



March 2022 Preliminary Monthly Financial Statements (unaudited)

Page 1 of 6

Balance Sheet (Assets) – Slide 4

**Current Assets**

Cash and Cash Equivalents – \$1.2M compared to \$903K March 2021

Short-term Investments – Short-term investments were \$466M at month-end, net of restricted investments totaling \$93.5M.

Ad Valorem Taxes Receivable – \$6.1M balance is composed of:

Gross Tax Receivables	\$ 10.4M
Taxable Assessed Valuation Adjustment	(1.4)M
Est. Allowance for Doubtful collections	(2.9)M
Total Taxes Receivable	<u>\$ 6.1M</u>

Other Receivables – Other receivables total \$5.0M and includes intercompany balances:

- CommUnityCare - \$3M
- Sendero - \$1.1M
- Community Care Collaborative - \$110K
- Accrued Interest - \$526K
- Miscellaneous Receivables – \$283K



March 2022 Preliminary Monthly Financial Statements (unaudited)

Page 2 of 6

Balance Sheet (Assets) – Slide 4 (continued)

Prepaid Expenses – \$849K balance composed of:

- TCAD Appraisal Fees - \$282K
- Prepaid Tax Collection Fees - \$6K
- Software - \$101K
- Deposits - \$82K
- Prepaid Insurance - \$225K
- JTT Equipment - \$79K
- Memberships - \$74K

**Total Current Assets – \$479M**

**Restricted Cash & Investments or Noncurrent**

Investments Restricted for Capital Acquisition – \$93.5M 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 – \$771.6M**



**Current Liabilities** – Slide 5

Accounts Payable – Major components of the \$7.8M balance are:

- \$5.9M estimated IBNR for healthcare services.
- \$1.9M 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.

Other Payables – \$1.1M Contract Liability.

Debt Service Payable, Short-Term – \$4.5M in Certificates of Obligation and Interest Payable for Series 2020 and 2021 Taxable and non-Taxable debt.

**Total Current Liabilities** – \$20M

**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 – \$75.9M balance (unchanged):

	Series 2020	Series 2021	
	General Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT	3.71 M	12.72 M	
Taxable LT		57.3 M	
Premium		2.1 M	
Totals	<b>3.71 M</b>	<b>72.2 M</b>	<b>75.9 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 – \$77M**

**Total Liabilities – \$97M**

**Net Assets**

Unrestricted Net Assets – \$558M

Restricted Net Assets – \$56M

Investment in Capital Assets – \$60M

**Total Net Assets – \$675M**

**Total Liabilities and Net Assets – \$772M**



March 2022 Preliminary Monthly Financial Statements (unaudited)

Page 5 of 6

**Sources and Uses Report** – Slide 6

March financials → six months, 50% of the fiscal year.

**Sources – Total \$4.9M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$2.2M. Net revenue includes \$2.3M current month's collections; \$238K Penalties and Interest; (\$459K) in adjustments for prior year delinquent taxes; and \$110K in annual Inventory taxes.

Lease Revenue – \$2.5M recorded for Seton and Hancock Clinic; also including the annual \$1.6M lease payment from The 2033 Higher Education Development Foundation.

Other Revenue – \$258K in monthly investment income

**Uses of Funds – Total \$24.8M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$23.7M for the month and \$69M YTD compared to \$52M YTD thru March 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 – \$996K in expense for the month, which includes:

- Personnel costs – \$512K
- Consulting services – \$139K
- Legal fees – \$25K
- Other general and administrative – \$320K

**Tax Collection Expenses** – \$101K for the month.

**Excess Sources/(Uses)** – \$(19.9)M in March. Current YTD is \$428M compared to prior year YTD of \$322M.



**Healthcare Delivery Expense** – Slide 7

**Healthcare Delivery Expense** – Total \$23.7M March; \$69M YTD compared to \$52M March 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 March totaled \$7.5M, which includes:

- Primary care – \$4.7M
- Specialty Care - Dental – \$1.4M
- Specialty Care - Behavioral Health – \$57K
- Pharmacy - \$1.3M
- All Other - \$67K

ACA Premium Assist, Education, Enrollment – \$1.1M in expenses for the month; \$6.5M YTD compared to \$5.9M FY21 YTD

Healthcare Facilities and Campus Redevelopment - \$332K in expense for the month and \$1.9M YTD.

Healthcare Delivery Operating Cost – \$1.9M in expenses for the month and includes:

- Personnel costs – \$1.4M
- Consulting Services – <\$1K
- Legal Fees - \$4K
- Other services and purchased goods – \$562K

Debt, Reserves and Transfer – \$12.7M in Debt Service and Capital Reserve for the month

**Total Healthcare Delivery** - for the month of March was \$23.7M.



# Central Health

## Financial Statement Presentation

FY 2022 – as of March 31, 2022 (Preliminary)

Central Health Board of Managers

April 27, 2022

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 - Operating Cost
- Slide 10 HCD - Primary Care
- Slide 11 HCD - Specialty Care

Note: HCD = Health Care Delivery





- Year-to-date through March collected net property tax revenue is \$259 million compared to \$236 million as of March 2021 representing 97.0% of the adjusted tax levy compared to 96.4% as of March 2021 .
- Healthcare Delivery is \$70 million for the six months ending 3/31/2022.
- GAAP reporting Net Assets increased \$136 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 3/31/2022 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 3/31/2022	as of 3/31/2021
Current Assets		
Cash and cash equivalents	1,193,117	903,062
Short-term investments	466,064,014	361,991,251
Ad valorem taxes receivable	6,092,472	6,086,398
Other receivables	5,048,472	2,592,883
Prepaid expenses	849,148	564,109
Total Current Assets	<u>479,247,225</u>	<u>372,137,703</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	93,507,052	11,582,854
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	1,231,161	6,948,348
Total Restricted Cash and Investments or Noncurrent	<u>206,821,213</u>	<u>130,614,202</u>
Capital Assets		
Land	26,372,222	13,425,967
Buildings and improvements	56,594,949	57,153,539
Equipment and furniture	17,770,066	9,870,147
Capital Projects in progress	12,275,453	6,600,388
Less accumulated depreciation	(27,454,036)	(24,388,416)
Total Capital Assets	<u>85,558,653</u>	<u>62,661,625</u>
<b>Total Assets</b>	<u><u>771,627,091</u></u>	<u><u>565,413,530</u></u>



	<b>Preliminary</b>	
	<b>as of</b>	<b>as of</b>
<b>Liabilities</b>	<b>3/31/2022</b>	<b>3/31/2021</b>
<b>Current Liabilities</b>		
Accounts payable	7,803,350	6,733,183
Salaries and benefits payable	1,735,703	1,918,262
Other Payables	1,053,908	-
Debt service payable, short-term	4,522,989	1,196,410
Deferred tax revenue	4,905,694	4,877,231
Other deferred revenue	-	610,000
<b>Total Current Liabilities</b>	<b>20,021,644</b>	<b>15,335,087</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	1,231,161	6,948,348
Debt service payable, long-term	75,864,892	4,915,000
<b>Total Restricted of Noncurrent Liabilities</b>	<b>77,096,053</b>	<b>11,863,348</b>
<b>Total Liabilities</b>	<b>97,117,698</b>	<b>27,198,435</b>
<b>Net Assets</b>		
Unrestricted	558,142,029	475,553,471
Restricted	56,205,160	-
Investment in Capital Assets	60,162,204	62,661,625
<b>Total Net Assets</b>	<b>674,509,393</b>	<b>538,215,095</b>
<b>Liabilities and Net Assets</b>	<b>771,627,091</b>	<b>565,413,530</b>



Sources / Uses	Mar 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
<b>Sources</b>					
Property Tax Revenue	2,192,475	259,319,620	260,933,097	99%	235,626,249
Lease Revenue	2,507,854	6,924,682	13,422,399	52%	6,132,684
Other Revenue	258,054	735,669	3,000,000	25%	384,977
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>4,958,383</b>	<b>502,864,257</b>	<b>506,876,895</b>	<b>99%</b>	<b>378,323,176</b>
<b>Uses of Funds</b>					
Healthcare Delivery	24,860,107	70,161,570	491,485,797	14%	51,685,105
<b>Administrative Program</b>					
Salaries and benefits	512,281	2,774,679	7,134,758	39%	2,336,754
Consulting Fees	138,743	278,968	1,341,120	21%	65,304
Legal Fees	25,228	254,477	1,456,636	17%	352,817
Other Purchase Goods and Services	320,142	780,803	3,287,732	24%	795,794
<b>Total Administrative Program</b>	<b>996,394</b>	<b>4,088,927</b>	<b>13,220,246</b>	<b>31%</b>	<b>3,550,669</b>
Tax Collection Expenses	100,657	1,377,662	2,170,853	63%	1,320,849
<b>Total Uses</b>	<b>25,957,158</b>	<b>75,628,159</b>	<b>506,876,896</b>	<b>15%</b>	<b>56,556,623</b>
<b>Excess Sources / (Uses)</b>	<b>(20,998,775)</b>	<b>427,236,098</b>			<b>321,766,553</b>



Healthcare Delivery Summary	Mar 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
<b>Inter-Governmental Transfers (IGTs)</b>	-	-	15,509,298	0%	-
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 10)	4,706,803	23,250,406	59,040,000	39%	20,939,989
Specialty Care, incld Dental - (see detail on Slide 11)	1,431,740	3,838,137	17,175,000	22%	2,381,807
Specialty Care, Behavioral Health	57,537	358,200	1,383,856	26%	229,059
Pharmacy	1,321,656	5,401,016	14,250,000	38%	4,893,463
Post Acute Care	9,682	22,317	2,125,000	1%	-
All Other Healthcare Services	57,253	343,518	6,737,035	5%	343,518
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>7,584,671</b>	<b>33,213,594</b>	<b>101,585,891</b>	<b>33%</b>	<b>28,787,836</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>1,143,632</b>	<b>6,477,740</b>	<b>13,902,929</b>	<b>47%</b>	<b>5,896,813</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>332,349</b>	<b>1,866,480</b>	<b>6,284,795</b>	<b>30%</b>	<b>1,263,845</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,941,572</b>	<b>9,699,182</b>	<b>35,631,887</b>	<b>27%</b>	<b>8,011,955</b>
<b>SubTotal</b>	<b>11,002,224</b>	<b>51,256,996</b>	<b>157,405,502</b>	<b>33%</b>	<b>43,960,449</b>
<b>Debt, Reserves and Transfers</b>	<b>13,857,883</b>	<b>18,904,574</b>	<b>318,570,997</b>	<b>6%</b>	<b>7,724,656</b>
<b>Total Healthcare Delivery</b>	<b>24,860,107</b>	<b>70,161,570</b>	<b>491,485,797</b>	<b>14%</b>	<b>51,685,105</b>



Details for Health Care Delivery on the following slides.



Healthcare Delivery Detail	Mar 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	865,814	4,620,462	10,240,575	45%	4,097,567
CHAP Program	264,779	1,342,527	3,079,354	44%	1,299,498
ACA Enrollment and Education Services	13,039	514,751	583,000	88%	499,748
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>1,143,632</b>	<b>6,477,740</b>	<b>13,902,929</b>	<b>47%</b>	<b>5,896,813</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	31,490	168,216	395,914	42%	49,146
Consulting Services	-	5,096	1,512,000	0%	115,647
Legal Fees	7,309	26,583	370,000	7%	137,942
Other Goods & Svc incl. UT Ground Lease	293,550	1,666,585	4,006,881	42%	961,110
<b>Subtotal Healthcare Facilities and Campus</b>	<b>332,349</b>	<b>1,866,480</b>	<b>6,284,795</b>	<b>30%</b>	<b>1,263,845</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	1,375,859	6,991,237	18,866,066	37%	5,780,918
Consulting Services	-	277,815	840,000	33%	16,915
Legal Fees	3,941	16,564	339,000	5%	52,181
Other Services and Purchased Goods	561,772	2,413,566	15,586,821	15%	2,161,941
<b>Subtotal HCD Operating Cost</b>	<b>1,941,572</b>	<b>9,699,182</b>	<b>35,631,887</b>	<b>27%</b>	<b>8,011,955</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	168,870	5,215,561	6,152,676	85%	1,224,656
Healthcare Capital Line of Credit	-	-	1,091,773		-
FY2022 Capital reserve	13,689,013	13,689,013	12,546,013	109%	6,500,000
FY2022 Contingency reserve appropriation	-	-	298,780,535		-
<b>Subtotal Debt, Reserves and Transfers</b>	<b>13,857,883</b>	<b>18,904,574</b>	<b>318,570,997</b>	<b>6%</b>	<b>7,724,656</b>
<b>Total Healthcare Delivery</b>	<b>24,860,107</b>	<b>70,161,570</b>	<b>491,485,797</b>	<b>14%</b>	<b>51,685,105</b>



Healthcare Delivery - Primary Care	Mar 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
<b>Primary Care</b>					
CommUnity Care	3,801,038	19,391,750	45,885,000	42%	17,459,471
Lone Star Circle of Care	682,142	2,774,094	6,755,000	41%	2,446,252
People's Community Clinic	195,735	1,002,165	2,600,000	39%	955,158
Other Primary Care	27,887	82,397	3,800,000	2%	79,108
<b>Subtotal Primary Care Services</b>	<b>4,706,802</b>	<b>23,250,406</b>	<b>59,040,000</b>	<b>39%</b>	<b>20,939,989</b>

(continued on next page)





Healthcare Delivery - Specialty Care	Mar 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD	YOY Percent Change	Comments*
<b>Specialty Care</b>							
Ancillary Services & DME	4,431	29,087	735,000	4%	38,459	-24%	
Cardiology	44,009	140,075	265,000	53%	40,984	242%	Service Expansion
Referral Services	25,000	150,000	500,000	30%	150,000	0%	
Dental Specialty	111,966	485,650	1,300,000	37%	251,096	93%	Service Expansion
Dermatology	179,662	382,226	550,000	69%	177,652	115%	
Ear, Nose & Throat ENT	0	80,613	350,000	23%	129,063	-38%	
Endocrinology	214,261	379,050	575,000	66%	77,172	391%	Service Expansion
Gastroenterology	274,003	592,067	2,100,000	28%	360,586	64%	
General Surgery	4,357	28,347	300,000	9%	24,579	15%	
Gynecology Complex	0	0	100,000	0%	(2,200)	-100%	CCC Agreement
Nephrology	3,320	17,550	200,000	9%	872	1913%	New service in FY21
Oncology	24,950	151,528	700,000	22%	117,945	28%	
Ophthalmology	99,226	521,729	1,650,000	32%	556,505	-6%	
Prosthetics	42,195	59,360	200,000	30%	50,008	19%	
Podiatry	172,136	307,232	350,000	88%	69,650	341%	Service Expansion
Pulmonology	77,460	165,750	375,000	44%	78,480	111%	Service Expansion
Reproductive and Sexual Health	97,882	205,036	1,150,000	18%	171,676	19%	
Rheumatology	0	60,604	250,000	24%	58,860	3%	
Neurology	0	0	100,000	0%	0	0%	New CUC Service
Wound Care	56,750	82,100	150,000	55%	30,420	170%	Service Expansion
<b>Subtotal Specialty Care</b>	<b>1,431,608</b>	<b>3,838,004</b>	<b>11,900,000</b>	<b>32%</b>	<b>2,381,807</b>	<b>61%</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>1,431,608</b>	<b>3,838,004</b>	<b>17,175,000</b>	<b>22%</b>	<b>2,381,807</b>	<b>61%</b>	

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



# Questions ? Comments ?