

Balance Sheet (Assets) – Slide 4

**Current Assets**

Cash and Cash Equivalents – \$1.2M compared to \$918K February 2021

Short-term Investments – Short-term investments were \$492M at month-end, net of restricted investments totaling \$375M.

Ad Valorem Taxes Receivable – \$9.8M balance is composed of:

Gross Tax Receivables	\$ 13.4M
Taxable Assessed Valuation Adjustment	(0.7)M
Est. Allowance for Doubtful collections	(2.9)M
Total Taxes Receivable	<u>\$ 9.8M</u>

Other Receivables – Other receivables total \$3.7M and includes intercompany balances:

- CommUnityCare - \$2M
- Sendero - \$735K
- Community Care Collaborative - \$42K
- Accrued Interest - \$449K
- Miscellaneous Receivables – \$438K



February 2022 Preliminary Monthly Financial Statements (unaudited)

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Balance Sheet (Assets) – Slide 4 (continued)

Prepaid Expenses – \$517K balance composed of:

- TCAD Appraisal Fees - \$94K
- ICC - \$57K
- Prepaid Tax Collection Fees - \$13K
- Software - \$71K
- Deposits - \$82K
- Prepaid Insurance - \$50K
- JTT Equipment - \$65K
- Memberships - \$85K

**Total Current Assets – \$507M**

**Restricted Cash & Investments or Noncurrent**

Investments Restricted for Capital Acquisition – \$79M in securities and reserves 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 - \$1M

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

**Total Assets – \$785M**



**Current Liabilities** – Slide 5

Accounts Payable – Major components of the \$10M balance are:

- \$8.3M estimated IBNR for healthcare services.
- \$1.8M vendor invoices due.

Salaries and Benefits Payable – \$2M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Other Payables – \$1.2M Contract Liability.

Debt Service Payable, Short-Term – \$0M in Certificates of Obligation and Interest Payable for 2011 and 2021 Taxable and non-Taxable Series, paid in February.

Deferred Tax Revenue - \$8M pending collection

**Total Current Liabilities** – **\$21M**

**Restricted or Noncurrent Liabilities**

Funds held for TCHD LPPF - \$1M receipts from participants in the LPPF.

Balance Sheet (Liabilities) – Slide 5 (continued)

Debt Service Payable, Long-Term – \$80.2M balance (unchanged):

	Series 2020	Series 2021	
	General Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT	7.285 M	10.8 M	
Taxable LT		60.0 M	
Premium		2.1 M	
Totals	<b>7.285 M</b>	<b>72.9 M</b>	<b>80.2 M</b>

\$7.285M was originally issued in 2011 for the North Central clinic and refunded May 2020. \$72.9M was issued in 2021 for two clinics and an administration building. Annual payments are due on 3/1 for all Series.

**Total Restricted of Noncurrent Liabilities – \$81M**

**Total Liabilities – \$103M**

**Net Assets**

Unrestricted Net Assets – \$540M

Restricted Net Assets – \$56M

Investment in Capital Assets – \$86M

**Total Net Assets – \$682M**

**Total Liabilities and Net Assets – \$785M**



**Sources and Uses Report** – Slide 6

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

**Sources – Total \$27M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$26M; Property Proration 2021 (Hancock) \$296K. Net revenue includes \$26M current month's collections; \$244K Penalties and Interest; (\$157K) in adjustments for prior year delinquent taxes.

Lease Revenue – \$888K recorded for Seton and Hancock Clinic.

Other Revenue – \$121K in monthly investment income

**Uses of Funds – Total \$12M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$11.8M for the month and \$45M YTD compared to \$38.7M YTD thru February 2021.

Healthcare Delivery Budget includes funds for service expansion in Post-Acute Care \$2.1M, Primary & Specialty Care \$6.7M, and Community Health Care Initiatives \$875K

Administration Program – \$452K in expense for the month, which includes:

- Personnel costs – \$501K
- Consulting services – \$135K
- Legal fees – \$8K
- Other general and administrative – \$(192)K

**Tax Collection Expenses** – \$171K for the month.

**Excess Sources/(Uses)** – \$14.7M in February. Current YTD is \$448M compared to prior year YTD of \$331M.



**Healthcare Delivery Expense** – Slide 7

**Healthcare Delivery Expense** – Total \$11.8M February; \$45M YTD compared to \$38.7M February FY21 YTD.

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

Healthcare Services – Healthcare delivery providers’ expense for February totaled \$4.2M, which includes:

- Primary care – \$2.8M
- Specialty Care (including Dental and Behavioral Health) – \$467K
- Pharmacy - \$947K
- All Other - \$70K

ACA Premium Assist, Education, Enrollment – \$1.2M in expenses for the month; \$5.3M YTD compared to \$4.9M FY21 YTD

Healthcare Facilities and Campus Redevelopment - \$119.6K in expense for the month and \$1.5M YTD.

Healthcare Delivery Operating Cost – \$1.8M in expenses for the month and includes:

- Personnel costs – \$1.2M
- Consulting Services – \$19K
- Legal Fees - \$6K
- Other services and purchased goods – \$556K

Debt, Reserves and Transfer – \$4.5M in Debt Service and Capital Reserve for the month

**Total Healthcare Delivery** - for the month of February was \$11.8M.



# Central Health

## Financial Statement Presentation FY 2022 – as of February 28, 2022 (Preliminary)

Central Health Board of Managers

March 30, 2022

Lisa Owens, Deputy CFO

Patti Bethke, Controller



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Note: HCD = Health Care Delivery





- Year-to-date through February collected net property tax revenue is \$257 million compared to \$233 million as of February 2021 representing 97.0% of the adjusted tax levy compared to 96.4% as of February 2021 .
- Healthcare Delivery is \$45 million for the five months ending 2/28/2022.
- GAAP reporting Net Assets increased \$91 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 2/28/2022 is \$1 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 2/28/2022	as of 2/28/2021
Current Assets		
Cash and cash equivalents	1,216,889	917,601
Short-term investments	491,945,892	374,921,562
Ad valorem taxes receivable	9,831,383	10,550,191
Other receivables	3,710,406	1,802,074
Prepaid expenses	516,815	270,143
Total Current Assets	507,221,384	388,461,570
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	78,868,248	6,440,892
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	1,015,250	8,942,189
Total Restricted Cash and Investments or Noncurrent	191,966,498	127,466,081
Capital Assets		
Land	26,372,222	13,425,967
Buildings and improvements	56,594,949	132,881,024
Equipment and furniture	17,761,345	10,030,421
Capital Projects in progress	12,032,672	5,002,965
Less accumulated depreciation	(26,989,535)	(49,331,359)
Total Capital Assets	85,771,652	112,009,018
<b>Total Assets</b>	<b>784,959,534</b>	<b>627,936,669</b>



	<b>Preliminary</b>	
	<b>as of</b>	<b>as of</b>
<b>Liabilities</b>	<b>2/28/2022</b>	<b>2/28/2021</b>
<b>Current Liabilities</b>		
Accounts payable	10,153,535	8,873,535
Salaries and benefits payable	2,101,847	2,384,744
Other Payables	1,216,226	-
Debt service payable, short-term	-	1,225,896
Deferred tax revenue	7,970,011	8,745,159
Other deferred revenue	-	610,000
<b>Total Current Liabilities</b>	<b>21,441,618</b>	<b>21,839,334</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	1,015,250	8,942,189
Debt service payable, long-term	80,219,011	6,105,000
<b>Total Restricted or Noncurrent Liabilities</b>	<b>81,234,261</b>	<b>15,047,189</b>
<b>Total Liabilities</b>	<b>102,675,879</b>	<b>36,886,523</b>
<b>Net Assets</b>		
Unrestricted	540,306,843	479,041,128
Restricted	56,205,160	-
Investment in Capital Assets	85,771,652	112,009,018
<b>Total Net Assets</b>	<b>682,283,655</b>	<b>591,050,146</b>
<b>Liabilities and Net Assets</b>	<b>784,959,534</b>	<b>627,936,669</b>



Sources / Uses	Feb 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
<b>Sources</b>					
<b>Property Tax Revenue</b>	26,148,804	257,127,145	260,933,097	99%	233,105,225
Lease Revenue	888,519	4,416,828	13,422,399	33%	4,312,734
Other Revenue	121,001	477,615	3,000,000	16%	299,086
Tobacco Settlement Revenue	-	-	3,000,000	0%	-
Contingency Reserve (Carryforward)	-	235,884,286	226,521,399	104%	136,179,266
<b>Total Sources</b>	<b>27,158,324</b>	<b>497,905,874</b>	<b>506,876,895</b>	<b>98%</b>	<b>373,896,311</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>11,807,405</b>	<b>45,301,463</b>	<b>491,485,797</b>	<b>9%</b>	<b>38,676,042</b>
<b>Administrative Program</b>					
Salaries and benefits	500,452	2,262,398	7,134,758	32%	1,820,568
Consulting Fees	135,151	140,225	1,341,120	10%	56,926
Legal Fees	7,797	229,250	1,456,636	16%	309,347
Other Purchase Goods and Services	(191,815)	460,661	3,287,732	14%	619,326
<b>Total Administrative Program</b>	<b>451,585</b>	<b>3,092,534</b>	<b>13,220,246</b>	<b>23%</b>	<b>2,806,167</b>
<b>Tax Collection Expenses</b>	<b>170,709</b>	<b>1,277,005</b>	<b>2,170,853</b>	<b>59%</b>	<b>1,235,833</b>
<b>Total Uses</b>	<b>12,429,699</b>	<b>49,671,002</b>	<b>506,876,896</b>	<b>10%</b>	<b>42,718,042</b>
<b>Excess Sources / (Uses)</b>	<b>14,728,625</b>	<b>448,234,872</b>			<b>331,178,269</b>



<b>Healthcare Delivery Summary</b>	<b>Feb 2022</b>	<b>FY22 YTD</b>	<b>FY22 Budget</b>	<b>Percent of Budget Used</b>	<b>FY21 YTD</b>
<b>Inter-Governmental Transfers (IGTs)</b>	-	-	15,509,298	0%	-
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 10)	2,751,492	18,543,603	59,040,000	31%	18,768,680
Specialty Care, incld Dental - (see detail on Slide 11)	406,945	2,406,397	17,175,000	14%	2,530,979
Specialty Care, Behavioral Health	56,713	300,663	1,383,856	22%	264,191
Pharmacy	946,709	4,079,359	14,250,000	29%	4,165,699
Post Acute Care	12,635	12,635	2,125,000	1%	-
All Other Healthcare Services	57,253	286,265	6,737,035	4%	286,465
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>4,231,747</b>	<b>25,628,922</b>	<b>101,585,891</b>	<b>25%</b>	<b>26,016,014</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>1,188,026</b>	<b>5,334,109</b>	<b>13,902,929</b>	<b>38%</b>	<b>4,889,937</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>119,596</b>	<b>1,534,131</b>	<b>6,284,795</b>	<b>24%</b>	<b>1,122,370</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,766,164</b>	<b>7,757,610</b>	<b>35,631,887</b>	<b>22%</b>	<b>6,609,475</b>
<b>Debt, Reserves and Transfers</b>	<b>4,501,872</b>	<b>5,046,691</b>	<b>318,570,997</b>	<b>2%</b>	<b>38,246</b>
<b>Total Healthcare Delivery</b>	<b>11,807,405</b>	<b>45,301,463</b>	<b>491,485,797</b>	<b>9%</b>	<b>38,676,042</b>



Details for Health Care Delivery on the following slides.



Healthcare Delivery Detail	Feb 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
<b>Healthcare Operations and Support</b>					
<b>ACA and Premium Assistance Programs</b>					
High Risk Premium Programs	898,280	3,754,649	10,240,575	37%	3,360,443
CHAP Program	254,632	1,077,748	3,079,354	35%	1,042,785
ACA Enrollment and Education Services	35,114	501,712	583,000	86%	486,709
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>1,188,026</b>	<b>5,334,109</b>	<b>13,902,929</b>	<b>38%</b>	<b>4,889,937</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	28,551	136,726	395,914	35%	40,689
Consulting Services	-	5,096	1,512,000	0%	102,329
Legal Fees	4,963	19,274	370,000	5%	147,132
Other Goods & Svc incl. UT Ground Lease	86,082	1,373,035	4,006,881	34%	832,220
<b>Subtotal Healthcare Facilities and Campus</b>	<b>119,596</b>	<b>1,534,131</b>	<b>6,284,795</b>	<b>24%</b>	<b>1,122,370</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	1,184,545	5,615,378	18,866,066	30%	4,658,975
Consulting Services	19,137	277,812	840,000	33%	13,847
Legal Fees	6,358	12,623	339,000	4%	46,363
Other Services and Purchased Goods	556,124	1,851,797	15,586,821	12%	1,890,290
<b>Subtotal HCD Operating Cost</b>	<b>1,766,164</b>	<b>7,757,610</b>	<b>35,631,887</b>	<b>22%</b>	<b>6,609,475</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	4,501,872	5,046,691	6,152,676	82%	38,246
Healthcare Capital Line of Credit	-	-	1,091,773	-	-
FY2022 Capital reserve	-	-	12,546,013	-	-
FY2022 Contingency reserve appropriation	-	-	298,780,535	-	-
<b>Subtotal Debt, Reserves and Transfers</b>	<b>4,501,872</b>	<b>5,046,691</b>	<b>318,570,997</b>	<b>2%</b>	<b>38,246</b>
<b>Total Healthcare Delivery</b>	<b>11,807,405</b>	<b>45,301,463</b>	<b>491,485,797</b>	<b>9%</b>	<b>38,676,042</b>



<b>Healthcare Delivery - Primary Care</b>	<b>Feb 2022</b>	<b>FY22 YTD</b>	<b>FY22 Budget</b>	<b>Percent of Budget Used</b>	<b>FY21 YTD</b>
<b>Primary Care</b>					
CommUnity Care	2,174,633	15,590,712	45,885,000	34%	15,864,740
Lone Star Circle of Care	420,879	2,091,951	6,755,000	31%	2,088,084
People's Community Clinic	150,452	806,431	2,600,000	31%	752,838
Other Primary Care	5,527	54,510	3,800,000	1%	63,020
<b>Subtotal Primary Care Services</b>	<b>2,751,491</b>	<b>18,543,604</b>	<b>59,040,000</b>	<b>31%</b>	<b>18,768,682</b>

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Healthcare Delivery - Specialty Care	Feb 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD	YOY Percent Change	Comments*
Specialty Care							
Ancillary Services & DME	6,488	24,657	735,000	3%	29,841	-17%	
Cardiology	7,630	96,066	265,000	36%	57,407	67%	
Referral Services	25,000	125,000	500,000	25%	125,000	0%	
Dental Specialty	46,755	373,685	1,300,000	29%	253,314	48%	Service Expansion
Dermatology	34,167	202,564	550,000	37%	158,927	27%	
Ear, Nose & Throat ENT	19,110	80,613	350,000	23%	127,297	-37%	
Endocrinology	29,165	164,789	575,000	29%	107,274	54%	Service Expansion
Gastroenterology	62,923	318,064	2,100,000	15%	515,704	-38%	Lower Volume
General Surgery	13,738	23,990	300,000	8%	18,418	30%	
Gynecology Complex	0	0	100,000	0%	(2,200)	-100%	CCC Agreement
Nephrology	1,744	14,230	200,000	7%	6,540	118%	New service in FY21
Oncology	22,801	126,577	700,000	18%	106,251	19%	
Ophthalmology	77,522	422,504	1,650,000	26%	494,598	-15%	
Prosthetics	328	17,165	200,000	9%	41,057	-58%	
Podiatry	47,770	135,095	350,000	39%	120,750	12%	
Pulmonology	13,952	88,290	375,000	24%	142,427	-38%	
Reproductive and Sexual Health	(15,720)	107,154	1,150,000	9%	146,571	-27%	
Rheumatology	9,374	60,604	250,000	24%	58,678	3%	
Neurology	0	0	100,000	0%	0	0%	New CUC Service
Wound Care	4,200	25,350	150,000	17%	23,125	10%	
<b>Subtotal Specialty Care</b>	<b>406,947</b>	<b>2,406,397</b>	<b>11,900,000</b>	<b>20%</b>	<b>2,530,979</b>	<b>-5%</b>	
MAP Basic Expansion	0	0	1,975,000	0%	0	0%	
Systems Planning Expansion	0	0	3,300,000	0%	0	0%	
<b>Total Specialty Care</b>	<b>406,947</b>	<b>2,406,397</b>	<b>17,175,000</b>	<b>14%</b>	<b>2,530,979</b>	<b>-5%</b>	

\* Changes greater than \$90,000 and +/- 33%



# Questions ? Comments ?