



Balance Sheet (Assets) – Slide 3

Current Assets

Cash and Cash Equivalents – \$1.6 million

Short-term Investments – Short-term investments were \$142.7 million at month-end, which is net of restricted investments of \$6.4 million for capital acquisitions.

Ad Valorem Taxes Receivable – \$2.4 million balance is composed of the 2017 tax levy of \$3.5 million, delinquent prior years' taxes of \$2.3 million, and tax distributions in transit from the Travis County Tax Office of \$113 thousand, partially offset by estimated allowances for doubtful collections and adjustments of \$3.5 million.

Other Receivables – Other receivables total \$8.9 million and consists of intercompany balances of \$8.7 million, and interest receivable of \$177K.

Prepaid Expenses – \$335K balance composed of \$324K appraisal and collection fees and \$11K in deposits.

Total Current Assets – \$156.0 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$6.4 million in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$61.0 million (\$10 million accrued for May)

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$117.1 million, net of accumulated depreciation.

Total Assets – \$361.6 million



Balance Sheet (Liabilities and Net Assets) – Slide 4

Current Liabilities

Accounts Payable – Major components of the \$1.8 million balance are:

- \$1.2 million in vendor invoices at month-end, and
- \$615 million in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$1.2 million 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 – \$17.1 million in other payables is comprised of the amount due to Seton for Charity Care, the distribution of the tobacco settlement proceeds, and accrued risk based capital for Sendero.

Debt Service Payable, Short-Term – \$1.1 million balance is comprised of \$60k is accrued interest and \$1.0 million is Certificates of Obligation Payable.

Capital Lease Obligation, Short-Term – \$84K related to medical equipment leased at Southeast Health and Wellness Center.

Deferred Tax Revenue – \$2.3 million for the uncollected portion of the 2017 tax levy.

Total Current Liabilities – \$23.6 million

Noncurrent Liabilities

Debt Service Payable, Long-Term – \$8.2 million balance of the \$16 million in Series 2011 Certificates of Obligation, reduced by seven 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 – \$143K related to medical equipment leased at Southeast Health and Wellness Center.

Total Noncurrent Liabilities – \$8.4 million

Total Liabilities – \$31.9 million



April 2018 Preliminary Monthly Financial Statements (unaudited)

Page 3 of 4

Net Assets

Unrestricted Net Assets – \$212.6 million

Investment in Capital Assets – \$117.1 million

Total Net Assets – \$329.7 million

Total Liabilities and Net Assets – \$361.6 million

Sources and Uses Report – Slide 5

April financials → Seven months, 58.3% of the fiscal year

Sources

Property Tax Revenue – Net property tax revenue for the month of April was \$715K. Net revenue includes \$846K current month's collections, less \$130K in adjustments for prior year delinquent taxes. Current year's collections were 99.3 % of the fiscal 2018 budget.

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

Other Revenue – \$202K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$1.1 million for the month.

Administration Program – \$545K in expense for the month, which includes:

- Personnel costs – \$361K
- Legal fees – \$85K
- Consulting services – \$12K
- Other general and administrative – \$86K

Tax Collection Expenses – \$4.7K

Excess Sources Over (Under) Uses – Net assets increased by \$3.5 million in April. Year-to-date, net assets have increased by \$124.3 million.



April 2018 Preliminary Monthly Financial Statements (unaudited)

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Healthcare Delivery Expense – Slide 6

Provider Costs – Healthcare delivery providers' expense for April totaled \$217K, which includes:

- Primary care – \$63K
- Medical Administration expense – \$154

Healthcare Delivery Operating Cost – \$487K in expenses for the month and includes:

- Personnel costs – \$307K
- Consulting services – \$11K
- Legal fees – (\$12K)
- Other services and purchased goods – \$181K

Other Costs – \$390K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$215K
- ACA Enrollment and Subsidy – \$145K
- Debt Service – \$29K

Total Healthcare Delivery for the month of April was \$1.1 million.



CENTRAL HEALTH

Central Health

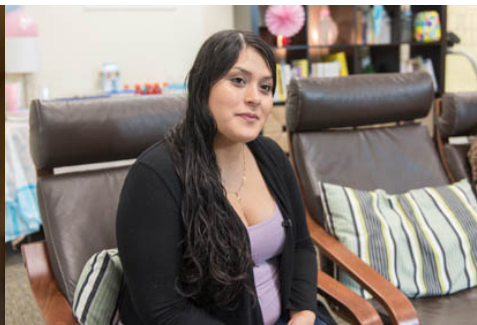
Financial Statement Presentation

FY 2018 – as of April 30, 2018

Central Health Budget and Finance Committee

May 16, 2018

Lisa Owens, VP of Financial Operations





April 2018 Financial Highlights

- Through the first seven months of fiscal year 2018.
- Year-to-date, collected net property tax revenue of \$180.5 million (99.3% of fiscal 2018 budget).
- Collected 98.24% of the adjusted tax levy.
- Additional Risk Based Capital was transferred to Sendero in May, accrued in April.
- Tobacco Settlement funds were received in April for \$4.9 million, Central Health \$3.4 million.



Balance Sheet
As of April 30, 2018
(Page 1 of 2, Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Assets		
Current Assets		
Cash and cash equivalents	1,601,032	2,600,963
Short-term investments	142,705,385	141,090,668
Ad valorem taxes receivable	2,382,626	1,987,456
Other receivables	8,998,036	1,403,616
Prepaid expenses	335,069	51,518
Total Current Assets	156,022,148	147,134,221
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,429,810	7,123,995
Sendero paid-in-capital	61,000,000	35,000,000
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	88,512,810	63,206,995
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	132,393,816	125,096,332
Equipment and furniture	8,909,710	9,078,151
Construction in progress	2,576,028	10,454,537
Less accumulated depreciation	(38,551,313)	(35,409,533)
Total Capital Assets	117,098,424	120,989,671
Total Assets	361,633,383	331,330,886



Balance Sheet
As of April 30, 2018
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Liabilities		
Current Liabilities		
Accounts payable	1,887,387	5,470,633
Salaries and benefits payable	1,151,449	1,114,055
Other Payables	17,063,191	3,071,555
Debt service payable, short-term	1,089,866	1,064,399
Capital Lease Obligation, Short-Term	83,653	86,098
Deferred tax revenue	2,349,671	2,329,567
Other deferred revenue	-	3,174,900
Total Current Liabilities	<u>23,625,217</u>	<u>16,311,207</u>
Noncurrent Liabilities		
Debt service payable, long-term	8,206,774	9,153,122
Capital Lease Obligation, Long-Term	143,226	226,878
Total Noncurrent Liabilities	<u>8,350,000</u>	<u>9,380,000</u>
Total Liabilities	<u>31,975,217</u>	<u>25,691,207</u>
Net Assets		
Unrestricted	212,559,742	184,650,008
Investment in Capital Assets	117,098,424	120,989,671
Total Net Assets	<u>329,658,166</u>	<u>305,639,679</u>
Liabilities and Net Assets	<u><u>361,633,383</u></u>	<u><u>331,330,886</u></u>



Sources and Uses Report

Fiscal Year-to-Date through April 30, 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	714,720	180,484,224	181,839,054	99.3%	168,959,374
Lease Revenue ⁽²⁾	857,841	6,454,885	10,303,467	62.6%	22,224,300
Other Revenue	202,819	1,039,018	400,000	259.8%	454,848
Tobacco Settlement Revenue	3,426,346	3,426,346	1,800,000	190.4%	-
Contingency Reserve (Appropriated) ⁽¹⁾	-	51,560,311	43,482,960	118.6%	51,876,745
Total Sources	5,201,726	242,964,784	237,825,481	102.2%	243,515,267
Uses of Funds					
Total Healthcare Delivery Program	1,094,437	113,089,319	227,029,205	49.8%	108,500,456
Administration Program					
Personnel Salary and Benefits	361,129	2,105,286	4,413,183	47.7%	2,149,588
Other Purchased Goods and Services					
Legal Fees	84,988	479,109	926,200	51.7%	608,577
Consulting Services	12,107	369,203	1,208,800	30.5%	128,101
Other General and Administrative	86,374	1,055,839	2,595,333	40.7%	949,058
Total Administration Program	544,598	4,009,437	9,143,516	43.9%	3,835,324
Tax Collection Expenses	4,763	1,527,592	1,652,760	92.4%	1,447,693
Total Uses	1,643,798	118,626,347	237,825,481	49.9%	113,783,473
Excess Sources Over (Under) Uses	\$ 3,557,928	\$ 124,338,437	\$ -		\$ 129,731,794

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

(2) Adjusted YTD balance.



Healthcare Delivery Expense Fiscal Year-to-Date through April 30, 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⁾	\$ -	\$ 98,734,058	\$ 142,920,000	69.1%	\$ 89,931,678
Provider Costs					
Primary Care	62,909	458,761	1,731,800	26.5%	341,430
DSRIP Project Expense	-	585,985	-		825,016
Charity Care ⁽⁶⁾	-	1,062,933	4,251,733	25.0%	2,480,178
New Healthcare Initiatives ⁽⁵⁾	-	-	500,000	0.0%	-
Member Payment to CCC ⁽²⁾	-	-	29,245,166	0.0%	-
Medical Administration	154,319	462,956	666,657	69.4%	462,956
Subtotal Provider Costs	217,228	2,570,635	36,395,356	7.1%	4,109,580
Service Expansion Funds ⁽³⁾	-	-	2,000,000	0.0%	-
Total IGTs and Provider Costs	217,228	101,304,693	181,315,356	55.9%	94,041,258
Healthcare Delivery Operating Costs					
Personnel Costs	307,556	1,835,673	3,897,517	47.1%	1,893,857
Consulting Services	11,489	(12,969)	389,000	-3.3%	126,169
Legal Fees	(12,579)	26,774	31,200	85.8%	31,725
Other Services and Purchased Goods ⁽⁴⁾	180,849	1,012,590	3,894,184	26.0%	853,978
Subtotal HCD Operating Costs	487,315	2,862,069	8,211,901	34.9%	2,905,729
Other Costs					
UMCB Campus Redevelopment ⁽⁴⁾	214,548	856,050	4,360,644	19.6%	569,371
ACA Enrollment and Subsidy	145,413	1,427,721	2,700,000	52.9%	894,196
Debt Service	29,933	1,220,864	1,372,795	88.9%	1,209,903
Subtotal Other Costs	389,894	3,504,635	8,433,439	41.6%	2,673,470
Subtotal Reserves, Appropriated Uses and Transfers	-	5,417,922	29,068,509	18.6%	8,880,000
Total Healthcare Delivery	\$ 1,094,437	\$ 113,089,319	\$ 227,029,205	49.8%	\$ 108,500,456

⁽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.

⁽³⁾ In February 2018, the Board of Managers appropriated \$200K to the CCC.

⁽⁴⁾ Adjusted YTD balance.

⁽⁵⁾ In March 2018 the Board of Mangers appropriated \$400K to potential Pay for Success project to support Permanent Supportive Housing.

⁽⁶⁾ Seton.



Recap of FY18 IGT Payments
Actuals Through April 30, 2018

<i>\$ in millions</i>	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Under (Over) Budget
Private UC	\$ -	\$ 16.0	\$ 24.0	\$ 8.0
UMCB UC	-	12.7	25.0	12.3
DSH	-	20.0	35.0	15.0
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	\$ -	\$ 98.7	\$ 142.9	\$ 44.2



Questions? Comments?