



Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – \$4.1M compared to \$1.2M March 2022

Short-term Investments – Short-term investments were \$568M at month-end, net of restricted investments totaling \$111M.

Ad Valorem Taxes Receivable – \$7.7M balance is composed of:

Gross Tax Receivables	\$	13.5M
Taxable Assessed Valuation Adjustment		(3)M
Est. Allowance for Doubtful collections		(2.8)M
Total Taxes Receivable		<u>\$ 7.7M</u>

Other Receivables – Other receivables total \$5.5M and includes intercompany balances:

- Miscellaneous Receivables – \$1.2M for CEC Alternate Utility Project
- CUC - \$1.8M
- Accrued Interest - \$1.3M
- Sendero - \$1.1M
- AR Enterprise Health Claims (self-funding) - \$140K
- Community Care Collaborative - \$8K

Prepaid Expenses – \$1.2M balance composed of:

- Software - \$367K
- Travis Central Appraisal District – \$307K
- JTT Equipment - \$136K
- Tax Collection Fees - \$8K
- Deposits - \$179K
- Memberships/Subscriptions - \$14K
- Insurance - \$178K



Total Current Assets – \$587M

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$111M 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 - \$1.2M

Lease Receivables GASB87* - \$251M

- Lease Receivable Short-Term \$10M
- Lease Receivable Long-Term \$241M

Capital Assets – \$131M, net of accumulated depreciation

Total Assets – \$1.2B



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$11.3M balance are:

- \$9.3M estimated IBNR for healthcare services.
- \$1M invoices payable.
- \$1M lease interest

Salaries and Benefits Payable – \$4.1M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Other Payables – \$242K Contract Liability.

Debt Service Payable, Short-Term – \$4.6M in Certificates of Obligation and Interest Payable for Series 2020 and 2021 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$6M

Total Current Liabilities – \$26M

Restricted or Noncurrent Liabilities

Funds held for TCHD LPPF - \$1.2M receipts from participants in the LPPF.



Debt Service Payable, Long-Term – \$71.3M balance (changed):

	Series 2020	Series 2021	
	General Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT	2.5 M	12.2 M	
Taxable LT		54.6 M	
Premium		2.0 M	
Totals	2.5 M	68.8 M	71.3 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 – \$72.5M

Lease Payable Long-Term GASB87* - \$43M

Deferred Revenue Long-Term GASB87* - \$242M

Total Noncurrent Liabilities Leases* – \$285M

Total Liabilities – \$384M

Net Assets

Unrestricted Net Assets – \$654M

Restricted Net Assets – \$54M

Investment in Capital Assets – \$101M



Total Net Assets – \$809M

Total Liabilities and Net Assets – \$1.2B

*Governmental Accounting Standards Board statement 87, Leases (GASB87) the new lease accounting standard requires entities to report future long term lease obligations, previously reported as operating activity, on the balance sheet to convey control of the right to use the non-financial asset. This will significantly increase long term governmental balance sheets as a result of this requirement. The new rules require lessees to recognize a lease liability and an intangible asset while lessors are required to recognize lease receivables and a deferred inflow of resources on their financial statements.



Sources and Uses Report – Slide 6

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

Sources – Total \$5.1M for the month

Property Tax Revenue – Net property tax revenue for the month was \$1.6M. Net revenue includes \$1.8M current month's collections; \$213K Penalties and Interest; and \$(356)K in adjustments for prior year delinquent taxes.

Lease Revenue – \$1.6M for Downtown Campus, Hancock Clinic, and land leases

Other Revenue/Expense – \$1.9M which includes:

- Monthly investment income – \$1.9M

Uses of Funds – Total \$13.6M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$12M for the month and \$90M YTD compared to \$52M FY22 YTD.

Administration Program – \$1.1M in expense for the month, which includes:

- Personnel costs – \$731K
- Consulting fees - \$5K
- Legal fees – \$106K
- Other general and administrative – \$243K

Tax Collection Expenses – \$111K for the month.

Excess Sources/(Uses) – \$(8.5)M in March. Current YTD is \$197M compared to \$209M FY22 YTD.



Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$12M current month; \$90M YTD compared to \$52M FY22 YTD.

Purchased Healthcare Services – Healthcare delivery providers' expense for March totaled \$8.1M, which includes:

- Primary care – \$4.1M
- Specialty Care including Dental – \$1.0M
- Specialty Care - Behavioral Health – \$1.5M
- Pharmacy - \$917K
- All Other - \$510K

Direct Healthcare Services – \$53K

ACA Premium Assist, Education, Enrollment – \$1.2M in expenses for the month; \$6.7M YTD compared to \$6.5M FY22 YTD

Healthcare Facilities and Campus Redevelopment - \$248K in expense for the month and \$1.3M YTD.

Healthcare Delivery Operating Cost – \$2.8M in expenses for the month and includes:

- Personnel costs – \$1.8M
- Consulting Services – \$34K
- Legal Fees - \$0
- Other services and purchased goods – \$945K

Debt, Reserves and Transfer – \$125K in Debt Service

Total Healthcare Delivery - for the month of March was \$12M.



Central Health

Financial Statement Presentation

FY 2023 – as of March 31, 2023 (Preliminary)

Central Health Board of Managers

May 24, 2023

Lisa Owens, Deputy CFO

Patti Bethke, Controller



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Note: HCD = Health Care Delivery



- Year-to-date through March collected net property tax revenue is \$278 million compared to \$259 million as of March 2022 representing 96.9% of the adjusted tax levy compared to 97.8% as of March 2022.
- Healthcare Delivery is \$90 million for the year as of 3/31/2023.
- GAAP reporting Net Assets increased \$135 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 3/31/2023 is \$1 million.
- Governmental Accounting Standards Board statement 87, Leases (GASB87) the new lease accounting standard requires entities to report future long term lease obligations, previously reported as operating activity, on the balance sheet to convey control of the right to use the non-financial asset. This will significantly increase long term governmental balance sheets as a result of this requirement. The new rules require lessees to recognize a lease liability and an intangible asset while lessors are required to recognize lease receivables and a deferred inflow of resources on their financial statements.

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 3/31/2023	as of 3/31/2022
Current Assets		
Cash and cash equivalents	4,091,099	1,193,117
Short-term investments	568,314,331	466,064,014
Ad valorem taxes receivable	7,700,385	6,092,472
Other receivables	5,536,102	5,048,472
Prepaid expenses	1,189,561	849,148
Total Current Assets	586,831,477	479,247,225
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	110,558,891	93,507,052
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	1,217,970	1,231,161
Total Restricted Cash and Investments or Noncurrent	223,859,862	206,821,213
Lease Receivables		
Lease Receivables Short-Term*	10,417,308	-
Lease Receivables Long-Term *	240,726,693	-
Total Lease Receivables	251,144,001	0
Capital Assets		
Land	26,913,280	26,372,222
Buildings and improvements	62,009,062	56,594,949
Equipment and furniture	17,961,372	17,770,066
Capital Projects in progress	14,876,269	12,275,453
Leased Assets*	42,921,307	0
Less accumulated depreciation	(33,684,954)	(27,454,036)
Total Capital Assets	130,996,336	85,558,653
Total Assets	1,192,831,675	771,627,091

* New GASB87 reporting requirement for leases.



Liabilities	Preliminary as of 3/31/2023	as of 3/31/2022
Current Liabilities		
Accounts payable	11,303,144	7,803,350
Salaries and benefits payable	4,058,394	1,735,703
Other Payables	242,318	1,053,908
Debt service payable, short-term	4,615,353	4,522,989
Deferred tax revenue	6,040,116	4,905,694
Other deferred revenue	-	-
Total Current Liabilities	26,259,325	20,021,644
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	1,217,969	1,231,161
Debt service payable, long-term	71,310,464	75,864,892
Total Restricted or Noncurrent Liabilities	72,528,433	77,096,053
Noncurrent Liabilities Leases*		
Lease Payable Long Term *	42,841,107	0
Deferred Revenue Long Term*	241,901,982	0
Total Noncurrent Liabilities Leases*	284,743,089	-
Total Liabilities	383,530,846	97,117,698
Net Assets		
Unrestricted	654,156,059	558,291,196
Restricted	53,921,230	56,055,994
Investment in Capital Assets	101,223,540	60,162,204
Total Net Assets	809,300,829	674,509,393
Liabilities and Net Assets	1,192,831,675	771,627,091

* New GASB87 reporting requirement for leases.



Sources / Uses	MAR 2023	FY23 YTD	FY23 Budget	Percent of Budget Used	FY22 YTD
Sources					
Property Tax Revenue	1,627,954	278,063,192	281,605,053	99%	259,319,620
Lease Revenue	1,562,220	9,686,267	13,145,328	74%	6,924,682
Other Revenue	1,914,586	7,791,543	1,500,000	519%	735,669
Tobacco Settlement Revenue	-	-	4,500,000	0%	-
Total Sources	5,104,760	295,541,002	300,750,381	98%	266,979,971
Uses of Funds					
Healthcare Delivery	12,446,370	89,896,215	283,208,878	32%	52,122,558
Administrative Program					
Salaries and benefits	731,435	3,450,086	9,131,752	38%	2,792,768
Consulting Fees	5,460	23,465	1,626,520	1%	278,968
Legal Fees	106,013	834,668	2,756,636	30%	254,477
Other Purchase Goods and Services	243,023	1,256,651	4,486,802	28%	762,714
FY 2023 Self Insured Emp Health	-	2,000,000	2,000,000	100%	0
Total Administrative Program	1,085,931	7,564,870	20,001,710	38%	4,088,927
Tax Collection Expenses	111,308	1,560,533	2,147,650	73%	1,377,662
Total Uses	13,643,609	99,021,618	305,358,238	32%	57,589,147
Excess Sources / (Uses)	(8,538,849)	196,519,384	(4,607,857)		209,390,824



Healthcare Delivery Summary	MAR 2023	FY23 YTD	FY23 Budget	Percent of Budget Used	FY22 YTD
Purchased Healthcare Services					
Primary Care - (see detail on Slide 10)	4,129,246	27,071,222	66,236,822	41%	23,250,406
Specialty Care, incld Dental - (see detail on Slide 11)	1,013,244	5,961,527	27,163,000	22%	3,838,138
Specialty Behavioral Health and Substance Use	1,541,291	2,727,553	12,040,000	23%	358,200
Pharmacy	916,680	5,199,380	17,000,000	31%	5,401,016
Post Acute Care	510,476	1,824,317	5,650,000	32%	22,317
Community Healthcare Initiatives Fund	-	66,107	1,750,000	4%	-
Subtotal Purchased Healthcare Services	8,110,937	42,850,106	129,839,822	33%	32,870,077
Direct Healthcare Services	53,497	144,930	5,673,261	3%	32,134
Map Eligibility - Increase in period	-	-	2,000,000	0%	-
Subtotal Healthcare Services	8,164,434	42,995,036	137,513,083	31%	32,902,211
ACA Premium Assist, Education, Enrollment	1,153,353	6,671,073	15,236,261	44%	6,477,740
Healthcare Facilities and Campus Redevelopment	248,126	1,331,026	4,721,027	28%	1,866,480
Healthcare Delivery Operating Costs	2,755,749	15,112,650	48,241,763	31%	10,010,566
SubTotal	12,321,662	66,109,785	205,712,134	32%	51,256,997
Debt, Reserves and Transfers	124,708	23,786,430	55,496,744	43%	865,561
UT Affiliation Agreement	-	-	22,000,000	0%	-
Total Healthcare Delivery	12,446,370	89,896,215	283,208,878	32%	52,122,558



Details for Health Care Delivery on the following slides.



Healthcare Delivery Detail	MAR 2023	FY23 YTD	FY23 Budget	Percent of Budget Used	FY22 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
ACA Healthcare Premium Assistance Programs	1,153,353	6,598,397	14,648,261	45%	5,962,989
ACA Education and Enrollment Services	-	72,676	588,000	12%	514,751
Subtotal ACA & Premium Assist Program	1,153,353	6,671,073	15,236,261	44%	6,477,740
Real Estate and Campus Redevelopment					
Salaries and benefits	43,419	300,658	892,250	34%	168,216
Consulting Services	6,379	19,486	200,000	10%	5,096
Legal Fees	-	30,796	175,000	18%	26,583
Other Goods & Svc incl. UT Ground Lease	198,328	980,086	3,453,777	28%	1,666,585
Subtotal Healthcare Facilities and Campus	248,126	1,331,026	4,721,027	28%	1,866,480
Healthcare Delivery Operating Costs					
Salaries and benefits	1,776,940	9,819,707	25,545,451	38%	6,961,181
Consulting Services	34,009	51,533	1,740,000	3%	277,815
Legal Fees	-	7,391	433,000	2%	16,564
Other Services and Purchased Goods	944,800	5,234,019	20,523,312	26%	2,755,006
Subtotal HCD Operating Cost	2,755,749	15,112,650	48,241,763	31%	10,010,566
Debt Service, Reserves and Transfers					
Debt Service	124,708	786,430	5,996,744	13%	865,561
Healthcare Capital Line of Credit	-	-	500,000		
FY2022 Capital reserve	-	23,000,000	49,000,000	47%	-
Subtotal Debt, Reserves and Transfers	124,708	23,786,430	55,496,744	43%	865,561
UT Affiliation Agreement	-	-	22,000,000		
Total Healthcare Delivery	12,446,370	89,896,215	283,208,878	32%	52,122,558



Healthcare Delivery - Primary Care	MAR 2023	FY23 YTD	FY23 Budget	Percent of Budget Used	FY22 YTD
Primary Care					
CommUnity Care	3,492,059	22,505,137	49,835,000	45%	19,391,750
Lone Star Circle of Care	402,563	2,572,592	6,955,000	37%	2,774,094
People's Community Clinic	161,474	1,231,057	3,100,000	40%	1,002,165
Other Primary Care	73,150	762,436	6,346,822	12%	82,397
Subtotal Primary Care Services	4,129,246	27,071,222	66,236,822	41%	23,250,406

(continued on next page)



Healthcare Delivery - Specialty Care	MAR 2023	FY23 YTD	FY23 Budget	Percent of Budget Used	FY22 YTD	YOY Percent Change	Comments*
Specialty Care							
Ancillary Services & DME	63,434	265,298	2,408,000	11%	88,604	199%	Includes additional services: Anesthesia, Lab, DME
Cardiology	20,083	169,356	1,215,000	14%	140,075	21%	
Dental Specialty	118,354	514,961	1,500,000	34%	485,650	6%	
Dermatology	72,536	363,694	1,125,000	32%	382,226	-5%	
Dialysis	5,950	485,457	2,600,000	19%	0	0%	New Service late FY22
Ear, Nose & Throat ENT	339	67,130	500,000	13%	80,613	-17%	Provider Vacancy
Endocrinology	60,925	286,217	925,000	31%	379,050	-24%	
Gastroenterology	4,643	554,783	2,100,000	26%	592,067	-6%	Service Expansion
General Surgery	42,489	144,091	200,000	72%	28,347	408%	
Gynecology	38,673	371,654	1,050,000	35%	0	0%	Transition from CCC
Musculoskeletal	239,473	1,002,092	1,700,000	59%	0	0%	Transition from CCC
Nephrology	6,825	30,929	350,000	9%	17,550	76%	
Neurology	40	17,915	300,000	6%	0	0%	New CUC Service
Oncology	69,476	224,219	1,800,000	12%	151,528	48%	
Ophthalmology	104,114	600,587	3,300,000	18%	521,706	15%	
Pain Management	0	0	350,000	0%	0	0%	New Service FY23
Project Access	0	0	330,000	0%	0	0%	Future transition from CCC
Podiatry	113,714	362,915	1,350,000	27%	389,332	-7%	
Pulmonology	8,342	167,592	475,000	35%	165,750	1%	
Referral Services	5,890	89,060	875,000	10%	150,000	-41%	
Reproductive and Sexual Health	11,294	139,469	2,110,000	7%	205,036	-32%	
Rheumatology	26,650	104,108	350,000	30%	60,604	72%	
Urology	0	0	250,000	0%	0	0%	
Total Specialty Care	1,013,244	5,961,527	27,163,000	22%	3,838,138	55%	

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



Questions ? Comments ?