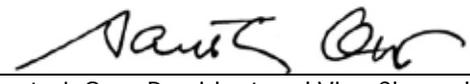


SUBJECT	UBC ANNUAL DEBT REPORT
MEETING DATE	SEPTEMBER 12, 2019

APPROVED FOR SUBMISSION Forwarded on the Recommendation of the President

 Santa J. Ono, President and Vice-Chancellor

FOR INFORMATION

Report Date	August 13, 2019
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Presented By Peter Smalles, Vice-President Finance & Operations

EXECUTIVE SUMMARY

In accordance with the January 2004 Board-approved Debt Issuance and Application guidelines and the July 2009 Board-established ceiling on centrally funded debt guideline, this report summarizes key borrowing initiatives and other relevant information pertaining to debt and debt issuance at June 30, 2019 together with projections for upcoming years. This report is submitted annually; the previous report was submitted September 27, 2018.

UBC Key Ratios

	Target	FY2019 (Actual)	FY2020 (Forecast)	FY2021 (Forecast)	FY2022 (Forecast)	FY2023 (Forecast)
External Debt Ratios¹						
Debt Burden	< 5.5%	0.99%	1.01%	0.97%	0.94%	0.91%
Debt Service Coverage	> 1.1x	10.09x	8.61x	8.12x	8.61x	9.14x
Expendable Resources to Debt	> 1.0x	0.82x	0.98x	0.74x	0.70x	0.67x
Internal Debt Ratio						
Operating Debt Burden	< 3.0%	1.74%	1.89%	2.12%	2.40%	3.00%
Total Debt Ratios²						
Total Debt Burden	< 5.5%	3.79%	4.17%	4.55%	4.82%	5.39%
Debt Service Coverage	>1.1x	2.63x	2.08x	1.74x	1.69x	1.54x

The University currently remains within the thresholds set by Board for all but one ratio - **Expendable Resources to Debt**. Expendable Resources to Debt measures the ratio of spendable cash and investments³ to total debt and has a target of greater than 1.0x. Despite improvements to this ratio the past few years, the Integrated Renewal Program (IRP) projects and proposed new student residence projects will continue to put pressure on this and other ratios. It may be noted that credit rating agencies do not typically focus upon single ratios and the University's other key ratios display a favorable or comparable position relative to the median of Aaa/Aa1 US Schools. Finally, it should be understood that the total debt ratios are meant to demonstrate the impact on ratios should the University seek external funding for all internally financed projects. The total debt ratios are based on an internal financing rate of 5.75%.

¹ External ratios are based on external debt only

² Total debt ratios include both external debt and internal debt financed by working capital

³ Unrestricted operating assets, internally restricted reserves and discretionary endowments

Looking forward, current projections forecast combined internal and external debt levels to peak by the end of FY2023. Correspondingly, this will cause the total debt burden to rise to 5.39% but still remain below the upper 5.5% limit set by the Board. The rise is mostly due to the IRP upgrades and proposed new student residences. Should the Student Housing GBE proceed, the debt burden ratio will decrease significantly as debt will be shifted to the GBE. In addition, the IRP upgrades are projected to cause the operating debt burden to test the 3.0% threshold. However, the IRP loans are set to repay within 10 years and so the impacted ratios will decrease rapidly in subsequent years.

Overall liquidity is sufficient to meet planned capital projects and is projected to reach a low of \$334m in FY2023. It is expected that a sufficient buffer of cash above target minimum liquidity⁴ of \$277m will be maintained. On the other hand, underpinning liquidity are assumed Land Lease Proceeds inflows and a level of caution in approving additional projects within that timeframe is required if the probability of achieving those inflows is reduced.

Meanwhile, the University’s borrowing and internal lending processes are consistent with “internal bank” best practices employed at major US universities such as Harvard and University of California and the University’s credit rating is the highest of any Canadian university.

Appendices

- i. Debt Issuance and Application Guidelines
- ii. Existing External Debt
- iii. Key Debt Ratios
- iv. Debt Burden Ratio
- v. Internal Loan Listing
- vi. Projected Capital Financing Plan

STRATEGIC CORE AREAS SUPPORTED

- People and Places Research Excellence Transformative Learning Local / Global Engagement
-

DESCRIPTION & RATIONALE

In accordance with the January 2004 Board approved Debt Issuance and Application guidelines (see Appendix i) and the July 2009 Board established ceiling on centrally funded debt guideline, this report summarizes key borrowing initiatives and other relevant information pertaining to debt and debt issuance including:

- a. listing of all University and related entity borrowing including original principal, term, interest rate, and current status of principal or sinking fund repayment,
- b. trend analysis of key ratios, weighted average cost of debt service, and relevant projections,
- c. listing of projects dependent upon debt,
- d. review of other university best practices, and
- e. credit rating status.

The guidelines also establish an upper limit for the University’s aggregate borrowing that is based upon the application of the following criteria:

- 1) *Any long-term University borrowing from an external third party to replenish working capital can neither result in an increase to the University’s debt burden ratio such that the projected rate over time would exceed 5.5%, nor shall such a borrowing provoke a downgrade of any one of the University’s credit ratings.*
-

⁴ Target minimum liquidity – As per fiscal strategy report (45 days of expenses – FY20)

- 2) *Internal long-term loans for projects financed from working capital must further contemplate the prospective impact upon long term debt such that any third party borrowing required to replenish working capital, as a result of approvals of such projects, shall not result in a debt burden ratio exceeding 5.5%.*
- 3) *Centrally or faculty funded debt service as a percentage of operating revenues should not exceed 3.0%.*

This submission follows the outline as specified in the guidelines referenced above.

ANNUAL REPORT ON DEBT ISSUANCE & APPLICATION

a) Listing of all University and Related Entity Borrowing

As at June 30, 2019 the University had \$352m outstanding principal on external long term debt, net of \$25m of sinking funds, with a weighted average cost of 5.80% (see Appendix ii). The composition of the debt is as follows: \$250m debenture ("bond") issue debt, \$125m Provincial fiscal agency loans, \$2.2m CMHC mortgages less \$25m sinking funds related to Provincial fiscal agency loans (ref. Appendix (ii) for a detailed listing). The University has internally financed a further \$756m of long term debt via the use of the Student Housing Finance Endowment (\$185m), an additional Endowment Borrowing (\$97m), and core working capital (\$474m).

b) Key Borrowing Ratios and Weighted Average Cost of Debt Service

The following key ratios measure debt burden, debt coverage and viability:

- a. The Debt Burden Ratio (defined as debt service payments as a percentage of total revenues) determines practical debt capacity and is limited to 5.5%. The University's debentures are secured by a general pledge of all University revenues and therefore annual debt service as a percentage of total revenues is one of the key benchmark ratios.
- b. The Debt Service Coverage Ratio determines the financial comfort level with which the University can meet debt service payments and is defined as operating cash flow divided by debt service payments. A target ratio of 1.1x indicates the University should have at least 1.1x annual debt service payments in operating cash flow. For example, if the University has \$50m in debt service payments annually, total operating revenues less expenses before debt service should be \$55m.
- c. The Expendable Resources to Debt Ratio measures the amount of ratio of spendable cash and investments to total debt. A target ratio of 1.0 indicates the University should have available reserves equal to total debt. UBC's calculation of expendable resources is based on the Moody's calculation methodology, which includes unrestricted operating assets, internally restricted reserves and discretionary endowments in the numerator of the ratio.

UBC Key Ratios

	Target	FY2019 (Actual)	FY2020 (Fcst)	FY2021 (Fcst)	FY2022 (Fcst)	FY2023 (Fcst)
External Debt Ratios⁵						
Debt Burden	< 5.5%	0.99%	1.01%	0.97%	0.94%	0.91%
Debt Service Coverage	> 1.1x	10.09x	8.61x	8.12x	8.61x	9.14x
Expendable Resources to Debt	> 1.0x	0.82x	0.98x	0.74x	0.70x	0.67x
Internal Debt Ratio						
Operating Debt Burden	< 3.0%	1.74%	1.89%	2.12%	2.40%	3.00%
Total Debt Ratios⁶						
Total Debt Burden	< 5.5%	3.79%	4.17%	4.55%	4.82%	5.39%
Debt Service Coverage	>1.1x	2.63x	2.08x	1.74x	1.69x	1.54x

The University’s Total Debt Burden currently remains under the Board mandated 5.5% threshold even when internally financed projects are considered. The Debt Service Coverage also remains healthy and outpaces the target ratio of 1.1x. However, the drawdown of working capital to fund University projects has put pressure on Expendable Resources to Debt which remains below the University’s target ratio of 1.0x. Despite improvements in this ratio these past few years, going forward the Integrated Renewal Program (IRP) projects and proposed new student residence projects will continue to put pressure on this and other ratios. It may be noted that credit rating agencies do not typically focus upon single ratios and the University’s other ratios display a favorable or comparable position relative to the median of Aaa/Aa1 US Schools (see Appendix iv). Finally, it should be understood that the internal debt ratios are meant to demonstrate the impact on ratios should the University seek external funding for all internally financed projects. The internal ratios are based on the internal financing rate of 5.75%.

c) Projects Dependent Upon Debt

Current projections forecast combined internal and external debt levels to peak in FY2023 at \$1.8b. The total debt burden ratio in FY2023 is projected at 5.39% and is close to exceeding the 5.5% target. This will need to be monitored closely in relation to revenue projections as the University proceeds with the capital expansion plan. Should the Student Housing GBE proceed, the debt burden ratio should decrease significantly as the debt is repaid.

At the July 2009 Board meeting, the Board established an operating debt burdern ceiling of 3.0%, to assess all central/faculty funded debt service as a percentage of operating revenues. As shown in Appendix (iv) the University is forecasted to test this cap in FY2023 as a result of the IRP. However, the IRP loans are set to repay within 10 years and so the impacted ratios will decrease rapidly in the years following.

⁵ External ratios are based on external debt only

⁶ Total debt ratios include both external debt and internal debt financed by working capital

The University has a capital expansion plan with debt financing and working capital contributing to the funding of many projects. This past fiscal year saw the continuation of the Student Housing Finance Endowment which has now grown to \$184.8m (as of March 31, 2019). This initiative is designed to invest land lease endowment proceeds to finance student residences and helped ensure availability of liquidity to finance all Board approved projects as of March 2019 (see listing Appendix v). In addition, UBC entered into an \$100m borrowing arrangement with the endowment to finance the Orchard Commons residence. Currently, \$686m of the University’s capital is tied up in funding capital projects (including outstanding construction deficits).

However, as the Projected Capital Financing Plan (see Appendix vi) demonstrates, overall liquidity appear sufficient to meet planned capital projects. Liquidity is projected to reach a low of \$334m in FY2023 and retain a sufficient buffer of cash above current target minimum liquidity of \$277m. On the other hand, underpinning the Capital Financing Plan are assumed land lease proceeds inflows and a level of caution in approving additional projects within that timeframe is required if the probability of achieving those inflows is reduced.

d) Other University Best Practices

While UBC’s debt profile and guidelines are consistent with larger Canadian universities, we are increasingly focused on US university best practices to advance our debt framework. UBC’s borrowing and internal lending processes are consistent with “internal bank” best practices employed at major US universities such as Harvard and University of California.

e) Credit Rating Status

The University’s credit ratings were reaffirmed at Aa1 and AA+ from Moody’s (December 2018) and Standard & Poor’s (March 2019) respectively. UBC has the highest credit ratings of any university in the country.

BENEFITS The benefits of monitoring the University’s debt levels are to ensure financial sustainability and latitude to continue with capital development.

RISKS The Debt Ratios measure the extent to which the University can manage its debt service commitments. Exceeding the thresholds set by the Board could lead to financial exposure and a downgraded credit rating, which in turn would affect the external cost of borrowing.

COSTS N/A

FINANCIAL Debt Ratios are updated to June 30, 2019 and account for upcoming capital projects that are approved and scheduled as priority projects within the current financial plan
 Funding Sources, Impact on Liquidity

Previous Report Date September 27, 2018

Decision N/A

Action / Follow Up For Information Only

RECEIVED
 THE UNIVERSITY OF BRITISH COLUMBIA
 6128 MEMORIAL ROAD, VANCOUVER, CANADA V6T 1Z2



Board of Governors

MAR 01 2004

February 13, 2004
 UBC TREASURY

TO: Mr. Terry Sumner, Vice President Administration & Finance
 Mr. Byron Braley, Associate Vice President, Treasury ✓

FROM: Nina Robinson, Secretary to the Board *Nina Robinson*

RE: DEBT ISSUANCE AND APPLICATION

The Board of Governors at its meeting on Thursday, January 29, 2004, passed the following resolution:

That, for the purposes of establishing an upper limit for the University's aggregate borrowing, the following criteria shall apply.

1. Any long term University borrowing from an external third party to replenish working capital can neither result in an increase to the University's debt burden ratio such that the projected rate over time would exceed 5.5%, nor shall such a borrowing provoke a downgrade of any one of the University's credit ratings.
2. Internal long term loans for projects financed from working capital must further contemplate the prospective impact upon long term debt such that any third party borrowing required to replenish working capital, as a result of approvals of such projects, shall not result in a debt burden ratio exceeding 5.5%.
3. The Board shall receive an annual report that summarizes key borrowing initiatives and other relevant information including but not limited to:
 - a. listing of all University and related entity borrowing including original principal, term, interest rate, and current status of principal or sinking fund repayment,
 - b. trend analysis of key ratios, weighted average cost of debt service, and relevant projections,
 - c. listing of projects dependant upon debt,
 - d. review of other university best practices, and
 - e. credit rating status

Existing External Debt
As of March 31, 2019 (in \$'000's)

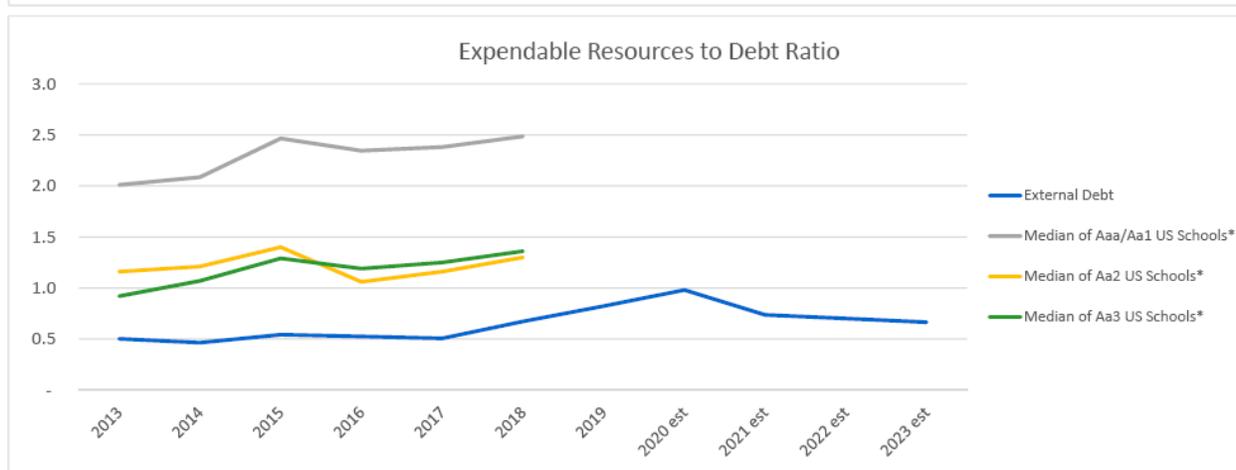
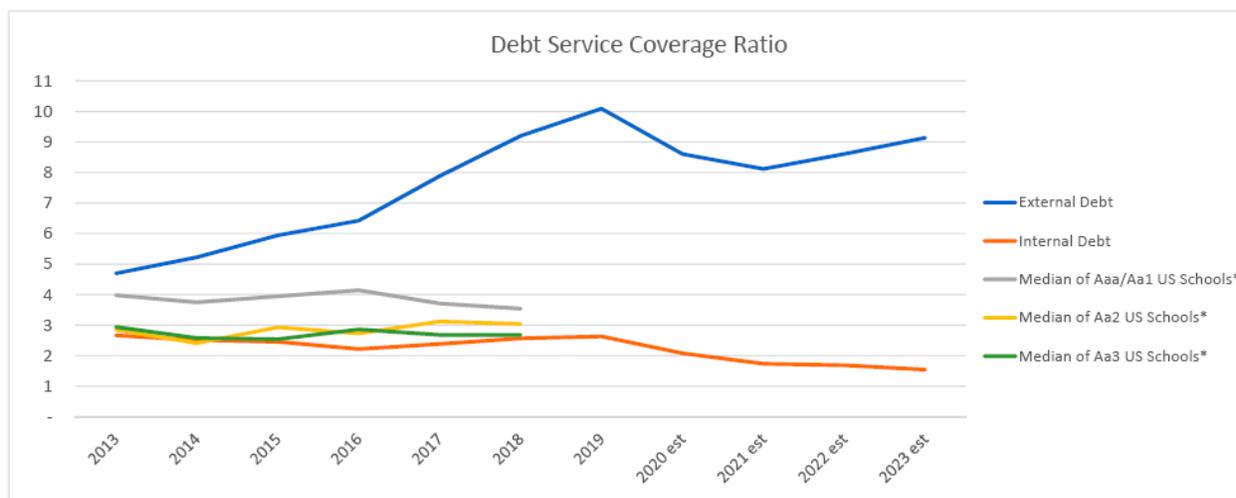
Project	Principal Advanced	Year of Advance	Term (Years)	Interest Rate	Outstanding Principal
CMHC Loans:					
Totem Park	2,520	1965	50	6.25%	80
Place Vanier	1,232	1969	50	6.38%	40
Gage #1	5,170	1972	50	7.88%	1,251
Gage #2	<u>3,307</u>	1973	50	7.25%	<u>844</u>
	21,122				2,214
Ministry of Finance Loans:					
Debenture Issuance #3	<u>125,000</u>	2007	30	4.71%	<u>99,749¹</u>
	125,000				99,749
UBC Bond Issuances:					
Debenture Issuance #1	125,000	2001	30	6.65%	125,000
Debenture Issuance #2	<u>125,000</u>	2005	30	5.79%	<u>125,000</u>
	250,000				250,000
Weighted Average Cost of Debt				5.80%	
Total Existing External Debt					351,963

(1) Net of Sinking Funds or Principal Repayments

Key Debt Ratios

Appendix (iii)

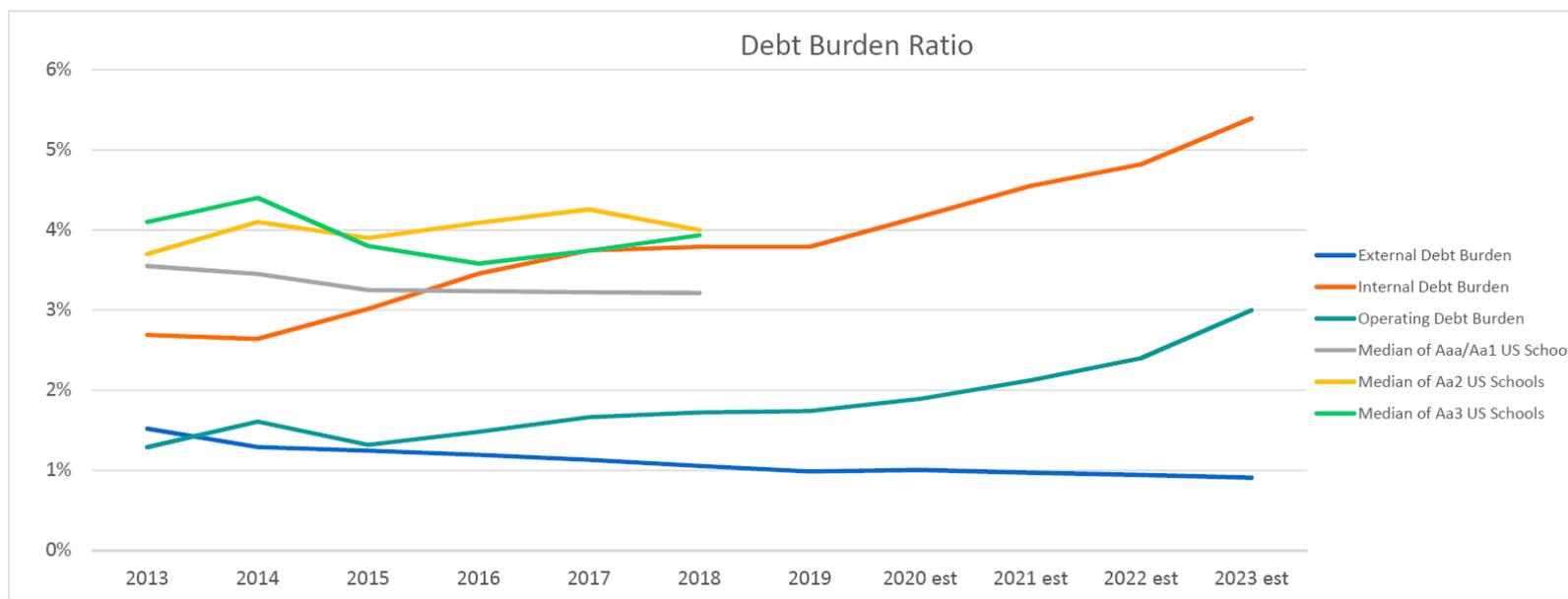
[SP1][LN(2)]



Debt Service Coverage Ratio (EBITDA / total debt service)											
	2013	2014	2015	2016	2017	2018	2019	2020 est	2021 est	2022 est	2023 est
External Debt	4.70x	5.23x	5.94x	6.42x	7.88x	9.20x	10.09x	8.61x	8.12x	8.61x	9.14x
Internal Debt	2.67x	2.51x	2.46x	2.22x	2.38x	2.57x	2.63x	2.08x	1.74x	1.69x	1.54x
Median of Aaa/Aa1 US Schools*	3.98x	3.75x	3.95x	4.15x	3.71x	3.54x					
Median of Aa2 US Schools*	2.85x	2.41x	2.93x	2.73x	3.12x	3.04x					
Median of Aa3 US Schools*	2.94x	2.58x	2.54x	2.86x	2.68x						
UBC Target > 1.1											

Expendable Resources to Debt Ratio (unrestricted net assets plus restricted expendable net assets / total debt)											
	2013	2014	2015	2016	2017	2018	2019	2020 est	2021 est	2022 est	2023 est
External Debt	0.50x	0.46x	0.54x	0.53x	0.51x	0.67x	0.82x	0.98x	0.74x	0.70x	0.67x
Internal Debt	NA	NA	NA	NA							
Median of Aaa/Aa1 US Schools*	2.01x	2.09x	2.47x	2.35x	2.38x	2.49x					
Median of Aa2 US Schools*	1.16x	1.21x	1.40x	1.06x	1.16x	1.30x					
Median of Aa3 US Schools*	0.92x	1.07x	1.29x	1.19x	1.25x	1.36x					
UBC Target > 1.0											

* Median US School benchmarks sourced from Moody's Fiscal Year 2018 US Public College and University Medians issued in June 2019



Debt Service Ratio, aka Debt Burden Ratio (total debt service / total revenues)												
	2013	2014	2015	2016	2017	2018	2019	2020 est	2021 est	2022 est	2023 est	
External Debt Burden ¹	1.52%	1.29%	1.25%	1.19%	1.13%	1.06%	0.99%	1.01%	0.97%	0.94%	0.91%	
Internal Debt Burden ²	2.69%	2.64%	3.02%	3.45%	3.75%	3.79%	3.79%	4.17%	4.55%	4.82%	5.39%	
Operating Debt Burden ³	1.29%	1.61%	1.32%	1.48%	1.66%	1.72%	1.74%	1.89%	2.12%	2.40%	3.00%	
Median of Aaa/Aa1 US Schools ⁴	3.55%	3.45%	3.25%	3.24%	3.22%	3.21%						
Median of Aa2 US Schools ⁴	3.70%	4.10%	3.90%	4.09%	4.26%	4.00%						
Median of Aa3 US Schools ⁴	4.10%	4.40%	3.80%	3.58%	3.74%	3.93%						
UBC Target < 5.5%												

- (1) External Debt Burden represents debt payments on external debt assuming amortizing repayment schedules as a percentage of total revenues
- (2) Internal Debt Burden (total internal and external) represents the debt payments that UBC would have to pay if we were to borrow externally to fund the entire internal loan portfolio as a percentage of total revenue
- (3) Operating Debt Burden represents internal debt payments paid out of GPO operating funds as a percentage of operating revenue
- (4) Median US School benchmarks sourced from Moody's Fiscal Year 2018 US Public College and University Medians issued in June 2019

Internal Loan Listing

as at March 31, 2019

Project Name	Interest Rate	Issue Date	Maturity Date	Loan Amount	Remaining Term (yrs)	Normal Annual Payment	Outstanding Principal Mar 31, 2019
Faculty Club	0.00%	12/31/2001	3/31/2021	1,738,456	2	91,994	102,602
Housing Renovations	7.20%	1/1/2003	1/1/2028	13,800,000	9	1,167,552	7,684,341
Housing Renovations	7.20%	2/28/2003	2/28/2028	1,300,000	9	109,992	723,783
Housing Korea House	7.20%	2/28/2003	2/28/2028	5,400,000	9	456,864	3,006,285
Tec De Monterrey Place Vanier House Loan	7.50%	3/31/2004	3/31/2029	7,332,000	10	644,152	4,568,110
ECOTrek Loan 2005	7.50%	3/31/2004	8/31/2024	18,550,000	5	1,633,560	7,250,051
Housing Building Repair and Reno	6.75%	3/31/2005	3/31/2020	8,400,000	1	880,836	850,361
Swing Space Bldg 1	6.25%	1/1/2006	10/31/2031	10,500,000	12	622,292	5,446,007
Strangway Building	6.25%	1/1/2006	7/30/2035	21,000,000	16	1,538,581	15,834,179
ECOTrek Loan 2006	7.25%	3/31/2006	3/31/2030	9,450,000	11	815,352	6,237,247
Marine Drive Phase 1	6.25%	3/31/2006	7/31/2033	38,240,000	14	2,825,400	26,653,884
CERC-Chem Bio Central	7.00%	3/31/2006	3/31/2036	8,700,000	17	441,672	4,448,586
UBCO Monashee Residence	6.25%	4/1/2006	4/1/2026	1,406,000	7	122,388	700,759
ICORD (Central)	6.75%	7/1/2006	7/1/2026	6,450,000	7	511,394	3,083,492
Eugene King Endowment Ladha	6.25%	9/1/2006	9/1/2032	201,000	13	15,000	132,629
Aquatic Ecosystem Research Lab (AERL) - VP Academic	6.25%	10/31/2006	10/31/2026	2,990,000	7	265,997	1,635,569
Ladha Faculty of Science	6.25%	11/1/2006	11/1/2036	845,000	17	63,002	651,415
UBC Renew 2	6.25%	12/31/2006	3/31/2037	22,257,448	18	1,412,054	15,006,205
ECOTrek Loan 2007	6.25%	3/31/2007	3/31/2031	2,850,000	12	225,960	1,922,119
Thunderbird Parkade	5.75%	3/31/2007	3/31/2037	21,500,000	18	1,428,132	16,607,772
UBCO Student Housing 1	6.25%	3/31/2007	3/31/2037	18,850,000	18	1,392,756	15,028,916
Dentistry Clinic	6.25%	4/30/2007	4/30/2027	19,500,000	8	1,266,208	8,781,624
ECOTrek Loan 2008	6.00%	3/31/2008	3/31/2032	1,100,000	13	85,320	775,439
UBC Renew 3	6.00%	3/31/2008	3/31/2038	7,000,000	19	508,542	5,674,378
Marine Drive Housing Phase 2	5.25%	3/31/2008	3/31/2037	36,300,000	18	2,439,804	8,466,853
Barber, Irving Learning Centre	6.00%	3/31/2008	3/31/2033	20,000,000	14	1,546,320	14,622,086
Agassiz Avian Barn	6.00%	3/31/2008	3/31/2028	780,175	9	67,068	465,089
Agassiz Relocation Barn	6.00%	3/31/2008	3/31/2028	1,632,800	9	140,376	974,341
Rederivation	5.75%	10/31/2008	10/31/2038	3,448,000	19	241,464	2,834,100
Aquatic Ecosystem Research Lab (AERL) - CIS	6.00%	10/31/2008	10/31/2028	690,000	9	60,157	442,767
ICORD 2009 (Medicine loan)	6.00%	10/31/2008	3/31/2029	1,062,500	10	91,601	674,194

Project Name	Interest Rate	Issue Date	Maturity Date	Loan Amount	Remaining Term (yrs)	Normal Annual Payment	Outstanding Principal Mar 31, 2019
UBCO Student Union Building Soft Costs Loan	5.75%	1/31/2009	11/30/2022	650,000	3	66,524	214,588
ECOTrek Loan 2009	5.75%	3/31/2009	3/31/2033	2,050,000	14	155,532	1,506,693
UBC Renew 4	5.75%	3/31/2009	3/31/2039	14,000,000	20	990,027	11,589,639
Marine Drive Housing Ph2 2009	5.35%	3/31/2009	3/31/2039	50,000,000	20	3,303,240	28,372,354
Life Sciences Centre	5.75%	3/31/2009	3/31/2029	15,600,000	10	1,261,876	9,462,479
UBCO Student Housing 2	5.75%	3/31/2009	3/31/2039	16,991,000	20	1,170,996	14,066,157
UBCO Student Union Building - JPM Space	5.75%	7/31/2009	9/30/2033	3,000,000	14	224,067	2,212,194
St. John's College Loan 1	5.80%	3/31/2010	3/31/2030	4,698,000	11	392,640	3,211,093
Marine Drive Housing Ph2 2010	5.60%	3/31/2010	3/31/2040	10,000,000	21	678,432	40,941,529
UBCO University Ctr and Meekison Student Ctr 1	5.75%	3/31/2010	3/31/2040	25,130,000	21	1,731,912	21,352,295
Beaty Biodiversity - Central's loan	5.75%	3/31/2010	3/31/2040	2,000,000	21	141,432	1,699,386
Museum of Anthropology Renewal	5.60%	3/31/2010	3/31/2035	1,375,000	16	41,000	762,197
UBCO Food Services 2010	5.75%	3/31/2010	3/31/2025	1,800,000	6	177,684	903,887
UBCO Geoexchange	5.75%	3/31/2010	3/31/2035	3,036,000	16	225,984	2,383,693
UBCO Student Housing 3	5.75%	3/31/2010	3/31/2040	24,750,000	21	1,705,728	21,029,927
Tutt Land Purchase	5.75%	9/30/2010	9/30/2040	10,000,000	21	630,201	7,865,547
UBCO Arts and Sciences Phase 2	5.75%	9/30/2010	9/30/2040	5,102,000	21	351,624	4,388,827
UBCO Student Housing 3B	5.75%	11/30/2010	11/30/2040	8,200,000	21	565,128	7,081,508
UBC Renew 5	5.75%	3/31/2011	3/31/2041	9,400,000	22	664,733	8,181,388
UBCO University Ctr and Meekison Student Ctr 2	5.75%	4/1/2011	4/1/2041	2,400,000	22	165,404	2,088,866
Law Building	5.75%	8/31/2011	8/31/2041	16,176,000	22	1,114,822	14,212,851
Centre for Comparative Medicine (Central)	5.75%	8/31/2011	8/31/2031	3,580,500	12	298,080	2,662,427
Centre for Comparative Medicine (Trek Endowment)	5.75%	8/31/2011	8/31/2041	31,800,000	22	2,191,596	27,940,746
CIRS 1	5.75%	9/30/2011	9/30/2041	3,809,000	22	262,510	3,352,951
CIRS 2	5.75%	9/30/2011	9/30/2031	7,000,000	12	582,761	5,229,236
Totem In Fill	5.75%	9/30/2011	9/30/2041	38,000,000	22	2,618,895	33,450,283
UBCO Student Housing 4	5.75%	9/30/2011	9/30/2041	9,966,000	22	686,840	8,772,777
UBCO Engineering Management	5.75%	9/30/2011	9/30/2041	1,100,000	22	75,810	968,298
Childcare	5.75%	10/31/2011	10/31/2021	3,590,000	2	469,750	1,127,328
Sauder School of Business 1 - TREK	5.75%	12/31/2011	12/31/2031	7,862,000	12	654,524	5,953,775
Swing Space Bldg 2	6.25%	3/31/2012	10/31/2031	1,591,884	12	139,456	1,220,449
Law Building Fundraising Loan	2.50%	8/31/2012	3/31/2019	3,576,997	0	331,079	357,925
Sauder School of Business 1 - MBA Fees	5.75%	9/30/2012	9/30/2042	4,560,000	23	269,729	4,297,682
Sauder School of Business 2 - Undergrad	5.75%	9/30/2012	9/30/2047	16,340,000	28	1,805,788	8,360,236
Data Centre	5.75%	10/31/2012	10/31/2042	6,500,000	23	447,978	5,855,297
Modified Barrier Endowment	5.75%	10/31/2012	10/31/2042	11,220,000	23	773,280	10,107,143
Modified Barrier Facility Medicine loan	5.75%	10/31/2012	10/31/2032	2,089,000	13	173,915	1,651,229
Pharmacy Fundraising LT Loan Refinanced	5.75%	11/1/2012	11/1/2042	26,237,000	23	1,167,119	14,653,721

Project Name	Interest Rate	Issue Date	Maturity Date	Loan Amount	Remaining Term (yrs)	Normal Annual Payment	Outstanding Principal Mar 31, 2019
Pharmacy CDRD	5.75%	11/30/2012	11/30/2042	14,150,000	23	975,194	12,768,172
Hot Water Conversion Phase 2	5.75%	3/31/2013	3/31/2042	9,750,000	23	680,967	8,792,832
Bioenergy Research and Demonstration Nexterra	5.75%	3/31/2013	3/31/2027	9,550,000	8	808,339	5,703,404
Earth System Science Building	5.75%	3/31/2013	3/31/2038	11,557,280	19	889,645	7,323,335
Ponderosa Commons Phase 1 - Working Capital Loan	5.75%	9/30/2013	9/30/2043	14,880,000	24	1,003,962	13,374,989
Ponderosa Commons Phase 1 - SHFE	5.75%	9/30/2013	9/30/2043	65,407,000	24	4,507,738	59,994,740
Hot Water Conversion Phase 3	5.75%	3/31/2014	3/31/2042	4,300,000	23	304,632	3,933,566
Athletics Refinancing	5.75%	3/31/2014	3/31/2034	10,220,040	15	849,170	8,602,473
Bookstore Consolidated Loan - Renovation Phase 1 and LOC Refinancing	5.75%	4/30/2014	4/30/2029	7,650,000	10	756,984	5,821,050
Iona Building Purchase - Arts Master Program	5.75%	6/30/2014	6/30/2044	5,100,000	25	364,035	4,912,843
Iona Building Purchase - Central Operating Loan	5.75%	6/30/2014	6/30/2044	8,800,000	25	606,481	8,184,782
Iona Building Purchase - Central Master Program	5.75%	6/30/2014	6/30/2044	3,200,000	25	228,414	3,082,569
Iona Building Purchase - SHHS	5.75%	6/30/2014	6/30/2044	2,000,000	25	137,836	1,860,178
Iona Building Purchase - Parking	5.75%	6/30/2014	6/30/2029	300,000	10	29,613	230,512
Bookstore Consolidated Loan - LOC portion	5.75%	7/1/2014	4/30/2029	2,200,000	10	218,724	1,681,958
Hot Water Conversion Phase 1 Refinancing	4.25%	9/30/2014	3/31/2042	2,051,361	23	146,425	1,890,711
UBCO Lot 27 and 28	5.75%	10/31/2014	10/31/2054	2,400,000	35	150,581	2,319,581
Bookstore Expansion and Renovation Phase 2	5.75%	12/31/2014	12/31/2029	1,000,000	10	98,712	795,751
Hot Water Conversion Phase 4	5.75%	3/31/2015	3/31/2042	22,000,000	23	1,516,203	20,732,759
Iona Building Purchase - Central Trek	5.75%	4/1/2015	3/31/2045	3,000,000	26	206,755	2,827,195
Parking Facilities and Seismic Upgrades Loan (Tranch 1)	5.75%	4/1/2015	4/30/2030	6,466,000	11	638,273	5,260,625
Alumni Centre - Central	5.50%	4/30/2015	4/30/2025	1,000,000	6	129,436	670,534
Alumni Centre AMS - Development Office	5.00%	4/30/2015	4/30/2025	9,000,000	6	1,361,569	1,526,588
Student Union Building Central (Trek)	5.75%	6/30/2015	6/30/2050	24,875,000	31	1,631,508	24,040,343
Food Service Refinanced 2015	5.25%	8/31/2015	8/31/2020	866,176	1	192,219	263,979
Ponderosa Commons Phase 2 Part 1 - SHFE	5.75%	8/31/2015	8/31/2045	30,280,000	26	2,086,846	28,736,230
Engineering Student Centre	4.63%	9/30/2015	9/30/2021	1,271,155	2	230,370	671,294
Alumni Centre Auxillary - Development Office	5.75%	10/31/2015	10/31/2045	2,117,000	26	145,900	2,014,583
Ponderosa Commons Phase 2 Part 2 - SHFE	5.75%	12/31/2015	12/31/2045	25,187,000	26	1,735,845	24,033,484
Ponderosa Commons Phase 2 - Education	5.75%	2/29/2016	2/28/2046	4,500,000	27	310,132	4,264,896
Ponderosa Commons Phase 2 - Central	5.75%	2/29/2016	2/28/2046	6,037,000	27	416,060	5,541,941
Hot Water Conversion Phase 5	5.75%	3/31/2016	3/31/2046	22,700,000	27	1,564,445	21,747,231
Parking Facilities and Seismic Upgrades Loan (Tranch 2)	5.75%	3/31/2016	3/31/2031	1,820,000	12	179,656	1,566,910
Ponderosa Commons Phase 2 - Working Capital Loan	5.75%	3/31/2016	3/31/2046	4,745,000	27	327,017	2,390,385
Orchard (25 year loan)	6.15%	7/31/2016	7/31/2041	40,000,000	22	-	38,528,488
Orchard (30 year Loan)	6.15%	7/31/2016	7/31/2046	60,000,000	27	-	58,476,293
Orchard (Residual Loan)	5.75%	7/31/2016	7/31/2046	1,787,605	27	123,199	1,721,547

Project Name	Interest Rate	Issue Date	Maturity Date	Loan Amount	Remaining Term (yrs)	Normal Annual Payment	Outstanding Principal Mar 31, 2019
Vantage College	5.75%	7/31/2016	7/31/2046	24,685,895	27	1,701,310	23,773,664
Aquatic Centre (Athletics 5M Loan)	2.50%	1/31/2017	1/31/2047	5,000,000	28	357,937	5,146,135
Aquatic Centre (Athletics)	5.75%	1/31/2017	1/31/2047	6,290,000	28	433,496	6,192,557
Hot Water Conversion Phase 6	5.75%	3/31/2017	3/31/2047	5,900,000	28	406,618	5,739,565
IT SASI Loan #1 and #2	4.25%	3/31/2017	3/31/2022	11,562,000	3	2,565,802	2,303,168
QMI Central	5.75%	4/30/2017	4/30/2047	11,000,000	28	758,101	10,714,026
QMI Central Fundraising	5.75%	4/30/2017	4/30/2047	1,600,000	28	110,269	1,558,404
QMI Science Fundraising (Uncommitted)	5.75%	4/30/2017	4/30/2047	1,600,000	28	110,269	1,558,404
QMI (CERC Replacement Loan)	5.75%	4/30/2017	4/30/2042	1,723,000	23	128,254	1,659,016
Brock Commons	5.75%	6/30/2017	6/30/2047	47,073,000	28	3,244,191	45,960,911
Totem In-Fill 2	5.75%	7/31/2017	7/31/2047	30,200,000	28	2,081,332	29,522,113
Sports Medicine (Sports Med)	5.00%	10/31/2017	9/30/2024	715,551	5	95,418	645,816
Innovation Drive Building Purchase	5.75%	12/31/2017	12/31/2033	4,800,000	14	330,808	4,720,141
International House	5.75%	1/31/2018	1/31/2033	2,000,000	14	197,425	1,912,425
Stem Cell Lab	5.75%	3/31/2018	3/31/2029	4,386,000	10	567,708	2,431,268
Rec Centre in Old SUB	5.75%	3/31/2018	3/31/2033	4,800,000	14	473,819	4,571,769
IT April 1, 2018 pre-implimentaion Loan (Capital)	5.50%	4/1/2018	3/31/2028	1,225,301	9	158,599	33,592,887
IT April 1, 2018 pre-implimentaion Loan (Operating Funded)	5.50%	4/1/2018	3/31/2028	36,421,677	9	4,714,292	1,130,135
UBCO Teaching and Learning Centre	5.75%	1/31/2019	1/31/2044	7,776,061	25	583,068	7,776,061
				\$ 1,402,686,195		\$ 106,136,482	\$ 1,107,971,000

**PROJECTED CAPITAL FINANCING PLAN
(BY PROJECT TYPE)**

		FY2020	FY2021	FY2022	FY2023
Opening Balance		725⁷	622	460	336
Cash and Cash Equivalents		16			
Core Working Capital Fund		663			
UBC PT Promissory Notes		47			
Projected Cash Inflows		114	134	152	101
Net Land Lease Proceeds		51	79	96	44
Internal Loan Principal Repayment		33	35	46	57
Net Operating Cash Flow		30	20	10	0
Projected Cash Available		839	756	612	437
Student Housing		(77)	(173)	(128)	(5)
Skeena (UBCO)	<i>In Construction</i>	(17)	(2)		
Nechako (UBCO)	<i>In Construction</i>	(21)	(26)		
Pacific Residence	<i>Board 3</i>	(29)	(96)	(36)	
Brock Phase 2	<i>Board 2</i>	(10)	(50)	(91)	(5)
Academic		(10)	(49)	(94)	(83)
Douglas Kenny	<i>In Construction</i>	(4)			
Arts Student Centre	<i>Board 1</i>	(2)	(6)		
UBC Farm (The Hive)	<i>Pre-Board</i>	(4)	(5)		
SALA Building	<i>Pre-Board</i>		(23)	(2)	
Gateway South	<i>Pre-Board</i>		(15)	(75)	(45)
Biomedical Engineering	<i>Pre-Board</i>			(12)	(18)
Sauder Expansion	<i>Pre-Board</i>			(5)	(20)
IT Projects		(108)	(59)	(22)	
Integrated Renewal Project	<i>Ongoing</i>	(100)	(56)	(21)	
EMMS/Other	<i>Ongoing</i>	(8)	(3)	(1)	
Land Development/Infrastructure/Utilities		(22)	1	(17)	0
Bioenergy Facility	<i>In Construction</i>	(3)			
Hot Water Conversion	<i>In Construction</i>	(1)			
IIC Projects (Net cash impact)	<i>Ongoing</i>	(18)	1	(3)	0
Wall Centre/Great Northern Way	<i>Pre-Board</i>			(14)	
Other					
Reserve Drawdown	<i>Ongoing</i>	(0)	(15)	(15)	(15)
Total Capital Projects Outflow		(217)	(296)	(276)	(103)
Projected Ending Cash & Working Capital		622	460	336	334
Target Minimum Liquidity (45 days – FY20)		277	277	277	277
Total Available Additional Capacity		345	183	59	57
<i>(Projected Unspent SHFE)</i>		126	172	127	98

⁷ Projected liquidity as of Aug 31st, 2019. Projections are shown for assumed low point for liquidity (Aug 31st of each year)