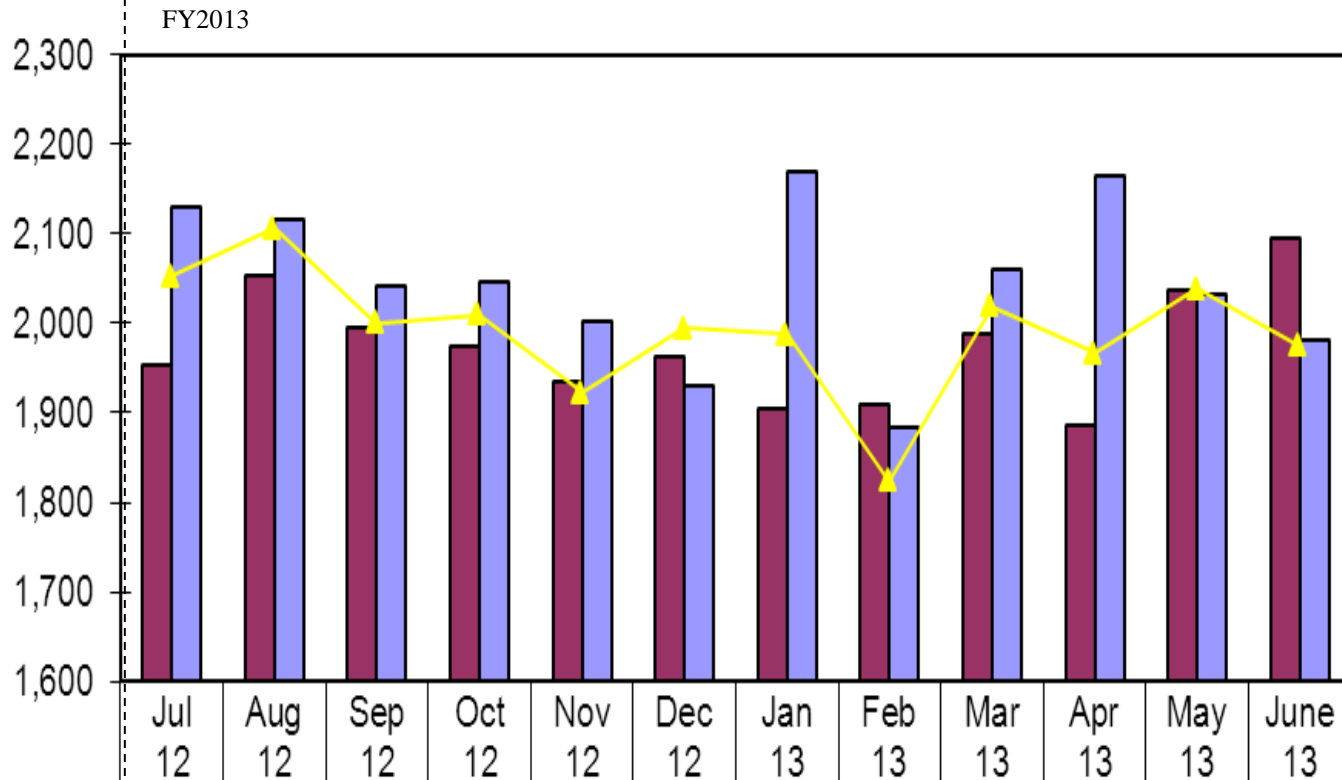


# SUMMARY OF OPERATING RESULTS

June 30, 2013 – Year End  
Pending Audit Results

# Adult Admissions

(rolling 12 months)

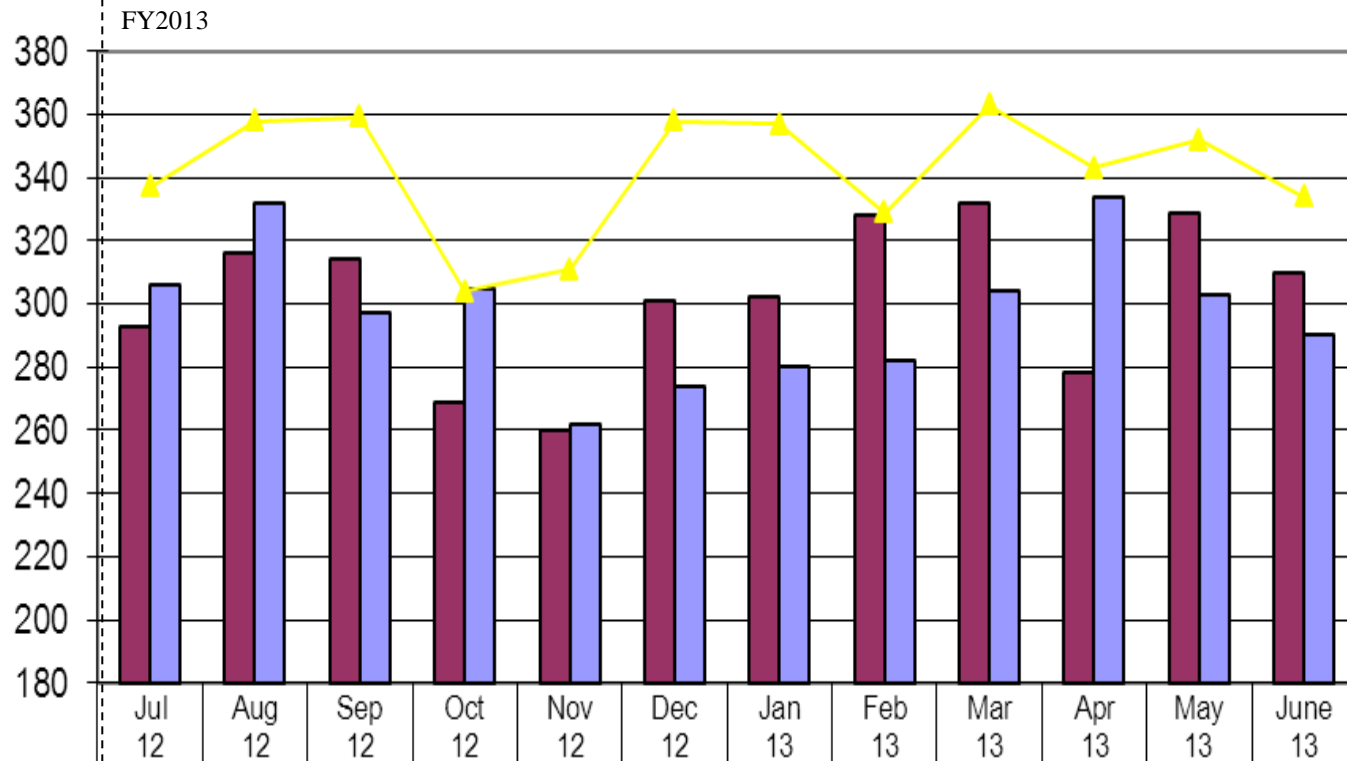


|                                                                                                                                                                                        |       |       |       |       |       |       |       |       |       |       |       |       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <span style="display: inline-block; width: 15px; height: 10px; background-color: maroon; border: 1px solid black;"></span> Prior Actual                                                | 1,954 | 2,054 | 1,996 | 1,973 | 1,934 | 1,963 | 1,905 | 1,909 | 1,987 | 1,886 | 2,037 | 2,095 |
| <span style="display: inline-block; width: 15px; height: 10px; background-color: lightblue; border: 1px solid black;"></span> Current Actual                                           | 2,129 | 2,116 | 2,041 | 2,047 | 2,001 | 1,929 | 2,169 | 1,883 | 2,059 | 2,165 | 2,032 | 1,980 |
| <span style="display: inline-block; width: 15px; height: 10px; border-bottom: 2px solid yellow; border-left: 2px solid yellow; border-right: 2px solid yellow;"></span> Current Budget | 2,052 | 2,106 | 2,000 | 2,009 | 1,923 | 1,994 | 1,988 | 1,824 | 2,019 | 1,967 | 2,038 | 1,975 |

|        |
|--------|
| YTD    |
| 23,693 |
| 24,551 |
| 23,895 |

# Pediatric Admissions

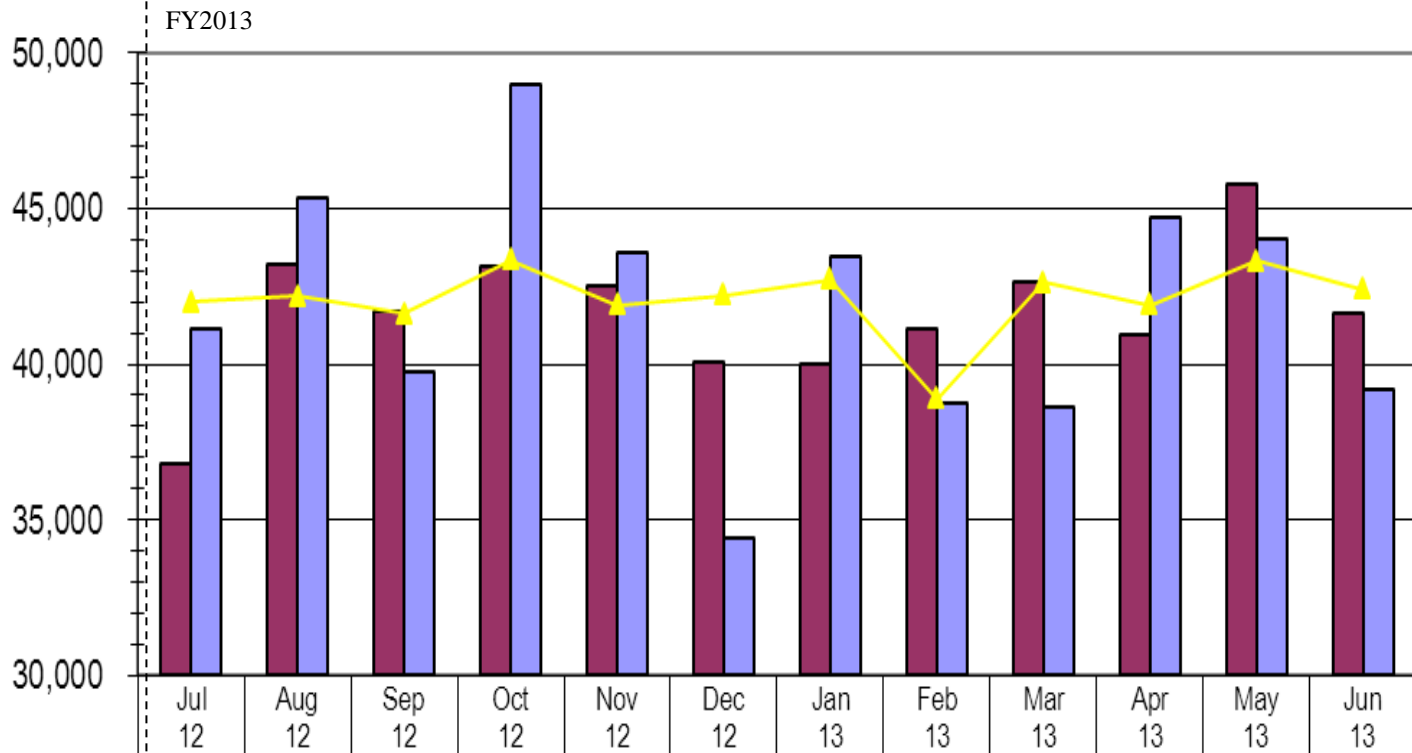
(rolling 12 months)



|                |     |     |     |     |     |     |     |     |     |     |     |     |            |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------------|
| Prior Actual   | 293 | 316 | 314 | 269 | 260 | 301 | 302 | 328 | 332 | 278 | 329 | 310 | <b>YTD</b> |
| Current Actual | 306 | 332 | 297 | 305 | 262 | 274 | 280 | 282 | 304 | 334 | 303 | 290 | 3,632      |
| Current Budget | 337 | 358 | 359 | 304 | 311 | 358 | 357 | 329 | 363 | 343 | 352 | 334 | 3,569      |
|                |     |     |     |     |     |     |     |     |     |     |     |     | 4,105      |

# Adult Clinic Visits

(rolling 12 months)

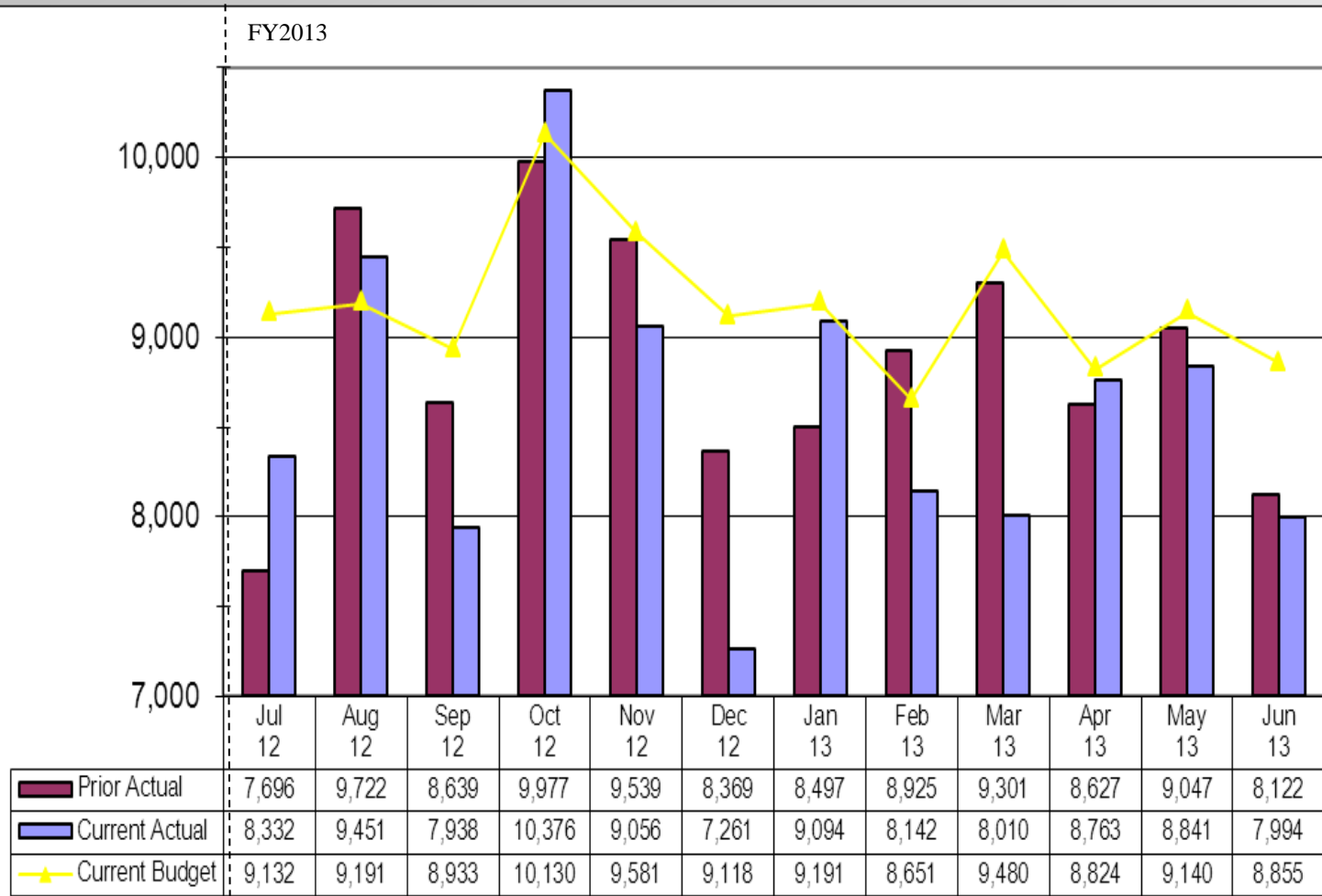


|                |        |        |        |        |        |        |        |        |        |        |        |        |
|----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Prior Actual   | 36,775 | 43,214 | 41,663 | 43,127 | 42,520 | 40,053 | 39,980 | 41,112 | 42,622 | 40,926 | 45,801 | 41,614 |
| Current Actual | 41,117 | 45,303 | 39,770 | 48,967 | 43,593 | 34,423 | 43,426 | 38,724 | 38,644 | 44,720 | 44,047 | 39,182 |
| Current Budget | 42,001 | 42,179 | 41,613 | 43,335 | 41,905 | 42,223 | 42,727 | 38,875 | 42,629 | 41,910 | 43,311 | 42,407 |

|         |
|---------|
| YTD     |
| 499,407 |
| 501,916 |
| 505,115 |

# Pediatric Clinic Visits

(rolling 12 months)



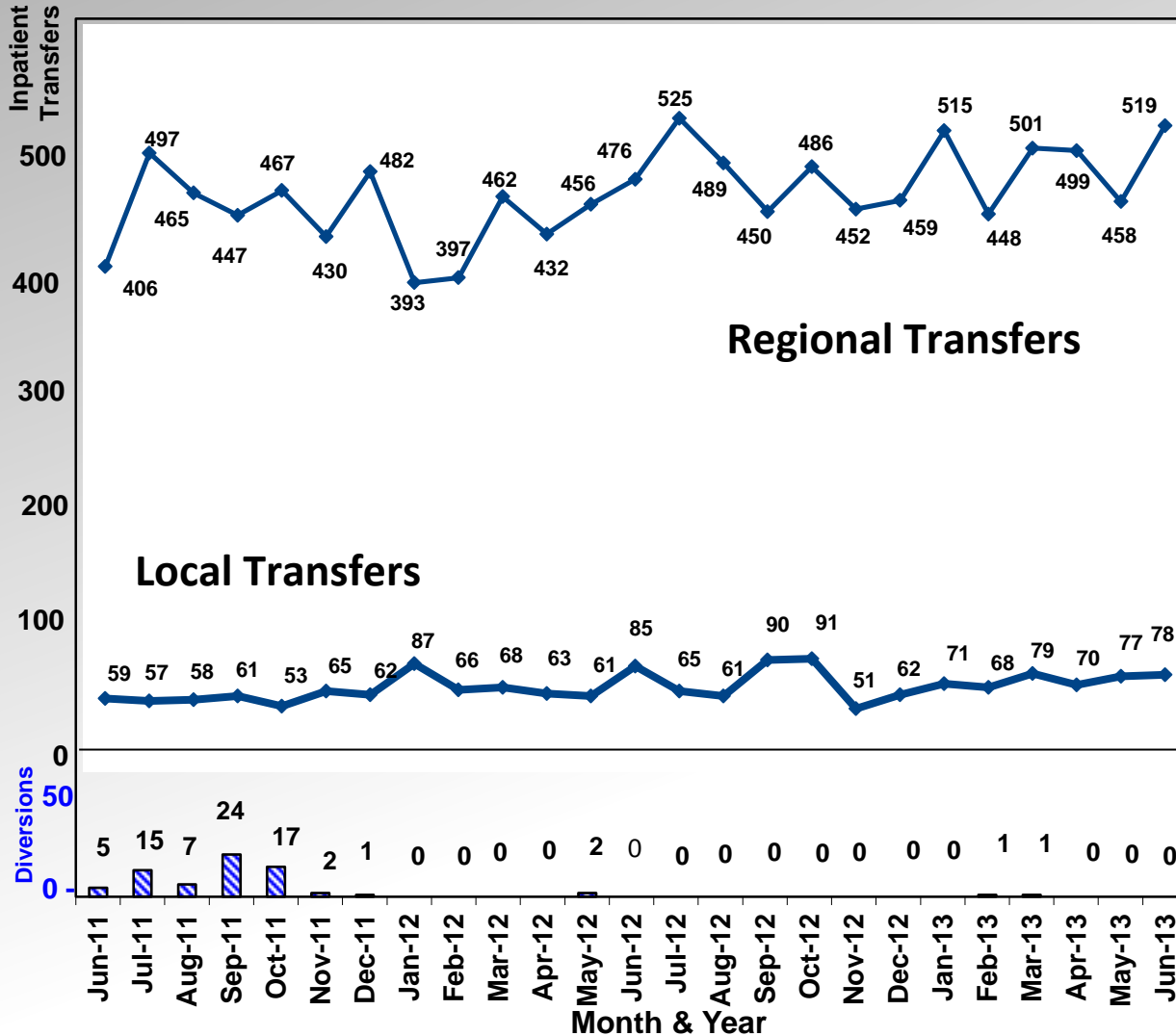
|            |
|------------|
| <b>YTD</b> |
| 106,461    |
| 103,258    |
| 110,226    |

# Other Key Ancillary Service Activity Indicators

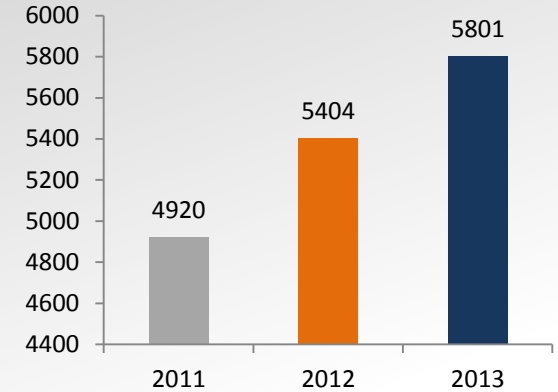
Month of June 2013

|                                            |                |                | % Variances    |                     |                 |
|--------------------------------------------|----------------|----------------|----------------|---------------------|-----------------|
|                                            | Actual<br>2013 | Budget<br>2013 | Actual<br>2012 | Actual to<br>Budget | 2013 to<br>2012 |
| <b>Inpatient Gross Revenues</b>            | \$ 112,142,247 | \$ 120,358,760 | \$ 107,726,179 | -6.8%               | 4.1%            |
| <b>Outpatient Gross Revenues</b>           | \$ 108,591,070 | \$ 111,772,289 | \$ 103,438,486 | -2.8%               | 5.0%            |
| <b>Surgical Procedures:</b>                |                |                |                |                     |                 |
| <b>Inpatient (excludes Misc/Out of OR)</b> | 1,081          | 1,085          | 1,081          | -0.4%               | 0.0%            |
| <b>Outpatient</b>                          | 624            | 680            | 700            | -8.2%               | -10.9%          |
| <b>AFCH</b>                                | 448            | 427            | 450            | 4.9%                | -0.4%           |
| <b>Subtotal</b>                            | 2,153          | 2,192          | 2,231          | -1.8%               | -3.5%           |
| <b>Misc./Out of OR</b>                     | 291            | 254            | 273            | 14.6%               | 6.6%            |
| <b>Total Surgical Procedures</b>           | 2,444          | 2,446          | 2,504          | -0.1%               | -2.4%           |
| <b>Transplants</b>                         |                |                |                |                     |                 |
| <b>Deceased Donor</b>                      | 32             | 36             | 29             | -11.1%              | 10.3%           |
| <b>Living</b>                              | 7              | 13             | 7              | -46.2%              | 0.0%            |
| <b>Total</b>                               | 39             | 49             | 36             | -20.4%              | 8.3%            |
| <b>Cardiology Invasive Lab Procedures</b>  |                |                |                |                     |                 |
| <b>Cardiovascular Lab</b>                  | 529            | 771            | 479            | -31.4%              | 10.4%           |
| <b>Electrophysiology Lab</b>               | 95             | 202            | 136            | -53.0%              | -30.1%          |
| <b>Total</b>                               | 624            | 973            | 615            | -35.9%              | 1.5%            |
| <b>Emergency Room Visits</b>               | 3,952          | 3,978          | 4,004          | -0.7%               | -1.3%           |
| <b>Radiology Procedures:</b>               |                |                |                |                     |                 |
| <b>MRI</b>                                 | 2,462          | 2,413          | 2,438          | 2.0%                | 1.0%            |
| <b>CT Scans</b>                            | 5,079          | 5,560          | 5,346          | -8.7%               | -5.0%           |
| <b>Other</b>                               | 19,577         | 21,576         | 20,569         | -9.3%               | -4.8%           |
| <b>Total Radiology Procedures</b>          | 27,118         | 29,549         | 28,353         | -8.2%               | -4.4%           |
| <b>Radiation Therapy Procedures</b>        | 3,195          | 3,035          | 3,512          | 5.3%                | -9.0%           |

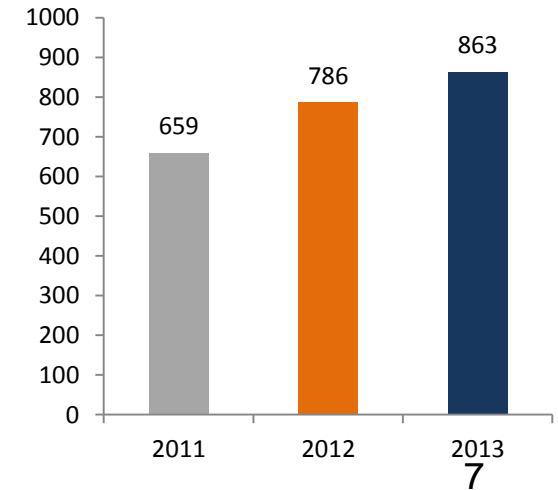
# Regional Hospital Transfers and Diversions & Cancelled Hospital Transfers Due to Lack of Beds



## Regional YTD

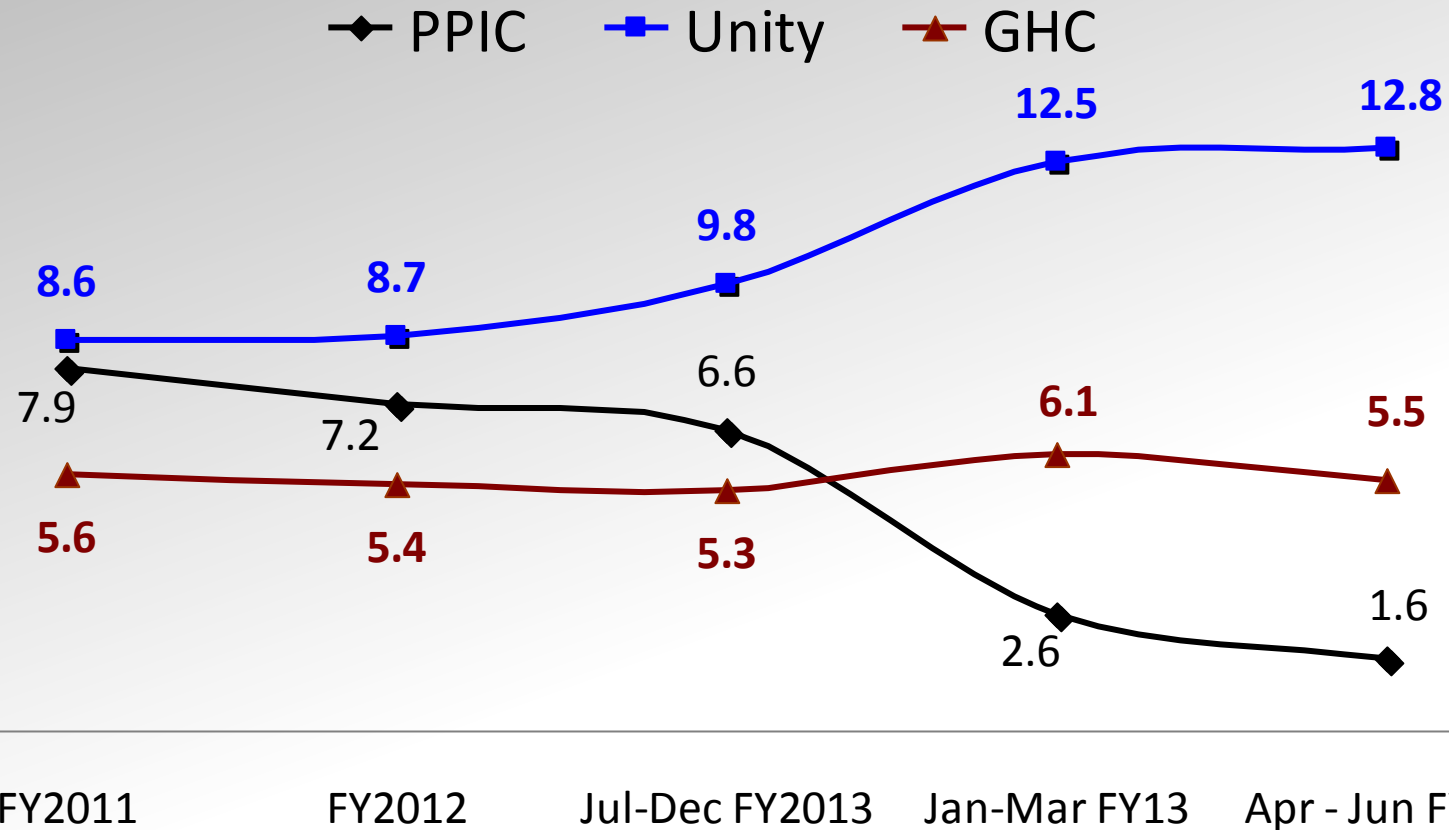


## Local YTD



\* Both excludes Local and Regional Transfers to UWHC Emergency Department, not admitted.

# Selected HMO/PPO % of Gross Charges





# Summary of Operating Results

Month of June 2013

|                                              | Actual<br>June 2013 | Budget<br>June 2013 | Variance<br>Favorable<br>(Unfavorable) | % Variance | Actual<br>June 2012 |
|----------------------------------------------|---------------------|---------------------|----------------------------------------|------------|---------------------|
| Operating Revenue                            | \$ 103,556,163      | \$ 104,701,995      | \$ (1,145,832)                         | -1.1%      | \$ 123,108,193      |
| Operating Expenses:                          |                     |                     |                                        |            |                     |
| Salary & Fringe Benefits                     | 51,418,939          | 50,169,521          | (1,249,418)                            | -2.5%      | 49,037,817          |
| Supplies & Other expenses                    | 49,467,516          | 46,993,563          | (2,473,953)                            | -5.3%      | 60,325,513          |
| Total Operating Expenses                     | 100,886,455         | 97,163,084          | (3,723,371)                            | -3.8%      | 109,363,330         |
| Income from Operations<br>(Operating Margin) | \$ 2,669,708        | \$ 7,538,911        | \$ (4,869,203)                         | -64.6%     | \$ 13,744,863       |
| Non-Operating Income/(Loss or<br>Expense)    | (3,776,332)         | 1,170,074           | (4,946,406)                            | >-100%     | 848,376             |
| Net Income/ Loss<br>(Total Margin)           | \$ (1,106,624)      | \$ 8,708,985        | \$ (9,815,609)                         | >-100%     | \$ 14,593,239       |

# Non Operating Income (Loss)

Month of June 2013

|                                                                                                     | Actual<br>June 2013   | Budget<br>June 2013 | Variance<br>Favorable<br>(Unfavorable) | % Variance       | Actual<br>June 2013 |
|-----------------------------------------------------------------------------------------------------|-----------------------|---------------------|----------------------------------------|------------------|---------------------|
| Investment Income & Other Non-Operating Income                                                      | \$ 1,393,546          | \$ 953,696          | \$ 439,850                             | 46.1%            | \$ (4,527,581)      |
| Payment to University of WI School of Medicine<br>and Public Health for capital expenditure support | -                     | -                   | -                                      | 0.0%             | (3,001,037)         |
| Change in Fair Value Gain/Loss on Investments                                                       | (7,184,182)           | -                   | (7,184,182)                            | -100.0%          | 529,174             |
| Change in Fair Value Gain/Loss on Swap Agreements                                                   | 769,813               | -                   | 769,813                                | 100.0%           | 7,375,705           |
| <b>Joint Venture Income/Losses:</b>                                                                 |                       |                     |                                        |                  |                     |
| Wisconsin Therapies/Chartwell                                                                       | 50,520                | 35,440              | 15,080                                 | 42.6%            | 87,771              |
| Wisconsin Dialysis                                                                                  | 75,357                | 36,986              | 38,371                                 | >100%            | 75,551              |
| UHC/Unity                                                                                           | 709,843               | (2,301)             | 712,144                                | >100%            | 107,082             |
| UHC/e-Care                                                                                          | (32,817)              | (40,849)            | 8,032                                  | 19.7%            | (29,754)            |
| Madison Surgery Center                                                                              | 462,483               | 231,403             | 231,080                                | 99.9%            | 277,688             |
| Madison United Healthcare Linen                                                                     | (26,608)              | -                   | (26,608)                               | -100.0%          | (19,188)            |
| Madison Environmental Resourcing                                                                    | 40,945                | 1,644               | 39,301                                 | >100%            | 3,299               |
| Generations Fertility Care                                                                          | (35,232)              | (45,945)            | 10,713                                 | 23.3%            | (30,334)            |
| <b>Total</b>                                                                                        | <b>\$ (3,776,332)</b> | <b>\$ 1,170,074</b> | <b>\$ (4,946,406)</b>                  | <b>&gt;-100%</b> | <b>\$ 848,376</b>   |

# Other Key Ancillary Service Activity Indicators

Twelve Months Ended June 30, 2013 – Pending Audit Results

|                                            | Actual<br>FY '13        | Budget<br>FY '13        | Actual<br>FY '12        | % Variances         |                   |
|--------------------------------------------|-------------------------|-------------------------|-------------------------|---------------------|-------------------|
|                                            |                         |                         |                         | Actual to<br>Budget | FY 13 to<br>FY 12 |
| <b>Inpatient Gross Revenues</b>            | <b>\$ 1,408,321,347</b> | <b>\$ 1,403,662,732</b> | <b>\$ 1,272,545,416</b> | <b>0.3%</b>         | <b>10.7%</b>      |
| <b>Outpatient Gross Revenues</b>           | <b>\$ 1,313,680,363</b> | <b>\$ 1,294,450,086</b> | <b>\$ 1,212,300,020</b> | <b>1.5%</b>         | <b>8.4%</b>       |
| <b>Surgical Procedures:</b>                |                         |                         |                         |                     |                   |
| <b>Inpatient (excludes Misc/Out of OR)</b> | <b>13,365</b>           | <b>13,460</b>           | <b>12,845</b>           | <b>-0.7%</b>        | <b>4.0%</b>       |
| <b>Outpatient</b>                          | <b>8,269</b>            | <b>8,430</b>            | <b>8,414</b>            | <b>-1.9%</b>        | <b>-1.7%</b>      |
| <b>AFCH</b>                                | <b>5,179</b>            | <b>5,296</b>            | <b>5,179</b>            | <b>-2.2%</b>        | <b>0.0%</b>       |
| <b>Subtotal</b>                            | <b>26,813</b>           | <b>27,186</b>           | <b>26,438</b>           | <b>-1.4%</b>        | <b>1.4%</b>       |
| <b>Misc./Out of OR</b>                     | <b>3,491</b>            | <b>3,150</b>            | <b>3,171</b>            | <b>10.8%</b>        | <b>10.1%</b>      |
| <b>Total</b>                               | <b>30,304</b>           | <b>30,336</b>           | <b>29,609</b>           | <b>-0.1%</b>        | <b>2.3%</b>       |
| <b>Transplants</b>                         |                         |                         |                         |                     |                   |
| <b>Cadaver</b>                             | <b>396</b>              | <b>356</b>              | <b>300</b>              | <b>11.2%</b>        | <b>32.0%</b>      |
| <b>Living</b>                              | <b>91</b>               | <b>113</b>              | <b>99</b>               | <b>-19.5%</b>       | <b>-8.1%</b>      |
| <b>Total</b>                               | <b>487</b>              | <b>469</b>              | <b>399</b>              | <b>3.8%</b>         | <b>22.1%</b>      |
| <b>Cardiology Invasive Lab Procedures</b>  |                         |                         |                         |                     |                   |
| <b>Cardiovascular Lab</b>                  | <b>6,909</b>            | <b>6,963</b>            | <b>6,869</b>            | <b>-0.8%</b>        | <b>0.6%</b>       |
| <b>Electrophysiology Lab</b>               | <b>1,584</b>            | <b>1,560</b>            | <b>1,767</b>            | <b>1.5%</b>         | <b>-10.4%</b>     |
| <b>Total</b>                               | <b>8,493</b>            | <b>8,523</b>            | <b>8,636</b>            | <b>-0.4%</b>        | <b>-1.7%</b>      |
| <b>Emergency Room Visits</b>               | <b>47,369</b>           | <b>48,434</b>           | <b>46,276</b>           | <b>-2.2%</b>        | <b>2.4%</b>       |
| <b>Radiology Procedures:</b>               |                         |                         |                         |                     |                   |
| <b>MRI</b>                                 | <b>29,262</b>           | <b>29,300</b>           | <b>29,192</b>           | <b>-0.1%</b>        | <b>0.2%</b>       |
| <b>CT Scans</b>                            | <b>62,916</b>           | <b>65,416</b>           | <b>62,378</b>           | <b>-3.8%</b>        | <b>0.9%</b>       |
| <b>Other</b>                               | <b>248,204</b>          | <b>257,640</b>          | <b>246,212</b>          | <b>-3.7%</b>        | <b>0.8%</b>       |
| <b>Total Radiology Procedures</b>          | <b>340,382</b>          | <b>352,356</b>          | <b>337,782</b>          | <b>-3.4%</b>        | <b>0.8%</b>       |
| <b>Radiation Therapy Procedures</b>        | <b>39,424</b>           | <b>37,539</b>           | <b>37,493</b>           | <b>5.0%</b>         | <b>5.2%</b>       |

# Summary of Operating Results

Twelve Months Ended June 30, 2013 – Pending Audit Results

(000) Omitted

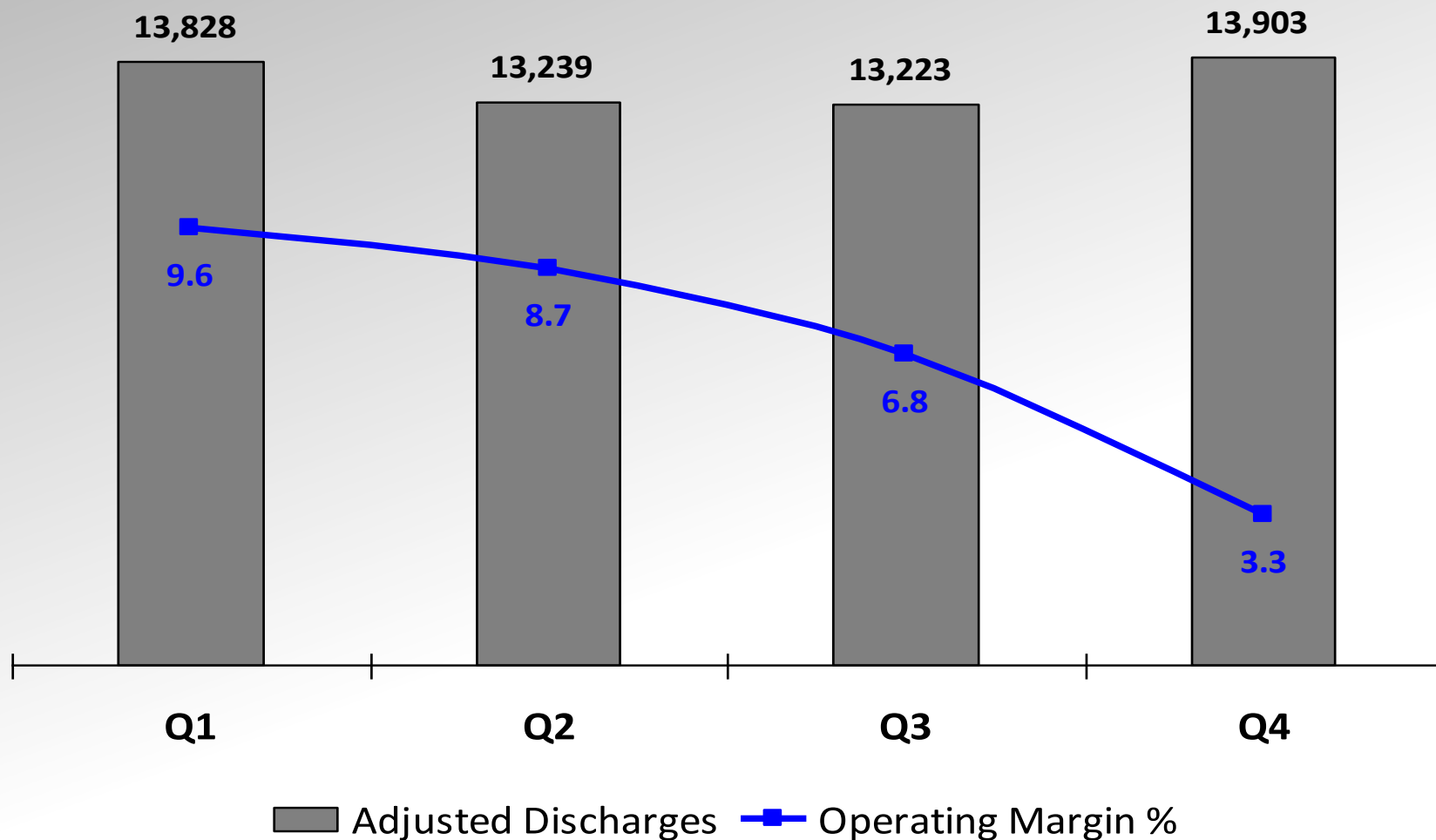
|                                                             | Actual<br>FY '13 | Budget<br>FY '13 | Actual<br>FY '12 | % Variances         |                   |
|-------------------------------------------------------------|------------------|------------------|------------------|---------------------|-------------------|
|                                                             |                  |                  |                  | Actual to<br>Budget | FY 13 to<br>FY 12 |
| Operating Revenue                                           | \$ 1,257,841     | \$ 1,226,181     | \$ 1,173,152     | 2.6%                | 7.2%              |
| Operating Expenses:                                         |                  |                  |                  |                     |                   |
| Salary & Fringe Benefits                                    | 598,687          | 602,860          | 571,990          | 0.7%                | -4.7%             |
| Supplies & Other expenses                                   | 560,017          | 545,437          | 499,693          | -2.7%               | -12.1%            |
| Total Operating Expenses                                    | 1,158,704        | 1,148,297        | 1,071,683        | -0.9%               | -8.1%             |
| Income from Operations<br><i>(Operating Margin of 7.9%)</i> | \$ 99,137        | \$ 77,884        | \$ 101,469       | 27.3%               | -2.3%             |
| Non-Operating Income/(Loss or Expense)                      | 20,637           | 9,346            | 7                | >100%               | >100%             |
| Net Income                                                  | \$119,774        | \$87,230         | \$101,476        | 37.3%               | 18.0%             |

# Non-Operating Income (Loss)

Twelve Months Ended June 30, 2013 – Pending Audit Results  
(000) Omitted

|                                                                                                     | Actual<br>FY '13 | Budget<br>FY '13 | Actual<br>FY '12 | % Variances         |                   |
|-----------------------------------------------------------------------------------------------------|------------------|------------------|------------------|---------------------|-------------------|
|                                                                                                     |                  |                  |                  | Actual to<br>Budget | FY 13 to<br>FY 12 |
| Investment Income & Other Non-Operating Income                                                      | \$ 21,724        | \$ 11,604        | \$ 10,372        | 87.2%               | >100%             |
| Payment to University of WI School of Medicine<br>and Public Health for capital expenditure support | (7,008)          | (4,890)          | (11,600)         | -43.3%              | 39.6%             |
| Change in Fair Value Gain (Loss) on Investments                                                     | (215)            | -                | (2,719)          | -100.0%             | 92.1%             |
| Change in Fair Value Gain (Loss) on Swap agreements                                                 | 2,869            | -                | 457              | 100.0%              | >100%             |
| UWHC portion of Joint Venture Income/Losses:                                                        |                  |                  |                  |                     |                   |
| Wisconsin Therapies/Chartwell                                                                       | 566              | 431              | 761              | 31.3%               | -25.6%            |
| Wisconsin Dialysis                                                                                  | 557              | 450              | 798              | 23.8%               | -30.2%            |
| UHC/Unity                                                                                           | (216)            | (28)             | 523              | >-100%              | >-100%            |
| UHC/e-Care                                                                                          | (361)            | (497)            | (831)            | 27.4%               | 56.6%             |
| Madison Surgery Center                                                                              | 3,048            | 2,815            | 2,640            | 8.3%                | 15.5%             |
| Madison United Healthcare Linen                                                                     | 14               | -                | 171              | 100.0%              | -91.8%            |
| Madison Environmental Resourcing                                                                    | 68               | 20               | 21               | >100%               | >100%             |
| Generations Fertility Care                                                                          | (409)            | (559)            | (586)            | 26.8%               | 30.2%             |
| <b>Total</b>                                                                                        | <b>\$ 20,637</b> | <b>\$ 9,346</b>  | <b>\$ 7</b>      | <b>&gt;100%</b>     | <b>&gt;100%</b>   |

# Summary of Volume and Margin by Quarter



# Performance Ratios

|                                  | Favorable<br>Direction | FY 13  | Budget<br>or<br>Target | Industry Comparisons  |                      |                        |
|----------------------------------|------------------------|--------|------------------------|-----------------------|----------------------|------------------------|
|                                  |                        |        |                        | S&P 500<br>"A+" Rated | Moodys<br>"A1" Rated | UWHCA Bond<br>Covenant |
| Operating Margin                 | ↑                      | 7.9%   | 6.4%                   | 3.7%                  | 3.6%                 |                        |
| Total Margin                     | ↑                      | 6.5%   | 7.1%                   | 6.3%                  | 6.4%                 |                        |
| Days Cash on Hand *              | ↑                      | 231    | 201                    | 246                   | 204                  | 90                     |
| Days in Accounts Receivable      | ↓                      | 43     | 45                     | 44                    | 45                   |                        |
| Debt Service Coverage Ratio **   | ↑                      | 4.9    | 7.8                    | 4.9                   | 5.1                  | 1.25                   |
| Long Term Debt to Capitalization | ↓                      | 36.0%  | 32.0%                  | 29.4%                 | 33.7%                | 65%                    |
| Operating Cash Flow              | ↑                      | 12.3%  | 10.5%                  | 10.5%                 | 10.7%                |                        |
| Cash-to-Debt                     | ↑                      | 152.6% | 153.4%                 | 183.7%                | 146.9%               |                        |

\* Days Cash on Hand calculated as a rolling 12 month average

# Accounts Receivable Monitoring Program

|                     | <b>Net<br/>Accounts<br/>Receivable</b> | <b>Net Days<br/>Revenue<br/>Outstanding</b> |
|---------------------|----------------------------------------|---------------------------------------------|
| <b>March 12</b>     | <b>130,269,352</b>                     | <b>43</b>                                   |
| <b>April 12</b>     | <b>121,953,391</b>                     | <b>39</b>                                   |
| <b>May 12</b>       | <b>126,177,981</b>                     | <b>40</b>                                   |
| <b>June 12</b>      | <b>149,863,427</b>                     | <b>44</b>                                   |
| <b>July 12</b>      | <b>149,854,133</b>                     | <b>43</b>                                   |
| <b>August 12</b>    | <b>145,041,891</b>                     | <b>41</b>                                   |
| <b>September 12</b> | <b>149,307,660</b>                     | <b>46</b>                                   |
| <b>October 12</b>   | <b>145,739,946</b>                     | <b>44</b>                                   |
| <b>November 12</b>  | <b>148,992,105</b>                     | <b>42</b>                                   |
| <b>December 12</b>  | <b>147,177,847</b>                     | <b>42</b>                                   |
| <b>January 13</b>   | <b>156,947,749</b>                     | <b>45</b>                                   |
| <b>February 13</b>  | <b>156,973,659</b>                     | <b>49</b>                                   |
| <b>March 13</b>     | <b>157,122,579</b>                     | <b>47</b>                                   |
| <b>April 13</b>     | <b>151,039,643</b>                     | <b>45</b>                                   |
| <b>May 13</b>       | <b>139,691,893</b>                     | <b>43</b>                                   |
| <b>June 13</b>      | <b>143,255,504</b>                     | <b>43</b>                                   |



# Comparison of Charity Care & Bad Debt Expense

|                                             | FY 13<br>Actual      | FY 13<br>Budget      | Variance              | %<br>Variance | FY 12<br>Actual      | Variance             | %<br>Variance |
|---------------------------------------------|----------------------|----------------------|-----------------------|---------------|----------------------|----------------------|---------------|
| Charity                                     | \$ 62,127,665        | \$ 62,056,595        | \$ 71,070             | 0.1%          | \$ 53,065,261        | \$ 9,062,404         | 17.1%         |
| % of Revenue                                | 2.28%                | 2.30%                |                       |               | 2.14%                |                      |               |
| Bad Debt                                    | 26,137,405           | 32,377,354           | (6,239,949)           | -19.3%        | 20,077,944           | \$6,059,461          | 30.2%         |
| % of Revenue                                | 0.96%                | 1.20%                |                       |               | 0.81%                |                      |               |
| <b>Total</b>                                | <b>\$ 88,265,070</b> | <b>\$ 94,433,949</b> | <b>\$ (6,168,879)</b> | <b>-6.5%</b>  | <b>\$ 73,143,205</b> | <b>\$ 15,121,865</b> | <b>20.7%</b>  |
| Gross Revenue                               | \$ 2,722,001,710     | \$ 2,698,112,818     | \$ 23,888,892         | 0.9%          | \$ 2,484,845,436     | \$ 237,156,274       | 9.5%          |
| Total Bad Debt &<br>Charity as % of Revenue | 3.2%                 | 3.5%                 |                       |               | 2.9%                 |                      |               |

# EBITDA Compared to Debt Service & Capital Expenditures

(000) Omitted

|                                                                                                             | <u>Actual</u>      | <u>Budget</u>      |
|-------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| <b><u>Cash Provided:</u></b>                                                                                |                    |                    |
| Net Income, excluding change in fair value gains/losses & payment to UWSMPH for capital expenditure support | \$124,128          | \$92,120           |
| Depreciation                                                                                                | 44,210             | 42,406             |
| Interest Expense                                                                                            | 11,024             | 8,181              |
| EBITDA                                                                                                      | <u>\$ 179,362</u>  | <u>\$ 142,707</u>  |
| <b><u>Cash (Used) for Capital Expenditures, Debt Service and Working Capital:</u></b>                       |                    |                    |
| Capital Expenditures                                                                                        | (90,772)           | (131,800)          |
| Est Annual Debt Service                                                                                     | (21,520)           | (18,371)           |
| Capital Contribution to UW for Capital Expenditures                                                         | (7,008)            | (4,890)            |
| Capital Contribution in Joint Ventures                                                                      | (3,650)            | (2,710)            |
| Decrease (increase) in Working Capital                                                                      | 20,511             | 6,171              |
| Total (Used) Provided                                                                                       | <u>(\$102,439)</u> | <u>(\$151,600)</u> |
| Cash Available for Temporary Investment and Future Capital Expenditures                                     | <u>\$ 76,923</u>   | <u>\$ (8,893)</u>  |

# Summary of Changes in Net Assets

Twelve Months Ended June 30, 2013 – Pending Audit Results

|                                                                                                                |                             |
|----------------------------------------------------------------------------------------------------------------|-----------------------------|
| Net assets at beginning of period                                                                              | <u>\$774,796,822</u>        |
| Net income, excluding change in fair value gains/losses and payments to UWMSPH for capital expenditure support | 124,128,951                 |
| Change in Fair value of investments                                                                            | (215,224)                   |
| Change in Fair value of swap agreements                                                                        | 2,868,695                   |
| Payments to UW School of Medicine and Public Health for capital expenditure support                            | (7,008,243)                 |
| Capital grants, gifts and donations                                                                            | 2,678,356                   |
| Additions to permanent gift endowments                                                                         | (54,373)                    |
| Increase in net assets                                                                                         | <u>\$122,398,162</u>        |
| Net assets at end of period                                                                                    | <u><u>\$897,194,984</u></u> |

# Comparison to Local Competitors

## May 31, 2013\* vs. 2012

|                                         | <u>UWHC</u>   | <u>Meriter</u> | <u>St. Mary's</u> | <u>Total</u>  |
|-----------------------------------------|---------------|----------------|-------------------|---------------|
| <b>% Change in Admissions</b>           |               |                |                   |               |
| <b>Current Month</b>                    | <b>(1.3)%</b> | <b>0.5%</b>    | <b>8.6%</b>       | <b>2.1%</b>   |
| <b>3 Month Rolling Average</b>          | <b>5.1%</b>   | <b>(0.6)%</b>  | <b>3.8%</b>       | <b>3.2%</b>   |
| <b>12 Month Rolling Average</b>         | <b>3.8%</b>   | <b>(5.2)%</b>  | <b>(1.3)%</b>     | <b>(0.3)%</b> |
| <b>% Change in Average Daily Census</b> |               |                |                   |               |
| <b>Current Month</b>                    | <b>(5.5)%</b> | <b>9.0%</b>    | <b>0.0%</b>       | <b>(0.6)%</b> |
| <b>3 Month Rolling Average</b>          | <b>3.3%</b>   | <b>6.8%</b>    | <b>1.8%</b>       | <b>3.7%</b>   |
| <b>12 Month Rolling Average</b>         | <b>3.8%</b>   | <b>1.1%</b>    | <b>(1.1)%</b>     | <b>1.7%</b>   |

\*June 30, 2013 data not yet available

# UWHC Investment Balances & Returns

| <u>Account</u>                                | <u>June<br/>Market Value<br/>Balances</u> | <u>Investment<br/>Allocation</u> | <u>June YTD<br/>Investment<br/>Return</u> | <u>Benchmark</u>  |
|-----------------------------------------------|-------------------------------------------|----------------------------------|-------------------------------------------|-------------------|
| <b>Operating Account and Commercial Paper</b> |                                           |                                  |                                           |                   |
| US Bank                                       | \$ 65,848,577                             | 9.2%                             | 0.27%                                     | 0.07% <b>(A)</b>  |
| <b>Short Term Bond Fund</b>                   |                                           |                                  |                                           |                   |
| USBank/Nuveen                                 | \$ 162,195,550                            | 22.6%                            | 1.79%                                     | -3.08% <b>(B)</b> |
| <b>Intermediate Bond Fund</b>                 |                                           |                                  |                                           |                   |
| USBank/Baird                                  | \$ 223,301,980                            | 31.2%                            | 1.15%                                     | -1.38% <b>(C)</b> |
| <b>Capital Replacement Fund</b>               |                                           |                                  |                                           |                   |
| Account - UW Foundation                       | \$ 157,077,401                            | 21.9%                            | 0.21%                                     | 0.21% <b>(D)</b>  |
| <b>Endowment Fund</b>                         |                                           |                                  |                                           |                   |
| <b>Securities</b>                             |                                           |                                  |                                           |                   |
| UW Foundation                                 | \$108,313,964                             | 15.1%                            | 10.28%                                    | 12.31% <b>(E)</b> |
| <b>Total Unrestricted Funds</b>               | <b>\$ 716,737,472</b>                     | <b>100.0%</b>                    | <b>2.4%</b>                               | <b>0.8%</b>       |

(A) 90-day Treasury Bills

(B) Barclays 1-3 year Gov/ Credit less fees

(C) Barclays Capital Intermediate Gov/ Credit less fees

(D) Average 1 Month LIBOR

(E) 75% of Russell Global plus 25% of Barclays Global Aggregate Bond less fees