

Balance Sheet (Assets) – Slide 4

Current AssetsCash and Cash Equivalents – \$1.4M compared to \$1.3M May 2020Short-term Investments – Short-term investments were \$351M at month-end and restricted investments of \$11M for capital acquisitions.Ad Valorem Taxes Receivable – \$4.1M balance is composed of:

Gross Tax Receivables	\$ 8.5M
Taxable Assessed Valuation Adjustment	(1.7)M
Est. Allowance for Doubtful collections	(2.7)M
Total Taxes Receivable	\$ 4.1M

Other Receivables – Other receivables total \$3.4M and includes intercompany balances:

- CommUnityCare - \$1.7M
- Sendero - \$681K
- Community Care Collaborative - \$470K
- Accrued Interest - \$341K
- Miscellaneous Receivables – \$203K

Prepaid Expenses – \$496K balance composed of:

- Prepaid Insurance - \$177K
- Software - \$104K
- TCAD Appraisal Fees - \$80K
- ICC - \$57K
- Memberships - \$55K
- Deposits - \$21K
- Prepaid Tax Collection Fees - \$3K

Total Current Assets – \$360M



May 2021 Preliminary Monthly Financial Statements (unaudited)

Page 2 of 6

Balance Sheet (Assets) – Slide 4 (continued)

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$11M 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 - \$64M

Capital Assets – \$64M, net of accumulated depreciation

Total Assets – \$612M



Current Liabilities – Slide 5

Accounts Payable and Other Payables – Major components of the \$6.4M balance are:

- \$3M estimated IBNR for healthcare services.
- \$639K estimated month-end vendor invoices due.
- \$2.8M month-end vendor invoices due.

Salaries and Benefits Payable – \$1.7M 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 - \$3.2M pending collection

Total Current Liabilities – \$12M



Restricted or Noncurrent Liabilities – Slide 5 (continued)

Funds held for TCHD LPPF - \$64M 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 – \$69M

Total Liabilities – \$81.8M

Net Assets

Unrestricted Net Assets – \$465M

Investment in Capital Assets – \$64M

Total Net Assets – \$530M

Total Liabilities and Net Assets – \$612M



Sources and Uses Report – Slide 6

May financials → eight months, 67% of the fiscal year.

Sources – Total \$1.7M for the month

Property Tax Revenue – Net property tax revenue for the month was \$626K. Net revenue includes \$554K current month's collections; \$92K Penalties and Interest; (\$20)K in adjustments for prior year delinquent taxes.

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

Other Revenue – \$195K mainly for \$93K monthly investment income and \$99K in FEMA grant revenue.

Uses of Funds – Total \$7.4M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$6.5M for the month and \$66M YTD compared to \$97M YTD thru May 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 – \$784K in expense for the month, which includes:

- Personnel costs – \$453K
- Consulting services – \$157K
- Legal fees – \$38K
- Other general and administrative – \$136K

Tax Collection Expenses – \$81K for the month.

Excess Sources/(Uses) – \$(5.7)M in May. Current YTD is \$314M compared to prior year FY20 YTD of \$190M.



Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$6.5M May; \$66M YTD compared to \$97M May FY20 YTD.

Intergovernmental Transfers (“IGT’s”) – YTD \$0 compared to \$27M YTD last year for DSH.

Healthcare Services – Healthcare delivery providers’ expense for May totaled \$3.8M, which includes:

- Primary care – \$2.2M
- Specialty Care (including Dental and Behavioral Health) – \$610K
- Pharmacy - \$862K
- All Other Healthcare Services - \$88K

ACA Premium Assist, Education, Enrollment – \$1M in expenses for the month; \$7.9M YTD compared to \$6M FY20 YTD

Healthcare Facilities and Campus Redevelopment - \$265K in expense for the month and \$1.7M YTD.

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

- Personnel costs – \$984K
- Consulting Services – \$22K
- Legal Fees - \$16K
- Other services and purchased goods – \$432K

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

Total Healthcare Delivery - for the month of May was \$6.5M.



Central Health

Financial Statement Presentation

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

Central Health Board of Managers

June 30, 2021

Lisa Owens, Deputy CFO

Patti Bethke, Controller



- Slide 2 Index
- Slide 3 Highlights
- Slide 4 Balance Sheet - Assets
- Slide 5 Balance Sheet - Liabilities & Net Assets
- Slide 6 Sources & Uses
- Slide 7 HCD - Summary
- Slide 8 HCD - Blank Page
- Slide 9 HCD - IGT & HCD Services
- Slide 10 HCD - Operating Cost
- Slide 11 HCD - Primary Care
- Slide 12 HCD - Specialty Care

Note: HCD = Health Care Delivery



- Year-to-date through May collected net property tax revenue is \$237 million compared to \$213 million as of May 2020 representing 98% of the adjusted tax levy compared to 98% as of May 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.
- Healthcare Delivery is \$66 million for the eight months ending 5/31/2021.
- GAAP reporting Net Assets increased \$81 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 5/31/2021 is \$64 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 5/31/2021	as of 5/31/2020
Current Assets		
Cash and cash equivalents	1,357,038	1,254,752
Short-term investments	350,516,614	228,408,793
Ad valorem taxes receivable	4,102,921	3,524,049
Other receivables	3,391,967	6,186,565
Prepaid expenses	496,260	463,775
Total Current Assets	<u>359,864,800</u>	<u>239,837,935</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	10,933,085	7,965,879
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	64,457,362	38,527,638
Total Restricted Cash and Investments or Noncurrent	<u>187,473,447</u>	<u>158,576,516</u>
Capital Assets		
Land	13,425,967	12,598,612
Buildings and improvements	58,788,268	130,697,904
Equipment and furniture	9,940,147	9,590,119
Capital Projects in progress	7,095,832	3,222,250
Less accumulated depreciation	(24,863,621)	(46,032,201)
Total Capital Assets	<u>64,386,593</u>	<u>110,076,684</u>
Total Assets	<u><u>611,724,840</u></u>	<u><u>508,491,135</u></u>



	Preliminary	
	as of	as of
Liabilities	5/31/2021	5/31/2020
Current Liabilities		
Accounts payable	6,350,104	8,557,886
Salaries and benefits payable	1,697,897	1,335,184
Other Payables	-	50,678
Debt service payable, short-term	1,209,231	1,186,626
Deferred tax revenue	3,220,174	2,957,449
Other deferred revenue	-	610,000
Total Current Liabilities	12,477,405	14,697,824
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	64,457,362	38,527,638
Debt service payable, long-term	4,915,000	6,105,000
Total Restricted or Noncurrent Liabilities	69,372,362	44,632,638
Total Liabilities	81,849,767	59,330,461
Net Assets		
Unrestricted	465,488,480	339,083,990
Investment in Capital Assets	64,386,593	110,076,684
Total Net Assets	529,875,073	449,160,674
Liabilities and Net Assets	611,724,840	508,491,135



Sources / Uses	May 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Sources					
Property Tax Revenue	626,428	237,003,492	234,057,519	101%	213,346,479
Lease Revenue	862,753	8,468,190	12,909,866	66%	8,411,156
Other Revenue	195,159	674,111	1,720,000	39%	1,877,373
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	1,684,340	386,197,333	367,344,113	105%	292,352,780
Uses of Funds					
Healthcare Delivery	6,538,344	65,868,743	353,858,894	19%	96,575,496
Administrative Program					
Salaries and benefits	453,258	3,240,217	5,561,651	58%	3,081,335
Consulting Fees	156,650	222,654	1,259,570	18%	285,272
Legal Fees	38,181	371,197	1,497,136	25%	677,605
Other Purchase Goods and Services	135,920	1,109,380	3,081,046	36%	698,645
Total Administrative Program	784,009	4,943,448	11,399,403	43%	4,742,857
Tax Collection Expenses	80,840	1,483,466	2,085,816	71%	1,447,770
Total Uses	7,403,193	72,295,657	367,344,113	20%	102,766,123
Excess Sources / (Uses)	(5,718,853)	313,901,676			189,586,657



Healthcare Delivery Summary	May 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Inter-Governmental Transfers (IGTs)	-	-	23,528,575	0%	26,959,115
Healthcare Services					
Primary Care - (see detail on Slide 11)	2,239,317	26,503,407	56,935,000	47%	30,811,520
Specialty Care, incld Dental & Behavioral Health	610,021	3,669,427	14,448,856	25%	3,656,411
Pharmacy	861,694	6,399,881	13,250,000	48%	6,252,620
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	88,189	693,435	4,469,990	16%	769,533
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
Subtotal Healthcare Services	3,799,221	37,266,150	155,078,846	24%	41,490,084
ACA Premium Assist, Education, Enrollment	1,014,051	7,933,467	12,160,674	65%	6,151,947
Healthcare Facilities and Campus Redevelopment	265,029	1,747,747	6,097,472	29%	2,377,630
Healthcare Delivery Operating Costs	1,453,633	11,183,902	29,473,028	38%	8,980,403
Debt, Reserves and Transfers	6,410	7,737,477	127,520,299	6%	10,616,317
Total Healthcare Delivery	6,538,344	65,868,743	353,858,894	19%	96,575,496



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	May 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Intergovernmental Transfers (IGTs)					
DSH - Disproportionate Share	-	-	-	0%	26,959,115
DSRIP - CCC	-	-	23,528,575	0%	-
Subtotal Intergovernmental Transfers (IGTs)	-	-	23,528,575	0%	26,959,115
Healthcare Services					
Primary Care - (see detail on Slide 11)	2,239,317	26,503,407	56,935,000	47%	30,811,520
Specialty Care, incld Dental - (see detail on Slide 12)	579,409	3,370,218	12,565,000	27%	3,320,914
Specialty Care, Behavioral Health	30,612	299,209	1,883,856	16%	335,497
Pharmacy	861,694	6,399,881	13,250,000	48%	6,252,620
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	30,836	235,512	1,150,000	20%	305,516
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,353	457,923	719,990	64%	411,517
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%	-
Subtotal Healthcare Services	3,799,221	37,266,150	155,078,846	24%	41,490,084
Service Expansion Funds					

(continued on next page)



Healthcare Delivery Detail (continued)	May 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	740,030	5,581,127	8,600,000	65%	4,159,563
CHAP Program	260,982	1,822,514	2,959,354	62%	1,425,749
ACA Enrollment and Education Services	13,039	529,826	601,320	88%	566,635
Subtotal ACA & Premium Assist Program	1,014,051	7,933,467	12,160,674	65%	6,151,947
Healthcare Facilities and Campus					
Salaries and benefits	8,495	64,913	368,579	18%	240,571
Consulting Services	61,824	187,101	1,730,000	11%	-
Legal Fees	(25,765)	143,554	174,500	82%	-
Other Goods & Svc incl. UT Ground Lease	220,475	1,352,179	3,824,393	35%	2,137,059
Subtotal Healthcare Facilities and Campus	265,029	1,747,747	6,097,472	29%	2,377,630
Healthcare Delivery Operating Costs					
Salaries and benefits	983,501	7,841,577	15,021,176	52%	6,262,746
Consulting Services	21,883	43,997	1,085,500	4%	38,048
Legal Fees	16,214	92,448	332,000	28%	94,462
Other Services and Purchased Goods	432,035	3,205,880	13,034,352	25%	2,585,147
Subtotal HCD Operating Cost	1,453,633	11,183,902	29,473,028	38%	8,980,403
Debt Service, Reserves and Transfers					
Debt Service	6,410	1,237,477	1,264,357	98%	1,260,027
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	7,737,477	127,520,299	6%	10,616,317
Total Healthcare Delivery	6,538,344	65,868,743	353,858,894	19%	96,575,496



Healthcare Delivery - Primary Care	May 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Primary Care					
CommUnity Care	1,687,510	21,797,616	44,885,000	49%	25,285,159
Lone Star Circle of Care	355,100	3,228,528	6,555,000	49%	3,767,434
People's Community Clinic	172,638	1,332,186	2,600,000	51%	1,469,474
Other Primary Care	24,069	145,077	2,895,000	5%	289,453
Subtotal Primary Care Services	2,239,317	26,503,407	56,935,000	47%	30,811,520

(continued on next page)



Healthcare Delivery - Specialty	May 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD	YOY Percent Change	Comments
Specialty Care							
Ancillary Services	12,811	50,322	610,000	8%	13,867	263%	
Cardiology	8,253	67,767	265,000	26%	71,677	-5%	Lower volume
Consultation Services	25,000	200,000	500,000	40%	50,000	300%	Addition of services with CUC
Dental Specialty	151,203	478,362	1,000,000	48%	594,092	-19%	Lower volume due to transition of denture provider
Dermatology	27,543	244,114	550,000	44%	245,657	-1%	
Durable Medical Equipmen	3,617	14,915	115,000	13%	16,743	-11%	
Ear, Nose & Throat ENT	19,546	166,026	350,000	47%	193,708	-14%	
Endocrinology	24,898	206,161	575,000	36%	117,696	75%	Increased utilization of e-consults
Gastroenterology	60,349	502,218	2,100,000	24%	483,152	4%	
General Surgery	1,818	26,076	300,000	9%	94,783	-72%	Lower volume
Gynecology IPU	0	0	600,000	0%	13,974	-100%	Services currently contracted in CCC
Nephrology	509	9,665	200,000	5%	0	0%	New service in FY21 with lower volume
Oncology	54,561	201,787	700,000	29%	259,919	-22%	
Ophthalmology	93,145	730,259	1,575,000	46%	636,225	15%	
Orthotics & Prosthetics	30,018	83,096	200,000	42%	89,182	-7%	
Podiatry	51,555	153,475	350,000	44%	111,450	38%	
Pulmonology	2,872	111,218	375,000	30%	149,524	-26%	
Rheumatology	7,686	85,207	250,000	34%	80,240	6%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	Services currently contracted in CCC
Neurology	0	0	100,000	0%	0	0%	
Wound Care	4,025	39,550	150,000	26%	99,025	-60%	Lower volume
Total Specialty Care	579,409	3,370,218	12,565,000	27%	3,320,914	1%	



Questions ? Comments ?