



## Balance Sheet

### Current Assets

Cash and Cash Equivalents – \$3.2M compared to \$1.2M May 2022

Short-term Investments – Short-term investments were \$543M at month-end, net of restricted investments totaling \$145M.

Ad Valorem Taxes Receivable – \$5.6M balance is composed of:

Gross Tax Receivables	\$ 12.2M
Taxable Assessed Valuation Adjustment	(3.8)M
Est. Allowance for Doubtful collections	(2.8)M
Total Taxes Receivable	\$ 5.6M

Other Receivables – Other receivables total \$5.7M and includes intercompany balances:

- Miscellaneous Receivables – \$1.1M mainly for CEC Alternate Utility Project
- CUC – \$790k
- Accrued Interest - \$2.2M
- Sendero - \$475k
- AR Enterprise Health Claims (self-funding) - \$30K
- Community Care Collaborative - \$84K
- Prepaid Expenses – \$978k

### Total Current Assets – \$702M

### Long Term Assets

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 - \$36M

Lease Receivables GASB87\* - \$251M

- Lease Receivable Short-Term \$11M
- Lease Receivable Long-Term \$240M

Capital Assets – \$151M, net of accumulated depreciation, include purchase of Cameron Road Buildings

**Total Assets – \$1.2B**



### **Current Liabilities**

Accounts Payable – Major components of the \$14M balance are:

- \$8.1M estimated IBNR for healthcare services.
- \$3.6M invoices payable
- \$1.1M lease interest

Salaries and Benefits Payable – \$4.8M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Debt Service Payable, Short-Term – \$4.4M in Certificates of Obligation and Interest Payable for Series 2020 and 2021 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$4.2M

**Total Current Liabilities – \$27M**

### **Restricted or Noncurrent Liabilities**

Funds held for TCHD LPPF - \$36M receipts from participants in the LPPF.



Debt Service Payable, Long-Term – \$71.7M balance (changed):

	Series 2020	Series 2021	
	General Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT	2.5 M	12.4 M	
Taxable LT		54.7 M	
Premium		2.0 M	
Totals	<b>2.5 M</b>	<b>69.1 M</b>	<b>71.7M</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 or Noncurrent Liabilities – \$107M**

Lease Payable Long-Term GASB87\* - \$45M

Deferred Revenue Long-Term GASB87\* - \$240M

**Total Noncurrent Liabilities Leases\* – \$285M**

**Total Liabilities – \$420M**

**Net Assets**

Unrestricted Net Assets – \$620M

Restricted Net Assets – \$54M

Investment in Capital Assets – \$121M



**Total Net Assets – \$795M**

**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**

May financials → eight months, 67% of the fiscal year.

### **Sources – Total \$6M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$501k. Net revenue includes \$613k current month's collections; \$112K Penalties and Interest; and \$(224)K in adjustments for prior year delinquent taxes.

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

Other Revenue/Expense – \$4M primarily for investment income including \$2M grant revenue

### **Uses of Funds – Total \$11.7M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$10.7M for the month and \$120M YTD compared to \$88M FY22 YTD.

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

- Salaries and Benefits – \$738K
- Other Goods and Services - \$339K

**Excess Sources/(Uses)** – \$(5.7)M current month. Current YTD is \$179M compared to \$179M FY22 YTD.



CENTRAL HEALTH

# Central Health

Financial Statement Presentation

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

Central Health Board of Managers

July 26, 2023

Lisa Owens, Deputy CFO

Patti Bethke, Controller



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- Year-to-date through May collected net property tax revenue is \$278 million compared to \$260 million as of May 2022 representing 97.4% of the adjusted tax levy compared to 98.2% as of May 2022.
- Healthcare Delivery is \$119 million for the year as of 5/31/2023.
- GAAP reporting Net Assets increased \$133 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 5/31/2023 is \$36 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.



	Preliminary as of 5/31/2023	as of 5/31/2022
<b>ASSETS</b>		
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	3,191,030	1,201,271
SHORT TERM INVESTMENTS	542,625,500	456,712,144
RESTRICTED INVESTMENTS	144,837,782	93,947,508
AD VALOREM TAX RECEIVABLE	5,565,328	3,863,029
OTHER RECEIVABLE	5,729,152	3,293,930
TOTAL CURRENT ASSETS	701,948,792	559,017,882
LONG TERM ASSETS		
LEASE RECEIVABLES		
LEASE RECEIVABLE SHORT TERM	11,204,898	-
LEASE RECEIVABLE LONG TERM	239,768,628	-
TOTAL LEASE RECEIVABLES	250,973,526	-
CAPITAL ASSETS	185,732,918	114,130,841
ACCUMULATED DEPRECIATION	(35,005,682)	(28,347,862)
TOTAL CAPITAL ASSETS	150,727,237	85,782,979
<b>TOTAL ASSETS</b>	<b>1,215,732,555</b>	<b>756,883,861</b>
<b>LIABILITIES</b>		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	14,018,236	7,612,807
SALARIES AND BENEFITS PAYABLE	4,782,380	1,816,848
DEBT SERVICE PAYABLE SHORT TERM	4,445,000	1,660,000
DEFERRED TAX REVENUE	4,227,739	3,094,694
TOTAL CURRENT LIABILITIES	27,473,356	14,184,349
RESTRICTED OR NONCURRENT LIABILITIES		
FUNDS HELD FOR TCHD LPPF	35,680,133	2,034,897
DEBT SERVICE PAYABLE LONG TERM	71,730,234	78,992,570
TOTAL RESTRICTED OR NONCURRENT LIABILITIES	107,410,367	81,027,467
NONCURRENT LIABILITIES LEASES		
LEASE PAYABLE LONG TERM	45,448,917	-
DEFERRED REVENUE LONG TERM	240,365,227	-
TOTAL NONCURRENT LIABILITIES LEASES	285,814,144	-
<b>TOTAL LIABILITIES</b>	<b>420,697,867</b>	<b>95,211,816</b>
<b>NET ASSETS</b>		
UNRESTRICTED	619,733,546	545,231,853
RESTRICTED	54,347,514	56,055,994
INVESTMENT IN CAPITAL ASSETS	120,953,628	60,384,198
<b>TOTAL NET ASSETS</b>	<b>795,034,688</b>	<b>661,672,045</b>
<b>LIABILITIES AND NET ASSETS</b>	<b>1,215,732,555</b>	<b>756,883,861</b>

\* New GASB87 reporting requirement for leases.



<b>SOURCES / USES</b>	<b>MAY 2023</b>	<b>FY23 YTD</b>	<b>FY23 Budget</b>	<b>Percent of Budget Used</b>	<b>FY22 YTD</b>
<b>SOURCES</b>					
PROPERTY TAX REVENUE	500,960	278,683,703	281,605,053	99%	259,794,651
LEASE REVENUE	1,573,647	12,833,833	13,145,328	98%	8,701,719
OTHER REVENUE	4,003,238	13,605,698	1,500,000	907%	1,361,117
TOBACCO SETTLEMENT REVENUE	-	4,828,924	4,500,000	107%	4,676,730
<b>TOTAL SOURCES</b>	<b>6,077,845</b>	<b>309,952,157</b>	<b>300,750,381</b>	<b>103%</b>	<b>274,534,218</b>
<b>USES OF FUNDS</b>					
<b>HEALTHCARE DELIVERY PROGRAM</b> (SEE NEXT PAGE)	10,717,916	119,606,498	283,208,877	42%	88,294,870
<b>ADMINISTRATIVE PROGRAM</b>					
SALARIES AND BENEFITS	738,352	4,861,337	9,641,743	50%	3,711,509
OTHER GOODS AND SERVICES	339,429	6,556,020	12,507,617	52%	3,415,647
<b>TOTAL ADMINISTRATIVE PROGRAM</b>	<b>1,077,781</b>	<b>11,417,357</b>	<b>22,149,360</b>	<b>52%</b>	<b>7,127,156</b>
<b>TOTAL USES</b>	<b>11,795,697</b>	<b>131,023,855</b>	<b>305,358,238</b>	<b>43%</b>	<b>95,422,026</b>
<b>EXCESS SOURCES / (USES)</b>	<b>(5,717,852)</b>	<b>178,928,302</b>	<b>(4,607,857)</b>		<b>179,112,192</b>



HEALTHCARE DELIVERY SUMMARY	MAY 2023	FY23 YTD	FY23 Budget	Percent of Budget Used	FY22 YTD
PURCHASED HEALTHCARE SERVICES					
PRIMARY CARE	1,938,406	34,036,878	66,236,822	51%	31,451,053
SPECIALTY CARE, INCLD DENTAL	1,530,819	8,599,166	27,163,000	32%	4,932,556
SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE	1,648,877	5,931,224	12,040,000	49%	449,658
PHARMACY	201,875	6,519,739	17,000,000	38%	7,077,078
POST ACUTE CARE	310,730	2,491,316	5,650,000	44%	78,344
COMMUNITY HEALTHCARE INITIATIVES FUND	45,600	111,707	1,750,000	6%	-
ALL OTHER HEALTHCARE SERVICES	-	-	687,035	0%	458,023
SUBTOTAL PURCHASED HEALTHCARE SERVICES	5,676,307	57,690,031	130,526,857	44%	44,446,712
DIRECT HEALTHCARE SERVICES	71,210	270,996	5,673,261	5%	57,841
MAP ELIGIBILITY - INCREASE IN PERIOD	-	-	2,000,000		-
SUBTOTAL HEALTHCARE SERVICES	5,747,517	57,961,026	138,200,118	42%	44,504,553
ACA PREMIUM ASSIST	1,094,786	8,798,416	14,648,261	60%	8,175,004
HEALTHCARE FACILITIES AND CAMPUS REDEVELOPMENT	603,593	2,160,767	4,754,027	45%	2,593,920
HEALTHCARE DELIVERY OPERATION COSTS	3,147,311	22,305,442	48,109,728	46%	13,852,130
DEBT, RESERVES AND TRANSFERS	124,708	28,380,847	55,496,744	51%	19,169,263
UT AFFILIATION AGREEMENT	-	-	22,000,000		-
TOTAL HEALTHCARE DELIVERY	10,717,916	119,606,498	283,208,877	42%	88,294,870



	MAY 2023	FY23 YTD	FY2023 BUDGET	Percent of Budget Used	FY2022 YTD
<b>Healthcare Delivery - Specialty Care</b>					
HCD-Ancillary Services	11,432	84,751	2,408,000	4%	47,567
HCD-Cardiology	62,607	255,031	1,215,000	21%	154,317
HCD-Dental	154,941	986,707	1,500,000	66%	594,704
HCD-Dermatology	57,053	202,921	1,125,000	18%	492,258
HCD-Dialysis	36,435	456,174	2,600,000	18%	-
HCD-Durable Medical Equipment	7,615	41,450	-		5,806
HCD-Endocrinology	103,129	430,198	925,000	47%	414,062
HCD-Ear, Nose & Throat ENT	28,209	122,947	500,000	25%	95,660
HCD-Gastroenterology	166,377	770,481	2,100,000	37%	831,035
HCD-General Surgery	66,494	256,946	200,000	128%	53,717
HCD-Gynecology	164,422	879,646	1,050,000	84%	-
HCD-Musculoskeletal	49,481	1,245,634	1,700,000	73%	-
HCD-Nephrology	16,683	73,396	350,000	21%	22,425
HCD-Neurology	8,531	32,825	300,000	11%	-
HCD-Oncology	40,127	283,574	1,800,000	16%	203,503
HCD-Ophthalmology	153,453	859,983	3,300,000	26%	781,061
HCD-Orthopedics	-	-	-		-
HCD-Orthotics & Prosthetics	34,696	263,862	-		66,009
HCD-Pain Management	-	-	350,000	0%	-
HCD-Physical Med & Rehab	33,120	65,615	-		10,495
HCD-Podiatry	86,377	418,828	1,350,000	31%	309,285
HCD-Project Access	-	-	330,000	0%	-
HCD-Pulmonology	56,357	231,648	475,000	49%	219,267
HCD-Referral Management	25,845	117,090	875,000	13%	225,000
HCD-Rheumatology	45,663	179,563	350,000	51%	86,377
HCD-Sexual & Reproductive Svc	127,359	316,896	2,110,000	15%	225,743
HCD-Urology	-	-	250,000	0%	-
HCD-Wound Care	(5,586)	23,000	-		94,265
<b>Total Healthcare Delivery - Specialty Care</b>	<b>1,530,819</b>	<b>8,599,166</b>	<b>27,163,000</b>	<b>32%</b>	<b>4,932,556</b>



# Questions ? Comments ?