

Balance Sheet (Assets) – Slide 4

Current AssetsCash and Cash Equivalents – \$3.4M compared to \$1.1M September 2021Short-term Investments – Short-term investments were \$382M at month-end, net of restricted investments totaling \$90M.Ad Valorem Taxes Receivable – \$1.9M balance is composed of:

Gross Tax Receivables	\$ 4.7M
Taxable Assessed Valuation Adjustment	(1.5)M
Est. Allowance for Doubtful collections	(1.3)M
Total Taxes Receivable	<u>\$ 1.9M</u>

Other Receivables – Other receivables total \$2.8M and includes intercompany balances:

- Sendero - \$726K
- CUC - \$748K
- Community Care Collaborative - \$76K
- Accrued Interest - \$616K
- Miscellaneous Receivables – \$484K
- AR Enterprise Health Claims (self-funding) - \$122K



September 2022 Preliminary Monthly Financial Statements (unaudited)

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Balance Sheet (Assets) – Slide 4 (continued)

Prepaid Expenses – \$557K balance composed of:

- TCAD appraisal fee - \$282K
- Prepaid Insurance - \$97K
- Deposits - \$82K
- Condo fees - \$33K
- Software - \$20K
- Memberships - \$22K
- JTT Equipment - \$21K

Total Current Assets – \$390M

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$90M 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 - \$23M

Capital Assets – \$88M, net of accumulated depreciation

Total Assets – \$703M



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$10.2M balance are:

- \$6.6M estimated IBNR for healthcare services.
- \$3.6M vendor invoices due.

Salaries and Benefits Payable – \$3M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Other Payables – \$405K 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.

Other Deferred Revenue - \$500K Episcopal Health Foundation Grant

Total Current Liabilities – **\$18.7M**

Restricted or Noncurrent Liabilities

Funds held for TCHD LPPF - \$23M receipts from participants in the LPPF.

September 2022 Preliminary Monthly Financial Statements (unaudited)

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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 – \$98.6M

Total Liabilities – \$117M

Net Assets

Unrestricted Net Assets – \$469M

Restricted Net Assets – \$55M

Investment in Capital Assets – \$61M

Total Net Assets – \$585M

Total Liabilities and Net Assets – \$703M



Sources and Uses Report – Slide 6

September financials → twelve months, 100% of the fiscal year.

Sources – Total (\$15M) for the month

Property Tax Revenue – Net property tax revenue for the month was \$1.8M. Net revenue includes \$35K current month's collections; \$1.9M adjustment for uncollectible property tax; \$48K Penalties and Interest; and \$(177K) in adjustments for prior year delinquent taxes.

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

Other Revenue – (\$18M) which includes:

- Investments - Unrealized Losses (\$19M)
- Monthly investment income – \$476K

Uses of Funds – Total (\$15M) for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$13.5M for the month and \$147M YTD compared to \$124M 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 – \$1.3M in expense for the month, which includes:

- Personnel costs – \$582K
- Consulting fees - \$99K
- Legal fees – \$276K
- Other general and administrative – \$296K

Tax Collection Expenses – \$231K for the month.

Excess Sources/(Uses) – (\$30M) in September. Current YTD is \$341M compared to \$257M FY21 YTD.

Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$13.5M September; \$147M YTD compared to \$124M 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 September totaled \$9.5M, which includes:

- Primary care – \$7.2M
- Specialty Care including Dental – \$1.3M
- Specialty Care - Behavioral Health – \$61K
- Pharmacy - \$843K
- All Other - \$134K

ACA Premium Assist, Education, Enrollment – \$1.1M in expenses for the month; \$14M YTD compared to \$13M FY21 YTD

Healthcare Facilities and Campus Redevelopment - \$121K in expense for the month and \$3.7M YTD.

Healthcare Delivery Operating Cost – \$2.6M in expenses for the month and includes:

- Personnel costs – \$1.6M
- Consulting Services – \$6K
- Legal Fees - \$0
- Other services and purchased goods – \$1M

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

Total Healthcare Delivery - for the month of September was \$13.5M.



Central Health

Financial Statement Presentation

FY 2022 – as of September 30, 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 September collected net property tax revenue is \$261 million compared to \$239 million as of September 2021 representing 98.2% of the adjusted tax levy compared to 98.7% as of September 2021.
- Healthcare Delivery is \$147 million for the twelve months ending 9/30/2022.
- GAAP reporting Net Assets increased \$118 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 9/30/2022 is \$23 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 9/30/2022	as of 9/30/2021
Current Assets		
Cash and cash equivalents	3,393,399	1,072,336
Short-term investments	381,528,100	260,258,910
Ad valorem taxes receivable	1,885,295	1,615,518
Other receivables	2,771,568	27,244,213
Prepaid expenses	557,430	586,239
Total Current Assets	<u>390,135,792</u>	<u>290,777,216</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	89,967,836	102,840,380
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	22,814,275	36,851,079
Total Restricted Cash and Investments or Noncurrent	<u>224,865,112</u>	<u>251,774,459</u>
Capital Assets		
Land	26,372,222	26,302,222
Buildings and improvements	56,637,346	56,495,971
Equipment and furniture	17,954,906	17,692,503
Capital Projects in progress	17,024,100	9,259,026
Less accumulated depreciation	(30,216,549)	(24,664,337)
Total Capital Assets	<u>87,772,025</u>	<u>85,085,385</u>
Total Assets	<u><u>702,772,929</u></u>	<u><u>627,637,061</u></u>



	Preliminary	
	as of	as of
Liabilities	9/30/2022	9/30/2021
Current Liabilities		
Accounts payable	10,245,867	13,663,485
Salaries and benefits payable	2,998,501	1,535,700
Other Payables	404,636	22,983,834
Debt service payable, short-term	4,522,989	4,407,345
Deferred tax revenue	-	-
Other deferred revenue	500,063	-
Total Current Liabilities	18,672,055	42,590,364
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	22,814,275	36,851,079
Debt service payable, long-term	75,810,178	80,264,606
Total Restricted or Noncurrent Liabilities	98,624,453	117,115,685
Total Liabilities	117,296,509	159,706,049
Net Assets		
Unrestricted	468,685,508	326,789,632
Restricted	55,385,798	56,055,994
Investment in Capital Assets	61,405,114	85,085,385
Total Net Assets	585,476,420	467,931,011
Liabilities and Net Assets	702,772,929	627,637,061



Sources / Uses	Sep 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
Sources					
Property Tax Revenue	1,780,630	261,531,264	260,933,097	100%	238,919,147
Lease Revenue	888,519	12,255,794	13,422,399	91%	11,957,434
Other Revenue	(17,989,681)	(14,804,903)	3,000,000	-493%	134,025
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	(15,320,532)	499,543,171	506,876,895	99%	391,062,146
Uses of Funds					
Healthcare Delivery	13,485,827	147,425,681	491,485,796	30%	124,234,374
Administrative Program					
Salaries and benefits	581,666	5,769,677	7,134,758	81%	4,986,919
Consulting Fees	99,151	505,144	1,341,120	38%	855,175
Legal Fees	275,851	1,132,674	1,456,636	78%	597,817
Other Purchase Goods and Services	296,499	1,817,660	3,287,732	55%	1,846,493
Total Administrative Program	1,253,167	9,225,155	13,220,246	70%	8,286,404
Tax Collection Expenses	231,326	1,897,327	2,170,853	87%	1,804,635
Total Uses	14,970,320	158,548,163	506,876,895	31%	134,325,413
Excess Sources / (Uses)	(30,290,852)	340,995,008			256,736,733



Healthcare Delivery Summary	Sep 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)	7,207,346	52,504,251	59,040,000	89%	46,702,689
Specialty Care, incld Dental - (see detail on Slide 11)	1,326,240	8,358,519	17,175,000	49%	5,987,273
Specialty Behavioral Health and Substance Use	60,679	623,553	1,383,855	45%	749,364
Pharmacy	843,217	10,653,245	14,250,000	75%	9,409,904
Post Acute Care	76,346	254,957	2,125,000	12%	-
All Other Healthcare Services	57,253	687,035	6,737,035	10%	687,035
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
Subtotal Healthcare Services	9,571,081	73,081,560	101,585,890	72%	63,536,265
ACA Premium Assist, Education, Enrollment	1,079,977	14,105,830	13,902,929	101%	12,707,953
Healthcare Facilities and Campus Redevelopment	121,393	3,697,814	6,284,795	59%	2,983,181
Healthcare Delivery Operating Costs	2,581,032	21,456,100	35,631,887	60%	17,209,170
SubTotal	13,353,483	112,341,304	157,405,501	71%	96,436,569
Debt, Reserves and Transfers	132,344	19,698,640	318,570,997	6%	7,814,053
Total Healthcare Delivery	13,485,827	147,425,681	491,485,796	30%	124,234,374



Details for Health Care Delivery on the following slides.



Healthcare Delivery Detail	Sep 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	834,478	10,719,586	10,240,575	105%	8,443,077
CHAP Program	244,421	2,830,759	3,079,354	92%	3,686,894
ACA Enrollment and Education Services	1,078	555,485	583,000	95%	577,982
Subtotal ACA & Premium Assist Program	1,079,977	14,105,830	13,902,929	101%	12,707,953
Healthcare Facilities and Campus					
Salaries and benefits	48,106	365,170	395,914	92%	124,825
Consulting Services	19,889	52,801	1,512,000	3%	322,088
Legal Fees	-	42,540	370,000	11%	183,930
Other Goods & Svc incl. UT Ground Lease	53,398	3,237,303	4,006,881	81%	2,352,338
Subtotal Healthcare Facilities and Campus	121,393	3,697,814	6,284,795	59%	2,983,181
Healthcare Delivery Operating Costs					
Salaries and benefits	1,550,892	15,222,331	18,866,066	81%	11,783,893
Consulting Services	5,625	298,948	840,000	36%	74,992
Legal Fees	6	44,860	339,000	13%	82,586
Other Services and Purchased Goods	1,024,509	5,889,961	15,586,821	38%	5,267,699
Subtotal HCD Operating Cost	2,581,032	21,456,100	35,631,887	60%	17,209,170
Debt Service, Reserves and Transfers					
Debt Service	132,344	6,009,627	6,152,676	98%	1,314,053
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	19,698,640	318,570,997	6%	7,814,053
Total Healthcare Delivery	13,485,827	147,425,681	491,485,796	30%	124,234,374



Healthcare Delivery - Primary Care	Sep 2022	FY22 YTD	FY22 Budget	Percent of Budget Used	FY21 YTD
Primary Care					
CommUnity Care	6,437,269	44,539,976	45,885,000	97%	39,164,245
Lone Star Circle of Care	498,266	5,340,535	6,755,000	79%	5,150,109
People's Community Clinic	217,313	2,245,563	2,600,000	86%	2,180,573
Other Primary Care	54,498	378,177	3,800,000	10%	207,762
Subtotal Primary Care Services	7,207,346	52,504,251	59,040,000	89%	46,702,689

(continued on next page)



Healthcare Delivery - Specialty Care	Sep 2022	FY22 YTD	FY22 Budget	Percent of	FY21 YTD	YOY Percent	Comments*
				Budget Used		Change	
Specialty Care							
Ancillary Services & DME	43,906	156,800	735,000	21%	64,208	144%	
Cardiology	34,926	355,356	265,000	134%	141,087	152%	Service Expansion
Referral Services	25,000	300,000	500,000	60%	300,000	0%	
Dental Specialty	125,056	1,036,169	1,300,000	80%	704,431	47%	Service Expansion
Dermatology	74,468	795,798	550,000	145%	443,498	79%	Service Expansion
Ear, Nose & Throat ENT	3,608	111,393	350,000	32%	276,444	-60%	Provider Vacancy
Endocrinology	66,709	739,935	575,000	129%	390,681	89%	Service Expansion
Gastroenterology	112,650	1,190,341	2,100,000	57%	823,516	45%	Service Expansion
General Surgery	103,284	177,847	300,000	59%	48,492	267%	
Gynecology Complex	0	0	100,000	0%	0	0%	CCC Agreement
Nephrology	10,075	51,675	200,000	26%	19,361	167%	
Oncology	79,296	377,873	700,000	54%	347,025	9%	
Ophthalmology	89,921	1,177,563	1,650,000	71%	1,174,158	0%	
Prosthetics	45,000	159,649	200,000	80%	144,641	10%	
Podiatry	232,358	685,026	350,000	196%	259,957	164%	Service Expansion
Pulmonology	35,547	354,551	375,000	95%	212,581	67%	Service Expansion
Reproductive and Sexual Health	32,707	250,530	1,150,000	22%	441,208	-43%	
Rheumatology	24,121	178,691	250,000	71%	136,805	31%	
Neurology	6,717	13,867	100,000	14%	0	0%	New CUC Service
Dialysis	172,800	172,800	0	0%	0	0%	Service Expansion, new service
Wound Care	8,091	72,655	150,000	48%	59,180	23%	Service Expansion
Subtotal Specialty Care	1,326,240	8,358,519	11,900,000	70%	5,987,273	40%	
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	1,326,240	8,358,519	17,175,000	49%	5,987,273	40%	

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



Questions ? Comments ?