State of Illinois – General Revenue Fund
Estimated Accumulated Unpaid Vouchers and % of Appropriation

TOTAL ACCOUNTS PAYABLE at FISCAL YEAR END

Dollars in Billions

FY 2012: Nearly $8.0 billion
(CGFA est.)

Appropriations based on CGFA Budget Summaries.
GRF Appropriations to the University of Illinois
FY 2002 – FY 2013

(Dollars in Millions)

- Total Enrollment FY 2002 over 67,000
- Total Enrollment FY 2012 over 77,600

In Constant FY 2012 Dollars (CPI)

FY 2009 – FY 2013 Do Not include the transfer of the State Scientific Surveys.
State Appropriation Revenue
Unrestricted Funds

Billings and Collections through November 5, 2012

Dollars in Millions

- FY09 appropriation includes $18.6 million rescission. FY09 as of October 31st.
- FY10 appropriation includes $45.5 million of federal stimulus funding and restoration of FY09 rescission.

Does not include $28.3 million Receivable due for Fall MAP billings.

FY09 appropriation includes $18.6 million rescission. FY09 as of October 31st.
FY10 appropriation includes $45.5 million of federal stimulus funding and restoration of FY09 rescission.
UI Month End GRF Receivable & Percent of State Budget
Fiscal Year 2007 through Fiscal Year 2013
As of November 5, 2012

Dollars in Millions

Receivables as of June 30th for each of the following fiscal years were: 2009 ($125.9M), 2010 ($278.5M), 2011 ($312.7M), 2012 ($206.7M).
Income Fund (Tuition) Revenue
Unrestricted Funds
Fiscal Years 2009 – 2013
Collections and Billed through September 30th of Fiscal Years 2012 & 2013

Dollars in Millions

- FY09: $648
- FY10: $730
- FY11: $834
- FY12: $939
- FY13: $1,012

Budget: $648, $730, $834, $939, $1,012
Billed through September 30th of Fiscal Years 2012 & 2013

Page 6
Payments on Behalf
FY 2002 – FY 2013
(Dollars in Millions)

* Retirement based on estimated historical share of SURS funding and fringe benefits based on 5 year average increase.
## State Universities Retirement System (SURS) Unfunded Pension Obligations

### (Dollars in Billions)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>All Other</th>
<th>U of I</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY00</td>
<td>$1.6</td>
<td>$0.6</td>
</tr>
<tr>
<td>FY01</td>
<td>$2.5</td>
<td>$1.7</td>
</tr>
<tr>
<td>FY02</td>
<td>$4.2</td>
<td>$2.7</td>
</tr>
<tr>
<td>FY03</td>
<td>$6.8</td>
<td>$4.1</td>
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<tr>
<td>FY04</td>
<td>$8.3</td>
<td>$5.0</td>
</tr>
<tr>
<td>FY05</td>
<td>$6.5</td>
<td>$3.3</td>
</tr>
<tr>
<td>FY06</td>
<td>$7.0</td>
<td>$3.9</td>
</tr>
<tr>
<td>FY07</td>
<td>$7.5</td>
<td>$4.2</td>
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<tr>
<td>FY08</td>
<td>$7.4</td>
<td>$4.5</td>
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<tr>
<td>FY09</td>
<td>$10.3</td>
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<td>FY10</td>
<td>$12.0</td>
<td>$7.2</td>
</tr>
<tr>
<td>FY11</td>
<td>$16.2</td>
<td>$9.7</td>
</tr>
<tr>
<td>FY12*</td>
<td>$19.3</td>
<td>$10.5</td>
</tr>
</tbody>
</table>

(At end of Fiscal Year, FY 2003-04 sale of Pension Bonds.)
FY 2012 is preliminary, U of I portion is estimated.
Utility Budget versus Actual Expenditures
Fiscal Year 2008 through Fiscal Year 2012

Dollars in Millions

2008: Budget $105, Actual $113
2009: Budget $113, Actual $120
2010: Budget $114, Actual $106
2011: Budget $110, Actual $98
2012: Budget $113, Actual $104
Hospital Revenue/Expense/Net Income
Fiscal Year 2012 versus Fiscal Year 2013 through September 30th

Dollars in Millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expense</th>
<th>Net Income plus Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$176.7</td>
<td>$174.3</td>
<td>$7.3</td>
</tr>
<tr>
<td>2013</td>
<td>$185.0</td>
<td>$183.1</td>
<td>$7.3</td>
</tr>
</tbody>
</table>
University Credit Rating with Corresponding State Rating

Source: Moody’s Investor Service.
Moody’s Comments

Rating: Aa2, Stable Outlook

• Strengths
  ▪ Premier public university
  ▪ Strong student demand
  ▪ Top research university
  ▪ Cash position
  ▪ Positive operating performance
  ▪ Fundraising success

• Challenges
  ▪ Reliance on the State
  ▪ Substantial delays in State funding
  ▪ Financial resource cushion
  ▪ Exposure to variable-rate debt
  ▪ Exposure to healthcare sector
Big Ten Comparison
Total Debt

Dollars In Millions

UI $1,600
U-IA $1,400
MI-S $1,200
OH-S $1,400
Pen-S $1,200
U-MN $1,600
U-NE $1,000
IN-U $1,200
PU $1,400
U-MI $1,800

Source: Moody’s Investor Service. All FY 2011 data except Michigan State, Ohio State, and University of Nebraska are FY 2010.
Debt Capacity

- Revenue Diversity
- State Relationship / State Rating
- Management / Governance
- Capital Plans / Facility Needs
- Market Position

DEBT at 6/30/2012 - $1.6 billion

Leverage / DS Coverage
Enrollment / Student Demand
Operating Margins
Financial Resources
Comparison to Peer Universe
University of Illinois
Health Services Facilities System
Revenue Bond Capacity

• Additional borrowing capacity of approximately $75 million without impacting the rating of the University or the Medical Center

• Existing A1 rating on $60 million bonds relies on the relationship to the University effectively providing credit enhancement to the Medical Center

• Incremental debt service on borrowing exceeding $75 million would move the rating to the BAA category

• Healthcare industry uncertainty

• Report to the Board in January results to maximize the borrowing within credit constraints