



Balance Sheet (Assets) – Slide 4

**Current Assets**

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Cash and Cash Equivalents – \$918K compared to \$1.1M February 2020

Short-term Investments – Short-term investments were \$375M at month-end and restricted investments of \$6.4M for capital acquisitions.

Ad Valorem Taxes Receivable – \$10.6M balance is composed of:

Gross Tax Receivables	\$ 13.5M
Taxable Assessed Valuation Adjustment	(171)K
Est. Allowance for Doubtful collections	(2.7)M
<b>Total Taxes Receivable</b>	<b>\$ 10.6M</b>

Other Receivables – Other receivables total \$1.8M and includes intercompany balances:

- CommUnityCare - \$614K
- Sendero - \$597K
- Community Care Collaborative - \$321K
- Accrued Interest - \$262K
- Miscellaneous Receivables – \$9K

Prepaid Expenses – \$270K balance composed of:

- TCAD Appraisal Fees - \$80K
- ICC Dues - \$57K
- Software - \$66K
- Prepaid Tax Collection Fees - \$11K
- Memberships - \$28K
- Prepaid Insurance - \$7K
- Deposits - \$21K

**Total Current Assets – \$388M**



February 2021 Preliminary Monthly Financial Statements (unaudited)

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Balance Sheet (Assets) – Slide 4 (continued)

**Restricted Cash & Investments or Noncurrent**

Investments Restricted for Capital Acquisition – \$6.4M 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 - \$9M

Capital Assets – \$112M, net of accumulated depreciation

**Total Assets – \$628M**



**Current Liabilities** – Slide 5

Accounts Payable – Major components of the \$8.9M balance are:

- \$4.4M estimated IBNR for healthcare services.
- \$815K estimated month-end vendor invoices due.
- \$3.7M month-end vendor invoices due.

Salaries and Benefits Payable – \$2.4M 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.

Debt Service Payable, Short-Term – \$1.2M in Certificates of Obligation Payable, due 03/01/21.

Deferred Tax Revenue - \$8.7M pending collection

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

**Total Current Liabilities** – \$22M



**Restricted or Noncurrent Liabilities** – Slide 5 (continued)

Funds held for TCHD LPPF - \$9M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$6.1M balance of the \$7.285M in General Obligation Bonds, Series 2020. This debt was originally issued in 2011 for the North Central clinic and refunded May 2020. Due annually on 3/1.

**Total Restricted or Noncurrent Liabilities – \$15M**

**Total Liabilities – \$37M**

**Net Assets**

Unrestricted Net Assets – \$479M

Investment in Capital Assets – \$112M

**Total Net Assets – \$591M**

**Total Liabilities and Net Assets – \$628M**

**Sources and Uses Report** – Slide 6

February financials → five months, 42% of the fiscal year.

**Sources – Total \$30.5M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$29.6M. Net revenue includes \$29.5M current month's collections; \$194k Penalties and Interest; (\$111)K in adjustments for prior year delinquent taxes.

Lease Revenue – \$863K recorded for Seton lease payment and the UT ground lease.

Other Revenue – \$56K investment income for the month, \$299K YTD, compared to \$1.1M YTD last year.

**Uses of Funds – Total \$8.3M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$7.7M for the month and \$38.5M YTD compared to \$47M YTD thru February 2020.

Healthcare Delivery Budget includes funds for service expansion in Post-Acute Care \$5.4M, Primary & Specialty Care \$3.8M (Musculoskeletal \$1.7M, Neurology \$100k, and Reserves \$2M), Community Health Care Initiatives Fund \$875k, and Hospital and Specialty Services \$59.7M.

Administration Program – \$456K in expense for the month, which includes:

- Personnel costs – \$279K
- Consulting services – \$10K
- Legal fees – \$22K
- Other general and administrative – \$145K

**Tax Collection Expenses** – \$146K for the month.

**Excess Sources/(Uses)** – \$22M in February. Current YTD is \$331M compared to prior year FY20 YTD of \$230M.

**Healthcare Delivery Expense** – Slide 7**Healthcare Delivery Expense** – Total \$7.7M January; \$39M YTD compared to \$47M February FY20 YTD.Intergovernmental Transfers (“IGT’s”) – YTD \$0 compared to \$8.8M YTD last year for DSH.Healthcare Services – Healthcare delivery providers’ expense for February totaled \$4.9M, which includes:

- Primary care – \$3.5M
- Specialty Care (including Dental and Behavioral Health) – \$514K
- Pharmacy - \$830K
- All Other Healthcare Services - \$53K

ACA Premium Assist, Education, Enrollment – \$1M in expenses for the month; \$4.9M YTD compared to \$3.5M FY20 YTDHealthcare Facilities and Campus Redevelopment - \$453K in expense for the month and \$1M YTD.Healthcare Delivery Operating Cost – \$1.3M in expenses for the month and includes:

- Personnel costs – \$1M
- Consulting Services – \$3K
- Legal Fees - \$10K
- Other services and purchased goods – \$242K

Debt, Reserves and Transfer – \$8K in Debt Service expense for the month**Total Healthcare Delivery** - for the month of February was \$7.7M.



# Central Health

## Financial Statement Presentation

FY 2021 – as of Feb 28, 2021 (Preliminary)

Central Health Board of Managers

March 18, 2020

Lisa Owens, Deputy CFO



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Note: HCD = Health Care Delivery





- Year-to-date through February, collected net property tax revenue is \$233 million compared to \$211 million as of February 2020.
- Anticipated Tax Revenue for FY21 is \$5.6 million favorable to budget due to a \$5.2 billion increase in TCAD tax valuations from July certified roll to October final certified roll.
- Tax collected through February 2021 is 96% of the adjusted tax levy compared to 97% as of February 2020.
- Healthcare Delivery is \$39 million for the five months ending 2/28/2021.
- GAAP reporting Net Assets increased \$110 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 2/28/2021 is \$9 million.

GAAP: Generally Accepted Accounting Principles refer to a common set of accounting principles, standards, and procedures issued by the



Assets	Preliminary as	
	of 02/28/2021	as of 2/29/2020
Current Assets		
Cash and cash equivalents	917,601	1,116,876
Short-term investments	374,921,562	261,360,606
Ad valorem taxes receivable	10,550,191	6,719,568
Other receivables	1,802,074	5,672,140
Prepaid expenses	270,143	345,456
Total Current Assets	<u>388,461,570</u>	<u>275,214,646</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	6,440,892	8,232,091
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	8,942,189	19,606,709
Total Restricted Cash and Investments or Noncurrent	<u>127,466,081</u>	<u>139,921,800</u>
Capital Assets		
Land	13,425,967	12,546,211
Buildings and improvements	132,881,024	130,395,330
Equipment and furniture	10,030,421	9,581,124
Capital Projects in progress	5,002,965	2,163,189
Less accumulated depreciation	(49,331,359)	(44,928,989)
Total Capital Assets	<u>112,009,018</u>	<u>109,756,865</u>
<b>Total Assets</b>	<u><u>627,936,669</u></u>	<u><u>524,893,312</u></u>



<b>Liabilities</b>	<b>Preliminary</b>	
	<b>as of 02/28/2021</b>	<b>as of 2/29/2020</b>
<b>Current Liabilities</b>		
Accounts payable	8,873,535	8,549,332
Salaries and benefits payable	2,384,744	1,812,420
Other Payables	-	77,700
Debt service payable, short-term	1,225,896	0
Deferred tax revenue	8,745,159	5,681,453
Other deferred revenue	610,000	610,000
<b>Total Current Liabilities</b>	<b>21,839,334</b>	<b>16,730,905</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	8,942,189	19,606,709
Debt service payable, long-term	6,105,000	7,285,000
Deferred Revenue	-	610,000
<b>Total Restricted of Noncurrent Liabilities</b>	<b>15,047,189</b>	<b>27,501,709</b>
<b>Total Liabilities</b>	<b>36,886,523</b>	<b>44,232,614</b>
<b>Net Assets</b>		
Unrestricted	479,041,128	370,903,832
Investment in Capital Assets	112,009,018	109,756,865
<b>Total Net Assets</b>	<b>591,050,146</b>	<b>480,660,697</b>
<b>Liabilities and Net Assets</b>	<b>627,936,669</b>	<b>524,893,312</b>



Sources / Uses	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Sources</b>					
Property Tax Revenue	29,601,534	233,105,225	234,057,519	100%	211,238,832
Lease Revenue	862,753	4,312,734	12,909,866	33%	4,289,205
Other Revenue	56,054	299,086	1,720,000	17%	1,106,415
Tobacco Settlement Revenue	-	-	2,800,000	0%	-
Contingency Reserve (Carryforward)	-	136,179,266	115,856,728	118%	64,898,396
<b>Total Sources</b>	<b>30,520,341</b>	<b>373,896,311</b>	<b>367,344,113</b>	<b>102%</b>	<b>281,532,848</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>7,701,590</b>	<b>38,543,902</b>	<b>353,858,894</b>	<b>11%</b>	<b>47,147,848</b>
<b>Administrative Program</b>					
Salaries and benefits	278,622	1,820,568	5,561,651	33%	1,836,144
Consulting Fees	9,750	56,926	1,259,570	5%	251,424
Legal Fees	22,273	309,347	1,497,136	21%	414,410
Other Purchase Goods and Services	145,601	619,326	3,081,046	20%	444,390
<b>Total Administrative Program</b>	<b>456,246</b>	<b>2,806,167</b>	<b>11,399,403</b>	<b>25%</b>	<b>2,946,368</b>
<b>Tax Collection Expenses</b>	<b>145,692</b>	<b>1,235,833</b>	<b>2,085,816</b>	<b>59%</b>	<b>1,203,206</b>
<b>Total Uses</b>	<b>8,303,528</b>	<b>42,585,902</b>	<b>367,344,113</b>	<b>12%</b>	<b>51,297,422</b>
<b>Excess Sources / (Uses)</b>	<b>22,216,813</b>	<b>331,310,409</b>			<b>230,235,426</b>



Healthcare Delivery Summary	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Inter-Governmental Transfers (IGTs)</b>	-	-	23,528,575	0%	8,773,729
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	3,547,442	18,768,680	56,935,000	33%	19,507,736
Specialty Care, incld Dental & Behavioral Health	513,785	2,523,599	14,448,856	17%	2,876,010
Pharmacy	829,999	4,165,699	13,250,000	31%	4,584,878
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	52,737	433,036	4,469,990	10%	521,616
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>4,943,963</b>	<b>25,891,014</b>	<b>155,078,846</b>	<b>17%</b>	<b>27,490,240</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>1,025,629</b>	<b>4,889,937</b>	<b>12,160,674</b>	<b>40%</b>	<b>3,463,523</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>453,080</b>	<b>1,122,370</b>	<b>6,097,472</b>	<b>18%</b>	<b>1,969,767</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,271,269</b>	<b>6,602,335</b>	<b>29,473,028</b>	<b>22%</b>	<b>5,314,572</b>
<b>Debt, Reserves and Transfers</b>	<b>7,649</b>	<b>38,246</b>	<b>127,520,299</b>	<b>0%</b>	<b>136,017</b>
<b>Total Healthcare Delivery</b>	<b>7,701,590</b>	<b>38,543,902</b>	<b>353,858,894</b>	<b>11%</b>	<b>47,147,848</b>



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Intergovernmental Transfers (IGTs)</b>					
DSH - Disproportionate Share	-	-	-	0%	8,773,729
DSRIP - CCC	-	-	23,528,575	0%	-
<b>Subtotal Intergovernmental Transfers (IGTs)</b>	<b>-</b>	<b>-</b>	<b>23,528,575</b>	<b>0%</b>	<b>8,773,729</b>
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	3,547,442	18,768,680	56,935,000	33%	19,507,736
Specialty Care, incld Dental - (see detail on Slide 12)	453,922	2,259,408	12,565,000	18%	2,601,981
Specialty Care, Behavioral Health	59,863	264,191	1,883,856	14%	274,029
Pharmacy	829,999	4,165,699	13,250,000	31%	4,584,878
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	(4,316)	146,571	1,150,000	13%	211,918
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,053	286,465	719,990	40%	257,198
Primary & Specialty Care Reserves	-	-	2,000,000	0%	52,500
Community Health Care Initiatives	-	-	875,000	0%	-
Hospital and Specialty Services	-	-	57,000,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>4,943,963</b>	<b>25,891,014</b>	<b>155,078,846</b>	<b>17%</b>	<b>27,490,240</b>

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Healthcare Delivery Detail (continued)	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Healthcare Operations and Support</b>					
<b>ACA and Premium Assistance Programs</b>					
High Risk Premium Programs	747,881	3,360,443	8,600,000	39%	2,108,459
CHAP Program	264,709	1,042,785	2,959,354	35%	833,884
ACA Enrollment and Education Services	13,039	486,709	601,320	81%	521,180
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>1,025,629</b>	<b>4,889,937</b>	<b>12,160,674</b>	<b>40%</b>	<b>3,463,523</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	8,554	40,689	368,579	11%	147,206
Consulting Services	37,148	102,329	1,730,000	6%	-
Legal Fees	34,102	147,132	174,500	84%	74,256
Other Goods & Svc incl. UT Ground Lease	373,276	832,220	3,824,393	22%	1,748,305
<b>Subtotal Healthcare Facilities and Campus</b>	<b>453,080</b>	<b>1,122,370</b>	<b>6,097,472</b>	<b>18%</b>	<b>1,969,767</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	1,016,221	4,658,975	15,021,176	31%	3,857,320
Consulting Services	2,988	13,847	1,085,500	1%	22,160
Legal Fees	9,765	46,363	332,000	14%	67,847
Other Services and Purchased Goods	242,295	1,883,150	13,034,352	14%	1,367,245
<b>Subtotal HCD Operating Cost</b>	<b>1,271,269</b>	<b>6,602,335</b>	<b>29,473,028</b>	<b>22%</b>	<b>5,314,572</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	7,649	38,246	1,264,357	3%	136,017
Healthcare Capital Line of Credit	-	-	1,091,773	-	-
FY2021 Capital reserve	-	-	34,100,000	-	-
FY2021 Hospital Services Reserve	-	-	4,000,000	-	-
FY2021 Contingency reserve appropriation	-	-	87,064,169	-	-
<b>Subtotal Debt, Reserves and Transfers</b>	<b>7,649</b>	<b>38,246</b>	<b>127,520,299</b>	<b>0%</b>	<b>136,017</b>
<b>Total Healthcare Delivery</b>	<b>7,701,590</b>	<b>38,543,902</b>	<b>353,858,894</b>	<b>11%</b>	<b>47,147,848</b>





<b>Healthcare Delivery - Primary Care</b>	<b>Feb 2021</b>	<b>FY21 YTD</b>	<b>FY21 Budget</b>	<b>Percent of Budget Used</b>	<b>FY20 YTD</b>
<b>Primary Care</b>					
CommUnity Care	3,047,697	15,864,740	44,885,000	35%	16,004,158
Lone Star Circle of Care	447,314	2,088,084	6,555,000	32%	2,490,434
People's Community Clinic	151,244	752,838	2,600,000	29%	757,038
Other Primary Care	(98,813)	63,020	2,895,000	2%	256,106
<b>Subtotal Primary Care Services</b>	<b>3,547,442</b>	<b>18,768,682</b>	<b>56,935,000</b>	<b>33%</b>	<b>19,507,736</b>

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Healthcare Delivery - Specialty	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD	YOY Percent Change	Comments
Specialty Care							
Ancillary Services	10,800	23,472	610,000	4%	25,090	-6%	
Cardiology	6,481	57,407	265,000	22%	62,147	-8%	
Consultation Services	0	0	500,000	0%	31,250	-100%	Contract Pending
Dental Specialty	3,519	253,314	1,000,000	25%	394,519	-36%	Transition of denture provider
Dermatology	30,774	158,927	550,000	29%	176,689	-10%	
Durable Medical Equipmen	335	6,369	115,000	6%	24,744	-74%	Medical Management
Ear, Nose & Throat ENT	31,661	127,297	350,000	36%	160,937	-21%	Lower volume related to COVID
Endocrinology	21,455	107,274	575,000	19%	116,133	-8%	
Gastroenterology	110,273	515,704	2,100,000	25%	469,446	10%	
General Surgery	2,435	16,218	300,000	5%	103,913	-84%	Lower volume related to COVID
Gynecology IPU	(2,000)	0	600,000	0%	24,021	-100%	Contract Pending
Nephrology	1,308	6,540	200,000	3%	0	0%	New service in FY21
Oncology	18,647	106,251	700,000	15%	158,478	-33%	Lower volume related to COVID
Ophthalmology	162,785	494,598	1,575,000	31%	470,005	5%	
Orthotics & Prosthetics	17,427	41,057	200,000	21%	39,324	4%	
Podiatry	24,150	120,750	350,000	35%	52,289	131%	New service in FY20
Pulmonology	28,485	142,427	375,000	38%	162,522	-12%	
Rheumatology	11,736	58,678	250,000	23%	63,524	-8%	
Specialty Care	0	0	0	0%	0	0%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	
Neurology	0	0	100,000	0%	0	0%	
Wound Care	(26,350)	23,125	150,000	15%	66,951	-65%	Lower volume related to COVID & change in IBNR Methodology
<b>Total Specialty Care</b>	<b>453,921</b>	<b>2,259,408</b>	<b>12,565,000</b>	<b>18%</b>	<b>2,601,982</b>	<b>-13%</b>	



# Questions ? Comments ?