

One North Carolina Fund
 Quarterly Report to the Joint Legislative Commission on Governmental Operations
 As Required By Section 12.4(c) of Session Law 2003-284
 December 31, 2003

Disbursements: October 1, 2003 through December 31, 2003

- Disbursements totaled \$567,500.00
- They include:

Environmental Networks	Chowan County	\$5,000
UPM-Raflatac, Inc.	Henderson County	\$50,000
Abbott Laboratories	Nash County	\$50,000
PrettlNoma Systems	Beaufort County	\$112,500
Syngenta	Guilford County	\$350,000

- Represents \$76,250,000 in total investments and 382 new jobs
- Summary of pending commitments total \$13,868,272

Historical Information

- Since program's inception, \$19,252,944.56 has been disbursed from the fund
- Represents \$2,796,955,900 in total investments and 21,577 new jobs throughout North Carolina
- Disbursements are made under grant agreements based upon performance by the company (typically creating a certain level of new jobs)
- Grants may be committed and approved in one year; however, actual disbursement may not occur until one or more years later once the company has met the required performance criteria.

Certified Budget for FY 2003-04

Cash Balance on July 1, 2004: (carry forward from FY 2002-03)	\$1,455,512
Commerce Budget Transfers:	<u>\$667,931</u>
Total Certified Budget	\$2,123,443
 Current FY 2003-04 Disbursements:	 \$2,001,728
 Balance	 \$121,715

Session Law 2003-284, Section 12.4(d) provides authority to carry forward the entire unexpended balance of One North Carolina – Industrial Recruitment Competitive Funds. However, the entire unexpended and obligated budget for FY 2002-03 was not carried forward to FY 2003-04 due to credit balance funds that were budgeted by the General Assembly for FY 2003-04. The Governor obtained agreement from the General Assembly to give the Executive Branch authority to meet this obligation in FY 2003-04 from available funds, but the Legislature adjourned before the agreement was passed.

G.S. 143-16.3 provides that no expenditures may be made for purposes for which the General Assembly has considered but not enacted an appropriation; provided, however, that in the event the Director of the Budget declares that it is necessary to deviate from this provision, he may do so after prior consultation with Governmental Operations. This consultation took place at the November 2003 meeting.

Since the legislative intent and authority to expend up to an additional \$16,545,454 was authorized in FY 2003-04 and agreement from the General Assembly had been obtained to use available funds to accomplish this purpose, OSBM has transferred available funds to a statewide reserve to satisfy the obligations of the One North Carolina Fund as these documented obligations become due during FY 2003-04.