

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER



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North Carolina Capital Facilities Finance Agency Annual Report

June 30, 2020

North Carolina Department of State Treasurer
3200 Atlantic Avenue
Raleigh, NC 27604

North Carolina Capital Facilities Finance Agency

Annual Report

June 30, 2020

The North Carolina Capital Facilities Finance Agency (NCCFFA or Agency) was created in 1986 to provide the benefits of tax-exempt financing to nonprofit private institutions of higher education in the State of North Carolina. It was originally named the North Carolina Educational Facilities Finance Agency. The act that created the NCCFFA was amended in the 1998 session of the General Assembly (Session Law 1998-124) to broaden its powers to permit financing facilities of kindergarten, elementary and secondary nonprofit private schools. This act was then amended again in the 1999-2000 session of the General Assembly (Senate Bill 1472) to change to the present name and to allow the Agency to finance additional types of capital projects with public purposes. Since 2000, subsequent amendments by the General Assembly have authorized financings for various other nonprofit entities within specified parameters. A state legislative change enacted in 2009 authorized the Agency to issue Recovery Zone Facility Bonds in accordance with the enactment of the federal American Recovery and Reinvestment Act of 2009 for projects within locally declared recovery zones that promote economic development and increased employment. The legislative authority to issue Recovery Zone Facility Bonds expired on December 31, 2010.

The NCCFFA is governed by a Board of Directors composed of seven members. Two of the members are the State Treasurer and the State Auditor, each of whom serve ex-officio. The remaining members are residents of the state who do not hold public office and are appointed in the following manner:

- The General Assembly on the recommendation of the President Pro Tempore of the Senate appoints one director
- The General Assembly on the recommendation of the Speaker of the House appoints one director
- The Governor appoints three directors
- The Chairman and Vice Chairman of the Board of Directors are designated by the Governor

The NCCFFA is staffed by the State and Local Government Finance Division of the Department of State Treasurer. The operations of the NCCFFA are combined with and inseparable from those of the Department of State Treasurer and are subject to reviews and audit by the North Carolina State Auditor's Office.

The Local Government Commission is composed of a nine-member board of directors chaired by the State Treasurer. Since the early 1930s, the LGC has assisted counties and cities in the areas of debt and fiscal management. In addition to approving bonds of the NCCFFA, the LGC approves almost all North Carolina local government debt.

During the fiscal year ended June 30, 2020, the NCCFFA approved approximately \$15 million in bonds for one institution. A list of all the approvals is attached as Schedule A.

Since its creation in 1986, the NCCFFA has issued approximately \$9.27 billion in tax-exempt capital financings. As of June 30, 2020, approximately \$2.3 billion in these bonds were outstanding. Schedule B lists transactions corresponding to those outstanding bonds. There have been no defaults on any NCCFFA financings. Each issue is payable solely from revenues derived from each entity financed, is separately secured, and is separate and independent from all other series of bonds as to source of payment and security.

Schedule A

North Carolina Capital Facilities Finance Agency Transactions Approved for Fiscal Year 2019-20

Issuer	Amount	Purpose	Issue Date
The NCCU Real Estate Foundation, NC.	\$ 14,955,000	Refinance	Sept.10,2019
Elon University	\$ 17,555,000	Rate Conversion	NA
Elon University	\$ 52,095,000	Rate Adjustment	NA
Elon University	\$ 16,575,000	Rate Adjustment	NA
Elon University	\$ 23,550,000	Rate Adjustment	NA
Lenoir-Rhyne University	\$ 20,919,750	Reissuance for Tax Purposes	NA
TOTAL	\$ 14,955,000		

Schedule B

North Carolina Capital Facilities Finance Agency Status of All Approved Transactions

Borrower	Original Issue		Outstanding at June 30, 2020
	Amount	Date	
Duke University-B	\$ 40,000,000	May 3, 1991	\$ 16,000,000
Duke University-A	\$ 35,240,000	July 17, 1992	\$ 35,240,000
Lees-McRae College	\$ 8,250,000	April 16, 2003	\$ 2,570,000
N.C. Aquarium Society	\$ 26,745,000	January 22, 2004	\$ 10,390,000
NC A&T University Foundation LLC	\$ 21,000,000	August 10, 2004	\$ 11,760,000
Salem Academy & College	\$ 15,000,000	August 11, 2005	\$ 9,500,000
Duke Energy (A & B)	\$ 150,000,000	October 18, 2006	\$ 143,200,000
Rocky Mount Preparatory School	\$ 6,500,000	September 20, 2007	\$ 4,000,000
Duke Energy A & B	\$ 100,000,000	April 18, 2008	\$ 100,000,000
Metrolina Scholars' Academy	\$ 4,050,000	December 15, 2009	\$ 2,539,663
Cape Fear Academy	\$ 8,335,000	July 22, 2010	\$ 4,869,175
Greensboro Day School	\$ 6,015,000	August 26, 2010	\$ 2,567,500
Republic Services, Inc.	\$ 85,000,000	November 30, 2010	\$ 70,000,000
High Point University	\$ 20,485,000	July 7, 2011	\$ 15,125,000
Davidson College	\$ 20,000,000	February 28, 2012	\$ 18,525,000
High Point University	\$ 62,490,000	July 11, 2012	\$ 41,075,000
Elon University	\$ 54,595,000	July 18, 2012	\$ 49,835,000
Methodist University	\$ 16,875,000	August 29, 2012	\$ 13,410,000
Duke School	\$ 5,080,000	October 23, 2012	\$ 3,130,000
Salem Academy & College	\$ 12,000,000	March 13, 2013	\$ 9,031,738
Socrates Academy	\$ 9,850,000	March 19, 2013	\$ 7,461,999
Republic Services, Inc.	\$ 25,000,000	June 18, 2013	\$ 25,000,000
Johnson & Wales University	\$ 42,523,472	August 9, 2013	\$ 29,510,000
Johnson & Wales University	\$ 26,502,035	March 11, 2014	\$ 15,459,520
River Mill Academy	\$ 5,714,000	June 10, 2014	\$ 2,928,300
The Raleigh School	\$ 2,750,000	June 12, 2014	\$ 1,833,992
Campbell University	\$ 58,576,250	July 10, 2014	\$ 40,867,336
Duke University (Commercial paper)	\$ 837,502,000	July 16, 2014	\$ 60,162,000
Fletcher School	\$ 8,645,000	September 17, 2014	\$ 7,005,000
Elon University	\$ 100,310,000	September 30, 2014	\$ 68,455,000
The Asheville School	\$ 7,185,000	October 16, 2014	\$ 5,885,650
Lenoir-Rhyne University	\$ 13,592,000	October 21, 2014	\$ 9,213,000
Methodist University	\$ 22,640,000	October 23, 2014	\$ 16,230,000
Davidson College	\$ 33,687,544	December 3, 2014	\$ 30,535,000

Carter G. Woodson Charter School	\$ 3,665,000	April 23, 2015	\$ 2,947,496
Eastern Area Health Education Center, Inc.	\$ 4,500,000	June 19, 2015	\$ 3,198,664
Campbell University	\$ 20,000,000	October 20, 2015	\$ 17,137,907
High Point University	\$ 80,630,000	October 22, 2015	\$ 70,006,000
NC A&T Foundation	\$ 22,495,000	November 17, 2015	\$ 19,785,000
Duke University	\$ 416,079,767	November 18, 2015	\$ 368,905,000
Raleigh Charter	\$ 6,626,980	December 17, 2015	\$ 5,265,388
Lenior-Rhyne University	\$ 17,000,000	December 17, 2015	\$ 14,900,000
Southern AHEC	\$ 16,600,000	December 22, 2015	\$ 12,157,605
Endeavor Charter	\$ 7,681,669	February 10, 2016	\$ 6,254,622
Wake Forest University	\$ 190,092,829	July 3, 2016	\$ 125,000,000
Elon University	\$ 32,000,000	August 23, 2016	\$ 16,575,000
Meredith College	\$ 8,826,029	September 29, 2016	\$ 7,595,000
Duke University (Series 2016B)	\$ 328,605,000	November 3, 2016	\$ 328,605,000
Fayetteville State University Student Housing	\$ 10,150,000	February 15, 2017	\$ 9,117,000
Elon University	\$ 24,320,000	April 26, 2017	\$ 24,320,000
YMCA of the Triangle Area (A, B, & C)	\$ 42,135,000	May 1, 2017	\$ 31,192,714
NC State Student Aid Association (Wolfpack Club)	\$ 12,585,000	October 24, 2017	\$ 10,907,000
Affiliates of ARC of North Carolina, Inc.	\$ 25,070,000	November 30, 2017	\$ 23,820,000
Elon University	\$ 20,000,000	March 27, 2018	\$ 19,234,000
Meredith College	\$ 40,960,158	March 29, 2018	\$ 34,795,000
Summit School	\$ 12,840,000	May 10, 2018	\$ 11,000,004
Duke University - CP	\$ 472,535,000	June 27, 2018	\$ 94,022,000
Sallie B. Howard School of Arts & Education	\$ 8,200,000	August 30 2018	\$ 7,898,749
Wake Forest University	\$ 97,970,000	July 26,2018	\$ 97,970,000
The NCCU Real Estate Foundation, NC.	\$ 14,955,000	Sept.10,2019	\$ 14,955,000
TOTAL	\$ 3,828,659,733		\$ 2,260,879,021