

Report on University Fiscal Liabilities

G.S. 116-13.2 requires the Board of Governors to report on an annual basis to the Joint Legislative Commission on Governmental Operations as follows:

**§ 116-13.2. Report on University Fiscal Liabilities.**

The Board of Governors shall report on an annual basis to the Joint Legislative Commission on Governmental Operations on:

- (1) Any financing of buildings or other facilities, regardless of the ownership of those buildings or other facilities, located on land owned by The University of North Carolina or the constituent institutions of The University of North Carolina; and
- (2) All fiscal liabilities or contingent liabilities, including payments for debt service or other contractual arrangements, of The University of North Carolina or any constituent institution.

It is recommended that the following Report on Fiscal Liabilities be accepted and reported to the Joint Legislative Commission on Governmental Operations.

The University of North Carolina



Report on Fiscal Liabilities

Report to the Joint Legislative Commission on  
Governmental Operations

May 12, 2006

## **The University of North Carolina Report on Fiscal Liabilities**

The General Statutes authorize the Board of Governors of the University of North Carolina to issue revenue bonds, payable from obligated resources, but with no pledge of taxes or the faith and credit of the State, to pay the cost, in whole or in part, of improvements to the facilities of the University. Debt financing allows the University and its constituent institutions to pay for an asset over a period of time, up to its useful life, rather than pay for it at the time of construction or purchase. All debt issues are structured to effectively utilize and maximize resources.

The Board of Governors only issues debt after legislation has been enacted by the North Carolina General Assembly authorizing the capital project and its method of financing. The legislature establishes a maximum aggregate principal amount for that purpose. The Board of Governors approves all projects before they are submitted to the legislature for approval. After legislative approval, the Board follows a financially responsible practice of individually approving all requests from constituent institutions to issue long-term indebtedness. Staff to the Board prepares a financial analysis for each new project with a determination of coverage ratios and the ability of a project to meet the debt service requirements from the primary revenues. Specifically, information reviewed includes a basic overview of the constituent institution, its programs, facilities, enrollment trends, available funds for debt repayment, existing indebtedness, and a detailed plan of financing for the use of the proceeds from the bond issue.

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- (1) Any financing of buildings or other facilities, regardless of the ownership of those buildings or other facilities, located on land owned by The University of North Carolina or the constituent institutions of The University of North Carolina; and
- (2) All fiscal liabilities or contingent liabilities, including payments for debt service or other contractual arrangements, of The University of North Carolina or any constituent institution.

A detailed report on all financings of the University is shown on the following pages which include the bond issue, the original principal amount, outstanding indebtedness, and the amount of debt service (principal and interest) paid last fiscal year for each constituent institution. This report also includes a summary of other financial liabilities of the University. This data, gathered by the constituent institutions, is included in the Comprehensive Annual Financial Report and the most recent audit as conducted by the State Auditor.

**The University of North Carolina**  
**Outstanding Indebtedness as of June 30, 2005**

	<b>Bonded Indebtedness Outstanding</b>	<b>Other Indebtedness Outstanding</b>	<b>Capital Leases over \$500,000</b>	<b>Total Indebtedness</b>
Appalachian State University	\$ 130,980,000	\$ 1,237,057	\$ –	\$ 132,217,057
East Carolina University	103,490,000	144,803	4,144,219	107,779,022
Elizabeth City State University	6,235,000	–	14,425,342	20,660,342
Fayetteville State University	6,377,000	–	–	6,377,000
North Carolina A & T State University	14,760,000	–	–	14,760,000
North Carolina Central University	10,900,000	–	637,015	11,537,015
North Carolina School of the Arts	3,985,000	900,000	–	4,885,000
North Carolina State University	213,795,000	2,000,000	–	215,795,000
UNC Asheville	27,470,000	–	–	27,470,000
UNC-Chapel Hill	450,605,027	141,141,000	337,132	592,083,159
UNC Charlotte	85,727,000	–	22,670,000	108,397,000
UNC Greensboro	90,945,000	–	–	90,945,000
UNC Pembroke	9,720,000	–	11,463,354	21,183,354
UNC Wilmington	66,655,000	79,211	–	66,734,211
Western Carolina University	26,514,000	1,811,808	11,845,000	40,170,808
Winston-Salem State University	12,565,000	–	18,030,000	30,595,000
<b>TOTAL – UNC</b>	<b>\$1,260,723,027</b>	<b>\$147,313,879</b>	<b>\$83,552,062</b>	<b>\$1,491,588,968</b>

**Statement of Bonded Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

<b>Facility</b>	<b>Bond Issue</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Amount Outstanding 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>Appalachian State University</b>					
Dormitory–White, Lovill, Hoey, and Bowie Hall; and Student Center	Housing and Student Center System of 1964–Series D	06/16/66	\$ 3,654,000	\$ 0	\$ 139,000
Dormitory–Winkler Hall	Housing and Student Center System of 1964–Series I	05/03/72	1,760,000	355,000	100,000
Married Student Housing	Housing and Student Center System of 1964–Series J	06/06/72	1,722,000	355,000	100,000
Student Union Addition	Student Fee Revenue Refunding Bonds, Series 1998	05/12/98	8,050,000	4,710,000	550,000
Power Plant Construction	Utilities System Revenue Refunding Bonds, Series 1998	05/12/98	27,535,000	25,990,000	820,000
Stadium Turf Note Prepayment	UNC System Pool Revenue Bonds, Series 1998B	11/03/98	875,000	145,000	135,000
Parking Deck	Parking System Revenue Bonds, Series 2000	06/21/00	10,200,000	–*	230,000
Residence Hall Construction/Renovation	Housing & Student Center System Revenue Bonds, Series 2000	06/21/00	13,225,000	–*	310,000
Broyhill Inn Renovation	UNC System Pool Revenue Bonds, Series 2000	10/01/00	1,590,000	1,280,000	85,000
Bookstore Addition 2001	Housing & Student Center System Revenue Bonds, Series 2001	12/11/01	6,680,000	6,230,000	155,000
Refinance 1993 Housing Series	Housing & Student Center System Revenue Bonds, Series 2001	03/28/02	13,240,000	12,030,000	865,000
Doughton Hall Renovation	UNC System Pool Revenue Bonds, Series 2002A	11/14/02	4,940,000	4,670,000	115,000
Student Recreation Center	ASU General Revenue Bonds, Series 2003A	05/08/03	25,635,000	24,300,000	665,000
Athletic Facilities, Housing Renovations, Refinance 2000 Parking & 2000 Housing	ASU General Revenue Bonds, Series 2005A	04/20/05	50,915,000	50,915,000	–
<b>Total–Appalachian State University</b>				<b>130,980,000</b>	<b>4,269,000</b>

*\*Bonds refunded with 2005A issue.*

**Statement of Bonded Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

<b>Facility</b>	<b>Bond Issue</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Amount Outstanding 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>East Carolina University</b>					
Dowdy-Ficklen Stadium Expansion	Athletic Variable Rate Demand Bonds, Series 1996	12/12/96	7,000,000	0	9,716
Blount Intramural Field	UNC System Variable Rate Demand Pool Revenue Bonds, Series 1998A	11/03/98	1,050,000	0	817
Reade Street Parking Lot	UNC System Variable Rate Demand Pool Revenue Bonds, Series 1998A	11/03/98	1,575,000	0	1,221
Jarvis Residence Hall Renovation	Housing and Dining System, Series 1998	11/05/98	5,095,000	4,015,000	381,725
Student Health Center Renovation	Student Fee Revenue Bonds (SHC), Series 1999	07/13/99	3,500,000	2,735,000	286,553
Jones Residence Hall & Galley Dining Facility Renovation	Housing and Dining System, Series 2001A	05/16/01	12,570,000	12,570,000	636,588
Housing and Dining Revenue Refunding Bonds	Housing and Dining System, Series 2001B	05/16/01	11,985,000	6,995,000	2,392,462
Student Fee Revenue Refunding Bonds (Student Rec)	Student Fee Revenue Refunding Bonds, Series 2001C	12/06/01	14,555,000	12,055,000	1,188,318
West End Dining Project	General Revenue Bonds, Series 2003A	06/19/03	14,960,000	14,960,000	585,338
Athletic Facilities Student Fee Refunding Bonds (Minges)	General Revenue Bonds, Series 2003A	06/19/03	4,630,000	3,180,000	848,170
Refunding of 1996 Dowdy-Ficklen Stadium Expansion	General Revenue Bonds, Series 2004 Variable Rate	08/05/04	5,145,000	4,910,000	386,394
Refunding of UNC System Pool Bonds - Blount Intramural and Reade Street Parking Lot	General Revenue Bonds, Series 2004 Variable Rate	08/05/04	1,245,000	1,065,000	216,635
Housing HVAC Renovation	General Revenue Bonds, Series 2004 Variable Rate	08/05/04	4,290,000	4,015,000	401,235
Baseball Stadium Construction	General Revenue Bonds, Series 2004 Variable Rate	08/05/04	7,110,000	6,930,000	389,216
College Hill Dormitory Construction	UNC System Pool Bonds, Series 2004C	10/06/04	27,530,000	27,530,000	613,020
Dowdy-Ficklen Stadium Repairs	UNC System Pool Bonds, Series 2004C	10/06/04	2,530,000	2,530,000	44,430
<b>Total-East Carolina University</b>				<b>103,490,000</b>	<b>8,381,838</b>
<b>Elizabeth City State University</b>					
Dormitories-Wamack Hall, Mitchell-Lewis Hall	Dormitory System Revenue Bonds of 1981-Series A	10/01/81	675,000	290,000	20,000
Dormitory-200 Bed	Dormitory System Revenue Bonds of 1981-Series B	10/01/81	1,680,000	925,000	45,000
Refinance of Dormitory-200 Bed (1992-Series C)	UNC Pool General Revenue Bonds, Series 2002B	11/14/02	3,410,000	3,101,123	142,083
Bedell Cafeteria Renovation	UNC Pool General Revenue Bonds, Series 2002B	11/14/02	1,225,000	1,114,040	51,042
Dormitory Furniture	UNC Pool General Revenue Bonds, Series 2002B	11/14/02	885,000	804,837	36,875
<b>Total-Elizabeth City State University</b>				<b>6,235,000</b>	<b>295,000</b>
<b>Fayetteville State University</b>					
Dormitory-Vance Hall	Dormitory System Revenue Bonds-Series A	10/01/74	920,000	12,000	51,110
New Dormitory	Dormitory System Revenue Bonds-Series B	11/15/74	1,750,000	565,000	145,078
Dining Hall	Dining System Revenue Bonds-Series 1997	02/12/97	3,040,000	2,530,000	227,365
Stadium Improvements and Refinance Housing Bonds	Pool General Revenue Bonds-Series 2002B	11/14/02	3,980,000	3,270,000	464,783
<b>Total-Fayetteville State University</b>				<b>6,377,000</b>	<b>888,336</b>

**Statement of Bonded Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

<b>Facility</b>	<b>Bond Issue</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Amount Outstanding 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>North Carolina A &amp; T State University</b>					
Surface Parking Lot Project	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	1,465,000	990,000	138,294
Student Union Project	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	5,860,000	1,575,000	548,244
Stadium System Student Fee Loan	UNC System Pool Revenue Bonds–Series 2000	10/01/00	1,555,000	1,170,000	168,750
Dining System	UNC System Pool Revenue Bonds–Series 2000	10/01/00	9,875,000	8,630,000	804,050
General Revenue Promissory Note	UNC System Pool Revenue Bonds–Series 2005A	04/14/05	2,395,000	2,395,000	0
<b>Total–North Carolina A &amp; T State University</b>				<b>14,760,000</b>	<b>1,659,338</b>
<b>North Carolina Central University</b>					
Athletic Stadium – Renovation	Stadium System Revenue Bonds – Series 1998	03/03/98	3,320,000	2,555,000	254,063
Housing System (Refund Series 1996 Bonds)	UNC System Pool Revenue Bonds – Series 2004B	03/31/04	8,670,000	8,345,000	671,535
<b>Total–North Carolina Central University</b>				<b>10,900,000</b>	<b>925,598</b>
<b>North Carolina School of the Arts</b>					
Refunding of Dormitory & Dining Hall Series 1989	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	1,080,000	–	132,963
Dormitory HVAC Renovations Project	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	890,000	–	108,700
Fitness Center and Student Center Project	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	2,650,000	2,085,000	203,206
Technology Infrastructure Project	UNC System Pool Revenue Bonds–Series 2000	10/31/00	1,005,000	0	99,850
Refunding 1998B - Housing and Dining Hall	UNC System Pool Revenue Bonds–Series 2005B	04/15/05	1,900,000	1,900,000	0
<b>Total–North Carolina School of the Arts</b>				<b>3,985,000</b>	<b>544,719</b>

**Statement of Bonded Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

Facility	Bond Issue	Date of Issue	Amount of Issue	Amount Outstanding 6/30/05	Debt Service 6/30/05
<b>North Carolina State University</b>					
Dormitory–Sullivan Hall	Housing System Revenue Bonds of 1964–Series F	09/01/64	2,200,000	0	106,903
Dormitory Complex	Housing System Revenue Bonds of 1964–Series G	09/01/66	3,225,000	275,000	140,200
Avent Ferry Complex	Housing System Revenue Bonds of 1964–Series M	10/14/94	11,820,000	0	549,846
Refund Housing System Series H, J, and K	Housing System Revenue Bonds of 1964–Series N	10/14/94	4,110,000	1,385,000	423,423
University Student Center	Refunding Revenue Bonds, Series 1996	08/29/96	2,210,000	1,180,000	267,640
Parking System	Refunding Revenue Bonds, Series 1996	08/29/96	6,530,000	2,925,000	809,840
Dining Hall System	Refunding Revenue Bonds, Series 1996	08/29/96	2,345,000	1,480,000	253,667
Centennial Campus Projects	Taxable Series 1997A	03/12/97	7,765,000	3,975,000	895,784
Centennial Campus Projects	Nontaxable Series 1997B	03/12/97	7,090,000	0**	181,681
Residence Hall Improvement Bonds	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	15,770,000	8,935,000	1,694,838
Student Health Facility Project	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	5,615,000	3,805,000	525,425
Entertainment and Sports Arena Project	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	6,325,000	4,985,000	484,844
Centennial Campus Projects	Nontaxable Series 1999A	09/22/99	13,500,000	13,000,000	600,149 *
Centennial Campus Projects	Taxable Series 1999B	09/22/99	2,117,000	0	483,438
Housing System Project	System Wide Financing, 2000 Series	10/01/00	3,020,000	1,995,000	384,775
Central Stores Expansion Project	System Wide Financing, 2000 Series	10/01/00	3,370,000	2,940,000	274,800
Student Housing Projects	Refunding Revenue Bonds, Series 2002B	04/17/02	8,800,000	7,455,000	375,760
Centennial Campus Projects	Refunding Revenue Bonds, Series 2002C	04/17/02	7,160,000	5,745,000	841,250
Student Housing and Athletics Projects	General Revenue Bonds, Series 2003A	06/20/03	26,735,000	26,735,000	1,194,743
Student Housing and Athletics Projects	General Revenue Bonds, Series 2003B	06/20/03	45,660,000	45,365,000	1,396,703 *
Centennial Campus, Student Housing and Athletics Projects	General Revenue Bonds, Series 2005A	02/10/05	45,660,000	81,615,000	0
<b>Total–North Carolina State University</b>				<b>213,795,000</b>	<b>11,885,709</b>

\* Debt service amounts include payments to swap counter-parties.

\*\*Bonds refunded with 2005A issue.

**Statement of Bonded Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

<b>Facility</b>	<b>Bond Issue</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Amount Outstanding 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>UNC Asheville</b>					
Dormitory – 148 Spaces	Dormitory and Dining System Revenue Bonds–Series C	10/30/97	7,600,000	450,000 *	210,000
Refunding of Series A	Dormitory and Dining System Revenue Bonds–Series D	10/30/97	3,695,000	505,000 *	235,000
Parking Deck Project	UNC System Variable Rate Demand Pool Revenue Bonds–Series 1998A	11/03/98	2,580,000	1,125,000	280,000
Parking Deck Project	UNC System Variable Rate Demand Pool Revenue Bonds–Series 2000	10/01/00	705,000	465,000	65,000
Dormitory and Refunding Series B	UNCA General Revenue and Refunding Bonds-Series 2002A	09/24/02	18,900,000	17,350,000	700,000
Refunding of Dormitory and Dining, Series C & D	UNCA General Revenue and Refunding Bonds-Series 2005	04/14/05	7,575,000	7,575,000	0
<b>Total–UNC Asheville</b>				<b>27,470,000</b>	<b>1,490,000</b>

*\*Bonds partially refunded with 2005 issue.*

<b>UNC-Chapel Hill</b>					
Environmental Protection Agency Project	U.S. EPA Project, Series 1991	08/14/91	36,678,921	27,057,384	4,210,128
Environmental Protection Agency Project	U.S. EPA Project, Series 1996	11/01/96	2,400,000	260,000	374,984
Health Affairs Parking Deck II	Parking System Revenue Bonds, Series 1997A	06/19/97	11,750,000	10,430,000	837,378
Refunding Parking Series B, 1989	Parking System Revenue Bonds, Series 1997B	06/19/97	8,245,000	3,355,000	925,845
Graham & Aycock Dorms Renovation	Housing System 97A	10/30/97	9,170,000	7,110,000	742,785
Refunding Housing Series 1991	Housing System 97B	10/30/97	7,210,000	5,225,000	860,661
Refunding SRC Series 1991	Student Fee Revenue Bonds – Series 1997	10/30/97	3,545,000	2,180,000	424,820
Refunding Utility System Series 1992	Utility System Revenue Bonds, Series 1997	10/30/97	30,379,142	45,762,643 **	0
Student Union Renovation	Student Fee Revenue Bonds–Series 2000	04/13/00	12,465,000	11,015,000	992,169
General Revenue 2001 A	General Revenue 2001 A	02/07/01	89,930,000	82,055,000	6,438,888
General Revenue 2001 B	General Revenue 2001 B	02/07/01	54,970,000	48,175,000	3,521,580
General Revenue 2001 C	General Revenue 2001 C	02/07/01	54,970,000	48,175,000	2,722,466
Utilities Refunding – General Revenue 2002B	General Revenue Refunding Bonds 2002B	05/07/02	66,555,000	52,835,000	8,920,000
General Revenue 2003	General Revenue Bonds 2003	12/18/03	107,960,000	106,970,000	6,029,038
<b>Total–UNC-Chapel Hill</b>				<b>450,605,027</b>	<b>37,000,742</b>

*\*\*Amount outstanding includes accretion on Capital Appreciation Bonds.*

**Statement of Bonded Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

<b>Facility</b>	<b>Bond Issue</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Amount Outstanding 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>UNC Charlotte</b>					
Cone Student Center Addition	University Center System--Series C	07/01/74	2,300,000	700,000	115,000
Dormitories--Sanford Hall, Moore Hall	Housing and Dining System--Series B	01/01/68	1,675,000	215,000	65,000
Dormitory--Scott Hall	Housing and Dining System--Series C	01/01/73	2,200,000	310,000	140,000
Dormitory--Holshouser Hall	Housing and Dining System--Series D	01/01/73	2,200,000	310,000	140,000
Dormitory--Apartments--Phase II	Housing and Dining System--Series F	09/17/79	2,175,000	1,010,000	65,000
Dormitory--Energy Conservation	Housing and Dining System--Series G	09/17/79	152,000	13,000	6,000
Dormitory--Apartments--Phase III	Housing and Dining System--Series H	04/21/80	1,568,000	749,000	45,000
Refunding Bonds	Student Activity Center Student Fee Revenue Bonds	11/15/95	26,295,000	0	790,000
Phase VII Apartments	UNC System Pool Revenue Bonds--Series 1998B	11/03/98	15,875,000	13,510,000	445,000
Recreational Playing Fields	UNC System Pool Revenue Bonds--Series 1998B	11/03/98	1,105,000	500,000	110,000
1000 Space Parking Deck	Parking System Revenue Bonds--Series 2002	01/07/02	10,900,000	9,720,000	410,000
Phase VIII Apartments	2002A General Revenue Promissory Note	10/15/02	21,115,000	20,605,000	510,000
Housing and Dining Series M Refinancing	2003A UNC System Pooled Revenue Bonds	10/29/03	8,635,000	7,735,000	850,000
Student Activities Center Refinancing	2003A UNC System Pooled Revenue Bonds	10/29/03	8,770,000	8,485,000	20,000
Brocker Health Center	2003A UNC System Pooled Revenue Bonds	10/29/03	6,055,000	5,735,000	155,000
Parking 1996 Refinancing	2004A UNC System Pooled Revenue Bonds	03/31/04	4,480,000	4,275,000	205,000
Balance of Student Activities Center Refinancing	2005A UNC System Pooled Revenue Bonds	04/14/05	11,855,000	11,855,000	0
<b>Total--UNC Charlotte</b>				<b>85,727,000</b>	<b>4,071,000</b>
<b>UNC Greensboro</b>					
Baseball Stadium and Student Recreation Area	Student Facilities System--1997 Series B	06/27/97	3,755,000	220,000*	116,000
Phillips/Hawkins Renovations	Housing and Dining System--1997 Series D	06/27/97	6,000,000	350,000*	187,850
Dormitory and Dining Facilities Renovations	Housing and Dining System--1997 Series E	06/27/97	7,290,000	1,490,000	793,540
Dormitory and Dining Facilities Renovations	Housing and Dining System--1997 Series F	06/27/97	8,750,000	5,990,000	712,150
Central Campus and McIver Street Parking Decks	Student Facilities System--Series C	12/09/97	12,200,000	730,000*	390,040
Residence Halls Wiring & Electrical Renovations	Housing and Dining System--Series G	06/07/00	6,425,000	880,000*	210,600
Elliot University Center Addition and Renovation	General Revenue Bonds--Series A	06/27/01	19,870,000	17,990,000	1,390,244
Oakland Ave. Parking Deck/Defeased SFS Series A	General Revenue Bonds--Series B	01/04/02	16,445,000	14,465,000	1,333,750
Residence Hall Renovations/Defeased H&D Series C	General Revenue Bonds--Series 2002A	11/14/02	8,835,000	8,245,000	726,037
Dining Hall, Residence Life & Facilities Renovation	General Revenue Bonds--Series 2004C	10/07/04	18,350,000	18,350,000	1,304,288
Defeased H&D 1997 Series D and 2000 Series G, SFS 1997 Series B & C	General Revenue Bonds--Series 2005A	04/15/05	22,235,000	22,235,000	1,107,662
<b>Total--UNC Greensboro</b>				<b>90,945,000</b>	<b>8,272,161</b>

\* Partially defeased with 2005A issue.

**Statement of Bonded Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

<b>Facility</b>	<b>Bond Issue</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Amount Outstanding 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>UNC Pembroke</b>					
Student Housing Note	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	3,130,000	2,540,000	250,145
Recreational Facilities Student Fee Loan	UNC System Pool Revenue Bonds–Series 2000	10/01/00	1,025,000	895,000	84,488
Dining System	UNC System Pool Revenue Bonds–Series 2000	10/01/00	755,000	605,000	74,513
Recreation Center Improvements	UNC System Pool Revenue Bonds–Series 2002B	11/14/02	605,000	470,000	83,004
Surface Parking Lot	UNC System Pool Revenue Bonds–Series 2002B	11/14/02	285,000	225,000	35,848
University Center Renovation & Expansion, Auxiliary Services Complex, and Student Recreational Facility Improvements	UNC System Pool Revenue Bonds–Series 2003B	10/01/03	5,270,000	4,985,000	348,495
<b>Total–UNC Pembroke</b>				<b>9,720,000</b>	<b>876,493</b>
<b>UNC Wilmington</b>					
Dormitory–Belk	Dormitory and Dining Hall System Revenue Bonds–Series B	01/01/75	1,400,000	415,000	100,000
Trask Coliseum	Physical Education System Revenue Bond–Series B	03/01/94	1,140,000	460,000	80,000
Dorm – 1998	Dormitory & Dining Hall System Revenue Bonds Series J	06/04/97	6,440,000	550,000	270,000
Student Union & Annex	Student Union System Revenue Bonds–Series 1997	06/04/97	4,300,000	2,520,000	365,000
Residence Hall	General Revenue Bonds – Series 2002A	06/20/02	11,500,000	10,710,000	410,000
Westside Parking/Apartments	General Revenue Bonds – Series 2002B	10/15/02	6,735,000	6,110,000	280,000
Student Union Construction	General Revenue Bonds – Series 2003A	04/15/03	30,000,000	29,220,000	795,000
Refundings Series I	General Revenue Bonds – Series 2003B	10/20/03	5,100,000	4,040,000	1,045,000
Refundings Series J & Rec	General Revenue Bonds – Series 2005A	04/15/05	12,630,000	12,630,000	495,000
<b>Total–UNC Wilmington</b>				<b>66,655,000</b>	<b>3,840,000</b>
<b>Western Carolina University</b>					
Dormitory–Scott Hall	Dormitory System Revenue Bonds–Series D	05/01/67	2,394,000	204,000	106,120
16 Faculty Apartments	Faculty Housing Revenue Bonds–Series A	11/01/67	280,000	30,000	10,750
Fire Safety Improvements	UNC System Pool Revenue Bonds–Series 1998B	11/03/98	465,000	315,000	44,056
Dormitory–Reynolds Defeasement	UNC System Pool Revenue Bonds–Series 2000	10/01/00	1,370,000	1,010,000	193,475
Student Center	UNC System Pool Revenue Bonds–Series 2000	10/01/00	5,355,000	4,895,000	390,800
Athletic Facilities–Stadium	UNC System Pool Revenue Bonds–Series 2002	11/14/02	8,070,000	7,630,000	585,562
Athletic Facilities–Softball Field	UNC System Pool Revenue Bonds–Series 2003A	10/29/03	1,510,000	1,430,000	103,166
Student Recreation Center	UNC System Pool Revenue Bonds–Series 2003A	10/29/03	11,610,000	11,000,000	786,201
<b>Total–Western Carolina University</b>				<b>26,514,000</b>	<b>2,220,130</b>

**Statement of Bonded Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

<b>Facility</b>	<b>Bond Issue</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Amount Outstanding 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>Winston-Salem State University</b>					
Student Services Complex	Student Services System–Student Fee Revenue Bonds-Series 1995A	12/05/95	3,600,000	0	110,460
New Dormitory	Housing and Dining System Revenue Bonds-Series 1998B	09/01/98	8,430,000	6,965,000	755,403
Residence Hall Renovations	UNC System Pool Revenue Bonds–Series 2002B	11/14/02	3,030,000	2,695,000	303,958
Student Services Complex – Refunding	UNC System Pool Revenue Bonds–Series 2004B	03/31/04	2,925,000	2,905,000	137,952
<b>Total–Winston-Salem State University</b>				<b>12,565,000</b>	<b>1,307,773</b>
<b>Total Outstanding Bonded Indebtedness of the Institutions</b>				<b>1,260,723,027</b>	<b>87,927,837</b>

*Note: Debt service includes both principal and interest payments.*

**Statement of Other Indebtedness as of June 30, 2005**  
**Constituent Institutions of The University of North Carolina**

<b>Facility</b>	<b>Lender</b>	<b>Date of Loan</b>	<b>Amount of Loan</b>	<b>Amount Outstanding 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>Appalachian State University</b>					
Visual Arts Building	Bank One	08/03/99	\$2,700,000	\$1,237,057	\$273,946
<b>East Carolina University</b>					
Computer Equipment for Dormitories	Carlyle Capital Markets	03/01/01	950,000	140,914	215,393
Athletic Vehicles	Wachovia	01/01/01	35,344	3,889	12,159
<b>Total - ECU</b>				<b>144,803</b>	<b>227,552</b>
<b>North Carolina School of the Arts</b>					
Student Activities Center	Wachovia Bank	04/17/03	1,500,000	900,000	336,720
<b>North Carolina State University</b>					
General Revenue 2002A Commercial Paper *	General Revenue 2002A	03/05/02	60,000,000	2,000,000	318,911
<b>UNC-Chapel Hill</b>					
General Revenue 2002A Commercial Paper	General Revenue 2002A	03/05/02	1,000,000	141,141,000	476,626
<b>UNC Wilmington</b>					
Parking Lot 97	Branch Banking & Trust	02/06/97	430,000	79,211	45,263
<b>Western Carolina University</b>					
Hinds University Center	First Union National Bank	11/30/95	3,800,000	1,811,808	389,247
<b>Total of Other Indebtedness of the Institutions</b>				<b>147,313,879</b>	<b>1,840,713</b>

*\* Commercial Paper Program allows for a balance outstanding of up to \$60,000,000 for NCSU. Balance outstanding during fiscal year 2005 reached \$33,000,000 before being refunded with 2005A bond issue.*

**The University of North Carolina  
Statement of Capital Leases as of June 30, 2005**

<b>Facility/Equipment</b>	<b>Lessor</b>	<b>Date of Lease Inception</b>	<b>Amount of Original Lease</b>	<b>Date of Lease Expiration</b>	<b>Number of Beds (if applicable)</b>	<b>Ending Balance 6/30/05</b>	<b>Debt Service 6/30/05</b>
<b>East Carolina University</b>							
Linear Accelerator	Carlyle Capital Markets, Inc.	05/10/04	\$1,986,175	02/10/11	N/A	\$ 1,660,989	\$315,304
Banner System	UNC Foundation, COPs	12/15/04	2,843,230	06/01/04	N/A	2,483,230	526,123
<b>Total - ECU</b>						<b>4,144,219</b>	<b>841,427</b>
<b>Elizabeth City State University</b>							
Viking Village	ECSU Housing Foundation, LLC	07/01/03	14,492,389	06/30/04	349	14,425,342	791,667
<b>North Carolina Central University</b>							
2004 Van Hool Tour Buses	ABC Companies, Inc.	02/13/04	695,486	03/01/09	N/A	637,015	114,840
<b>UNC-Chapel Hill</b>							
Sun Fire 15K Server & related equipment	Sun Microsystems	03/20/03	825,383	10/01/04	N/A	0	465,383
Upgrade to Sunfire Server and	Sun Microsystems	07/01/04	744,264	12/31/05	N/A	337,132	407,132
<b>Total - UNC-CH</b>						<b>337,132</b>	<b>872,515</b>
<b>UNC Charlotte</b>							
Banner COPs	UNC Foundation, Inc.	11/15/04	5,925,000	01/11/04	N/A	5,925,000	0
Greek Village COPS	UNC Facilities Development Corp.	04/06/05	16,745,000	04/05/37	350	16,745,000	0
<b>Total - UNCC</b>						<b>22,670,000</b>	<b>0</b>
<b>UNC Pembroke</b>							
Student Housing	UNCP Foundation	01/01/04	12,219,354	03/01/34	360	11,463,354	756,000
<b>Western Carolina University</b>							
Affinity Housing	WCU Research & Devel. Corp	08/01/04	12,090,000	06/30/33	252	11,845,000	767,662
<b>Winston-Salem State University</b>							
Rams Commons Housing Facility	WSSU Housing Foundation, LLC	09/17/04	18,180,000	06/30/34	448	18,030,000	682,150
<b>Total - Capital Leases</b>						<b>83,552,062</b>	<b>4,826,261</b>

*UNC-CH has a ground lease with the UNC-CH Foundation, Inc. that leased land owned by the University to the Foundation for the construction of a student housing project. For the fiscal year ended June 30, 2005, the University purchased two phases of the project, totaling \$36,384,529. The third, and final phase, is expected to be purchased from the Foundation in August 2005.*