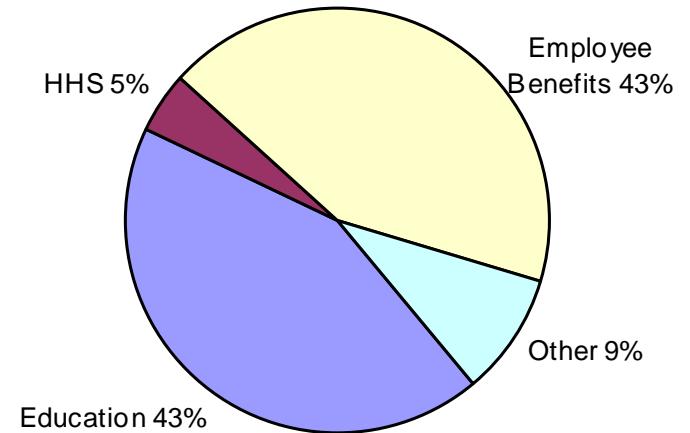
Adjustments/Reductions:



Adjustments/Reductions:

Public Ed Technical Adjustment	\$24
Other Public Ed	\$50
UNC System/NCCCS	\$27
Medicaid	\$55
Other DHHS	\$21
JPS	\$17
General Gov't/NER	\$9
	<hr/>
	\$203

Expansion:



Expansion:

Education	\$297
Employee Benefits	\$296
Health & Human Services	\$34
Other	\$64
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	\$691

Budget Availability Information

(Economy and Revenues)

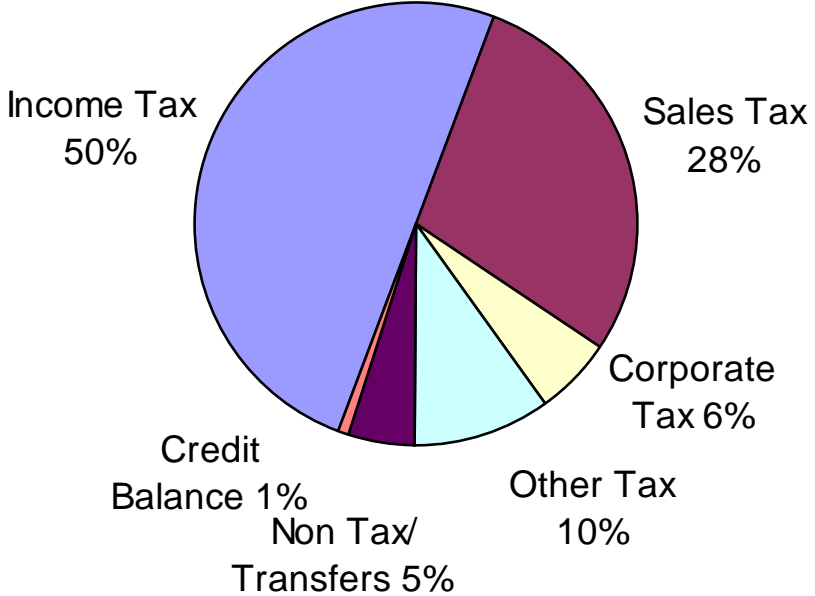
**North Carolina Office of State Budget and Management
Summary of Availability for FY 2005-07 Biennial Budget**

Line #	Description	FY 2005-06	FY 2006-07
1	Beginning Credit Balance		
2	Overcollections FY 2004-05	147,000,000	
3	Reversions FY 2004-05	75,000,000	
4	Earmark Savings Reserve Account	(38,194,762)	
5	Earmark for IT Infrastructure	(20,000,000)	
6	Earmark Community Colleges Equipment	(10,000,000)	
7	Earmark Retirement System Payback	(5,000,000)	
8	Earmark One NC Fund	(5,000,000)	
9	Subtotal Unreserved Credit Balance	143,805,238	0
10			
11	Base Revenue Forecast	15,972,300,000	16,634,700,000
12			
13	Additional Availability Recommendations		
14			
15	<u>Continue Existing Tax Structure:</u>		
16	Half Cent State Sales Tax	413,400,000	458,700,000
17	8.25% Income Tax Bracket (Phase Out)	20,100,000	24,600,000
18	Maintain Current Method of Taxing Estates	30,600,000	121,600,000
19	Subtotal	464,100,000	604,900,000
20			
21	<u>Streamline/Modernize Sales Tax (effective 9/1/05):</u>		
22	Telecommunications 7.0%	38,025,000	50,700,000
23	Satellite / Cable 7.0%	27,450,000	36,600,000
24	Liquor 7.0%	3,450,000	4,600,000
25	Candy	11,812,500	15,750,000
26	Newspapers	6,750,000	9,000,000
27	Entertainment	22,500,000	30,000,000
28	Film Incentive	(500,000)	(500,000)
29	Exempt Farm Machinery and Fuel	(3,825,000)	(5,100,000)
30	Subtotal	105,662,500	141,050,000
31			
32	<u>Cigarette Tax \$.35 Increase (effective 9/1/05); additional \$.10 (effective 7/1/06):</u>	171,400,000	277,100,000
33			
34	<u>Tobacco Trust Fund Transfer</u>	37,000,000	37,000,000
35			
36	Total Availability	16,894,267,738	17,694,750,000
37			
38	Balance (revenues minus expenditures)	0	159,548,703

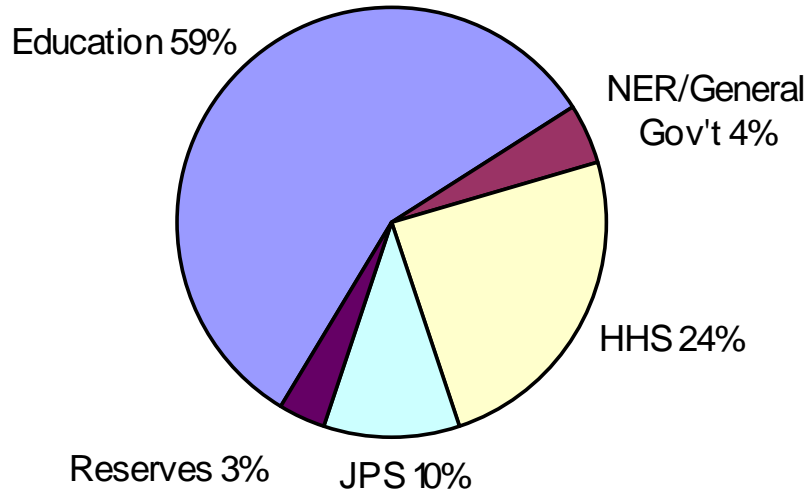
Appendices

Recommended General Fund Budget for FY 2005-06: Breakdown of Revenues and Appropriations by Area

Where it Comes From ...



...Where it Goes



Revenues:

Income Tax	\$8,499
Sales Tax	\$4,810
Corporate Tax	\$975
Other Tax	\$1,655
Non Tax/Transfers	\$811
Credit Balance	\$144
	<hr/>
	\$16,894

Appropriations:

Education	\$9,761
NER/General Government	\$735
Health & Human Services	\$4,089
Justice & Public Safety	\$1,765
Reserves/Debt Service/Capital	\$544
	<hr/>
	\$16,894

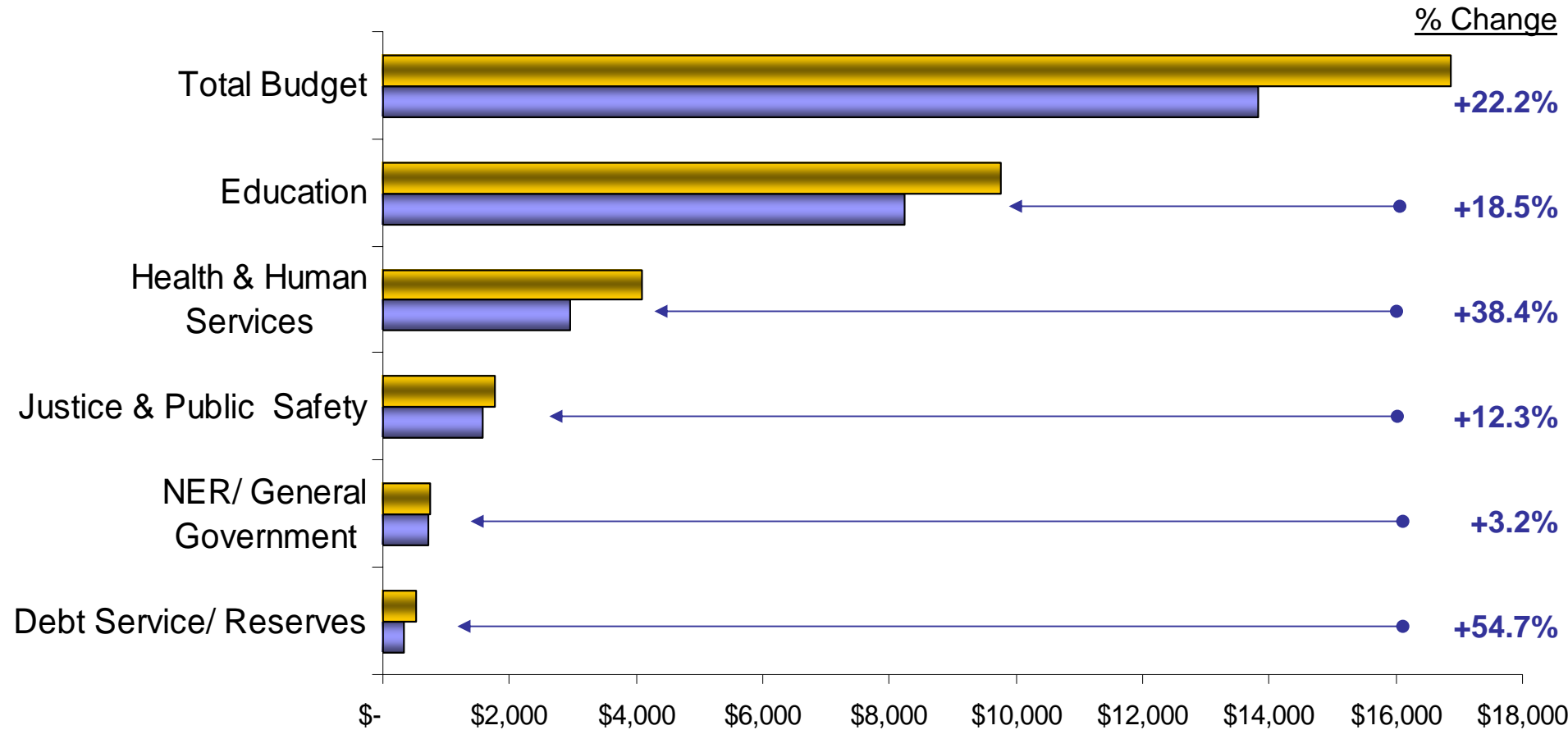
North Carolina Office of State Budget and Management
Summary of Other Expansion Items for FY 2005-07 Biennial Budget

Line #	Description	FY 2005-06	FY 2006-07
1	General Government Expansion Items:		
2			
3	<u>Administration</u>		
4	Procurement Compliance	108,800	135,101
5	Property Management Personnel	150,000	200,000
6	IT Security Position	60,000	81,334
7	HUB Database System Update	310,000	75,000
8	Veterans Affairs	107,700	-
9			
10	<u>State Personnel</u>		
11	Career Banding / Equipment Training Center	100,000	-
12			
13	<u>Cultural Resources</u>		
14	Grassroots Arts Program	300,000	300,000
15	Museum of Arts Programs	250,000	250,000
16	North Carolina Awards Program	50,000	50,000
17	IT Applications Programmer	40,000	50,000
18	Symphony Health Insurance	543,268	543,268
19			
20	<u>Revenue</u>		
21	Property Tax and Substance Abuse Staff	105,111	125,462
22	Security of Taxpayer Operating System	560,000	80,000
23	Hispanic Initiative	250,000	250,000
24			
25	<u>Board of Elections</u>		
26	IT Support / Hardware Upgrades	85,000	110,000
27			
28	<u>State Budget Office</u>		
29	Budget Analysts / Maintenance Costs	87,000	107,000
30			
31	<u>State Budget Office: Statewide Reserves</u>		
32	Polk Building Rent	1,500,000	1,500,000
33	State Fire Protection Grants	1,000,000	1,000,000
34	IT Initiatives	2,000,000	2,000,000
35	Fuel Costs	3,000,000	-
36			
37	<u>Lieutenant Governor</u>		
38	Operating Funds	12,804	12,804
39			
40	<u>State Controller</u>		
41	Internal Controls Position	63,506	77,540

North Carolina Office of State Budget and Management
Summary of Other Expansion Items for FY 2005-07 Biennial Budget

Line #	Description	FY 2005-06	FY 2006-07
42	<u>Administrative Hearings</u>		
43	Software / Computer Upgrades	10,000	10,000
44			
45	<u>State Treasurer</u>		
46	Accountant Position for Debt Management	51,609	67,478
47	Retirement IT System (from earnings)	-	-
48			
49	<u>Insurance</u>		
50	IT Positions (from Regulatory Surcharge Fund)	122,516	153,752
51			
52	<u>Information Technology</u>		
53	HR/Payroll System (\$15m from credit balance)		
54	Enterprise Initiatives (\$10m from credit balance, ITS)		
55			
56	Natural and Economic Resource Expansion Items:		
57			
58	<u>Environment and Natural Resources</u>		
59	Superfund Cost Share	1,000,000	1,000,000
60	Match for Federal Clean Water Funds	3,889,571	3,889,571
61	Drinking Water Revolving Fund Match	1,415,980	1,415,980
62	Express Permitting Statewide	575,977	-
63	One NC Naturally Initiative	1,000,000	1,250,000
64	Fire Suppression Capability	248,257	298,369
65	West Nile Virus Control	54,113	54,113
66	Ground Water Monitoring	125,000	150,000
67	NC One Map	560,000	80,000
68			
69	<u>Commerce</u>		
70	Support for Economic Development Information System	276,041	297,898
71	Board of Science and Technology Position	60,000	80,000
72			
73	<u>Agriculture</u>		
74	Emergency Programs (Disease Control)	242,212	323,309
75			
76	<u>Labor</u>		
77	Apprenticeship Training Program	787,368	787,368
78			
79	Total	21,101,833	16,805,347

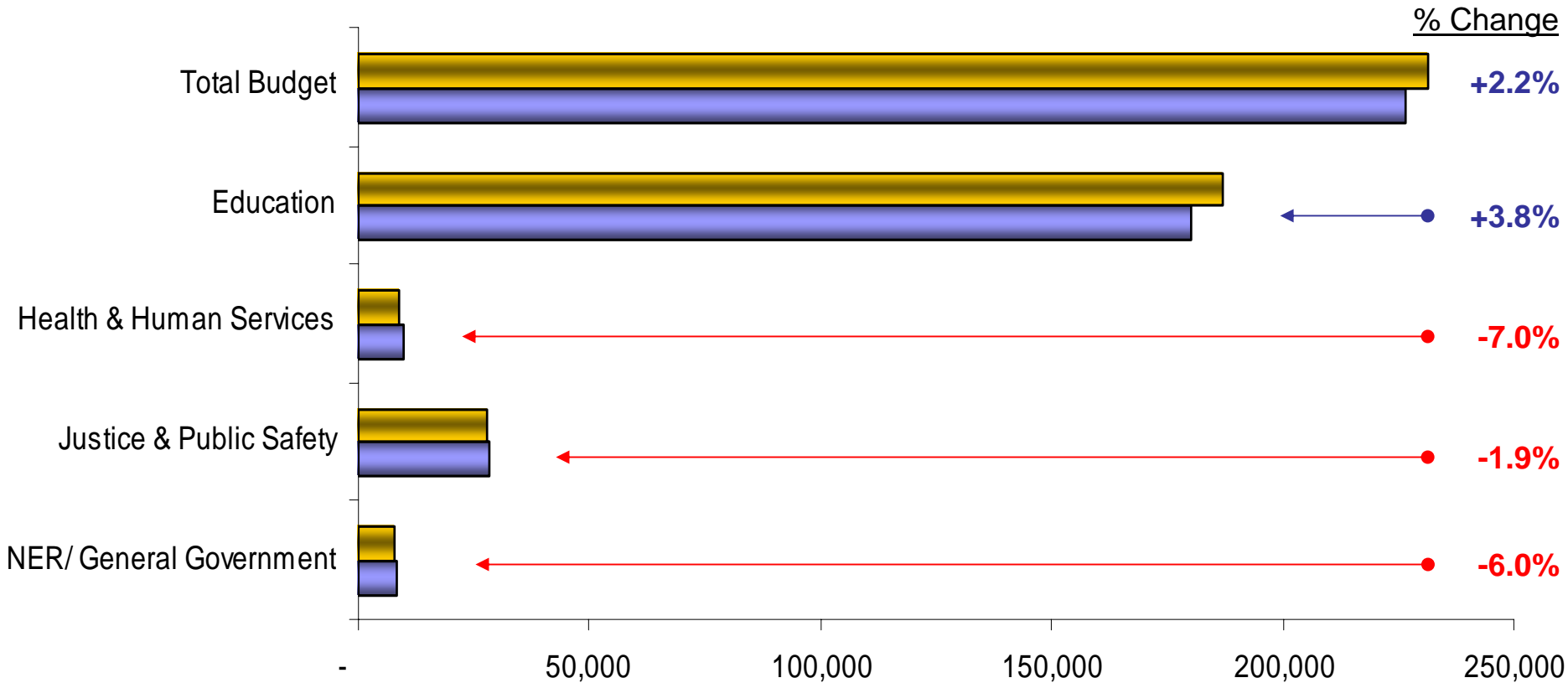
General Fund Operating Budget FY 2000-01 vs. Recommended FY 2005-06 Budget



	Debt Service/ Reserves	NER/ General Government	Justice & Public Safety	Health & Human Services	Education	Total Budget
■ 05-06	\$526	\$735	\$1,765	\$4,089	\$9,761	\$16,876
■ 00-01	\$340	\$712	\$1,571	\$2,954	\$8,238	\$13,815

(\$ in Millions)

Changes in General Fund Supported Positions FY 2000-01 vs. Recommended FY 2005-06 Budget



	NER/ General Government	Justice & Public Safety	Health & Human Services	Education	Total Budget
05-06	7,979	27,702	8,970	186,856	231,507
00-01	8,487	28,247	9,649	180,079	226,462

(Position Counts)

Budgeted Positions (FTE) Funded From General Fund Appropriations
FY 2000-01 vs. Recommended FY 2005-06 Budget

State Agencies & Departments	December 2000	December 2004	Changes FY 05-06	Revised Total	% Change
Education					
<u>Local Education -- (State Funded)</u>					
Community College System	12,761	13,934	-	13,934	9.2%
Public Schools	138,617	142,876	-	142,876	3.1%
Subtotal Local Education	151,378	156,810	-	156,810	3.6%
UNC System	28,194	29,041	552.37	29,593	5.0%
Public Instruction (State Adm.)	346	301	3.00	304	-12.1%
Community Colleges (State Adm.)	161	148	1.00	149	-7.5%
Subtotal State Administration	507	449	4.00	453	-10.7%
Total Education	180,079	186,300	556.37	186,856	3.8%
Justice & Public Safety					
Administrative Office of the Courts	5,457	5,460	67.00	5,527	1.3%
Justice	1,124	1,088	17.00	1,105	-1.7%
Juvenile Justice & Delinq. Prev.	2,135	1,882	-	1,882	-11.9%
Correction	18,999	18,845	31.00	18,876	-0.6%
Crime Control and Public Safety	532	306	6.00	312	-41.4%
Justice & Public Safety	28,247	27,581	121.00	27,702	-1.9%
Health and Human Services	9,649	8,904	65.50	8,970	-7.0%
Natural & Economic Resources					
Agriculture & Consumer Services	1,125	960	5.00	965	-14.2%
Labor	354	266	12.00	278	-21.5%
Environment & Natural Resources	2,412	2,290	26.00	2,316	-4.0%
Commerce	388	360	3.00	363	-6.4%
Natural & Economic Resources	4,279	3,876	46.00	3,922	-8.3%
General Government					
General Assembly	420	447	-	447	6.4%
Governor	70	60	-	60	-14.3%
State Budget & Management	93	55	2.00	57	-38.7%
Office of the Lt. Governor	9	9	0.25	9	2.8%
Secretary of State	192	174	-	174	-9.4%
Office of the State Auditor	172	175	-	175	1.7%
State Treasurer	69	66	3.00	69	0.0%
Insurance	347	365	2.00	367	5.8%

Budgeted Positions (FTE) Funded From General Fund Appropriations
FY 2000-01 vs. Recommended FY 2005-06 Budget

State Agencies & Departments	December 2000	December 2004	Changes FY 05-06	Revised Total	% Change
Administration	759	665	7.00	672	-11.5%
Office of the State Controller	96	87	1.00	88	-8.3%
Revenue	1,183	1,189	3.00	1,192	0.8%
Cultural Resources	730	677	6.00	683	-6.4%
State Board of Elections	20	20	1.00	21	5.0%
Office of Administrative Hearings	44	43	-	43	-2.3%
General Government	4,204	4,032	25.25	4,057	-3.5%
Grand Total	226,458	230,693	814.12	231,507	2.2%

