July 2018 Long-Term Capital Plan

Identified 322 Major Projects

$3.2 Billion Estimated Cost
During 2019

Completed: 87 projects with $346 million total project budget

Initiated: 120 projects with $434 million total project budget

During 2020 (11 months)

Completed: 127 projects with $324 million total project budget

Initiated: 83 projects with $317 million total project budget
Variety of Projects Completed

Illinois Street Dining Hall, Urbana

Surgical Innovation and Training Laboratory, Chicago
287 Projects Currently Underway

$1.67 Billion Budgeted Expenditures
## Current Capital Program Activity

<table>
<thead>
<tr>
<th></th>
<th>Chicago</th>
<th>Springfield</th>
<th>Urbana</th>
<th>DPI</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Planning/Design</strong></td>
<td>$342.3M</td>
<td>$76.9M</td>
<td>$293.9M</td>
<td>$250.0M</td>
<td>$963.1M</td>
</tr>
<tr>
<td><strong>Under Construction</strong></td>
<td>$145.3M</td>
<td>$1.6M</td>
<td>$562.2M</td>
<td>-</td>
<td>$709.1M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$487.6M</td>
<td>$78.5M</td>
<td>$856.1M</td>
<td>$250.0M</td>
<td>$1,672.2M</td>
</tr>
</tbody>
</table>
Types of Active Projects

- **NEW BUILDINGS**: 60.6%
- **RENOVATIONS AND DEFERRED MAINTENANCE**: 34.6%
- **INFRASTRUCTURE/OTHER**: 4.8%
Nearly 2/3 of Current Projects are for Academic Facilities

- 63% Academic
- 18% Auxiliary and Athletic
- 14% Health
- 5% Infrastructure
Welcome Atrium, UI Health, Chicago
Siebel Center for Design, Urbana
Civil and Hydrology Laboratories, Urbana
Library & Student Success Center, Springfield
## P3 Projects Are Critical to the Plan

<table>
<thead>
<tr>
<th>Location</th>
<th>Project</th>
<th>Budget</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>Academic Residential Complex</td>
<td>$100M</td>
<td>Complete</td>
</tr>
<tr>
<td>Urbana</td>
<td>Instructional Facility</td>
<td>$80M</td>
<td>Under Construction</td>
</tr>
<tr>
<td>Urbana</td>
<td>Feed Technology Center</td>
<td>$20M</td>
<td>Nearly Complete</td>
</tr>
<tr>
<td>Chicago</td>
<td>Surgery Center</td>
<td>$195M</td>
<td>Construction Started</td>
</tr>
</tbody>
</table>
State Funding Important Going Forward

Over $1 billion in total appropriation
$145 million funding released

Computer Design Research and Learning Center, Chicago

Illini Hall, Urbana

Discovery Partners Institute, Downtown Chicago
# State Funded Projects Currently Underway

<table>
<thead>
<tr>
<th>Location</th>
<th>Project</th>
<th>Budget</th>
<th>State Commitment</th>
<th>State Funds Released</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown Chicago</td>
<td>DPI Facility</td>
<td>$250.0M</td>
<td>$235.0M</td>
<td>$23.5M</td>
<td>Design</td>
</tr>
<tr>
<td>Urbana</td>
<td>Altgeld Hall/Illini Hall</td>
<td>$192M</td>
<td>$140.0M</td>
<td>$14.0M</td>
<td>Design</td>
</tr>
<tr>
<td>Chicago</td>
<td>Computer Design Research Center</td>
<td>$117.8M</td>
<td>$98.0M</td>
<td>$98.0M</td>
<td>Bid</td>
</tr>
<tr>
<td>Springfield</td>
<td>Library Learning Center</td>
<td>$35.0M</td>
<td>$35.0M</td>
<td>$3.5M</td>
<td>Design</td>
</tr>
<tr>
<td>Chicago</td>
<td>Innovation Center</td>
<td>$10.0M</td>
<td>$4.4M</td>
<td>$4.4M</td>
<td>Design</td>
</tr>
</tbody>
</table>
Annual Construction Spending Trend

Based on Year of Payment
How Will Current Projects Be Funded?

- **State Capital**: 33%
- **Bonds**: 9%
- **Gifts**: 9%
- **Operating Fund**: 34%
- **P3**: 18%
Total Debt Outstanding FY2021
$1,648.5 Million

Total Debt Payment FY2021
$170.2 Million
(Including P3 Projects)
2020 Bond Sale Activity

• AFS 2020 Series A and B; Closed 7/9/2020; Sold $91M total par
  
  AFS Series A: $60M in tax-exempt bonds ($40M for Refunding) Cost 2.91%
  AFS Series B: $31M in fixed rate taxable bonds (Refunding) Cost 3.77%
  Achieved NPV savings of $3.96M in interest cost (8.5%)

• UIH Outpatient Surgery Center P3; Closed 8/27/2020; Sold $150M total par
  
  Issued Through Illinois Finance Authority
  Fixed rate, tax-exempt bonds. Cost 3.31%
# Debt Coverage Remains Strong

<table>
<thead>
<tr>
<th>Indicator</th>
<th>University of Illinois FY2019</th>
<th>University of Illinois FY2020</th>
<th>Desired Direction</th>
<th>Moody’s AA3 Median</th>
<th>U of I Compared to AA3 Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Debt Service Coverage</td>
<td>3.4</td>
<td>3.4</td>
<td>Superior</td>
<td>2.7</td>
<td>Superior</td>
</tr>
<tr>
<td>Total Debt to Cash Flow (X)</td>
<td>2.6</td>
<td>2.8</td>
<td>Superior</td>
<td>4.8</td>
<td>Superior</td>
</tr>
<tr>
<td>Total Debt to Capitalization</td>
<td>19.8</td>
<td>18.9</td>
<td>Superior</td>
<td>28.9</td>
<td>Superior</td>
</tr>
<tr>
<td>Spendable Cash &amp; Investments to Total Debt (X)</td>
<td>2.9</td>
<td>2.9</td>
<td>Superior</td>
<td>1.4</td>
<td>Superior</td>
</tr>
<tr>
<td>Debt Service to Operating Expenses (%)</td>
<td>3.2</td>
<td>2.6</td>
<td>Superior</td>
<td>4.4</td>
<td>Superior</td>
</tr>
</tbody>
</table>

While U of I’s Rating is A1; Indicative Rating is in the AA Range
Nearly $400M of Principal To be Retired by 2025

- 5 Years: $394M
- 10 Years: $758M
- 15 Years: $1,079M
Going Forward

- Timely Completion of State Funded Projects
- Deferred Maintenance Projects
- Building System Renovation
- Capital Financing Plan