



## **Balance Sheet (Assets) – Slide 1**

### **Current Assets**

Cash and Cash Equivalents – \$2.6 million

Short-term Investments – Short-term investments were \$137.8 million at month-end, which is net of restricted investments of \$5.7 million for capital acquisitions.

Ad Valorem Taxes Receivable – \$4.2 million balance is composed of the 2016 tax levy less adjustments of \$3.8 million, delinquent prior years' taxes of \$2.3 million, and tax distributions in transit from the Travis County Tax Office of \$424K, offset by estimated allowances for doubtful collections \$2.4 million.

Other Receivables – Other receivables total \$3.3 million and consist primarily of intercompany balances of \$3.2 million and interest receivable of \$83K.

Prepaid Expenses – \$22K balance composed of \$11K tax collection fees and \$11K in deposits.

**Total Current Assets – \$147.9 million**

### **Noncurrent Assets**

Investments Restricted for Capital Acquisition – \$5.7 million in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$35.0 million (unchanged)

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$121.7 million, net of accumulated depreciation.

**Total Assets – \$331.4 million**



## **Balance Sheet (Liabilities and Net Assets) – Slide 2**

### **Current Liabilities**

Accounts Payable – Major components of the \$1.6 million balance are:

- \$1.1 million in vendor invoices at month-end, and
- \$530K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$492K 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 – \$1.2 million in other payables is comprised of the amount due to Seton for Charity Care.

Debt Service Payable, Short-Term – \$1.2 million balance consists of the annual principal payment and accrued interest on the Series 2011 Certificates of Obligation.

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

Deferred Tax Revenue – \$3.8 million for the uncollected portion of the 2016 tax levy.

Other Deferred Revenue – \$3.2 million – Seton's March 2017 lease payment received in current month.

### **Total Current Liabilities – \$11.5 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.

Capital Lease Obligation, Long-Term – \$241K related to medical equipment leased at Southeast Health and Wellness Center.

### **Total Noncurrent Liabilities – \$10.6 million**

### **Total Liabilities – \$22.1 million**



### **Net Assets**

Unrestricted Net Assets – \$187.6 million

Investment in Capital Assets – \$121.7 million

**Total Net Assets – \$309.3 million**

**Total Liabilities and Net Assets – \$331.4 million**

### **Sources and Uses Report – Slide 3**

February financials → five months, 41.7% of the fiscal year

#### **Sources**

Property Tax Revenue – \$15.0 million was collected during the month of February, or 8.7% of the 2016 levy. Through the first five months of fiscal year 2017, \$167.7 million has been collected, or 97.8% of the 2016 adjusted tax levy. At the same time in prior year, \$157.7 million had been collected, or 97.5% of the 2015 adjusted tax levy.

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

Other Revenue – \$76K interest income on investments.

#### **Uses of Funds**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$24.7 million for the month.

Administration Program – \$570K in expense for the month, which includes:

- Personnel costs – \$338K
- Legal fees – \$122K
- Consulting services – \$20K
- Other general and administrative – \$90K

Tax Collection Expenses – \$127K

**Excess Sources Over (Under) Uses** – Net assets decreased by \$7.2 million in February. Year-to-date, net assets have increased by \$133.6 million.



February 2017 Preliminary Monthly Financial Statements (unaudited)

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### **Healthcare Delivery Expense – Slide 4**

Intergovernmental Transfers (IGTs) – IGT expense for the month of February was \$24.3 million.

Provider Costs – Healthcare delivery providers' expense for February totaled \$520K and includes \$49K for primary care, \$354K for charity care, and \$117K for DSRIP project expense.

Healthcare Delivery Operating Cost – \$309K in expense for the month, which includes:

- Personnel costs – \$278K
- Consulting services – \$11K
- Legal fees – \$17K
- Other services and purchased goods – \$3K

Other Costs – \$370K credit balance comprised of \$56K related to UMCB Campus Redevelopment and \$34K in debt service for interest on the \$16 million Series 2011 Certificates of Obligation, offset by \$461K for ACA enrollment and subsidy costs.

**Total Healthcare Delivery for the month of February was \$24.7 million.**

### **Recap of FY17 IGT Payments – Slide 5**

IGT expense of \$24.3 million, all related to Uncompensated Care, was sent on February 2, 2017. The IGT included \$13.5 million for Private UC and \$10.8 million for UMCB UC.

On March 3, 2017, \$7.0 million in IGTs related to Disproportionate Share was sent.



**Balance Sheet**  
**As of February 28, 2017**  
*(Page 1 of 2, Assets)*

	<b><u>FY 2017</u></b>	<b><u>FY 2016</u></b>
<b>Assets</b>		
Current Assets		
Cash and Cash Equivalents	\$ 2,602,712	\$ 3,099,641
Short-Term Investments	137,832,226	148,150,872
Ad Valorem Taxes Receivable	4,152,497	4,522,020
Other Receivables	3,338,480	3,764,241
Prepaid Expenses	21,506	25,791
Total Current Assets	<u>147,947,421</u>	<u>159,562,565</u>
Noncurrent or Restricted Cash and Investments		
Restricted for Capital Acquisition	5,659,617	7,526,302
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>61,742,617</u>	<u>57,609,302</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and Improvements	125,083,766	117,855,086
Equipment and Furniture	9,078,151	7,204,633
Construction In Progress	10,431,481	17,666,994
Less Accumulated Depreciation	<u>(34,676,232)</u>	<u>(30,146,491)</u>
Total Capital Assets	<u>121,687,350</u>	<u>124,350,405</u>
<b>Total Assets</b>	<u><u>\$ 331,377,388</u></u>	<u><u>\$ 341,522,272</u></u>



**Balance Sheet**  
**As of February 28, 2017**  
*(Page 2 of 2, Liabilities and Net Assets)*

	<u>FY 2017</u>	<u>FY 2016</u>
<b>Liabilities</b>		
Current Liabilities		
Accounts Payable	\$ 1,593,489	\$ 1,513,389
Salaries and Benefits Payable	491,841	530,737
Other Payables	1,185,734	6,133,364
Debt Service Payable, Short-Term	1,179,605	-
Capital Lease Obligation, Short-Term	81,705	-
Deferred Tax Revenue	3,774,494	4,013,107
Other Deferred Revenue	3,174,900	2,864,332
Total Current Liabilities	<u>11,481,768</u>	<u>15,054,929</u>
Noncurrent Liabilities		
Debt Service Payable, Long-Term	10,380,000	11,355,000
Capital Lease Obligation, Long-Term	240,656	-
Total Noncurrent Liabilities	<u>10,620,656</u>	<u>11,355,000</u>
<b>Total Liabilities</b>	<u>22,102,424</u>	<u>26,409,929</u>
<b>Net Assets</b>		
Unrestricted	187,587,614	190,761,938
Investment in Capital Assets	121,687,350	124,350,405
<b>Total Net Assets</b>	<u>309,274,964</u>	<u>315,112,343</u>
<b>Liabilities and Net Assets</b>	<u>\$ 331,377,388</u>	<u>\$ 341,522,272</u>



## Sources and Uses Report

### Fiscal Year-to-Date through February 28, 2017

*(Excludes Depreciation Expense)*

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
<b>Sources:</b>					
Property Tax Revenue	\$ 14,961,241	\$ 167,435,393	\$ 169,806,722	98.6%	\$ 157,707,333
Seton Lease Revenue	3,174,900	15,874,500	31,544,675	50.3%	14,321,660
Other Revenue	75,919	220,437	400,000	55.1%	35,790
Tobacco Settlement Revenue	-	-	1,800,000	0.0%	-
Contingency Reserve	-	51,876,745	36,600,000	141.7%	-
<b>Total Sources</b>	<b>\$ 18,212,060</b>	<b>\$ 235,407,075</b>	<b>\$ 240,151,397</b>	<b>98.0%</b>	<b>\$ 172,064,783</b>
<b>Uses of Funds:</b>					
<b>Total Healthcare Delivery Program</b>	<b>\$ 24,713,822</b>	<b>\$ 97,465,970</b>	<b>\$ 229,738,205</b>	<b>42.4%</b>	<b>\$ 119,789,357</b>
<b>Administration Program</b>					
Personnel Salary and Benefits	\$ 338,173	\$ 1,535,191	\$ 4,268,817	36.0%	\$ 1,562,599
Other Purchased Goods and Services:					
Legal Fees	122,031	574,128	1,166,500	49.2%	329,210
Consulting Services	19,505	111,464	1,038,000	10.7%	104,618
Other General and Administrative	90,311	679,297	2,453,284	27.7%	(30,115)
Subtotal Other Purchased Goods and Services	\$ 231,847	\$ 1,364,889	\$ 4,657,784	29.3%	\$ 403,713
<b>Total Administration Program</b>	<b>\$ 570,020</b>	<b>\$ 2,900,080</b>	<b>\$ 8,926,601</b>	<b>32.5%</b>	<b>\$ 1,966,312</b>
<b>Tax Collection Expenses</b>	<b>\$ 126,588</b>	<b>\$ 1,432,245</b>	<b>\$ 1,486,591</b>	<b>96.3%</b>	<b>\$ 1,388,169</b>
<b>Total Uses</b>	<b>\$ 25,410,430</b>	<b>\$ 101,798,295</b>	<b>\$ 240,151,397</b>	<b>42.4%</b>	<b>\$ 123,143,838</b>
<b>Excess Sources Over (Under) Uses</b>	<b>\$ (7,198,370)</b>	<b>\$ 133,608,780</b>	<b>\$ -</b>		<b>\$ 48,920,945</b>



**Healthcare Delivery Expense**  
**Fiscal Year-to-Date through February 28, 2017**  
*(Excludes Depreciation Expense)*

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
<b><u>Intergovernmental Transfers (IGTs)</u></b> <sup>(1)</sup>	\$ 24,254,899	\$ 82,909,966	\$ 141,570,000	58.6%	\$ 104,273,389
<b><u>Provider Costs</u></b>					
Primary Care	48,750	243,930	585,000	41.7%	261,559
DSRIP Project Expense	117,164	364,486	-	N/A	213,452
Charity Care	354,311	1,771,555	4,251,733	41.7%	1,771,555
Member Payment to CCC <sup>(2)</sup>	-	-	26,245,166	0.0%	-
Medical Administration	-	308,638	617,275	50.0%	308,638
<b>Subtotal Provider Costs</b>	<b>\$ 520,225</b>	<b>\$ 2,688,609</b>	<b>\$ 31,699,174</b>	<b>8.5%</b>	<b>\$ 2,555,204</b>
<b>Service Expansion Funds</b>	-	-	<b>2,000,000</b>	<b>0.0%</b>	-
<b>Total IGTs and Provider Costs</b>	<b>\$ 24,775,124</b>	<b>\$ 85,598,575</b>	<b>\$ 175,269,174</b>	<b>48.8%</b>	<b>\$ 106,828,593</b>
<b><u>Healthcare Delivery Operating Cost</u></b>					
Personnel Costs	277,629	1,233,782	3,871,685	31.9%	974,271
Consulting Services	11,465	81,541	334,000	24.4%	80,072
Legal Fees	17,070	30,351	25,000	121.4%	3,453
Other Services and Purchased Goods	2,910	536,668	3,222,215	16.7%	467,773
<b>Subtotal HCD Operating Cost</b>	<b>\$ 309,075</b>	<b>\$ 1,882,342</b>	<b>\$ 7,452,900</b>	<b>25.3%</b>	<b>\$ 1,525,569</b>
<b><u>Other Costs</u></b>					
UMCB Campus Redevelopment	56,496	305,582	2,047,675	14.9%	-
ACA Enrollment/Subsidy	(460,974)	628,967	2,745,000	22.9%	717,416
Debt Service	34,101	170,504	1,372,803	12.4%	178,500
<b>Subtotal Other Costs</b>	<b>\$ (370,377)</b>	<b>\$ 1,105,053</b>	<b>\$ 6,165,478</b>	<b>17.9%</b>	<b>\$ 895,916</b>
<b><u>Reserves, Appropriated Uses and Transfers</u></b>					
<b>Subtotal Reserves, Appropriated Uses and Transfers</b>	<b>\$ -</b>	<b>\$ 8,880,000</b>	<b>\$ 40,850,653</b>	<b>21.7%</b>	<b>\$ 10,539,279</b>
<b>Total Healthcare Delivery</b>	<b>\$ 24,713,822</b>	<b>\$ 97,465,970</b>	<b>\$ 229,738,205</b>	<b>42.4%</b>	<b>\$ 119,789,357</b>

(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 February 28, 2017*

<i>\$ in millions</i>	<b>Fiscal Year Budget</b>	<b>This Month</b>	<b>Fiscal Year-To-Date</b>	<b>Under (Over) Budget</b>
Private UC	\$ 27.9	\$ 13.5	\$ 13.5	\$ 14.4
UMCB UC	25.0	10.8	10.7	14.3
DSH	32.5	-	14.0	18.5
DSRIP - CCC	29.3	-	24.9	4.4
DSRIP - UMCB	21.8	-	16.6	5.2
DSRIP - Dell Children's	4.5	-	2.7	1.8
DSRIP - St. David's	0.6	-	0.5	0.1
<b>Total</b>	<b>\$ 141.6</b>	<b>\$ 24.3</b>	<b>\$ 82.9</b>	<b>\$ 58.7</b>



Questions? Comments?