Ohio | Department of Higher Education

John R. Kasich, Governor
John Carey, Chancellor

DIRECTIVE 2018-023

April 13, 2018

Re: CONSIDERATION OF A REQUEST BY THE UNIVERSITY OF CINCINNATI TO PLEDGE FEES IN SUPPORT OF A BOND ISSUANCE NOT TO EXCEED $125,000,000 TO BE USED TO FINANCE VARIOUS CAPITAL PROJECTS

Ohio Revised Code §3345.11 enables a state university or college to issue general receipts obligation bonds in the manner provided by and subject to the applicable provisions of Ohio Revised Code §3345.12.

§381.390 of Am. Sub. H.B. 49 of the 132nd General Assembly requires that any new pledge of fees to secure bonds or notes of a state college or university be approved by the Chancellor of the Ohio Department of Higher Education.

Pursuant to Ohio Revised Code, the University of Cincinnati has demonstrated the following:

- The proposed project is essential to fulfilling institutional goals.
- The institution's Board of Trustees approved a resolution authorizing this bond issuance during their February 20, 2018 meeting.
- The institution's proposal complies with §3345.11 and §3345.12.

Agency staff reviewed the request and posted its recommendations to the Department of Higher Education's web site for purposes of providing a period of public comment before final approval by the Chancellor. The materials posted for comment and the request to pledge fees are attached to this document.

Based on my review of staff recommendations, I hereby approve the request to pledge fees by the University of Cincinnati in support of general receipts obligation bonds in an aggregate amount not to exceed $125,000,000. Furthermore, any increase in fees to support this issuance shall not be exempt from any future restraint to increases in undergraduate instructional and general fees imposed by the General Assembly.

This directive will take effect immediately.

J. Carey

John Carey
Chancellor, Ohio Department of Higher Education

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University of Cincinnati
Fee Pledge Request - $125,000,000
February 2018

I. Project Overview

The University of Cincinnati requests the authority to pledge fees in support of obligations to be issued in this calendar year (2018) not to exceed $125,000,000. The university's portfolio approach provides debt funding for approved capital projects, allowing the university to fund capital projects on a multi-year cash flow basis using a range of capital markets products (such as fixed rate amortizing debt, variable rate debt, bullet maturities or longer-dated debt). This methodology allows the university to be more opportunistic in its utilization of the capital markets, with the overall intent to lower the university's cost of capital and provide funding for the university's capital needs over time.

The university proposes to issue new money obligations in an amount not to exceed $125,000,000, in order to finance remaining cash flow requirements for capital projects for Fiscal Years 2018 and 2019, including the following projects:

Approved/Partially Approved Projects:

- General Roof Replacements Projects
- 1819 Innovation Hub (Sears Building)
- Health Sciences Building
- East Campus Master Plan Site Improvements
- Fifth Third Arena Renovation
- Fifth Third Arena Locker Rooms
- Fifth Third Roof Replacement
- College of Business – New Building
- MainStreet Plaza North (College of Business Plaza/Site Development)
- Storm Water Management (MLK)
- Engineering Research Center Roof Caulking and Panel Replacement

Planned Projects:

- New Lab/Classroom/Office Building (Crosley Replacement)
- Kettering Complex Exhaust & Roof Replacement
- Calhoun Hall Renovation
- Land Acquisition(s)

The university's Bond Resolution allows for the flexibility to structure these obligations as tax-exempt or taxable debt, as well as in the form of fixed or variable rate General Receipt Bonds or Notes or as Subordinate Obligations to meet the requirements of the projects and the university's budget. The university intends for this debt to be financed through a combination of aforementioned obligations that will be retired in 30 years or less.

Submission: February 2018

University of Cincinnati
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II. Project Financing and Costs

The University of Cincinnati requests the authority to pledge fees in support of the issuance of obligations in an aggregate amount not to exceed $125,000,000. A summary of the projects that are being fully and/or partially funded is presented in the table below,

Annual debt service (interest only) for an issue size of $125,000,000 is estimated to be between $4,375,000 and $6,250,000 dependent on the debt structure (tax-exempt or taxable debt, fixed or variable rate General Receipt Bonds or Notes or Subordinate Obligations). Principal amortization will be deferred to future years to manage the university's front-loaded debt amortization currently in place.

As depicted in the "Planned Funding Sources" section of the table, the projects will be funded with a combination of local, gift, state, existing debt, debt being authorized herein and future debt issues. The construction timeframe for each project varies; construction for these projects is planned to occur from FY 2017 through FY 2022. Construction cash flow schedules as well as existing and planned funding sources are reviewed on an annual basis to determine future annual borrowing requests/issuances.

UNIVERSITY OF CINCINNATI
GENERAL RECEIPTS OBLIGATIONS
ESTIMATED SOURCES USES OF FUNDS/
PROJECT COSTS TO BE FINANCED

Planned Capital Projects	Total Project Budgets*
1819 Innovation Hub (Sears Building)	38,000,000
Health Sciences Building	60,000,000
East Campus Master Plan Site Improvements	11,000,000
Fifth Third Arena Renovation	86,716,000
Fifth Third Arena Locker Rooms	2,575,000
College of Business - New Building	120,000,000
MainStreet Plaza North (College of Business Plaza/Site)	8,200,000
Calhoun Hall Renovation	55,000,000
ERC - Flat Roof Repl, Building Caulking, Panels	5,000,000
Storm Water Management (College of Business Site)	2,300,000
Fifth Third Roof Replacement	2,775,000
Kettering Complex Roof Replacement	8,500,000
General Roof Replacement Projects (over 5 years)	10,000,000
New Lab/Classroom/Office Building (Crosley Replacement	68,000,000
Land Acquisition(s)	TBD
Subtotal Planned Projects	478,066,000
Financing Costs (Includes Issue Costs, Capitalized Interest when appropriate and Margin of Safety)*	**18,973,000**
Total Planned Project and Financing Costs	**497,039,000**

Planned Funding Sources	Total Planned Sources
Local Funding	16,029,000
Gift Funding	14,600,000
State Capital Funding - Existing and Planned	7,534,000
Debt Funding:	
Existing Debt Issued	160,091,000
Future Debt Issues beyond FY2019	173,785,000
Subtotal Planned Funding Sources	**372,039,000**
Total FY2018 Debt Authority Requested	**125,000,000**

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III. Project Descriptions

Descriptions for projects expected to be fully and/or partially funded by the $125,000,000 authority requested within this Fee Pledge Request are as follows:

1819 Innovation Hub (Sears Building) ~ $38,000,000
This 86-year-old Avondale landmark was acquired by the university in 1980 and will serve as an anchor building for the new I-71 gateway which will house the new technology center for the UC Research Institute. The tower and brick façade will be restored/rebuilt and a glass atrium entry system will replace the demolished 1940's addition. Building systems and equipment will also be updated/replaced. The project scope was revised to include the tenant fit-out of all four floors in the building instead of the two floors within the original scope. The project is currently in construction and is projected to be complete by the summer of 2018. The 1819 Innovation Hub project was fully approved by the university's Board of Trustees on December 13, 2016.

Health Sciences Building ~ $60,000,000
The Health Sciences Building will provide the primary space for the College of Allied Health Sciences. Included in the building will be administrative space, faculty offices, space for research and teaching along with spaces for student collaboration and research. The building location allows room for a new central quad for HSB, Kettering, Kowalewski Hall and CARE/Crawley (to be completed as part of a separate East Campus Master Plan project). The new structure will provide an energy-efficient, open collaborative environment. The project is currently in construction and is projected to be complete by the summer of 2019. The Health Sciences Building project was fully approved by the university's Board of Trustees on February 2, 2016.

East Campus Master Plan Site Improvements ~ $11,000,000
These improvements will focus on the original sites of Wherry Hall, the Radiation Safety building, and the surface parking lot on Kettering's south side in areas that were previously oriented to vehicular traffic and featured multiple, paved areas. A new plaza connecting the entrances of HSB, Kowalewski Hall and Kettering will be developed, and an auxiliary parking lot will be added to the northeast side of Kettering. Life safety and service functions

will be enhanced, along with improved pedestrian circulation routes through the site. A water collection system (detention/retention) will also be introduced to improve storm water management and to provide a source for irrigating the newly proposed landscape. The project is currently in construction and will be completed by the summer of 2019 in conjunction with the completion of the new Health Sciences Building. The East Campus Master Plan Site Improvements project was approved by the university's Board of Trustees on December 15, 2015.

Fifth Third Arena Renovation ~ $86,716,000

Construction is underway for a complete exterior and interior renovation to create a current state-of-the-art collegiate basketball venue. The new construction -will address HVAC systems that are nearing the end of their usefull life, poor air circulation and sight lines, a lack of quality seating and seating options, a lack of suite and club seat revenue options, an exterior that is bland and uninviting, and entrances which are poorly located and defined. The project is scheduled to be complete by November 2018, in time for the 2018/2019 basketball season. The Fifth Third Arena project was fully approved by the university's Board of Trustees on December 15, 2015.

Fifth Third Arena Locker Rooms ~ $2,575,000

The locker rooms within the Fifth Third Arena are being renovated as a separate project from the Fifth Third Arena Renovation project utilizing gift funding. The project is currently in construction and will proceed in conjunction with the Fifth Third Arena project. To achieve scheduling and cost efficiencies, this project was bid as an alternate to the main project. The project will remain separate from the Fifth Third Arena project for approval and funding purposes.

College of Business – New Building ~ $120,000,000

This project will construct a new building for the Lindner College of Business and is planned for fall 2019 occupancy. The site was previously occupied by the Alumni Assocation, for whom a replacement facility will be constructed as a separate project. Lindner Hall was designed to house one-third of the enrollments that the College of Business has today, and enrollments are expected to grow. Classrooms in the current building have the highest utilization and second-highest occupancy rate of any academic building on campus, well above recommended guidelines. The building's mechanical system is noisy and disruptive, and its age and basic configuration makes it increasingly difficult to control and to repair. The building's exterior envelope and single-panel windows make energy savings difficult to achieve. The building was not designed to support the space and infrastructure needs of today's business education, and the building's structure cannot be affordably modified. The project is in construction; the total project is scheduled to be complete and online by the fall semester of 2019. The Lindner College of Business – New Building project was fully approved by the university's Board of Trustees on October 18, 2016.

MainStreet Plaza North (College of Business Plaza/Site) ~ $8,200,000

This project will include pavement, lighting and landscaping revisions and enhancements to the existing northern terminus to MainStreet currently ending at the front entry to the Engineering Research Center. The proposed plaza will remove private vehicle and shuttle bus traffic from this heavily used and congested pedestrian area and improve both traffic flow and public safety for students and visitors alike. This new pedestrian-centered plaza will work in concert with a new multi-modal transportation hub being developed at the Campus Green Drive frontage to the original Alumni Center parking lot as part of the Lindner College of Business building project. The design phase of the project is underway;

construction is scheduled to commence in the spring of 2018 The MainStreet Plaza North project was fully approved by the university's Board of Trustees on October 18, 2016.

Calhoun Hall Renovation ~ $55,000,000
Calhoun Hall is a 59-year-old dormitory building. It is one of the larger dorms on campus with a count of 680 beds. Calhoun Hall's MEP infrastructure and exterior envelope are slated for complete replacement within this project. The roof and switchgear were replaced via earlier locally funded projects that are now complete. This project is crucial in supporting future enrollments and retention. The project currently is design and construction is anticipated to commence in FY2019 or later; full project approval will be obtained once the project is ready to move into construction phase.

ERC – Flat Roof Replacement, Building Caulking and Panels ~ $5,000,000 The Engineering Research Center (ERC) Flat Roof Replacement, Building Caulking and Panel project will replace the existing 20-year-old roof which is leaking due to deterioration of the roof membrane and poor perimeter detailing. In addition, all roof perimeter conditions will be inspected and any issues will be corrected within this project. The ERC Roof study also revealed movement of the masonry façade of the building, which will also be corrected within this project through renovations to the façade, re-caulking of expansion joints and anchorage repairs. This project is expected to commence construction in the summer of 2019. Project approvals will be obtained once the exact project scope and estimate are determined.

Storm Water Management (College of Business Site) ~ $2,300,000
The Storm Water Mangement project is currently a study to determine storm water quantity, and conveyance as part of a potential partnership w/City of Cincinnati and the Metropolitan Sewer District regarding the acceptance of campus storm water in the Burnet Woods Park and Lake Area. This project plans to lessen storm surges on existing combined sewer overflows (CSO). The project remains under discussion, awaiting approvals.

Fifth Third Roof Replacement ~ $2,775,000
The Fifth Third Arena roof is scheduled to be replaced in 2018 as part of the university's roof replacement program. It was determined that this project should proceed in conjunction with the Fifth Third Arena project to achieve scheduling and cost efficiencies, thus it was bid as an alternate to the main project. The project will remain separate from the Fifth Third Arena project for approval purposes.

Kettering Complex Exhaust & Roof Replacement ~ $8,500,000
Kettering Complex Exhaust & Roof Replacement project plans to replace the existing 86 exhaust fans that serve each laboratory in the Kettering Addition. These fans will be replaced with a new manifold exhaust system that has a fewer number of fans. Once the fan system and its requisite roof top equipment and ductwork is replace a new high quality roofing system will replace the deteriorated existing roof system. This project has not yet received approved by the university's Board of Trustees. Project approvals will be obtained in spring 2018 to allow construction to commence in the fall of 2018. The project is scheduled to be completed by summer 2019.

General Roof Replacement Projects ~ $10,000,000

The Various Roof Replacements project will consist of multiple individual projects which will replace various roofing systems on numerous university buildings over a five-year period. Roof replacement projects to extend the service life of existing roofs are a continual process. On average, five percent of roofs are replaced per year with roof life expectancies of 15-20 years anticipated per the current University standard roofing systems. Individual projects may include tuck pointing and building caulking as required for each building. Individual roofing project approvals will be obtained over the five-year period prior to project commencement.

New Lab/Classrooms/Office Building ~ $68,000,000

The university will have to demolish Crosley Tower within the next 10 years. Crosley Tower contains a combination of faculty offices, labs, and classrooms. The New Lab/Classrooms/ /Office Building project is required to provide the space necessary to house the occupants of Crosley Tower and/or other campus buildings. The function and needs of Crosley ccupants will be studied along with existing space to determine the scope of this new project. This project is anticipated to begin with A/E design in fall of 2018. Full project approvals will be obtained once the exact project scope and final estimate are determined.

Land Acquisiton(s) ~ TBD

The university has strategic land acquisitions currently under consideration which may be funded with debt or other funding sources to be identified.

Financing Alternatives

The University reviews various financing alternatives and sources to fund projects within the capital compendium as indicated in the chart below.

Project Funding Alternatives	Comments
University Funds	University funds are allocated to projects based on availability and budget.
Gifts	Strategic fund-raising priority projects have been identified and gift funding has been incorporated into project sources where applicable.
Grants	Federal or State grant funding are not available for any of the projects currently planned.
State Capital Appropriations	CurrentState Capital Appropriations through the 19/20 biennium are allocated to the HPB Renovation (Kowalewski Hall) and CCM Infrastructure Replacement Phases 1 & 2, Rhodes Hall Roof Replacement and Fire Suppression, Rieveschl Roof Replacement and Exhaust, Rieveschl Lab and Classroom Renovation, Kettering Roof and Exhaust Fan Replacement, and Vontz Center Exterior Envelope Improvement Phase 1 and Muntz Hall.
Private/Public Financing or Vendor Lease	The university considers the use of Private/Public Financing or Vendor Leases in conjunction with our Financial Advisor and Underwriting Team and is currently studying potential applications of alternate funding opportunities within the university with an outside vendor. Past university research has determined that the use of Private/Public Financing specifically for capital project construction to be typically more expensive than if the university constructs and finances on its own, due to our current bond rating and ORC 153 which governs construction. At this time, the university plans to utilize traditional contracting and financing methods for the projects to be funded within the 2018 debt issue. The university will be in a position to adjust the funding of current and future projects should an alternative funding opportunity be undertaken give the current study underway.

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IV. Fee Impact

This proposed debt issuance will have no direct impact on student tuition and fees. While the University of Cincinnati may use unrestricted student fee revenues to support the debt service and operating costs relating to this request, student fees are not expected to increase as a direct result of this action.

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V. Financial Ratio Analysis [1]

Through the 1997 enactment of Senate Bill 6, the 122nd General Assembly established a standardized method for monitoring the financial health of Ohio's state-assisted colleges and universities. Subsequently, the administrative rules used to guide the implementation of S.B. 6 identified three financial ratios to evaluate an institution's fiscal health. The rules also established threshold factors for ranges of ratios, and created a weighted score of the threshold factors, termed the *composite score*, which provides a summary statistic to evaluate an institution's financial stability. The ratios and composite score are described in greater detail below, including how the University of Cincinnati performed when these measures are applied to its FY 2014, FY 2015, FY 2016 and FY2017 audited financial statements—the most up-to-date financial data available.

*NOTE: The FY 2017 data shown in *italics* reflect the ratios and composite score when $125,000,000 of debt is added to the actual FY 2017 calculations. Also, $50,150,000 for the Series 2017C Taxable Direct Placement draw-down bonds has been added to the calculations. The ratios do not take into account the impact of the new debt on the University's expendable net assets, the future retirement of existing debt obligations, and future changes in revenues and expenses. No further adjustments to the FY 2017 calculations as a result of this request have been made as it is presumed the university's total debt outstanding and related debt service will either decrease or remain the same.

1. Viability Ratio

The viability ratio is defined as expendable net assets divided by plant debt. This ratio is a measure of an institution's ability to retire its long-term debt using available current resources. A viability ratio in excess of 100% indicates that the institution has expendable fund balances in excess of its plant debt. Pursuant to this analysis, a viability ratio of 60% or greater is considered good, while a ratio below 30% might be a cause for concern. The University of Cincinnati's viability ratios for FY 2014, FY 2015, FY 2016, and FY 2017 are as follows:

FY 2014	FY 2015	FY 2016	FY 2017	*FY 2017**
43.8%	45.3%	50.9%	52.3%	*47.0%*

[1] Financial Ratios for FY's 2015 and 2016 are presented excluding the impact of the implementation of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and an amendment of this statement, GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date.*

2. Primary Reserve Ratio

The primary reserve ratio is defined as expendable net assets divided by total operating expenses. This ratio is one measure of an institution's ability to continue operating at current levels without future revenues. Pursuant to this analysis, a ratio of 10% or greater is considered good, while a ratio below 5% would be a cause for concern. The University of Cincinnati's primary reserve ratios for FY 2014, FY 2015, FY 2016 and FY 2017 are as follows:

FY 2014	FY 2015	FY 2016	FY 2017	*FY 2017**
47.6%	43.4%	47.5%	47.0%	*46.7%*

3. Net Income Ratio

The net income ratio represents the change in total net assets divided by total revenues. This ratio is an important measure of an institution's financial status in terms of current year operations. A negative net income ratio results when an institution's current year expenses exceed its current year revenues. A positive net income ratio indicates that the institution experienced a net increase in current year fund balances. The University of Cincinnati's net income ratios for FY 2014, FY 2015, FY 2016 and FY 2017 are as follows:

FY 2014	FY 2015	FY 2016	FY 2017	*FY 2017**
+9.2%	+5.7%	+1.9%	+4.8%	*+4.3%*

The Net Income Ratio component of the Senate Bill 6 composite score contains endowment revenue as well as increases/decreases in the fair value of investment; this ratio is particularly sensitive to fluctuations in the market value of the University's endowment.

4. Composite Score

The ratios are translated into a single composite score by assigning individual scores to ranges of ratios, weighting the individual scores, and summing the weighted scores. The primary reserve score is weighted more heavily than is the viability ratio, which in turn is weighted more heavily than the net income ratio. This scoring process effectively emphasizes the need for campuses to have strong expendable fund balances, manageable plant debt, and a positive operating balance.

The minimum acceptable composite score is any score above 1.75. Institutions with composite scores at or below this level merit special monitoring, and would be placed on fiscal watch if the ratio analysis yielded a composite score at or below this level for two consecutive years. The highest possible score is a 5.0. The University of Cincinnati's composite scores have been above the minimum threshold:

FY 2014	FY 2015	FY 2016	FY 2017	*FY 2017**
3.60	3.60	3.20	3.40	*3.40*

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VI. Financial Outlook and Bond Rating

According to its FY 2017 audited financial report, the University of Cincinnati's financial position remains strong, having reported total assets of $3.291 billion and liabilities of $2.2 billion. Net position, which represents the value of the university's assets after liabilities are deducted, increased by $5.373 million in FY 2017 to $1.292 billion or 39.2% of total assets. The net position is impacted by the implementation of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and an amendment of this statement, GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements require the university to recognize a net pension liability (asset), pension expense and related pension related deferred inflows and outflows of resources based on the university's proportionate share of collective amounts for all participating employers in the plans. The cumulative effect of the accounting change related to pension reporting in FY 2017 was $578 million.

The University welcomed the largest student body in its history in August 2017 for the fall semester with a total of 44,783 students. Operating revenues continue to increase mainly due to increases in student tuition and fee revenues associated with increased enrollments and retention. Conversely, operating expenses increased at a consistent pace in FY 2017; increases in instruction and auxiliary expenses are directly related to increases in enrollment and increased in academic support is primarily due to an increase in personnel costs and distance learning initiatives. Net investment income also increased during FY 2017.

The University's existing debt has received relatively high marks from independent bond-rating agencies. Moody's Investors Services' rating for the University is *Aa3* with a stable outlook. Standard & Poor's rating of the University is an *AA-* with a stable outlook. Both ratings agencies reaffirmed the University's bond ratings in April 2017.

These ratings indicate that the University's ability to meet its debt obligations is considered strong, as shown in Moody's and S&P's scale below.

Long-Term Bonds				
Moody's			**S & P**	**Description**
Aaa1	Aaa2	Aaa3	AAA	Best quality with little or no investment risk.
Aa1	Aa2	Aa3	AA	High quality with low investment risk.
A1	A2	A3	A	High quality with moderate investment risk.
Baa1	Baa2	Baa3	BBB	Good quality with some investment risk.
Ba1	Ba2	Ba3	BB	Medium quality with some investment risk.
B1	B2	B3	B	Medium quality with higher investment risk.
Caa1	Caa2	Caa3	CCC	Low quality and susceptible to default.
Ca1	Ca2	Ca3	CC	Low quality and highly vulnerable to default.
C1	C2	C3	C	Lowest quality and extremely vulnerable to default.
-	-	-	D	In payment default (S&P rating only).

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VII. Institutional Plant Debt

The table on the following page depicts how long-term plant debt at Ohio's public colleges and universities has changed at the statewide level over the past five years. Between FY 2013 and FY 2017, statewide plant debt increased 16.9% or approximately $1.1 billion.

Institution	LONG-TERM PLANT DEBT, FY's 2013-2017				
	2013	2014	2015	2016	2017
UNIVERSITIES					
BOWLING GREEN	$119,715,998	$147,067,224	$134,457,569	$190,972,008	$217,140,000
CENTRAL STATE	$18,225,857	$17,515,223	$16,403,259	$27,942,242	$26,446,638
CLEVELAND STATE	$258,656,081	$252,935,475	$239,322,461	$223,722,201	$210,344,397
KENT STATE	$492,032,000	$504,287,000	$505,173,000	$501,087,000	$476,118,000
MIAMI	$528,156,951	$643,705,600	$622,306,800	$597,108,000	$673,936,500
NEOMED	$41,660,000	$40,825,000	$43,012,814	$41,152,527	$39,311,629
OHIO STATE	$2,574,238,000	$2,515,108,000	$2,743,351,000	$3,279,095,000	$3,205,997,000
OHIO UNIVERSITY	$324,941,582	$310,210,349	$543,347,988	$526,673,644	$625,156,873
SHAWNEE STATE	$17,657,225	$16,120,070	$15,602,553	$14,810,234	$21,478,259
AKRON	$407,923,165	$473,999,582	$453,581,325	$429,303,913	$430,770,082
CINCINNATI	$1,073,645,000	$1,175,815,000	$1,060,120,000	$1,077,870,000	$1,106,390,000
TOLEDO	$326,663,000	$312,691,000	$298,187,000	$283,913,000	$296,292,000
WRIGHT STATE	$109,232,116	$106,769,168	$95,429,869	$88,747,614	$81,865,276
YOUNGSTOWN STATE	$73,508,103	$70,710,037	$67,819,444	$80,815,000	$84,020,340
COMMUNITY COLLEGES					
BELMONT TECH	$0	$0	$0	$395,775	$211,670
CINCINNATI STATE	$48,209,233	$45,734,380	$42,510,954	$39,981,706	$36,708,233
CLARK STATE	$15,675,000	$15,065,000	$14,440,000	$13,790,000	$12,905,000
COLUMBUS STATE	$11,460,000	$9,995,000	$8,475,000	$6,920,000	$5,320,000
COTC	$69,926	$44,876	$18,678	$118,108	$90,622
CUYAHOGA	$153,068,927	$148,906,753	$147,774,706	$137,806,254	$126,715,829
EASTERN GATEWAY	$256,182	$0	$1,831,736	$1,720,816	$1,605,275
EDISON STATE	$3,368,736	$3,134,699	$3,047,498	$2,869,409	$2,607,893
HOCKING	$519,043	$21,468,907	$20,937,434	$20,394,485	$19,830,065
JAMES RHODES STATE	$4,125,000	$3,886,667	$3,743,334	$3,595,302	$3,400,429
LAKELAND	$13,660,000	$15,015,000	$31,020,000	$70,163,237	$78,828,501
LORAIN	$68,950,000	$67,645,000	$66,165,000	$64,790,000	$63,720,000
NORTH CENTRAL	$0	$0	$0	$1,000,000	$914,648
NORTHWEST STATE	$0	$0	$369,024	$0	$0
MARION TECH	$0	$0	$0	$0	$0
OWENS STATE	$5,962,323	$4,408,127	$3,207,962	$2,227,114	$1,194,806
RIO GRANDE	$0	$0	$0	$0	$0
SINCLAIR	$0	$0	$0	$0	$0
SOUTHERN STATE	$18,889,766	$18,579,087	$17,459,086	$16,480,000	$15,525,000
STARK STATE	$17,822,917	$16,994,167	$3,642,542	$2,780,642	$2,566,243
TERRA STATE	$6,000,000	$5,920,000	$5,795,000	$5,665,000	$5,535,000
WASHINGTON STATE	$0	$0	$0	$0	$0
ZANE STATE (MATC)	$6,866,596	$6,687,680	$6,685,510	$6,305,110	$7,257,807
STATEWIDE TOTAL	$6,741,158,727	$6,971,244,071	$7,215,238,546	$7,760,215,341	$7,880,204,015

UNIVERSITY OF CINCINNATI
TOTAL DEBT SERVICE SUMMARY

	OUTSTANDING DEBT SERVICE ON BONDS AND FRN's (PLEDGE OF STUDENT FEES RECEIVED) @ 6/30/2017			OUTSTANDING DEBT SERVICE ON CAPITAL LEASES & STRATFORD HEIGHTS (STUDENT FEES NOT PLEDGED) @ 6/30/2017			TOTAL OUTSTANDING DEBT SERVICE @ 6/30/2017			OUTSTANDING DEBT SERVICE FOR SERIES 2017C TAXABLE BONDS DIRECT PLACEMENT		AUTHORIZATION REQUESTED - PROJECTED DEBT SERVICE (See Requested Authorized Tab for Details)		TOTAL OUTSTANDING DEBT SERVICE AFTER PROJECTED DEBT ISSUANCE		
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL
2018	57,725,000	49,016,813	106,741,813	1,220,000	3,709,188	4,929,188	58,945,000	52,726,000	111,671,000		170,000			58,945,000	52,726,000	111,671,000
2019	34,390,000	47,246,285	81,636,285	1,280,000	3,648,188	4,928,188	35,670,000	50,894,472	86,564,472		2,006,000		6,250,000	35,670,000	57,144,472	92,814,472
2020	40,665,000	45,576,513	86,241,513	1,320,000	3,608,188	4,928,188	41,985,000	49,184,700	91,169,700		2,006,000		6,250,000	41,985,000	55,434,700	97,419,700
2021	51,285,000	43,554,200	94,839,200	1,365,000	3,563,638	4,928,638	52,650,000	47,117,837	99,767,837		2,006,000		6,250,000	52,650,000	53,367,837	106,017,837
2022	43,170,000	40,990,365	84,160,365	3,005,000	3,506,863	6,511,863	46,175,000	44,497,228	90,672,228		2,006,000		6,250,000	46,175,000	50,747,228	96,922,228
2023	42,390,000	38,854,005	81,244,005	3,120,000	3,388,313	6,508,313	45,510,000	42,242,317	87,752,317		2,006,000		6,250,000	45,510,000	48,492,317	94,002,317
2024	48,750,000	36,732,761	85,482,761	3,245,000	3,264,913	6,509,913	51,995,000	39,997,674	91,992,674	1,555,000	2,006,000		6,250,000	53,550,000	46,247,674	99,797,674
2025	48,750,000	34,306,944	83,056,944	3,390,000	3,119,463	6,509,463	52,140,000	37,426,406	89,566,406	1,590,000	1,943,000		6,250,000	53,730,000	43,676,406	97,406,406
2026	48,020,000	31,919,767	79,939,767	3,540,000	2,967,413	6,507,413	51,560,000	34,887,179	86,447,179	1,630,000	1,880,000		6,250,000	53,190,000	41,137,179	94,327,179
2027	47,645,000	29,604,120	77,249,120	3,680,000	2,826,713	6,506,713	51,325,000	32,430,832	83,755,832	45,375,000	1,815,000		6,250,000	96,700,000	38,680,832	135,380,832
2028	49,405,000	27,444,798	76,849,798	3,845,000	2,665,113	6,510,113	53,250,000	30,109,910	83,359,910				6,250,000	53,250,000	36,359,910	89,609,910
2029	47,240,000	25,069,443	72,309,443	4,040,000	2,472,863	6,512,863	51,280,000	27,542,305	78,822,305				6,250,000	51,280,000	33,792,305	85,072,305
2030	42,920,000	22,796,124	65,716,124	4,240,000	2,270,863	6,510,863	47,160,000	25,066,986	72,226,986				6,250,000	47,160,000	31,316,986	78,476,986
2031	45,190,000	20,794,076	65,984,076	4,455,000	2,058,863	6,513,863	49,645,000	22,852,939	72,497,939				6,250,000	49,645,000	29,102,939	78,747,939
2032	31,960,000	18,758,839	50,718,839	4,670,000	1,841,625	6,511,625	36,630,000	20,600,464	57,230,464				6,250,000	36,630,000	26,850,464	63,480,464
2033	33,485,000	17,122,640	50,607,640	4,900,000	1,613,900	6,513,900	38,385,000	18,736,540	57,121,540			5,793,000	6,250,000	44,178,000	24,986,540	69,164,540
2034	35,700,000	15,409,766	51,109,766	5,115,000	1,395,300	6,510,300	40,815,000	16,805,066	57,620,066			6,083,000	5,960,350	46,898,000	22,765,416	69,663,416
2035	26,430,000	13,565,934	39,995,934	5,330,000	1,178,188	6,508,188	31,760,000	14,744,121	46,504,121			6,387,000	5,656,200	38,147,000	20,400,321	58,547,321
2036	27,620,000	12,206,761	39,826,761	5,595,000	918,313	6,513,313	33,215,000	13,125,073	46,340,073			6,706,000	5,336,850	39,921,000	18,461,923	58,382,923
2037	25,560,000	10,764,457	36,324,457	5,835,000	673,663	6,508,663	31,395,000	11,438,119	42,833,119			7,042,000	5,001,550	38,437,000	16,439,669	54,876,669
2038	26,730,000	9,380,170	36,110,170	6,095,000	418,438	6,513,438	32,825,000	9,798,607	42,623,607			7,394,000	4,649,450	40,219,000	14,448,057	54,667,057
2039	27,970,000	7,932,930	35,902,930	3,195,000	151,763		31,165,000	8,084,693	39,249,693			7,763,000	4,279,750	38,928,000	12,364,443	51,292,443
2040	14,830,000	6,439,866	21,269,866				14,830,000	6,439,866	21,269,866			8,152,000	3,891,600	22,982,000	10,331,466	33,313,466
2041	15,490,000	5,778,110	21,268,110				15,490,000	5,778,110	21,268,110			8,559,000	3,484,000	24,049,000	9,262,110	33,311,110
2042	16,185,000	5,086,519	21,271,519				16,185,000	5,086,519	21,271,519			8,987,000	3,056,050	25,172,000	8,142,569	33,314,569
2043	16,870,000	4,402,400	21,272,400				16,870,000	4,402,400	21,272,400			9,436,000	2,606,700	26,306,000	7,009,100	33,315,100
2044	17,710,000	3,558,900	21,268,900				17,710,000	3,558,900	21,268,900			9,900,000	2,134,900	27,610,000	5,693,800	33,303,800
2045	18,595,000	2,673,400	21,268,400				18,595,000	2,673,400	21,268,400			10,404,000	1,639,500	28,999,000	4,312,900	33,311,900
2046	19,525,000	1,743,650	21,268,650				19,525,000	1,743,650	21,268,650			10,924,000	1,119,300	30,449,000	2,862,950	33,311,950
2047	20,395,000	872,900	21,267,900				20,395,000	872,900	21,267,900			11,470,000	573,100	31,865,000	1,446,000	33,311,000
	$1,022,600,000	$629,603,453	$1,652,203,453	$82,480,000	$51,261,763	$130,395,000	$1,105,080,000	$680,865,215	$1,785,945,215	$50,150,000	$17,844,000	$125,000,000	$143,139,300	1,280,230,000	$824,004,515	$2,104,234,515

GENERAL NOTES:

Amounts are gross and do not reflect federal subsidies to be received for Build America Bonds.

Fiscal Year 2018 principal includes $24,085,000 of Floating Rate Notes that will be rolled over during FY 2018.

(1)The Notes and Variable Rate Debt are shown as actual versus being converted to bonds bearing interest at the current interest rate per the university's Restated Trust Agreement.