



Balance Sheet (Assets) – Slide 1

Current Assets

Cash and Cash Equivalents – \$2.6 million

Short-term Investments – Short-term investments were \$107.8 million at month-end, which is net of restricted investments of \$5.4 million for capital acquisitions.

Ad Valorem Taxes Receivable – \$103.0 million balance is composed of the 2016 tax levy of \$94.3 million, delinquent prior years' taxes of \$2.5 million, and tax distributions in transit from the Travis County Tax Office of \$9.0 million, offset by estimated allowances for doubtful collections and adjustments of \$2.8 million.

Other Receivables – Other receivables total \$1.9 million and consist primarily of intercompany balances of \$1.8 million and interest receivable of \$50K.

Prepaid Expenses – \$392K balance composed of \$9K unamortized insurance, \$372K appraisal and collection fees, and \$11K in deposits.

Total Current Assets – \$215.6 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$5.4 million in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$35.0 million, increased after \$6.0 million dollars paid-in to Sendero in December

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$122.4 million, net of accumulated depreciation.

Total Assets – \$399.5 million



Balance Sheet (Liabilities and Net Assets) – Slide 2

Current Liabilities

Accounts Payable – Major components of the \$2.1 million balance are:

- \$1.2 million in vendor invoices at month-end, and
- \$862K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$463K balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued leave balances and various fringe benefit amounts withheld and not yet disbursed.

Other Payables – \$2.1 million in other payables is comprised of the amount due to Seton for Charity Care of \$1.8 million and capital lease obligation of \$324K.

Debt Service Payable, Short Term – \$1.1 million balance consists of the annual principal payment and accrued interest on the Series 2011 Certificates of Obligation.

Deferred Tax Revenue – \$93.9 million for the uncollected portion of the 2016 tax levy.

Other Deferred Revenue – \$3.0 million – Seton's January 2017 lease payment received in current month.

Total Current Liabilities – \$102.7 million

Noncurrent Liabilities

Debt Service Payable, Long Term – \$10.4 million balance of the \$16 million in Series 2011 Certificates of Obligation, reduced by five principal payments made to date. This debt was issued for the North Central clinic and the Southeast Health and Wellness Center.

Total Liabilities – \$113.0 million

Net Assets

Unrestricted Net Assets – \$164.1 million

Investment in Capital Assets – \$122.4 million

Total Net Assets – \$286.5 million

Total Liabilities and Net Assets – \$399.5 million



Sources and Uses Report – Slide 3

December financials → 25.0% of the fiscal year

Sources

Property Tax Revenue – \$67.1 million was collected during the month, or 39% of the 2016 levy.

Lease Revenue – \$3.2 million recorded for Seton lease payment.

Other Revenue – \$38K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$1.3 million for the month.

Administration Program – \$476K in expense for the month, which includes:

- Personnel costs – \$283K
- Legal fees – \$41K
- Consulting services – \$28K
- Other general and administrative – \$124K

Tax Collection Expenses – \$575K

Excess Sources Over (Under) Uses – Net assets increased by \$68.0 million in December. Year-to-date, net assets have increased by \$110.1 million.

Healthcare Delivery Expense – Slide 4

Intergovernmental Transfers (IGTs) – No IGTs were processed during December.

Provider Costs – Healthcare delivery providers' expense for December totaled \$604K and includes \$49K for primary care, \$354K for charity care, and \$229K for medical administration.

Healthcare Delivery Operating Cost – \$433K in expense for the month, which includes:

- Personnel costs – \$228K
- Consulting services – \$3K
- Other services and purchased goods – \$202K



December 2016 Preliminary Monthly Financial Statements (unaudited)
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Other Costs – \$236K balance comprised of \$103K related to UMCB Campus Redevelopment, \$99K for ACA enrollment and subsidy costs, and \$34K in debt service for interest on the \$16 million Series 2011 Certificates of Obligation.

Total Healthcare Delivery for the month of December was \$1.3 million.

Recap of FY17 IGT Payments – Slide 5

No IGTs were processed during December; however, \$44.7 million in IGTs related to DSRIP were paid on January 4, 2017.



Balance Sheet
As of December 31, 2016
(Page 1 of 2, Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 2,578,882	\$ 2,913,923
Short-Term Investments	107,766,052	118,229,958
Ad Valorem Taxes Receivable	103,003,717	106,478,130
Other Receivables	1,894,712	2,596,345
Prepaid Expenses	392,130	402,233
Total Current Assets	<u>215,635,493</u>	<u>230,620,589</u>
Noncurrent or Restricted Cash and Investments		
Restricted for Capital Acquisition	5,381,122	8,962,937
Sendero Paid-In Capital	35,000,000	29,000,000
Working Capital Advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	17,083,000	17,083,000
Total Noncurrent or Restricted Cash and Investments	<u>61,464,122</u>	<u>59,045,937</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and Improvements	125,080,604	117,819,446
Equipment and Furniture	9,067,035	7,121,808
Construction In Progress	10,388,754	16,348,823
Less Accumulated Depreciation	(33,913,009)	(29,477,910)
Total Capital Assets	<u>122,393,568</u>	<u>123,582,350</u>
Total Assets	<u>\$ 399,493,183</u>	<u>\$ 413,248,876</u>



Balance Sheet
As of December 31, 2016
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 2,068,187	\$ 1,694,929
Salaries and Benefits Payable	462,545	442,857
Other Payables	2,138,326	12,519,394
Debt Service Payable, Short-Term	1,111,403	1,092,800
Deferred Tax Revenue	93,857,578	95,299,646
Other Deferred Revenue	3,024,395	2,864,332
Total Current Liabilities	<u>102,662,434</u>	<u>113,913,958</u>
Noncurrent Liabilities		
Debt Service Payable, Long-Term	<u>10,380,000</u>	<u>11,355,000</u>
Total Liabilities	<u>113,042,434</u>	<u>125,268,958</u>
Net Assets		
Unrestricted	164,057,181	164,420,021
Investment in Capital Assets	<u>122,393,568</u>	<u>123,559,897</u>
Total Net Assets	<u>286,450,749</u>	<u>287,979,918</u>
Liabilities and Net Assets	<u>\$ 399,493,183</u>	<u>\$ 413,248,876</u>



Sources and Uses Report

Fiscal Year-to-Date through December 31, 2016

(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Sources:					
Property Tax Revenue	\$ 67,107,715	\$ 77,688,108	\$ 169,806,722	45.8%	\$ 66,530,323
Seton Lease Revenue	3,174,900	9,524,700	31,544,675	30.2%	8,592,996
Other Revenue	38,000	87,312	400,000	21.8%	35,790
Tobacco Settlement Revenue	-	-	1,800,000	0.0%	-
Contingency Reserve ⁽¹⁾	-	51,876,745	36,600,000	141.7%	-
Total Sources	\$ 70,320,615	\$ 139,176,865	\$ 240,151,397	58.0%	\$ 75,159,109
Uses of Funds:					
Total Healthcare Delivery Program	\$ 1,273,528	\$ 26,727,113	\$ 229,738,205	11.6%	\$ 52,531,087
Administration Program					
Personnel Salary and Benefits	\$ 283,158	\$ 892,945	\$ 4,268,817	20.9%	\$ 874,879
Other Purchased Goods and Services:					
Legal Fees	40,549	273,936	1,166,500	23.5%	173,551
Consulting Services	28,325	63,948	1,038,000	6.2%	44,595
Other General and Administrative	124,360	416,564	2,453,284	17.0%	11,885
Subtotal Other Purchased Goods and Services	\$ 193,234	\$ 754,448	\$ 4,657,784	16.2%	\$ 230,031
Total Administration Program	\$ 476,392	\$ 1,647,393	\$ 8,926,601	18.5%	\$ 1,740,046
Tax Collection Expenses	\$ 575,166	\$ 661,911	\$ 1,486,591	44.5%	\$ 635,136
Total Uses	\$ 2,325,086	\$ 29,036,417	\$ 240,151,397	12.1%	\$ 54,271,133
Excess Sources Over (Under) Uses	\$ 67,995,529	\$ 110,140,448	\$ -		\$ 20,887,976

(1) Preliminary, unaudited.



Healthcare Delivery Expense
Fiscal Year-to-Date through December 31, 2016
(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
<u>Intergovernmental Transfers (IGTs)</u> ⁽¹⁾	\$ -	\$ 13,979,097	\$ 141,570,000	9.9%	\$ 39,178,015
<u>Provider Costs</u>					
Primary Care	48,750	146,430	585,000	25.0%	143,191
DSRIP Project Expense	(28,112)	247,322	-	N/A	13,000
Charity Care	354,311	1,062,933	4,251,733	25.0%	1,062,933
Member Payment to CCC ⁽²⁾	-	-	26,245,166	0.0%	-
Medical Administration	228,940	686,819	617,275	111.3%	224,132
Subtotal Provider Costs	\$ 603,889	\$ 2,143,504	\$ 31,699,174	6.8%	\$ 1,443,256
Service Expansion Funds	-	-	2,000,000	0.0%	-
Total IGTs and Provider Costs	\$ 603,889	\$ 16,122,601	\$ 175,269,174	9.2%	\$ 40,621,271
<u>Healthcare Delivery Operating Cost</u>					
Personnel Costs	227,536	695,024	3,871,685	18.0%	509,750
Consulting Services	3,110	59,311	334,000	17.8%	52,242
Legal Fees	-	6,452	25,000	25.8%	925
Other Services and Purchased Goods	202,521	404,145	3,222,215	12.5%	283,045
Subtotal HCD Operating Cost	\$ 433,167	\$ 1,164,932	\$ 7,452,900	15.6%	\$ 845,962
<u>Other Costs</u>					
UMCB Campus Redevelopment	103,244	162,187	2,047,675	7.9%	-
ACA Enrollment/Subsidy	99,127	295,091	2,745,000	10.8%	417,475
Debt Service	34,101	102,302	1,372,803	7.5%	107,100
Subtotal Other Costs	\$ 236,472	\$ 559,580	\$ 6,165,478	9.1%	\$ 524,575
<u>Reserves, Appropriated Uses and Transfers</u>					
Subtotal Reserves, Appropriated Uses and Transfers	\$ -	\$ 8,880,000	\$ 40,850,653	21.7%	\$ 10,539,279
Total Healthcare Delivery	\$ 1,273,528	\$ 26,727,113	\$ 229,738,205	11.6%	\$ 52,531,087

(1) Budget includes allocated portion of the contingency reserve appropriation, for IGT timing differences.

(2) Final contributions will be subject to provisions of the MSA, which requires the parties to collaborate to adequately fund the CCC, but leaves the amount of funding up to each parties' discretion. Each member contribution could be more or less than the budget, depending upon a variety of factors.



Recap of FY17 IGT Payments
Actuals Through December 31, 2016

<i>\$ in millions</i>	Fiscal Year Budget	This Month	Fiscal Year-To-Date	Under (Over) Budget
Private UC	27.9	-	-	27.9
UMCB UC	25.0	-	-	25.0
DSH	32.5	-	14.0	18.5
DSRIP - CCC	29.3	-	-	29.3
DSRIP - UMCB and Dell	26.3	-	-	26.3
DSRIP - St. David's	0.6	-	-	0.6
Total	141.6	-	14.0	127.6

(1) Allocated portion of the contingency reserve appropriation, for IGT timing differences.



Questions? Comments?