



August 2021 Preliminary Monthly Financial Statements (unaudited)

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Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – \$1.3M compared to \$1.3M August 2020

Short-term Investments – Short-term investments were \$272M at month-end and restricted investments were increased to \$26M for capital designated for Colony Park.

Ad Valorem Taxes Receivable – \$2.3M balance is composed of:

Gross Tax Receivables	\$ 7.2M
Taxable Assessed Valuation Adjustment	(2.2)M
Est. Allowance for Doubtful collections	(2.7)M
Total Taxes Receivable	\$ 2.3M

Other Receivables – Other receivables total \$5.6M and includes intercompany balances:

- CommUnityCare - \$2.9M
- Sendero - \$2.2M
- Community Care Collaborative - \$48K
- Accrued Interest - \$412K
- Miscellaneous Receivables – \$11K

Prepaid Expenses – \$448K balance composed of:

- TCAD Appraisal Fees - \$80K
- Prepaid Insurance - \$119K
- ICC Dues \$57K
- Software - \$58K
- Memberships - \$52K
- Deposits - \$82K
- Prepaid Tax Collection Fees - \$366

Total Current Assets – \$282M



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Balance Sheet (Assets) – Slide 4 (continued)

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$26M 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 - \$36M

Capital Assets – \$86M, net of accumulated depreciation

Total Assets – \$542M



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Current Liabilities – Slide 5

Accounts Payable – Major components of the \$9.2M balance are:

- \$7.6M estimated IBNR for healthcare services.
- \$1.6M vendor invoices due.

Other Payables – \$1.3M Contract Liability

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, interest due 09/01/21.

Deferred Tax Revenue - \$2.1M pending collection

Total Current Liabilities – **\$16M**

Restricted or Noncurrent Liabilities – Slide 5 (continued)

Funds held for TCHD LPPF - \$36M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$4.9M 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 of Noncurrent Liabilities – \$41M

Total Liabilities – \$57M

Net Assets

Unrestricted Net Assets – \$416M

Investment in Capital Assets – \$69M

Total Net Assets – \$485M

Total Liabilities and Net Assets – \$542M



Sources and Uses Report – Slide 6

August financials → eleven months, 92% of the fiscal year.

Sources – Total \$1.8M for the month

Property Tax Revenue – Net property tax revenue for the month was \$203K. Net revenue includes \$160K current month's collections; \$64K Penalties and Interest; (\$21K) in adjustments for prior year delinquent taxes.

Lease Revenue – \$880K recorded for Seton lease payment.

Other Revenue – \$684K which includes:

- Grant - Episcopal Health Foundation (EHF) – \$600K
- Monthly investment income – \$83K

Uses of Funds – Total \$10.9M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$9.9M for the month and \$111M YTD compared to \$139M YTD thru August 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 – \$882K in expense for the month, which includes:

- Personnel costs – \$423K
- Consulting services – \$(6)K
- Legal fees – \$26K
- Other general and administrative – \$439K

Sources and Uses Report – Slide 6 (continued)**Tax Collection Expenses** – \$80K for the month.**Excess Sources/(Uses)** – (\$9M) in August. Current YTD is \$271M compared to prior year FY20 YTD of \$148M.**Healthcare Delivery Expense** – Slide 7**Healthcare Delivery Expense** – Total \$9.9M August; \$111M YTD compared to \$139M August FY20 YTD.**Intergovernmental Transfers (“IGT’s”)** – YTD \$20M for DSRIP IGT compared to \$48M YTD last year for DSRIP IGT and DSH.**Healthcare Services** – Healthcare delivery providers’ expense for August totaled \$7.2M, which includes:

- Primary care – \$5.7M
- Specialty Care (including Dental and Behavioral Health) – \$702K
- Pharmacy - \$747K
- All Other Healthcare Services - \$114

ACA Premium Assist, Education, Enrollment – \$889K in expenses for the month; \$10.7M YTD compared to \$8.7M FY20 YTD**Healthcare Facilities and Campus Redevelopment** - \$260K in expense for the month and \$2.7M YTD.



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Healthcare Delivery Expense – Slide 7 (continued)

Healthcare Delivery Operating Cost – \$1.5M in expenses for the month and includes:

- Personnel costs – \$1.1M
- Consulting Services – \$(14)K
- Legal Fees - \$5K
- Other services and purchased goods – \$409K

Debt, Reserves and Transfer – \$6K in Debt Service and Capital Reserve for the month

Total Healthcare Delivery - for the month of August was \$9.9M.



Central Health

Financial Statement Presentation

FY 2021 – as of August 31, 2021 (Preliminary)

Central Health Board of Managers

October 27, 2021

Lisa Owens, Deputy CFO

Patti Bethke, Controller



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Note: HCD = Health Care Delivery



- Year-to-date through August collected net property tax revenue is \$237 million compared to \$213 million as of August 2021 representing 98.4% of the adjusted tax levy compared to 98.2% as of August 2020.
- Purchased property at Hancock Center on August 6, 2021 for \$18.7M.
- Healthcare Delivery is \$111 million for the eleven months ending 8/31/2021.
- GAAP reporting Net Assets increased \$78 million year-over-year this is net of hospital impairment totaling \$51 million due to redevelopment.
- TCHD LPPF total restricted balance of LPPF as of 8/31/2021 is \$36 million.

GAAP: Generally Accepted Accounting Principles refer to a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board. GAAP primary focus is to improve clarity, consistency, and comparability of the communication of financial information.



Assets	Preliminary as	
	of 8/31/2021	as of 8/31/2020
Current Assets		
Cash and cash equivalents	1,269,383	1,259,890
Short-term investments	272,004,079	192,072,883
Ad valorem taxes receivable	2,261,228	2,323,133
Other receivables	5,626,744	3,121,482
Prepaid expenses	448,227	390,551
Total Current Assets	<u>281,609,661</u>	<u>199,167,939</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	26,061,511	7,901,549
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	36,174,368	6,208,615
Total Restricted Cash and Investments or Noncurrent	<u>174,318,879</u>	<u>126,193,164</u>
Capital Assets		
Land	23,037,767	12,598,612
Buildings and improvements	60,006,360	130,702,304
Equipment and furniture	18,794,441	9,612,935
Capital Projects in progress	9,984,958	3,826,290
Less accumulated depreciation	(25,914,121)	(47,057,317)
Total Capital Assets	<u>85,909,404</u>	<u>109,682,824</u>
Total Assets	<u><u>541,837,944</u></u>	<u><u>435,043,927</u></u>



	Preliminary	
	as of	as of
Liabilities	8/31/2021	8/31/2020
Current Liabilities		
Accounts payable	9,161,913	10,477,421
Salaries and benefits payable	2,390,577	2,185,125
Other Payables	1,297,385	36,320
Debt service payable, short-term	1,228,461	1,180,000
Deferred tax revenue	2,051,957	2,013,680
Other deferred revenue	-	610,000
Total Current Liabilities	16,130,294	16,502,546
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	36,174,368	6,208,615
Debt service payable, long-term	4,915,000	6,105,000
Total Restricted or Noncurrent Liabilities	41,089,368	12,313,615
Total Liabilities	57,219,662	28,816,160
Net Assets		
Unrestricted	415,564,174	296,544,942
Investment in Capital Assets	69,054,108	109,682,824
Total Net Assets	484,618,282	406,227,767
Liabilities and Net Assets	541,837,944	435,043,927



Sources / Uses	Aug 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Sources					
Property Tax Revenue	202,557	237,354,760	234,057,519	101%	213,403,940
Lease Revenue	880,193	11,073,888	12,909,866	86%	10,984,679
Other Revenue	683,635	1,534,884	1,720,000	89%	2,304,977
Tobacco Settlement Revenue	-	3,872,274	2,800,000	138%	3,819,376
Contingency Reserve (Carryforward)	-	136,179,266	115,856,728	118%	64,898,396
Total Sources	1,766,385	390,015,072	367,344,113	106%	295,411,368
Uses of Funds					
Healthcare Delivery	9,927,273	110,691,056	353,858,894	31%	139,098,074
Administrative Program					
Salaries and benefits	422,876	4,521,162	5,561,651	81%	4,323,439
Consulting Fees	(5,850)	249,829	1,259,570	20%	485,605
Legal Fees	26,521	479,260	1,497,136	32%	1,004,819
Other Purchase Goods and Services	438,554	1,787,351	3,081,046	58%	1,039,327
Total Administrative Program	882,101	7,037,602	11,399,403	62%	6,853,190
Tax Collection Expenses	80,158	1,724,622	2,085,816	83%	1,686,062
Total Uses	10,889,532	119,453,280	367,344,113	33%	147,637,326
Excess Sources / (Uses)	(9,123,147)	270,561,792			147,774,042



Healthcare Delivery Summary	Aug 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Inter-Governmental Transfers (IGTs)	-	19,983,752	23,528,575	85%	47,787,968
Healthcare Services					
Primary Care - (see detail on Slide 11)	5,731,449	38,851,912	56,935,000	68%	40,735,785
Specialty Care, incld Dental & Behavioral Health	701,655	5,606,296	14,448,856	39%	5,226,419
Pharmacy	747,318	8,496,439	13,250,000	64%	8,845,757
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	90,282	1,003,532	4,469,990	22%	1,030,274
Community Healthcare Initiatives Fund	24,125	-	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
Subtotal Healthcare Services	7,294,829	53,958,179	155,078,846	35%	55,838,235
ACA Premium Assist, Education, Enrollment	888,984	10,767,174	12,160,674	89%	8,720,496
Healthcare Facilities and Campus Redevelopment	260,447	2,715,850	6,097,472	45%	3,304,603
Healthcare Delivery Operating Costs	1,476,603	15,509,393	29,473,028	53%	12,807,504
Debt, Reserves and Transfers	6,410	7,756,708	127,520,299	6%	10,639,268
Total Healthcare Delivery	9,927,273	110,691,056	353,858,894	31%	139,098,074



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Aug 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Intergovernmental Transfers (IGTs)					
DSH - Disproportionate Share	-	-	-	0%	26,959,115
DSRIP - CCC	-	19,983,752	23,528,575	85%	20,828,853
Subtotal Intergovernmental Transfers (IGTs)	-	19,983,752	23,528,575	85%	47,787,968
Healthcare Services					
Primary Care - (see detail on Slide 11)	5,731,449	38,851,912	56,935,000	68%	40,735,785
Specialty Care, incld Dental - (see detail on Slide 12)	563,503	4,948,445	12,565,000	39%	4,720,843
Specialty Care, Behavioral Health	138,152	657,851	1,883,856	35%	505,576
Pharmacy	747,318	8,496,439	13,250,000	64%	8,845,757
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	33,029	373,750	1,150,000	33%	411,939
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,253	629,782	719,990	87%	565,835
Primary & Specialty Care Reserves	-	-	2,000,000	0%	52,500
Community Health Care Initiatives	24,125	-	875,000	0%	-
Hospital and Specialty Services	-	-	57,000,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
Subtotal Healthcare Services	7,294,829	53,958,179	155,078,846	35%	55,838,235
Service Expansion Funds					

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Healthcare Delivery Detail (continued)	Aug 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	711,648	7,744,490	8,600,000	90%	6,169,603
CHAP Program	164,366	2,453,741	2,959,354	83%	1,979,883
ACA Enrollment and Education Services	12,970	568,943	601,320	95%	571,010
Subtotal ACA & Premium Assist Program	888,984	10,767,174	12,160,674	89%	8,720,496
Healthcare Facilities and Campus					
Salaries and benefits	16,486	99,662	368,579	27%	321,701
Consulting Services	90,097	326,699	1,730,000	19%	-
Legal Fees	793	170,374	174,500	98%	-
Other Goods & Svc incl. UT Ground Lease	153,071	2,119,115	3,824,393	55%	2,982,902
Subtotal Healthcare Facilities and Campus	260,447	2,715,850	6,097,472	45%	3,304,603
Healthcare Delivery Operating Costs					
Salaries and benefits	1,060,418	10,742,665	15,021,176	72%	8,763,303
Consulting Services	2,095	61,233	1,085,500	6%	57,218
Legal Fees	4,627	83,821	332,000	25%	105,580
Other Services and Purchased Goods	409,463	4,621,674	13,034,352	35%	3,881,403
Subtotal HCD Operating Cost	1,476,603	15,509,393	29,473,028	53%	12,807,504
Debt Service, Reserves and Transfers					
Debt Service	6,410	1,256,708	1,264,357	99%	1,282,978
Healthcare Capital Line of Credit	-	-	1,091,773	-	-
FY2021 Capital reserve	-	6,500,000	34,100,000	19%	2,950,000
FY2021 Hospital Services Reserve	-	-	4,000,000	-	6,406,290
FY2021 Contingency reserve appropriation	-	-	87,064,169	-	-
Subtotal Debt, Reserves and Transfers	6,410	7,756,708	127,520,299	6%	10,639,268
Total Healthcare Delivery	9,927,273	110,691,056	353,858,894	31%	139,098,074



Healthcare Delivery - Primary Care	Aug 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Primary Care					
CommUnity Care	5,099,173	32,190,913	44,885,000	72%	34,567,423
Lone Star Circle of Care	412,169	4,566,191	6,555,000	70%	4,838,603
People's Community Clinic	194,313	1,939,699	2,600,000	75%	1,674,444
Other Primary Care	25,793	155,109	2,895,000	5%	(344,685)
Subtotal Primary Care Services	5,731,448	38,851,912	56,935,000	68%	40,735,785

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Healthcare Delivery - Specialty Care	Aug 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD	YOY Percent Change	Comments
Specialty Care							
Ancillary Services	3,756	51,161	610,000	8%	21,340	140%	
Cardiology	5,661	87,047	265,000	33%	99,820	-13%	
Consultation Services	50,000	300,000	500,000	60%	0	0%	Addition of services with CUC
Dental Specialty	80,449	702,686	1,000,000	70%	792,937	-11%	
Dermatology	51,858	429,231	550,000	78%	718,813	-40%	Lower volume
Durable Medical Equipmen	3,881	22,247	115,000	19%	17,050	30%	
Ear, Nose & Throat ENT	27,475	232,468	350,000	66%	304,088	-24%	
Endocrinology	33,324	292,755	575,000	51%	199,255	47%	Increased utilization of e-consults
Gastroenterology	105,053	768,733	2,100,000	37%	722,559	6%	
General Surgery	1,254	33,241	300,000	11%	132,979	-75%	Lower volume
Gynecology IPU	0	0	600,000	0%	11,890	-100%	Services currently contracted in CCC
Nephrology	3,234	15,587	200,000	8%	0	0%	New service in FY21 with lower volume
Oncology	30,546	305,891	700,000	44%	375,206	-18%	Lower volume
Ophthalmology	104,232	1,053,450	1,575,000	67%	741,982	42%	Increased volume
Orthotics & Prosthetics	4,967	119,878	200,000	60%	113,014	6%	
Podiatry	26,285	208,360	350,000	60%	59,725	249%	New service in FY20
Pulmonology	19,044	152,992	375,000	41%	267,998	-43%	Lower volume
Rheumatology	11,351	121,884	250,000	49%	113,429	7%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	Services currently contracted in CCC
Neurology	0	0	100,000	0%	0	0%	
Wound Care	1,131	50,831	150,000	34%	28,757	77%	
Total Specialty Care	563,501	4,948,442	12,565,000	39%	4,720,842	5%	



Questions ? Comments ?