



Balance Sheet

Current Assets

Cash and Cash Equivalents – \$2.9M compared to \$3.3M November 2023

Short-term Investments – Short-term investments were \$473M at month-end, net of restricted investments totaling \$181M.

Ad Valorem Taxes Receivable – \$320.6M balance is composed of:

Gross Tax Receivables	\$	324.3M
Taxable Assessed Valuation Adjustment		(181)K
Est. Allowance for Doubtful collections		(3.5)M
Total Taxes Receivable	\$	320.6M

Other Receivables – Other receivables total \$7M and includes intercompany balances:

- CUC – \$3.1M
- Accrued Interest - \$2.5M
- Prepaid Expenses – \$973K
- Sendero - \$680k

Total Current Assets – \$989M

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 - \$5.2M

Lease Receivables GASB87* - \$250M

- Lease Receivable Short-Term \$13M
- Lease Receivable Long-Term \$238M

Capital Assets – \$162M, net of accumulated depreciation

Total Assets – \$1.5B



Current Liabilities

Accounts Payable – Major components of the \$20M balance are:

- \$16.8M estimated IBNR for healthcare services.
- \$3.2M invoices payable

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.

Debt Service Payable, Short-Term – \$9.5M in Certificates of Obligation and Interest Payable for Series 2020, 2021 and 2023 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$317

Total Current Liabilities – \$350M

Restricted or Noncurrent Liabilities

Funds held for TCHD LPPF - \$5.2M receipts from participants in the LPPF.



Debt Service Payable, Long-Term – \$168.3M balance (changed):

	Series 2020	Series 2021	Series 2023	
	General Obligation Bonds	Certificates of Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT		12.2 M	7.7 M	
Taxable LT	2.5 M	54.6 M	88.6 M	
Premium		2.0 M	0.7 M	
Totals	2.5 M	68.8 M	97.0 M	168.3 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. \$99.4M was issued in 2023 for two clinics. Annual payments are due on 3/1 for all Series.

Total Restricted or Noncurrent Liabilities – \$174M

Lease/SBITA Payable GASB87 and GASB96* - \$53M

Deferred Revenue Long-Term GASB87* - \$236M

Total Noncurrent Liabilities Leases* – \$289M

Total Liabilities – \$812M

Net Assets

Unrestricted Net Assets – \$456M



Restricted Net Assets – \$136M

Investment in Capital Assets – \$110M

Total Net Assets – \$702M

Total Liabilities and Net Assets – \$1.5B

*Governmental Accounting Standards Board statements 87 & 96, Leases (GASB87) and Subscription-Based Information Technology Arrangements (GASB97 SBITAs), new accounting standards require entities to report future long term 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 these requirements. The new rules require recognition of a lease or SBITA 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

November financials → second month, 17% of the fiscal year.

Sources – Total \$8M for the month

Property Tax Revenue – Net property tax revenue for the month was \$4.8M. Net revenue includes \$4.9M current month's collections; \$43K Penalties and Interest; and \$(150)K in adjustment for prior year delinquent taxes.

Lease Revenue – \$1.7M for Downtown Campus, Careron, Hancock Clinic, and land leases

Other Revenue/Expense – \$2.0M primarily for investment income

Uses of Funds – Total \$16M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$13M for the month and \$25M YTD compared to \$41M FY23 YTD.

Administration Program – \$2M in expense for the month, which includes:

Excess Sources/(Uses) – (\$7.1M) current month. Current YTD is (\$16M) compared to (\$34M) FY23 YTD.



CENTRAL HEALTH

Central Health

Financial Statement Presentation

FY 2024 – as of November 30, 2023

(Preliminary)

Central Health Board of Managers

Budget and Finance Committee

January 17, 2023

Jeff Knodel CFO

Patti Bethke, Controller



Slide 2 Index

Slide 3 Highlights

Slide 4 Balance Sheet

Slide 5 Sources & Uses



- November fiscal year-to-date collected net property tax revenue is \$4.7 million (1.4%), compared to \$4.1 million (1.6%) year-to-date November 2022 of the adjusted tax levy.
- Healthcare Delivery is \$24 million for the year as of 11/30/2023.
- GAAP reporting Net Assets increased \$123 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 9/30/2023 is \$5 million.
- Governmental Accounting Standards Board statements 87 & 96, Leases (GASB87) and Subscription-Based Information Technology Arrangements (GASB97 SBITAs), new accounting standards require entities to report future long term 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 these requirements. The new rules require recognition of a lease or SBITA 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 11/30/2023	as of 11/30/2022
ASSETS		
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	2,933,211	3,335,276
SHORT TERM INVESTMENTS	472,870,913	348,759,458
RESTRICTED TCHD LPPF CASH & INVESTMENT RESTRICTED FOR CAPITAL ACQUISITION	5,157,946	21,565,638
	180,866,483	111,045,857
RESTRICTED CASH & INVESTMENTS OR NONCURREI	186,024,430	132,611,495
ACCOUNTS RECEIVABLE TAX	320,621,405	285,170,490
OTHER RECEIVABLES	7,338,396	4,107,139
TOTAL CURRENT ASSETS	989,788,355	773,983,859
LONG TERM ASSETS		
LEASE RECEIVABLE	112,083,000	112,083,000
LEASE RECEIVABLE SHORT TERM*	12,646,122	10,316,747
LEASE RECEIVABLE LONG TERM*	237,807,490	238,068,745
TOTAL LEASE RECEIVABLES	250,453,612	248,385,492
CAPITAL ASSETS		
ACCUMULATED DEPRECIATION	201,551,310	162,538,294
	(40,011,976)	(32,008,590)
TOTAL CAPITAL ASSETS	161,539,334	130,529,704
TOTAL ASSETS	1,513,864,301	1,264,982,055
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	20,029,590	14,010,984
SALARIES & BENEFITS PAYABLE	3,018,008	2,623,062
DEBT SERVICE SHORT TERM	9,514,493	4,345,000
DEFERRED TAX REVENUE	317,161,895	282,329,147
TOTAL CURRENT LIABILITIES	349,723,986	303,308,194
RESTRICTED OR NONCURRENT LIABILITIES		
FUNDS HELD FOR TCHD LPPF	5,185,462	21,742,057
DEBT SERVICE PAYABLE LONG TERM	168,345,792	76,252,856
TOTAL RESTRICTED OR NONCURRENT LIABILITIES	173,531,255	97,994,913
NONCURRENT LIABILITIES		
LEASE & SUBSCRIPTION LIABILITIES*	52,902,934	44,058,490
DEFERRED REVENUE*	235,754,962	241,019,581
TOTAL NONCURRENT LIABILITES AND LEASES	288,657,896	285,078,072
TOTAL LIABILITIES	811,913,136	686,381,179
NET ASSETS		
INVESTMENT IN CAPITAL ASSETS	110,470,366	103,276,693
RESTRICTED	135,533,728	56,546,313
UNRESTRICTED	455,947,071	418,777,870
TOTAL NET ASSETS	701,951,165	578,600,876
LIABILITIES AND NET ASSETS	1,513,864,301	1,264,982,055

* New GASB87 & GASB96 reporting requirement for leases and Subscription-Based Information Technology Arrangements.



SOURCES / USES	NOV 2023	FY24 YTD	FY24 Budget	Percent of Budget Used	FY23 YTD
SOURCES					
PROPERTY TAX REVENUE	4,825,515	4,653,089	312,456,814	1.5%	4,138,001
LEASE REVENUE	1,664,108	3,330,544	12,022,497	27.7%	3,117,139
OTHER REVENUE	1,986,093	3,954,784	7,500,000	52.7%	1,442,376
TOBACCO SETTLEMENT REVENUE	0	0	4,500,000	0.0%	0
TOTAL SOURCES	8,475,716	11,938,417	336,479,311	3.5%	8,697,516
USES OF FUNDS					
HEALTHCARE DELIVERY PROGRAM	13,458,961	24,741,134	295,246,806	8.4%	40,748,114 *
ADMINISTRATIVE PROGRAM	2,098,699	3,017,372	28,647,030	10.5%	1,962,737
UT AFFILIATION AGREEMENT	0	0	35,000,000	0.0%	0
INCREASE TO EMERGENCY RESERVES	0	8,019,240	8,019,240	100.0%	0
TOTAL USES	15,557,659	35,777,746	366,913,076	9.8%	42,710,850
EXCESS SOURCES / (USES)	(7,081,944)	(23,839,329)	(30,433,765)		(34,013,334)
RESERVE BALANCES:					
EMERGENCY RESERVE			46,739,076		38,719,836
CONTINGENCY RESERVE			377,296,303		TBD

* Fiscal Year 23 YTD includes \$23M capital reserve



CENTRAL HEALTH

Questions ? Comments ?

NOVEMBER 2023

www.CentralHealth.net