

Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – \$1.1M compared to \$1.6M February 2019

Short-term Investments – Short-term investments were \$261M at month-end, which is net of restricted investments of \$8.2M for capital acquisitions.

Ad Valorem Taxes Receivable – \$6.7M balance is composed of:

Gross Tax Receivables	\$	10.1M
Taxable Assessed Valuation Adjustment		(1.0)M
Est. Allowance for Doubtful collections		(2.4)M
Total Taxes Receivable	\$	6.7M

Other Receivables – Other receivables total \$5.7M and consists of intercompany balances:

- CommUnityCare - \$3.8M
- Sendero - \$771K
- Community Care Collaborative - \$848K
- Interest and miscellaneous receivables of \$294K

Prepaid Expenses – \$345K balance composed of:s

- Prepaid Insurance - \$1.6K
- TCAD Tax Collection Fees - \$12K
- TCAD Appraisal Fees - \$78.5K
- ICC Q1 Dues - \$51
- Software - \$112K
- Prepaid Memberships/Subscriptions - \$84K
- Deposits - \$6K

Total Current Assets – \$275M



Balance Sheet (Assets) – Slide 4 (continued)

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$8.2M 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) (\$20M paid by CH in December 2018)

Restricted TCHD LPPF Cash & Investments - \$19.6M

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

Total Assets – **\$525M**



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$8.5M balance are:

- \$6.7M estimated IBNR.
- \$1.6M estimated healthcare delivery costs.
- \$231K in month-end vendor invoices.

Salaries and Benefits Payable – \$1.8M 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 – \$77K capital lease obligation related to medical equipment leased at Southeast Health and Wellness Center.

Debt Service Payable, Short-Term – \$0M in Certificates of Obligation Payable and \$0K Interest Payable as payment due in March was paid at the end of February.

Deferred Tax Revenue - \$5.7M

Other Deferred Revenue - \$610K consists of the lease revenue \$610K for Block 164 Yr2 (FY20) from 2033 LLP

Total Current Liabilities – **\$16.7M**



Restricted or Noncurrent Liabilities – Slide 5 (continued)

Funds held for TCHD LPPF - \$19.6M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$7.3M balance of the \$16M in Series 2011 Certificates of Obligation, reduced by nine payments made to date. This debt was issued for the North Central clinic. Due annually on 3/1, however it was paid end of February.

Deferred Revenue – Long Term - \$610K is the lease revenue for Block 164 Yr3 (FY21) from 2033 LLP.

Total Noncurrent Liabilities – **\$27.5M**

Total Liabilities – **\$44M**

Net Assets

Unrestricted Net Assets – \$370.9M

Investment in Capital Assets – \$110M

Total Net Assets – **\$480.6M**

Total Liabilities and Net Assets – **\$524.9M**



Sources and Uses Report – Slide 6

February financials → five months of the fiscal year, 42% of the fiscal year.

Sources – Total \$17.5M for the month

Property Tax Revenue – Net property tax revenue for the month was \$16.3M. Net revenue includes \$16.5M current month's collections, less \$226K in adjustments for prior year delinquent taxes.

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

Other Revenue – \$353K investment income for the month, \$1.1M YTD, compared to \$868K YTD last year.

Uses of Funds – Total \$16.1M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$7.2M for the month and \$57.6M YTD compared to \$114M YTD thru February 2019.

Administration Program – \$542K in expense for the month, which includes:

- Personnel costs – \$308K
- Consulting services – \$11K
- Legal fees – \$125K
- Other general and administrative – \$98K

Tax Collection Expenses – \$151K for the month.

Excess Sources/(Uses) – \$9.7M in February. Current YTD is \$219.8M compared to prior year 2019 YTD of \$133M.



Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$7.2M February; \$57.6M YTD compared to \$114M February 2019.

Intergovernmental Transfers ("IGT's") – YTD \$8.8M compared to \$71.8M last year.

Healthcare Services – Healthcare delivery providers' expense for February totaled \$3.8M, which includes:

- Primary care – \$2M
- Specialty Care (including Dental and Behavioral Health) – \$604K
- Pharmacy - \$1.08M
- Reproductive and Sexual Health - \$41K
- All Other Healthcare Services - \$51K

ACA Premium Assist, Education, Enrollment – \$946K in expenses for the month.

Healthcare Facilities and Campus Redevelopment - \$307K in expense for the month and \$1.97M YTD.

Healthcare Delivery Operating Cost – \$993K in expenses for the month and includes:

- Personnel costs – \$763K
- Consulting Services – \$5K
- Legal Fees - \$11K
- Other services and purchased goods – \$214K

Debt, Reserves and Transfer – \$1.1M in Debt Service expense for the month

Total Healthcare Delivery - for the month of February was \$7.2M.



Central Health

Financial Statement Presentation FY 2020 – as of February 29, 2020 (Preliminary)

Central Health Board of Managers

March 25, 2020

Lisa Owens, Deputy CFO



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Note: HCD = Health Care Delivery



- Year-to-date through February, collected net property tax revenue is \$211 million compared to \$194 million as of February 2019.
- Tax collected through February 2020 is 97% of the adjusted tax levy compared to 97% as of February 2019.
- Healthcare Delivery is \$58 million for the five months ending 02/29/2020.
- GAAP reporting Net Assets increased \$89 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 02/29/2020 is \$20 million.
- Debt Service was prepaid in February by \$1.065 million but due on March 2, 2020.

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 2/29/2020	as of 2/29/2019
Current Assets		
Cash and cash equivalents	1,116,876	1,578,202
Short-term investments	261,360,606	160,160,805
Ad valorem taxes receivable	6,719,568	5,730,837
Other receivables	5,672,140	5,844,429
Prepaid expenses	345,456	306,291
Total Current Assets	275,214,646	173,620,562
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	8,232,091	9,168,247
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	19,606,709	-
Total Restricted Cash and Investments or Noncurrent	139,921,800	121,251,247
Capital Assets		
Land	12,546,211	11,770,184
Buildings and improvements	130,395,330	134,354,256
Equipment and furniture	9,581,124	9,210,439
Construction in progress	2,163,189	380,717
Less accumulated depreciation	(44,928,989)	(41,814,507)
Total Capital Assets	109,756,865	113,901,090
Total Assets	524,893,312	408,772,899



Liabilities	Preliminary	
	as of 2/29/2020	as of 2/29/2019
Current Liabilities		
Accounts payable	8,549,332	3,076,683
Salaries and benefits payable	1,812,420	891,486
Other Payables	77,700	90,555
Debt service payable, short-term	0	(0)
Deferred tax revenue	5,681,453	4,801,168
Other deferred revenue	610,000	26,480
Total Current Liabilities	16,730,905	8,886,373
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	19,606,709	-
Debt service payable, long-term	7,285,000	8,350,000
Deferred Revenue	610,000	-
Total Restricted or Noncurrent Liabilities	27,501,709	8,350,000
Total Liabilities	44,232,614	17,236,373
Net Assets		
Unrestricted	370,903,832	277,635,437
Investment in Capital Assets	109,756,865	113,901,090
Total Net Assets	480,660,697	391,536,527
Liabilities and Net Assets	524,893,312	408,772,899



Sources / Uses	Feb 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Sources					
Property Tax Revenue	16,305,902	211,238,832	214,906,371	98%	193,999,447
Lease Revenue	857,841	4,289,205	13,749,848	31%	4,289,205
Other Revenue	353,064	1,106,415	2,150,000	51%	868,191
Tobacco Settlement Revenue	-	-	3,500,000	0%	-
Contingency Reserve (Carryforward)	-	64,898,396	56,499,497	115%	52,648,775
Total Sources	17,516,807	281,532,848	290,805,716	97%	251,805,618
Uses of Funds					
Healthcare Delivery	7,161,914	57,594,788	278,017,581	21%	114,404,032
Administrative Program					
Salaries and benefits	307,928	1,836,144	5,903,601	31%	1,735,289
Consulting Fees	11,464	251,424	1,187,720	21%	216,650
Legal Fees	124,773	414,410	1,390,820	30%	337,971
Other Purchase Goods and Services	98,106	444,390	2,417,737	18%	426,844
Total Administrative Program	542,271	2,946,368	10,899,878	27%	2,716,754
Tax Collection Expenses	150,534	1,203,206	1,888,258	64%	1,536,455
Total Uses	7,854,719	61,744,362	290,805,716	21%	118,657,241
Excess Sources / (Uses)	9,662,088	219,788,486			133,148,377



Healthcare Delivery Summary	Feb 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Inter-Governmental Transfers (IGTs)	-	8,773,729	61,694,651	14%	71,804,213
Healthcare Services					
Member Payment to CCC	-	-	-	0%	10,000,000
Primary Care - (see detail on Slide 11)	2,042,409	19,507,736	50,270,000	39%	380,284
Specialty Care, incld Dental & Behavioral Health	604,201	2,876,010	9,823,856	29%	-
Pharmacy	1,084,878	4,584,878	11,600,000	40%	-
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	92,206	521,616	5,269,990	10%	257,198
Indigent Care & Hospital Performance Incentive	-	-	52,925,000	0%	-
Subtotal Healthcare Services	3,823,694	27,490,240	135,288,846	20%	10,637,482
ACA Premium Assist, Education, Enrollment	946,080	3,463,523	9,856,120	35%	2,274,844
Healthcare Facilities and Campus Redevelopment	307,387	1,969,767	10,996,170	18%	2,327,188
Healthcare Delivery Operating Costs	992,550	5,340,222	26,044,728	21%	2,340,640
Debt, Reserves and Transfers	1,092,203	10,557,307	34,137,066	31%	25,019,665
Total Healthcare Delivery	7,161,914	57,594,788	278,017,581	21%	114,404,032



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Feb 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Intergovernmental Transfers (IGTs)					
Private - Uncompensated Care	-	-	-	0%	15,228,042
DSMC - Uncompensated Care	-	-	-	0%	14,256,758
DSH - Disproportionate Share	-	8,773,729	36,120,000	24%	13,711,986
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
Subtotal Intergovernmental Transfers (IGTs)	-	8,773,729	61,694,651	14%	71,804,213
Healthcare Services					
Member Payment to CCC	-	-	-	0%	10,000,000
Primary Care - (see detail on Slide 11)	2,042,409	19,507,736	50,270,000	39%	380,284
Specialty Care, incld Dental - (see detail on Slide 12)	583,564	2,601,981	8,940,000	29%	-
Specialty Care, Behavioral Health	20,637	274,029	883,856	31%	-
Pharmacy	1,084,878	4,584,878	11,600,000	40%	-
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	40,766	211,918	1,950,000	11%	-
Health care services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	51,440	257,198	719,990	36%	257,198
Primary & Specialty Care Reserves	-	52,500	2,000,000	3%	-
Indigent Care	-	-	50,225,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
Subtotal Healthcare Services	3,823,694	27,490,240	135,288,846	20%	10,637,482

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Healthcare Delivery Detail (continued)	Feb 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	697,533	2,108,459	7,000,000	30%	545,452
CHAP Program	191,928	833,884	2,251,800	37%	912,682
ACA Enrollment and Education Services	56,619	521,180	604,320	86%	816,710
Subtotal ACA & Premium Assist Program	946,080	3,463,523	9,856,120	35%	2,274,844
Healthcare Facilities and Campus					
Salaries and benefits	31,711	147,206	432,555	34%	121,931
Consulting Services	-	-	5,872,788		817,343
Legal Fees	1,798	74,256	234,000	32%	40,266
Other Goods & Svc incl. UT Ground Lease	273,878	1,748,305	4,456,827	39%	1,347,648
Subtotal Healthcare Facilities and Campus	307,387	1,969,767	10,996,170	18%	2,327,188
Healthcare Delivery Operating Costs					
Salaries and benefits	762,665	3,857,320	15,367,495	25%	1,620,930
Consulting Services	5,005	22,160	1,073,000	2%	14,843
Legal Fees	11,227	67,847	184,500	37%	11,222
Other Services and Purchased Goods	213,653	1,392,895	9,419,733	15%	693,645
Subtotal HCD Operating Cost	992,550	5,340,222	26,044,728	21%	2,340,640
Debt Service, Reserves and Transfers					
Debt Service	1,092,203	1,201,017	1,373,283	87%	1,179,665
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		-
Subtotal Debt, Reserves and Transfers	1,092,203	10,557,307	34,137,066	31%	25,019,665
Total Healthcare Delivery	7,161,914	57,594,788	278,017,581	21%	114,404,032



Healthcare Delivery - Primary Care	Feb 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Primary Care				
CommUnity Care	1,952,771	16,004,158	39,000,000	41%
Lone Star Circle of Care	138,690	2,490,434	6,400,000	39%
People's Community Clinic	(76,295)	757,038	2,500,000	30%
Other Primary Care	27,245	256,106	2,370,000	11%
Subtotal Primary Care Services	2,042,411	19,507,736	50,270,000	39%

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Healthcare Delivery - Specialty Care	Feb 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Specialty Care				
Ancillary Services	5,155	25,090	100,000	25%
Cardiology	12,429	62,147	150,000	41%
Consultation Services	31,250	31,250	75,000	42%
Dental Specialty	69,666	394,519	1,000,000	39%
Dermatology	36,686	176,689	550,000	32%
Durable Medical Equipment	0	24,744	115,000	22%
Ear, Nose & Throat ENT	49,165	160,937	400,000	40%
Endocrinology	23,227	116,133	300,000	39%
Gastroenterology	96,375	469,446	1,650,000	28%
General Surgery	22,316	103,912	300,000	35%
Gynecology IPU	4,804	24,021	100,000	24%
Nephrology	0	0	200,000	0%
Oncology	36,761	158,478	700,000	23%
Ophthalmology	75,168	470,005	1,725,000	27%
Orthotics & Prosthetics	590	39,324	200,000	20%
Podiatry	27,289	52,289	250,000	21%
Pulmonology	39,171	162,522	375,000	43%
Rheumatology	12,705	63,524	150,000	42%
Specialty Care	0	0	450,000	0%
Wound Care	40,807	66,951	150,000	45%
Total Specialty Care	583,564	2,601,981	8,940,000	29%



Questions ? Comments ?