

Balance Sheet (Assets) – Slide 4

Current AssetsCash and Cash Equivalents – \$3.3M compared to \$1.3M August 2021Short-term Investments – Short-term investments were \$411M at month-end, net of restricted investments totaling \$91M.Ad Valorem Taxes Receivable – \$2.1M balance is composed of:

Gross Tax Receivables	\$ 7.9M
Taxable Assessed Valuation Adjustment	(2.9)M
Est. Allowance for Doubtful collections	(2.9)M
Total Taxes Receivable	<u>\$ 2.1M</u>

Other Receivables – Other receivables total \$3.5M and includes intercompany balances:

- Sendero - \$1.7M
- CUC - \$787K
- Community Care Collaborative - \$57K
- Accrued Interest - \$647K
- Miscellaneous Receivables – \$264K
- AR Enterprise Health Claims (self-funding) - \$88K



Balance Sheet (Assets) – Slide 4 (continued)

Prepaid Expenses – \$331K balance composed of:

- Prepaid Insurance - \$122K
- ICC Dues - \$57K
- Deposits - \$82K
- Software - \$29K
- Memberships - \$31K
- JTT Equipment - \$10K

Total Current Assets – \$420M

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$91M 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 - \$8.3M

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

Total Assets – \$717M



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$5.9M balance are:

- \$2.6M estimated IBNR for healthcare services.
- \$3.3M vendor invoices due.

Salaries and Benefits Payable – \$3.2M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Other Payables – \$567K Contract Liability.

Debt Service Payable, Short-Term – \$5.2M in Certificates of Obligation and Interest Payable for Series 2020 and 2021 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$2.0M pending collection

Total Current Liabilities – **\$16.9M**

Restricted or Noncurrent Liabilities

Funds held for TCHD LPPF - \$8.3M receipts from participants in the LPPF.

Balance Sheet (Liabilities) – Slide 5 (continued)

Debt Service Payable, Long-Term – \$75.8M balance (unchanged):

	Series 2020	Series 2021	
	General Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT	3.7 M	12.7 M	
Taxable LT		57.4 M	
Premium		2.0 M	
Totals	3.7 M	72.2 M	75.8 M

\$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 – \$84M

Total Liabilities – \$101M

Net Assets

Unrestricted Net Assets – \$500M

Restricted Net Assets – \$56M

Investment in Capital Assets – \$61M

Total Net Assets – \$616M

Total Liabilities and Net Assets – \$717M



Sources and Uses Report – Slide 6

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

Sources – Total \$937K for the month

Property Tax Revenue – Net property tax revenue for the month was (\$285K). Net revenue includes (\$144K) current month's collections; \$53K Penalties and Interest; and (\$195K) in adjustments for prior year delinquent taxes.

Lease Revenue – \$889K recorded for Seton and Hancock Clinic

Other Revenue – \$334K in monthly investment income

Uses of Funds – Total \$12.2M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$11.5M for the month and \$134M YTD compared to \$111M FY21 YTD.

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 – \$854K in expense for the month, which includes:

- Personnel costs – \$492K
- Consulting fees - \$78K
- Legal fees – \$106K
- Other general and administrative – \$178K

Tax Collection Expenses – (\$94K) for the month.

Excess Sources/(Uses) – (\$11.3M) in August. Current YTD is \$372M compared to \$271M FY21 YTD.

Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$11.5M August; \$134M YTD compared to \$111M FY21 YTD.

Intergovernmental Transfers (“IGT’s”) – YTD \$15.4M for DSRIP IGT compared to \$20M YTD last year for DSRIP IGT.

Healthcare Services – Healthcare delivery providers’ expense for August totaled \$6.8M, which includes:

- Primary care – \$5M
- Specialty Care - including Dental – \$710K
- Specialty Care - Behavioral Health – \$65K
- Pharmacy - \$962K
- All Other - \$95K

ACA Premium Assist, Education, Enrollment – \$2.1M in expenses for the month; \$13M YTD compared to \$11M FY21 YTD

Healthcare Facilities and Campus Redevelopment - \$391K in expense for the month and \$3.6M YTD.

Healthcare Delivery Operating Cost – \$2.1M in expenses for the month and includes:

- Personnel costs – \$1.5M
- Consulting Services – \$5K
- Legal Fees - \$12K
- Other services and purchased goods – \$586K

Debt, Reserves and Transfer – \$132K in Debt Service

Total Healthcare Delivery - for the month of August was \$11.5M.



Central Health

Financial Statement Presentation

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

Central Health Board of Managers

October 26, 2022

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 \$260 million compared to \$237 million as of August 2021 representing 98.1% of the adjusted tax levy compared to 98.7% as of August 2021.
- Healthcare Delivery is \$134 million for the eleven months ending 8/31/2022.
- GAAP reporting Net Assets increased \$132 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 8/31/2022 is \$8 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 8/31/2022	as of 8/31/2021
Current Assets		
Cash and cash equivalents	3,264,509	1,269,383
Short-term investments	410,933,255	272,004,079
Ad valorem taxes receivable	2,137,545	2,261,228
Other receivables	3,487,252	5,626,744
Prepaid expenses	331,381	448,227
Total Current Assets	<u>420,153,943</u>	<u>281,609,661</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	90,663,264	26,061,511
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	8,318,912	36,174,368
Total Restricted Cash and Investments or Noncurrent	<u>211,065,176</u>	<u>174,318,879</u>
Capital Assets		
Land	26,372,222	23,037,767
Buildings and improvements	56,575,959	57,135,616
Equipment and furniture	17,887,703	18,794,441
Capital Projects in progress	14,988,071	12,855,701
Less accumulated depreciation	(29,742,488)	(25,914,121)
Total Capital Assets	<u>86,081,467</u>	<u>85,909,404</u>
Total Assets	<u><u>717,300,585</u></u>	<u><u>541,837,944</u></u>



Liabilities	Preliminary	
	as of 8/31/2022	as of 8/31/2021
Current Liabilities		
Accounts payable	5,930,456	9,161,913
Salaries and benefits payable	3,166,514	2,390,577
Other Payables	566,954	1,297,385
Debt service payable, short-term	5,230,306	1,228,461
Deferred tax revenue	2,026,815	2,051,957
Total Current Liabilities	16,921,045	16,130,294
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	8,318,912	36,174,368
Debt service payable, long-term	75,819,297	4,915,000
Total Restricted or Noncurrent Liabilities	84,138,209	41,089,368
Total Liabilities	101,059,255	57,219,662
Net Assets		
Unrestricted	499,500,319	421,669,174
Restricted	56,055,994	-
Investment in Capital Assets	60,685,018	62,949,108
Total Net Assets	616,241,331	484,618,282
Liabilities and Net Assets	717,300,585	541,837,944



Sources / Uses	Aug 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
Sources					
Property Tax Revenue	(285,436)	259,750,634	260,933,097	100%	237,354,760
Lease Revenue	888,519	11,367,276	13,422,399	85%	11,073,888
Other Revenue	333,614	3,184,778	3,000,000	106%	1,534,884
Tobacco Settlement Revenue	-	4,676,730	3,000,000	156%	3,872,274
Contingency Reserve (Carryforward)	-	235,884,286	226,521,399	104%	136,179,266
Total Sources	936,697	514,863,704	506,876,895	102%	390,015,072
Uses of Funds					
Healthcare Delivery	11,454,563	133,939,861	491,485,796	27%	110,691,056
Administrative Program					
Salaries and benefits	491,748	5,188,010	7,134,758	73%	4,521,162
Consulting Fees	77,910	405,993	1,341,120	30%	249,829
Legal Fees	106,460	856,823	1,456,636	59%	479,260
Other Purchase Goods and Services	177,922	1,521,161	3,287,732	46%	1,787,351
Total Administrative Program	854,040	7,971,987	13,220,246	60%	7,037,602
Tax Collection Expenses	(93,582)	1,666,001	2,170,853	77%	1,724,622
Total Uses	12,215,021	143,577,849	506,876,895	28%	119,453,280
Excess Sources / (Uses)	(11,278,324)	371,285,855			270,561,792



Healthcare Delivery Summary	Aug 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
Inter-Governmental Transfers (IGTs)	-	15,385,737	15,509,298	99%	19,983,752
Healthcare Services					
Primary Care - (see detail on Slide 10)	4,940,337	45,296,905	59,040,000	77%	38,851,912
Specialty Care, incld Dental - (see detail on Slide 11)	710,397	7,032,281	17,175,000	41%	5,322,195
Specialty Behavioral Health and Substance Use	65,133	562,875	1,383,855	41%	657,851
Pharmacy	962,464	9,810,027	14,250,000	69%	8,496,439
Post Acute Care	38,126	178,611	2,125,000	8%	-
All Other Healthcare Services	57,253	629,782	6,737,035	9%	629,782
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
Subtotal Healthcare Services	6,773,710	63,510,481	101,585,890	63%	53,958,179
ACA Premium Assist, Education, Enrollment	2,066,303	13,025,854	13,902,929	94%	10,767,174
Healthcare Facilities and Campus Redevelopment	391,013	3,576,422	6,284,795	57%	2,715,850
Healthcare Delivery Operating Costs	2,091,193	18,875,071	35,631,887	53%	15,509,393
SubTotal	11,322,219	98,987,828	157,405,501	63%	82,950,596
Debt, Reserves and Transfers	132,344	19,566,296	318,570,997	6%	7,756,708
Total Healthcare Delivery	11,454,563	133,939,861	491,485,796	27%	110,691,056



Details for Health Care Delivery on the following slides.



Healthcare Delivery Detail	Aug 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	1,827,996	9,885,108	10,240,575	97%	7,744,490
CHAP Program	238,307	2,586,339	3,079,354	84%	2,453,741
ACA Enrollment and Education Services	-	554,407	583,000	95%	568,943
Subtotal ACA & Premium Assist Program	2,066,303	13,025,854	13,902,929	94%	10,767,174
Healthcare Facilities and Campus					
Salaries and benefits	45,188	317,064	395,914	80%	99,662
Consulting Services	-	32,912	1,512,000	2%	326,699
Legal Fees	6,225	42,540	370,000	11%	170,374
Other Goods & Svc incl. UT Ground Lease	339,600	3,183,906	4,006,881	79%	2,119,115
Subtotal Healthcare Facilities and Campus	391,013	3,576,422	6,284,795	57%	2,715,850
Healthcare Delivery Operating Costs					
Salaries and benefits	1,488,272	13,671,439	18,866,066	72%	10,742,665
Consulting Services	4,886	293,323	840,000	35%	61,233
Legal Fees	11,698	44,854	339,000	13%	83,821
Other Services and Purchased Goods	586,337	4,865,455	15,586,821	31%	4,621,674
Subtotal HCD Operating Cost	2,091,193	18,875,071	35,631,887	53%	15,509,393
Debt Service, Reserves and Transfers					
Debt Service	132,344	5,877,283	6,152,676	96%	1,256,708
Healthcare Capital Line of Credit	-	-	1,091,773	-	-
FY2022 Capital reserve	-	13,689,013	12,546,013	109%	6,500,000
FY2022 Contingency reserve appropriation	-	-	298,780,535	-	-
Subtotal Debt, Reserves and Transfers	132,344	19,566,296	318,570,997	6%	7,756,708
Total Healthcare Delivery	11,454,563	133,939,861	491,485,796	27%	110,691,056



Healthcare Delivery - Primary Care	Aug 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
Primary Care					
CommUnity Care	4,079,589	38,102,707	45,885,000	83%	32,190,913
Lone Star Circle of Care	497,037	4,842,269	6,755,000	72%	4,566,191
People's Community Clinic	186,696	2,028,250	2,600,000	78%	1,939,699
Other Primary Care	177,015	323,679	3,800,000	9%	155,109
Subtotal Primary Care Services	4,940,337	45,296,905	59,040,000	77%	38,851,912

(continued on next page)



Healthcare Delivery - Specialty Care	Aug 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD	YOY Percent Change	Comments*
Specialty Care							
Ancillary Services & DME	16,730	112,897	735,000	15%	73,408	54%	
Cardiology	27,699	320,430	265,000	121%	87,047	268%	Service Expansion
Referral Services	25,000	275,000	500,000	55%	300,000	-8%	
Dental Specialty	129,336	911,113	1,300,000	70%	702,686	30%	Service Expansion
Dermatology	59,226	721,330	550,000	131%	429,231	68%	Service Expansion
Ear, Nose & Throat ENT	8,486	107,785	350,000	31%	232,468	-54%	Provider Vacancy
Endocrinology	78,109	673,226	575,000	117%	292,755	130%	Service Expansion
Gastroenterology	75,081	1,077,691	2,100,000	51%	768,733	40%	Service Expansion
General Surgery	16,441	74,564	300,000	25%	33,241	124%	
Gynecology Complex	0	0	100,000	0%	0	0%	CCC Agreement
Nephrology	(1,932)	41,600	200,000	21%	15,587	167%	
Oncology	33,974	298,577	700,000	43%	305,891	-2%	
Ophthalmology	97,725	1,087,640	1,650,000	66%	1,053,453	3%	
Prosthetics	17,802	114,649	200,000	57%	119,878	-4%	
Podiatry	110,067	452,668	350,000	129%	208,360	117%	Service Expansion
Pulmonology	25,582	319,004	375,000	85%	152,992	109%	Service Expansion
Reproductive and Sexual Health	(33,553)	217,823	1,150,000	19%	373,750	-42%	
Rheumatology	22,574	154,570	250,000	62%	121,884	27%	
Neurology	(4,225)	7,150	100,000	7%	0	0%	New CUC Service
Wound Care	6,275	64,564	150,000	43%	50,831	27%	Service Expansion
Subtotal Specialty Care	710,397	7,032,281	11,900,000	59%	5,322,195	32%	
MAP Basic Expansion	0	0	1,975,000	0%	0	0	
Systems Planning Expansion	0	0	3,300,000	0%	0	0	
Total Specialty Care	710,397	7,032,281	17,175,000	41%	5,322,195	32%	

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



Questions ? Comments ?