



Balance Sheet (Assets) – Slide 4

**Current Assets**

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Cash and Cash Equivalents – \$1.2M compared to \$1.1M July 2020

Short-term Investments – Short-term investments were \$314M at month-end and restricted investments of \$10M for capital acquisitions.

Ad Valorem Taxes Receivable – \$2.6M balance is composed of:

Gross Tax Receivables	\$ 7.4M
Taxable Assessed Valuation Adjustment	(2.1)M
Est. Allowance for Doubtful collections	(2.7)M
<b>Total Taxes Receivable</b>	<b>\$ 2.6M</b>

Other Receivables – Other receivables total \$4.0M and includes intercompany balances:

- CommUnityCare - \$1.7M
- Sendero - \$1.3M
- Community Care Collaborative - \$531K
- Accrued Interest - \$412K
- Miscellaneous Receivables – \$32K

Prepaid Expenses – \$569K balance composed of:

- TCAD Appraisal Fees - \$159K
- Prepaid Insurance - \$138K
- ICC Dues \$115K
- Software - \$96K
- Memberships - \$39K
- Deposits - \$21K
- Prepaid Tax Collection Fees - \$1K

**Total Current Assets – \$322M**



July 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 – \$10M 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 - \$38.1M

Capital Assets – \$69M, net of accumulated depreciation

**Total Assets – \$552M**



**Current Liabilities** – Slide 5

Accounts Payable and Other Payables – Major components of the \$7.9M balance are:

- \$5M estimated IBNR for healthcare services.
- \$2.9M vendor invoices due.

Salaries and Benefits Payable – \$1.8M 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 - \$3.6M pending collection

**Total Current Liabilities** – **\$14.5M**

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

Funds held for TCHD LPPF - \$38.1M 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 or Noncurrent Liabilities – \$43M**

**Total Liabilities – \$58M**

**Net Assets**

Unrestricted Net Assets – \$424M

Investment in Capital Assets – \$70M

**Total Net Assets – \$494M**

**Total Liabilities and Net Assets – \$552M**



**Sources and Uses Report** – Slide 6

July financials → ten months, 83% of the fiscal year.

**Sources – Total \$753K for the month**

Property Tax Revenue – Net property tax revenue for the month was (\$197K). Net revenue includes \$204K current month's collections; \$69K Penalties and Interest; (\$469K) in adjustments for prior year delinquent taxes.

Lease Revenue – \$863K recorded for Seton lease payment.

Other Revenue – \$87K from monthly investment income.

**Uses of Funds – Total \$28.9M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$28.2M for the month and \$101M YTD compared to \$129M YTD thru July 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 – \$615K in expense for the month, which includes:

- Personnel costs – \$423K
- Consulting services – \$30K
- Legal fees – \$50K
- Other general and administrative – \$111K

**Tax Collection Expenses** – \$80K for the month.

**Excess Sources/(Uses)** – (\$28M) in July. Current YTD is \$280M compared to prior year FY20 YTD of \$157M.

**Healthcare Delivery Expense** – Slide 7**Healthcare Delivery Expense** – Total \$28M July; \$101M YTD compared to \$129M July 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 July totaled \$5.4M, which includes:

- Primary care – \$4.1M
- Specialty Care (including Dental and Behavioral Health) – \$549K
- Pharmacy - \$621K
- All Other Healthcare Services - \$126K

ACA Premium Assist, Education, Enrollment – \$956K in expenses for the month; \$9.9M YTD compared to \$7.8M FY20 YTDHealthcare Facilities and Campus Redevelopment - \$461K in expense for the month and \$2.4M YTD.Healthcare Delivery Operating Cost – \$1.4M in expenses for the month and includes:

- Personnel costs – \$874K
- Consulting Services – \$12K
- Legal Fees - \$4K
- Other services and purchased goods – \$480K

Debt, Reserves and Transfer – \$6K in Debt Service and Capital Reserve for the month**Total Healthcare Delivery** - for the month of July was \$28M.



# Central Health

## Financial Statement Presentation

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

Central Health Board of Managers

August 23, 2021

Lisa Owens, Deputy CFO

Patti Bethke, Controller



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Note: HCD = Health Care Delivery





- Year-to-date through July collected net property tax revenue is \$237 million compared to \$213 million as of July 2020 representing 98% of the adjusted tax levy compared to 98% as of June 2020.
- Transferred \$19M in IGT for CCC DSRIP program in July, this lower IGT was a result of an enhanced rate still in effect for matching due to COVID-19 and did not impact revenue received by the CCC.
- Healthcare Delivery is \$101 million for the ten months ending 7/31/2021.
- 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 7/31/2021 is \$38 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 7/31/2021	as of 7/31/2020
Current Assets		
Cash and cash equivalents	1,205,944	1,083,803
Short-term investments	313,945,173	193,761,302
Ad valorem taxes receivable	2,611,397	2,495,274
Other receivables	4,035,541	5,988,003
Prepaid expenses	568,987	515,469
Total Current Assets	<u>322,367,042</u>	<u>203,843,851</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	9,977,026	7,935,047
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	38,099,366	11,983,963
Total Restricted Cash and Investments or Noncurrent	<u>160,159,392</u>	<u>132,002,010</u>
Capital Assets		
Land	13,425,967	12,598,612
Buildings and improvements	59,847,914	130,702,304
Equipment and furniture	18,253,615	9,612,935
Capital Projects in progress	3,250,920	3,525,512
Less accumulated depreciation	(25,564,457)	(46,696,360)
Total Capital Assets	<u>69,213,960</u>	<u>109,743,004</u>
<b>Total Assets</b>	<u><u>551,740,393</u></u>	<u><u>445,588,866</u></u>



	<b>Preliminary</b>	
	<b>as of</b>	<b>as of</b>
<b>Liabilities</b>	<b>7/31/2021</b>	<b>7/31/2020</b>
<b>Current Liabilities</b>		
Accounts payable	7,859,446	5,608,883
Salaries and benefits payable	1,799,865	1,596,575
Other Payables	-	43,548
Debt service payable, short-term	1,222,051	1,201,927
Deferred tax revenue	3,616,316	2,246,038
Other deferred revenue	-	610,000
<b>Total Current Liabilities</b>	<b>14,497,678</b>	<b>11,306,971</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	38,099,366	11,983,963
Debt service payable, long-term	4,915,000	6,105,000
<b>Total Restricted or Noncurrent Liabilities</b>	<b>43,014,366</b>	<b>18,088,963</b>
<b>Total Liabilities</b>	<b>57,512,043</b>	<b>29,395,934</b>
<b>Net Assets</b>		
Unrestricted	423,815,740	306,449,927
Investment in Capital Assets	70,412,610	109,743,004
<b>Total Net Assets</b>	<b>494,228,350</b>	<b>416,192,931</b>
<b>Liabilities and Net Assets</b>	<b>551,740,393</b>	<b>445,588,866</b>



Sources / Uses	Jul 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Sources</b>					
Property Tax Revenue	(196,977)	237,152,203	234,057,519	101%	213,342,916
Lease Revenue	862,753	10,193,695	12,909,866	79%	10,126,838
Other Revenue	87,238	851,249	1,720,000	49%	2,179,586
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
<b>Total Sources</b>	<b>753,014</b>	<b>388,248,687</b>	<b>367,344,113</b>	<b>106%</b>	<b>294,367,112</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>28,222,652</b>	<b>100,763,785</b>	<b>353,858,894</b>	<b>28%</b>	<b>129,389,713</b>
<b>Administrative Program</b>					
Salaries and benefits	423,492	4,098,286	5,561,651	74%	3,890,654
Consulting Fees	30,325	255,679	1,259,570	20%	315,088
Legal Fees	49,806	452,739	1,497,136	30%	880,696
Other Purchase Goods and Services	111,092	1,348,797	3,081,046	44%	915,307
<b>Total Administrative Program</b>	<b>614,715</b>	<b>6,155,501</b>	<b>11,399,403</b>	<b>54%</b>	<b>6,001,745</b>
<b>Tax Collection Expenses</b>	<b>80,414</b>	<b>1,644,464</b>	<b>2,085,816</b>	<b>79%</b>	<b>1,606,938</b>
<b>Total Uses</b>	<b>28,917,781</b>	<b>108,563,750</b>	<b>367,344,113</b>	<b>30%</b>	<b>136,998,396</b>
<b>Excess Sources / (Uses)</b>	<b>(28,164,767)</b>	<b>279,684,937</b>			<b>157,368,716</b>



<b>Healthcare Delivery Summary</b>	<b>Jul 2021</b>	<b>FY21 YTD</b>	<b>FY21 Budget</b>	<b>Percent of Budget Used</b>	<b>FY20 YTD</b>
<b>Inter-Governmental Transfers (IGTs)</b>	<b>19,983,752</b>	<b>19,983,752</b>	<b>23,528,575</b>	<b>85%</b>	<b>47,787,968</b>
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	4,148,502	33,120,464	56,935,000	58%	34,861,076
Specialty Care, incld Dental & Behavioral Health	549,145	4,904,641	14,448,856	34%	4,310,681
Pharmacy	620,718	7,749,122	13,250,000	58%	8,119,882
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	126,074	913,250	4,469,990	20%	908,804
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>5,444,439</b>	<b>46,687,477</b>	<b>155,078,846</b>	<b>30%</b>	<b>48,200,443</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>956,383</b>	<b>9,878,190</b>	<b>12,160,674</b>	<b>81%</b>	<b>7,864,196</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>461,380</b>	<b>2,455,404</b>	<b>6,097,472</b>	<b>40%</b>	<b>3,265,974</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,370,288</b>	<b>14,008,665</b>	<b>29,473,028</b>	<b>48%</b>	<b>11,639,514</b>
<b>Debt, Reserves and Transfers</b>	<b>6,410</b>	<b>7,750,297</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,631,618</b>
<b>Total Healthcare Delivery</b>	<b>28,222,652</b>	<b>100,763,785</b>	<b>353,858,894</b>	<b>28%</b>	<b>129,389,713</b>



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Jul 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Intergovernmental Transfers (IGTs)</b>					
DSH - Disproportionate Share	-	-	-	0%	26,959,115
DSRIP - CCC	19,983,752	19,983,752	23,528,575	85%	20,828,853
<b>Subtotal Intergovernmental Transfers (IGTs)</b>	<b>19,983,752</b>	<b>19,983,752</b>	<b>23,528,575</b>	<b>85%</b>	<b>47,787,968</b>
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	4,148,502	33,120,464	56,935,000	58%	34,861,076
Specialty Care, incld Dental - (see detail on Slide 12)	472,796	4,384,942	12,565,000	35%	3,864,492
Specialty Care, Behavioral Health	76,349	519,699	1,883,856	28%	446,189
Pharmacy	620,718	7,749,122	13,250,000	58%	8,119,882
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	68,821	340,721	1,150,000	30%	341,908
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,253	572,529	719,990	80%	514,396
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>5,444,439</b>	<b>46,687,477</b>	<b>155,078,846</b>	<b>30%</b>	<b>48,200,443</b>
Service Expansion Funds					

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Healthcare Delivery Detail (continued)	Jul 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	728,026	7,032,842	8,600,000	82%	5,511,003
CHAP Program	215,283	2,289,375	2,959,354	77%	1,795,222
ACA Enrollment and Education Services	13,074	555,973	601,320	92%	557,971
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>956,383</b>	<b>9,878,190</b>	<b>12,160,674</b>	<b>81%</b>	<b>7,864,196</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	11,062	83,177	368,579	23%	302,755
Consulting Services	7,303	236,602	1,730,000	14%	-
Legal Fees	13,436	169,581	174,500	97%	-
Other Goods & Svc incl. UT Ground Lease	429,579	1,966,044	3,824,393	51%	2,963,219
<b>Subtotal Healthcare Facilities and Campus</b>	<b>461,380</b>	<b>2,455,404</b>	<b>6,097,472</b>	<b>40%</b>	<b>3,265,974</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	874,417	9,682,247	15,021,176	64%	7,905,760
Consulting Services	11,892	59,138	1,085,500	5%	41,815
Legal Fees	3,513	79,194	332,000	24%	98,360
Other Services and Purchased Goods	480,466	4,188,086	13,034,352	32%	3,593,579
<b>Subtotal HCD Operating Cost</b>	<b>1,370,288</b>	<b>14,008,665</b>	<b>29,473,028</b>	<b>48%</b>	<b>11,639,514</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	6,410	1,250,297	1,264,357	99%	1,275,328
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	-	-
<b>Subtotal Debt, Reserves and Transfers</b>	<b>6,410</b>	<b>7,750,297</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,631,618</b>
<b>Total Healthcare Delivery</b>	<b>28,222,652</b>	<b>100,763,785</b>	<b>353,858,894</b>	<b>28%</b>	<b>129,389,713</b>





<b>Healthcare Delivery - Primary Care</b>	<b>Jul 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	3,432,934	27,091,740	44,885,000	60%	29,290,885
Lone Star Circle of Care	555,014	4,154,022	6,555,000	63%	4,385,096
People's Community Clinic	187,429	1,745,386	2,600,000	67%	1,569,669
Other Primary Care	(26,874)	129,316	2,895,000	4%	(384,576)
<b>Subtotal Primary Care Services</b>	<b>4,148,503</b>	<b>33,120,464</b>	<b>56,935,000</b>	<b>58%</b>	<b>34,861,074</b>

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Healthcare Delivery - Specialty	Jul 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD	YOY Percent Change	Comments
Specialty Care							
Ancillary Services	(4,227)	47,405	610,000	8%	14,319	231%	
Cardiology	7,566	81,387	265,000	31%	80,006	2%	
Consultation Services	25,000	250,000	500,000	50%	0	0%	Addition of services with CUC
Dental Specialty	44,286	622,236	1,000,000	62%	743,980	-16%	
Dermatology	69,849	377,373	550,000	69%	333,015	13%	
Durable Medical Equipmen	3,019	18,366	115,000	16%	16,986	8%	
Ear, Nose & Throat ENT	19,701	204,993	350,000	59%	266,629	-23%	
Endocrinology	25,889	259,431	575,000	45%	155,366	67%	Increased utilization of e-consults
Gastroenterology	83,853	663,679	2,100,000	32%	628,551	6%	
General Surgery	1,799	31,987	300,000	11%	120,680	-73%	Lower volume
Gynecology IPU	0	0	600,000	0%	11,474	-100%	Services currently contracted in CCC
Nephrology	1,808	12,353	200,000	6%	0	0%	New service in FY21 with lower volume
Oncology	36,732	275,345	700,000	39%	339,132	-19%	
Ophthalmology	107,134	949,215	1,575,000	60%	688,695	38%	
Orthotics & Prosthetics	1,868	114,912	200,000	57%	99,633	15%	
Podiatry	22,138	182,075	350,000	52%	44,567	309%	New service in FY20
Pulmonology	10,588	133,949	375,000	36%	211,828	-37%	
Rheumatology	10,716	110,533	250,000	44%	90,470	22%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	Services currently contracted in CCC
Neurology	0	0	100,000	0%	0	0%	
Wound Care	5,075	49,700	150,000	33%	19,163	159%	
<b>Total Specialty Care</b>	<b>472,794</b>	<b>4,384,939</b>	<b>12,565,000</b>	<b>35%</b>	<b>3,864,494</b>	<b>13%</b>	



# Questions ? Comments ?