



Capital Program Update

Prepared for Presentation to the Board of Trustees

January 21, 2021

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



Surgical Innovation and Training Laboratory, Chicago

Illinois Street Dining Hall, Urbana



287 Projects
Currently
Underway

\$1.67 Billion
Budgeted
Expenditures



Current Capital Program Activity

	Chicago	Springfield	Urbana	DPI	Total
Planning/ Design	\$342.3M	\$76.9M	\$293.9M	\$250.0M	\$963.1M
Under Construction	\$145.3M	\$1.6M	\$562.2M	-	\$709.1M
Total	\$487.6M	\$78.5M	\$856.1M	\$250.0M	\$1,672.2M

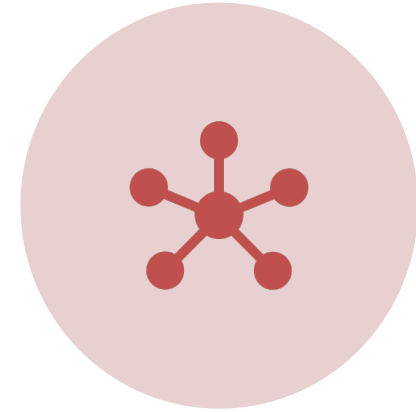
Types of Active Projects



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



Civil and Hydrology Laboratories, Urbana



Siebel Center for Design, Urbana



Library & Student Success Center, Springfield

P3 Projects Are Critical to the Plan



Location	Project	Budget	Project Status
Chicago	Academic Residential Complex	\$100M	Complete
Urbana	Instructional Facility	\$80M	Under Construction
Urbana	Feed Technology Center	\$20M	Nearly Complete
Chicago	Surgery Center	\$195M	Construction Started

State Funding Important Going Forward



Computer Design Research and Learning Center, Chicago

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



Illini Hall, Urbana

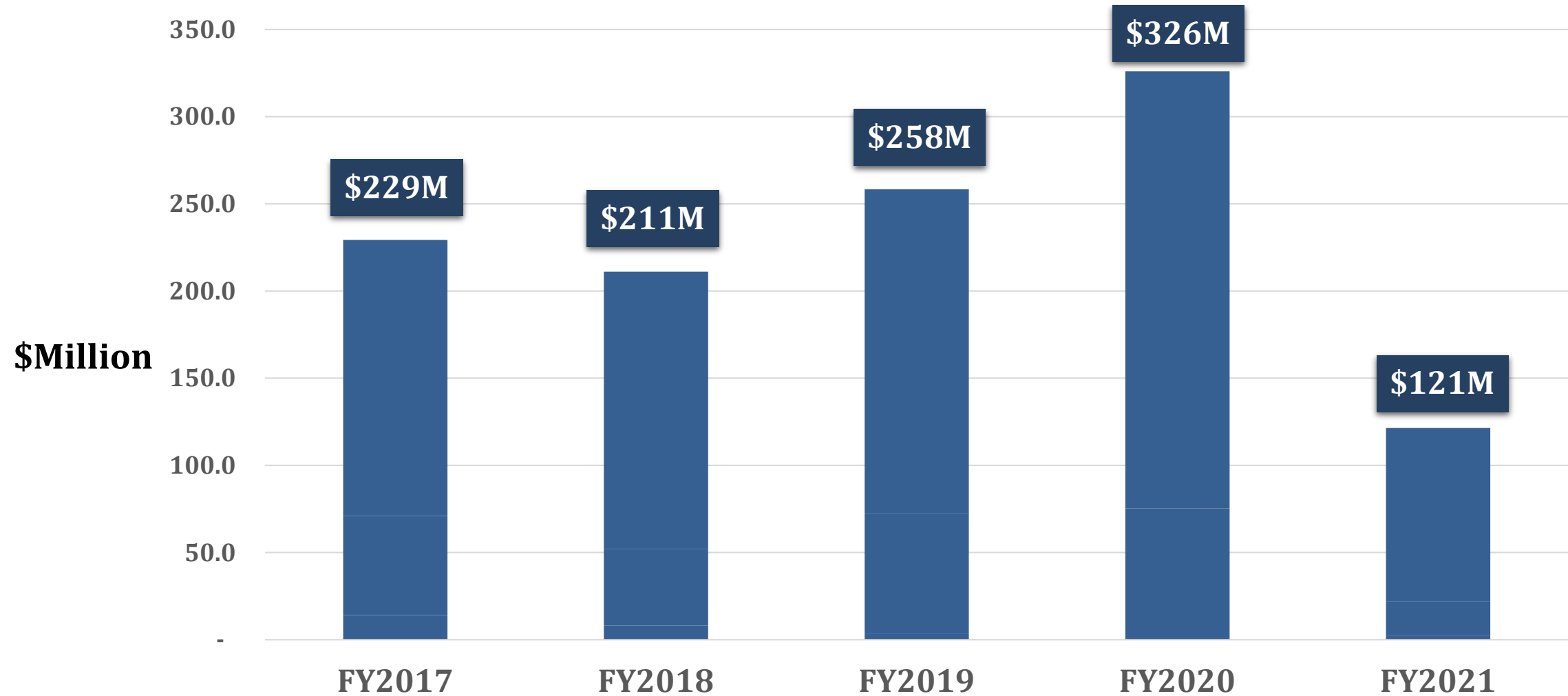


Discovery Partners Institute, Downtown Chicago

State Funded Projects Currently Underway

Location	Project	Budget	State Commitment	State Funds Released	Project Status
Downtown Chicago	DPI Facility	\$250.0M	\$235.0M	\$23.5M	Design
Urbana	Altgeld Hall/Illini Hall	\$192M	\$140.0M	\$14.0M	Design
Chicago	Computer Design Research Center	\$117.8M	\$98.0M	\$98.0M	Bid
Springfield	Library Learning Center	\$35.0M	\$35.0M	\$3.5M	Design
Chicago	Innovation Center	\$10.0M	\$4.4M	\$4.4M	Design

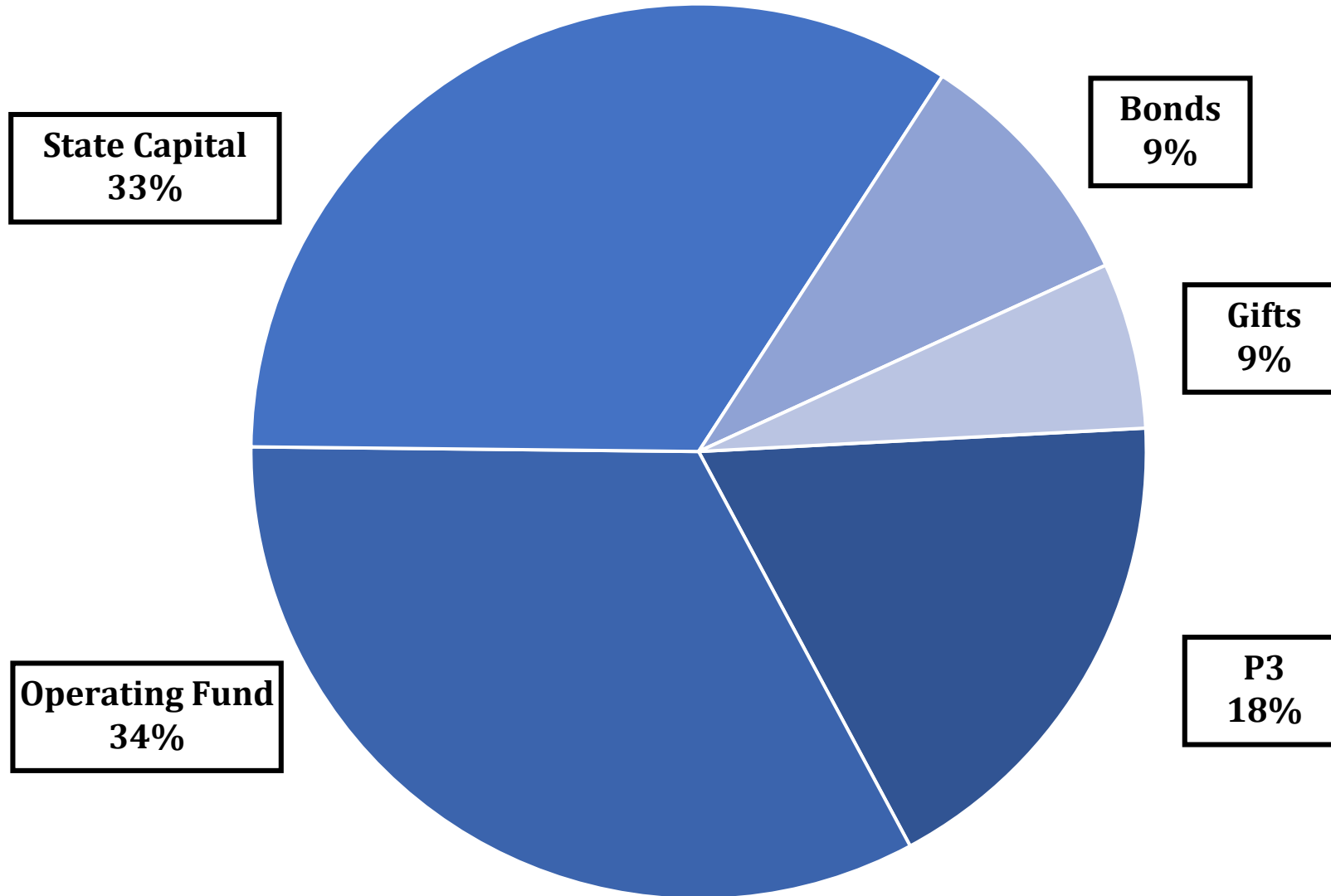
Annual Construction Spending Trend



As of Nov. 30

Based on Year of Payment

How Will Current Projects Be Funded?



**DEBT
FINANCING**

**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%

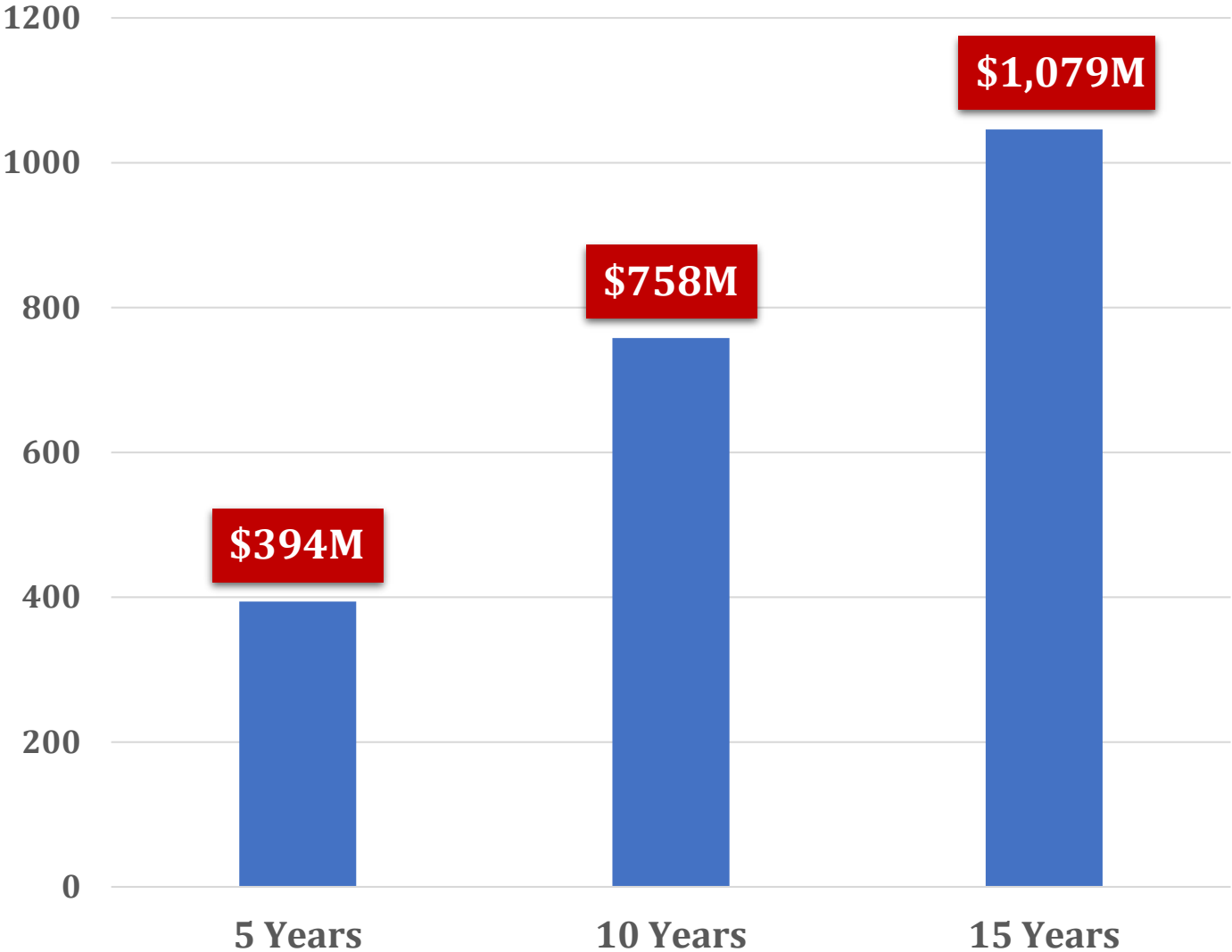
Debt Coverage Remains Strong

Indicator	University of Illinois FY2019	University of Illinois FY2020	Desired Direction	Moody's AA3 Median	U of I Compared to AA3 Median
Annual Debt Service Coverage	3.4	3.4	↑	2.7	Superior
Total Debt to Cash Flow (X)	2.6	2.8	↓	4.8	Superior
Total Debt to Capitalization	19.8	18.9	↓	28.9	Superior
Spendable Cash & Investments to Total Debt (X)	2.9	2.9	↑	1.4	Superior
Debt Service to Operating Expenses (%)	3.2	2.6	↓	4.4	Superior

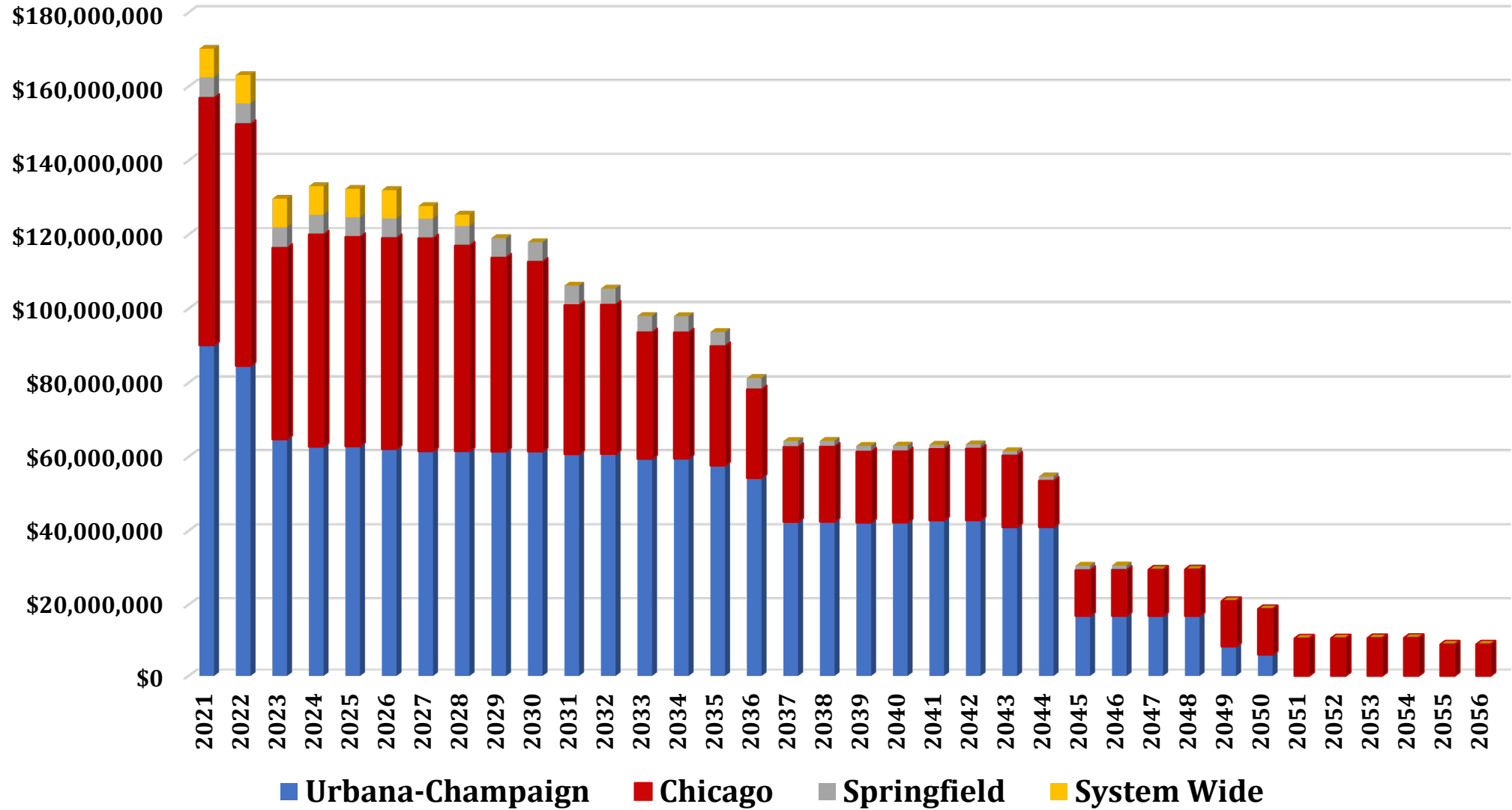
While U of I's Rating is A1; Indicative Rating is in the AA Range

Principal Retired

Nearly
\$400M of
Principal
To be
Retired by
2025



Annual Debt Service Trend



■ Urbana-Champaign
 ■ Chicago
 ■ Springfield
 ■ System Wide

**Going
Forward**

**Timely Completion of State
Funded Projects**

Deferred Maintenance Projects

Building System Renovation

Capital Financing Plan