



May 2020 Preliminary Monthly Financial Statements (unaudited)

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Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – \$1.25M compared to \$1.26M May 2019

Short-term Investments – Short-term investments were \$228M at month-end and restricted investments of \$8.0M for capital acquisitions.

Ad Valorem Taxes Receivable – \$3.5M balance is composed of:

Gross Tax Receivables	\$ 7.6M
Taxable Assessed Valuation Adjustment	(1.7)M
Est. Allowance for Doubtful collections	(2.4)M
Total Taxes Receivable	\$ 3.5M

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

- CommUnityCare - \$4.1M
- Sendero - \$544K
- Community Care Collaborative - \$997K
- Accrued Interest and Misc Receivables \$497K

Prepaid Expenses – \$464K balance composed of:

- Prepaid Insurance - \$167K
- Tax Assessor Collection Fees - \$2.9K
- TCAD Appraisal Fees - \$79K
- ICC - \$51K
- Software - \$75K
- Prepaid Memberships/Subscriptions - \$83K
- Deposits - \$6K

Total Current Assets – \$240M



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 - \$38.5M

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

Total Assets – **\$508M**



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$8.6M balance are:

- \$6.5M estimated IBNR for healthcare services.
- \$1.5M estimated healthcare delivery costs.
- \$609k in month-end vendor invoices due.

Salaries and Benefits Payable – \$1.3M 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 \$6.6K Interest Payable. Refunded in May.

Deferred Tax Revenue - \$3.0M

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

Total Current Liabilities – **\$14.7M**



Restricted or Noncurrent Liabilities – Slide 5 (continued)

Funds held for TCHD LPPF - \$38.5M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$6.1M balance of the \$7.285M in General Obligation Bonds, Series 2020, a refunding in May. 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 – \$44.6M

Total Liabilities – \$59M

Net Assets

Unrestricted Net Assets – \$339M

Investment in Capital Assets – \$110M

Total Net Assets – \$449M

Total Liabilities and Net Assets – \$508M



Sources and Uses Report – Slide 6

May financials → eight months of the fiscal year, 67% of the fiscal year.

Sources – Total \$1.2M for the month

Property Tax Revenue – Net property tax revenue for the month was \$185K. Net revenue includes \$280K current month's collections, less \$95K in adjustments for prior year delinquent taxes.

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

Other Revenue – \$191K investment income for the month, \$1.9M YTD, compared to \$1.8M YTD last year. And \$7.6K in miscellaneous income (government revenue sharing and lot rent).

Uses of Funds – Total \$20.6M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$19.9M for the month and \$96.7M YTD compared to \$139M YTD thru May 2019.

Administration Program – \$620K in expense for the month, which includes:

- Personnel costs – \$434K
- Consulting services – \$16K
- Legal fees – \$133K
- Other general and administrative – \$37K

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

Excess Sources/(Uses) – \$(19)M in May. Current YTD is \$189.5M compared to prior year 2019 YTD of \$117M.



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Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$19.9M May; \$96.7M YTD compared to \$139M May 2019.

Intergovernmental Transfers (“IGT’s”) – YTD \$27M compared to \$78M last year.

Healthcare Services – Healthcare delivery providers’ expense for May totaled \$4.1M, which includes:

- Primary care – \$3.6M
- Specialty Care (including Dental and Behavioral Health) – \$(227)K
- Pharmacy - \$608K
- All Other Healthcare Services - \$89K

ACA Premium Assist, Education, Enrollment – \$868K in expenses for the month.

Healthcare Facilities and Campus Redevelopment - \$119K in expense for the month and \$2.5M YTD.

Healthcare Delivery Operating Cost – \$1.3M in expenses for the month and includes:

- Personnel costs – \$794K
- Consulting Services – \$9K
- Legal Fees - \$6K
- Other services and purchased goods – \$485K

Debt, Reserves and Transfer – \$10.7K in Debt Service expense for the month

Total Healthcare Delivery - for the month of May was \$19.9M.



Central Health

Financial Statement Presentation

FY 2020 – as of *May 31, 2020* (Preliminary)

Central Health Board of Managers

June 24, 2020

Lisa Owens, Deputy CFO



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Note: HCD = Health Care Delivery



- Year-to-date through May, collected net property tax revenue is \$213 million compared to \$196 million as of May 2019.
- Tax collected through May 2020 is 98% of the adjusted tax levy compared to 99% as of May 2019.
- Healthcare Delivery is \$97 million for the eight months ending 05/31/2020.
- GAAP reporting Net Assets increased \$74 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 05/31/2020 is \$39 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 5/31/2020	as of 5/31/2019
Current Assets		
Cash and cash equivalents	1,254,752	1,259,702
Short-term investments	228,408,793	149,345,144
Ad valorem taxes receivable	3,524,049	2,587,889
Other receivables	6,186,565	3,148,603
Prepaid expenses	463,775	162,863
Total Current Assets	239,837,935	156,504,201
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	7,965,879	7,300,084
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	38,527,638	-
Total Restricted Cash and Investments or Noncurrent	158,576,516	119,383,084
Capital Assets		
Land	12,598,612	11,770,184
Buildings and improvements	130,697,904	134,395,476
Equipment and furniture	9,590,119	9,495,729
Construction in progress	3,222,250	1,306,472
Less accumulated depreciation	(46,032,201)	(42,910,634)
Total Capital Assets	110,076,684	114,057,227
Total Assets	508,491,135	389,944,512



	Preliminary	
	as of	as of
Liabilities	5/31/2020	5/31/2019
Current Liabilities		
Accounts payable	8,557,886	1,606,059
Salaries and benefits payable	1,335,184	851,737
Other Payables	50,678	90,986
Debt service payable, short-term	1,186,626	1,146,610
Deferred tax revenue	2,957,449	2,175,234
Other deferred revenue	610,000	855,987
Total Current Liabilities	14,697,824	6,726,613
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	38,527,638	-
Debt service payable, long-term	6,105,000	7,285,000
Deferred Revenue	-	1,220,000
Total Restricted of Noncurrent Liabilities	44,632,638	8,505,000
Total Liabilities	59,330,461	15,231,613
Net Assets		
Unrestricted	339,083,990	260,655,672
Investment in Capital Assets	110,076,684	114,057,227
Total Net Assets	449,160,674	374,712,899
Liabilities and Net Assets	508,491,135	389,944,512



Sources / Uses	May 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Sources					
Property Tax Revenue	184,639	213,346,479	214,906,371	99%	195,992,913
Lease Revenue	857,841	8,411,156	13,749,848	61%	8,392,755
Other Revenue	190,579	1,877,373	2,150,000	87%	1,843,903
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
Total Sources	1,233,059	292,352,780	290,805,716	101%	262,402,119
Uses of Funds					
Healthcare Delivery	19,860,544	96,660,853	278,017,581	35%	139,183,834
Administrative Program					
Salaries and benefits	433,587	3,081,335	5,903,601	52%	2,798,498
Consulting Fees	16,033	285,272	1,187,720	24%	199,426
Legal Fees	132,550	677,605	1,390,820	49%	495,538
Other Purchase Goods and Services	37,571	698,645	2,417,737	29%	760,951
Total Administrative Program	619,741	4,742,857	10,899,878	44%	4,254,413
Tax Collection Expenses	79,960	1,447,770	1,888,258	77%	1,553,496
Total Uses	20,560,245	102,851,480	290,805,716	35%	144,991,743
Excess Sources / (Uses)	(19,327,186)	189,501,300			117,410,376



Healthcare Delivery Summary	May 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Inter-Governmental Transfers (IGTs)	13,478,714	26,959,115	61,694,651	44%	77,946,698
Healthcare Services					
Member Payment to CCC	-	-	-	0%	24,210,000
Primary Care - (see detail on Slide 11)	3,606,794	30,811,520	50,270,000	61%	486,706
Specialty Care, incld Dental & Behavioral Health	(227,075)	3,656,411	9,823,856	37%	-
Pharmacy	608,440	6,252,620	11,600,000	54%	-
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	89,092	769,533	5,269,990	15%	722,921
Indigent Care & Hospital Performance Incentive	-	-	52,925,000	0%	-
Subtotal Healthcare Services	4,077,251	41,490,084	135,288,846	31%	25,419,627
ACA Premium Assist, Education, Enrollment	881,244	6,151,947	9,856,120	62%	3,674,809
Healthcare Facilities and Campus Redevelopment	118,596	2,462,987	10,996,170	22%	3,348,873
Healthcare Delivery Operating Costs	1,294,083	8,980,403	26,044,728	34%	3,692,552
Debt, Reserves and Transfers	10,656	10,616,317	34,137,066	31%	25,101,275
Total Healthcare Delivery	19,860,544	96,660,853	278,017,581	35%	139,183,834



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	May 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)	-	0%	14,256,758
DSH - Disproportionate Share	13,478,714	27,866,991	36,120,000	77%	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)	13,478,714	26,959,115	61,694,651	44%	77,946,698
Healthcare Services					
Member Payment to CCC	-	-	-	0%	24,210,000
Primary Care - (see detail on Slide 11)	3,606,794	30,811,520	50,270,000	61%	486,706
Specialty Care, incld Dental - (see detail on Slide 12)	(326,393)	3,320,914	8,940,000	37%	-
Specialty Care, Behavioral Health	99,318	335,497	883,856	38%	-
Pharmacy	608,440	6,252,620	11,600,000	54%	-
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	37,652	305,516	1,950,000	16%	-
Health care services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	51,440	411,517	719,990	57%	411,517
Primary & Specialty Care Reserves	-	52,500	2,000,000	3%	311,404
Indigent Care	-	-	50,225,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
Subtotal Healthcare Services	4,077,251	41,490,084	135,288,846	31%	25,419,627

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Healthcare Delivery Detail (continued)	May 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	669,062	4,159,563	7,000,000	59%	1,409,215
CHAP Program	198,885	1,425,749	2,251,800	63%	1,409,767
ACA Enrollment and Education Services	13,297	566,635	604,320	94%	855,827
Subtotal ACA & Premium Assist Program	881,244	6,151,947	9,856,120	62%	3,674,809
Healthcare Facilities and Campus					
Salaries and benefits	29,492	240,571	432,555	56%	221,686
Consulting Services	-	-	5,872,788		61,781
Legal Fees	4,134	85,357	234,000	36%	50,644
Other Goods & Svc incl. UT Ground Lease	84,970	2,137,059	4,456,827	48%	3,014,762
Subtotal Healthcare Facilities and Campus	118,596	2,462,987	10,996,170	22%	3,348,873
Healthcare Delivery Operating Costs					
Salaries and benefits	794,362	6,262,746	15,367,495	41%	2,603,337
Consulting Services	8,773	38,048	1,073,000	4%	34,833
Legal Fees	6,294	94,462	184,500	51%	28,696
Other Services and Purchased Goods	484,654	2,585,147	9,419,733	27%	1,025,686
Subtotal HCD Operating Cost	1,294,083	8,980,403	26,044,728	34%	3,692,552
Debt Service, Reserves and Transfers					
Debt Service	10,656	1,260,027	1,373,283	92%	1,261,275
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	10,656	10,616,317	34,137,066	31%	25,101,275
Total Healthcare Delivery	19,860,544	96,660,853	278,017,581	35%	139,183,834



Healthcare Delivery - Primary Care	May 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Primary Care				
CommUnity Care	2,986,070	25,285,160	39,000,000	65%
Lone Star Circle of Care	209,124	3,767,434	6,400,000	59%
People's Community Clinic	374,723	1,469,474	2,500,000	59%
Other Primary Care	36,877	289,453	2,370,000	12%
Subtotal Primary Care Services	3,606,794	30,811,521	50,270,000	61%

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Healthcare Delivery - Specialty Care	May 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Specialty Care				
Ancillary Services	(20,933)	13,867	100,000	14%
Cardiology	(16,610)	71,677	150,000	48%
Consultation Services	6,250	50,000	75,000	67%
Dental Specialty	37,097	594,092	1,000,000	59%
Dermatology	(2,779)	245,657	550,000	45%
Durable Medical Equipment	3,164	16,743	115,000	15%
Ear, Nose & Throat ENT	23,363	193,708	400,000	48%
Endocrinology	(47,282)	117,696	300,000	39%
Gastroenterology	(279,793)	483,152	1,650,000	29%
General Surgery	83	94,783	300,000	32%
Gynecology IPU	0	13,974	100,000	14%
Nephrology	0	0	200,000	0%
Oncology	33,892	259,919	700,000	37%
Ophthalmology	(8,921)	594,018	1,725,000	34%
Orthotics & Prosthetics	(116)	89,182	200,000	45%
Podiatry	5,334	111,450	250,000	45%
Pulmonology	(71,015)	149,524	375,000	40%
Rheumatology	(10,002)	80,240	150,000	53%
Specialty Care	17,959	42,207	450,000	9%
Wound Care	3,915	99,025	150,000	66%
Total Specialty Care	(326,394)	3,320,914	8,940,000	37%



Questions ? Comments ?