

Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – \$1.2M compared to \$2.1M March 2019

Short-term Investments – Short-term investments were \$254M at month-end, which is net of restricted investments of \$8.2M for capital acquisitions.

Ad Valorem Taxes Receivable – \$4.6M balance is composed of:

Gross Tax Receivables	\$ 8.2M
Taxable Assessed Valuation Adjustment	(1.2)M
Est. Allowance for Doubtful collections	(2.4)M
Total Taxes Receivable	\$ 4.6M

Other Receivables – Other receivables total \$6.0M and consists of intercompany balances:

- CommUnityCare - \$4M
- Sendero - \$626K
- Community Care Collaborative - \$912K
- Accrued Interest \$511K

Prepaid Expenses – \$611K balance composed of:

- Prepaid Insurance - \$157K
- Tax Assessor Collection Fees - \$6.7K
- TCAD Appraisal Fees - \$236K
- Software - \$98K
- Prepaid Memberships/Subscriptions - \$107K
- Deposits - \$6K

Total Current Assets – \$267M



March 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 – \$8.2M 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)

Restricted TCHD LPPF Cash & Investments - \$19.8M

Capital Assets – \$109M, net of accumulated depreciation

Total Assets – **\$516M**



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$8.8M balance are:

- \$6.7M estimated IBNR for healthcare services.
- \$1.5M estimated healthcare delivery costs.
- \$607K in month-end vendor invoices.

Salaries and Benefits Payable – \$1.9M 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 – \$65K capital lease obligation related to medical equipment leased at Southeast Health and Wellness Center.

Debt Service Payable, Short-Term – \$1.1M in Certificates of Obligation Payable and \$24K Interest Payable.

Deferred Tax Revenue - \$4M

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

Total Current Liabilities – **\$16.5M**



Restricted or Noncurrent Liabilities – Slide 5 (continued)

Funds held for TCHD LPPF - \$19.8M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$6.2M 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.

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

Total Noncurrent Liabilities – **\$26.6M**

Total Liabilities – **\$43M**

Net Assets

Unrestricted Net Assets – \$364M

Investment in Capital Assets – \$109M

Total Net Assets – **\$473M**

Total Liabilities and Net Assets – **\$516M**

Sources and Uses Report – Slide 6

March financials → six months of the fiscal year, 50% of the fiscal year.

Sources – Total \$3.8M for the month

Property Tax Revenue – Net property tax revenue for the month was \$1.7M. Net revenue includes \$1.68M current month's collections, less \$23K in adjustments for prior year delinquent taxes.

Lease Revenue – \$1.8M recorded for Seton lease payment, UT ground lease, and the 2033 Higher Education Development Foundation ground lease.

Other Revenue – \$334K investment income for the month, \$1.4M YTD, compared to \$1.2M YTD last year.

Uses of Funds – Total \$11M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$10.3M for the month and \$67.9M YTD compared to \$122M YTD thru March 2019.

Administration Program – \$559K in expense for the month, which includes:

- Personnel costs – \$412K
- Consulting services – \$7K
- Legal fees – \$47K
- Other general and administrative – \$93K

Tax Collection Expenses – \$83.6K for the month.

Excess Sources/(Uses) – \$(7.2)M in March. Current YTD is \$212.6M compared to prior year 2019 YTD of \$129M.



Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$10.3M March; \$67.9M YTD compared to \$122M March 2019.

Intergovernmental Transfers (“IGT’s”) – YTD \$11.6M compared to \$78M last year.

Healthcare Services – Healthcare delivery providers’ expense for March totaled \$5.2M, which includes:

- Primary care – \$4.1M
- Specialty Care (including Dental and Behavioral Health) – \$660K
- Pharmacy - \$401K
- All Other Healthcare Services - \$68K

ACA Premium Assist, Education, Enrollment – \$896K in expenses for the month.

Healthcare Facilities and Campus Redevelopment - \$233K in expense for the month and \$2.2M YTD.

Healthcare Delivery Operating Cost – \$1.1M in expenses for the month and includes:

- Personnel costs – \$793K
- Consulting Services – \$10K
- Legal Fees - \$12K
- Other services and purchased goods – \$297K

Debt, Reserves and Transfer – \$24K in Debt Service expense for the month

Total Healthcare Delivery - for the month of February was \$10.3M.



Central Health

Financial Statement Presentation

FY 2020 – as of March 31, 2020 (Preliminary)

Central Health Board of Managers

April 22, 2020

Lisa Owens, Deputy CFO



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Note: HCD = Health Care Delivery



- Year-to-date through March, collected net property tax revenue is \$213 million compared to \$195 million as of March 2019.
- Tax collected through March 2020 is 98% of the adjusted tax levy compared to 98% as of March 2019.
- Healthcare Delivery is \$68 million for the six months ending 03/31/2020.
- GAAP reporting Net Assets increased \$86 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 03/31/2020 is \$20 million.
- March Net IGT \$2.7M from DSH Payment \$3.7M offset by Uncompensated Care Refund \$907K for DY 2 & 5.

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 3/31/2020	as of 3/31/2019
Current Assets		
Cash and cash equivalents	1,178,261	2,125,497
Short-term investments	254,256,220	155,093,912
Ad valorem taxes receivable	4,639,248	4,065,113
Other receivables	6,017,652	5,418,208
Prepaid expenses	611,160	341,257
Total Current Assets	<u>266,702,540</u>	<u>167,043,987</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	8,198,789	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	19,839,833	-
Total Restricted Cash and Investments or Noncurrent	<u>140,121,622</u>	<u>121,251,247</u>
Capital Assets		
Land	12,546,211	11,770,184
Buildings and improvements	130,395,330	134,395,476
Equipment and furniture	9,581,124	9,280,958
Construction in progress	2,196,491	641,472
Less accumulated depreciation	(45,295,164)	(42,171,212)
Total Capital Assets	<u>109,423,993</u>	<u>113,916,878</u>
Total Assets	<u><u>516,248,155</u></u>	<u><u>402,212,112</u></u>



Liabilities	Preliminary	
	as of 3/31/2020	as of 3/31/2019
Current Liabilities		
Accounts payable	8,804,820	2,268,173
Salaries and benefits payable	1,926,753	1,411,060
Other Payables	65,048	90,698
Debt service payable, short-term	1,124,177	1,092,203
Deferred tax revenue	3,965,430	3,331,843
Other deferred revenue	610,000	25,000
Total Current Liabilities	16,496,229	8,218,978
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	19,839,833	-
Debt service payable, long-term	6,185,000	7,285,000
Deferred Revenue	610,000	-
Total Restricted of Noncurrent Liabilities	26,634,833	7,285,000
Total Liabilities	43,131,062	15,503,978
Net Assets		
Unrestricted	363,693,100	272,791,255
Investment in Capital Assets	109,423,993	113,916,878
Total Net Assets	473,117,093	386,708,133
Liabilities and Net Assets	516,248,155	402,212,112



Sources / Uses	Mar 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Sources					
Property Tax Revenue	1,657,720	212,896,552	214,906,371	99%	195,381,894
Lease Revenue	1,796,269	6,085,474	13,749,848	44%	6,067,074
Other Revenue	333,698	1,440,113	2,150,000	67%	1,205,103
Tobacco Settlement Revenue	-	-	3,500,000	0%	-
Contingency Reserve (Carryforward)	-	64,898,396	56,499,497	115%	52,648,775
Total Sources	3,787,687	285,320,535	290,805,716	98%	255,302,846
Uses of Funds					
Healthcare Delivery	10,322,585	67,891,723	278,017,581	24%	121,996,354
Administrative Program					
Salaries and benefits	412,107	2,248,251	5,903,601	38%	2,086,163
Consulting Fees	6,648	258,072	1,187,720	22%	226,143
Legal Fees	47,116	461,526	1,390,820	33%	382,879
Other Purchase Goods and Services	93,021	537,411	2,417,737	22%	594,667
Total Administrative Program	558,892	3,505,260	10,899,878	32%	3,289,852
Tax Collection Expenses	83,639	1,286,846	1,888,258	68%	1,350,325
Total Uses	10,965,116	72,683,829	290,805,716	25%	126,636,531
Excess Sources / (Uses)	(7,177,429)	212,636,706			128,666,315



Healthcare Delivery Summary	Mar 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Inter-Governmental Transfers (IGTs)	2,863,991	11,637,720	61,694,651	19%	77,946,698
Healthcare Services					
Member Payment to CCC	-	-	-	0%	10,000,000
Primary Care - (see detail on Slide 11)	4,064,891	23,572,627	50,270,000	47%	395,172
Specialty Care, incld Dental & Behavioral Health	659,591	3,535,602	9,823,856	36%	-
Pharmacy	400,797	4,985,674	11,600,000	43%	-
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	67,916	589,531	5,269,990	11%	483,237
Indigent Care & Hospital Performance Incentive	-	-	52,925,000	0%	-
Subtotal Healthcare Services	5,193,195	32,683,434	135,288,846	24%	10,878,409
ACA Premium Assist, Education, Enrollment	895,743	4,359,266	9,856,120	44%	2,712,863
Healthcare Facilities and Campus Redevelopment	233,490	2,203,258	10,996,170	20%	2,732,218
Healthcare Delivery Operating Costs	1,111,989	6,426,561	26,044,728	25%	2,679,298
Debt, Reserves and Transfers	24,177	10,581,484	34,137,066	31%	25,046,868
Total Healthcare Delivery	10,322,585	67,891,723	278,017,581	24%	121,996,354



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Mar 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Intergovernmental Transfers (IGTs)					
Private - Uncompensated Care	-	-	-	0%	15,228,042
DSMC - Uncompensated Care	(907,876)	(907,876)	-	0%	14,256,758
DSH - Disproportionate Share	3,771,867	12,545,596	36,120,000	35%	19,854,471
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)	2,863,991	11,637,720	61,694,651	19%	77,946,698
Healthcare Services					
Member Payment to CCC	-	-	-	0%	10,000,000
Primary Care - (see detail on Slide 11)	4,064,891	23,572,627	50,270,000	47%	395,172
Specialty Care, incld Dental - (see detail on Slide 12)	648,785	3,250,767	8,940,000	36%	-
Specialty Care, Behavioral Health	10,806	284,835	883,856	32%	-
Pharmacy	400,797	4,985,674	11,600,000	43%	-
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	16,476	228,394	1,950,000	12%	-
Health care services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	51,440	308,637	719,990	43%	308,637
Primary & Specialty Care Reserves	-	52,500	2,000,000	3%	174,600
Indigent Care	-	-	50,225,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
Subtotal Healthcare Services	5,193,195	32,683,434	135,288,846	24%	10,878,409

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Healthcare Delivery Detail (continued)	Mar 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	693,367	2,801,826	7,000,000	40%	838,734
CHAP Program	189,337	1,023,221	2,251,800	45%	1,081,880
ACA Enrollment and Education Services	13,039	534,219	604,320	88%	792,249
Subtotal ACA & Premium Assist Program	895,743	4,359,266	9,856,120	44%	2,712,863
Healthcare Facilities and Campus					
Salaries and benefits	31,435	178,641	432,555	41%	152,113
Consulting Services	-	-	5,872,788		954,589
Legal Fees	4,148	78,405	234,000	34%	49,878
Other Goods & Svc incl. UT Ground Lease	197,907	1,946,212	4,456,827	44%	1,575,638
Subtotal Healthcare Facilities and Campus	233,490	2,203,258	10,996,170	20%	2,732,218
Healthcare Delivery Operating Costs					
Salaries and benefits	792,586	4,649,906	15,367,495	30%	1,952,638
Consulting Services	9,906	32,066	1,073,000	3%	22,200
Legal Fees	12,408	80,255	184,500	43%	20,564
Other Services and Purchased Goods	297,089	1,664,334	9,419,733	18%	683,896
Subtotal HCD Operating Cost	1,111,989	6,426,561	26,044,728	25%	2,679,298
Debt Service, Reserves and Transfers					
Debt Service	24,177	1,225,194	1,373,283	89%	1,206,868
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	24,177	10,581,484	34,137,066	31%	25,046,868
Total Healthcare Delivery	10,322,585	67,891,723	278,017,581	24%	121,996,354



Healthcare Delivery - Primary Care	Mar 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Primary Care				
	-			
CommUnity Care	3,109,593	19,113,751	39,000,000	49%
Lone Star Circle of Care	817,162	3,307,596	6,400,000	52%
People's Community Clinic	157,642	914,680	2,500,000	37%
Other Primary Care	(19,506)	236,600	2,370,000	10%
Subtotal Primary Care Services	4,064,891	23,572,627	50,270,000	47%

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Healthcare Delivery - Specialty Care	Mar 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Specialty Care				
Ancillary Services	5,344	30,434	100,000	30%
Cardiology	13,527	75,674	150,000	50%
Consultation Services	6,250	37,500	75,000	50%
Dental Specialty	90,839	485,358	1,000,000	49%
Dermatology	36,256	212,945	550,000	39%
Durable Medical Equipment	(13,781)	10,963	115,000	10%
Ear, Nose & Throat ENT	(7,113)	153,824	400,000	38%
Endocrinology	25,277	141,410	300,000	47%
Gastroenterology	192,152	661,598	1,650,000	40%
General Surgery	(14,275)	89,638	300,000	30%
Gynecology IPU	67,593	91,613	100,000	92%
Nephrology	0	0	200,000	0%
Oncology	36,198	194,676	700,000	28%
Ophthalmology	63,195	533,200	1,725,000	31%
Orthotics & Prosthetics	33,117	72,442	200,000	36%
Podiatry	27,298	79,587	250,000	32%
Pulmonology	37,726	200,248	375,000	53%
Rheumatology	13,826	77,350	150,000	52%
Specialty Care	20,784	20,784	450,000	5%
Wound Care	14,572	81,523	150,000	54%
Total Specialty Care	648,785	3,250,767	8,940,000	36%



Questions ? Comments ?