

UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY
Minutes of Board of Directors Meeting

September 4, 2012

PRESENT: David Walsh (Chair), Jeffrey Bartell, Tom Basting, Wendy Coomer, Rick Fetherston, Dean Robert Golden, Rep. Howard Marklein, Dean Katharyn May, Sen. Luther Olsen, Pablo Sanchez, Chancellor David Ward, Michael Weiden, and Dr. George Wilding

EXCUSED: Michael Falbo and Dr. Humberto Vidaillet

LIAISONS: Donna Katen-Bahensky

STAFF: Mike Buhl, Jan Bultema, Jim Dechene, Suzanne Droste, Beth Houlahan, Jay Robaidek, and Ron Sliwinski

GUESTS: John Sender and Terry Bolz

1. Call to Order

Mr. Walsh, Chair, opened the meeting of the Board of Directors of the University of Wisconsin Hospitals and Clinics Authority at 8:45 a.m. A quorum was present.

2. Presentations

Mr. Sender gave a presentation to the Board describing the status of healthcare legislation and changes from the national political perspective. Mr. Bolz gave a presentation to the Board describing the local health care market and changes that are coming under healthcare reform.

The Board took no action.

The meeting adjourned.

Respectfully Submitted,

James C. Dechene, Secretary

UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY
Minutes of Board of Directors Meeting

September 5, 2012

PRESENT: David Walsh (Chair), Jeffrey Bartell, Tom Basting, Rick Fetherston, Dean Robert Golden, Rep. Howard Marklein, Dean Katharyn May, Sen. Luther Olsen, Dr. Humberto Vidaillet, Chancellor David Ward, Michael Weiden, and Dr. George Wilding

EXCUSED: Wendy Coomer, Michael Falbo, and Pablo Sanchez

LIAISONS: Donna Katen-Bahensky and Dr. Nathan Rudin

STAFF: Mike Buhl, Jan Bultema, Jim Dechene, Suzanne Droste, Beth Houlahan, Jay Robaidek, and Ron Sliwinski

GUESTS: Tom Robertson

1. Call to Order

Mr. Walsh, Chair, opened the meeting of the Board of Directors of the University of Wisconsin Hospitals and Clinics Authority at 8:45 a.m. A quorum was present.

2. Approval of Minutes of July 11, 2012 Authority Board Meeting

Mr. Weiden moved approval of the minutes of the July 11, 2012 meeting. Dr. Wilding seconded the motion and it passed unanimously.

3. Review and Approval of Medical Staff Membership and Clinical Privileges

Dr. Nathan Rudin, President of the Medical Staff, presented the Medical Board recommendations concerning medical staff memberships and clinical privileges. Chancellor Ward moved that the recommendations be approved. Dean May seconded the motion and it passed unanimously.

4. Notice to the State of Wisconsin to Increase Borrowing

Mike Buhl, Sr. VP and Chief Financial Officer, presented the Board with a resolution authorizing UWHCA to submit notice to the state of its intent to increase its borrowing. This borrowing will be used to finance the facilities being built on the east side of Madison and other purposes. This resolution does not authorize the borrowing; a separate Board resolution will be required to authorize the borrowing. This resolution authorizes the start of the state passive review process. If the state does not object within thirty days, UWHCA may increase its borrowing. Mr. Basting moved the adoption of the resolution [Exhibit 1] authorizing the notice. Mr. Weiden seconded the motion and it passed unanimously.

5. Modifying the FY 2013 Capital Budget

Mr. Buhl presented a request to modify the previously approved FY 2013 capital budget by adding \$8 million to the total and adding items to the list of approved capital budget items, related to Radiation Oncology, Radiology and urgent needs. Mr. Buhl explained the reason these items were added now is because it was believed that our current equipment in these areas would last the fiscal year but since the capital budget was approved, it became apparent the equipment needed to be replaced sooner than anticipated. It was asked how many other items were not financed this fiscal year but could end up needing replacement. Ron Sliwinski, the Chief Operating Officer, explained these are the only large items that were not budgeted for this year that are believed to require action and additional requests are not anticipated. Dr. Vidaillet moved the adoption of the resolution [Exhibit 2] approving the modifications. Dean Golden seconded the motion and it passed unanimously.

6. Closed Session

There being no other matters for the open session, Mr. Walsh proposed to take the meeting into closed session as previously announced. Mr. Walsh announced that the purpose for the closed session was for the discussion of financial and other matters, including budgetary matters which for competitive reasons require a closed session, as provided in section 19.85(1)(e), Wis. Stat.; and to consider employment and performance evaluation data of public employees, as provided in section 19.85(1)(c), Wis. Stat.; and for review of the services of health care providers, pursuant to section 146.38, Wis. Stat.

Rep. Marklein moved that the Board enter closed session. Dean Golden seconded the motion. The motion passed with a unanimous roll call vote. The following members voted for the motion: David Walsh (Chair), Jeffrey Bartell, Tom Basting, Rick Fetherston, Dean Robert Golden, Rep. Howard Marklein, Dean Katharyn May, Sen. Luther Olsen, Dr. Humberto Vidaillet, Chancellor David Ward, Michael Weiden, and Dr. George Wilding.

The Board took no action in the closed session.

The meeting adjourned.

Respectfully Submitted,

James C. Dechene, Secretary

Exhibit 1

**University of Wisconsin Hospitals and Clinics Authority
Board of Directors**

RESOLUTION AUTHORIZING SUBMISSION OF PROPOSED ISSUANCE OF BONDS TO
THE JOINT COMMITTEE ON FINANCE AND THE SECRETARY OF ADMINISTRATION

Approved September 5, 2012

WHEREAS, the University of Wisconsin Hospitals and Clinics Authority (UWHCA) is authorized to issue bonds if certain conditions are met;

WHEREAS, when UWHCA has a bond rating of A or better, one of those conditions is the submission of notice of the proposed bond issuance to the joint committee on finance and the secretary of administration for review pursuant to s. 233.20.(3m)(b), Wis. Stat.;

WHEREAS, UWHCA has the required bond rating to be eligible for the above review process;

WHEREAS, the Finance Committee has recommended giving the prescribed notice;

NOW, THEREFORE,

1. The Board of Directors authorizes the senior management of UWHCA to submit notice to the joint committee on finance and the secretary of administration for review the issuance of up to \$225 million in new bonds by UWHCA to use the proceeds to pay all or a portion of the cost of the following:

- (i) the acquisition of land related to any of the following described projects;
- (ii) the construction of East Campus project, the expansion and build out of the American Family Children's Hospital, and construction of the Autopsy & Pathology suite at the Highland campus, and certain other planned capital building improvements and equipment expenditures;
- (iii) site preparation and similar costs incident to commencement of the above-described projects;
- (iv) the acquisition and installation of equipment for UWHCA's facilities, including the new projects described above; and
- (v) architectural, engineering, surveying, soil testing, reimbursement bond issuance and similar costs that are incurred prior to the commencement of the activities described in this paragraph.

2. Upon completion of the required review another resolution of the Board of Directors will be required to authorize the issuance of the bonds.

University of Wisconsin Hospitals and Clinics Authority
Board of Directors

RESOLUTION MODIFYING FY 2013 CAPITAL BUDGET

Approved September 5, 2012

WHEREAS, the Board of Directors of the University of Wisconsin Hospitals and Clinics Authority (UWHCA) approved the FY 2013 Capital Budget on June 6, 2013;

WHEREAS, the UWHCA has the funds and needs to make additional capital expenditures in FY 2013;

WHEREAS, the Finance Committee has recommend that the capital budget be increased by \$8 million and additional items be added to as approved capital budget items;

NOW, THEREFORE,

The Board of Directors of UWHCA approves:

- (1) increasing the authorized capital budget for FY 2013 by \$8 million;
- (2) adding replacement of the 12 year old Linear Accelerator in radiation oncology as an approved capital budget item (approximately \$5 million).
- (3) adding replacement of three to five items in Radiology approved by the CEO as approved capital budget items (approximately \$1 million).
- (4) adding urgent needs of nursing, facilities and information technology approved by the CEO as approved capital budget items (approximately \$2 million).