

Capital Plan

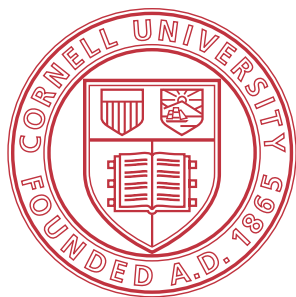
By Thomas E. Cole, Jr.

Division of Planning & Budget

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Cornell University
2007-08 Financial Plan

May 2007



Cornell University

CAPITAL PLAN

CAPITAL ACTIVITY

The capital plan is a long-term, physical manifestation of Cornell's priorities and strategic initiatives. This ten-year view of capital activity is informed by the university's academic and student life goals, its fundraising priorities and abilities, the priorities of New York State in support of the contract colleges, and the physical demands of the Ithaca and New York City campuses. The schedules highlight plans for addressing the university's strategic initiatives; program enhancements; and maintenance, renewal, and improvement of its buildings and campus infrastructure through investment in capital facilities and equipment.

The projects in the schedule of approved capital activity (pages 4 to 11) are those with budgets greater than \$2 million that have either been approved for planning, design, or construction; are ongoing maintenance or infrastructure projects; or are part of the current State University Construction Fund (SUCF) capital plan for Cornell's contract colleges. Not shown in project-level detail, but represented in the Ten-Year Capital View table on page 13, are category totals for projects that are under serious consideration within the plan's time horizon, including projects proposed for the next SUCF capital plan. Finally, as part of the university's capital planning, additional capital needs have been identified that are being contemplated, but which are beyond the current fundraising campaign or the next SUCF capital plan or do not have identified or approved funding.

- The university has authorized \$1.11 billion of capital activity on projects with an estimated total ultimate budget of \$2.754 billion. In the case of projects included in the amount allocated by SUCF as part of its capital budgeting process, each project is subjected to the university's capital approval process as it proceeds through design and construction phases.
- Of the approved project costs, \$813.9 million has been spent to date. If future projects proceed as planned, expenditures during 2007-08 will total \$442.3 million, with \$1.698 billion estimated to be spent during the next five years. Projects under consideration but yet to be approved are estimated to add \$980.5 million to total costs, with \$737.7 million of expenditures during the next five years.

Projects supporting the priorities of the *Far Above* capital campaign and in areas of strategic research make up \$894.7 million, or 53 percent, of the list of approved capital activity for the Ithaca campus.

- Projects to improve undergraduate education and create a living/learning environment include major reconfiguration of the university's West Campus residential facilities and new facilities for the College of Human Ecology (North Martha Van Rensselaer replacement), the Faculty of Computing and Information Science (Gates Hall), the Department of Architecture (Milstein Hall), and humanities and social sciences departments (Goldwin Smith Annex).
- Support of strategic research areas includes the construction of a life sciences technology building and a research facility at the east end of the campus in support of components of the life sciences initiative, construction of a new facility for the physical sciences, and a project to construct a new facility for the Animal Health Diagnostic Center in conjunction with the New York State Department of Agriculture and Markets.
- Significant investments in the university's information technology infrastructure are underway, including a 15-year project to rewire the campus and upgrade the speed and capacity of the data network, and investments in new and upgraded administrative systems.
- Projects addressing the program needs of operating units include the renovations of Mann Library and Helen Newman Hall and expansion of the Johnson Museum of Art.
- Major utility projects include an expansion of heating plant systems to increase steam generation and concurrently generate electricity and a variety of projects in the electric, steam, chilled water, potable water, sewer, and other areas as well as energy conservation efforts. New parking structures are planned as part of the North Martha Van Rensselaer project and on University Avenue in the vicinity of the College of Architecture, Art and Planning buildings.
- The university will continue its emphasis on maintaining and renewing existing buildings, which is also the focus of the current five-year capital budget provided by SUCF for contract college

facilities. Included in the maintenance category are renovations of Stocking Hall, the original Martha Van Rensselaer Hall, and the Ives Faculty building and a large group of relatively smaller maintenance projects. A phased, multi-year effort to upgrade life-safety systems, replace the HVAC system, and provide programmatic improvements in Olin Library is planned. It is estimated that the approved activity described herein will address \$260.3 million of deferred maintenance.

More than two-thirds of the funding for capital projects depends directly on external resources.

- Gift and grant funding is projected at \$1.573 billion, or 57 percent of the total approved capital activity. The estimated value of gifts in hand or pledged for approved projects in 2007 dollars is \$531.4 million, leaving \$1.042 billion in 2007 dollars to be raised.
- New York State support is projected to fund \$333 million of total project costs. Most of this amount is for contract college projects in the current SUCF capital plan, but nearly a third of the funding is state funding for certain university projects outside of the SUNY structure.
- Funding from general purpose or unit resources and enterprise operations cover \$660.2 million (24 percent) and \$187.2 million (7 percent) of approved capital activity respectively.
- Based on an analysis of project expenditures and funding availability, the university expects to finance \$507.4 million of approved project costs using long-term debt and another \$435.7 million of short-term bridge financing, which is often used to accommodate the timing of gift receipts.

A funding plan for the estimated operating and maintenance costs of each capital project is developed when construction is authorized. A rough estimate of the net impact on annual operating and maintenance costs of the projects included in the approved capital plan is an increase of \$27.4 million per year on the Ithaca campus and \$8 million at the Medical College.

DEBT AND DEBT REPAYMENT

The proceeds from various university debt issuances and borrowings provide for the financing needs of the university's capital projects. Debt allows the university

to undertake capital projects when cash funding is not available at the time capital expenditures are made and to spread the cost of a project over several fiscal years. It is also to the university's financial benefit to take advantage of the low cost of tax-exempt debt.

The university's external debt includes tax-exempt and taxable borrowings. It does not include debt issued by New York State for contract college projects, which is paid directly by the state and is not included in the university's budgets or financial statements. It is anticipated that the university will have \$750.6 million of external debt at the beginning of the 2007-08 fiscal year. (See line 21 on page 14.) Of this total, \$744.3 million will finance capital assets and \$6.3 million finances educational loans for Cornell students. During 2007-08, the university is scheduled to pay an estimated \$62.7 million in principal and interest.

In 2006-07, the university entered into forward-swap agreements to lock in interest rates for three anticipated future borrowings of \$200 million each, for a total of \$600 million. Cornell entered into these agreements to take advantage of historically low interest rates. The swap agreements will take effective in 2007-08 at a rate of 3.842 percent, in 2009-10 at a rate of 3.452 percent, and in 2011-12 at a rate of 3.4789 percent.

In addition, Cornell is increasing the principal amounts that may be outstanding for the tax-exempt commercial paper program and the taxable commercial paper program from \$100 million to \$200 million each, for a total authorized amount of \$400 million. The increases will be effective on June 6, 2007 and May 9, 2007 respectively. The tax-exempt commercial paper program is used to finance capital projects in Ithaca and New York City. The taxable commercial paper program is used for operating working capital, capital projects, and equipment purchases for the Ithaca and New York City campuses.

Unit Debt and Sources of Debt Repayment

The schedule on page 15 identifies outstanding debt and budgeted debt service by operating unit. A distinction is made between debt service paid directly by an operating unit and that budgeted and paid by central university resources for the benefit of operating units.

CAPITAL PLAN

Approved Capital Activity (dollars in thousands)	Approved Budget	Estimated Total Budget	Estimated Completion Date	Additional Space GSF * (in thousands)
1. Life Sciences Technology Facility	\$162,714	\$162,714	Jan-08	271
2. Physical Sciences Facility	14,430	140,200	Fall 10	197
3. Animal Health Diagnostic Center	5,680	80,000	Sep-10	117
4. East Campus Research Facility	55,000	55,000	Sep-07	79
5. Energy Recovery Linac Planning	777	12,000	Dec-08	
6. Uris Hall Animal Facility	7,200	7,200	Spring 08	
7. Cellulosic Ethanol Lab		6,000	Jul-09	
8. Fredonia – New Laboratory	431	5,359	Sep-09	10
9. Clark Hall AEP Relocation/Renovation	157	3,100	Dec-10	
10. Baker Laboratory Renovations	<u>3,000</u>	<u>3,000</u>	Summer 07	<u> </u>
11. Subtotal Research	249,389	474,573		674
12. CIS Gates Hall	980	62,700	Sep-10	100
13. Milstein Hall	7,300	49,000	Aug-09	42
14. Goldwin Smith Annex	90	45,100	Summer 11	60
15. Mann Library Renovation	30,760	33,618	Dec-07	9
16. Johnson Museum Expansion	1,400	13,900	Aug-09	16
17. Plantations Facilities Upgrades/Expansion	2,640	8,640	Jun-11	5
18. Civil/Environmental Engineering Teaching Labs	3,852	5,590	Jun-08	
19. Anabel Taylor Organ Replacement	<u>2,025</u>	<u>2,025</u>	Sep-10	<u> </u>
20. Subtotal Program	49,047	220,573		232
21. West Campus Residential Initiative	225,900	225,900	Aug-08	256
22. Helen Newman Hall		19,000	Jun-12	25
23. Day Care Center	500	6,550	Aug-08	14
24. Bailey Plaza	4,500	4,500	Sep-07	
25. Sigma Phi Fraternity House	<u>1,225</u>	<u>4,400</u>	Jun-11	<u>5</u>
26. Subtotal Student/Support	232,125	260,350		300
27. Planned Maintenance (10 years)		79,439	Ongoing	
28. North MVR Replacement/Parking Garage	10,700	77,670	Jan-11	123
29. Olin Library Improvements, Phase I	1,755	40,000	Aug-14	
30. Stocking Hall Renovation	460	25,000	Jun-13	5
31. MVR 1933/East Rehab, Phase 1	8,400	22,000	Oct-08	
32. Electric Distribution Projects	200	21,595	Ongoing	
33. Contract College Misc. Rehab/Repair		17,921	Jun-09	
34. Steam Line Projects		16,580	Ongoing	
35. Ives Faculty Building	16,000	16,000	Dec-09	12
36. Transportation Projects < \$2M		12,065	2011-12	
37. Water Distribution/Sewer Collection Projects		10,165	Ongoing	
38. Water Filtration Plant Projects		8,550	Ongoing	
39. Network Infrastructure Upgrade/Maintenance		8,404	Ongoing	
40. Equine Drug Testing Facility Upgrade	170	7,000	Jun-09	
41. Vet Various Buildings Rehab		7,000	Jun-10	
42. Vet Waste Management System	6,263	7,000	Dec-10	2
43. Geneva Food Science Renovation, Phase 1	242	6,740	Aug-09	
44. Contract College Roof Replacements		6,536	Jun-10	
45. Fernow Hall Rehab and Roof Repairs		6,000	Sep-11	

* GSF = Gross square feet.

FUNDING SOURCES							FINANCING		
Present Value of Gifts/Grants			General Purpose	Unit	Enterprise	New York State †	Bridge	Long-Term	
In Hand	Pledged	To Be Raised							
\$30,918	\$8,022	\$92,510	\$5,258	\$456	\$550	\$25,000	\$94,908	\$29,658	1.
6,250	352	130,776	1,411	1,411			111,712	1,411	2.
			12,000	12,000		56,000	8,000	16,000	3.
			27,500	27,500				55,000	4.
						12,000			5.
			6,100	1,100				6,100	6.
						6,000			7.
						5,359			8.
1,000		1,643	300	157					9.
			<u>1,500</u>	<u>1,500</u>				<u>1,500</u>	10.
<u>38,168</u>	<u>8,374</u>	<u>224,929</u>	<u>54,069</u>	<u>44,124</u>	<u>550</u>	<u>104,359</u>	<u>214,620</u>	<u>109,669</u>	11.
26,100		36,600					27,213		12.
9,088	12,770	26,242	900				12,762	12,400	13.
		44,585		515			21,133		14.
						33,618			15.
3,946	8,261	93		1,600			93		16.
5,668	2,972								17.
2,036	1,313	1,677	564				2,500		18.
<u>1,450</u>			<u>237</u>	<u>338</u>					19.
<u>48,288</u>	<u>25,316</u>	<u>109,197</u>	<u>1,701</u>	<u>2,453</u>		<u>33,618</u>	<u>63,701</u>	<u>12,400</u>	20.
126,190	11,061	88,649					83,932		21.
		19,000					12,936		22.
			6,550					6,550	23.
		2,500	2,000				2,500	2,000	24.
<u>548</u>	<u>1,301</u>	<u>1,751</u>		<u>800</u>				<u>800</u>	25.
<u>126,738</u>	<u>12,362</u>	<u>111,900</u>	<u>8,550</u>	<u>800</u>			<u>99,368</u>	<u>9,350</u>	26.
			79,439						27.
				13,800	21,800	42,070		21,800	28.
4,000			33,000	3,000			3,000	33,000	29.
						25,000			30.
				1,809		20,191			31.
					20,595	1,000		6,000	32.
						17,921			33.
					12,280	4,300		7,000	34.
				2,000		14,000			35.
					12,065				36.
					9,115	1,050		3,400	37.
					8,550			5,050	38.
					8,404				39.
						7,000			40.
						7,000			41.
				40		6,960			42.
						6,740			43.
						6,536			44.
						6,000			45.

† Includes funds administered by the State University Construction Fund and grants provided directly from New York State.

CAPITAL PLAN

Approved Capital Activity (cont.)				
(dollars in thousands)				
	Expended To Date	07-08	08-09	09-10
1. Life Sciences Technology Facility	\$113,273	\$49,441		
2. Physical Sciences Facility	13,400	20,000	45,000	45,000
3. Animal Health Diagnostic Center	4,500	8,000	30,000	37,500
4. East Campus Research Facility	45,172	9,828		
5. Energy Recovery Linac Planning	3,000	6,000	3,000	
6. Uris Hall Animal Facility	2,817	4,383		
7. Cellulosic Ethanol Lab		3,000	3,000	
8. Fredonia – New Laboratory	500	2,000	2,859	
9. Clark Hall AEP Relocation/Renovation	157			2,943
10. Baker Laboratory Renovations	<u>350</u>	<u>2,650</u>		
11. Subtotal Research	183,169	105,302	83,859	85,443
12. CIS Gates Hall	2,300	3,700	18,700	34,300
13. Milstein Hall	6,800	9,900	21,100	11,200
14. Goldwin Smith Annex	90	1,400	3,900	11,410
15. Mann Library Renovation	29,525	4,093		
16. Johnson Museum Expansion	314	1,600	11,475	511
17. Plantations Facilities Upgrades/Expansion	3,890	750	1,000	1,500
18. Civil/Environmental Engineering Teaching Labs	3,834	1,756		
19. Anabel Taylor Organ Replacement		<u>200</u>	<u>325</u>	<u>1,000</u>
20. Subtotal Program	46,753	23,399	56,500	59,921
21. West Campus Residential Initiative	157,400	53,000	15,500	
22. Helen Newman Hall				2,000
23. Day Care Center	550	6,000		
24. Bailey Plaza	2,500	2,000		
25. Sigma Phi Fraternity House	<u>1,100</u>		<u>1,500</u>	
26. Subtotal Student/Support	161,550	61,000	17,000	2,000
27. Planned Maintenance (10 years)		7,771	7,382	6,977
28. North MVR Replacement/Parking Garage	4,682	31,472	20,100	15,616
29. Olin Library Improvements, Phase I	855	900	2,000	6,000
30. Stocking Hall Renovation	230	370	2,000	10,000
31. MVR 1933/East Rehab, Phase 1	7,000	9,000	6,000	
32. Electric Distribution Projects	2,135	1,900	2,200	2,800
33. Contract College Misc. Rehab/Repair	10,400	3,500	4,021	
34. Steam Line Projects	350	1,130	350	350
35. Ives Faculty Building	4,200	4,700	4,600	2,500
36. Transportation Projects < \$2M		1,250	4,865	2,350
37. Water Distribution/Sewer Collection Projects	750	1,650	1,250	550
38. Water Filtration Plant Projects	450	2,200	2,000	700
39. Network Infrastructure Upgrade/Maintenance		500	950	740
40. Equine Drug Testing Facility Upgrade	500	2,000	4,500	
41. Vet Various Buildings Rehab		500	1,300	5,200
42. Vet Waste Management System	454	500	3,100	2,200
43. Geneva Food Science Renovation, Phase 1		740	3,000	3,000
44. Contract College Roof Replacements	2,000	1,500	1,494	1,542
45. Fernow Hall Rehab and Roof Repairs			500	800

EXPENDITURE PATTERN							Deferred Maint. Addressed	O&M † Cost Impact
Estimated								
10-11	11-12	12-13	13-14	14-15	15-16	16-17+ or TBD *		
16,800							500	\$5,777 1. 4,508 2. 2,200 3. 1,961 4. 5. 6. 40 7. 100 8. 80 9.
							600	40 6. 100 7. 80 8.
							250	9. 10.
<u>16,800</u>							<u>1,350</u>	<u>14,666</u> 11.
3,700								1,500 12. 844 13.
18,900	9,400						8,000	688 14. 460 15. 160 16.
1,500								91 17. 19. 20.
<u>500</u>								
<u>24,600</u>	<u>9,400</u>						<u>8,000</u>	<u>3,743</u> 21.
13,000	4,000						6,725	1,815 22. 275 23. 152 24.
							150	10 25.
<u>1,800</u>							<u>2,100</u>	<u>25</u> 26.
<u>14,800</u>	<u>4,000</u>						<u>11,975</u>	<u>2,277</u> 27.
7,256	7,546	7,848	8,162	8,488	8,828	9,181	79,439	28. 29.
5,800							1,000	1,503 30. 150 31.
7,000	7,000	7,000	7,000	2,245			12,000	100 32. 200 33.
12,400							23,072	50 34. 36. 37.
3,910	1,200	2,050	1,250	750	2,450	950	15,557	165 38. 150 39. 100 40.
4,300	650	2,350	1,950	150	2,850	2,150	9,000	200 41. 50 42.
2,050	1,550						11,000	35. 36.
500	90	500	150	500	3,050	1,175		(10) 37.
200	400	400	600	600	800	200		38. 39.
950	620	660	1,120	920	1,150	794		794 40.
							5,860	41. 42.
746							2,000	60 43. 5,000 44.
							6,536	44. 45.
3,200	1,500						5,718	40 45.

* 16-17 += 2016-17 and beyond; TBD = To be determined. † O&M = Operations and maintenance.

CAPITAL PLAN

Approved Capital Activity (cont.) (dollars in thousands)	Approved Budget	Estimated Total Budget	Estimated Completion Date	Additional Space GSF * (in thousands)
46. Heating Plant Projects		\$5,900	Ongoing	
47. Rice Hall Rehab and Roof Replacement		5,000	Oct-12	
48. Barton Hall Roof/Exterior Repairs	4,034	4,034	May-09	
49. Animal Facility Improvements	3,000	4,000	Jun-09	
50. Baker/Clark Code Upgrades	341	3,750	Fall 10	
51. Schoellkopf Crescent Repairs	2,200	3,500	Aug-10	
52. Campus Lighting Project	3,450	3,450	2007-08	
53. Chilled Water Distribution Projects		3,400	Ongoing	
54. Chilled Water/Hydroplant Projects	140	3,400	Jun-15	
55. Bruckner Lab Systems Upgrades/Repairs	205	3,300	Jun-09	
56. Geneva – Hedrick Hall Roof/Systems		3,293	Jun-10	
57. Boiler Emissions Control Technology	460	2,395	Sep-07	
58. Contract College Fire Alarm/Sprinklers		2,151	Jun-11	
59. Bradfield Rehab/Systems Upgrades		2,000	Nov-10	
60. Riley Robb Repairs/Upgrades		<u>2,000</u>	Dec-08	
61. Subtotal Renovation/Renewal	58,020	447,238		142
62. Campus Network Wiring Upgrade	17,455	84,740	2017-18	
63. Administrative Systems (2003-2017)	73,334	73,334	2008-09	
64. CHP Steam/Electric Expansion	27,500	54,100	Jun-10	15
65. Energy Conservation Initiative	7,631	21,085	Ongoing	
66. Server Farm		15,010	Ongoing	
67. Central Avenue Parking Garage		13,500	2010-11	64
68. Olin Hall HVAC, Power, Fire Suppression	555	13,000	Jan-10	
69. LambdaRail – Ithaca/NYC Fiber Link	11,591	11,591	Ongoing	
70. Telephony Infrastructure Upgrades		5,175	Ongoing	
71. Campus Wide Wireless Network		<u>3,240</u>	Ongoing	
72. Subtotal Infrastructure	138,066	294,775		79
73. Total Ithaca Campus	726,647	1,697,509		1,427
74. Biomedical Research Building	6,025	650,000	2014-15	413
75. Weill Greenberg Center (Ambulatory Care)	229,803	229,803	Jan-07	333
76. Deferred Maintenance	38,397	38,397	2010-11	
77. RARC A-7 & C-7 Renovation	21,826	21,826	Dec-07	
78. Hematology & Med. Oncol. Ctr	21,000	21,000	Dec-07	
79. Medicine Renovation		20,874	Dec-10	
80. RARC E Building	16,446	16,446	Dec-07	10
81. Ambulatory Care Ophthalmology Fit-Out	14,126	14,126	Jan-08	
82. Urology Renovation	999	9,300	2007-08	
83. RARC S-3	8,487	8,487	Jan-09	
84. Surgery Renovations	8,000	8,000	May-08	
85. Reproductive Medicine Renovations	7,006	7,006	Apr-08	
86. Tri-Institutional Stem Cell Lab	4,519	4,519	Jul-07	
87. Griffis Faculty Club	4,245	4,245	Nov-07	
88. Cell and Developmental Biology	<u>2,135</u>	<u>2,135</u>	Sep-07	
89. Total Medical College	383,014	1,056,164		756
90. Total Approved Projects	1,109,661	2,753,673		2,183

* GSF = Gross square feet.

FUNDING SOURCES							FINANCING		
Present Value of Gifts/Grants			General Purpose	Unit	Enterprise	New York State †	Bridge	Long-Term	
In Hand	Pledged	To Be Raised							
					\$5,900			\$1,100	46.
						5,000			47.
				5		4,029			48.
						4,000			49.
			3,750					3,750	50.
			3,500						51.
			1,000			2,450		3,250	52.
					3,000	400		1,000	53.
					3,400			2,600	54.
				780		2,520			55.
						3,293			56.
					2,395			2,255	57.
						2,151			58.
						2,000			59.
						2,000			60.
<u>4,000</u>			<u>120,689</u>	<u>21,434</u>	<u>107,504</u>	<u>193,611</u>	<u>3,000</u>	<u>90,205</u>	61.
			84,740						62.
			73,334						63.
					53,100	1,000		53,100	64.
			20,685			400		20,685	65.
			15,010						66.
					13,500			13,500	67.
700	700	6,445	6,000	555			5,000	6,000	68.
			5,600			4,591			69.
				1,500		3,675			70.
						3,240			71.
<u>700</u>	<u>700</u>	<u>6,445</u>	<u>205,369</u>	<u>2,055</u>	<u>78,106</u>	<u>1,400</u>	<u>5,000</u>	<u>93,285</u>	72.
217,894	46,752	452,471	390,378	70,866	186,160	332,988	385,689	314,909	73.
		500,000	150,000					150,000	74.
132,181	47,622	50,000					50,000		75.
19,199	19,198								76.
1,700			20,126					20,126	77.
13,400		4,100	2,500	1,000					78.
		20,874							79.
1,500			14,946					14,946	80.
	14,126								81.
733	1,150	7,417							82.
2,050			6,437					6,437	83.
8,000									84.
		7,006							85.
4,519									86.
	1,000		2,245		1,000			1,000	87.
<u>417</u>			<u>1,718</u>						88.
<u>183,699</u>	<u>83,096</u>	<u>589,397</u>	<u>197,972</u>	<u>1,000</u>	<u>1,000</u>		<u>50,000</u>	<u>192,509</u>	89.
401,593	129,848	1,041,868	588,350	71,866	187,160	332,988	435,689	507,418	90.

† Includes funds administered by the State University Construction Fund and grants provided directly from New York State.

CAPITAL PLAN

Approved Capital Activity (cont.) (dollars in thousands)	Expended			
	To Date	07-08	08-09	09-10
46. Heating Plant Projects	\$650	\$1,400	\$400	\$450
47. Rice Hall Rehab and Roof Replacement				
48. Barton Hall Roof/Exterior Repairs	500	1,500	2,034	
49. Animal Facility Improvements	2,000	1,000	1,000	
50. Baker/Clark Code Upgrades	341	916	1,189	870
51. Schoellkopf Crescent Repairs	1,400	700	700	700
52. Campus Lighting Project	790	2,660		
53. Chilled Water Distribution Projects		400	400	400
54. Chilled Water/Hydroplant Projects	140	785		
55. Bruckner Lab Systems Upgrades/Repairs	200	1,500	1,600	
56. Geneva – Hedrick Hall Roof/Systems			293	3,000
57. Boiler Emissions Control Technology	595	1,800		
58. Contract College Fire Alarm/Sprinklers		515	1,000	636
59. Bradfield Rehab/Systems Upgrades		500	1,000	500
60. Riley Robb Repairs/Upgrades		500	1,500	
61. Subtotal Renovation/Renewal	40,622	85,759	82,728	67,881
62. Campus Network Wiring Upgrade	17,455	5,350	5,560	5,780
63. Administrative Systems (2003-2017)	58,703	10,677	3,954	
64. CHP Steam/Electric Expansion	7,157	17,900	25,100	3,943
65. Energy Conservation Initiative	8,544	5,530	2,150	1,816
66. Server Farm		1,230	1,280	1,340
67. Central Avenue Parking Garage	30			
68. Olin Hall HVAC, Power, Fire Suppression	1,000	6,000	6,000	
69. LambdaRail – Ithaca/NYC Fiber Link	4,221	2,970	1,170	530
70. Telephony Infrastructure Upgrades			1,700	750
71. Campus Wide Wireless Network		170	300	330
72. Subtotal Infrastructure	97,110	49,827	47,214	14,489
73. Total Ithaca Campus	529,204	325,287	287,301	229,734
74. Biomedical Research Building	6,498	19,495	110,470	162,456
75. Weill Greenberg Center (Ambulatory Care)	202,331	27,472		
76. Deferred Maintenance	23,770	7,000	5,000	1,627
77. RARC A-7 & C-7 Renovation	14,274	7,552		
78. Hematology & Med. Oncol. Ctr	3,192	17,808		
79. Medicine Renovation		3,637	6,800	6,800
80. RARC E Building	13,955	2,491		
81. Ambulatory Care Ophthalmology Fit-Out	3,531	10,595		
82. Urology Renovation	597	8,000	703	
83. RARC S-3	3,056	615	4,816	
84. Surgery Renovations	7,000	1,000		
85. Reproductive Medicine Renovations	4,800	2,206		
86. Tri-Institutional Stem Cell Lab	350	4,169		
87. Griffis Faculty Club	1,061	3,184		
88. Cell and Developmental Biology	310	1,825		
89. Total Medical College	284,725	117,049	127,789	170,883
90. Total Approved Projects	813,929	442,336	415,090	400,617

EXPENDITURE PATTERN							Deferred Maint. Addressed	O&M † Cost Impact
Estimated								
10-11	11-12	12-13	13-14	14-15	15-16	16-17+ or TBD *		
\$450	\$450	\$450	\$450	\$400	\$400	\$400		46.
500	2,500	2,000					4,382	50 47.
							3,000	48.
							1,000	49.
434							3,500	50.
								51.
								(460) 52.
1,400	400				400			(25) 53.
225	150		1,000			1,100		25 54.
							1,331	20 55.
							1,500	56.
								200 57.
							500	58.
							500	59.
							1,000	60.
<u>51,321</u>	<u>24,056</u>	<u>23,258</u>	<u>21,682</u>	<u>14,053</u>	<u>19,928</u>	<u>15,950</u>	<u>192,895</u>	<u>2,218</u> 61.
6,020	6,260	6,510	6,770	7,040	7,320	10,675		62.
								7,553 63.
520	425	300	300	500	500	500		500 64.
1,390	1,460	1,520	1,590	1,660	1,730	1,810		(4,000) 65.
13,470								66.
								5 67.
							6,000	68.
250	250	250	250	250	1,160	290		69.
500	75	75	75	1,800	100	100		70.
260	290	320	350	380	410	430		71.
<u>22,410</u>	<u>8,760</u>	<u>8,975</u>	<u>9,335</u>	<u>11,630</u>	<u>11,220</u>	<u>13,805</u>	<u>6,000</u>	<u>4,058</u> 72.
129,931	46,216	32,233	31,017	25,683	31,148	29,755	220,220	26,962 73.
162,456	97,474	77,979	13,172					TBD 74.
								8,000 75.
1,000							38,397	76.
							1,700	77.
								78.
3,637								79.
								80.
								81.
								82.
								83.
								84.
								85.
								86.
								87.
								88.
<u>167,093</u>	<u>97,474</u>	<u>77,979</u>	<u>13,172</u>				<u>40,097</u>	<u>8,000</u> 89.
297,024	143,690	110,212	44,189	25,683	31,148	29,755	260,317	34,962 90.

* 16-17 += 2016-17 and beyond; TBD = To be determined. † O&M = Operations and maintenance.

CAPITAL PLAN

Cash Flow (Including Financing) for Capital Activity

(dollars in thousands)

	Expended To Date	07-08	08-09	09-10
1. Gifts/Grants in Hand	\$323,377	\$24,158	\$22,305	\$7,353
2. Gifts/Grants Pledged	32,218	55,613	20,283	4,617
3. Gifts/Grants to be Raised	<u>11,298</u>	<u>47,177</u>	<u>133,465</u>	<u>197,259</u>
4. Subtotal Gifts/Grants	366,893	126,948	176,053	209,229
5. General Purpose	82,483	33,680	19,526	15,097
6. Unit Resources	3,764	11,925	3,893	3,721
7. Enterprise Operations	4,586	7,055	10,635	8,450
8. New York State	93,088	55,098	97,308	54,848
9. Total Sources of Funding	550,814	234,706	307,415	291,345
10. Bridge Financing	136,972	115,683	54,770	83,143
11. Long-Term Financing	<u>126,143</u>	<u>91,947</u>	<u>52,905</u>	<u>26,129</u>
12. Total Financing	263,115	207,630	107,675	109,272
13. Total Funding/Financing	813,929	442,336	415,090	400,617

Funding Sources for Capital Activity

(dollars in thousands)

	Direct Funding	Financing Repayment		Ultimate Funding	Percent of Total
		Bridge	Long-Term		
1. Gifts/Grants in Hand	\$377,193		\$24,400	\$401,593	14.6%
2. Gifts/Grants Pledged	115,280	14,568		129,848	4.7%
3. Gifts/Grants to be Raised	<u>619,347</u>	<u>410,121</u>	<u>12,400</u>	<u>1,041,868</u>	<u>37.8%</u>
4. Subtotal Gifts/Grants	1,111,820	424,689	36,800	1,573,309	57.1%
5. General Purpose	270,087	4,000	314,263	588,350	21.4%
6. Unit Resources	28,566	7,000	36,300	71,866	2.6%
7. Enterprise Operations	69,355		117,805	187,160	6.8%
8. New York State	330,738		2,250	332,988	12.1%
9. Total Sources of Funding	1,810,566	435,689	507,418	2,753,673	100.0%

Notes: • The cash flow table at the top of pages 12 and 13 presents the projected cash flow by year for approved capital projects, showing the use of various funding sources and debt financing. The repayment of that debt financing by some of those resources is shown in the funding sources table (immediately above), which displays the ultimate funding sources for approved projects in the capital plan.

EXPENDITURE PATTERN
Estimated

<u>10-11</u>	<u>11-12</u>	<u>12-13</u>	<u>13-14</u>	<u>14-15</u>	<u>15-16</u>	<u>16-17+*</u> <u>or TBD</u>	<u>Total</u> <u>Expenditure</u>	<u>Percent</u> <u>of</u> <u>Total</u>
							\$377,193	13.8%
2,549							115,280	4.2%
<u>188,616</u>	<u>41,532</u>						<u>619,347</u>	<u>22.5%</u>
191,165	41,532						1,111,820	40.5%
14,903	15,266	15,878	16,522	17,188	17,878	21,666	270,087	9.8%
4,463				800			28,566	1.0%
8,695	6,125	4,055	3,895	4,450	6,420	4,989	69,355	2.5%
20,446	4,000	2,000	1,000		1,450	1,500	330,738	12.0%
239,672	66,923	21,933	21,417	22,438	25,748	28,155	1,810,566	65.8%
32,628	11,493	1,000					435,689	15.8%
<u>24,724</u>	<u>65,274</u>	<u>87,279</u>	<u>22,772</u>	<u>3,245</u>	<u>5,400</u>	<u>1,600</u>	<u>507,418</u>	<u>18.4%</u>
57,352	76,767	88,279	22,772	3,245	5,400	1,600	943,107	34.2%
297,024	143,690	110,212	44,189	25,683	31,148	29,755	2,753,673	100.0%

* 16-17 + = 2016-17 and beyond; TBD = To be determined.

2007-08 Capital Plan – Ten-Year Capital View

(dollars in thousands)

	<u>Estimated</u> <u>Total</u> <u>Budget</u>	<u>Gifts</u> <u>In Hand/</u> <u>Pledged</u>	<u>Gifts</u> <u>To Be</u> <u>Raised</u>	<u>General</u> <u>Purpose/</u> <u>Unit</u>	<u>Enterprise</u>	<u>New</u> <u>York</u> <u>State</u>	<u>Bridge/</u> <u>Long-</u> <u>Term</u> <u>Financing</u>
Ithaca Campus							
1. Approved Capital Activity	\$1,697,509	\$264,646	\$452,471	\$461,244	\$186,160	\$332,988	\$700,598
2. Under Consideration	<u>830,451</u>	<u>4,554</u>	<u>119,295</u>	<u>266,581</u>	<u>51,980</u>	<u>388,041</u>	<u>286,420</u>
3. Total Ithaca Campus	2,527,960	269,200	571,766	727,825	238,140	721,029	987,018
Medical College							
4. Approved Capital Activity	1,056,164	266,795	589,397	198,972	1,000		242,509
5. Under Consideration	<u>150,000</u>			<u>50,000</u>	<u>100,000</u>		<u>150,000</u>
6. Total Medical College	1,206,164	266,795	589,397	248,972	101,000		392,509
University Total							
7. Approved Capital Activity	2,753,673	531,441	1,041,868	660,216	187,160	332,988	943,107
8. Under Consideration	<u>980,451</u>	<u>4,554</u>	<u>119,295</u>	<u>316,581</u>	<u>151,980</u>	<u>388,041</u>	<u>436,420</u>
9. Total University	3,734,124	535,995	1,161,163	976,797	339,140	721,029	1,379,527

Note: • *Approved capital activity* includes those projects that have received some level of approval to proceed through the project process. These are the projects itemized in the schedules on pages 4 through 11. *Under consideration* refers to projects that are being contemplated and studied but have not received formal approval to proceed.

CAPITAL PLAN

Sources of External Debt Financing

(dollars in thousands)

	Interest Rates	Maturity Date	Actual Balance 6/30/06	Forecast Balance 6/30/07	Projected External Debt Service Payments		
					07-08	08-09	09-10
Tax-Exempt Debt							
1. Series 1990B	Variable	2025	\$57,800	\$57,300	\$2,697	\$2,775	\$3,252
2. Series 1993 Education Loan	5.50%	2007	1,155				
3. Series 1995 Education Loan	5.80–5.90%	2008	8,150	6,339	6,339		
4. 1998 Commercial Paper	Variable	2037	19,205	89,005	4,200	4,200	4,200
5. Series 2000A	Variable	2029	59,960	58,320	3,835	3,847	4,143
6. Series 2000B	4.63%	2030	78,615	76,765	5,481	5,497	5,488
7. IDA Series 2000	5.00–5.25%	2011	5,290	4,335	1,229	1,228	1,229
8. IDA Series 2002A	4.52%	2030	42,780	42,710	2,110	2,112	2,109
9. IDA Series 2002B	4.33%	2015	15,390	15,390	666	666	666
10. Series 2004	3.51%	2033	92,100	90,150	5,139	5,195	5,196
11. Series 2006	4.00–5.00%	2035	<u>248,570</u>	<u>239,750</u>	<u>19,934</u>	<u>22,820</u>	<u>22,179</u>
12. Subtotal Tax-Exempt Debt			629,015	680,064	51,630	48,340	48,462
Taxable Debt							
13. Series 1987B	11.11%	2012	11,760	10,370	2,695	2,700	2,698
14. 2004 Commercial Paper	Variable		37,791	37,664	5,750	5,750	5,750
15. Capitalized Leases	Variable	2020	11,836	11,296	1,500	1,500	1,500
16. Sallie Mae – Series 1999	5.75–6.50%	2019	5,635	5,340	652	654	651
17. Urban Development Corp.	0.00%	2029	2,875	2,750	125	125	125
18. Other	Various	2010	3,152	3,071	328	283	262
19. Working Capital Line-of-Credit *	Various	2007	<u>54,400</u>				
20. Subtotal Taxable Debt			127,449	70,491	11,050	11,012	10,986
21. Total External Debt			756,464	750,555	62,680	59,352	59,448

- Notes:
- The total outstanding external debt and the sum of external debt service payments for 2007-08 shown above are different from the corresponding outstanding operating unit debt balances and debt service totals shown on page 15 due to a combination of: (a) differences in timing of borrowing and repayment between the university and various operating units; (b) debt costs, including compounded interest, to be recovered from future interest payments on operating unit debt; (c) external debt service on commercial paper programs that is planned above as interest only; (d) proceeds of debt issues used to pay issuance costs, on deposit in construction funds, or deposited into reserves to pay future debt service or fund project maintenance; and (e) debt incurred for student loans that is not reflected in operating unit balances.
 - While Series 2000B, 2002A, 2002B, and 2004 were issued as variable-rate debt, they have been swapped to fixed rates for various terms, which are reflected in the interest-rate information and projected debt service payments.
 - * Cornell maintains a pool of working capital and a line of credit that are used to meet the daily cash flow of disbursements. In 2006-07, the university increased its working capital line-of-credit from \$75 million to \$100 million. As of June 30, 2006, \$54.4 million was borrowed against the line-of-credit; the total \$54.4 million was repaid in 2006-07.

Debt Service by Operating Unit

(dollars in thousands)

	Outstanding Balance		2007-08 Debt Service		
	2/28/06	2/28/07	Unit Budget	Central Budget	Total
Ithaca Campus					
1. Agriculture & Life Sciences	\$3,905	\$3,820	\$500 †	\$154	\$654
2. Arts & Sciences	10,057	11,574	†	440	440
3. Engineering	9,950	9,995		2,320	2,320
4. Hotel Administration	14,585	13,161	1,971		1,971
5. Human Ecology	1,653	1,352	310		310
6. Johnson School	11,391	11,244	†		
7. Law School	4,425	4,021		572	572
8. Veterinary College	<u>5,197</u>	<u>5,656</u>	<u>147</u>	<u>383</u>	<u>530</u>
9. Subtotal Colleges	61,163	60,823	2,928	3,869	6,797
10. Animal Facilities	10,495	34,859		4,746	4,746
11. Biotechnology	8,043	7,309		1,041	1,041
12. Life Sciences	9,636	36,338	†	1,387	1,387
13. Theory Center	2,875	2,875		127	127
14. Wilson Laboratory	2,031	1,727		379	379
15. All Other	<u>550</u>	<u>2,056</u>	<u>150</u>	<u>527</u>	<u>677</u>
16. Subtotal Research Centers	33,630	85,164	150	8,207	8,357
17. Africana Center	3,418	2,968		385	385
18. Athletics & Physical Education	8,078	8,945	206 †		206
19. Cornell in Washington	3,049	3,017	265		265
20. Library	10,477	11,726		1,890	1,890
21. All Other	<u>2,159</u>	<u>1,842</u>	<u>304</u>		<u>304</u>
22. Subtotal Other Academic Programs	27,181	28,498	775	2,275	3,050
23. Campus Life	153,181	160,724	14,685		14,685
24. Fraternities/Sororities	2,602	3,200	385		385
25. Gannett Clinic	2,567	2,841		353	353
26. Public Service Center	<u>16</u>	<u>11</u>	<u>6</u>		<u>6</u>
27. Subtotal Student Services	158,366	166,776	15,076	353	15,429
28. Information Technologies	10,417	9,187	813	831	1,644
29. All Other	<u>1,605</u>	<u>1,750</u>	<u>50</u>	<u>275</u>	<u>325</u>
30. Subtotal Administrative & Support	12,022	10,937	863	1,106	1,969
31. Facilities & Campus Services	90,302	87,779	14,770	1,826	16,596
32. Life Safety	951	864	123		123
33. Real Estate	23,818	27,651	3,574		3,574
34. Transportation/Mail Service	<u>6,728</u>	<u>8,127</u>	<u>766</u>		<u>766</u>
35. Subtotal Physical Plant	121,799	124,421	19,233	1,826	21,059
36. Ithaca Campus All Other	<u>11,760</u>	<u>11,134</u>		<u>3,245</u>	<u>3,245</u>
37. Total Ithaca Campus	425,921	487,753	39,025	20,881	59,906
Medical College					
38. Research	27,395	28,504	4,822		4,822
39. Residences	82,069	84,985	5,714		5,714
40. Clinical Care	1,301	1,115	231		231
41. Infrastructure & Administrative	<u>16,860</u>	<u>16,264</u>	<u>1,282</u>		<u>1,282</u>
42. Total Medical College	127,625	130,868	12,049		12,049
43. Total University	553,546	618,621	51,074	20,881	71,955

Note: † These debt service payments are pending receipt of gifts; portions of the interest are being compounded.