

WHEFA

WHEFA has been providing active capital financing assistance to Wisconsin non-profit healthcare institutions since 1979. WHEFA's statute has been subsequently expanded to include the issuance of bonds for the benefit of independent colleges and universities, independent K-12 schools, continuing care facilities and health education centers.

WHEFA staff assists healthcare and educational institutions in analyzing financing alternatives and in structuring revenue bond issues to meet their needs. Funds for each project are obtained through the sale of revenue bonds of WHEFA. Bonds are sold to institutional lenders in "direct placement" transactions and to individual and institutional investors in "public offerings". Bond sale proceeds are loaned by WHEFA to the borrowing institution or project sponsor. Additional benefits and economies are gained when WHEFA does system financings, pooled loan programs, or structured financing programs which are utilized by multiple borrowers.

The credit supporting any WHEFA bond issue is the credit of the borrowing institutions involved. The availability of financing depends in each case upon the credit-worthiness of those institutions. WHEFA bonds are not a debt, liability, or "moral" obligation of the State of Wisconsin. In most cases, interest paid on WHEFA bonds is exempt from federal income taxation, resulting in materially lower financing costs to the borrowing institution. Interest on bonds issued by WHEFA is not exempt from present Wisconsin income taxation.

THE BENEFITS OF A WHEFA FINANCING

WHEFA staff assists healthcare and educational institutions in a variety of different ways, which may include:

- Providing front end analysis and advice when borrowers are deciding among financing alternatives and credit enhancements.
- Imparting the knowledge and experiences from one transaction to another.
- Employing high quality professionals, thereby standardizing work at a high level.
- Confirming interest rates negotiated are appropriate.
- Expediting the financing process.
- Verifying that costs of issuance are appropriate.
- Having the ability to issue one series of bonds for multiple locations (including contiguous states).
- Providing educational assistance through newsletters and conferences.
- Offering assistance in the determination of eligibility for tax-exempt financing.
- Developing unique financing alternatives.
- Advocating for the continuation and improvement of the tax-exempt financing process.
- Maintaining professional competence through membership in the National Association of Health & Educational Facilities Finance Authorities (NAHEFFA).

WHEFA ACTIVITY

During its fiscal year ending June 30, 2008, WHEFA successfully completed 28 financings totaling \$1,042,755,000. Forty-five percent of the bonds issued were used to refinance outstanding debt, thus substantially reducing debt service costs. Four borrowers used WHEFA for the first time. As of June 30, 2008, WHEFA has participated in 579 bond issues totaling \$13.01 billion over its 29-year history.

RECENT WHEFA FINANCINGS

WHEFA has successfully completed a number of financings during fiscal year 2008. Some recent activity includes:

- Bay Area Medical Center, Marinette
New Money - \$40,000,000
- St. Norbert College, Depere
New Money - \$29,000,000
- Riverview Hospital Association, WI Rapids
New Money - \$28,000,000
- Goodwill Industries of NC WI
New Money - \$9,255,000
- St. Anne's Assisted Living, Milwaukee
New Money - \$7,310,000

MISSION STATEMENT

The Wisconsin Health & Educational Facilities Authority actively assists all eligible Wisconsin health care and educational institutions to obtain and maintain access to the broadest range of low cost, private capital market financing possible.

VISION STATEMENT

WHEFA will continue to be an organization that prides itself on being an ally to borrowers representing tax-exempt health and educational organizations. WHEFA fulfills its mission by providing prompt and customer-friendly services and effective two-way communications with borrowers, lenders, government, legislators, the public, trade associations and financing team participants.

An important part of WHEFA's future "vision" is its role as a "thought leader" – an organization that is knowledgeable and reacts to the changing healthcare and educational needs of Wisconsin's citizens by researching trends and issues that affect the industries served and offering innovative approaches to securing the capital to meet those needs. This includes serving as an educational conduit and clearinghouse for information relevant to borrowers, lenders, government, legislators, the public, trade associations and financing team participants; and, when necessary, serving as an advocate for legislative change to help ensure that its statutory authority is consistent with contemporary financing needs (by authorizing new financing models, new uses of borrowed funds and new tax-exempt borrowers).

WHEFA's ability to achieve its vision is dependent upon its commitment to effective Board leadership and operational excellence. These characteristics are exemplified by strong Board oversight of operations; the use of performance indicators to ensure that strategic objectives are being met (or exceeded); a Board that is well-informed about the industries served and that stays abreast of financing needs; and policies that provide for the recruitment and retention of high-quality, experienced staff to implement WHEFA's programs and services.

WHEFA MEMBERS

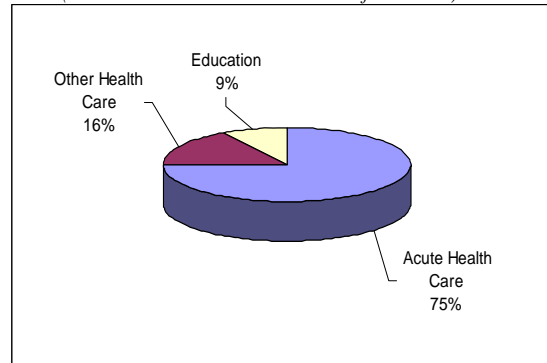
John A. Noreika, *Chairperson*
Tim Size, *Vice-Chairperson*
Tonit M. Calaway
Richard J. Canter
Bruce Colburn
Beth L. Gillis, MD
Ken Thompson

WHEFA STAFF

Lawrence R. Nines, *Executive Director*
Dennis P. Reilly, *Associate Executive Director*
Tanya L. Wilson, *Operations & Finance Analyst*
Stephanie L. Schirripa, *Administrative Assistant*

WHEFA ACTIVITY

(TOTAL DOLLARS ISSUED – as of 06/30/07)



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WISCONSIN HEALTH AND EDUCATIONAL FACILITIES AUTHORITY

