

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: Senate Bill 1354 (First Edition)

SHORT TITLE: UNC Nonappropriated Capital Projects.

SPONSOR(S): Senator Kerr

	FISCAL IMPACT				
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>
REVENUES					
Various	See Assumptions and Methodology				
EXPENDITURES					
General Fund	0	\$39,785	\$8,086,496	\$5,400,273	\$5,607,375
POSITIONS: (cumulative)					
General Fund	0	0	53	70	70
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: University of North Carolina General Administration					
EFFECTIVE DATE: This act is effective when it becomes law.					

BILL SUMMARY:

The bill authorizes the construction and financing, without appropriation from the General Fund, of capital improvement projects of the constituent institutions of the University of North Carolina.

ASSUMPTIONS AND METHODOLOGY:

The charts on the following pages were compiled with the assistance of the Associate Vice President for Finance for the UNC Office of the President. The charts show the cost to construct and operate the proposed campus buildings and the source of funds for each facility. The effect of the bond debt on students is also shown. The University expects no increase in operating costs for renovations or for athletic facility improvement. The UNC-Chapel Hill School of Medicine Research Facilities – Addition, the NCCU Biomanufacturing Research Institute and Training Enterprise, and the NCSU Biomanufacturing Training and Education Center are the only projects that require General Fund appropriations for building operations. The Campus Fiber Optic Wiring at UNC-Chapel Hill is a supplement to a \$17,533,500 project funded by the 2000 university bond program.

Section 2						
Campus	Project	Amount	Source of Funds	Effect of Debt on Students	Increase in Annual Operating Costs	Source of Operating Costs
Appalachian State University	Central Dining Facility – Supplement	\$2,000,000	Dining Receipts			
East Carolina University	Tyler & Fletcher Residence Halls – AC & Window Upgrades	\$3,250,000	Housing Receipts			
North Carolina A&T State University	Parking Deck	\$6,796,750	Parking Receipts			
North Carolina State University	Dining Hall Renovations	\$3,000,000	Dining Receipts			
	Renovation of Berry, Becton, and Bagwell Residence Halls - Supplement	\$4,000,000	Housing Receipts			
	Student Commons Improvements	\$3,500,000	Housing and Dining Receipts		\$74,113	Housing Receipts
	Renovations to Reynolds Coliseum	\$1,500,000	Debt Service Fee	\$10/year		
University of North Carolina at Asheville	Governor’s Village Residence Hall	\$12,700,000	Housing Receipts			
University of North Carolina at Chapel Hill	Carmichael Fields 3 & 4	\$1,200,000	Debt Service Fee	\$4/year	\$10,599	Student Recreation Fee
	Student Family Housing	\$19,000,000	Housing Receipts		\$2,672,800	Housing Receipts
	Morrison Residence Hall Renovations	\$24,000,000	Housing Receipts		\$1,906,517	Housing Receipts
	Residence Halls Phase II – Supplement	\$20,500,000	Housing Receipts			
	Parking Facilities	\$17,000,000	Parking Receipts			

Campus	Project	Amount	Source of Funds	Effect of Debt on Students	Increase in Annual Operating Costs	Source of Operating Costs
University of North Carolina at Charlotte	Parking Deck – Supplement	\$4,200,000	Parking Receipts			
	Greek Village Housing	\$21,500,000	Housing Receipts		\$1,203,284	Housing Receipts
University of North Carolina at Greensboro	Parking Deck Addition	\$8,400,000	Parking Receipts			
	Residence Hall Renovations	\$4,500,000	Housing Receipts			
	Dining Hall Renovations	\$1,500,000	Dining Receipts			

Section 3						
Campus	Project	Amount	Source of Funds	Effect of Debt on Students	Increase in Annual Operating Costs	Source of Operating Costs
Appalachian State University	Steam Line Improvements	\$2,000,000	Utility Trust Fund Receipts			
East Carolina University	Administrative Offices	\$2,500,000	Private Gifts and Ticket Sales		\$150,832	Athletic Fee
	Stadium Maintenance Repairs	\$2,600,000	Debt Service Fee and Gifts	\$15/year		
University of North Carolina at Chapel Hill	Ambulatory Care Renovations	\$1,800,000	Medical Faculty Practice Plan Receipts			
	Arthritis Research Center	\$1,800,000	Private Gifts			
	ITS Building Supplement	\$4,000,000	Telecommunications Receipts		\$1,146,046	Telecommunication Receipts

Campus	Project	Amount	Source of Funds	Effect of Debt on Students	Increase in Annual Operating Costs	Source of Operating Costs
University of North Carolina at Chapel Hill (Continued)	Institute for Advanced Materials, Nanoscience and Nanotechnology	\$3,800,000	Private Gifts			
	Educational Foundation Office Building	\$3,000,000	Private Gifts		\$299,787	Foundation revenue
	Athletics Facilities Improvements	\$1,100,000	Private Gifts			
	School of Medicine Research Facilities – Addition	\$33,000,000	Facilities and Administrative Receipts		\$1,800,238	General Fund
	The Daniels Building Renovations	\$7,000,000	Store Receipts		\$186,949	Store Receipts
	Major Infrastructure Improvements	\$68,436,150	Utility Trust Fund Receipts			
	Campus Fiber Optic Wiring	\$8,000,000	Telecommunications Receipts			
	University of North Carolina at Charlotte	Student Union Building Supplement	\$6,000,000	Receipts from Existing Fee		

Section 4						
Campus	Project	Amount	Source of Funds	Effect of Debt on Students	Increase in Annual Operating Costs	Source of Operating Costs
North Carolina Central University	Biomanufacturing Research Institute and Training Enterprise (BRITE)	\$17,800,000	Golden LEAF Foundation Grant Funding		\$1,686,198	General Fund
North Carolina State University	Biomanufacturing Training and Education Center (BTEC)	\$33,500,000	Golden LEAF Foundation Grant Funding		\$3,181,505	General Fund
University of North Carolina at Chapel Hill	Addition to WUNC Radio	\$1,000,000	Private Gifts			

The following are summary details from the previous charts:

Cost of Construction = \$355,482,900

Debt Payment Funding Methods

Housing Receipts	\$109,450,000
Utilities Trust Fund Receipts	\$70,436,150
Golden Leaf Funds	\$51,300,000
Parking Receipts Total	\$35,996,750
Facilities & Administrative Receipts	\$33,000,000
Telecommunication Receipts	\$12,000,000
Private Gifts	\$10,700,000
Store Receipts	\$7,000,000
Dining Receipts	\$6,500,000
Existing Student Fees	\$6,000,000
Student Fees	\$5,300,000
Housing and Dining Receipts	\$3,500,000
Debt Service Fees	\$2,700,000
Debt Service Fees & Gifts	\$2,600,000
Private Gifts & Ticket Sales	\$2,500,000
Medical Faculty Practice Plan Receipts	\$1,800,000

SOURCES OF DATA: Associate Vice President for Finance for the UNC Office of the President

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION: (919) 733-4910

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DATE: June 9, 2004

Signed Copy Located in the NCGA Principal Clerk's Offices