



**Department of Natural and Cultural Resources
North Carolina Aquariums Special Fund Report
Required by G.S. § 143B-135.188
September 30, 2024**

G.S. § 143B-135.188. North Carolina Aquariums; fees; fund. (a) Fees. – The Secretary of Natural and Cultural Resources may adopt a schedule of fees for the aquariums and piers operated by the North Carolina Aquariums, including: (1) Gate admission fees. (2) Facility rental fees. (3) Educational programs. (b) Fund. – The North Carolina Aquariums Fund is hereby created as a special fund. The North Carolina Aquariums Fund shall be used for the following purposes with respect to the aquariums and the pier operated by the Division of North Carolina Aquariums: (1) Repair, renovation, expansion, maintenance, and educational exhibit construction. Funds used for repair, renovation, and expansion projects may be transferred to a capital projects fund to account for use of the funds for each project. (2) Payment of the debt service and lease payments related to the financing of facility expansions, subject to G.S. 143B-135.190. (3) Matching of private funds that are raised for these purposes. (4) Marketing the North Carolina Aquariums. (c) Disposition of Receipts. – All receipts derived from the collection of admissions charges and other fees and the lease or rental of property or facilities shall be credited to the aquariums' General Fund operating budget. At the end of each fiscal year, the Secretary may transfer from the North Carolina aquariums' General Fund operating budget to the North Carolina Aquariums Fund an amount not to exceed the sum of the following: (1) One million five hundred thousand dollars (\$1,500,000). (2) The amount needed to cover the expenses described by subdivision (2) of subsection (b) this section. (3) Any donations, gifts, and devises received by the North Carolina aquariums. (d) Approval. – The Secretary may approve the use of the North Carolina Aquariums Fund for repair and renovation projects at the aquariums-related facilities that comply with the following: (1) The total project cost is less than five hundred thousand dollars (\$500,000). (2) The project meets the requirements of G.S. 143C-8-13(a). (3) The project is paid for from funds appropriated to the Fund. (4) The project does not obligate the State to provide increased recurring funding for operations. (e) Repealed by Session Laws 2015-286, s. 4.12(d), effective October 22, 2015. (f) Report. – The Department shall submit to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division by September 30 of each year a report on the North Carolina Aquariums Fund that shall include the source and amounts of all funds credited to the Fund and the purpose and amount of all expenditures from the Fund during the prior fiscal year. (1997-286, s. 5; 1997-400, s. 6.3(b); 1997-443, s. 11A.119(b); 1999-49, s. 2; 2002-159, s. 46; 2005-276, s. 12.10; 2012-142, s. 12.5(a); 2013-413, s. 42(a); 2014-100, s. 14.2C; 2014-115, s. 17; 2015-241, s. 14.30(g), (n); 2015-268, s. 5.4(d); 2015-286, s. 4.12(d); 2016-94, s. 16.6(b); 2017-57, ss. 14.3(h), 36.12(e); 2021-180, ss. 14.3(a), 14.3A(a).)

DEPARTMENT OF NATURAL AND CULTURAL RESOURCES
North Carolina Aquariums Fund

BUDGET CODE: 24816

BUDGET FUND: 210190

BEGINNING BALANCE			5,004,838
REVENUE			
	Agency Transfer In – Agency Internal	Transfers from BC 14800 / 105141	3,384,188
		TOTAL REVENUES	3,384,188
EXPENDITURES			
	Other Principal Payments	Capital Lease / Bond Payment	1,884,188
	Fiscal Agent & Other Fees	Bond Related Expenses	53,093
	Building Design Contracts		6,880
	Building Construction Site Survey		813
	Agency Transfer Out – Agency Internal		
		Transfer to 42314 / 425043 – PKS Generator Controls Replacement	32,000
		Transfer to 42314 / 425044 – PKS FACP Replacement	35,000
		Transfer to 42314 / 425045 – RI Education Dock Repairs	9,771
		Transfer to 42114 / 424813 – FF Expansion / Renovation	89,124
		TOTAL EXPENDITURES	2,110,869
ENDING BALANCE			6,278,157

Aquarium Exhibit and Exhibit Component Disposition

Pursuant to NCGS 143B-135.182 (3), the North Carolina Aquariums did not sell exhibit components during fiscal year 2023-2024, therefore, no proceeds were deposited into the North Carolina Aquarium Fund (Budget Code: 24816, Budget Fund: 210190).

Brief Description 24816 210190 NC Aquariums Fund

The North Carolina Aquariums Division has four public locations – the NC Aquarium at Fort Fisher, the NC Aquarium at Pine Knoll Shores, the NC Aquarium on Roanoke Island, and Jennette’s Pier in Nags

Head – and a central office in Raleigh. Revenues derived from the collection of admissions fees, other fees, and the lease or rental of property or facilities are credited to the Aquariums' General Fund operating budget supporting personal and purchased services, supplies, and other expenses. As needed, monies from the North Carolina Aquarium Fund are used for repair, renovation, expansion, maintenance, and educational exhibit construction at all locations, to pay the debt service and lease payments related to the financing of facility expansions, marketing of the NC Aquariums, and matching private funds raised for these purposes.

During fiscal year 2023-2024, the General Fund continued to directly support operations at all aquarium locations. The NC Aquarium Fund started the fiscal year with a balance of \$5,004,838. Over the course of the fiscal year, expenditures totaling \$2,110,869 were incurred. The bond payment (\$1,884,188) was the largest of the expenses with an associated expense for servicing of the bond (\$53,093). The remaining expenses were associated with various capital and repair / renovation projects (\$173,588). These projects included design costs associated with the Fire Alarm Control Panel Replacement at the Aquarium at Pine Knoll Shores (\$35,000), design costs associated with the Generator Controls Replacement at the Aquarium at Pine Knoll Shores (\$32,000), design costs associated with the Education Dock Repairs / Replacement at the Aquarium on Roanoke Island (\$9,771), pre-construction services associated with the Expansion / Renovation Project at the Aquarium at Fort Fisher, and some smaller miscellaneous project expenses (\$7,693). At the end of the fiscal year, the Department allowed the full amount allowed by statute of \$3,384,188 to be transferred into the Aquarium Fund to cover the bond payment (\$1,884,188) and for current and future Aquarium Fund expenses (\$1,500,000).

Looking ahead to fiscal year 2024-2025, the division is anticipating two large expenditures and a continuation of multiple smaller ones. The two large expenses are the recurring bond payment (\$1,900,000) and the matching funds portion for the Aquarium at Fort Fisher Expansion / Renovation project (\$5,000,000). While we anticipate revenue transfers to cover the bond payment (\$1,900,000) as well as the statutorily allowed excess revenues (\$1,500,000) to be transferred into the Aquarium Fund, these are not guaranteed and do not occur until the end of the fiscal year. The smaller projects are continuation of previous fiscal year projects: design and construction costs associated with projects at Pine Knoll Shores and Roanoke Island.

Beyond the 2024-2025 fiscal year, with the bond payments coming to an end, the Aquarium Division will be seeking a couple of statutory change requests through the Department and Governor's office. These changes include a requested increase in the amount that can be transferred into the Aquarium Fund (G.S. 143B-135.188(c)(1) from \$1,500,000 to \$3,000,000) and the amount that the Secretary's office may approve for use towards repair and renovation projects (G.S. 143B-135.188(d)(1) from \$500,000 to \$1,000,000). With the rise in construction costs, both of these changes will help the Aquarium division in addressing the repairs and renovations needed at its facilities along with R&R funding coming from the state.