

Balance Sheet (Assets) – Slide 4

**Current Assets**

Cash and Cash Equivalents – \$1.2M compared to \$1.8M June 2019

Short-term Investments – Short-term investments were \$226M at month-end and restricted investments of \$8.0M for capital acquisitions.

Ad Valorem Taxes Receivable – \$3.0M balance is composed of:

Gross Tax Receivables	\$ 7.3M
Taxable Assessed Valuation Adjustment	(1.9)M
Est. Allowance for Doubtful collections	(2.4)M
<b>Total Taxes Receivable</b>	<b>\$ 3.0M</b>

Other Receivables – Other receivables total \$6.2M and consists of intercompany balances:

- CommUnityCare - \$4.1M
- Sendero - \$538K
- Community Care Collaborative - \$1.04M
- Accrued Interest and Misc Receivables \$507K

Prepaid Expenses – \$682K balance composed of:

- Prepaid Insurance - \$150K
- Tax Assessor Collection Fees - \$1.8K
- TCAD Appraisal Fees - \$236K
- ICC - \$154K
- Software - \$87K
- Prepaid Memberships/Subscriptions - \$48K
- Deposits - \$6K

**Total Current Assets – \$237M**



June 2020 Preliminary Monthly Financial Statements (unaudited)

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**Balance Sheet (Assets)** – Slide 4 (continued)

**Restricted Cash & Investments or Noncurrent**

Investments Restricted for Capital Acquisition – \$8.0M in short-term securities restricted for capital acquisition.

Sendero Paid-in-Capital – \$71.0M (unchanged)

Working Capital Advance to CommUnityCare – \$4.0M (unchanged)

Sendero Surplus Debenture – \$37.1M (unchanged)

Restricted TCHD LPPF Cash & Investments - \$1.8M

Capital Assets – \$110M, net of accumulated depreciation

**Total Assets** – **\$469M**



**Current Liabilities** – Slide 5

Accounts Payable – Major components of the \$11M balance are:

- \$7.2M estimated IBNR for healthcare services.
- \$1.8M estimated healthcare delivery costs.
- \$2.0M in month-end vendor invoices due.

Salaries and Benefits Payable – \$1.4M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off and various fringe benefit amounts withheld and not yet paid.

Other Payables – \$51K includes capital lease obligation related to medical equipment leased at Southeast Health and Wellness Center.

Debt Service Payable, Short-Term – \$1.2M in Certificates of Obligation Payable and \$14K Interest Payable.

Deferred Tax Revenue - \$2.6M

Other Deferred Revenue - \$610K consists of the lease revenue \$610K for Block 164 Yr3 (FY21) from 2033 LLP

**Total Current Liabilities** – **\$16.8M**



**Restricted or Noncurrent Liabilities** – Slide 5 (continued)

Funds held for TCHD LPPF - \$1.8M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$6.1M balance of the \$7.285M in General Obligation Bonds, Series 2020. This debt was originally issued in 2011 for the North Central clinic. Due annually on 3/1.

Deferred Revenue – Long Term - \$0.

**Total Restricted or Noncurrent Liabilities** – **\$7.9M**

**Total Liabilities** – **\$24.7M**

**Net Assets**

Unrestricted Net Assets – \$334M

Investment in Capital Assets – \$110M

**Total Net Assets** – **\$444M**

**Total Liabilities and Net Assets** – **\$469M**



**Sources and Uses Report** – Slide 6

June financials → nine months of the fiscal year, 75% of the fiscal year.

**Sources – Total \$1.0M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$61.5K. Net revenue includes \$192K current month's collections, less \$130K in adjustments for prior year delinquent taxes.

Lease Revenue – \$858K recorded for Seton lease payment and the UT ground lease.

Other Revenue – \$161K investment income for the month, \$2M YTD, compared to \$2.1M YTD last year. And \$507 in miscellaneous income (lot rent).

**Uses of Funds – Total \$5.5M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$4.8M for the month and \$101M YTD compared to \$153M YTD thru June 2019.

Administration Program – \$687K in expense for the month, which includes:

- Personnel costs – \$399K
- Consulting services – \$16K
- Legal fees – \$123K
- Other general and administrative – \$149K

**Tax Collection Expenses** – \$80K for the month.

**Excess Sources/(Uses)** – \$(4.5)M in June. Current YTD is \$185M compared to prior year 2019 YTD of \$104M.

**Healthcare Delivery Expense** – Slide 7**Healthcare Delivery Expense** – Total \$4.8M June; \$101M YTD compared to \$153M June 2019.Intergovernmental Transfers (“IGT’s”) – YTD \$27M compared to \$90M last year.Healthcare Services – Healthcare delivery providers’ expense for June totaled \$2.2M, which includes:

- Primary care – \$928K
- Specialty Care (including Dental and Behavioral Health) – \$158K
- Pharmacy - \$1.0M
- All Other Healthcare Services - \$72K

ACA Premium Assist, Education, Enrollment – \$864K in expenses for the month.Healthcare Facilities and Campus Redevelopment - \$407K in expense for the month and \$2.9M YTD.Healthcare Delivery Operating Cost – \$1.3M in expenses for the month and includes:

- Personnel costs – \$817K
- Consulting Services – \$4K
- Legal Fees - \$2K
- Other services and purchased goods – \$482K

Debt, Reserves and Transfer – \$7.6K in Debt Service expense for the month**Total Healthcare Delivery** - for the month of June was \$4.8M.



# Central Health

## Financial Statement Presentation

FY 2020 – as of June 30, 2020 (Preliminary)

Central Health Board of Managers

July 15, 2020

Lisa Owens, Deputy CFO



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Note: HCD = Health Care Delivery





- Year-to-date through June, collected net property tax revenue is \$213 million compared to \$196 million as of June 2019.
- Tax collected through June 2020 is 98% of the adjusted tax levy compared to 99% as of June 2019.
- Healthcare Delivery is \$101 million for the nine months ending 06/30/2020.
- GAAP reporting Net Assets increased \$83 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 06/30/2020 is \$2 million.

GAAP: Generally Accepted Accounting Principles refer to a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board. GAAP primary focus is to improve clarity, consistency, and comparability of the communication of financial information.



Assets	Preliminary as	
	of 6/30/2020	as of 6/30/2019
Current Assets		
Cash and cash equivalents	1,221,321	1,835,761
Short-term investments	226,182,070	135,931,095
Ad valorem taxes receivable	2,991,908	2,222,974
Other receivables	6,199,814	3,074,415
Prepaid expenses	681,552	323,072
Total Current Assets	<u>237,276,665</u>	<u>143,387,316</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	7,961,479	6,909,199
Sendero paid-in-capital	71,000,000	71,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	37,083,000	37,083,000
Restricted TCHD LPPF Cash & Investments	1,814,065	-
Total Restricted Cash and Investments or Noncurrent	<u>121,858,543</u>	<u>118,992,199</u>
Capital Assets		
Land	12,598,612	11,770,184
Buildings and improvements	130,702,304	134,395,476
Equipment and furniture	9,590,119	9,495,729
Construction in progress	3,423,577	1,697,357
Less accumulated depreciation	(46,335,475)	(43,273,201)
Total Capital Assets	<u>109,979,137</u>	<u>114,085,545</u>
<b>Total Assets</b>	<u><u>469,114,345</u></u>	<u><u>376,465,061</u></u>



<b>Liabilities</b>	<b>Preliminary</b>	
	<b>as of 6/30/2020</b>	<b>as of 6/30/2019</b>
<b>Current Liabilities</b>		
Accounts payable	10,938,147	2,190,310
Salaries and benefits payable	1,443,596	833,889
Other Payables	50,763	91,129
Debt service payable, short-term	1,194,277	1,173,814
Deferred tax revenue	2,559,699	1,866,267
Other deferred revenue	610,000	476,542
<b>Total Current Liabilities</b>	<b>16,796,482</b>	<b>6,631,951</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	1,814,065	-
Debt service payable, long-term	6,105,000	7,285,000
Deferred Revenue	-	1,220,000
<b>Total Restricted of Noncurrent Liabilities</b>	<b>7,919,065</b>	<b>8,505,000</b>
<b>Total Liabilities</b>	<b>24,715,547</b>	<b>15,136,951</b>
<b>Net Assets</b>		
Unrestricted	334,419,661	247,242,564
Investment in Capital Assets	109,979,137	114,085,545
<b>Total Net Assets</b>	<b>444,398,798</b>	<b>361,328,109</b>
<b>Liabilities and Net Assets</b>	<b>469,114,345</b>	<b>376,465,061</b>



Sources / Uses	Jun 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
<b>Sources</b>					
Property Tax Revenue	61,515	213,407,994	214,906,371	99%	196,281,282
Lease Revenue	857,841	9,268,997	13,749,848	67%	9,250,596
Other Revenue	161,196	2,038,570	2,150,000	95%	2,121,858
Tobacco Settlement Revenue	-	3,819,376	3,500,000	109%	3,523,773
Contingency Reserve (Carryforward)	-	64,898,396	56,499,497	115%	52,648,775
<b>Total Sources</b>	<b>1,080,552</b>	<b>293,433,333</b>	<b>290,805,716</b>	<b>101%</b>	<b>263,826,284</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>4,772,373</b>	<b>101,433,224</b>	<b>278,017,581</b>	<b>36%</b>	<b>153,118,438</b>
<b>Administrative Program</b>					
Salaries and benefits	398,872	3,480,207	5,903,601	59%	3,085,831
Consulting Fees	16,566	301,837	1,187,720	25%	206,981
Legal Fees	122,704	800,310	1,390,820	58%	584,083
Other Purchase Goods and Services	148,626	847,271	2,417,737	35%	887,102
<b>Total Administrative Program</b>	<b>686,768</b>	<b>5,429,625</b>	<b>10,899,878</b>	<b>50%</b>	<b>4,763,997</b>
<b>Tax Collection Expenses</b>	<b>79,626</b>	<b>1,527,396</b>	<b>1,888,258</b>	<b>81%</b>	<b>1,555,694</b>
<b>Total Uses</b>	<b>5,538,767</b>	<b>108,390,245</b>	<b>290,805,716</b>	<b>37%</b>	<b>159,438,129</b>
<b>Excess Sources / (Uses)</b>	<b>(4,458,215)</b>	<b>185,043,088</b>			<b>104,388,155</b>



Healthcare Delivery Summary	Jun 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
<b>Inter-Governmental Transfers (IGTs)</b>	-	26,959,115	61,694,651	44%	90,279,019
<b>Healthcare Services</b>					
Member Payment to CCC	-	-	-	0%	24,210,000
Primary Care - (see detail on Slide 11)	927,643	31,739,164	50,270,000	63%	607,899
Specialty Care, incld Dental & Behavioral Health	157,667	3,814,077	9,823,856	39%	-
Pharmacy	1,030,065	7,282,686	11,600,000	63%	-
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	71,795	841,327	5,269,990	16%	875,920
Indigent Care & Hospital Performance Incentive	-	-	52,925,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>2,187,170</b>	<b>43,677,254</b>	<b>135,288,846</b>	<b>32%</b>	<b>25,693,819</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>863,933</b>	<b>7,015,880</b>	<b>9,856,120</b>	<b>71%</b>	<b>4,123,781</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>407,369</b>	<b>2,870,355</b>	<b>10,996,170</b>	<b>26%</b>	<b>3,739,621</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,306,251</b>	<b>10,286,653</b>	<b>26,044,728</b>	<b>39%</b>	<b>4,153,720</b>
<b>Debt, Reserves and Transfers</b>	<b>7,650</b>	<b>10,623,967</b>	<b>34,137,066</b>	<b>31%</b>	<b>25,128,478</b>
<b>Total Healthcare Delivery</b>	<b>4,772,373</b>	<b>101,433,224</b>	<b>278,017,581</b>	<b>36%</b>	<b>153,118,438</b>



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Jun 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
<b>Intergovernmental Transfers (IGTs)</b>					
Private - Uncompensated Care	-	-	-	0%	15,228,042
DSMC - Uncompensated Care	-	(907,876)	-	0%	14,256,758
DSH - Disproportionate Share	-	27,866,991	36,120,000	77%	32,186,792
DSRIP - CCC	-	-	25,574,651	0%	13,485,266
DSRIP - DSMC, Dell Children's	-	-	-	0%	14,537,581
DSRIP - St. David's	-	-	-	0%	584,580
<b>Subtotal Intergovernmental Transfers (IGTs)</b>	<b>-</b>	<b>26,959,115</b>	<b>61,694,651</b>	<b>44%</b>	<b>90,279,019</b>
<b>Healthcare Services</b>					
Member Payment to CCC	-	-	-	0%	24,210,000
Primary Care - (see detail on Slide 11)	927,643	31,739,164	50,270,000	63%	607,899
Specialty Care, incld Dental - (see detail on Slide 12)	96,291	3,417,204	8,940,000	38%	-
Specialty Care, Behavioral Health	61,376	396,873	883,856	45%	-
Pharmacy	1,030,065	7,282,686	11,600,000	63%	-
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	20,355	325,871	1,950,000	17%	-
Health care services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	51,440	462,956	719,990	64%	462,956
Primary & Specialty Care Reserves	-	52,500	2,000,000	3%	412,964
Indigent Care	-	-	50,225,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>2,187,170</b>	<b>43,677,254</b>	<b>135,288,846</b>	<b>32%</b>	<b>25,693,819</b>

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Healthcare Delivery Detail (continued)	Jun 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
<b>Healthcare Operations and Support</b>					
<b>ACA and Premium Assistance Programs</b>					
High Risk Premium Programs	675,553	4,835,116	7,000,000	69%	1,689,649
CHAP Program	181,421	1,607,170	2,251,800	71%	1,577,766
ACA Enrollment and Education Services	6,959	573,594	604,320	95%	856,366
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>863,933</b>	<b>7,015,880</b>	<b>9,856,120</b>	<b>71%</b>	<b>4,123,781</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	30,888	271,459	432,555	63%	254,154
Consulting Services	-	-	5,872,788		61,781
Legal Fees	8,739	94,095	234,000	40%	52,015
Other Goods & Svc incl. UT Ground Lease	367,742	2,504,801	4,456,827	56%	3,371,671
<b>Subtotal Healthcare Facilities and Campus</b>	<b>407,369</b>	<b>2,870,355</b>	<b>10,996,170</b>	<b>26%</b>	<b>3,739,621</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	817,562	7,080,307	15,367,495	46%	2,899,854
Consulting Services	4,386	42,434	1,073,000	4%	40,635
Legal Fees	2,201	96,663	184,500	52%	31,729
Other Services and Purchased Goods	482,102	3,067,249	9,419,733	33%	1,181,502
<b>Subtotal HCD Operating Cost</b>	<b>1,306,251</b>	<b>10,286,653</b>	<b>26,044,728</b>	<b>39%</b>	<b>4,153,720</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	7,650	1,267,677	1,373,283	92%	1,288,478
FY2020 Capital reserve	-	2,950,000	2,950,000	100%	2,840,000
FY2020 Emergency reserve	-	6,406,290	6,406,290	100%	1,000,000
FY2020 Sendero Risk Based Capital	-	-	-		20,000,000
FY2020 Contingency reserve appropriation			23,407,493		-
<b>Subtotal Debt, Reserves and Transfers</b>	<b>7,650</b>	<b>10,623,967</b>	<b>34,137,066</b>	<b>31%</b>	<b>25,128,478</b>
<b>Total Healthcare Delivery</b>	<b>4,772,373</b>	<b>101,433,224</b>	<b>278,017,581</b>	<b>36%</b>	<b>153,118,438</b>





<b>Healthcare Delivery - Primary Care</b>	<b>Jun 2020</b>	<b>FY20 YTD</b>	<b>FY20 Budget</b>	<b>Percent of Budget Used</b>
<b>Primary Care</b>				
CommUnity Care	744,402	26,029,562	39,000,000	67%
Lone Star Circle of Care	144,993	3,912,427	6,400,000	61%
People's Community Clinic	3,955	1,473,428	2,500,000	59%
Other Primary Care	34,293	323,746	2,370,000	14%
<b>Subtotal Primary Care Services</b>	<b>927,643</b>	<b>31,739,163</b>	<b>50,270,000</b>	<b>63%</b>

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Healthcare Delivery - Specialty Care	Jun 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Specialty Care				
Ancillary Services	(612)	13,255	100,000	13%
Cardiology	20,485	92,161	150,000	61%
Consultation Services	(50,000)	0	75,000	0%
Dental Specialty	65,066	659,158	1,000,000	66%
Dermatology	66,388	312,045	550,000	57%
Durable Medical Equipment	(1,408)	15,335	115,000	13%
Ear, Nose & Throat ENT	(33,910)	159,799	400,000	40%
Endocrinology	24,610	142,306	300,000	47%
Gastroenterology	89,279	572,431	1,650,000	35%
General Surgery	538	95,321	300,000	32%
Gynecology IPU	0	13,974	100,000	14%
Nephrology	0	0	200,000	0%
Oncology	27,616	287,535	700,000	41%
Ophthalmology	20,185	614,203	1,725,000	36%
Orthotics & Prosthetics	434	89,616	200,000	45%
Podiatry	(107,075)	4,375	250,000	2%
Pulmonology	40,814	190,339	375,000	51%
Rheumatology	14,392	94,632	150,000	63%
Specialty Care	738	42,945	450,000	10%
Wound Care	(81,250)	17,775	150,000	12%
<b>Total Specialty Care</b>	<b>96,290</b>	<b>3,417,205</b>	<b>8,940,000</b>	<b>38%</b>



# Questions ? Comments ?