



**THE TOBACCO TRUST FUND
COMMISSION'S ANNUAL REPORT TO
THE JOINT LEGISLATIVE COMMISSION
ON GOVERNMENTAL OPERATIONS
AND THE CHAIRS OF THE HOUSE AND
SENATE APPROPRIATIONS
COMMITTEES**

November 1, 2013

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The Honorable Phil Berger
Co-Chair, Joint Legislative Commission on
Governmental Operations
2008 Legislative Building
Raleigh, NC 27601-2808

The Honorable Thom Tillis
Co-Chair, Joint Legislative Commission on
Governmental Operations
2304 Legislative Building
Raleigh, NC 27601-1096

Dear Senator Berger and Representative Tillis:

Pursuant to North Carolina General Statute 143-722(a), the Tobacco Trust Fund Commission hereby presents a report to the Joint Legislative Commission on Governmental Operations from the Chairman, William H. "Bill" Teague. As specified in the legislation, this report contains an update on grant activity and operating expenditures.

If we can provide any further information or answer any questions, please do not hesitate to contact us.

Respectfully,

A handwritten signature in cursive script, reading "William H. Teague".

William H. "Bill" Teague
Chairman

The Honorable Nelson Dollar
Senior Chair, House Appropriations Committee
307B1 Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Justin Burr
Co-Chair, House Appropriations Committee
307A Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Bryan Holloway
Co-Chair, House Appropriations Committee
305 Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Linda P. Johnson
Co-Chair, House Appropriations Committee
301D Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Pat McElraft
Co-Chair, House Appropriations Committee
634 Legislative Office Building
Raleigh, NC 27603-5925

Dear Representative Dollar and Representative Burr and Representative Holloway and Representative Johnson and Representative McElraft:

Pursuant to North Carolina General Statute 143-722(a), the Tobacco Trust Fund Commission hereby presents a report to the Co-Chairs of the House Appropriations Committee from the Chairman, William H. "Bill" Teague. As specified in the legislation, this report contains an update on grant activity and operating expenditures.

If we can provide any further information or answer any questions, please do not hesitate to contact us.

Respectfully,

A handwritten signature in black ink, appearing to read "William H. Teague". The signature is fluid and cursive, with the first name "William" and last name "Teague" being the most prominent parts.

William H. "Bill" Teague
Chairman

The Honorable Harry Brown
Co-Chair, Senate Appropriations/
Base Budget Committee
300-B Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Peter S. Brunstetter
Co-Chair, Senate Appropriations/
Base Budget Committee
2022 Legislative Building
Raleigh, NC 27601-2808

The Honorable Neal Hunt
Co-Chair, Senate Appropriations/
Base Budget Committee
309 Legislative Office Building
Raleigh, NC 27603-5925

Dear Senator Brown and Senator Brunstetter and Senator Hunt:

Pursuant to North Carolina General Statute 143-722(a), the Tobacco Trust Fund Commission hereby presents a report to the Co-Chairs of the Senate Appropriations/Base Budget Committee from the Chairman, William H. "Bill" Teague. As specified in the legislation, this report contains an update on grant activity and operating expenditures.

If we can provide any further information or answer any questions, please do not hesitate to contact us.

Respectfully,

A handwritten signature in black ink, reading "William H. Teague". The signature is fluid and cursive, with the first name "William" and last name "Teague" clearly legible.

William H. "Bill" Teague
Chairman

**TO: THE JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS
AND THE CO-CHAIRS OF THE HOUSE AND SENATE APPROPRIATIONS
COMMITTEES**

As the Chairman of the North Carolina Tobacco Trust Fund Commission, I am pleased to present our annual report to the Joint Legislative Commission on Governmental Operations and the Co-Chairs of the House and Senate Appropriations Committees.

During the past year I have traveled all across North Carolina talking, observing, and learning from many citizens that depend on our agricultural industry for their existence. A common shared theme is a proud way of life in a challenging livelihood. Returns never seem to keep up with input costs, but each person knows they provide an immeasurable value of service to a rapidly growing population.

The Tobacco Trust Fund Commission's work is **critical** because agriculture remains a very important part of our state's economy, contributing **\$77** billion annually, accounting for **17.5%** of the state's income and employing over **17%** of the workforce. Our board and staff have worked very hard in the past year to make investments that strengthen a core business with limited funding. We have accomplished this by implementing projects to support diversification, education, job creation/sustainability and environmental preservation. We applaud our legislative leadership for allowing the Commission to continue to serve the cornerstone of our state's economy.

Active grant information, the 2013 grant awards, and information showing the impact of our funds are included in this report. This report provides a synopsis of each recipient's project and, with the guidance of the Tobacco Trust Fund Commission, their impressive results with the financial assistance provided.

We are very proud of our work and humbled to play a part in helping our great state move forward.

Sincerely,

A handwritten signature in cursive script that reads "William H. Teague".

William H. "Bill" Teague
Chairman



COMMISSION MEMBERS

2013

AVERETT, Ernest B.

Oxford, NC
County-Granville
Appointee Officer –
Speaker of the House

BARNES, Susan

Kenly, NC
County-Wilson
Appointee Officer-
Governor

CARTER, J.W. (Billy)
III.

Eagle Springs, NC
County-Moore
Appointee Officer-
President Pro Tem

COLLINS, William K.

Raleigh, NC
County-Wake
Appointee Officer-
President Pro Tem

CREWS, Sam

Oxford, NC
County-Granville
Appointee Officer-
Speaker of the House

DAVENPORT, David

Greenville, NC
County-Pitt
Appointee Officer-
Governor

DAVIS, Layten

Hot Springs, NC
County-Madison
Appointee Officer-
Speaker of the House

EMERSON, Thomas

Siler City, NC
County-Chatham
Appointee Officer-
Speaker of the House

GRAY, Albert D. (Dial)
III

Whiteville, NC
County-Columbus
Appointee Officer-
Governor

HOLBROOK, Bill

Waynesville, NC
County-Haywood
Appointee Officer-
Governor

MCLAWHORN,
John (Johnny) B. Jr.

Hookerton, NC
County-Greene
Appointee Officer-
Governor

REEVES, Kenneth

Leicester, NC
County-Buncombe
Appointee Officer-
President Pro Tem

SCOTT, Linwood H. III

Lucama, NC
County-Wilson
Appointee Officer-
Speaker of the House

SMITH, Steve

Reidsville, NC
County-Rockingham
Appointee Officer-
President Pro Tem

STRICKLAND, Clay

Clinton, NC
County-Sampson
Appointee Officer-
Speaker of the House

TEAGUE, William H.
(Bill) CHAIRMAN

Leicester, NC
County-Buncombe
Appointee Officer-
President Pro Tem

WARD, Dan
VICE CHAIRMAN

Clarkton, NC
County-Bladen
Appointee Officer-
Governor

WEBSTER, Thomas

Madison, NC
County-Rockingham
Appointee Officer-
President Pro Tem



COMMISSION HISTORY

2013

Background

North Carolina's share of the Master Settlement Agreement (MSA) was divided into three different parts. Under the terms of the consent decree in North Carolina, 50% of the funds are directed to a non-profit corporation, Golden LEAF, to be used for economic development in tobacco-dependent communities. By statute the remaining 50% is equally divided between two state Commissions. The Health and Wellness Trust Fund Commission utilizes their portion for health-related needs (HWTFC). The final portion is allocated to the North Carolina Tobacco Trust Fund Commission (TTFC). With the passage of the 2011 budget, the TTFC now receives funding via non-reoccurring appropriations and the HWTFC is no longer in existence.

The TTFC was created on August 2, 2000 with the approval of House Bill 1431. The purpose of the Commission is to assist tobacco farmers, former tobacco quota holders, persons engaged in tobacco-related businesses, individuals displaced from tobacco-related employment, and tobacco product component businesses in this State due to the adverse effects of the MSA. Funds can be disbursed through **compensatory programs** and **qualified agricultural programs**.

Membership is made up of 18 people, six appointed by the Governor, six by the Speaker of the House and six by the President Pro Tem of the Senate. The board met for the first time February 15, 2001 at which the members were given their charges and sworn in.

Since November 1, 2012

The TTFC has met **four times** this past year. During these meetings, board members awarded grant funds, received grantee updates and took action on grant amendment requests.

In 2013, a total of **50** grant applications were received requesting over **\$9.9** million in funding. After a very detailed review process, the TTFC approved grants totaling **\$1,735,500 for 12 projects**. The diversion of funds, to balance the state budget and other non-statutory projects, prevented the board from addressing many more of these worthy applications.

Even with the limitation of funds, the TTFC is very proud of the investments made this past year to help people in North Carolina continue to move forward. Below are examples of positive impacts in just a few of our ongoing projects.

- A new cattle marketing facility in Duplin County serving the southeast region generated over \$1 million in cattle sales in less than 6 months.
- Vance County will open a new farmers market in late 2013 that will serve farmers there and in surrounding counties.
- 24 community colleges across the state provided tuition and supply assistance through “Project Skill-UP” to over 1,000 students who are training for new careers.
- Agricultural education programs at 32 high schools received grants of up to \$5,000 to improve their facilities, implement new curriculums, construct greenhouses and purchase much-needed supplies.
- New grants were awarded to 12 applicants for projects such as major marketing campaigns for local food products, new farmers markets, cost-share grants to farmers and more!

Even as we transition from an unprecedented recession, new enterprises are continuing to take hold, new markets are being developed, and new job opportunities are being provided. These contributions, detailed throughout this report, illustrate the passion of North Carolinians to restore prosperity to former tobacco-dependent communities and businesses. Agriculture is still a key industry in the state driving an important economic engine in the rural areas. Our state leaders have shown their ability to address current challenges and future opportunities by providing financial resources through our program that will pay dividends for years to come. On behalf of the board and the many people we serve, the TTFC thanks you for your support.

NC TOBACCO TRUST FUND COMMISSION
2010 CYCLE: GRANTS COMPLETED AFTER NOVEMBER 1, 2012 &
ACTIVE GRANTS as of OCTOBER, 2013

Project: **Appalachian Grown: Marketing Support for Mountain Farms**

Contact: Mr. Charlie Jackson
 Appalachian Sustainable Agriculture Project
 729 Haywood Road #3
 Asheville, NC 28806
 828-236-1282

Grant Amount: \$168,450

The project funded a marketing cost share program for farmers, farmer groups and farmer tail-gate markets in 23 western North Carolina counties. The cost share funds were utilized as a direct one-to-one match for marketing and promotional materials. Over 2,300 farmers were supported by the project either through cost-share assistance or through their membership in farmers markets. Over \$140,000 was leveraged by farmers against the same amount of cost-share. Farmers reported that the decreased marketing costs have increased profits and the additional marketing tools have generated more sales. Nearly 90% plan to continue their own marketing as a result of their experiences in the project.

STATUS: COMPLETED

Area Served: 23 western NC counties

www.asapconnections.org

Project: **Loan Fund: Partnership with Community Banks**

Contact: Mr. Mike Manis
 Centralina Economic Development Corporation
 1300 Baxter Street Suite 450
 Charlotte, NC 28304
 704-348-2720

Grant Amount: \$220,000

Funds are leveraging an \$820,000 grant from the US Department of Commerce for a permanent revolving loan fund. The fund encourages banks to make loans to businesses targeting agriculture and advanced manufacturing, particularly small companies developing new value added products at the Kannapolis research campus. Loans will be for fixed assets and must create jobs, and are subordinated to other creditors providing an additional \$1,000,000 in loans. Companies will be linked to worker training services to upgrade workforce skills.

STATUS: Grantee received the grant from USDC. Program has been promoted among banks and other lenders. Applications have been lower than expected.

Area Served: Mecklenburg and surrounding counties

www.centralina.org

Project: Agricultural Heritage Legacy Scholarship Program

Contact: Ms. Kathy Kennel
NC Agricultural Foundation, Inc.
Campus Box 7645
Raleigh, NC 27695
919-515-9259

Grant Amount: \$115,000

Grant has provided 2-year scholarships and internships to 14 students in NCSU's Agricultural Institute. Students who were first in their family to attend college received priority. Goals encourage higher education, enable enhanced agriculture career opportunities, and create long term economic benefits to students' local communities. Students have paid for their own room, board, and expenses. Seven students completed their two years of school and secured jobs and/or gone back to work on their family farm, with one still pursuing an advanced degree.

STATUS: COMPLETED

Area Served: Statewide

www.cals.ncsu.edu

Project: Food Safety for Farmers' Markets

Contact: Ms. Kathy Kennel
NC Agricultural Foundation, Inc.
Campus Box 7645
Raleigh, NC 27695
919-515-9259

Grant Amount: \$86,568

Through this project an evidence-based food safety training program for NC Farmers' Markets operators and vendors was established and evaluated for efficiency. This program was built specifically for the actual practices of vendors by assessing the current food safety practices across the state. The program is based on best available risk-reduction practices, provides practical solutions to food safety issues and helps create a food safety culture within farmers markets. Observations and data were collected from the 32 test farmers markets. The safety curriculum was developed and training sessions for agricultural agents were implemented. The curriculum is available for all agents and markets in the state.

STATUS: COMPLETED

Area Served: Statewide

Project: Strengthening Markets - Educating Farmers, Consumers

Contact: Ms. Kathy Kennel
NC Agricultural Foundation, Inc.
Campus Box 7645
Raleigh, NC 27695
919-515-9259

Grant Amount: \$91,937

The project strengthened markets by educating farmers on ways to increase sales at direct markets. The website educates consumers about NC produce so that they will increase their purchases of fruits and vegetables. A library of over 50 videos is now available on the website and via YouTube. Social media, personal appearances, educational materials, TV appearances and more have all combined to provide current and fun information about NC produce. The project generated over 65 million media impressions.

STATUS: COMPLETED

Area Served: Statewide

www.cals.ncsu.edu

Project: NC Agricultural Products Marketing Initiative Continuation

Contact: Mr. Joe Sanderson
NCDA&CS
1020 Mail Service Center
Raleigh, NC 27699
919-733-7912

Grant Amount: \$825,000

This project has continued and enhanced the "Got to be NC" marketing program to assist producers, farmers and value-added food companies in growing sales with retail, food service and specialty food companies. The goal is to sustain and open new markets for food producers across the state. This will enhance the ability of traditional tobacco operations to shift to other consumable product production, and provide growth opportunities for value-added companies.

STATUS: Various marketing campaigns are underway and/or completed with restaurants, grocers and distributors. National specialty food shows in Washington DC and other in-state locations have been held. Stores have utilized displays, signs, ads and promotional events. These efforts have combined with media impressions to reach 22 million customers/consumers. Sales increases of 20% and up have been reported and over 500 farm and food producers have been directly served.

Area Served: Statewide

www.ncagr.gov/markets

Project: Clean Water for North Carolina Tobacco Farmers

Contact: Ms. Michelle Lovejoy
NC Foundation for Soil & Water Conservation, Inc.
5171 Glenwood Ave., Suite 330
Raleigh, NC 27612
919-510-4599

Grant Amount: \$300,000

This project provided cost share assistance to 65 former quota holders and/or current tobacco farmers. The projects assisted with installing Best Management Practices that prevented sediment, nutrients, or other pollutants from entering streams within the boundaries of their farms. Typical BMPs included cropland conversion to grass, grassed waterways, field borders, and similar practices. Over 1,300 acres were impacted and \$92,000 leveraged from farmers.

STATUS: COMPLETED

Area Served: Statewide

www.ncfoundationforsoilandwater.org

Project: Regional Local Food Distribution Project

Contact: Ms. Brenda Sutton
Rockingham County Local Food Coalition
525 Hwy 65, Suite 200
Reidsville, NC 27320
336-342-8230

Grant Amount: \$44,500

This project implemented the sale and distribution of local foods produced throughout the rural north-central region of North Carolina into neighboring urban areas. Utilizing a comprehensive website which allowed businesses or consumers to place orders, the project delivered produce and meat orders to specific locations in the region for customer pick-up. Since implementation, the coalition has partnered with established community supported agriculture organizations to reach even more consumers.

STATUS: COMPLETED

Area Served: Rockingham and surrounding counties

www.piedmontlocalfood.com

NC TOBACCO TRUST FUND COMMISSION
2011 CYCLE GRANTS COMPLETED AFTER NOVEMBER 1, 2012 & ACTIVE
GRANTS as of OCTOBER, 2013

Project: **Growing Successful Food Businesses**

Contact: Mr. Scott Hamilton
 AdvantageWest Economic Development Group
 134 Wright Brothers Way
 Fletcher, NC 28732
 828-687-7234

Grant Amount: \$40,000

The grant supported Blue Ridge Food Ventures as it offered marketing and product development assistance to food producers. The facility offers equipment for further processing of various food products including fresh produce. The first annual “Big Tasty” event was a competition for food companies to win marketing assistance and exposure of the facility’s vendors and their products was increased greatly. The facility marketed its Winter Sun Farms community-supported ag program and increased to over 300 subscribers. Over 6.5 tons of produce was purchased and processed from area farmers in 2013 for the 2014 season. The value of all products (produced in the facility) for the year was over \$1.8 million. Food producers created 110 permanent jobs and sustained over 360.

STATUS: COMPLETED

Area Served: Primarily western NC but also other counties

www.blueridgefoodventures.org

Project: **Farm Credit University – AgBiz Planner**

Contact: Maggie Hamm
 Carolina Farm Credit
 PO Box 1827
 Statesville, NC 28687
 800-521-9952

Grant Amount: \$54,500

25 farm families applied and utilized the opportunity to participate in this program that targeted young, beginning, small and minority farmers to become successful business people through training of financial and business management topics. The participants utilized an online learning module and received assistance from Farm Credit personnel to improve their business skills. Business plans were prepared by all participants. Three NC Farm Credit offices administered the project.

STATUS: COMPLETED

Area Served: Statewide

www.carolinafarmcredit.com

Project: Duplin County Livestock Facility

Contact: Mr. Justin Whitley
Duplin County
PO Box 910
Kenansville, NC 28349
910-296-2100

Grant Amount: \$200,000

The grant funds constructed a livestock marketing facility at the Duplin County arena and fairgrounds site. Its primary purpose is to assist the Coastal Carolina Cattle Alliance with marketing truckloads of cattle. The facility will also be used for community and agricultural events/meetings and to assist with events for the county arena. The facility opened in January, 2013 and the grant portion of the project ended at that time. Over \$400,000 in other funding was leveraged with this grant. As of the end of June, the facility had generated over \$1 million in cattle sales.

STATUS: COMPLETED

Area Served: Duplin and surrounding counties

www.duplincountync.com

Project: Multi-Purpose Building

Contact: Mr. Steve Garrison
Madison County
PO Box 579
Marshall, NC 28753
828-649-2854

Grant Amount: \$150,000

Funds have been used towards construction of a new 200' x 285' livestock and agricultural facility at the Madison County Fairgrounds. The open air shelter has been utilized during the county fair and for various agricultural and community events throughout the year. The shelter opened in October, 2012.

STATUS: COMPLETED

Area Served: Madison and surrounding counties

www.madisoncountync.org/

Project: Regional Forest Landowners Association

Contact: Dr. Sandy Maddox
Mount Olive College
652 R. B. Butler Drive
Mount Olive, NC 28362
919-658-7510

Grant Amount: \$72,500

The goal of this project was that Mount Olive College would partner with four counties to develop regional forest landowner associations. These groups will help educate landowners on how forests can be used to enhance land values and estate planning. Associations will be established as ongoing sources of information and support to area land owners.

STATUS: Several workshops were held in four counties with very good participation. Grantee has been working to establish regional associations which will serve forest landowners. The value of timber product sold has already been on the increase due to landowners becoming more familiar with forest use plans, tax advantages and better forest management.

Area Served: Duplin, Greene, Lenoir, Onslow, Pender and Wayne counties

www.moc.edu/agribusiness

Project: Renewable Energy for Farms

Contact: Ms. Jessica Hocz
Mountain Valley Resource Conservation & Development
4388 Hwy 25/70, Suite 3
Marshall, NC 28753
828-649-3313 ext. 5

Grant Amount: \$125,000

The project educated farmers in western NC about the cost-savings and advantages of alternative energy. Cost-share assistance of up to 40% or \$8,000 was allowed for 12 qualified applicants. All projects installed solar equipment to generate power for the home and farm and in some cases, was net metered so that power could be “sold” to the grid. Over the next 25 years, the projects are expected to generate nearly \$400,000 in savings. All projects are monitored through a web-based system. Over \$250,000 was leveraged by farmers.

STATUS: COMPLETED

Area Served: Western NC

www.mountainvalleysrcc.org

Project: Agricultural Education Improvement Grants

Contact: Ms. Kathy Kennel
NC Agricultural Foundation, Inc.
Box 7645, NC State
Raleigh, NC 27695
919-515-9259

Grant Amount: \$180,540

The NC Future Farmers of America office offered a competitive grant program to the state's high schools. Studies have shown that schools with healthy FFA chapters average higher graduation rates and students are trained in leadership and agricultural skills. A total of 32 grants were awarded to schools across the state to improve their agricultural education programs. Projects included improved greenhouses, small animal livestock equipment, improved equipment facilities and mobile learning labs. Over 2,800 students were impacted.

STATUS: COMPLETED

Area Served: Statewide

www.cals.ncsu.edu

Project: Agricultural Leadership Development Program

Contact: Ms. Kathy Kennel
NC Agricultural Foundation, Inc.
Box 7645, NC State
Raleigh, NC 27695
919-515-9259

Grant Amount: \$100,000

This intensive, two-year program will educate and train 30 farm leaders from across the state providing leadership, problem-solving and business skills. The program has a successful track record of empowering farm leaders to take the skills learned and applying them to their own operations, businesses and careers. The funding will be leveraged with over \$300,000 in additional funds and covers operational support and instructional costs.

STATUS: The program has held several meetings with all 30 participants. The project is on track with a comprehensive meeting agenda for the next two years.

Area Served: Statewide

www.cals.ncsu.edu

Project: Quality Assured Replacement Heifers

Contact: Ms. Kathy Kennel
NC Agricultural Foundation, Inc.

Box 7645, NC State
Raleigh, NC 27695
919-515-9259

Grant Amount: \$50,000

The project is training veterinarians, livestock producers and extension agents on how to add value to heifer calves raised on beef cattle operations. Specific technology in regards to weaning, vaccinations, and physical characteristics of “quality assured” heifers will mean better calves demanding a higher price at market. Various workshops and one-on-one training sessions will educate a large number of people across the state. The program is based on a model in Missouri that has shown QA heifers demand higher prices.

STATUS: Workshops and presentations have been made to producers and trainees. Project coordinator is working with cattle producers to enroll heifers in the program.

Area Served: Statewide

www.cals.ncsu.edu

Project: Rapid Response to New Pest

Contact: Ms. Kathy Kennel
NC Agricultural Foundation, Inc.
Box 7645, NC State
Raleigh, NC 27695
919-515-9259

Grant Amount: \$40,000

The Spotted Wing Drosophila (SWD) is an invasive pest that attacks ripe small fruit crops. The species has begun making its way across the state and NCSU researchers are studying ways to combat the insect and reduce crop loss. NC joined with 14 other states to set up nearly 300 monitoring sites. The research found that raspberries were prone to higher infestations. Preventive measures will help reduce chemical usage and increase profits on other small fruit crops.

STATUS: COMPLETED

Area Served: Statewide

www.cals.ncsu.edu/foundation

Project: Project Skill-Up

Contact: Ms. Barbara Boyce
NC Community College System
5001 Mail Service Center
Raleigh, NC 27699-5001
919-807-7100

Grant Amount: \$450,000

24 community colleges in 44 counties utilized funds to assist students who have an agricultural background or have lost income due to changes in the tobacco industry. Assistance with tuition and supplies went to qualified applicants who trained for new careers or attended agricultural-related classes. The project enrolled just over 1,800 students. Over 695 maintained or secured new employment.

STATUS: COMPLETED

Area Served: Statewide

www.nccommunitycolleges.edu

Project: Nematode Molecular Diagnosis

Contact: Dr. Weimin Ye
NC Department of Agriculture & Consumer Services
1040 Mail Service Center
Raleigh, NC 27699-1040
919-733-2655

Grant Amount: \$48,500

Farmers must battle a variety of nematode species which can bring extensive damage to crops. The Agronomics Lab obtained new equipment which quickly and effectively identifies specific nematodes so that more direct/effective treatment can be applied by farmers. Producers will not waste money on unnecessary treatments and test results will help in proper chemical usage. 200 tobacco farmers provided tissue samples and received recommendations on crop rotation and chemical usage. Five unique nematode species were identified (including a new one not usually found in NC.) Farmers will benefit from faster analysis and better recommendations which will ultimately save money.

STATUS: COMPLETED

Area Served: Statewide

www.ncagr.gov/agronomi/

Project: NC Local Market Promotions

Contact: Mr. Kevin Hardison
NC Department of Agriculture & Consumer Services
1020 Mail Service Center
Raleigh, NC 27699-1020
919-707-3123

Grant Amount: \$125,000

This two-year project promotes and markets the hundreds of roadside stands and farmers markets in the state. Through various media, consumers have been encouraged to support their local markets and

buy NC products. Farmers markets also applied for cost-share funds to help with their own marketing costs which included various media, signs and promotional materials.

STATUS: 45+ small farmers markets received cost-share funds for their 2012-13 seasons. Media ads ran on various TV stations and in state-wide publications.

Area Served: Statewide

www.ncagr.gov/markets

Project: Market Recovery Initiative

Contact: Mr. Ross Williams
NC Retail Nursery & Landscapers Association
968 Trinity Drive
Raleigh, NC 27607
919-816-9119

Grant Amount: \$250,000

Over two years, the NCRNLA has utilized funds to promote and market NC retail and wholesale nursery companies in order to increase sales of these products. The economy has hit the industry with lower sales and reduced employment. The campaign has utilized various media and trade shows to help stem losses and increase sales of products.

STATUS: A wide variety of industry trade publications have featured NC nursery products. The association has also exhibited at a number of state and national trade shows and distributed its grower directory to several thousand wholesale buyers.

Area Served: Statewide

www.ncnla.com

Project: Sustainability Initiative

Contact: Mr. John Kimber
NC Sweet Potato Foundation, Inc.
700 E. Parrish Drive, Suite C
Benson, NC 27504
919-845-0969

Grant Amount: \$60,000

Sweet potato quality can be adversely affected by substandard and inefficient storage facilities. The grantee has worked with NCSU researchers to gather data on the means to increase storage capabilities to ensure a top quality product. Strategies that have been implemented are already showing results as farmers work to ensure that the quality and long storage of sweet potatoes stays superior to other states. Over 20 farmers/distributors took part in the studies, representing over 80% of the sweet potato market in the state.

STATUS: COMPLETED

Area Served: Statewide

www.ncsweetpotatoes.com

Project: Succeed IV

Contact: Ms. Kathy Kennel
NC Tobacco Foundation, Inc.
Box 7645, NC State
Raleigh, NC 27695
919-515-9259

Grant Amount: \$33,126

Facilitators at NCSU continued a proven program which targets young tobacco farmers from across the state. The week-long session focused on better tobacco production methods, tours of processing facilities and workshops by trained leaders on how the 37 farmers could improve their operations and increase profitability.

STATUS: COMPLETED

Area Served: Statewide

www.cals.ncsu.edu

Project: Tobacco Growers Communication Assistance

Contact: Ms. Kathy Kennel
NC Tobacco Foundation, Inc.
Box 7645, NC State
Raleigh, NC 27695
919-515-9259

Grant Amount: \$43,146

NC tobacco growers have little access to current crop and governmental information that can affect their operations. The NC Tobacco Growers Association utilized one printed and several electronic newsletters, along with an annual resource guide for all tobacco growers and related industries. These provide critical and timely information for producers.

STATUS: COMPLETED

Area Served: Statewide

www.cals.ncsu.edu/foundation

Project: Winecoff Expansion

Contact: Mr. Jonathan Caldwell
Cabarrus County
PO Box 707
Concord, NC 28026-0707
704-920-2100

Grant Amount: \$75,000

The established Piedmont Farmers Market in Concord is at full capacity. The original plan was to build an addition at the Winecoff Farmer's Market, however site work costs were higher than expected. The project now focuses on a market at "Rotary Square", a new market and park in downtown Concord. This will serve a new segment of customers and provide a unique market for current and new farmer vendors.

STATUS: The facility plans are finalized and fundraising is almost complete. The county hopes to begin construction in early 2014.

Area Served: Cabarrus and surrounding counties

www.cabarruscounty.us

Project: Tobacco Communities Reinvestment Fund

Contact: Mr. Scott Marlow
Rural Advancement Foundation, Inc. (RAFI)
PO Box 640
Pittsboro, NC 27312
919-542-1396

Grant Amount: \$300,000

A total of 33 farmers and/or community groups in 24 counties were awarded cost-share funds, for innovative projects designed to increase farm income. Projects also served as demonstration/educational sources for other farmers. Grants totaled \$313,000 combined with \$750,000 in investments by the grantees.

STATUS: COMPLETED

Area Served: Statewide

www.rafiusa.org

Project: Pilot Center

Contact: Mr. Homer Dearmin
Town of Pilot Mountain
124 N. Main Street
Pilot Mountain, NC 27041

336-368-2248

Grant Amount: \$35,000

Grant funds were leveraged with other funders to cover extensive renovation costs of the Pilot Center. This multi-purpose facility in Pilot Mountain, NC will now expand its reach into the community by offering more classroom/training space for farmers and the public. The center also houses the Pilot Mountain Pride farmer cooperative which markets fresh produce. The Center held its dedication in December, 2012.

STATUS: COMPLETED

Area Served: Surry and surrounding counties.

www.co.surry.nc.us

Project: Vance County Regional Farmers Market

Contact: Mr. Paul McKenzie
Vance County
305 Young Street
Henderson, NC 27536
252-438-8188

Grant Amount: \$300,000

Vance County has no permanent facility for farmers to sell their products. Funds will be used for site development and towards construction of a new multi-use facility that will house numerous vendors during produce season and serve as a much-needed meeting space for the community. This funding is contingent upon the county securing other necessary funds to complete the project.

STATUS: Construction is underway and the county hopes to open the market in late 2013.

Area Served: Vance and surrounding counties

www.vancecounty.com

Project: WNC AgOptions

Contact: Mr. L.T. Ward
WNC Communities
594 Brevard Road
Asheville, NC 28806
828-252-4783

Grant Amount: \$200,000

Western NC farmers and community groups in 18 counties applied for and received cost-share funds for innovative farm projects. Current/former tobacco farmers were a priority for funding projects that will increase farm income. 23 farmers and three community groups received almost \$150,000 in cost-

share funds on grant projects. The majority of participants indicated that their projects would not have happened without the program. Over 16,000 people were impacted along with over 1,800 acres and with \$286,438 leveraged.

STATUS: COMPLETED

Area Served: Western NC

www.wnccommunities.org/

NC TOBACCO TRUST FUND COMMISSION
2012 CYCLE GRANTS COMPLETED AFTER NOVEMBER 1, 2012 & ACTIVE
GRANTS as of OCTOBER, 2013

Project: Growing Income with Farm Tours

Contact: Ms. Laura Wurts
Carolina Farm Stewardship Association
PO Box 448
Pittsboro, NC 27312
919-542-2404

Grant Amount: \$30,000

This project will empower NC communities to increase profitability of farms through local food marketing by organizing events based on the model of CFSA's successful farm tours. CFSA tours, and similar tours across NC, bring thousands of consumers to dozens of farms annually, providing sales and marketing benefits to participating farms. Cost-share funds will be available for up to four farm tour organizations.

STATUS: Three farm tours showcasing over 60 farmers have been supported with very good success. CFSA plans to implement a farm tour in Triad area in the Spring.

Area Served: Statewide

www.carolinafarmstewards.org

Project: Risk Mitigation Measures II

Contact: Ms. Robin Tutor-Marcom
North Carolina Agromedicine Institute - East Carolina University
1157 VOA Site C Road
Greenville, NC 27834
252-744-1045

Grant Amount: \$125,000

This vital project will help farmers implement Phase II Risk Mitigation Measures for soil fumigants being released by the US Environmental Protection Agency in December 2012. 25 interactive workshops will be conducted to train farmers on Phase II RMM. 20 train-the-trainer workshops will be conducted to enable farms to conduct their own annual respirator fit tests. A Fit-to-Farm component will be included in respirator fit test events and workshops to address health issues adversely affecting respirator use.

STATUS: Project has reached over 500 people so far through workshops and events. Farmers have been quick to take advantage of cost share assistance for respirators.

Area Served: Statewide

<http://www.ecu.edu/cs-dhs/agromedicine/>

Project: Value-Added Penetration of New Markets

Contact: Ms. Amanda Carter
Independent Small Animal Meat Processors Association of Western North Carolina (ISAMPA)
PO Box 1212
Rutherfordton, NC 28139
360-304-0948

Grant Amount: \$25,000

ISAMPA manages the Foothills Pilot Plant, a new facility that processes small farm animals such as chicken and rabbits. Products are packaged and sold throughout the southeast region. The grant will provide financial support for plant operations and administration.

STATUS: Project has served over 160 farmers throughout the state and the facility has a high number of weekly processing orders. Nearly 32,000 animals have been processed with a retail value of over \$492,000.

Area Served: Statewide

www.isampa.org

Project: JSCC Diesel Mechanic Program

Contact: Mr. Mark Lennon
James Sprunt Community College
PO Box 398
Kenansville, NC 28349
910-296-2431

Grant Amount: \$100,000

This project will establish a nationally recognized Continuing Education Diesel Mechanic Program at James Sprunt Community College. This grant request is to build a new facility on existing land owned

by Duplin County in Warsaw, NC. Mechanics will be trained and placed into high demand jobs in the region. Grant funds will be leveraged with other funders.

STATUS: Ground-breaking was held in September, 2013.

Area Served: Duplin and surrounding counties

www.jamessprunt.edu

Project: Heritage Industry Expansion Project

Contact: Ms. Shirley Hise
Mitchell County Development Foundation
PO Box 858
Spruce Pine, NC 28777
828-765-9033

Grant Amount: \$40,000

Grant funds will be used to update an existing commercial kitchen facility at Mayland Community College in Mitchell County to comply with local, state and national standards. The space will be used for local farmers in Western NC to produce sustainable agricultural and value-added products to be marketed by the foundation. Funds will be used for infrastructure improvements and equipment.

STATUS: College has completed renovations of kitchen, equipment has been purchased and personnel are about to be hired for management.

Area served: Mitchell and surrounding counties

www.marketonoak.com

Project: Stevia Production in North Carolina

Contact: Ms. Kathy Kennel
NC Agricultural Foundation Inc.
NCSU Campus Box 7645
Raleigh, NC 27695
919-515-9259

Grant Amount: \$100,000

This research project will establish the feasibility of commercial production of stevia in multiple tobacco regions in eastern NC. Best management practices for conventional and organic production will be developed to insure highest return to growers while being good stewards of the state's natural resources and environment.

STATUS: Over 200 acres in production. Major summer workshop was held to educate growers.

Area Served: Statewide

www.cals.ncsu.edu/foundation

Project: Value-Added Cost Share Program

Contact: Ms. Kathy Kennel
NC Agricultural Foundation, Inc.
NCSU Campus Box 7645
Raleigh, NC 27695
919-515-9259

Grant Amount: \$250,000

Funding for the Value-Added Cost Share program will continue the activities initiated in 2008. Cost-share funding will be awarded for processors adding value to NC-Grown agricultural commodities and for producers of value-added products made from raw commodities that they grow/raise. The funds will off-set the costs of specialized equipment involved in the value-adding processes directly related to the processing and/or packaging of those products.

STATUS: Awards of over \$300,000 total were designated for 20 different food processors. Projects will begin in Fall, 2013.

Area Served: Statewide

www.cals.ncsu.edu/foundation

Project: Project Skill-UP

Contact: Ms. Barbara Boyce
NC Community College System
5001 Mail Service Center
Raleigh, NC 27699
919-807-7158

Grant Amount: \$375,000

This program is a workforce development initiative with three core components - Develop and implement outreach and recruitment activities to individuals, communities, and businesses adversely impacted by changes in the tobacco industry; Provide skills assessment and short term occupational skills training; and Provide financial assistance towards books, tuition and other supplies to meet their educational goals. This project will be implemented at 20+ community colleges.

STATUS: 24 community colleges have had a successful year, assisting over 1,000 students so far. Strong demand in the health-care field. Some colleges have carried out agricultural-specific programs.

Area Served: Statewide

www.nccommunitycolleges.edu

Project: 2013 Tobacco Short Course

Contact: Ms. Kathy Kennel
NC Tobacco Foundation, Inc.
NCSU Campus Box 7645
Raleigh, NC 27695
919-515-9259

Grant Amount: \$36,567

35 current tobacco farmers and ag professionals attended a four-day short course on tobacco production and marketing skills. The course addressed good agricultural practices related to economics of tobacco production, agronomy, insect management, disease management, mechanization of production, tobacco exports and marketing to buyers who must comply with FDA requirements and competition in a global market.

STATUS: COMPLETED

Area Served: Statewide

www.cals.ncsu.edu/foundation

Project: Tobacco Growers Communications Assistance

Contact: Ms. Kathy Kennel
NC Tobacco Foundation, Inc.
NCSU Campus Box 7645
Raleigh, NC 27695
919-515-9259

Grant Amount: \$32,000

This project is designed to provide pertinent and accurate information that is specific to tobacco farming and the broader tobacco industry. It is the only communication specifically focused on tobacco and available to growers statewide as well as government leaders at all levels, university leadership and allied industry interests. Project goals will be achieved by producing and distributing at least four issues of the Association Newsletter, a single 36-page Growers Resource Guide, and through utilization of website.

STATUS: One newsletter produced so far. Grantee is shifting emphasis to online news.

Area Served: Statewide

www.cals.ncsu.edu/foundation

Project: Farmers Manage Deer

Contact: Mr. Dom Canavarro
North Carolina Wildlife Federation
1024 Washington St.

Raleigh, NC 27605
919-833-1923

Grant Amount: \$150,000

This one of a kind project will help farmers in nine tobacco dependent counties implement best deer herd management practices on thousands of acres of NC farmland. It will coordinate farm participation from the Hunt NC Farmlands Program of the NCDA&CS, the Bonus Antlerless Deer Tag Program of NCWRC and Hunters for the Hungry.

STATUS: Grantee will kick off deer hunting season in fall of 2013. As of September, 2013, nearly 16,000 acres were signed onto the program with nearly 300 hunters as partners.

Area Served: Specific tobacco production counties in eastern NC.

www.ncwildlife.org

Project: Food Safety Outreach and Education

Contact: Ms. Chrissy Waggett
NC Department of Agriculture and Consumer Services
1001 Mail Service Center
Raleigh, NC 27699
919-707-3008

Grant Amount: \$20,000

The plans are to expand the Food Safety Forum as the only program in the state that brings together all the stakeholders in the food safety system for a discussion of important food safety initiatives. This includes education directed toward farmers, retailers, manufacturers, and food safety officials on major food safety regulations that will be released in 2012. Education is vital to curbing food safety risks and providing safe food for those who have transitioned from tobacco into other areas of agriculture and may be unaware of the different risks they face.

STATUS: Major forum on food safety was held in Raleigh with over 300 people in attendance.

Area Served: Statewide

www.ncagr.gov

Project: Southeastern Agricultural Center Multipurpose Pavilion

Contact: Ms. Mariah Gallagher
NC Department of Agriculture and Consumer Services
1020 Mail Service Center
Raleigh, NC 27699
919-707-3145

Grant Amount: \$75,000

This project will leverage other funds to purchase portable flooring that will complete a 48,000 square foot multi-purpose pavilion located in Robeson county. The addition of the flooring will allow for use of the facility to be expanded, accommodate trade shows, auctions, meetings, and other activities that will serve Robeson and the surrounding counties.

STATUS: Grantee still working to secure remaining needed funds.

Area Served: Robeson and surrounding counties

<http://www.ncagr.gov/markets/facilities/agcenters/southeastern/index.htm>

Project: Tobacco Communities Reinvestment Fund

Contact: Mr. Scott Marlow
Rural Advancement Foundation International-USA
PO Box 640
Pittsboro, NC 27312
919-542-1396

Grant Amount: \$250,000

This successful program provides cost-share grants to individual farmers and producer groups in North Carolina for innovative projects designed to increase farmers' incomes. Priority is given to former and current tobacco farmers.

STATUS: Over 20 projects received cost share funds and all will be completed by late Fall, 2013.

Area Served: Coastal Plains, Piedmont and Western Piedmont regions

www.ncfarmgrants.org

Project: Vance County Regional Farmers Market

Contact: Mr. Paul McKenzie
Vance County
305 Young St.
Henderson, NC 27536
252-438-8188

Grant Amount: \$100,000

Vance County will build a multi-purpose retail farmers market structure off of Beckford Dr. in Henderson, NC. Funds will be used to complete phase one of the project and it will leverage other funding. The building will serve as a farmers market and community events facility.

STATUS: Construction is underway and county hopes to open market in late 2013.

Area Served: Vance and surrounding counties

www.vancecounty.com

Project: Adding Value to WNC Livestock

Contact: Mr. L.T. Ward
WNC Communities
594 Brevard Road
Asheville, NC 28806
828-252-4783

Grant Amount: \$20,000

Project will help about 350 WNC livestock producers earn higher prices for their cattle by delivering a series of educational workshops and one-on-one guidance on proven ways to add value to their livestock.

STATUS: Several seminars held to support livestock farmers and livestock specialist will begin work in November 2013.

Area Served: Western NC counties

www.wnccommunities.org

Project: WNC AgOptions

Contact: Mr. L.T. Ward
WNC Communities
594 Brevard Road
Asheville, NC 28806
828-252-4783

Grant Amount: \$200,000

This project will continue the successful WNC AgOptions program. These funds will enable up to 25 new demonstration grants to help farmers diversify and expand their farming operations and replace tobacco-based income.

STATUS: Farmers will have projects completed by late Fall, 2013. Wet weather delayed some projects but many are on track for a successful season.

Area Served: Western NC counties

www.ncagoptions.org

Project: Yadkin Valley Agriculture Center

Contact: Mr. Aaron Church
Yadkin County
PO Box 146
Yadkinville, NC 27055
336-679-4200

Grant Amount: \$100,000

The scope of the project consists of constructing a two story multi-purpose Agricultural center at the Yadkin County Center. Classroom space for Surry Community College will be included. It will provide office space for NC State Cooperative Extension, NC Forestry, Soil & Water, and other agencies, as well as a 300 person conference center, commercial kitchen and lecture halls. Grant funds will be leveraged with other funding for completion.

STATUS: Architect has been hired and county has received transfer of land from Surry Community College for the facility.

Area Served: Yadkin and surrounding counties

<http://www.yadkincountync.gov/>

Project: Truck for TRACTOR

Contact: Mr. Tres Magner
Yancey County Government
10 Orchard Drive
Burnsville, NC 28714
828-682-6186

Grant Amount: \$30,000

Program leaders purchased a refrigerated truck to help establish deliveries of produce from TRACTOR (Toe River Aggregation Center Training Organization Regional). TRACTOR is a collection, cleaning. Storage and distribution facility for fresh produce that began operation in September, 2012. The project is serving about 65 farms and has sales to over 30 grocery stores and restaurants.

STATUS: COMPLETED

Area Served: Yancey and surrounding counties

<http://yancey.ces.ncsu.edu/>

NC TOBACCO TRUST FUND COMMISSION
2013 CYCLE ACTIVE GRANTS - AWARDED SEPTEMBER, 2013

Project: **Bladenboro Community Farmer's Market**

Contact: Ms. Joyce Walters
 Boost the 'Boro
 PO Box 771
 Bladenboro, NC 28320
 910-648-2940

Grant Amount: \$48,500

The town of Bladenboro will construct a farmers market that will serve local farmers and drive business into downtown. The facility will also be used for community events.

Area Served: Bladen and surrounding counties

www.borobooster.org

Project: **Renovation, Lenoir County Farmers Market and Market Annex**

Contact: Ms. Tammy Kelly
 Lenoir County Cooperative Extension
 1791 Hwy 11/55
 Kinston, NC 28504
 252-527-2191

Grant Amount: \$42,000

The successful, year-round farmers market in downtown Kinston will use funds to improve the surrounding grounds and expand the paved parking area. Customer and vendor safety will also be addressed as the market seeks to improve its location.

Area Served: Lenoir

lenoir.ces.ncsu.edu

Project: **Agricultural Education Program Improvement Grants**

Contact: Ms. Kathy Kennel
 NC Ag Foundation
 Box 7645 NCSU
 Raleigh, NC 27695
 919-515-9262

Grant Amount: \$180,000

The NC FFA Office will offer a competitive grant program for the state's high schools. At least 30 schools will win grants of up to \$5,000 each to improve their agricultural education programs. This grant continues the highly successful pilot grant awarded during the 2011 cycle.

Area Served: Statewide

www.cals.ncsu.edu/advancement/ag_fnd.htm

Project: AgriSafe-NC and Certified Safe Farm Expansion

Contact: Ms. Kathy Kennel
NC Ag Foundation
Box 7645 NCSU
Raleigh, NC 27695
919-515-9262

Grant Amount: \$300,000

Farmers, their families and their workers will benefit from learning how maintaining a healthier lifestyle can reduce medical expenses. On-site health screenings, seminars and ag-related events will be utilized to reach thousands of people. Farmers in 18 counties can apply for free farm safety evaluations and can qualify for up to \$500 in cost-share funds to make safety improvements on their operations.

Area Served: 18+ key agricultural counties

www.cals.ncsu.edu/advancement/ag_fnd.htm

Project: Project Skill-UP

Contact: Ms. Barbara Boyce
NC Community College System
5001 Mail Service Center
Raleigh, NC 27699
919-807-7158

Grant Amount: \$375,000

The successful "Project Skill-Up" program will continue at 24 community colleges. Students who have a "tobacco connection" either through direct work in the tobacco industry or through their family's previous employment can qualify for tuition and/or school supply assistance. The project will serve over 1,500 students.

Area Served: Statewide

www.nccommunitycolleges.edu

Project: Got to Be NC Marketing Program

Contact: Mr. Joe Sanderson
NCDA&CS
1020 Mail Service Center
Raleigh, NC 27699
919-733-7912

Grant Amount: \$200,000

The project will support the “Got to Be NC” marketing campaign. Cooperative marketing funds will support efforts in the grocery and foodservice industries as well as through various commodity associations.

Area Served: Statewide

www.ncagr.gov

Project: Weed Free NC

Contact: Mr. Charles Hall
North Carolina Soybean Producers Association, Inc.
211 Six Forks Road, Suite 102
Raleigh, NC 27609
919-839-5700

Grant Amount: \$40,000

Grant funding supports a marketing and media campaign that encourages farmers to aggressively address weeds in row crops that are herbicide resistant. The project will impact thousands of farmers across the state.

Area Served: Statewide

www.ncsoy.org

Project: Tobacco Communities Reinvestment Fund

Contact: Mr. Scott Marlow
Rural Advancement Foundation International-USA
PO Box 640
Pittsboro, NC 27312
919-542-1396 x210

Grant Amount: \$200,000

Farmers can apply for cost share funds which can be used for innovative projects designed to increase farm income. The projects also serve as demonstrations to other farmers on how they can incorporate the lessons learned. The project will target farmers in top producing tobacco counties.

Area Served: Top producing tobacco counties

<http://www.rafiusa.org>

Project: **Promoting North Carolina's Agriculture Community**

Contact: Ms. Gayle Kildoyle
Tobacco Farm Life Museum, Inc.
PO Box 88
Kenly, NC 27542
919-284-3431

Grant Amount: \$50,000

A regional marketing campaign will increase attendance to the Tobacco Farm Life Museum. The educational facility touts the history of tobacco and agriculture in NC and serves as an economic driver for the region.

Area Served: Johnston and surrounding counties

www.tobaccofarmlifemuseum.org

Project: **Meet Me at the Market**

Contact: Ms. Laura Gaylord
Town of Elkin and Main Street Advisory Board
PO Box 857
Elkin, NC 28621
336-794-6469

Grant Amount: \$75,000

The project will construct a permanent open air shelter for Elkin's downtown farmer's market. Vendors currently use tents and have no permanent location. A city-owned parking lot will become a destination point for the market and other community events and will drive additional business and income to the downtown area.

Area Served: Surry and surrounding counties

www.elkinfarmersmarket.com

Project: **WNC Ag Options Program**

Contact: L.T. Ward
WNC Communities
594 Brevard Road
Asheville, NC 28806
828-252-4783

Grant Amount: \$200,000

Farmers in western NC counties can apply for cost share funds designed to improve farm income. Over 20 farmers will receive funding. Demonstration projects are required.

Area Served: 22 NC Counties

www.wnccommunities.org

Project: Increasing WNC Livestock Sales

Contact: Mr. LT Ward
WNC Communities
594 Brevard Road
Asheville, NC 28806
828-252-4783

Grant Amount: \$25,000

The highly successful Western NC Livestock Marketing Center will leverage grant funds to expand the overhead walk-way. This will enable the increasing number of buyers and farmers to better evaluate cattle prior to selling.

Area Served: Western NC

www.wnccommunities.org

Tobacco Trust Fund Commission Operating Statement July 1, 2012 - June 30, 2013 (FY13)

	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total Amounts
Cash Carried Forward	\$6,643,048.55												
INTEREST INCOME	\$3,275.04	\$2,826.36	\$2,488.73	\$1,917.72	\$2,223.26	\$2,675.47	\$2,642.28	\$2,638.04	\$2,040.46	\$2,415.34	\$2,080.65	\$1,974.42	\$29,197.77
TOBACCO SETTLEMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000,000.00
OTHER REVENUE	\$3,153.00		\$643.98	\$0.00	\$0.00	\$0.00	\$45.66	\$0.00	\$0.00	\$0.00	\$8,265.36	\$15,027.86	\$27,135.86
Fiscal Year 2013 Revenue	\$6,428.04	\$2,826.36	\$3,132.71	\$1,917.72	\$2,002,223.26	\$2,675.47	\$2,687.94	\$2,638.04	\$2,040.46	\$2,415.34	\$10,346.01	\$17,002.28	\$2,056,333.63
EXPENSES													
<u>Personnel Expenses</u>													
Per Diem-BD MEM	\$240.00	\$15.00	\$60.00	\$90.00	\$0.00	\$135.00	\$30.00	\$15.00	\$0.00	\$210.00	\$15.00	\$0.00	\$810.00
Trans-BD MEM	\$1,072.00	\$0.00	\$95.50	\$600.50	\$72.04	\$374.50	\$58.00	\$50.00	\$0.00	\$839.75	\$40.00	\$0.00	\$3,202.29
Subsistence-BD MEM	\$881.40	\$0.00	\$584.20	\$540.73	\$0.00	\$362.84	\$36.35	\$36.35	\$0.00	\$802.15	\$36.35	\$0.00	\$3,280.37
Other-BD MEM	\$0.00	\$0.00	\$0.00	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30.00
	\$2,193.40	\$15.00	\$739.70	\$1,261.23	\$72.04	\$872.34	\$124.35	\$101.35	\$0.00	\$1,851.90	\$91.35	\$0.00	\$7,322.66
<u>Staff Personnel Expenses</u>													
Sal, Ins, Ret, SS Bene.	\$23,453.89	\$24,999.35	\$23,453.89	\$23,453.92	\$23,453.91	\$23,453.89	\$26,790.98	\$23,453.91	\$27,708.73	\$23,453.90	\$23,453.90	\$23,453.92	\$290,584.19
Travel, Exp Acts, Reg Fees, Train.	\$0.00	\$237.50	\$1,046.07	\$137.60	\$658.38	\$98.27	\$0.00	\$57.60	\$389.17	\$125.06	\$177.78	\$0.00	\$2,927.43
	\$23,453.89	\$25,236.85	\$24,499.96	\$23,591.52	\$24,112.29	\$23,552.16	\$26,790.98	\$23,511.51	\$28,097.90	\$23,578.96	\$23,631.68	\$23,453.92	\$293,511.62
<u>Office Expenses</u>													
Repairs	\$0.00	\$321.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$321.75
Postage, Freight & Delivery	\$277.24	\$290.12	\$0.00	\$17.01	\$99.73	\$182.65	\$423.48	\$74.70	\$0.00	\$267.11	\$0.00	\$92.00	\$1,724.04
General Office Supplies	\$0.00	\$205.64	\$103.30	\$221.99	\$191.61	\$426.51	\$444.62	\$0.00	\$396.92	\$99.79	\$47.70	\$549.25	\$2,687.33
Furniture	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Computer Equipment/Software	\$0.00	\$0.00	\$195.96	\$1,488.57	\$0.00	\$0.00	\$0.00	\$1,630.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,314.53
Communication/Office Equipment	\$108.02	\$114.22	\$405.33	\$380.01	\$110.47	\$110.47	\$91.87	\$114.80	\$120.62	\$1,831.62	\$110.75	\$97.08	\$3,595.26
Other Administrative Expenses	\$597.69	\$335.06	\$75.95	\$619.55	\$0.00	\$840.53	\$447.68	\$130.66	\$2.04	\$0.00	\$520.45	\$1,139.88	\$4,709.49
Vehicle	\$235.08	\$30.00	\$75.87	\$122.05	\$256.77	\$54.53	\$0.00	\$102.85	\$55.50	\$163.88	\$54.62	\$274.86	\$1,426.01
Telephone Services	\$291.04	\$274.03	\$274.10	\$283.33	\$279.13	\$269.83	\$587.62	\$261.35	\$263.66	\$269.04	\$284.66	\$276.47	\$3,614.26
	\$1,509.07	\$1,570.82	\$1,130.51	\$3,132.51	\$937.71	\$1,884.52	\$1,995.27	\$2,314.36	\$838.74	\$2,631.44	\$1,018.18	\$2,429.54	\$21,392.67
<u>Professional Services</u>													
Legal Services/Office Equip.-DOJ	\$0.00	\$24,260.66	\$12,243.87	\$12,245.03	\$12,778.44	\$0.00	\$24,338.04	\$0.00	\$24,812.89	\$12,406.45	\$12,406.45	\$13,265.72	\$148,757.55
Contract Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,000.00	\$4,000.00	\$0.00	\$0.00	\$7,000.00	\$0.00	\$15,000.00
Misc.	\$0.00	\$5,616.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,616.06
	\$0.00	\$18,644.60	\$12,243.87	\$12,245.03	\$12,778.44	\$0.00	\$28,338.04	\$4,000.00	\$24,812.89	\$12,406.45	\$19,406.45	\$13,265.72	\$158,141.49
Fiscal Year 2013 Expenses													\$480,368.44

2008 Out-of-Cycle Grants		
	FY 08-12	FY 13
NC Ag Foundation Value-Added	\$865,589.92	\$355,872.17
NC Farm Bureau Legal Foundation	\$1,089,487.03	\$245,610.50
TOTAL	\$104,600,526,978.80	\$601,482.67

2008 Granting Cycle		
	FY 08-12	FY 13
Orange County	\$448,283.02	\$30,716.98
TOTAL	\$448,283.02	\$30,716.98

2009 Granting Cycle		
	FY 08-12	FY 13
NC Ag Foundation - AgriSafe	\$458,464.73	\$12,553.28
TOTAL	\$458,464.73	\$12,553.28

2010 Granting Cycle		
	FY 10-12	FY 13
ASAP	\$87,214.46	\$53,279.82
Centralina EDC	\$110,000.00	\$0.00
NC Ag. Foundation-Scholarship	\$105,202.00	\$2,150.00
NC Ag. Foundation-Farm Safety	\$76,500.00	\$68,869.99
NC Ag. Foundation-Food Safety	\$50,556.61	\$23,822.94
NC Ag. Foundation-Canola	\$52,707.41	\$22,062.72
NC Ag. Foundation-Strengthening	\$59,399.10	\$32,459.06
NCD&CS - Got to Be NC	\$301,643.48	\$132,806.45
NC Foundation for Soil and Water	\$265,629.00	\$34,191.50
NC Tobacco Found - Bacterial Wilt	\$37,500.00	\$33,161.20
Yancey County	\$76,378.91	\$4,653.77
Rockingham County	\$37,660.79	\$6,839.21
TOTAL	\$1,260,391.76	\$414,296.66

2011 Grant Cycle		
	FY 12	FY 13
AdvantageWest	0.00	\$34,177.72
Cabarrus County	0.00	\$17,598.16
Carolina Farm Credit	0.00	\$33,950.15
Duplin County	70,000.00	\$130,000.00
Lenoir County	15,000.00	\$0.00
Madison County	95,616.00	\$54,384.00
Mount Olive College	36,250.00	\$4,746.77
Mountain Valleys RC & D	62,500.00	\$22,500.00
NC Ag Foundation-Education	90,270.00	\$15,689.53
NC Ag Foundation-Leadership	50,000.00	\$0.00
NC Ag Found - Heifers	25,000.00	\$0.00
NC Ag Foundation - Pest	20,000.00	\$18,661.12
NC Community College System	189,941.60	\$221,648.79
NCD&CS - Agronomic	41,616.14	\$6,883.86
NCD&CS - Marketing	62,500.00	\$0.00
NC Nursery & Landscape Assoc.	125,000.00	\$57,540.05
NC Sweetpotato Foundation, Inc.	30,000.00	\$17,346.35
NC Tobacco Found - Communicat	21,573.00	\$0.00
RAFI-USA	319,115.74	\$99,956.26
Town of Pilot Mountain	0.00	\$35,000.00
Vance County	14,125.00	\$16,760.63
WNC Communities - Ag Options	152,110.70	\$46,750.87
TOTAL	1,420,618.18	\$833,594.26

Cash Carried Forward	\$6,643,048.55
Total Revenue FY13	\$2,056,333.63
Total Expenses FY13 (-)	\$480,368.44
Subtotal	\$8,219,013.74
Total Grants Pd Out FY13 (-)	\$2,821,510.95
DebtSvc/Cancer/GenFund FY13 (-)	\$40,000.00
Current Cash Balance	\$5,357,502.79
Encumbered Funds (-)	\$5,299,162.99
TOTAL Grant/Mgmt/Admin/Enforcement of the MSA	\$58,339.80
Encumbered Funds	
2003 Granting Cycle	\$10,641.52
Out-of-Cycle Grants	\$174,927.35
2005 Granting Cycle	\$57,063.37
2007 Granting Cycle	\$381,971.19
2008 Out-of-Cycle Grants	\$1,443,212.11
2008 Granting Cycle	\$177,463.78
2009 Granting Cycle	\$439,936.76
2010 Granting Cycle	\$821,546.96
2011 Granting Cycle	\$662,700.05
2012 Granting Cycle	\$1,129,699.90
TOTAL	\$5,299,162.99

*This report is based on data from
7/1/12- 6/30/13*

2012 Grant Cycle	
	FY 13
Carolina Farm Stewardship Association	\$15,000.00
ECU - NC Agromedicine Institute	\$27,782.59
ISAMPA	\$12,500.00
James Sprunt Community College	\$0.00
Mitchell County Development Foundation	\$0.00
NC Ag Foundation - Stevia	\$50,000.00
NC Ag Foundation - Value-Added	\$125,000.00
NC Community College System	\$185,801.61
NC Tobacco Foundation - 2013 Short Course	\$32,140.38
NC Tobacco Foundation - Growers Assistance	\$16,000.00
NC Wildlife Federation	\$75,000.00
NCDA&CS - Food Safety & Outreach Education	\$0.00
NCDA&CS - Southeastern Ag Center	\$0.00
RAFI	\$230,739.67
Vance County	\$0.00
WNC Communities - AgOptions	\$148,902.85
WNC Communities - Livestock	\$10,000.00
Yadkin County	\$0.00
Yancey County Government	\$0.00
TOTAL	\$928,867.10

Budget Transfers/Debt Service and Cancer Research Payments	
FY 02 Designated Interceptions	\$82,004,511.11
FY 03 Designated Interceptions	\$38,000,000.00
FY 04 Designated Interceptions	\$37,146,734.06
FY 05 Designated Interceptions	\$35,000,000.00
FY 06 Designated Interceptions	\$32,134,175.77
FY 06 Debt Service Payment	\$1,979,096.00
FY 07 Designated Interceptions	\$30,000,000.00
FY 07 Debt Service Payment	\$2,816,688.46
FY 08 Cancer Research Pmt	\$8,000,000.00
FY 08 Debt Service Payment	\$6,353,724.00
FY 09 Cancer Research Pmt	\$8,000,000.00
FY 09 Debt Service Payment	\$10,722,025.50
FY 09 Designated Interceptions	\$24,398,290.94
FY 10 Cancer Research Pmt	\$8,000,000.00
FY 10 Debt Service Payment	\$15,308,738.50
FY 10 Designated Interception	\$5,000,000.00
FY 11 Cancer Research Pmt	\$8,000,000.00
FY 11 Debt Service Payment	\$17,116,443.00
FY 11 Designated Interception	\$5,000,000.00
FY 11 Designated Interception	\$5,000,000.00
FY 11 Designated Interception	\$176,825.25
FY 13 Agency Transfer (2%)	\$40,000.00
TOTAL	\$380,197,252.59

Total Grants Paid Out Since Inception	
Barn Retrofit	\$41,090,228.00
Burley Marketing Center	\$2,509,555.21
NCDA/NCSU Barn Retrofit	\$168,254.00
Hay Relief	\$5,000.00
FCTCC	\$1,880,113.85
2002 Granting Cycle	\$2,534,958.56
2003 Granting Cycle	\$3,525,839.12
2004 Out-of-Cycle Grants	\$435,130.26
2005 Granting Cycle	\$2,817,630.15
2007 Granting Cycle	\$3,186,010.81
2008 Out-of-Cycle Grants	\$17,651,886.89
2008 Granting Cycle	\$5,076,135.23
2009 Granting Cycle	\$2,581,846.24
2010 Granting Cycle	\$5,284,685.04
2011 Granting Cycle	\$2,284,701.95
2012 Granting Cycle	\$928,867.10
TOTAL	\$91,960,842.41

Tobacco Trust Fund Commission Operating Statement July 1, 2013 - June 30, 2014 (FY14)

	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Total Amounts
Cash Carried Forward	\$5,357,502.79												
INTEREST INCOME	\$1,770.21	\$1,867.69	\$1,873.07										\$5,510.97
TOBACCO SETTLEMENT	\$0.00	\$0.00	\$0.00										\$0.00
OTHER REVENUE	\$0.00	\$0.00	\$176.84										\$176.84
Fiscal Year 2014 Revenue	\$1,770.21	\$1,867.69	\$2,049.91	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,687.81
EXPENSES													
<u>Personnel Expenses</u>													
Per Diem-BD MEM	\$135.00	\$45.00	\$165.00										\$345.00
Trans-BD MEM	\$144.50	\$189.50	\$461.50										\$795.50
Subsistence-BD MEM	\$143.16	\$111.90	\$614.01										\$869.07
Other-BD MEM	\$0.00	\$0.00	\$0.00										\$0.00
	\$422.66	\$346.40	\$1,240.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,009.57
<u>Staff Personnel Expenses</u>													
Sal, Ins, Ret, SS Bene.	\$23,453.89	\$25,172.44	\$23,537.52										\$72,163.85
Travel, Exp Acts, Reg Fees, Train.	\$0.00	\$203.12	\$0.00										\$203.12
	\$23,453.89	\$25,375.56	\$23,537.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$72,366.97
<u>Office Expenses</u>													
Repairs	\$0.00	\$0.00	\$0.00										\$0.00
Postage, Freight & Delivery	\$520.90	\$172.54	\$0.00										\$693.44
General Office Supplies	\$137.43	\$110.25	\$0.00										\$247.68
Furniture	\$0.00	\$0.00	\$0.00										\$0.00
Computer Equipment/Software	\$0.00	\$0.00	\$0.00										\$0.00
Communication/Office Equipment	\$118.62	\$144.46	\$128.19										\$391.27
Other Administrative Expenses	\$60.16	\$144.24	\$17.99										\$222.39
Vehicle	\$113.32	\$383.11	\$28.15										\$524.58
Telephone Services	\$267.20	\$275.62	\$294.58										\$837.40
	\$1,217.63	\$1,230.22	\$468.91	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,916.76
<u>Professional Services</u>													
Legal Services/Office Equip.-DOJ	\$0.00	\$0.00	\$8,000.00										\$8,000.00
Contract Services	\$0.00	\$0.00	\$0.00										\$0.00
Misc.	\$0.00	\$0.00	\$0.00										\$0.00
	\$0.00	\$0.00	\$8,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,000.00
Fiscal Year 2014 Expenses													\$85,293.30

2010 Grant Cycle		
	FY 10-13	FY 14
ASAP	\$140,494.28	\$27,955.72
Centralina EDC	\$110,000.00	\$0.00
NC Ag. Foundation-Scholarship	\$107,352.00	\$0.00
NCDA&CS - Got to Be NC	\$434,449.93	\$6,000.00
TOTAL	\$792,296.21	\$33,955.72

2011 Grant Cycle		
	FY 11-13	FY 14
AdvantageWest	34,177.72	\$2,853.36
Cabarrus County	17,598.16	\$0.00
Mount Olive College	40,996.77	\$5,639.70
Mountain Valleys RC & D	85,000.00	\$40,000.00
NC Ag Foundation-Education	105,959.53	\$60,957.33
NC Ag Foundation-Leadership	50,000.00	\$0.00
NC Ag Found - Heifers	25,000.00	\$0.00
NCDA&CS - Marketing	62,500.00	\$0.00
NC Nursery & Landscape Assoc.	182,540.05	\$30,110.00
NC Sweetpotato Foundation, Inc.	47,346.35	\$1,125.00
Vance County	30,885.63	\$0.00
TOTAL	682,004.21	\$140,685.39

2012 Grant Cycle		
	FY 12-13	FY 14
Carolina Farm Stewardship Assoc.	\$15,000.00	\$1,017.10
ECU - NC Agromedicine Institute	\$27,782.59	\$15,355.70
ISAMPA	\$12,500.00	\$6,500.00
James Sprunt Community College	\$0.00	\$0.00
Mitchell Co. Development Foundation	\$0.00	\$0.00
NC Ag Foundation - Stevia	\$50,000.00	\$0.00
NC Ag Foundation - Value-Added	\$125,000.00	\$0.00
NC Community College System	\$185,801.61	\$55,888.10
NC Tobacco Found - '13 Short Course	\$32,140.38	\$0.00
NC Tobacco Found - Growers Assist	\$16,000.00	\$0.00
NC Wildlife Federation	\$75,000.00	\$0.00
NCDA&CS - Food Safety & Outreach	\$0.00	\$0.00
NCDA&CS - Southeastern Ag Center	\$0.00	\$0.00
RAFI	\$230,739.67	\$9,971.41
Vance County	\$0.00	\$0.00
WNC Communities - AgOptions	\$148,902.85	\$12,633.15
WNC Communities - Livestock	\$10,000.00	\$0.00
Yadkin County	\$0.00	\$0.00
Yancey County Government	\$0.00	\$0.00
TOTAL	\$1,030,232.56	\$101,365.46

Cash Carried Forward	\$5,357,502.79
Total Revenue FY13	\$5,687.81
Total Expenses FY13 (-)	\$85,293.30
Subtotal	\$5,277,897.30
Total Grants Pd Out FY14 (-)	\$276,006.57
DebtSvc/Cancer/GenFund FY14 (-)	\$0.00
Current Cash Balance	\$5,001,890.73
Encumbered Funds (-)	\$4,398,552.99
TOTAL Grant/Mgmt/Admin/Enforcement of the MSA	\$603,337.74
Encumbered Funds	
2008 Out-of-Cycle Grants	\$1,443,212.11
2008 Granting Cycle	\$177,463.78
2009 Granting Cycle	\$439,936.76
2010 Granting Cycle	\$787,591.24
2011 Granting Cycle	\$522,014.66
2012 Granting Cycle	\$1,028,334.44
TOTAL	\$4,398,552.99

*This report is based on data from
7/1/13- 9/30/13*

2013 Grant Cycle	
	FY 13
TOTAL	

Budget Transfers/Debt Service and Cancer Research Payments	
FY 02 Designated Interceptions	\$82,004,511.11
FY 03 Designated Interceptions	\$38,000,000.00
FY 04 Designated Interceptions	\$37,146,734.06
FY 05 Designated Interceptions	\$35,000,000.00
FY 06 Designated Interceptions	\$32,134,175.77
FY 06 Debt Service Payment	\$1,979,096.00
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FY 09 Debt Service Payment	\$10,722,025.50
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FY 10 Debt Service Payment	\$15,308,738.50
FY 10 Designated Interception	\$5,000,000.00
FY 11 Cancer Research Pmt	\$8,000,000.00
FY 11 Debt Service Payment	\$17,116,443.00
FY 11 Designated Interception	\$5,000,000.00
FY 11 Designated Interception	<u>\$5,000,000.00</u>
FY 11 Designated Interception	<u>\$176,825.25</u>
FY 13 Agency Transfer (2%)	<u>\$40,000.00</u>
TOTAL	\$380,197,252.59

Total Grants Paid Out Since Inception	
Barn Retrofit	\$41,090,228.00
Burley Marketing Center	\$2,509,555.21
NCDA/NCSU Barn Retrofit	\$168,254.00
Hay Relief	\$5,000.00
FCTCC	\$1,880,113.85
2002 Granting Cycle	\$2,534,958.56
2003 Granting Cycle	\$3,525,839.12
2004 Out-of-Cycle Grants	\$435,130.26
2005 Granting Cycle	\$2,817,630.15
2007 Granting Cycle	\$3,186,010.81
2008 Out-of-Cycle Grants	\$17,651,886.89
2008 Granting Cycle	\$5,076,135.23
2009 Granting Cycle	\$2,581,846.24
2010 Granting Cycle	\$5,318,640.76
2011 Granting Cycle	\$2,425,387.34
2012 Granting Cycle	\$1,007,239.34
2013 Granting Cycle	0
TOTAL	\$92,213,855.76



North Carolina



Tobacco Trust Fund Commission

PROJECT PROFILES

WE STRIVE TO...

Foster and Strengthen a Strong Agricultural Economy by Implementing and Overseeing Grant Programs which...

- Benefit Current/Former Tobacco Farmers
- Assist Displaced Workers with New Job Opportunities
 - Generate Farm Income
- Benefit Former Tobacco Quota Holders
 - Generate Economic Development in Communities
- Protect Farm Land & Keep Farmers in Business



BOARD MEMBERS

AVERETT, Ernest B.

Oxford, NC
County-Granville
Appointee Officer- Speaker of the House

BARNES, Susan

Kenly, NC
County-Wilson
Appointee Officer-Governor

CARTER, J.W. (Billy) III

Eagle Springs, NC
County-Moore
Appointee Officer-President Pro Tem

COLLINS, William K.

Raleigh, NC
County-Wake
Appointee Officer-President Pro Tem

CREWS, Sam

Oxford, NC
County-Granville
Appointee Officer-Speaker of the House

DAVENPORT, David

Greenville, NC
County-Pitt
Appointee Officer-Governor

DAVIS, Layten

Hot Springs, NC
County-Madison
Appointee Officer-Speaker of the House

EMERSON, Thomas J.

Siler City, NC
County-Chatham
Appointee Officer-Speaker of the House

GRAY, Albert D. (Dial) III

Whiteville, NC
County-Columbus
Appointee Officer-Governor

HOLBROOK, Bill

Waynesville, NC
County-Haywood
Appointee Officer-Governor

McLAWHORN, John B. Jr.

Hookerton, NC
County-Greene
Appointee Officer-Governor

REEVES, Kenneth

Leicester, NC
County-Buncombe
Appointee Officer-President Pro Tem

SCOTT, Linwood H. III

Lucama, NC
County-Wilson
Appointee Officer-Speaker of the House

SMITH, Steve

Reidsville, NC
County-Rockingham
Appointee Officer-President Pro Tem

STRICKLAND, Clay

Clinton, NC
County-Sampson
Appointee Officer-Speaker of the House

TEAGUE, William H. "Bill"

Chairman
Leicester, NC
County-Buncombe
Appointee Officer-President Pro Tem

WARD, Dan

Vice Chairman
Clarkton, NC
County-Bladen
Appointee Officer-Governor

WEBSTER, Thomas

Madison, NC
County-Rockingham
Appointee Officer-President Pro Tem



WELCOME

William H. "Bill" Teague
Chairman

We are pleased to present this compilation of current and successful projects overseen by the NC Tobacco Trust Fund Commission.

Since its establishment in 2000, the Commission has seen the tobacco industry change significantly. It has gone from a price-support system overseen by the federal government to an industry relying on a contract system. The market is much more global with exports of the tobacco crop rising while domestic use continues to decline. This continuing transition has forced families and sometimes entire communities to confront life-changing realities and make decisions about their farming operation which will affect generations of farmers.

However, the Commission has worked extremely hard to support grant projects that will make a difference. Through our grant programs and partnerships with industry leaders, the university system and farming organizations, many North Carolina farmers will continue farming and are even poised for expansion.

We invite you to take a look at a few of the projects currently making an impact in certain counties of the state or even throughout North Carolina. On behalf of the 17 other Commission board members, we appreciate the opportunity to serve the citizens of this state as we all work to keep our state's farmers in business.



CONFRONTING OUR CHALLENGES AND STRIVING FOR SUCCESS

William Upchurch
Executive Director

The NC Tobacco Trust Fund Commission is privileged to be represented by an 18-member board, represented by farmers and industry professionals from all regions of North Carolina. This group of men and women has worked to support many areas of agriculture, because they know from their own experiences the challenges faced by today's farmers.

During its existence, the Commission has seen over \$380 million in promised Master Settlement Agreement funds diverted to other causes. In spite of an ever-increasing need for these funds by the agricultural industry and communities, our board has still been able to support a variety of worthwhile projects, even with the limited funds available. In many cases, our funds are leveraged with additional funding partners or even loans, in order to see projects to completion.

With our low overhead and administration expenses (which are less than 17% of our total budget), the Commission is a very lean operating agency. In addition, we feel that our financial oversight, project management and reporting practices ensure that the work and accomplishments of our projects are carried out effectively and efficiently.

Please contact our office if we can be of service and we invite you to visit our website to learn more about our work.

AN OVERVIEW

The NC Tobacco Trust Fund Commission administers funding and oversees grant projects across the state. Since its creation in 2000, the agency has awarded grant funds to 200 projects. The various government agencies, non-profits and universities have implemented projects which encourage crop diversification, job creation, reducing expenses while increasing farm income, and economic development. Within these programs, several have implemented initiatives that distribute smaller grant funds or cost-share opportunities to thousands of farmers.

PROJECT PROFILES

Several of our active and completed projects are featured. They were selected to represent a variety of regions and to show how NCTTFC grant funds are impacting farmers all over the state. From individual farmers to facilities impacting thousands of producers, these grants are truly creating and sustaining jobs, generating new ideas and putting more money into farmer's pockets.

HOW ARE GRANTS CHOSEN?

The NCTTFC accepts applications during a specified application period. A group of industry professionals and the Commission's board members review all applications. NCTTFC staff members conduct site visits during the review process. A fair and specific scoring process is used to evaluate the applicants and they are scored and ranked according to how the project will possibly meet the goals and objectives of the NCTTFC's mission.

ACCOUNTABILITY

Grantees are required to:

- File quarterly reports with project updates
- Provide receipts and proof of purchases with all financial requests
- Provide documentation on progress through photos, printed materials, etc.
- Work with NCTTFC staff on site visits to monitor progress
- Produce final reports, summarizing the success, goals met and impacts

IMPACTS

Projects must report and document how their projects impact agriculture and local communities. Impact measurements include acres impacted/protected, current/former tobacco farmers served, educational training, jobs created/sustained, volume of product sold and more.

For more information on these and other grant programs, please visit www.tobaccotrustfund.org.

AGRICULTURAL PRODUCTS MARKETING INITIATIVE



The “Got to Be NC” marketing program was launched in 2005 in an effort to enhance and expand the NCDA&CS flagship program, “Goodness Grows in North Carolina.” The campaign touts the wide variety of fresh and processed food products available from NC farmers, fishermen and food companies. The grant has implemented promotional campaigns with major grocery stores, restaurants, specialty food stores and foodservice distributors by leveraging cost-share funds to promote NC food products. Many NC food producers and companies have gained additional shelf space and market-share. Commodity groups have leveraged grant funds to increase their promotional activities.



NC Produce Display at Lowes Foods



NC Specialty Food Products have been featured at the National US Fancy Foods Show and at the 10-day Charlotte Christmas Show. Thousands of wholesale buyers and consumers purchased a variety of NC products!

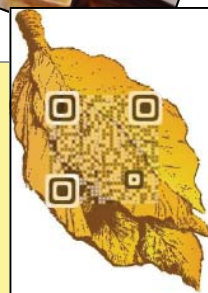
THE RESULTS SO FAR....

- Over 11 million consumers reached by store promotions, ads and trade shows!
- Over 600 food companies and/or producers have been assisted!
- Food companies report sales increases of 20% and up!
- Over 900 million media impressions to consumers!

Harvest Time Foods, Inc., makers of “Anne’s Old Fashion Dumplings” reported increased shelf space and distribution in several key grocery chains. As a result, the company has expanded its equipment line in order to keep up with the demand for its products!



The NC Department of Agriculture & Consumer Services received a three-year, \$875,000 NC Tobacco Trust Fund Commission grant in 2010. The funds are used for cooperative advertising costs, consumer marketing and to help off-set industry trade show rental space for NC food companies. Every single grocery store and foodservice distributor in the state has participated in some way in the campaign!



RISK MITIGATION MEASURES PROJECT



In 2009, the Environmental Protection Agency (EPA) released Re-registration Eligibility Decisions (REDs) that have had a major impact on production practices for NC crops, including strawberries, tobacco, peanuts and more. These new safety measures are intended to reduce the exposure to fumigation chemicals and increase protection to farmers, workers and the public. NC farmers and their

employees strive to apply chemicals safely and effectively and these new regulations have increased costs, paperwork and time in order to implement. Experts from several agencies with support from several NC commodity associations joined to help farmers understand these regulations and reduce their expenses. This grant offered education sessions, cost-share help for Personal Protection Equipment (PPE) and training. Fumigant handlers must be medically cleared, fit-tested annually for respirators, understand label regulations, maintain extensive records and receive training on safety equipment usage. In addition the EPA requires buffer zones around treated fields so farmers must be trained on how to inform landowners/businesses about fields. The partner agencies have reached out to as many NC farmers as possible.



THE FAST FACTS:

- NC is the **ONLY** state to offer extensive training and services to farmers that address the new EPA regulations
- Over 2,900 farmers have been served through educational efforts
- Over 750 farmers have been professionally fit-tested
- Farmers have saved over \$108,000 in equipment costs

In 2010, East Carolina University received a \$184,542, two-year grant to administer the program. The completion and success of that grant helped secure another grant in 2012 for \$125,000. The partnership with the NC Agromedicine Institute at East Carolina University, the NC Department of Agriculture & Consumer Services and NC State University, has efficiently addressed farmer concerns about the EPA regulations. The project worked closely with the EPA to reduce label restrictions and lessen regulations on farmers.



WNC AGOPTIONS & TOBACCO COMMUNITIES REINVESTMENT FUND

For several years, the NCTTFC has supported efforts to help current/former tobacco farmers launch new ideas for their operations. Both WNC AgOptions (currently overseen by WNC Communities) and TCRF (administered by RAFI) offer programs for which farmers can receive cost-share funds that are used to implement projects that generate new income for the farm.

Farmers submit applications, undergo reviews, develop business plans and provide detailed reports on their success. The projects also serve as demonstrations for other farmers so that the tools and knowledge gained can be shared with others.



Gerald and Elaine Fryar of Guilford County used grant funds to help finish off their converted dairy barn which serves as a wedding and event facility. The barn supplements their farming income by hosting 25-30 weddings/receptions per year!



David Hughes, a farmer in Mitchell County has diversified away from tobacco to Kinnebec potatoes – a crop that features yields that are normally double that in other parts of the country. Hughes has expanded sales to produce stands and to consumers.

Farmer Zane Sells of Forsyth County obtained a grant to renovate and add onto an existing shelter. The added space allows more room for storage of his fruits and vegetables that supply his CSA program.



THE RESULTS SO FAR....

- Over 1,000 farmers assisted since inception!
- The projects have impacted every county in the state!
- Cost share amounts have ranged from \$3,000 to \$10,000 for farmers and up to \$30,000 for farmer cooperatives.
- Over \$3 million leveraged with farmers!



AGRICULTURAL EDUCATION IMPROVEMENT



The mission of Agricultural Education in NC is *"to prepare students for successful careers and a lifetime of informed choices in the global agriculture, food, fiber, and natural resources systems."* Over 46,000 students take part in Ag-Ed programs in NC with nearly 20,000 enrolled in FFA. The funds were used for a variety of projects designed to enhance their agricultural education programs. Schools utilized the funds during the 2012-13 school year. Projects ranged from new lab equipment to greenhouse improvements to livestock handling equipment. Other schools installed new machine shop equipment, improved landscaping at farmers markets or installed irrigation systems or fencing. Student involvement was a key factor in the success.

THE RESULTS

- 34 schools utilized nearly \$170,000 to improve their programs.
- Over 3,000 people have been impacted!



Rosewood HS students with their completed livestock pens.



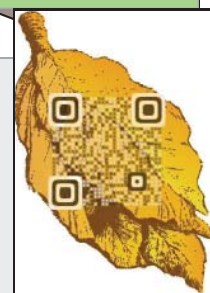
Students at North Lenoir HS building their new greenhouse.



Cape Fear HS students utilize the new planer for their shop.



The NC FFA state office received a \$180,540 grant during the NC Tobacco Trust Fund Commission's 2011 grant cycle. During 2012, over 50 schools applied to receive grants of up to \$5,000 for agricultural education improvement projects. A total of 34 grants were awarded across the state. All of the projects will be sustained past the grant period and will continue to enhance the education of the participating students.



APPALACHIAN GROWN: COST-SHARE FOR FARMERS



“Appalachian Grown” is a branding program that serves Western North Carolina farmers, farmer groups, and tailgate markets. Appalachian Grown labeling helps distinguish local farm products and is used to represent food and agricultural products grown by certified Appalachian farms. The three-year grant project provided cost-share funds of up to 50% of marketing expenses for farmers and markets to promote/advertise their products and businesses. A variety of media, printed items and other materials were utilized. The project served farmers located within the 23 western-most counties of NC.



Mitchell County potato growers used ASAP cost share assistance to unify their branding and save money on bags for delivery. They benefitted from this cost share assistance by realizing a \$0.20-0.30 savings per bag. Potatoes were sold in local Ingles Supermarkets.

Rita Stepp of Stepp Farms Hillcrest Orchard in Henderson County says “it has been a blessing” to be a part of ASAP’s cost share grant program. Cost share funds were used for a revised website and for a billboard on a high traffic portion of Hwy 64. The website averages over 12,000 hits a month. Many new customers have learned about the farm from the new marketing outreach.

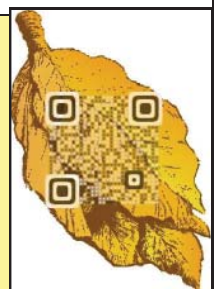


THE RESULTS ...

- Over 2,366 farms with over 51,000 acres impacted
- 180 current or former tobacco workers assisted
- 99% of recipients reported the cost-share had a positive effect on their sales.



ASAP received a three-year, \$168,450 grant during the NC Tobacco Trust Fund Commission’s 2010 grant cycle. This program required a 1:1 in-kind or cash match from participating farms. Matching funds helped farm businesses purchase Appalachian Grown marketing materials, including product labels, banners, ad placements and billboards. This direct support helped farmers conduct additional advertising and marketing activities that would have been otherwise cost prohibitive.



PROJECT SKILL-UP

Creating Success
NC Community Colleges
 Hope • Opportunity • Jobs



“Project Skill-Up” is a one-of-a-kind program that targets students who have a “connection” to the tobacco industry. Currently, 24 community colleges, located in counties affected by changes in the tobacco industry, offer the project. Qualifying students receive financial assistance for tuition, books and/or supplies for general and continuing education courses. The objective is to prepare the students for new careers and high demand jobs. Students and/or their family members must have their tobacco connection through farming, manufacturing or some other tobacco-related industry. The result has been an inexpensive job training program that has assisted thousands of people since inception!

*From D. Ward, Nash Community College:
 “After being informed about the Tire Manufacturing course and it leading to employment at Bridgestone/Firestone, I leaped with joy...”*

THE RESULTS SO FAR....

- Over 10,000 students have been assisted!
- Average training cost per student is \$240!
- In 2012 over 800 students obtained new employment!
- The project impacts over 50 counties!



*From K. Montgomery, Piedmont Community College:
 “...I lost my job as a Purchasing Agent in ‘08 due to the economy and subsequent decrease in construction. The CLT class will help to further hone skills I have already developed in logistics, as well as develop new skills through the CLT certification. This will allow me to be in a better position to get a*



The NC Community College System Office has received funding for Project Skill-Up since 2005. The project received \$375,000 during the 2012 grant cycle for the 2013 school year. Over 75% of the funding is utilized for student assistance with the rest for faculty, class supplies

MARKETING LOCAL PRODUCTS

The “Buy Local” movement has gained a lot of momentum over the last several years. This growth has encouraged innovative projects designed to make local produce and meat products more readily available. The NCTTFC has partnered with several counties and farm groups to support marketing, equipment and operations in order to sell more products and keep farmers in business.



What began as an idea to help small organic farmers in 2007 has grown into a thriving cooperative in northwestern NC. **NEW RIVER ORGANIC GROWERS** utilized a NCTTFC grant to hire a marketing/salesperson, purchase supplies and secure a delivery truck. Since its small start, the group now boasts 65 farmers with projected annual sales of \$375,000 in produce and meats. Customers include restaurants and country clubs.

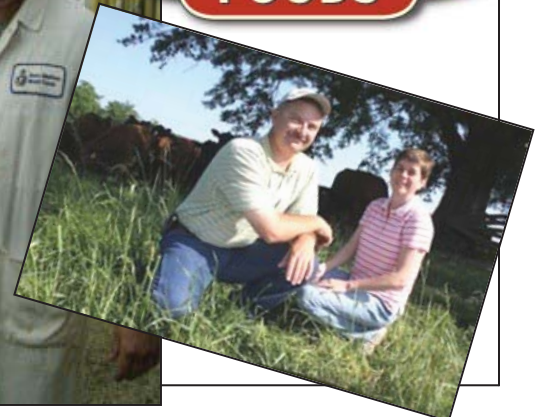


Caleb Crowell, NROG Coordinator and Sally Thiel, NROG President at the group's new warehouse space.



Located in a renovated warehouse in Burnsville, one can find a new produce aggregation center known as **TRACTOR**. Cooperative Extension agents in three counties have worked with area farmers to grow and sell local produce directly to grocery stores such as Ingles Supermarkets and Lowes Foods. A NCTTFC grant was secured for a refrigerated delivery truck. Farmers are trained in safe food handling and are encouraged to diversify to meet the needs of the stores. The operation is less than a year old and is already making deliveries of bibb lettuce and more!

Fresh, pasture-raised pork and beef producers have struggled to find markets for their products. Delivery, pricing and profits are just some of the obstacles. A start-up grant in 2009 for marketing/operational support to **FIRSTHAND FOODS**, a Durham-based company, ensures 40+ producers receive a premium price for their meat. The company partners with two NC meat processors to provide cuts that their restaurant and retail customers want on their menus. Firsthand features over 50 different pork and beef products. Utilizing social media, great customer service and their own “Sausage Wagon” the company will reach sales of \$1 million in 2013!



WNC REGIONAL LIVESTOCK CENTER



With its Haywood County grand opening in Spring 2011, the WNC Regional Livestock Center has hosted weekly sales through its auction arena. By utilizing both live auctions and a nationwide video auction system, the center has proven to be a critical partner



for WNC livestock producers. An average of over 300 cattle are sold each Monday. The center provides ample meeting space and also serves as a sales and exhibition arena for goat and sheep producers. Results show the facility is addressing the sales and auction needs of WNC's livestock producers by putting more money into the pockets of family farmers.



Jerry Roberts of Cherry Lane Farm in Weaverville believes this center "has been a godsend." I had been sending my animals down I-40 into Tennessee," says Roberts. "Now I reduce travel time by going to the WNC Livestock Market and save money on fuel."

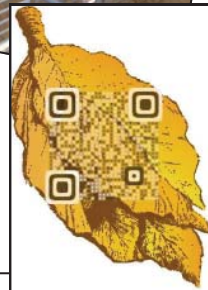
THE RESULTS SO FAR....

- 5 new full-time and over 13 part-time positions; total payroll around \$200,000.
- Over 31,000 head of livestock have been sold since opening.
- \$2 million back "into pockets" of family farms by reducing transportation costs.
- Potential for 500 new part-time jobs at the farm level projected in five years.
- Over \$21 million in gross sales since its opening.

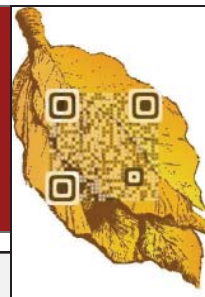
George Lenze of Everett Farms in Transylvania County didn't believe he would use the WNC Livestock Center much with markets available nearby in SC. However, he has sold 150 stocker calves this year alone through the preconditioning market and sales floor. Lenze reports that "exceptional management in bringing buyers to the farmer" also helps farmers obtain prices a few cents higher per pound than at other sales locations.



Over three years, WNC Communities received grant support from the NCTTFC totaling \$1,375,000. This project, serving over 3,000 livestock producers in Western North Carolina, is one of the largest investments that the Commission has made in WNC. Funds were used for permitting, facility design, site preparation, construction, equipment, and marketing.



NC FOUNDATION FOR SOIL & WATER CONSERVATION



Stabilizing crop soil, preventing erosion, establishing grass waterways...these were just some of the “Best Management Practices” accomplished by the NC Foundation for Soil & Water Conservation over the last three years. Current and former tobacco farmers applied for cost-share funds to improve waterways or convert cropland to pasture or for hay. After their application was approved and the project completed, farmers received 75% of their projects total cost in grant cost-share funds. A key result was a major reduction in soil erosion and nutrient depletion. It is estimated that over 5,400 tons of soil will be saved/year with a combined savings of over 30,000 pounds/year of nitrogen and phosphorus nutrients!

THE RESULTS

- 65 farmers were impacted in 13 counties.
- Projects implemented on nearly 1,400 acres.
- Over \$92,000 was contributed by landowners.



Project Examples: Cropland converted to pasture, installation of grassed waterway to control soil erosion and a tractor works on removing crop residue to convert a field into pastureland.



The NC Foundation for Soil & Water Conservation received a \$300,000 grant during the NC Tobacco Trust Fund Commission's 2010 grant cycle. 65 grant projects utilized \$275,000 of these funds for Best Management Practices. The projects not only reduced implementation costs for farmers, but also raised awareness on how critical soil/nutrient erosion is to the future of crop and pastureland in the agricultural community.

MARKETS, ARENAS & MORE!



Over the last few years, numerous structures that serve the agricultural community have been supported by NCTTFC grant funds. Whether it's new farmers markets, a renovated train depot that now offers fresh produce every weekend, livestock facilities or open-air structures for events, the positive impact for consumers and farmers is statewide. Here are just a few examples of how the NCTTFC has been a part of these successful projects.



Duplin Livestock Facility – Opened 2013. A \$200,000 grant leveraged with other funders helped build this new structure located on the Duplin Ag Center grounds. It enables livestock producers to take advantage of better cattle pricing through truckload sales. Producers in several counties have been served. Other regional meetings/events also utilize the facility. Within six months, over 2,000 cattle valued at \$1 million were sold!

Madison County Fairgrounds Arena – Opened 2013. A \$150,000 grant constructed this new building that is being used for community events. Located on the fairgrounds, it is the only building of its type in the area and has hosted numerous livestock and other ag-related community seminars, classes and educational events.



Cape Fear Farmers Market – Opened 2012. A \$350,000 grant leveraged with over \$1 million in other grant/loan funding enabled the Town of Elizabethtown to build a downtown "show-piece." This former grocery store underwent an extensive renovation to become a year-round market for area farmers. A successful bakery and butcher shop help draw hundreds of customers a day to the market too.

Other upcoming facility projects that are utilizing NCTTFC funds include: The **Vance County Regional Farmers Market** set to open in late 2013, the all-new **Yadkin County Agricultural Center** which will open in 2015, the **Market at Rotary Square** in downtown Concord, set for 2014 and the **Diesel Mechanic Training School** located at James Sprunt Community College in Kenansville which will train local residents to fill much-needed positions with major agribusinesses in the region.

PROJECT IMPACTS



The results of NC Tobacco Trust Fund Commission Grants are on-going. However the impacts of these programs over the last four years are affecting many farmers, citizens and industries across the state.

- Over 3,100 Jobs Created
- Over 37,000 Jobs Sustained (*farmers, employees, industry*)
 - Over 2,200 Workers Re-Employed
 - 15,304 Former Tobacco Quota Holders Assisted*
 - Nearly 12,600 Worker Skills Upgraded
- Nearly 82,000 Received Increased Educational Training (*through schooling, ag-related seminars, online tools and more*)
 - Over \$1.4 million in New Income
- Nearly 30,000 Current/Formal Tobacco Farmers Assisted*
 - 1 Million Acres of Farmland Impacted
- 5 Million People Served or Impacted (*farmers and consumers*)
 - Over \$47 million leveraged

*Due to the multitude of opportunities available, it is reasonable to assume that current/former tobacco farmers and former quota holders have benefitted more than once from NCTTFC funded projects. Figures for all impacts are based on data collected from project managers through quarterly and final reports from 2008 through July 1, 2013. Actual numbers are most likely higher since some projects are more far-reaching and can not be precisely measured.



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