



Balance Sheet (Assets) – Slide 3

Current Assets

Cash and Cash Equivalents – \$2.1 million

Short-term Investments – Short-term investments were \$145.2 million at month-end, which is net of restricted investments of \$6.5 million for capital acquisitions.

Ad Valorem Taxes Receivable – \$4.8 million balance is composed of the 2017 tax levy of \$5.2 million, delinquent prior years' taxes of \$2.5 million, and tax distributions in transit from the Travis County Tax Office of \$485 thousand, partially offset by estimated allowances for doubtful collections and adjustments of \$3.3 million.

Other Receivables – Other receivables total \$6.0 million and consists of intercompany balances of \$5.9 million, interest receivable of \$42K, and other receivables of \$6K.

Prepaid Expenses – \$164K balance composed of \$153K appraisal and collection fees and \$11K in deposits.

Total Current Assets – \$158.3 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$6.5 million in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$51.0 million (additional \$6 million transferred in February)

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$117.8 million, net of accumulated depreciation.

Total Assets – \$354.6 million



Balance Sheet (Liabilities and Net Assets) – Slide 4

Current Liabilities

Accounts Payable – Major components of the \$1.9 million balance are:

- \$600k in vendor invoices at month-end, and
- \$1.3 million in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$543K 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 – \$5.9 million in other payables is comprised of the amount due to Seton for Charity Care and the distribution of the 2016 tobacco settlement proceeds.

Debt Service Payable, Short-Term – The annual principal payment and accrued interest on the Series 2011 Certificates of Obligation was paid in February.

Capital Lease Obligation, Short-Term – \$82K related to medical equipment leased at Southeast Health and Wellness Center.

Deferred Tax Revenue – \$4.1 million for the uncollected portion of the 2017 tax levy.

Total Current Liabilities – \$12.5 million

Noncurrent Liabilities

Debt Service Payable, Long-Term – \$9.4 million balance of the \$16 million in Series 2011 Certificates of Obligation, reduced by six principal payments made to date. This debt was issued for the North Central clinic and the Southeast Health and Wellness Center.

Capital Lease Obligation, Long-Term – \$157K related to medical equipment leased at Southeast Health and Wellness Center.

Total Noncurrent Liabilities – \$9.5 million

Total Liabilities – \$22 million



Net Assets

Unrestricted Net Assets – \$214.8 million

Investment in Capital Assets – \$117.8 million

Total Net Assets – \$332.6 million

Total Liabilities and Net Assets – \$354.6 million

Sources and Uses Report – Slide 5

February financials → Five months, 41.6% of the fiscal year

Sources

Property Tax Revenue – Net property tax revenue for the month of February was \$12.4 million. Net revenue includes \$12.5 million current month's collections, less \$68K in adjustments for prior year delinquent taxes. Current month's collections were 98.4% of the fiscal 2018 budget.

Lease Revenue – \$783K recorded for Seton lease payment.

Other Revenue – \$170K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$25.3 million for the month.

Administration Program – \$499K in expense for the month, which includes:

- Personnel costs – \$159K
- Legal fees – \$57K
- Consulting services – \$52K
- Other general and administrative – \$231K

Tax Collection Expenses – \$147K

Excess Sources Over (Under) Uses – Net assets decreased by \$12.6 million in January. Year-to-date, net assets have increased by \$127.5 million.



Healthcare Delivery Expense – Slide 6

Intergovernmental Transfers (IGTs) – IGT expense for the month of January was \$24.4 million.

Provider Costs – Healthcare delivery providers' expense for January totaled \$116K, which includes:

- Primary care – \$60K
- DSRIP project expense – \$50K

Healthcare Delivery Operating Cost – \$513K in expenses for the month and includes:

- Personnel costs – \$324K
- Consulting services – \$33K
- Legal fees – (\$3K) due to adjustments
- Other services and purchased goods – \$158K

Other Costs – \$261K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$28K
- ACA Enrollment and Subsidy – \$201K
- Debt Service – \$32K

Total Healthcare Delivery for the month of January was \$25.3 million.

Recap of FY18 IGT Payments – Slide 7

On February 2, 2018, \$24.4 million in IGTs, related to Uncompensated Care for Seton and St. David's, was sent.



CENTRAL HEALTH

Central Health

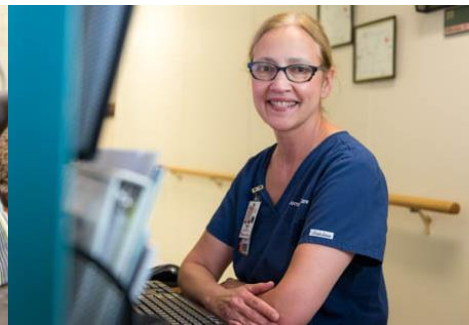
Financial Statement Presentation

FY 2018 – as of February 28, 2018

Central Health Budget and Finance Committee

March 21, 2018

Lisa Owens, Deputy CFO





February 2018 Financial Highlights

- Sent Intergovernmental Transfer of \$24.4 million, related to Uncompensated Care, in February.
- Year-to-date, collected net property tax revenue of \$179 million (98.4% of fiscal 2018 budget).



Balance Sheet
As of February 28, 2018
(Page 1 of 2, Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,068,708	\$ 2,602,712
Short-term investments	145,231,428	137,832,226
Ad valorem taxes receivable	4,792,254	4,152,497
Other receivables	6,033,155	3,338,480
Prepaid expenses	164,262	21,506
Total Current Assets	<u>158,289,807</u>	<u>147,947,421</u>
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,506,179	5,659,617
Sendero paid-in-capital	51,000,000	35,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	<u>17,083,000</u>	<u>17,083,000</u>
Total Noncurrent or restricted cash and investments	78,589,179	61,742,617
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	132,393,816	125,083,766
Equipment and furniture	8,909,710	9,078,151
Construction in progress	2,508,871	10,431,481
Less accumulated depreciation	<u>(37,811,495)</u>	<u>(34,676,232)</u>
Total Capital Assets	<u>117,771,086</u>	<u>121,687,350</u>
Total Assets	<u>\$ 354,650,072</u>	<u>\$ 331,377,388</u>



Balance Sheet
As of February 28, 2018
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 1,890,425	\$ 1,593,489
Salaries and Benefits Payable	543,120	491,841
Other Payables	5,906,044	1,186,364
Debt Service Payable, Short-Term	-	1,179,605
Capital Lease Obligation, Short-Term	82,332	81,075
Deferred Tax Revenue	4,119,727	3,774,495
Other Deferred Revenue	-	3,174,900
Total Current Liabilities	12,541,648	11,481,769
Noncurrent Liabilities		
Debt Service Payable, Long-Term	9,380,000	10,380,000
Capital Lease Obligation, Long-Term	157,286	240,656
Total Noncurrent Liabilities	9,537,286	10,620,656
Total Liabilities	22,078,934	22,102,425
Net Assets		
Unrestricted	214,800,054	187,587,614
Investment in Capital Assets	117,771,085	121,687,350
Total Net Assets	332,571,139	309,274,963
Liabilities and Net Assets	<u>\$ 354,650,072</u>	<u>\$ 331,377,388</u>



Sources and Uses Report

Fiscal Year-to-Date through February 28, 2018

(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Sources					
Property Tax Revenue	\$ 12,390,768	\$ 178,898,852	\$ 181,839,054	98.4%	\$ 167,435,393
Lease Revenue	782,552	4,362,759	10,303,467	42.3%	15,874,500
Other Revenue	169,912	639,305	400,000	159.8%	220,437
Tobacco Settlement Revenue	-	-	1,800,000	0.0%	-
Contingency Reserve (Appropriated) ⁽¹⁾	-	51,560,311	43,482,960	118.6%	-
Total Sources	13,343,232	235,461,227	237,825,481	99.0%	183,530,330
Uses of Funds					
Total Healthcare Delivery Program	25,296,334	103,509,212	227,029,205	45.6%	99,125,249
Administration Program					
Personnel Salary and Benefits	158,824	1,457,419	4,413,183	33.0%	1,535,191
Other Purchased Goods and Services					
Legal Fees	56,755	293,724	926,200	31.7%	574,128
Consulting Services	52,275	285,881	1,208,800	23.6%	111,464
Other General and Administrative	230,793	890,863	2,595,333	34.3%	679,297
Subtotal Other Purchased Goods and Services	339,823	1,470,468	4,730,333	31.1%	1,364,889
Total Administration Program	498,647	2,927,887	9,143,516	32.0%	2,900,080
Tax Collection Expenses	147,029	1,512,535	1,652,760	91.5%	1,432,245
Total Uses	25,942,010	107,949,634	237,825,481	45.4%	103,457,574
Excess Sources Over (Under) Uses	\$ (12,598,778)	\$ 127,511,593	\$ -		\$ 80,072,756

⁽¹⁾ Emergency reserve (not included within the Contingency Reserve) is \$29,895,000 at fiscal year-end 2017.



Healthcare Delivery Expense
Fiscal Year-to-Date through February 28, 2018
(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Intergovernmental Transfers (IGTs) ⁽¹⁾	\$ 24,406,597	\$ 92,706,152	\$ 142,920,000	64.9%	\$ 82,909,966
Provider Costs					
Primary Care	60,902	262,054	1,731,800	15.1%	243,930
DSRIP Project Expense	54,675	585,483	-		364,486
Charity Care	-	1,062,933	4,251,733	25.0%	1,771,555
New Healthcare Initiatives	-	-	500,000	0.0%	-
Member Payment to CCC ⁽²⁾	-	-	29,245,166	0.0%	-
Medical Administration	-	308,638	666,657	46.3%	308,638
Subtotal Provider Costs	115,577	2,219,108	36,395,356	6.1%	2,688,609
Service Expansion Funds	-	-	2,000,000	0.0%	-
Total IGTs and Provider Costs	24,522,174	94,925,260	181,315,356	52.4%	85,598,575
Healthcare Delivery Operating Costs					
Personnel Costs	324,305	1,195,437	3,897,517	30.7%	1,233,782
Consulting Services	32,651	(35,119)	389,000	-9.0%	81,541
Legal Fees	(2,292)	10,004	31,200	32.1%	30,351
Other Services and Purchased Goods	158,334	493,750	3,894,184	12.7%	536,668
Subtotal HCD Operating Costs	512,998	1,664,072	8,211,901	20.3%	1,882,342
Other Costs					
UMCB Campus Redevelopment	28,446	221,109	4,360,644	5.1%	305,582
ACA Enrollment and Subsidy	200,516	1,119,852	2,700,000	41.5%	628,967
Debt Service	32,200	160,998	1,372,795	11.7%	170,504
Subtotal Other Costs	261,162	1,501,959	8,433,439	17.8%	1,105,053
Reserves, Appropriated Uses and Transfers					
Subtotal Reserves, Appropriated Uses and Transfers	-	5,417,922	29,068,509	18.6%	10,539,279
Total Healthcare Delivery	\$ 25,296,334	\$ 103,509,213	\$ 227,029,205	45.6%	\$ 99,125,249

⁽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 FY18 IGT Payments
Actuals Through February 28, 2018

<i>\$ in millions</i>	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Under (Over) Budget
Private UC	\$ 13.8	\$ 16.0	\$ 24.0	\$ 8.0
UMCB UC	10.6	12.6	25.0	12.4
DSH	-	14.1	35.0	20.9
DSRIP - CCC	-	24.4	29.3	4.9
DSRIP - UMCB, Dell Children's	-	25.4	29.0	3.6
DSRIP - St. David's	-	0.2	0.6	0.4
Total	\$ 24.4	\$ 92.7	\$ 142.9	\$ 50.2



Questions? Comments?