



# CENTRAL HEALTH

## **Our Vision**

Central Texas is a model healthy community.

## **Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

## **Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

## **BOARD OF MANAGERS MEETING**

**Monday, August 23, 2021, 5:00 p.m.**

**or immediately following the Executive Committee Meeting  
via toll-free videoconference<sup>1</sup>**

Members of the public may observe and participate in the meeting by connecting to the Ring Central meeting link listed below (copy and paste into your web browser):

<https://meetings.ringcentral.com/j/1480622213?pwd=akwyWGJiUFQ1OVlxQzI0bkZqNUYxZz0>

Password: 8546854

Members of the public may also listen and participate by telephone only:

Dial: (888) 501-0031

Meeting ID: 148 062 2213

Password: 8546854

A member of the public who wishes to make comments during Public Communication must properly register with Central Health **no later than 3:30 p.m. on August 23, 2021**. Registration can be completed in one of two ways:

- Complete the virtual sign-in form at <https://www.centralhealth.net/meeting-sign-up/>, or
- Call 512-978-9190. Please leave a voice message with your full name and your request to comment via telephone at the meeting.

## **PUBLIC COMMUNICATION**

Central Health will conduct Public Communication in the same manner as it has been conducted at in-person meetings, including setting a fixed amount of time per person to speak and limiting Board responses to public inquiries, if any, to statements of specific factual information or existing policy.

## **CONSENT AGENDA**

All matters listed under the CONSENT AGENDA will be considered by the Board of Managers to be routine and will be enacted by one motion. There will be no separate discussion of these items unless members of the Board request specific items be moved from the CONSENT AGENDA to the REGULAR AGENDA for discussion prior to the vote on the motion to adopt the CONSENT AGENDA.

- C1. Approve the minutes of the Central Health Board of Managers June 30, 2021 regular meeting and June 14, 2021 Special Called meeting.
- C2. Receive and ratify Central Health Investments for June and July 2021.
- C3. Approve a contract amendment to the interlocal agreement with Travis County for Cash Management and Investment Services, Risk and Claim Management, Legal Services, and Television Broadcasting.
- C4. Approve the reappointment of Ms. Patricia "Trish" Young Brown to the Integral Care Board of Trustees as recommended by the Executive Committee.

## **REGULAR AGENDA<sup>2</sup>**

- 1. Discuss and take appropriate action on a resolution of the Board of Managers of the Travis County Healthcare District approving the issuance and the terms, and provisions and pricing, of the District's Certificates of Obligations; approving the form of and requesting that the Travis County Commissioners Court approve and adopt order(s) to authorize the issuance of such Certificates; and other related matters.<sup>3</sup> (*Action item*)
- 2. Receive and discuss a report on fiscal year-to-date healthcare service expenditures made by, and accept the preliminary June and July 2021 financial statements for, Central Health and the Community Care Collaborative, and review historical average revenues and expenses for Central Health. (*Informational Item*)
- 3. Receive and discuss an update on community engagement and results of the community survey regarding the proposed Fiscal Year 2022 strategic priorities and proposed budget. (*Informational Item*)
- 4. Receive and discuss a presentation on the proposed Central Health Fiscal Year 2022 Budget and tax rate. (*Informational Item*)
- 5. Discuss and take appropriate action on Central Health's proposed property tax rate for Fiscal Year 2022. (*Action Item – Roll Call Vote Required*)
- 6. Set the date, time, and location for the public hearing at which the Central Health Board of Managers will present, and receive comments from the public on, the proposed Fiscal Year 2022 tax rate. (*Action Item*)
- 7. Receive an update and take appropriate action on an interlocal agreement with the City of Austin for the purchase of property and preliminary design for Colony Park clinic.<sup>4</sup> (*Action Item*)

8. Receive and take appropriate action on revisions to the plan fiduciary and administrator designation, and renaming of the committee responsible for, the Central Health Retirement and Deferred Compensation Plans. (*Action Item*)
9. Receive and take appropriate action on revisions to the Central Health Policy on Policies.<sup>3</sup> (*Action Item*)
10. Receive a briefing on and discuss Fiscal Year 2021 Strategic Objectives, per Board adopted budget resolution or Board directive, and receive updates on specific items including:
  - a. Current workforce demographics and levels, including new hires and turnover;
  - b. Workforce culture update on Central Health's Diversity & Inclusion initiatives. (*Informational Item*)
11. Receive and discuss updates on the Central Health Enterprise's responses to the current COVID-19 pandemic, including basic reports on services, coordination, and outreach with and among Central Health, CommUnityCare, and Sendero Health Plans, Inc. (*Informational Item*)
12. Receive and discuss updates on the 1115 Medicaid Waiver, Delivery System Reform Incentive Payment (DSRIP) program and associated projects, the Community Care Collaborative, and other healthcare delivery partners, programs, projects, and arrangements, including agreements with Ascension Texas.<sup>3</sup> (*Informational Item*)
13. Receive a briefing regarding Central Health Enterprise information security.<sup>5</sup> (*Informational Item*)
14. Confirm the next regular Board meeting date, time, and location. (*Informational Item*)

Notes:

- <sup>1</sup> By Emergency Executive Order of the Governor, issued March 16, 2020, Central Health may hold a videoconference meeting with no Board members present at a physical meeting location.
- <sup>2</sup> The Board of Managers may take items in an order that differs from the posted order and may consider any item posted on the agenda in a closed session if the item involves issues that require consideration in a closed session and the Board announces that the item will be considered during a closed session.
- <sup>3</sup> Possible closed session discussion under Texas Government Code §551.071 (Consultation with Attorney).
- <sup>4</sup> Possible closed session discussion under Texas Government Code §551.072 (Deliberation Regarding Real Property).
- <sup>5</sup> Possible closed session discussion under Texas Government Code §551.089 (Deliberation Regarding Security Devices or Security Audits).

A recording of this meeting will be made available to the public through the Central Health website ([www.centralhealth.net](http://www.centralhealth.net)) as soon as possible after the meeting.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify Central Health at least two days in advance, so that appropriate arrangements can be made. Notice should be given to the Board Governance Manager by telephone at (512) 978-8049.

Cualquier persona con una discapacidad que planee asistir o ver esta reunión y requiera ayudas o servicios auxiliares debe notificar a Central Health con la mayor anticipación posible de la reunión, pero no menos de dos días de anticipación, para que se puedan hacer los arreglos apropiados. Se debe notificar al Gerente de Gobierno de la Junta por teléfono al (512) 978-8049.

Consecutive interpretation services from Spanish to English are available during Public Communication or when public comment is invited. Please notify the Board Governance Manager by telephone at (512) 978-8049 if services are needed.

Servicios de interpretación consecutiva del español al inglés están disponibles durante la Comunicación Pública o cuando se le invita al público a comentar. Notifique al Gerente de Gobierno de la Junta por teléfono al (512) 978-8049 si necesita servicios.



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**BOARD MEETING**

**August 23, 2021**

**AGENDA ITEM C1**

Approve the minutes of the Central Health Board of Managers June 30, 2021 regular meeting and June 14, 2021 Special Called meeting.

MINUTES OF MEETING – JUNE 14, 2021  
CENTRAL HEALTH  
BOARD OF MANAGERS

On Wednesday, June 14, 2021, a meeting of the Central Health Board of Managers convened in open session at 5:00 p.m. remotely by toll-free videoconference. Clerk for the meeting was Briana Yanes.

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**Committee members present via video and audio:** Chairperson Greenberg, Vice Chairperson Bell, Treasurer Zuniga, Secretary Valadez, Manager Jones, Manager Motwani, and Manager Museitif.

**Absent:** Manager Brinson and Manager Zamora

**PUBLIC COMMUNICATION**

**Clerk's Notes:** Public Communication began at 5:01 p.m. Ivan Davila announced that no speakers signed up for Public Communication.

**REGULAR AGENDA**

- 1. Receive and take appropriate action to approve proposed changes to the Central Health homestead tax exemptions for Travis County residents who are over 65 or disabled for the 2021 Tax Year.**

**Clerk's Notes:** Discussion on this item began at 5:02 p.m. Mr. Jeff Knodel, Chief Financial Officer and Ms. Lisa Owens, Deputy Chief Financial Officer, presented on this item. The presentation included information on how changes to the Over 65 and Disabled Veteran Exemptions for FY22 will impact taxpayers and proposed tax rates. Staff recommended maintaining the Homestead Exemption at 20% and increasing the Over 65 and Disabled exemption amount to \$100,000.

The next steps include the Central Health Board of Managers making recommendations to the Travis County Commissioners Court (TCCC) and the TCCC considering and approving the Central Health exemption amounts before the end of June and before these exemption amounts will be reflected on tax notices sent out by the Appraisal District.

Manager Bell moved that the Board approve the proposed changes to the Central Health homestead tax exemptions for Travis County residents who are over 65 or disabled for the 2021 Tax Year as recommended by staff.

Manager Valadez seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Treasurer Julie Zuniga	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	Absent
Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	Absent

- 2. Receive and take appropriate action on the Central Health capital budget for the Headquarters Consolidation and Clinical Space project and receive an update on the financing plan, including the timeline for the issuance of certificates of obligation.**

**Clerk's Notes:** Discussion on this item began at 5:19 p.m. Mr. Jeff Knodel, Chief Financial Officer, and Ms. Lisa Owens, Deputy Chief Financial Officer, presented the capital project budget for the Hancock Headquarters Consolidation and Clinical Expansion. The presentation included an overview of the request for approval of the Hancock Administrative Consolidation and Clinical Expansion. A map of the Hancock Center was displayed, as well as current photos of the site. Next, photos of the potential exterior elevation were presented. Lastly, the capital budget and project timeline were presented.

Manager Bell moved that the Board approve the Central Health capital budget for the Headquarters Consolidation and Clinical Space project, as presented by staff.

Manager Jones seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Treasurer Julie Zuniga	For
Secretary Cynthia Valadez	Against
Manager Cynthia Brinson	Absent
Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	Absent

At 6:01 p.m. Manager Bell moved that meeting adjourn.

Manager Jones seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Treasurer Julie Zuniga	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	Absent
Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	Absent

The meeting was adjourned at 6:02 p.m.

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Sherri Greenberg, Chairperson  
Central Health Board of Managers

ATTESTED TO BY:

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Cynthia Valadez, Secretary  
Central Health Board of Managers

MINUTES OF MEETING – JUNE 30, 2021  
CENTRAL HEALTH  
BOARD OF MANAGERS

On Wednesday, June 30, 2021, a meeting of the Central Health Board of Managers convened in open session at 5:39 p.m. remotely by toll-free videoconference. Clerk for the meeting was Briana Yanes.

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**Committee members present via video and audio:** Chairperson Greenberg, Vice Chairperson Bell, Treasurer Zuniga, Secretary Valadez, Manager Jones, Manager Motwani, Manager Museitif, and Manager Zamora

**Absent:** Manager Brinson

**PUBLIC COMMUNICATION**

**Clerk's Notes:** Public Communication began at 5:39 p.m. Ivan Davila introduced three speakers for Public Communication.

Members of the Board heard from: Kacey Hanson, Stephanie Morgan, and Juan Garcia.

**CONSENT AGENDA**

- C1. Approve the minutes of the Central Health Board of Managers May 26, 2021 regular meeting, May 24 and June 9, 2021 Board Retreats, and May 26, 2021 Special Called meeting.**
- C2. Receive the Quarterly Investment Report and ratify Central Health Investments for May 2021.**
- C3. Accept the preliminary May 2021 financial statements for Central Health and the Community Care Collaborative, including fiscal and related operational updates for CommUnityCare Health Centers and Sendero Health Plans, Inc.**

**Clerk's Notes:** Item C3 was moved to the Regular Agenda.

- C4. Accept a grant award from the Episcopal Health Foundation in an amount not to exceed \$600,000 for the purpose of funding a community healthcare needs assessment for the low income population in Travis County, extensive community engagement, and the development of a proposed equity-focused strategic service delivery plan.**

**Clerk's Notes:** Item C4 was moved to the Regular Agenda.

- C5. Approve the appointment of Betty DeLargy to the Board of Directors of Sendero Health Plans, Inc.**

**Clerk's Notes:** Discussion on this item began at 5:52 p.m.

Manager Valadez asked that item C3 and C4 be moved to the Regular Agenda.

Manager Bell moved that the Board approve Consent Agenda items C1, C2 and C5.

Manager Museitif seconded the motion.



Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Treasurer Julie Zuniga	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	Absent
Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For

### REGULAR AGENDA

- 1. Discuss and take appropriate action to reach agreement on board shared commitments in support of a diverse and inclusive culture and collaborative meeting processes to achieve health equity.**

**Clerk's Notes:** Discussion on this item began at 5:55 p.m. Dr. Martha Ramos Duffer briefly summarized the shared Board commitments agreement in support of a diverse and inclusive culture and collaborative meeting processes to achieve health equity.

Manager Valadez moved that the Board approve the commitments in support of a diverse and inclusive culture and collaborative meeting processes to achieve health equity as recommended by our consultant.

Manager Bell seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Treasurer Julie Zuniga	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	Absent
Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For

- 2. Receive an update from The University of Texas at Austin Dell Medical School on Central Health's financial investment and how it has contributed to Fiscal Year (FY) 2021 outcomes supporting Central Health's mission of serving indigent residents of Travis County and an update on The University of Texas at Austin Dell Medical School's future opportunities and challenges.**

**Clerk's Notes:** Discussion on this item began at 6:15 p.m. Dean Clay Johnston presented on how the UT Dell Medical School has supported Central Health's mission over the last year. He discussed the response to the pandemic. Next, he discussed delivering better care with partners, which included providing safety-net care; expanding pediatric specialty care; supporting mobile, medical, and mental health care; and new models of care for MAP patients. Next, he discussed supporting better care with the community, which included leveraging Community Health Workers, improving women's health, focusing on health beyond the clinic, and cancer prevention and control programs. He also briefly discussed the FY22 budget. Lastly, Dr. Johnston shared future opportunities and challenges. Some of those opportunities included scaling successful clinical programs and addressing prioritized public health issues. Some of those challenges included taking responsibility for health rather than sickness care for a definable population.

**3. Consider and take appropriate action regarding the granting of an approximately .1075 acre sidewalk easement to the City of Austin in connection with the realignment of Red River Street adjacent to the Central Health Downtown Campus.**

**Clerk's Notes:** Discussion on this item began at 6:48 p.m. Mr. Jeff Knodel, Chief Financial Officer, and Mr. David Duncan, Interim Director of the Health and Social Services Division at the Travis County Attorney's Office, briefly presented on this item. They explained that this is a routine transfer of an easement for a sidewalk located adjacent to the realigned Red River street, which is under construction by the 2033 Higher Education Fund, LP and the City of Austin.

Manager Bell moved that the Board approve the granting of the sidewalk easement in connection with the realignment of Red River Street to the City of Austin.

Manager Valadez seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Treasurer Julie Zuniga	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	Absent
Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For

**4. Receive and discuss a presentation on the proposed Central Health FY 2022 Budget, including proposed healthcare delivery services.**

**Clerk's Notes:** Discussion on this item began at 6:51 p.m. Mr. Jeff Knodel, Chief Financial Officer; Ms. Lisa Owens, Deputy Chief Financial Officer; Dr. Alan Schalscha, and Mr. Jonathan Morgan, Chief Operating Officer, presented on the proposed Central Health FY 2022 budget, specifically proposed healthcare delivery services. The presentation included a look at the FY 2022 proposed budget, and the FY 2022 proposed tax rate of 6.0% over M&O no-new-revenue rate. Next, proposed strategic priority objectives were discussed in detail. These included developing and executing health care delivery based on people and place, implementing a patient-focused and coordinated health care system, and developing a sustainable financial model for health care delivery. Lastly, the FY 2022 proposed budget highlights and the FY 2022 budget calendar were also discussed.

**C3. Accept the preliminary May 2021 financial statements for Central Health and the Community Care Collaborative, including fiscal and related operational updates for CommUnityCare Health Centers and Sendero Health Plans, Inc.**

**Clerk's Notes:** Discussion on this item began at 7:54 p.m. Manager Valadez asked clarifying questions.

Manager Bell moved that the Board approve Consent Agenda item C3.

Manager Museitif seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Treasurer Julie Zuniga	For
Secretary Cynthia Valadez	Abstain
Manager Cynthia Brinson	Absent

Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For

- C4. Accept a grant award from the Episcopal Health Foundation in an amount not to exceed \$600,000 for the purpose of funding a community healthcare needs assessment for the low income population in Travis County, extensive community engagement, and the development of a proposed equity-focused strategic service delivery plan.**

**Clerk's Notes:** Discussion on this item began at 8:02 p.m. Manager Valadez asked clarifying questions.

Manager Museitif moved that the Board approve Consent Agenda item 4.

Manager Bell seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Treasurer Julie Zuniga	For
Secretary Cynthia Valadez	Abstain
Manager Cynthia Brinson	Absent
Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For

- 5. Receive and discuss updates on the Central Health Enterprise's responses to the current COVID-19 pandemic, including basic reports on services, coordination, and outreach with and among Central Health, CommUnityCare, and Sendero Health Plans, Inc.**

**Clerk's Notes:** Discussion on this item began at 8:07 p.m. Mr. Mike Geeslin, President & CEO; Mr. Ted Burton, VP of Communications; and Mr. Ivan Davila, Director of Communications and Community Engagement, gave a Central Health Enterprise COVID update. The presentation included community vaccination goals and a look at the unified vaccine campaign.

Mr. Jaeson Fournier, CommUnityCare CEO, presented a CommUnityCare COVID update. Dr. Fournier presented graphs on the number of vaccines provided by CommUnityCare through June 24, 2021, and graphs on vaccinated individuals by race, ethnicity, age, insurance status, and by zip codes.

Dr. Mary Carol Jennings, Chief Medical Officer, presented a Sendero Health Plans COVID update. The presentation included a look at the COVID cases among CHAP Expansion and Non-CHAP Sendero Health Plan Members. Next, the presentation included a look at Sendero's response over time, which included phone outreach, COVID Care Kits, and more. Lastly, the presentation explained that Health Plans often do not receive notice or claims for vaccination; however, outreach suggests vaccination rates are in line with or better than the Central Texas area in general.

- 6. Payment (DSRIP) program and associated projects, the Community Care Collaborative, and other healthcare delivery partners, programs, projects, and arrangements, including agreements with Ascension Texas.**

**Clerk's Notes:** Discussion on this item began at 8:58 p.m. Mr. Jonathan Morgan, Chief Operating Officer, and Ms. Barbara Adams, Service Delivery Operations Manager, presented a Community Care

Collaborative (CCC) DSRIP program update. They gave a brief update on the current DSRIP program and some of the projects and initiatives from the prior DSRIP program and what has been sustained throughout the years. It was noted that 2021 is the final year of DSRIP performance with no carry-forward opportunities in 2022 to achieve unmet prior year performance goals. Central Health and the CCC are not anticipated to be eligible to participate in proposed directed payment programs or other programs that replace the current DSRIP program.

7. **Discuss and take appropriate action on Central Health owned or occupied real property and potential property for acquisition, lease, or development in Travis County, including next steps in the redevelopment of the Central Health Downtown Campus, administrative offices of Central Health and its Enterprise partners, and new developments in Eastern Travis County.**

**Clerk's Notes:** This item was not taken up.

8. **Confirm the next regular Board meeting date, time, and location.**

At 9:17 p.m. Manager Valadez moved that meeting adjourn.

Manager Bell seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	Absent
Manager Shannon Jones	For
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For
Manager Julie Zuniga	For

The meeting was adjourned at 9:17 p.m.

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Sherri Greenberg, Chairperson  
Central Health Board of Managers

ATTESTED TO BY:

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Cynthia Valadez, Secretary  
Central Health Board of Managers



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**BOARD MEETING**

**August 23, 2021**

**AGENDA ITEM C2**

Receive and ratify Central Health Investments for June and July 2021.

STATE OF TEXAS

COUNTY OF TRAVIS

CENTRAL HEALTH

Whereas, it appears to the Board of Managers of the Central Health, Travis County, Texas that there are sufficient funds on hand over and above those of immediate need for operating demand,

Now, Therefore, the Board of Managers hereby orders

- 1.) that the County Treasurer of Travis County, Texas, acting on behalf of Central Health, execute the investment of these funds in the total amount of \$22,212,216.99 in legally authorized securities as stipulated in the Travis County Healthcare District Investment and Collateral Policy for the periods as indicated in Attachment A, which consists of 10 pages.
- 2.) that the County Treasurer, acting on behalf of Central Health, take and hold in safekeeping all individual security investment instruments, relinquishing same only by order of the Board of Managers or for surrender at maturity.

Date: July 28, 2021

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CHAIR, BOARD OF MANAGERS

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VICE CHAIR, BOARD OF MANAGERS

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CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/1/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	956,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0400%
PRINCIPAL:	956,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	956,000.00	CUSIP #:	N/A
TRADE DATE:	6/1/2021	SETTLEMENT DATE:	6/1/2021

AUTHORIZED BY:

   
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/1/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	28,611.11	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0400%
PRINCIPAL:	28,611.11	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	28,611.11	CUSIP #:	N/A
TRADE DATE:	6/1/2021	SETTLEMENT DATE:	6/1/2021

AUTHORIZED BY:

   
CASH/INVESTMENT MANAGER



CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/1/2021  
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TIME: 10:30  
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The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	11,105.88	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0400%
PRINCIPAL:	11,105.88	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	11,105.88	CUSIP #:	N/A
TRADE DATE:	6/1/2021	SETTLEMENT DATE:	6/1/2021

AUTHORIZED BY:



\_\_\_\_\_  
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/2/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	79,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0300%
PRINCIPAL:	79,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	79,000.00	CUSIP #:	N/A
TRADE DATE:	6/2/2021	SETTLEMENT DATE:	6/2/2021

AUTHORIZED BY:

Deborah A. Lauder milk  
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 5/20/2021

TIME: 11:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	UNIV CINCINNATI OH RECPTS - TAX - REV	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	\$ 1,000,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	0.478%	PRICE:	100.0000000
MATURITY DATE:	6/1/2024	US TREASURY CONVENTION YLD	0.0478%
PRINCIPAL:	\$ 1,000,000.00	PURCHASED THROUGH:	WELLS FARGO
ACCRUED INT:	\$ 0.00	BROKER:	MIKE MINAHAN
TOTAL DUE:	\$ 1,000,000.00	CUSIP #:	9141193R1
TRADE DATE:	5/20/2021	SETTLEMENT DATE:	6/3/2021

AUTHORIZED BY: *Deborah A. Lauder milk*

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CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/3/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	45,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0300%
PRINCIPAL:	45,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	45,000.00	CUSIP #:	N/A
TRADE DATE:	6/3/2021	SETTLEMENT DATE:	6/3/2021

AUTHORIZED BY:

  
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 5/19/2021

TIME: 10:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLB Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	\$ 10,000,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	0.375%	PRICE:	100.0000000
MATURITY DATE:	6/10/2024	US TREASURY CONVENTION YLD	0.3750%
PRINCIPAL:	\$ 10,000,000.00	PURCHASED THROUGH:	BOFA SECURITIES
ACCRUED INT:	\$ 0.00	BROKER:	JULIA ERICKSON
TOTAL DUE:	\$ 10,000,000.00	CUSIP #:	3130AMMS8
TRADE DATE:	5/19/2021	SETTLEMENT DATE:	6/10/2021

AUTHORIZED BY:

Deborah A. Lauder milk

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM



DATE: 6/22/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	39,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0300%
PRINCIPAL:	39,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	39,000.00	CUSIP #:	N/A
TRADE DATE:	6/22/2021	SETTLEMENT DATE:	6/22/2021

AUTHORIZED BY:

CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/29/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	10,013,500.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0200%
PRINCIPAL:	10,013,500.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	10,013,500.00	CUSIP #:	N/A
TRADE DATE:	6/29/2021	SETTLEMENT DATE:	6/29/2021

AUTHORIZED BY:

   
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/30/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	40,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0200%
PRINCIPAL:	40,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	40,000.00	CUSIP #:	N/A
TRADE DATE:	6/30/2021	SETTLEMENT DATE:	6/30/2021

AUTHORIZED BY:

*Deborah A. Laudermilk*  
CASH/INVESTMENT MANAGER



CENTRAL HEALTH MONTHLY INVESTMENT REPORT  
 PORTFOLIO STATISTICS

DATE: June 30, 2021

By Fund Type

Operating	\$	353,203,964.16	96.80%
LPPF		11,662,035.81	3.20%
Bond Proceeds		-	0.00%
Other		-	0.00%
Total Portfolio	\$	<u>364,865,999.97</u>	<u>100.00%</u>

By Security Type

**Operating-**

TexasDAILY	\$	85,165,751.23	24.11%
TexPool	\$	8,798,400.11	2.49%
TexSTAR	\$	3,184,730.57	0.90%
TexasTERM CP		35,000,000.00	9.91%
Non-Int Bearing Bank Account		928,000.00	0.26%
Certificates of Deposit		-	0.00%
Treasury Securities		-	0.00%
Government Agencies		159,496,100.00	45.16%
Commercial Paper		7,992,520.00	2.26%
Municipal Bonds		52,638,462.25	14.90%
Total	\$	<u>353,203,964.16</u>	<u>100.00%</u>

**LPPF-**

TexPool		11,662,035.81	100.00%
Total	\$	<u>11,662,035.81</u>	<u>100.00%</u>

**Bond Proceeds-**

TexPool	\$	-	#DIV/0!
Total	\$	<u>-</u>	<u>#DIV/0!</u>

Compared to Policy Limits

		Actual %	Guidelines
TexasDAILY	85,165,751.23	23.40%	30.00%
TexPool	20,460,435.92	5.62%	50.00%
TexSTAR	3,184,730.57	0.88%	30.00%
TexasTERM CP	35,000,000.00	9.62%	30.00%
Total LGIPS	\$ 143,810,917.72	39.52%	70.00%
Certificates of Deposit	-	0.00%	50.00%
Treasury Securities	-	0.00%	100.00%
Government Agencies	159,496,100.00	43.83%	75.00%
Commercial Paper	7,992,520.00	2.20%	20.00%
Municipal Bonds	52,638,462.25	14.46%	20.00%
	\$ <u>363,937,999.97</u>	<u>100.00%</u>	

Commercial Papter by Entity as a Percentage of Portfolio

ING 9/22/2021	\$	7,992,520.00	2.20%	5.00%
	\$	<u>7,992,520.00</u>	<u>2.20%</u>	<u>20.00%</u>

Municipal Bonds by Entity as a Percentage of Portfolio

Alabama ST Pub Sch & Clg	\$	1,000,000.00	0.28%	5.00%
City of Hampton VA - GO	\$	1,157,199.00	0.33%	5.00%
Chippewa Valley School Go Bonds	\$	2,022,800.00	0.57%	5.00%
Florida St Board Admin Fin Corp Rev	\$	5,871,068.00	1.66%	5.00%
San Bernardino COPS	\$	2,027,420.00	0.57%	5.00%
Harris County TX Transit	\$	1,090,843.20	0.31%	5.00%
Oklahoma County OK ISD	\$	4,662,698.00	1.32%	5.00%
Alabama ST Pub Sch & Clg 2022	\$	1,000,000.00	0.28%	5.00%
Texas Tech Univ	\$	525,840.00	0.15%	5.00%
Commonwealth of Virginia - GO	\$	5,089,600.00	1.44%	5.00%
City of Dallas Waterworks	\$	5,154,300.00	1.46%	5.00%
Multnomah CNTY OR - GO	\$	5,415,174.00	1.53%	5.00%
Upper Occoquan VA - Rev	\$	3,110,000.00	0.88%	5.00%
San Diego CA Pub Facs - Rev	\$	1,067,164.80	0.30%	5.00%
City of Yuma AZ - REV	\$	1,500,000.00	0.42%	5.00%
NYC Tran Fin Tax - REV	\$	5,000,000.00	1.42%	5.00%
WA DC INC Tax - Rev	\$	4,944,355.25	1.40%	5.00%
Shakopee MN ISD - GO	\$	1,000,000.00	0.28%	5.00%
Univ Cincinnati OH Tax - Rev	\$	1,000,000.00	0.28%	
	\$	<u>52,638,462.25</u>	<u>14.90%</u>	<u>25.00%</u>

Investment Revenue & Accrued Interest

June-21

Fiscal YTD

Interest/Dividends-				
TexasDAILY	\$	1,912.81	\$	21,682.92
TexPool		136.27	\$	31,746.91
TexSTAR		26.14	\$	1,989.05
TexasTERM CP		0.00	\$	6,328.77
Certificates of Deposit		0.00	\$	-
Treasury Securities		0.00	\$	-
Government Agencies		0.00	\$	348,013.89
Commercial Paper		0.00	\$	-
Municipal Bonds		39,716.99	\$	338,515.73
	\$	<u>41,792.21</u>	\$	<u>748,277.27</u>
Discounts, Premiums, & Accrued Interest				
TexasTERM CP	\$	4,612.74	\$	22,228.86
-less previous accruals		0.00	\$	(5,876.71)
Certificates of Deposit		0.00	\$	-
-less previous accruals		0.00	\$	-
Treasury Securities		0.00	\$	-
-less previous accruals		0.00	\$	-
Government Agencies		67,560.93	\$	326,381.01
-less previous accruals		(9,623.27)	\$	(316,118.07)
Commercial Paper		1,200.00	\$	9,946.31
-less previous accruals		0.00	\$	-
Municipal Bonds		43,625.27	\$	359,207.53
-less previous accruals		(59,268.61)	\$	(505,309.12)
	\$	<u>48,107.06</u>	\$	<u>(109,540.19)</u>
Total Investment Revenue & Accrued Interest	\$	<u>89,899.27</u>	\$	<u>638,737.08</u>

STATE OF TEXAS

COUNTY OF TRAVIS

CENTRAL HEALTH - LPPF

Whereas, it appears to the Board of Managers of the Central Health, Travis County, Texas that there are sufficient funds on hand over and above those of immediate need for LPPF demand,

Now, Therefore, the Board of Managers hereby orders

- 1.) that the County Treasurer of Travis County, Texas, acting on behalf of Central Health LPPF, execute the investment of these funds in the total amount of \$2,459,000.00 in legally authorized securities as stipulated in the Travis County Healthcare District Investment and Collateral Policy for the periods as indicated in Attachment A, which consists of 4 page(s).
- 2.) that the County Treasurer, acting on behalf of Central Health LPPF, take and hold in safekeeping all individual security investment instruments, relinquishing same only by order of the Board of Managers or for surrender at maturity.

Date: July 28, 2021

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CHAIR, BOARD OF MANAGERS

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VICE CHAIR, BOARD OF MANAGERS

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CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/1/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	1,032,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0101%
PRINCIPAL:	1,032,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	1,032,000.00	CUSIP #:	N/A
TRADE DATE:	6/1/2021	SETTLEMENT DATE:	6/1/2021

AUTHORIZED BY:

CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/2/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	443,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE:	N/A	BOND EQ. YIELD:	0.0101%
PRINCIPAL:	443,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	443,000.00	CUSIP #:	N/A
TRADE DATE:	6/2/2021	SETTLEMENT DATE:	6/2/2021

AUTHORIZED BY:

*Deborah A. Lauder milk*  
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/28/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	344,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE:	N/A	BOND EQ. YIELD:	0.0173%
PRINCIPAL:	344,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	344,000.00	CUSIP #:	N/A
TRADE DATE:	6/28/2021	SETTLEMENT DATE:	6/28/2021

AUTHORIZED BY:

  
C/S INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 6/30/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	640,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE:	N/A	BOND EQ. YIELD:	0.0164%
PRINCIPAL:	640,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	640,000.00	CUSIP #:	N/A
TRADE DATE:	6/30/2021	SETTLEMENT DATE:	6/30/2021

AUTHORIZED BY:

*Deborah A. Lauder milk*  
CASH/INVESTMENT MANAGER

CENTRAL HEALTH - LPPF INVESTMENT REPORT  
 PORTFOLIO STATISTICS

DATE: June 30, 2021

By Fund Type				
LPPF	\$	11,662,035.81	100.00%	
Total Portfolio		<u>\$</u>	<u>11,662,035.81</u>	<u>100.00%</u>

By Security Type				
LPPF-				
TexasDAILY	\$	-	0.00%	
TexPool	\$	11,662,035.81	100.00%	
TexSTAR	\$	-	0.00%	
TexasTERM CP	\$	-	0.00%	
Non-Int Bearing Bank Account	\$	-	0.00%	
Certificates of Deposit	\$	-	0.00%	
Treasury Securities	\$	-	0.00%	
Government Agencies	\$	-	0.00%	
Commercial Paper	\$	-	0.00%	
Municipal Bonds	\$	-	0.00%	
Total		<u>\$</u>	<u>11,662,035.81</u>	<u>100.00%</u>

LPPF Investment Revenue & Accrued Interest	June-21	Fiscal YTD
Interest/Dividends-		
TexasDAILY	0.00	0.00
TexPool	219.61	5,806.78
TexSTAR	0.00	0.00
TexasTERM CP	0.00	0.00
Certificates of Deposit	0.00	0.00
Treasury Securities	0.00	0.00
Government Agencies	0.00	0.00
Commercial Paper	0.00	0.00
Municipal Bonds	0.00	0.00
LPPF Total Investment Revenue & Accrued Interest	<u>\$</u>	<u>\$</u>
	219.61	5,806.78



STATE OF TEXAS

COUNTY OF TRAVIS

CENTRAL HEALTH

Whereas, it appears to the Board of Managers of the Central Health, Travis County, Texas that there are sufficient funds on hand over and above those of immediate need for operating demand,

Now, Therefore, the Board of Managers hereby orders

- 1.) that the County Treasurer of Travis County, Texas, acting on behalf of Central Health, execute the investment of these funds in the total amount of \$8,274,747.09 in legally authorized securities as stipulated in the Travis County Healthcare District Investment and Collateral Policy for the periods as indicated in Attachment A, which consists of 7 pages.
- 2.) that the County Treasurer, acting on behalf of Central Health, take and hold in safekeeping all individual security investment instruments, relinquishing same only by order of the Board of Managers or for surrender at maturity.

Date: August 25, 2021

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CHAIR, BOARD OF MANAGERS

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VICE CHAIR, BOARD OF MANAGERS

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MANAGER

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CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/1/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	10,485.02	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0200%
PRINCIPAL:	10,485.02	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	10,485.02	CUSIP #:	N/A
TRADE DATE:	7/1/2021	SETTLEMENT DATE:	7/1/2021

AUTHORIZED BY

  
CAS INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/1/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDAily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	5,835,974.40	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE:	N/A	BOND EQ. YIELD:	0.0200%
PRINCIPAL:	5,835,974.40	PURCHASED THRU:	TexDAily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	5,835,974.40	CUSIP #:	N/A
TRADE DATE:	7/1/2021	SETTLEMENT DATE:	7/1/2021

AUTHORIZED BY:

  
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/1/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	886,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE:	N/A	BOND EQ. YIELD:	0.0200%
PRINCIPAL:	886,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	886,000.00	CUSIP #:	N/A
TRADE DATE:	7/1/2021	SETTLEMENT DATE:	7/1/2021

AUTHORIZED BY:

  
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/8/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	<u>TexDaily</u>	FUND NAME:	<u>CENTRAL HEALTH</u>
PAR VALUE:	<u>72,000.00</u>	SAFEKEEPING NO:	<u>N/A</u>
CPN/DISC RATE:	<u>N/A</u>	PRICE:	<u>100%</u>
MATURITY DATE:	<u>N/A</u>	BOND EQ. YIELD:	<u>0.0200%</u>
PRINCIPAL:	<u>72,000.00</u>	PURCHASED THRU:	<u>TexDaily</u>
ACCRUED INT:	<u>N/A</u>	BROKER:	<u>N/A</u>
TOTAL DUE:	<u>72,000.00</u>	CUSIP #:	<u>N/A</u>
TRADE DATE:	<u>7/8/2021</u>	SETTLEMENT DATE:	<u>7/8/2021</u>

AUTHORIZED BY:

  
REAGAN DENNIS  
CAPITAL INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/15/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	4,287.67	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE:	N/A	BOND EQ. YIELD:	0.0200%
PRINCIPAL:	4,287.67	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	4,287.67	CUSIP #:	N/A
TRADE DATE:	7/15/2021	SETTLEMENT DATE:	7/15/2021

AUTHORIZED BY:

  
CASI INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/26/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	504,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE:	N/A	BOND EQ. YIELD:	0.0200%
PRINCIPAL:	504,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	504,000.00	CUSIP #:	N/A
TRADE DATE:	7/26/2021	SETTLEMENT DATE:	7/26/2021

AUTHORIZED BY:

  
CAPITAL INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/27/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	962,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0200%
PRINCIPAL:	962,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	962,000.00	CUSIP #:	N/A
TRADE DATE:	7/27/2021	SETTLEMENT DATE:	7/27/2021

AUTHORIZED BY:

*Deborah A. Lauder milk*  
CASH/INVESTMENT MANAGER



CENTRAL HEALTH MONTHLY INVESTMENT REPORT  
 PORTFOLIO STATISTICS

DATE: July 31, 2021

By Fund Type

Operating	\$	324,590,261.04	89.50%
LPPF		38,073,395.00	10.50%
Bond Proceeds		-	0.00%
Other		-	0.00%
Total Portfolio	\$	<u>362,663,656.04</u>	<u>100.00%</u>

By Security Type

**Operating-**

TexasDAILY	\$	66,959,000.03	20.63%
TexPool	\$	4,880,490.72	1.50%
TexSTAR	\$	2,566,756.04	0.79%
TexasTERM CP		35,000,000.00	10.78%
Non-Int Bearing Bank Account		928,000.00	0.29%
Certificates of Deposit		-	0.00%
Treasury Securities		-	0.00%
Government Agencies		159,496,100.00	49.14%
Commercial Paper		7,992,520.00	2.46%
Municipal Bonds		46,767,394.25	14.41%
Total	\$	<u>324,590,261.04</u>	<u>100.00%</u>

**LPPF-**

TexPool		38,073,395.00	100.00%
Total	\$	<u>38,073,395.00</u>	<u>100.00%</u>

**Bond Proceeds-**

TexPool	\$	-	#DIV/0!
Total	\$	<u>-</u>	<u>#DIV/0!</u>

Compared to Policy Limits

		Actual %	Guidelines
TexasDAILY	66,959,000.03	18.51%	30.00%
TexPool	42,953,885.72	11.87%	50.00%
TexSTAR	2,566,756.04	0.71%	30.00%
TexasTERM CP	35,000,000.00	9.68%	30.00%
Total LGIPS	\$ 147,479,641.79	40.77%	70.00%
Certificates of Deposit	-	0.00%	50.00%
Treasury Securities	-	0.00%	100.00%
Government Agencies	159,496,100.00	44.09%	75.00%
Commercial Paper	7,992,520.00	2.21%	20.00%
Municipal Bonds	46,767,394.25	12.93%	20.00%
	\$ <u>361,735,656.04</u>	<u>100.00%</u>	

Commercial Paper by Entity as a Percentage of Portfolio

ING 9/22/2021	\$ 7,992,520.00	2.21%	5.00%
	<u>\$ 7,992,520.00</u>	<u>2.21%</u>	<u>20.00%</u>

Municipal Bonds by Entity as a Percentage of Portfolio

Alabama ST Pub Sch & Clg	\$ 1,000,000.00	0.31%	5.00%
City of Hampton VA - GO	\$ 1,157,199.00	0.36%	5.00%
Chippewa Valley School Go Bonds	\$ 2,022,800.00	0.62%	5.00%
San Bernardino COPS	\$ 2,027,420.00	0.62%	5.00%
Harris County TX Transit	\$ 1,090,843.20	0.34%	5.00%
Oklahoma County OK ISD	\$ 4,662,698.00	1.44%	5.00%
Alabama ST Pub Sch & Clg 2022	\$ 1,000,000.00	0.31%	5.00%
Texas Tech Univ	\$ 525,840.00	0.16%	5.00%
Commonwealth of Virginia - GO	\$ 5,089,600.00	1.57%	5.00%
City of Dallas Waterworks	\$ 5,154,300.00	1.59%	5.00%
Multnomah CNTY OR - GO	\$ 5,415,174.00	1.67%	5.00%
Upper Occoquan VA - Rev	\$ 3,110,000.00	0.96%	5.00%
San Diego CA Pub Facs - Rev	\$ 1,067,164.80	0.33%	5.00%
City of Yuma AZ - REV	\$ 1,500,000.00	0.46%	5.00%
NYC Tran Fin Tax - REV	\$ 5,000,000.00	1.54%	5.00%
WA DC INC Tax - Rev	\$ 4,944,355.25	1.52%	5.00%
Shakopee MN ISD - GO	\$ 1,000,000.00	0.31%	5.00%
Univ Cincinnati OH Tax - Rev	\$ 1,000,000.00	0.31%	5.00%
	<u>\$ 46,767,394.25</u>	<u>14.41%</u>	<u>25.00%</u>

Investment Revenue & Accrued Interest

July-21

Fiscal YTD

Interest/Dividends-

TexasDAILY	\$ 1,254.20	\$ 22,937.12
TexPool	90.61	\$ 31,837.52
TexSTAR	25.47	\$ 2,014.52
TexasTERM CP	90,742.09	\$ 97,070.86
Certificates of Deposit	0.00	\$ -
Treasury Securities	0.00	\$ -
Government Agencies	0.00	\$ 348,013.89
Commercial Paper	0.00	\$ -
Municipal Bonds	0.00	\$ 338,515.73
	<u>\$ 92,112.37</u>	<u>\$ 840,389.64</u>

Discounts, Premiums, & Accrued Interest

TexasTERM CP	\$ 4,821.04	\$ 27,049.90
-less previous accruals	0.00	\$ (5,876.71)
Certificates of Deposit	0.00	\$ -
-less previous accruals	0.00	\$ -
Treasury Securities	0.00	\$ -
-less previous accruals	0.00	\$ -
Government Agencies	58,452.55	\$ 384,833.56
-less previous accruals	(334.05)	\$ (316,452.12)
Commercial Paper	1,240.00	\$ 11,186.31
-less previous accruals	0.00	\$ -
Municipal Bonds	37,467.34	\$ 396,674.87
-less previous accruals	(106,521.96)	\$ (611,831.08)
	<u>\$ (4,875.08)</u>	<u>\$ (114,415.27)</u>

Total Investment Revenue & Accrued Interest

\$ 87,237.29

\$ 725,974.37

STATE OF TEXAS

COUNTY OF TRAVIS

CENTRAL HEALTH - LPPF

Whereas, it appears to the Board of Managers of the Central Health, Travis County, Texas that there are sufficient funds on hand over and above those of immediate need for LPPF demand,

Now, Therefore, the Board of Managers hereby orders

- 1.) that the County Treasurer of Travis County, Texas, acting on behalf of Central Health LPPF, execute the investment of these funds in the total amount of \$26,411,000.00 in legally authorized securities as stipulated in the Travis County Healthcare District Investment and Collateral Policy for the periods as indicated in Attachment A, which consists of 5 page(s).
- 2.) that the County Treasurer, acting on behalf of Central Health LPPF, take and hold in safekeeping all individual security investment instruments, relinquishing same only by order of the Board of Managers or for surrender at maturity.

Date: August 25, 2021

\_\_\_\_\_  
CHAIR, BOARD OF MANAGERS

\_\_\_\_\_  
VICE CHAIR, BOARD OF MANAGERS

\_\_\_\_\_  
MANAGER

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MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

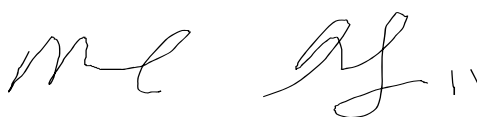
DATE: 7/9/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	12,805,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0170%
PRINCIPAL:	12,805,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	12,805,000.00	CUSIP #:	N/A
TRADE DATE:	7/9/2021	SETTLEMENT DATE:	7/9/2021

AUTHORIZED BY:



CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

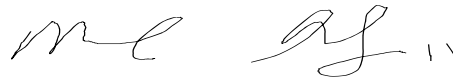
DATE: 7/16/2021  
\_\_\_\_\_

TIME: 10:30  
\_\_\_\_\_

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	34,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0191%
PRINCIPAL:	34,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	34,000.00	CUSIP #:	N/A
TRADE DATE:	7/16/2021	SETTLEMENT DATE:	7/16/2021

AUTHORIZED BY:



CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/28/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	172,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0195%
PRINCIPAL:	172,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	172,000.00	CUSIP #:	N/A
TRADE DATE:	7/28/2021	SETTLEMENT DATE:	7/28/2021

AUTHORIZED BY:

*Deborah A. Lauder milk*  
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM



DATE: 7/30/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	13,055,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE:	N/A	BOND EQ. YIELD:	1.9600%
PRINCIPAL:	13,055,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	13,055,000.00	CUSIP #:	N/A
TRADE DATE:	7/30/2021	SETTLEMENT DATE:	7/30/2021

AUTHORIZED BY:

   
CASH/INVESTMENT MANAGER

CENTRAL HEALTH  
INVESTMENT DEPARTMENT  
SECURITY TRANSACTION FORM

DATE: 7/30/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	345,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0196%
PRINCIPAL:	345,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	345,000.00	CUSIP #:	N/A
TRADE DATE:	7/30/2021	SETTLEMENT DATE:	7/30/2021

AUTHORIZED BY:



CASH/INVESTMENT MANAGER



CENTRAL HEALTH - LPPF INVESTMENT REPORT  
 PORTFOLIO STATISTICS

DATE: July 31, 2021

By Fund Type		
LPPF	\$ 38,073,395.00	100.00%
Total Portfolio	<u>\$ 38,073,395.00</u>	<u>100.00%</u>

By Security Type		
LPPF-		
TexasDAILY	\$ -	0.00%
TexPool	\$ 38,073,395.00	100.00%
TexSTAR	\$ -	0.00%
TexasTERM CP	\$ -	0.00%
Non-Int Bearing Bank Account	\$ -	0.00%
Certificates of Deposit	\$ -	0.00%
Treasury Securities	\$ -	0.00%
Government Agencies	\$ -	0.00%
Commercial Paper	\$ -	0.00%
Municipal Bonds	\$ -	0.00%
Total	<u>\$ 38,073,395.00</u>	<u>100.00%</u>

LPPF Investment Revenue & Accrued Interest	July-21	Fiscal YTD
Interest/Dividends-		
TexasDAILY	0.00	0.00
TexPool	359.19	6,165.97
TexSTAR	0.00	0.00
TexasTERM CP	0.00	0.00
Certificates of Deposit	0.00	0.00
Treasury Securities	0.00	0.00
Government Agencies	0.00	0.00
Commercial Paper	0.00	0.00
Municipal Bonds	0.00	0.00
LPPF Total Investment Revenue & Accrued Interest	<u>\$ 359.19</u>	<u>\$ 6,165.97</u>



## CENTRAL HEALTH

### **Our Vision**

Central Texas is a model healthy community.

### **Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

### **Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

## **BOARD MEETING**

**August 23, 2021**

## **AGENDA ITEM C3**

Approve a contract amendment to the interlocal agreement with Travis County for Cash Management and Investment Services, Risk and Claim Management, Legal Services, and Television Broadcasting.



**AGENDA ITEM SUBMISSION FORM**

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date	<u>August 23, 2021</u>
Who will present the agenda item? (Name, Title)	<u>Consent</u>
General Item Description	<u>Approve an amendment to the interlocal agreement with Travis County for Cash Management and Investment Services.</u>
Is this an informational or action item?	<u>Action</u>
Fiscal Impact	<u>As budgeted, fees outlined in approved contract: Less than \$14K annually for Central Health and \$18K annually for LPPF</u>
Recommended Motion (if needed – action item)	<u>Consent</u>

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Central Health uses the expertise and significant experience of the Travis County Cash Management and Investments Department to manage investments which provides cost savings and benefits of a larger scale organization.
- 2) Central Health entered into its current interlocal agreement for these services (and other services) on October 1, 2018 and previously had an existing interlocal agreements that began as early as 2005.
- 3) Fees for Central Health have remained the same over the past seven years.
- 4) Due to the addition of the administration of the LPPF portfolio, increase in Central Health assets and the increased expertise on the Investments team, we have agreed to an increase in fees beginning Oct. 1, 2021.
- 5) These fees and costs are included in the FY2022 budget.

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	<u>Draft of ILA amendment</u>
Estimated time needed for presentation & questions?	<u>Consent</u>



CENTRAL HEALTH

Is closed session  
recommended? (Consult  
with attorneys.)

N/A

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Form Prepared By/Date  
Submitted:

Lisa Owens, August 16, 2021

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**INTERLOCAL COOPERATION AGREEMENT BETWEEN THE TRAVIS COUNTY  
HEALTHCARE DISTRICT AND  
TRAVIS COUNTY, TEXAS FOR  
CASH MANAGEMENT AND INVESTMENT SERVICES, RISK AND CLAIM  
MANAGEMENT, LEGAL SERVICES, AND TELEVISION BROADCASTING**

This Interlocal Cooperation Agreement (this "Agreement") is entered into between the Travis County Healthcare District d/b/a Central Health ("Central Health"), a hospital district created under Chapter 281 of the Texas Health & Safety Code (the "Act"), and Travis County, Texas (the "County"), a political subdivision of the State of Texas.

**RECITALS**

*WHEREAS*, the County has provided Central Health with numerous services since November 2005; and

*WHEREAS*, the existing Interlocal Agreement between Central Health and the County for these services expires on September 30, 2018, and there are no further renewal terms available; and

*WHEREAS*, Central Health and the County desire to continue the contractual relationship they established in 2012 and to expand upon such relationship to ensure the efficient delivery of health care services to indigent and needy residents of the County;

*NOW THEREFORE*, in consideration of the mutual covenants and agreements set forth herein, the amount and sufficiency of which are acknowledged, Central Health and the County agree as follows:

**SECTION 1. COUNTY SERVICES**

- 1.1. Subject in all cases to the limitations and conditions contained within this Agreement, the County will provide the services described in this Section 1 to Central Health through its various County departments and offices ("Services").
- 1.2. County will provide cash management and investment services through the Travis County Cash/Investment Management Division of the Planning and Budget Office ("Cash/Investment Management") and through the Travis County Treasurer's Office ("Treasurer") as described in subsections 1.2.1 and 1.2.2 below. In exchange for these Services, Central Health agrees to pay the County the total sum of \$91,233.61, which sum will be paid in monthly payments of \$7,602.80.
  - 1.2.1. County, through qualified employees assigned to the Cash/Investment Management Division or trained Investment Officers, will provide the following Cash Management Services:
    - 1.2.1.1. Manage Central Health resources in accounts established so that the balances in the operating account for each day are approximately \$100,000.00 by using transfers to and withdrawals from local government investment pools;

- 1.2.1.2. Inform Central Health if the total balances in the accounts at Central Health's Depository Bank and local government investment pools fall below \$25,000.00;
- 1.2.1.3. Comply with the Investment Policy approved by the Central Health Board of Managers ("Board"), including the highest ethical standards and disclosures required by the Texas Public Funds Investment Act;
- 1.2.1.4. Compile and present a list of Broker/Dealers that have been approved by the Travis County Commissioners Court, have expressed interest in doing business with Central Health, and have signed Central Health's Certification Form (attached hereto as Exhibit A) to the Central Health Board for approval;
- 1.2.1.5. When purchasing individual securities, make purchases from Broker/Dealers on the list of Broker/Dealers approved by the Commissioners Court and adopted by the Board and purchase notes so that the maturity of the various investments match the timing of the large payments which are anticipated to be made throughout the contract period (e.g., payment for services on contracts and payroll);
- 1.2.1.6. Use the procedures and controls implemented by Travis County's Cash/Investment Management Division and the County Treasurer's Office to improve the accuracy of cash management and to provide checks and balances in the investment and cash management processes;
- 1.2.1.7. Keep accurate records of all investments and make these records available to the Board and Central Health's President and CEO ("Administrator") for examination and copying upon request;
- 1.2.1.8. Prepare and provide the following reports to the Administrator and the Board:
  - 1.2.1.8.1. a monthly report of new investments and current portfolio composition, and
  - 1.2.1.8.2. a Quarterly Report on investments and Central Health's portfolio composition as required by the Texas Public Funds Investment Act and the Investment Policy approved by the Board;
- 1.2.1.9. Keep a record of daily deposits, payroll expenses, and other expenses to provide historical information for future cash flow estimates;
- 1.2.1.10. Remain informed about the financial markets to optimize the return on any purchases of Treasury Discount Notes;
- 1.2.1.11. Coordinate with Central Health in an annual review and, when necessary, revision of the Central Health Investment and Collateral Policies and Procedures;

1.2.1.12. Monitor the adequacy of collateral on a regular basis; and

1.2.1.13. Audit the accuracy of the Depository Bank's Account Analysis, including the calculation of bank charges and earnings credit each month, and communicate variances with the Depository Bank to ensure Central Health pays accurate bank fees.

1.2.2. During the Agreement Term, the County, through the County Treasurer, will provide the following Services:

1.2.2.1. Wire funds to local government investment pools and to Broker/Dealers via Central Health's Safekeeping Agent, as appropriate for investment and cash management purposes;

1.2.2.2. Deposit principal and interest on individual securities to Central Health's Depository Bank account whenever directed by the Cash/Investment Manager. For purposes of this Agreement, the term Cash/Investment Manager means the Travis County Investment Manager or the Travis County Assistant Investment Manager;

1.2.2.3. Prepare reports about daily bank account balances, debit and credit details, controlled disbursement, and Automated Clearing House transactions based on information obtained from the electronic information systems provided by Central Health's Depository Bank, and provide a copy of these reports to the Cash/Investment Management;

1.2.2.4. Analyze the collateral needs of Central Health and purchase adequate collateral, monitor the adequacy of collateral, substitution of collateral, and safekeeping of collateral;

1.2.2.5. Keep and submit accurate records regarding the allocation of staff and the amount of time such staff used to provide the Services during the Agreement Term in order to determine appropriate charges for each renewal term;

1.2.2.6. Work in collaboration with Central Health's Depository Bank to provide the technology that is required to ensure the security and integrity of all balancing transactions and implement up to date software and hardware to provide the Services; and

1.2.2.7. Perform internal audit of all transactions to provide the essential audit trail for all transactions.

1.3. The County, through its Planning and Budget Office, will provide Central Health with assistance in preparing and processing Tobacco Settlement Distribution claim forms by informing Central Health of the amount of unreimbursed Inmate Health Care incurred by the County each year within a reasonable time after the end of the period covered by the claims and within a reasonable time before the date on which the claim forms must be submitted.

- 1.4. The County, through its Risk Management Division, will provide the following risk management consulting services upon written request by Central Health:
  - 1.4.1. Identification and assessment of potential risks inherent to proposed activities or initiatives;
  - 1.4.2. Recommendations related to risk control;
  - 1.4.3. Assistance in determining the best method of financing losses and in implementing such loss method either through retention or purchase of insurance.
- 1.5. The County will provide limited broadcast and media services through its Communications and Record Services Department and, specifically, Travis County TV (“TC TV”). Travis County TV will air one (1) Central Health Budget & Finance Committee meeting and one (1) regularly scheduled Central Health Board of Managers meeting per month on TC TV Channel 17 and will, at the discretion of the Travis County Media Operations Manager or his/her supervisor, also air any special-called meetings of the Board. These meetings will be aired live and will be replayed once a month on the first Friday to follow the date of the live meeting at 7 p.m. Central Standard Time. For avoidance of doubt, nothing in this section is intended to or obligates the County to produce the aforementioned meetings for television distribution. Central Health expressly acknowledges and agrees that it is and will, at all times during the Agreement Term, be responsible for production of the meetings. The County’s only obligation with respect to broadcasting Central Health’s meetings is to provide Central Health with access to TC TV Channel 17 as described herein.
- 1.6. The County will provide legal advice and counsel to Central Health through the Travis County Attorney's Office as required by Texas Health and Safety Code Section 281.056. In exchange for these legal services, Central Health will pay the County an amount not-to-exceed \$750,000 for Fiscal Year 2019 and each fiscal year thereafter, until amended as allowed by this Agreement. The County Attorney's Office will invoice Central Health monthly for the cost of services, and Central Health will pay the invoice within 30 days of receipt.

## **SECTION 2. COUNTY OBLIGATIONS**

- 2.1. The County will maintain records of time spent providing Services during the Agreement Term, which records will be made available to Central Health upon request. The County will also maintain books and records necessary to provide Central Health with the information required to be provided under this Agreement.
- 2.2. The County will perform all Services in a professional manner, using the standard of care that is customary in the applicable profession or Travis County, and in a reasonable and efficient manner. Except as otherwise provided herein, Services will be provided upon request, as resources are available. Notwithstanding the foregoing, it is the intention of the Parties hereto that at least one (1) attorney employed by the Travis County Attorney’s Office will render approximately 145 hours of legal advice and counsel to Central Health per month.



- 2.3. In performing the Services, the County will utilize its own human resources, procurement, and payment policies and procedures to employ, terminate, manage, contract with, purchase from, supervise and pay any supplier, service provider, employee, contractor or other person as the County may deem appropriate in its sole discretion. The County may enter into such arrangements and contracts to provide Services. If there are such contracts, then the County will enter into them in its own name, provided, however, that in entering into or renewing any contract with a third party (excluding employee arrangements for employees of the County), the County will provide in the contract that the contract may be assigned to Central Health at the option of the County and Central Health. It is acknowledged that this paragraph does not apply to purchase and sale agreements for the investment of Central Health funds and that the Cash/Investment Manager will enter into purchase and sale agreements for the investment of Central Health funds in the name of Central Health.
- 2.4. For all Services provided by the County under Section 1.1.1 of this Agreement, the County will serve as the custodian of the records that are associated with such Services on Central Health's behalf. For all other Services provided by the County under this Agreement, the County agrees to transmit all records related to these Services to Central Health on a monthly basis.

### **SECTION 3. USE OF MIXED USE FACILITIES**

- 3.1. The parties acknowledge that certain Central Health employees will provide Medical Access Program ("MAP") eligibility services in County facilities. The County hereby grants to Central Health a license to utilize space in a portion of each facility identified in Exhibit B ("County Mixed Use Facilities").
- 3.2. Central Health will provide all necessary supplies and equipment, including computer and network connections for Central Health employees who work at County Mixed Use Facilities, other than furniture and other fixtures provided by the County on the Effective Date. Central Health will retain responsibility for providing a safe workplace for its employees. Central Health will maintain workers compensation insurance coverage for employees utilizing County property. Central Health employees will follow Central Health procedures and respond to Central Health supervisors. At no time will Central Health employees attain County rights or benefits.
- 3.3. The County has elected to retain ownership of County Mixed Use Facilities owned by the County. However, should the County desire to transfer title to or lease some or all of the County Mixed Use Facilities to Central Health and if Central Health is amenable to such transaction, the balance of this paragraph will apply. This paragraph is only intended to address such a transfer or lease. It is not intended to address a sale/leaseback or any type of transaction with a third party. Any transfer of title or lease must comply with applicable FQHC requirements. FQHC Requirements refers to the rules and health center program expectations specified in law and regulation as applicable to federally qualified health centers, including the Bureau of Primary Healthcare Policy Information Notice 98-23: Health Center Program Expectations. Any transfer to Central Health by the County will be initiated by written notice, and will include a lease template for the portion of each such

facility used by Central Health to provide eligibility services. Subject to any applicable legal restrictions, the County will give Central Health at least one hundred eighty (180) days advance written notice of any such transfer and provide Central Health an opportunity for the first ninety (90) days of such period to negotiate the purchase of the entire facility for its appraised market value. The County will charge Central Health rent, for the portion of each facility leased to Central Health, equal to the portion of operating, maintenance and utility costs allocable to the space leased by Central Health; provided that:

- 3.3.1. Central Health may at any time elect to perform its own maintenance and/or operations and/or to purchase directly its own utilities, in which event the County will not charge for applicable items;
  - 3.3.2. the rent specified in this section will constitute the only rent or charge made by the County to Central Health with respect to Central Health's occupancy of the space during the term of the lease; and
  - 3.3.3. Central Health may terminate any such lease on not less than 180 days prior written notice to the County. Any lease executed between Central Health and the County in accordance with this Section will contain the terms set forth above and other commercially reasonable terms not inconsistent with the same.
- 3.4. Except as expressly provided herein, the County will not be responsible for replacing or renovating any Central Health facility, whether or not owned or leased by the County. Similarly, Central Health is not required to perform major repairs or to replace or renovate any such facility. The County will maintain or procure property insurance covering each Mixed Use Facility identified in Exhibit B during the Agreement Term with reasonable coverage terms. The County may terminate property insurance coverage for any County Mixed Use Facility when Central Health (or the County or other contractor to Central Health) is no longer occupying space in the facility.
- 3.5. The parties agree that in the event of any casualty loss or condemnation of any such facilities that impairs the ability of the County to operate such facility, the parties will confer to determine promptly the most appropriate action. In the case of a County Mixed Use Facility, if the County determines to repair or replace the facility, it will permit Central Health to reoccupy the portion of the facility that it formerly occupied (or an equivalent portion) under the lease terms described in this subsection. In the case of a County Mixed Use Facility, if the County determines not to repair or replace the facility, Central Health may determine whether to do so or whether to terminate the use, lease or sublease, as applicable, of the same.

#### **SECTION 4. CENTRAL HEALTH OBLIGATIONS**

- 4.1. With respect to the performance of Cash/Investment Management Services, Central Health waives any claims that it might be able to make against the County due to the rate of return on its investments during the Agreement Term except for claims resulting from fraud, malfeasance or other illegal activity.
- 4.2. In compliance with the Texas Public Funds Investment Act, review Central Health

Investment Policy annually to determine whether the changing needs of Central Health are still being met by the policy, including the apportionment of the total portfolio that may be invested in a single investment if the need for liquidity in the initial year does not continue. When appropriate, Central Health will collaborate with the Cash/Investment Management Division to amend Central Health's existing Investment Policy, subject to approval of the Policy by the Central Health Board and the Commissioners Court. If additional changes are desired by Central Health, it will consult with the County Cash/Investment Management Manager.

- 4.3. Central Health will maintain the delegation of investment authority of Central Health Board to the Investment Officers for the contract period.
- 4.4. Central Health will adopt, from the lists of Broker/Dealers approved by the Travis County Commissioners Court during the Agreement Term, those Broker/Dealers who the Cash/Management Investment Manager recommends and who have signed a Certification on behalf of Central Health.
- 4.5. Central Health will coordinate the opening of any new bank account with the Cash/Investment Management Division prior to such opening to ensure that the Cash/Investment Management Division can provide the necessary services related to that new account.
- 4.6. Central Health will maintain an account with the safekeeping department at Central Health's Depository Bank to facilitate the purchase and maturation of investment securities.
- 4.7. Central Health will authorize qualified employees within the Treasurer's Office to perform repetitive wire transfers for Travis County to perform repetitive wire transfers for investment purposes for Central Health.
- 4.8. Central Health will authorize the Treasurer's Office to access information related to the Controlled Disbursement account at Central Health's Depository Bank through electronic information systems provided by Central Health's Depository Bank.
- 4.9. Central Health will authorize the Treasurer's Office to access the daily bank account balance(s) and debit and credit detail information through electronic information systems provided by Central Health's Depository Bank.
- 4.10. Central Health will maintain at least one account at TexPool.
- 4.11. Central Health will maintain the authorization of Investment Officers to make deposits to the accounts at TexPool and to use repetitive wires to withdraw funds from the accounts at TexPool for deposit to Central Health's operating account at Central Health's Depository Bank. For purposes of this Agreement, the term Investment Officer includes the Travis County Budget Manager.
- 4.12. Central Health will maintain at least one account with at least one other local government investment pool that has been created to function as a money market mutual fund such as

TexasDAILY.

- 4.13. Central Health will authorize Investment Officers to make deposits to all accounts established at other local government investment pools and to use repetitive wires to withdrawal funds from the accounts established at other local government investment pools for deposit to Central Health's operating account at Central Health's Depository Bank.
- 4.14. If Central Health desires to have 24/7 access to the information on investment deposits and withdrawals, authorize a Central Health employee to serve as an additional Authorized Representative for Central Health's Depository Bank and each local government investment pool to perform inquiry of selected information.
- 4.15. Central Health will use the "prudent investor rule" as described in the Travis County Investment Policy to determine whether Investment Officers have exercised prudence with respect to any investment decision.
- 4.16. Central Health will inform the Treasurer's Office when funds are initiated by or deposited by Central Health staff in Central Health's Depository Bank and follow the recommendation(s) of the County Treasurer about collateralization of Central Health's deposits at Central Health's Depository Bank that are in excess of the current dollar amount that is insured by the Federal Deposit Insurance Corporation.
- 4.17. Central Health will require that any of its staff who are responsible for supervision of the investment function to complete the appropriate investment training as required by the Texas Public Funds Investment Act.
- 4.18. For each calendar year that this Agreement is in effect, Central Health will reimburse the County in an amount equal to the Unreimbursed Inmate Health Care multiplied by the percentage of reimbursement of the Total Allocable Expenditures received by Central Health as part of the Tobacco Settlement Distribution. Within 30 days after receipt of Central Health's pro rata share of the Tobacco Settlement Distribution for Hospital District Expenditures incurred in Travis County, Central Health will forward the County's share to County.
- 4.19. Central Health will make any payment to be made pursuant to this Agreement with current revenues available to Central Health.
- 4.20. Central Health will provide TC TV with a schedule of planned Central Health Board and Budget & Finance Committee meetings. This schedule will be provided to TC TV on an annual basis, beginning on January 1, 2019.
- 4.21. In the event that a planned Board or Budget & Finance Committee meeting is rescheduled or cancelled, Central Health will notify TC TV of the new date and time on which the rescheduled or cancelled meeting will be held, and TC TV will, at the discretion of its Media Operations Manager, air the rescheduled meeting if and as TC TV's broadcast schedule permits. Central Health will give TC TV the notice described in the immediately preceding sentence at least three (3) business days before the date that the planned meeting

was scheduled to take place. Central Health will also provide TC TV with at least five (5) business days' notice of any meeting that Central Health desires TC TV to broadcast on Channel 17 that was not included on the schedule of planned meetings referenced in Section 4.20. The County is not and will not be obligated to televise any meeting that was not included on the schedule of planned meetings.

4.22. To enable Television Broadcast and Media Services, Central Health will:

4.22.1. procure the necessary video and broadcast equipment, including an encoder-decoder tool;

4.22.2. keep all video and broadcast equipment in operational condition;

4.22.3. transmit video of its Budget & Finance Committee and Board of Managers meetings to TC TV through an Internet Protocol address; and

4.22.4. provide network support.

## **SECTION 5. TERM AND TERMINATION**

5.1. Initial Term. This Agreement will become effective on October 1, 2018, and will terminate on September 30, 2019 (the "Initial Term").

5.2. Renewal Term. This Agreement automatically renews for three (3) additional twelve (12) month periods (each a "Renewal Term"), until either party desires to terminate the Agreement, with the final term expiring on September 30, 2022. The Initial Term and any Renewal Term will be referred to as an "Agreement Term." All provisions of this Agreement will remain unchanged and in full force and effect unless otherwise amended in writing by the parties pursuant to the terms of this Agreement.

5.3. Budget Notice. Unless the County or Central Health has earlier elected to terminate the County's obligation to provide Services (with such termination effective prior to the commencement of the next fiscal year), the County Planning and Budget Office will furnish to Central Health its draft proposed budget for departments and offices providing services to Central Health by May 31 of the immediately preceding fiscal year. The County and Central Health may prepare Amendments to this Agreement to annually address cost changes.

5.4. Termination for Default. The County may, by written notice to Central Health, terminate some or all of the County's obligation to provide Services under this Agreement if Central Health defaults in the performance of its obligations (including compliance with any covenants) under this Agreement and such default is not current within thirty (30) days of the receipt of written notice from the County thereof. Central Health may, by written notice to the County, terminate some or all of the County's obligation to provide Services if the County defaults in the performance of its obligations (including compliance with any covenants) under this Agreement and such default is not:

5.4.1. cured within thirty (30) days of receipt of notice from Central Health thereof;

and

- 5.4.2. caused by Central Health's failure to perform its obligations related to the Services thereunder. Central Health acknowledges that the County is unable to perform its responsibilities under this Agreement unless and until Central Health has performed its obligations related to the Services thereunder.
- 5.5. Termination for Convenience. In addition to, and without restricting any other legal, contractual, or equitable remedies otherwise available, either party may terminate some or all of the Services provided under the Agreement without cause by giving the other party at least sixty (60) days written notice. Upon the expiration of the sixty (60) day notice period, the County will no longer have the obligation to provide the terminated Service(s) and Central Health will no longer have an obligation to make monthly payment for the terminated Service(s). The Parties agree to work together in good faith to facilitate the transition of the terminated Service.
- 5.6. Termination for Gratuities. Central Health may terminate this Agreement if it is found that gratuities of any kind, including entertainment or gifts, were offered or given by the County or any agent or representative of the County to any Central Health official or employee with a view toward securing favorable treatment with respect to this Agreement.
- 5.7. Funding Out. Despite anything to the contrary in this Agreement, if, during Central Health's budget planning and adoption process, Central Health fails to provide funding for this Agreement for the following Central Health fiscal year, Central Health may terminate this Agreement by giving the County written notice that this Agreement is terminated due to the failure to fund it.
- 5.8. Turnover. Upon termination of the County's obligation to perform Services, the parties will cooperate to effect a turnover by the County of the related responsibilities and assets to Central Health or Central Health's designee. For example, the County will, subject to the rights of third parties, assign to Central Health all contracts used by the County solely in the performance of the Services, and will cooperate with Central Health in obtaining for Central Health, at Central Health's cost, rights under or replacements for multi-purpose contracts that the County has used in performing the Services. Central Health, and not the County, will be responsible for all obligations accruing from and after the date of assignment under any such contract.

## SECTION 6. MISCELLANEOUS

- 6.1. Notices. Any notice required or permitted by this Agreement will be delivered in writing to the applicable party at the address set forth below or at such other address as may be designated by such party in writing.

County:  
Honorable Sarah Eckhardt (or her successor)  
County Judge  
P.O. Box 1748  
Austin, Texas 78767-1748

With a copy to:  
Honorable David Escamilla (or his successor)  
County Attorney  
P.O. Box 1748  
Austin, Texas 78767-1748 Attn: File No. 188.164

Central Health:  
Mike Geeslin (or his successor)  
President and CEO  
Travis County Hospital District  
1111 E. Caesar Chavez St.  
Austin, Texas 78702

With a copy to:  
Honorable David Escamilla (or his successor) County Attorney  
P.O. Box 1748  
Austin, Texas 78767-1748 Attn: File No. 231.19

- 6.2. Change of Address. Each party may change the address for notice to it by giving notice of the change in compliance with this section.
- 6.3. Authorization. Each party represents to the other that it is duly authorized to enter into and perform this Agreement in accordance with its terms. Central Health represents and warrants to the County that the Board of Managers of Central Health has authorized and directed the President and CEO of Central Health to make any payment due hereunder, without any further approval or authorization from any entity or individual, in accordance with the terms of this Agreement.
- 6.4. Relationship of Parties. The parties expressly acknowledge and agree that the County is an independent contractor, operating solely in that capacity, and assumes all of the rights, obligations and liabilities applicable as an independent contractor. No employee of County will be considered an employee of Central Health or gain any rights against Central Health pursuant to Central Health's personnel policies.
- 6.5. Force Majeure. With the exception of the obligation to make payments hereunder, each party will be relieved of any obligation hereunder to the extent that its ability to perform the same is prevented or impaired by any act of a third party or other event or occurrence outside of its control, including without limitation:
  - 6.5.1. strike, work stoppage, or slow down;
  - 6.5.2. illness, death, or disability of key employees;
  - 6.5.3. fire, earthquake, flood, ice storm, tornado, hurricane, or other severe weather conditions;
  - 6.5.4. criminal acts, acts of war, riot, vandalism, terrorism and the like;

- 6.5.5. failure or disruption in the operation of the Internet, any other telecommunications systems or hardware, any software program or any equipment, or any outage of power, water or other utilities; and
  - 6.5.6. any injunction or other court order, administrative order, administrative decision or similar action by any governmental authority that prohibits, restricts, or increases the risk or cost to the County of performing the Services.
- 6.6. Limitation on Damages. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, CONSEQUENTIAL, INDIRECT, ENHANCED, PUNITIVE, OR SIMILAR DAMAGES (INCLUDING LOST PROFITS) HOWSOEVER CAUSED, WHETHER AS A CONSEQUENCE OF NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT, OR INTENTIONAL MISCONDUCT, EVEN IF THE PARTY AGAINST WHOM SUCH DAMAGES ARE SOUGHT HAD REASON TO KNOW OF THE POSSIBLE EXISTENCE OR INCURRENCE OF SUCH DAMAGES.
- 6.7. Claims Notification. If the County receives notice or becomes aware of any claim, or other action, including a proceeding before an administrative agency, that is made or brought by any person, firm, corporation, or other entity against the County or Central Health in relation to the Services provided under this Agreement, the County will give written notice to Central Health of:
- 6.7.1. the claim or other action within five (5) working days after being notified of it or the threat of it;
  - 6.7.2. the name and address of the person, firm, corporation or other entity that made or threatened to make a claim, or that instituted or threatened to institute any type of action or proceeding;
  - 6.7.3. the basis of the claim, action or proceeding;
  - 6.7.4. the court or administrative tribunal, if any, where the claim, action or proceeding was instituted; and
  - 6.7.5. the name or names of any person against whom this claim is being made or threatened.

This written notice will be given in the manner provided in Section 6.0 of this Agreement. Except as otherwise directed, the County will furnish to Central Health copies of all pertinent papers received by Consultant with respect to these claims or actions.

- 6.8. Entire Agreement; Full Satisfaction of Obligations. This Agreement represents the full and final agreement between the parties hereto and supersedes any and all prior written and verbal communications, understandings, and/or agreements.
- 6.9. No Third Party Beneficiaries. No provision of this Agreement is intended to benefit any person or entity, nor will any person or entity not a party to this Agreement have any right



to seek to enforce or recover any right or remedy with respect hereto.

6.10. No Waiver. No course of conduct or verbal waiver or consent will be deemed a waiver by either party of its rights hereunder, and no waiver by either of the parties hereto of any failure by the other party to keep or perform any provisions, covenant, or condition of this Agreement will be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision, covenant, or condition.

6.11. Dispute Resolution.

6.11.1. Definition of Dispute. "Dispute" means any and all disagreements, questions, claims, or controversies arising out of or relating to this Agreement, including the validity, construction, meaning, performance, effect, or breach of the Agreement.

6.11.2. Negotiation. In the event of a Dispute between the parties, the parties will promptly, amicably, and in good faith attempt to resolve the Dispute through informal negotiations. A disputing party will give written notice of the Dispute to the other party that will contain a brief statement of the nature of the Dispute. If the parties are unable to resolve the Dispute within thirty (30) days of the date that the adverse party received written notice of Dispute, the parties may submit to mediation as set forth herein.

6.11.3. Mediation. If a Dispute arises between the parties that cannot be resolved through negotiation, the parties may submit that Dispute to mediation. The parties agree to use a mutually agreed upon mediator, or someone appointed by the Court having jurisdiction, as the provider of mediators for mediation. Unless both parties are satisfied with the result of the mediation, the mediation will not constitute a final and binding resolution of the dispute. All communications within the scope of the mediation will remain confidential as described in Section 154.073 of the Texas Civil Practice and Remedies Code, unless both parties agree, in writing, to waive the confidentiality.

6.12. Amendments. This Agreement may be amended only by an instrument in writing that is signed by both parties. Amendments to this Agreement will be effective as of the date stipulated therein. The County acknowledges that no Central Health officer, agent, employee, or representative has any authority to amend this Agreement unless expressly granted that specific authority by the Central Health Board of Managers. Similarly, Central Health acknowledges that no County officer, agent, employee, or representative has any authority to amend this Agreement unless expressly granted that specific authority by the Travis County Commissioners Court.

6.13. Assignment. Either party may assign any of its obligations under this Agreement only with the prior written consent of the other party. No official, employee, representative, or agent of Central Health has the authority to approve any assignment under this Agreement unless that specific authority is expressly granted by Central Health Board of Managers. Similarly, no official, employee, representative, or agent of the County has the authority to approve any assignment under this Agreement unless that specific authority is expressly granted by the Travis County Commissioners Court. To the extent that any activity

contemplated by this Agreement (including any transfer of a contract, lease or license to Central Health) requires the consent of a third party, Central Health and the County will cooperate to obtain such consent and, if such consent cannot be obtained, to identify a fair and equitable resolution of such issue within the constraints of applicable law.

- 6.14. Attachments. All attachments hereto are expressly made a part of this Agreement and are incorporated herein.
- 6.15. Compliance with Federal, State, and Local Laws. Each party will provide the Services and perform their obligations under this Agreement in compliance with the Constitutions of the United States and Texas and with all applicable federal, state, and local orders, laws, regulations, rules, policies, and certifications governing any activities undertaken during the Agreement Term. To this end, the County will execute and deliver a Business Associate Agreement (attached hereto as Exhibit C) to Central Health simultaneously with the execution of this Agreement.
- 6.16. Law and Venue. The laws of the State of Texas (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement and all of the transactions it contemplates, including, without limitation, its validity, interpretation, construction, performance, and enforcement. Venue for any dispute arising out of this Agreement is in Travis County, Texas.
- 6.17. Severability. If any portion of this Agreement is ruled invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, the remainder of the Agreement will remain valid and binding.
- 6.18. Headings. Headings and titles at the beginning of the various provisions of this Agreement have been included only to make it easier to locate the subject matter covered by the provision and will not be used in construing this Agreement.
- 6.19. Computation of Time. When any period of time is stated in this Agreement, the time will be computed to exclude the first day and include the last day of period. If the last day of any period falls on a Saturday, Sunday, or a day that either County or Central Health has declared a holiday for its employees, the last day is the next business day that is not a County or Central Health holiday.
- 6.20. Gender and Number. Words of any gender in this Agreement will be construed to include any other gender, and words in either singular or plural form will be construed to include the other unless the context in the Agreement clearly requires otherwise.
- 6.21. Public Information Act. The parties acknowledge and agree that each is subject to the provisions of the Texas Public Information Act ("PIA"). If either party receives a request for disclosure of any information related to the Services provided under this Agreement or for information provided to either party under this Agreement that constitutes a record under the PIA, that party will utilize its best efforts to comply with PIA. Each party authorizes the other to submit any information provided under this Agreement or otherwise requested to be disclosed, including information that the other party has labeled as confidential or proprietary, to the Office of the Attorney General for a determination as to

whether any such information may be excepted from public disclosure under the PIA. It is each party's responsibility and obligation to make any legal argument to the Attorney General or court of competent jurisdiction regarding the exception of the information in question from disclosure. The parties waive any claim against and release from liability each other, their officers, board members, employees, agents, and attorneys with respect to disclosure of any of the aforesaid information, including information marked as confidential or proprietary and determined by the Attorney General or a court of competent jurisdiction to be subject to disclosure under the Act. This section will survive the termination of this Agreement.

6.22. Debarment, Suspension and Other Responsibility Matters. The County, by signing this Agreement, hereby certifies that, to the best of its knowledge and belief, it:

6.22.1. is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

6.22.2. has not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes; or the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

6.22.3. is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b); and

6.22.4. has not within a three-year period preceding this Agreement had one or more public transactions (Federal, State, or local) terminated for cause or default.

If the County is unable to certify to any of the statements in this section, the County will provide Central Health with an explanation of its inability to do so, on the understanding that such inability may result in termination of this Agreement by Central Health. Moreover, the County must provide immediate written notice to Central Health if, at any time after execution, the County learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

6.23. Audit. During the term of this Agreement and for a period of four (4) years following termination of this Agreement, Central Health maintains the right to review and audit any of the books and records of the County relating to the County's receipt of payments under this Agreement. Central Health may conduct its review or audit through its own employees, agents, or representatives or through independent external auditors or representatives retained by Central Health. Central Health will conduct such review or audit at its own expense and during regular business hours. The County agrees to retain payment records beyond the fourth year if an audit is in progress, the findings of a completed audit have not been resolved satisfactorily, or litigation involving this Agreement is not finally resolved.

6.24. Inspection. County will maintain and make available for inspection, audit, and/or reproduction by any authorized representative of Central Health or any other governmental agency books, documents, and other evidence pertinent to the costs and expenses of this Agreement. Within seventy-two (72) hours of the receipt of notification that an audit will be made, all materials requested will be made available to Central Health's authorized representatives.

6.25. Waiver of Default or Breach. No waiver by either of the parties hereto of any failure by the other party to keep or perform any provisions, covenant, or condition of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision, covenant, or condition.

**IN WITNESS WHEREOF**, this Agreement has been executed and delivered on behalf of Central Health and the County as of the date set forth below by their duly authorized representatives in one or more counterparts, which together will constitute one agreement.

TRAVIS COUNTY HEALTHCARE  
DISTRICT D/B/A CENTRAL HEALTH

TRAVIS COUNTY

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Mike Geeslin  
President and CEO

\_\_\_\_\_  
Sarah Eckhardt  
County Judge

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**EXHIBIT A**  
**Central Health Certification Form**

[To be added after execution]

**EXHIBIT B**  
**County Mixed Use Facilities**

- A. Clinic owned by County and located at 3518 FM 973, Del Valle, Texas 78617
- B. Clinic owned by County and located at 15822 Foothill Farm Loop, Pflugerville, Texas 78660
- C. Clinic owned by County and located at 600 W. Carrie Manor Rd., Manor, Texas 78653
- D. Clinic owned by County and located at 8656-A Highway 71 West, Suite C, Austin, Texas 78735

**EXHIBIT C**  
**Business Associate Agreement**

For purposes of this Attachment, Central Health is referred to as “Covered Entity” and the County is referred to as “Business Associate.” Travis County and Contractor are collectively referred to as the “parties,” and any reference in this Attachment to the “Service Agreement” means the Interlocal Cooperation Agreement executed between the parties.

1. OBLIGATIONS

1.1. Business Associate acknowledges and agrees that, in the course of providing services under the Service Agreement, it will have access to information that is protected by the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Health Insurance Technology for Economic and Clinical Health Act of 2009 (“HITECH Act”), and current and future regulations promulgated under HIPAA and/or the HITECH Act, as well as Texas laws related to the privacy and security of health information, including, but not limited to, Texas Health and Safety Code Chapters 181 and 182.

1.2. To the extent that Business Associate uses, discloses, maintains, or transmits protected health information (“PHI”) that concerns alcohol and substance abuse treatment, Business Associate acknowledges and agrees that:

(i) such information is protected by 42 C.F.R. Part 2 (“Part 2”), and Business Associate is bound by these regulations;

(ii) Part 2 prohibits Business Associate from further disclosing such information unless disclosure is authorized by Part 2, Subparts D or E, or Business Associate obtains the written consent of the individual whose PHI is to be further disclosed; and

(iii) if necessary, Business Associate will resist any effort to obtain access to such information by initiating judicial proceedings against the person or entity attempting to gain access in contravention of Part 2.

1.3. Obligations of Business Associate and Business Associate Subcontractors. Business Associate agrees (and its Subcontractors will agree through the execution of a written contract) to comply with all of the provisions of this Section 1.3. For purposes of clarification, the obligations set forth in this Section will apply to all of Business Associate’s subcontractors (as that term is defined in 45 C.F.R. 160.103) and subcontractor’s downstream subcontractors who create, receive, use, disclose, or have access to Covered Entity’s PHI. Any reference to Business Associate in this Agreement includes all of Business Associate’s subcontractors, directors, officers, employees, affiliates, agents and representatives, as well as subcontractors’ downstream subcontractors. Business Associate expressly acknowledges and agrees that it will be liable for the actions and omissions of its subcontractor(s) and its subcontractors’ downstream subcontractors (collectively referred to as “Subcontractor” or “Subcontractors”).

1.3.1 *Use Reasonable Safeguards to Secure Protected Health Information.* The HITECH Act and final Omnibus Rule as published at 78 Federal Register 5566 (January 25, 2013) require Business Associate to comply with 45 C.F.R. Sections 164.308, 164.310, 164.312 and 164.316 as if Business Associate were a Covered Entity, and Business Associate agrees that it will comply with those provisions of the Security Standards for the Protection of Electronic Protected

Health Information (the “Security Rule”). Business Associate acknowledges and agrees that the provisions of the Security Rule with which it must comply require Business Associate to:

(i) employ appropriate administrative and physical safeguards, consistent with the size and complexity of Business Associate’s operations, to protect the confidentiality of PHI and to prevent the use or disclosure of PHI in any manner inconsistent with the terms of this Business Associate Agreement. These safeguards will include, without limitation:

(a) implementing written policies and procedures in compliance with HIPAA, HITECH, and the Privacy and Security Rule;

(b) performing a security risk assessment; and

(c) regularly and adequately training its employees, and any Subcontractors who will have access to PHI on the policies and procedures required by HIPAA, HITECH, their implementing regulations, and state law.

(ii) use, to the extent possible, commercially reasonable efforts to secure electronic protected health information (“E PHI”) through technical safeguards that render such E PHI unusable, unreadable and indecipherable to individuals unauthorized to acquire or otherwise have access to such E PHI. At a minimum, Business Associate will use technical safeguards that are compliant with 45 C.F.R. Section 164.312, or such later regulations or guidance promulgated by the U.S. Department of Health and Human Services (“HHS”) or issued by the National Institute for Standards and Technology (“NIST”) that concern the protection of identifiable data such as PHI.

1.3.2 *Use and Disclose Protected Health Information for Permissible Purposes.*

(i) Business Associate agrees that it will:

(a) use or disclose PHI only in connection with fulfilling its duties and obligations under this Business Associate Agreement and the Service Agreement;

(b) not use or disclose PHI other than as permitted by Section 2 of this Business Associate Agreement or as required by Section 1.3.3 of this Agreement; and

(c) not use or disclose PHI in any manner that violates applicable federal and state laws or would violate such laws if used or disclosed in such manner by Covered Entity.

(ii) Business Associate may disclose PHI that is not protected by Part 2 to Subcontractors as necessary to perform its obligations under the Service Agreement and as permitted or required by applicable federal or state law.

(iii) Under no circumstances will Business Associate:

(a) sell PHI in such a way as to violate Texas Health and Safety Code, Chapter 181.153;

(b) use or further disclose genetic information for underwriting purposes;

(c) attempt to re-identify any information in violation of Texas Health and Safety Code Section 181.151, regardless of whether such action would be permitted if performed by the Covered Entity; o



(d) use PHI for marketing purposes in such a manner as to violate Texas Health and Safety Code Section 181.152. Before Business Associate can sell, use, or disclose PHI for marketing purposes, Business Associate must first obtain Covered Entity's written consent.

1.3.3 *Support Covered Entity in Fulfilling its Obligations.* If the Business Associate maintains a Designated Record Set (as defined in 45 C.F.R. 164.501), Business Associate will support Covered Entity in a manner that enables Covered Entity to meet its obligations under 45 C.F.R. Sections 164.524, 164.526, and 164.528. To the extent that Business Associate is asked to carry out Covered Entity's obligations under these sections, Business Associate will comply with the requirements that apply to Covered Entity in the performance of such obligations.

(i) Requests for Access (45 C.F.R. 164.524)

(a) Business Associate will provide Covered Entity with any PHI subject to an individual's request for access within 3 business days of Covered Entity's written request for the same. Unless Covered Entity specifically requests otherwise, the PHI subject to the request will be forwarded in electronic form.

(b) In the event any individual requests access to PHI directly from Business Associate, Business Associate will forward such request to Covered Entity within two (2) business days. Before forwarding any PHI to Covered Entity, Business Associate will indicate in the Designated Record Set, any material it deems unavailable to the individual pursuant to 45 C.F.R. Section 164.524(a)(1). Covered Entity will make the final determination as to the availability of the requested material.

(ii) Requests for Amendment (45 C.F.R. 164.526)

(a) Business Associate will provide Covered Entity with the PHI subject to an individual's request for amendment within 5 business days of Covered Entity's written request for the same. Unless Covered Entity requests otherwise, the PHI subject to the request will be forwarded in electronic form.

(b) In the event any individual requests an amendment of PHI directly from Business Associate, Business Associate will forward such request to Covered Entity within two (2) business days. Before forwarding any PHI to Covered Entity, Business Associate will indicate in the Designated Record Set, any material it deems unavailable for inspection by the individual pursuant to 45 C.F.R. Section 164.524(a)(1). Covered Entity will make the final determination on the request.

(iii) Accounting of Disclosures (45 C.F.R. 164.528)

(a) In order to allow Covered Entity to respond to an individual's request for an accounting, Business Associate will provide Covered Entity with the information required by 45 C.F.R. Section 164.528 within 5 business days of Covered Entity's written request for the same. Unless Covered Entity specifically requests otherwise, the information will be forwarded in electronic form.

(b) In the event any Individual requests an accounting of disclosure of PHI directly from Business Associate, Business Associate will forward such request to Covered Entity within two (2) business days.

(c) At a minimum, Business Associate will provide Covered Entity with the following information:

- the date of the disclosure;
- the name of the entity or person who received the PHI, and if known, the address of such entity or person;
- a brief description of the PHI disclosed; and
- a brief statement of the purpose of such disclosure.

(d) Business Associate will implement an appropriate recordkeeping process to enable it to comply with the requirements of this Subsection 1.3.4.

1.3.4 *Keep Accurate and Detailed Records.* Business Associate will keep such accurate and detailed records pertaining to:

(i) all disclosures of PHI to third parties, including those made to Business Associate's directors, officers, employees, affiliates, agents, Subcontractors, and representatives, other than those disclosures that meet the exception criteria of 45 C.F.R. Section 164.528, for a period of at least six (6) years from the date of termination of this Agreement; and

(ii) the written agreements it enters into with Subcontractors. Business Associate will provide Covered Entity with a copy of such agreements, upon request, and will also keep a written list of all Subcontractors to whom Business Associate discloses PHI.

1.3.5 *Cooperate with Covered Entity and the Secretary.* Business Associate agrees that:

(i) Business Associate will submit such compliance reports, in such time and manner and containing such information, as the Secretary of HHS ("Secretary") may determine to be necessary to verify compliance with applicable HIPAA provisions.

(ii) Business Associate will cooperate with the Secretary, if the Secretary undertakes investigations or compliance review of the policies, procedures, or practices of Covered Entity or Business Associate. Business Associate will also cooperate with Covered Entity, if Covered Entity undertakes an audit to determine Business Associate's compliance with this Business Associate Agreement.

(iii) Business Associate must permit access to the Secretary and Covered Entity, as applicable, during normal business hours to its facilities, books, records, accounts and other sources of information, including PHI, in order for the Secretary or Covered Entity to ascertain Business Associate's compliance with HIPAA provisions.

(a) Notwithstanding the foregoing, if the Secretary determines that exigent circumstances exist, such as when documents may be hidden or destroyed, Business Associate must permit access by the Secretary at any time and without notice.

(b) If any information required of the Business Associate is under the exclusive possession of any other agency, institution, or person and the other agency, institution,

or person fails to furnish the information, the Business Associate must so certify and set forth what efforts it has made to obtain the information.

(c) Business Associate will provide Covered Entity with copies of all documents provided to the Secretary or other regulatory and accreditation authorities.

(iv) In addition to Business Associate's obligations under Section 1.3.5(iii)(c), Business Associate will provide copies of any documents reasonably requested by Covered Entity. Documents will be made available to Covered Entity within fourteen (14) days of Covered Entity's request at no charge.

1.3.6 *Enter into Business Associate Agreements with Subcontractors.*

(i) In accordance with 45 C.F.R. 164.314(a)(2)(B), Business Associate will enter into a signed written agreement with its Subcontractor(s), if any, that:

(a) Binds the Subcontractor to the same provisions, restrictions, and conditions as contained in this Business Associate Agreement;

(b) Contains reasonable assurances from Subcontractor that the PHI will be held confidential as provided in this Business Associate Agreement, and only disclosed as required by law or for the purposes for which it was disclosed to Subcontractor;

(c) Establishes the permitted and required uses and disclosures of PHI by the Subcontractor. The written agreement will not authorize the Subcontractor to use or further disclose PHI in a manner that would violate 45 C.F.R. Parts 160 and 164, Subparts A and E (the "Privacy Rule") or Part 2, if done by Covered Entity;

(d) Obligates Subcontractor to forward a request from an individual to Business Associate on the same day that Subcontractor receives such requests.

(e) Obligates Subcontractor to immediately notify Business Associate of any breaches (including breaches of unsecured PHI as required by 45 C.F.R. 164.410) of the confidentiality of the PHI and Security Incidents (as defined in 45 C.F.R. 164.304) of which it becomes aware; and

(f) Requires the Subcontractor to comply with the applicable requirements of HIPAA (including but not limited to the Security and Privacy Rule) as well as Texas Privacy provisions.

(ii) Business Associate will provide Covered Entity with a copy of each such written agreement, upon request.

1.3.7 *Survival.* The provisions of this Section 1.3 will survive the termination of this Business Associate Agreement for six years.

1.4. Obligations of Covered Entity

1.4.1 *Resolve and Report All Appeals and Complaints.* Any denial of access or amendment to PHI, which is determined by Covered Entity and conveyed to Business Associate by Covered Entity, will be the sole responsibility of Covered Entity. Covered Entity will resolve and report all appeals and/or complaints arising from such denials.

2. RESTRICTIONS ON THE USE AND DISCLOSURE OF PHI

2.1. Except as otherwise specified herein, Business Associate may use or disclose any PHI necessary to perform its obligations under the Service Agreement.

2.2. Improper Uses and Disclosures

2.2.1 Neither Business Associate nor its directors, officers, employees, Subcontractors, or agents will disclose PHI to any person other than a member of their respective workforces, unless disclosure is required by law or authorized by the person whose PHI is to be disclosed.

2.2.2 Business Associate and its Subcontractors will not disclose PHI to any member of its respective workforce unless Business Associate or Subcontractor has advised such member of Business Associate's obligations under this Business Associate Agreement, and of the consequences for such person and for Business Associate or such Subcontractor of violating them. Business Associate will take and will require that each of its Subcontractors and agents take appropriate disciplinary action against any member of its respective workforce who uses or discloses PHI in contravention of this Business Associate Agreement.

2.2.3 If PHI is used or disclosed by Business Associate in violation of this Business Associate Agreement, Business Associate will:

- (i) notify Covered Entity within the timeframe described in Section 2.4;
- (ii) upon Covered Entity's direction, take steps to mitigate any harmful effect that is known to Business Associate and is the result of such improper use or disclosure, and
- (iii) distribute all excess claims payments made under any third-party cyber liability coverage to Covered Entity.

2.3. Minimum Necessary

2.3.1 Business Associate will comply with Section 13405(b) of the HITECH Act, and any regulations or guidance issued by HHS concerning such provision, regarding the minimum necessary standard and the use and disclosure of Limited Data Sets.

2.3.2 Business Associate acknowledges and agrees that Section 13405(b) of the HITECH Act requires Business Associate to limit its uses and disclosures of PHI to either:

- (i) the information making up a Limited Data Set (as defined in 45 C.F.R. 164.514); or
- (ii) the minimum PHI necessary to accomplish the intended purpose of the use or disclosure.

3. REPORTING OF BREACHES, SECURITY INCIDENTS, AND IMPROPER DISCLOSURES

3.1. Definition of Breach. The term "Breach," as used in this Agreement, refers to two distinct types of breaches: a HIPAA Breach and a Breach of System Security.

3.1.1 A "HIPAA Breach" is the unauthorized acquisition, access, use, or disclosure of PHI in a manner not permitted by HIPAA and which compromises the security or privacy of such information.

3.1.2 A "Breach of System Security" means an unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of sensitive personal information (as defined in Section 521.002 of the Texas Business and Commerce Code) maintained

by a person, including data that is encrypted if the person accessing the data has the key required to decrypt the data.

### 3.2. Breach Reporting

3.2.1 In the event of a Breach of any Unsecured PHI (as defined in 45 C.F.R. 402) or sensitive personal information that Business Associate accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds or uses on behalf of Covered Entity, Business Associate will provide notice of the Breach to Covered Entity immediately, but in no event more than three (3) days after discovering the Breach.

(i) For purposes of this Business Associate Agreement, a Breach of Unsecured PHI or sensitive personal information will be treated as discovered by Business Associate as of the first day on which such Breach is known to Business Associate (including any person, other than the individual committing the Breach, who is an employee, officer, Subcontractor, or other agent of Business Associate, as determined in accordance with the federal common law of agency) or should have been known to Business Associate following the exercise of reasonable diligence.

3.2.2 Business Associate will be responsible, both legally and financially, for, unreasonable delays in reporting Breaches to Covered Entity.

3.2.3 Notice of a Breach will include, at a minimum:

(i) the identification of each individual whose PHI or sensitive personal information has been, or is reasonably believed to have been, accessed, acquired, or disclosed during the Breach;

(ii) the date of the Breach, if known, and the date the Breach was discovered;

(iii) a description of the types of PHI or sensitive personal information involved (e.g., names, Social Security numbers, dates of birth, home addresses, or medical record numbers);

(iv) a description of the Business Associate's response to the Breach, if any (i.e., what the Business Associate has done to investigate the Breach and to protect against future Breaches); and

(v) any other reasonable information requested by Covered Entity.

3.3. Duties Following a Breach. In addition to Business Associate's obligations under Section 2.2, Business Associate has a duty to:

3.3.1 inform Covered Entity of any new information learned by Business Associate regarding the Breach;

3.3.2 assist Covered Entity in:

(i) conducting a risk assessment of the Breach;

(ii) providing notice of the Breach as required by the Privacy and Security Rule;

(iii) mitigating, to the extent practicable, any harmful effect of such Breach known to Business Associate;

(iv) pay all costs associated with Business Associates efforts of mitigation and public or individual notice efforts if the breach resulted solely from business associates actions or omissions; or, if the breach resulted from actions or omissions taken (or not taken as the case may be) by both Business Associate and Covered Entity, then each shall bear its proportionate share of the responsibility of the costs; and

(v) appoint a liaison and provide contact information for same so that Covered Entity may ask Business Associate questions or learn additional information about the Breach.

3.4. Reporting of Security Incidents and Improper Disclosures. Business Associate will report to Covered Entity any Security Incident, unauthorized or improper use or disclosure of any PHI under the terms and conditions of this Business Associate Agreement or applicable federal and state laws as soon as practicable, but in no event later than two (2) days of the date on which Business Associate becomes aware of such use or disclosure. The Parties acknowledge that there may be an ongoing existence and occurrence of attempted but unsuccessful security incidents, which include pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service, and any combination of the above that do not result in unauthorized access, use or disclosure of County's protected health information. Business Associate may report to covered entity unsuccessful security incidents in the aggregate at least once each quarter.

#### 4. EQUITABLE REMEDIES

4.1. Business Associate acknowledges and agrees that, if Covered Entity notifies Business Associate of a material breach, as defined in Section 5.2.1, and such breach is not cured by Business Associate within thirty (30) days of said notice, Covered Entity may file an action for injunction against Business Associate to enforce the terms of this Business Associate Agreement. Such proceeding may be brought before any Court having jurisdiction to obtain an injunction.

#### 5. TERM AND TERMINATION

5.1. General Term and Termination. This Business Associate Agreement will become effective on the Effective Date of the Service Agreement and will terminate when all PHI provided by either party to the other, or created or received by Business Associate on behalf of Covered Entity is, in accordance with Section 5, destroyed or returned to Covered Entity or, if it is not feasible to return or destroy PHI, protections are extended to such information, in accordance with the terms of Section 5 of this Business Associate Agreement.

##### 5.2. Termination for Material Breach

5.2.1 Where Covered Entity has knowledge of a material breach by Contractor, Covered Entity may terminate both the Service and Business Associate agreements it has executed with Contractor. Such termination may occur before the expiration of the Service Agreement and without provision of notice or an opportunity for Contractor to cure.

(i) Business Associate commits a material breach of this Agreement if Business Associate:

(a) knows of a pattern of activity or practice of a Subcontractor that constitutes a material breach or violation of the Subcontractor's obligation under the contract or other arrangement, unless the Business Associate takes reasonable steps to cure the breaches or end the violation, as applicable;

(b) impermissibly uses or discloses PHI;

(c) fails to provide Covered Entity with timely and accurate Breach notification;

(d) fails to provide timely access, either to Covered Entity, a requesting individual, or the requesting individual's designee, to a copy of PHI;

(e) fails to provide a timely and accurate accounting;

(f) fails to timely disclose PHI where required by the Secretary;

(g) fails to fully comply with Texas law, the Security Rule, or the Privacy Rule; or

(h) otherwise fails to fully comply with this Business Associate Agreement.

5.2.2 Alternatively, Covered Entity will have the right to cure any breach of Business Associate's obligations under this Business Associate Agreement.

(i) When Covered Entity chooses to exercise this right, Covered Entity will give Business Associate notice of its election to cure any such breach, and Business Associate will cooperate fully.

6. RETURN/DESTRUCTION OF PROTECTED HEALTH INFORMATION UPON TERMINATION. Business Associate acknowledges that, as between Business Associate and Covered Entity, all PHI will be and remain the sole property of Covered Entity, including any and all forms thereof developed by Business Associate or its Subcontractors in the course of fulfillment of its obligations pursuant to this Business Associate Agreement and the Service Agreement. Upon termination of the Business Associate Agreement or Service Agreement for any reason, Business Associate will:

6.1. If feasible, return or destroy all PHI received from, or created or received by Business Associate on behalf of Covered Entity that Business Associate or any of its directors, officers, employees, affiliates, Subcontractors, agents, and representatives still maintain in any form; or

6.1.1 Business Associate agrees that all paper, film, or other hard copy media will be shredded or destroyed such that it may not be reconstructed, and EPHI will be purged or destroyed as set forth in the NIST Guidelines for media sanitization at <http://www.csrc.nist.gov/>.

6.2. If Covered Entity and Business Associate mutually determine that such return or destruction is not feasible, Business Associate's will:

6.2.1 continue to use appropriate safeguards and comply with the Security Rule (45 C.F.R Part 164, Subpart C), with respect to EPHI;

6.2.2 extend the conditions of Section 2 of this Business Associate Agreement to all PHI retained by Business Associate;

6.2.3 further limit the uses and disclosures of PHI to those purposes that that make the return or destruction of the PHI infeasible (i.e., for the purposes for which such PHI was maintained); and

6.2.4 return or destroy the PHI retained as soon as it is no longer needed by Business Associate for the purposes that made the return or destruction of the PHI infeasible.

7. AMENDMENT. If any of the rules or regulations promulgated under HIPAA or state law are amended or interpreted in a manner that renders this Business Associate Agreement inconsistent therewith, Covered Entity may, on thirty (30) days written notice to Business Associate, amend this Business Associate Agreement to comply with such amendments or interpretations.

8. CONFLICTING TERMS AND REQUIREMENTS. In the event any terms of this Business Associate Agreement conflict with any terms of the Service Agreement, the terms of this Business Associate Agreement will govern and control. In the event of any conflict between this Business Associate Agreement and federal or Texas law, the more stringent requirements will govern.



**AMENDMENT ONE OF INTERLOCAL COOPERATION AGREEMENT BETWEEN  
THE TRAVIS COUNTY HEALTHCARE DISTRICT  
AND  
TRAVIS COUNTY, TEXAS  
FOR CASH MANAGEMENT AND INVESTMENT SERVICES,  
RISK AND CLAIM MANAGEMENT, LEGAL SERVICES, AND TELEVISION  
BROADCASTING**

This Amendment One of the Interlocal Cooperation Agreement for Cash Management and Investment Services, Risk Management Services, Risk and Claim Management, Legal Services and Television Broadcasting (this "Amendment") is entered into between the Travis County Healthcare District d/b/a Central Health ("Central Health"), a hospital district created under Chapter 281 of the Texas Health & Safety Code (the "Act"), and County of Travis, (the "County"), a corporate and political subdivision of the State of Texas.

**RECITALS**

The existing Interlocal Cooperation Agreement (the "Agreement") between Central Health and the County for the services began on October 1, 2018. Since then the assets under management for Central Health have increased significantly and the Local Provider Participation Funds ("LPPF") have been added to the assets under management, without an appropriate increase in compensation for the services.

Central Health and the County desire to document the services related to the LPPF assets and adjust the compensation for the services under the Agreement appropriately to ensure the efficient delivery of health care services to indigent and needy residents of the County.

Pursuant to section 6.12 of the Agreement, Central Health and the County are amending the compensation and describing the additional services for LPPF assets.

**AGREEMENT**

1. Increase Compensation. Section 1.2 of the Interlocal Cooperation Agreement is deleted in full and the following section 1.2 is inserted in its place:
  - 1.2. During the Agreement Term, the County will provide cash management and investment services for the operating account portfolio, the pooled bond funds portfolio, and the debt service portfolio of Central Health through the Travis County Cash/Investment Management Division of the Planning and Budget Office ("Cash/Investment Management") and through the Travis County Treasurer's Office ("Treasurer") as described in subsections 1.2.1 and 1.2.2 below. In exchange for these Services, Central Health agrees to pay the County the total annual sum of \$104,918.65, which sum will be paid in monthly installments of \$8,743.22.

2. LPPF Assets. The following section 1.2.3 is inserted between the end of subsection 1.2.2.7 and section 1.3:

1.2.3 During the Agreement Term, the County will provide cash management and investment services for the Local Provider Participation Funds (LPPF) portfolio through Cash/Investment Management and through the Treasurer as described in subsections 1.2.3.1 and 1.2.3.2 below. In exchange for these Services, Central Health agrees to pay the County the total sum of \$18,000.00, which sum will be paid in monthly payments of \$1,500.00.

1.2.3.1 County, through qualified employees assigned to the Cash/Investment Management Division or trained Investment Officers, will provide the following Cash Management Services:

1.2.3.1.1 Inform Central Health if the total balances in the accounts at Central Health's Depository Bank and local government investment pools fall below \$25,000.00;

1.2.3.1.2 Comply with the Investment Policy approved by the Board, including the highest ethical standards and disclosures required by the Texas Public Funds Investment Act;

1.2.3.1.3 Compile and present a list of Broker/Dealers that have been approved by the Travis County Commissioners Court, have expressed interest in doing business with Central Health, and have signed Central Health's Certification Form (attached hereto as Exhibit A) to the Board for approval;

1.2.3.1.4 When purchasing individual securities, make purchases from Broker/Dealers on the list of Broker/Dealers approved by the Commissioners Court and adopted by the Board and purchase notes so that the maturity of the various investments match the timing of the large payments which are anticipated to be made throughout the contract period (e.g., payment for services on contracts and payroll);

1.2.3.1.5 Use the procedures and controls implemented by Cash/Investment Management and the Treasurer to improve the accuracy of cash management and to provide checks and balances in the investment and cash management processes;

1.2.3.1.6 Keep accurate records of all investments and make these records available to the Board and the Administrator for examination and copying upon request;

1.2.3.1.7 Prepare and provide the following reports to the Administrator and the Board:

- 1.2.3.1.7.1a monthly report of new investments and current portfolio composition, and
  - 1.2.3.1.7.2a Quarterly Report on investments and Central Health's portfolio composition as required by the Texas Public Funds Investment Act and the Investment Policy approved by the Board;
  - 1.2.3.1.8 Keep a record of daily deposits, payroll expenses, and other expenses to provide historical information for future cash flow estimates;
  - 1.2.3.1.9 Remain informed about the financial markets to optimize the return on any purchases of Treasury Discount Notes;
  - 1.2.3.1.10 Coordinate with Central Health in an annual review and, when necessary, revision of the Central Health Investment and Collateral Policies and Procedures;
  - 1.2.3.1.11 Monitor the adequacy of collateral on a regular basis; and
  - 1.2.3.1.12 Audit the accuracy of the Depository Bank's Account Analysis, including the calculation of bank charges and earnings credit each month, and communicate variances with the Depository Bank to ensure Central Health pays accurate bank fees.
- 1.2.3.2 During the Agreement Term, the County, through the Treasurer, will provide the following Services:
- 1.2.3.2.1 Wire funds to local government investment pools and to Broker/Dealers via Central Health's Safekeeping Agent, as appropriate for investment and cash management purposes;
  - 1.2.3.2.2 Deposit principal and interest on individual securities to Central Health's Depository Bank account whenever directed by the Cash/Investment Manager. For purposes of this Agreement, the term Cash/Investment Manager means the Travis County Investment Manager or the Travis County Assistant Investment Manager;
  - 1.2.3.2.3 Prepare reports about daily bank account balances, debit and credit details, controlled disbursement, and Automated Clearing House transactions based on information obtained from the electronic information systems provided by Central Health's Depository Bank, and provide a copy of these reports to Cash/Investment Management;
  - 1.2.3.2.4 Analyze the collateral needs of Central Health and purchase adequate

collateral, monitor the adequacy of collateral, substitution of collateral, and safekeeping of collateral;

1.2.3.2.5 Keep and submit accurate records regarding the allocation of staff and the amount of time such staff used to provide the Services during the Agreement Term in order to determine appropriate charges for each Renewal Term;

1.2.3.2.6 Work in collaboration with Central Health's Depository Bank to provide the technology that is required to ensure the security and integrity of all balancing transactions and implement up to date software and hardware to provide the Services; and

1.2.3.2.7 Perform internal audit of all transactions to provide the essential audit trail for all transactions.

3. Notices Section 6.1 of the Agreement is deleted in full and the following section 6.1 is inserted in its place:

6.1 Notices. Any notice required or permitted by this Agreement will be delivered in writing to the applicable party at the address set forth below or at such other address as may be designated by such party in writing.

County:  
Honorable Andy Brown (or his successor)  
County Judge  
P.O. Box 1748  
Austin, Texas 78767-1748

With a copy to:  
Honorable Delia Garza (or her successor)  
County Attorney  
P.O. Box 1748  
Austin, Texas 78767-1748 Attn: File No. 188.164

Central Health:  
Mike Geeslin (or his successor)  
President and CEO  
Travis County Hospital District  
1111 E. Caesar Chavez St.  
Austin, Texas 78702

With a copy to:  
Honorable Delia Garza (or her successor)  
County Attorney  
P.O. Box 1748

Austin, Texas 78767-1748 Attn: File No. 231.19

4. Incorporation of Agreement County and Central Health hereby incorporate this Amendment into the Agreement. County and Central Health hereby ratify all of the terms and conditions of the Agreement as amended.

5. Effective Date The changes and compensation stated in this Amendment are effective on October 1, 2021.

This Amendment has been executed and delivered on behalf of Central Health and the County as of the date set forth below by their duly authorized representatives in one or more counterparts, which together will constitute one agreement.

TRAVIS COUNTY HEALTHCARE  
DISTRICT D/B/A CENTRAL HEALTH

COUNTY OF TRAVIS, TEXAS

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Mike Geeslin  
President and CEO

\_\_\_\_\_  
Andy Brown  
County Judge

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



CENTRAL HEALTH

**Our Vision**

Central Texas is a model healthy community.

**Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

**Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

**BOARD MEETING**

**August 23, 2021**

**AGENDA ITEM C4**

Approve the reappointment of Ms. Patricia “Trish” Young Brown to the Integral Care Board of Trustees as recommended by the Executive Committee.



MEMORANDUM

**To:** Central Health Board of Managers Executive Committee  
**From:** Briana Yanes, Board Governance Manager  
**Cc:** Mike Geeslin, President & CEO  
Perla Cavazos, Deputy Administrator  
**Date:** August 13, 2021  
**Re:** Agenda Item 2- Discuss the reappointment of Ms. Patricia “Trish” Young Brown to the Integral Care Board of Trustees. ACTION ITEM

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**Overview:**

Integral Care’s nine-member volunteer Board of Trustees is appointed by Central Health, the City of Austin and Travis County. Each entity appoints three representatives to reflect the needs of the local community. This memo provides biographical information for Ms. Patricia “Trish” Young Brown, a Central Health appointee who is interested in reappointment to the Integral Care Board of Trustees.

**Synopsis:**

Ms. Patricia “Trish” Young Brown has served as one of Central Health’s appointees to the Integral Care Board since 2020. She is seeking reappointment for an additional two-year term. His bio is attached for your reference.

At the October 2019 Board of Managers meeting, managers established a process for evaluating nominations to the Integral Care Board. The process includes interviewing potential candidates during an Executive Committee meeting. Additionally, the Executive Committee advised staff that interviews would not be necessary for reappointments and that bios or resumes would provide sufficient information to take action.

Ms. Patricia “Trish” Young Brown is currently Chief Partnership Officer for Design Run Group in Austin, Texas. She was previously the Chief Executive Officer of Thinkery, where she served for three years. Trish has more than 20 years of experience leading multiple healthcare and community based organizations. She served as President and CEO of Central Health, the Travis County Healthcare District created by the voters of Travis County in May of 2004. Trish is a long time member of the Austin Area Research Organization, a nonpartisan group of over 100 community committed business leaders that champion regional solutions to regional challenges. She is a Certified Public Accountant and holds a BS in Accounting from the University of Denver. She is currently a part-time student at the Episcopal Seminary of the Southwest, pursuing a Masters of Art in Spiritual Formation (MSF).

**Fiscal Impact:**

No fiscal impact anticipated.

**Recommendation:**

Staff requests that the Executive Committee recommend to the full Board approval of the reappointment of Ms. Patricia “Trish” Young to the Integral Care Board of Directors for another two-year term.





## CENTRAL HEALTH

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*Collaboration* - We partner with others to improve the health of our community.

## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 1**

Discuss and take appropriate action on a resolution of the Board of Managers of the Travis County Healthcare District approving the issuance and the terms, and provisions and pricing, of the District's Certificates of Obligations; approving the form of and requesting that the Travis County Commissioners Court approve and adopt order(s) to authorize the issuance of such Certificates; and other related matters.<sup>3</sup> (*Action item*)

# Central Health Travis County Commissioners' Court

Sale of Certificates of Obligation

August 24, 2021

Mike Geeslin, President and CEO

Jeff Knodel, CFO

Blake Roberts, PFM

# CERTIFICATES OF OBLIGATION TAX EXEMPT SERIES 2021 ESTIMATED PAR VALUE - \$14,255,000

## Hornsby Bend Health & Wellness Center

- Comprehensive Primary Care
- Integrated Behavioral Health
- Limited Pharmacy (Class D)
- Telehealth for select specialty services

## Del Valle Health & Wellness Center

- Comprehensive Primary Care
- Integrated Behavioral Health
- Dental: adult/pediatrics
- Retail Pharmacy (Class A)
- Telehealth for select specialty services



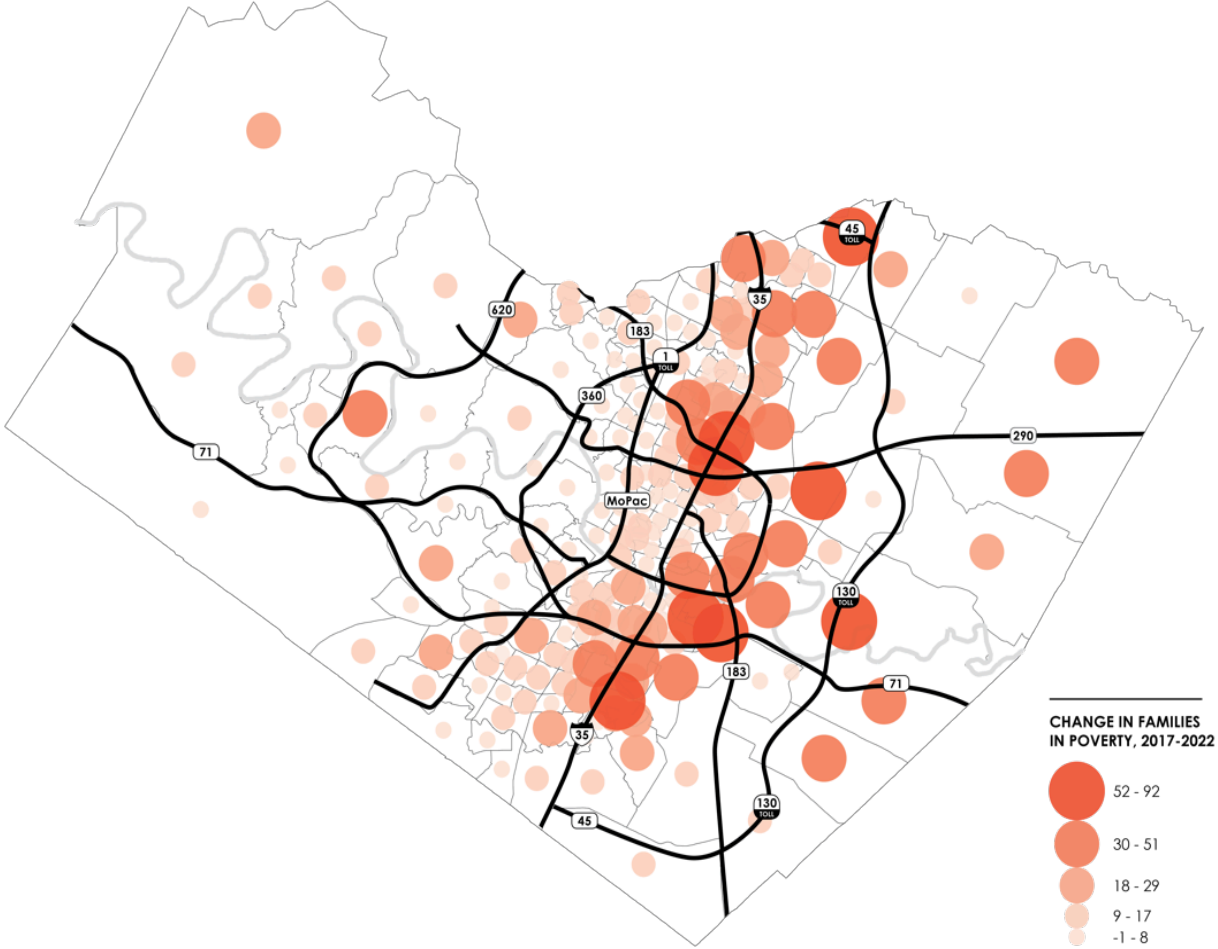
# CERTIFICATES OF OBLIGATION TAXABLE SERIES 2021 ESTIMATED PAR VALUE - \$62,905,000



- Two Units
  - Former Sears Building – Administrative Consolidation and Clinical Space ~9
    - Administrative – 90,000 sq ft
    - Clinical – 100,000 sq ft
  - Existing CommUnityCare clinic ~ 6,000 sq ft
  - Achieves long-term savings from leasing



# Change in Families in Poverty 2017-2022



# Overview

## General

- Hornsby Bend and Del Valle
- Hancock
- Adds over 125,000 square feet of space for upcoming clinical service expansions

## Facility Size

25,500 sq ft  
106,000 sq ft

## Estimated Cost

\$594 per sq ft  
\$320 per sq ft

## Financial

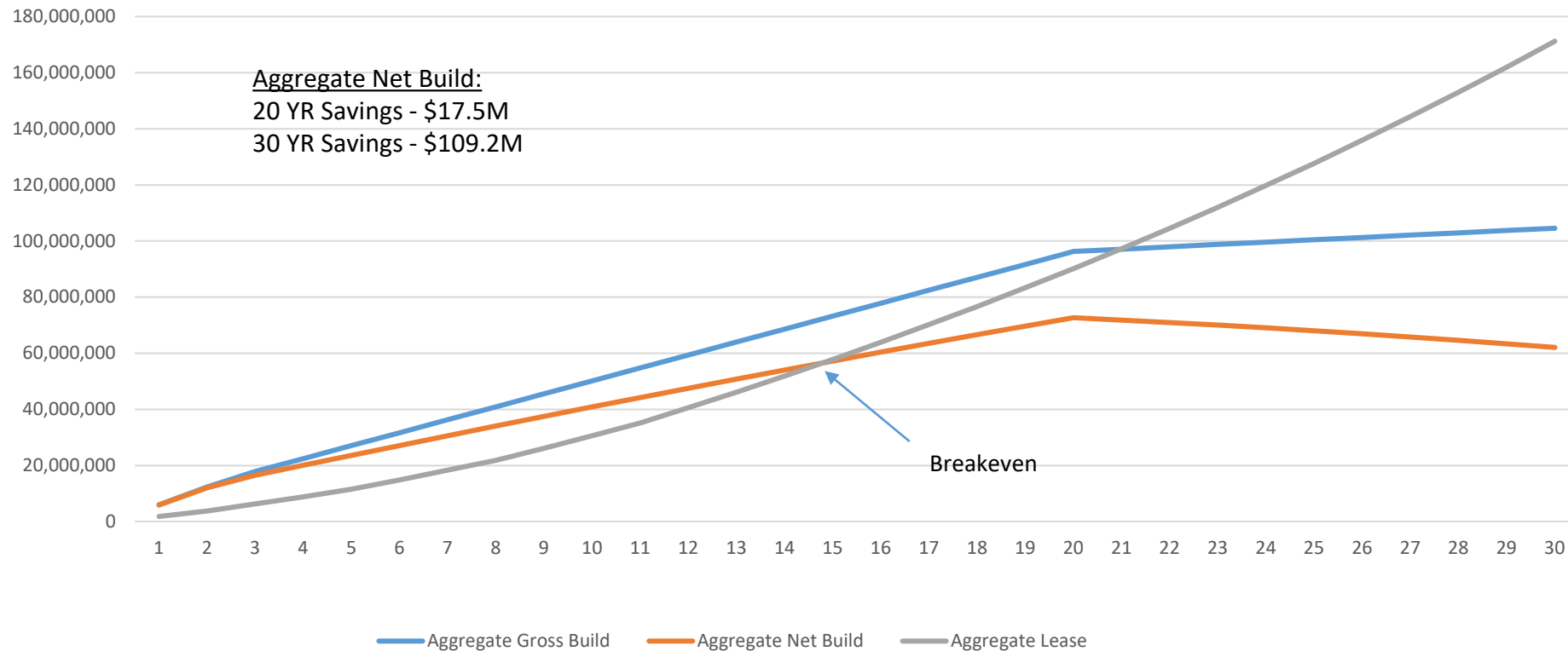
- Debt Term – 20 years – Callable at 10 years
- Substantial savings from Administrative leases
- Ownership benefits include long-term asset appreciation and equity
- Hancock transitions lease costs from M&O portion of property tax rate to debt service portion
- Favorable debt market conditions – takes advantage of low market interest rates and Moody's Aa2 rating



# Comparison Build vs. Lease

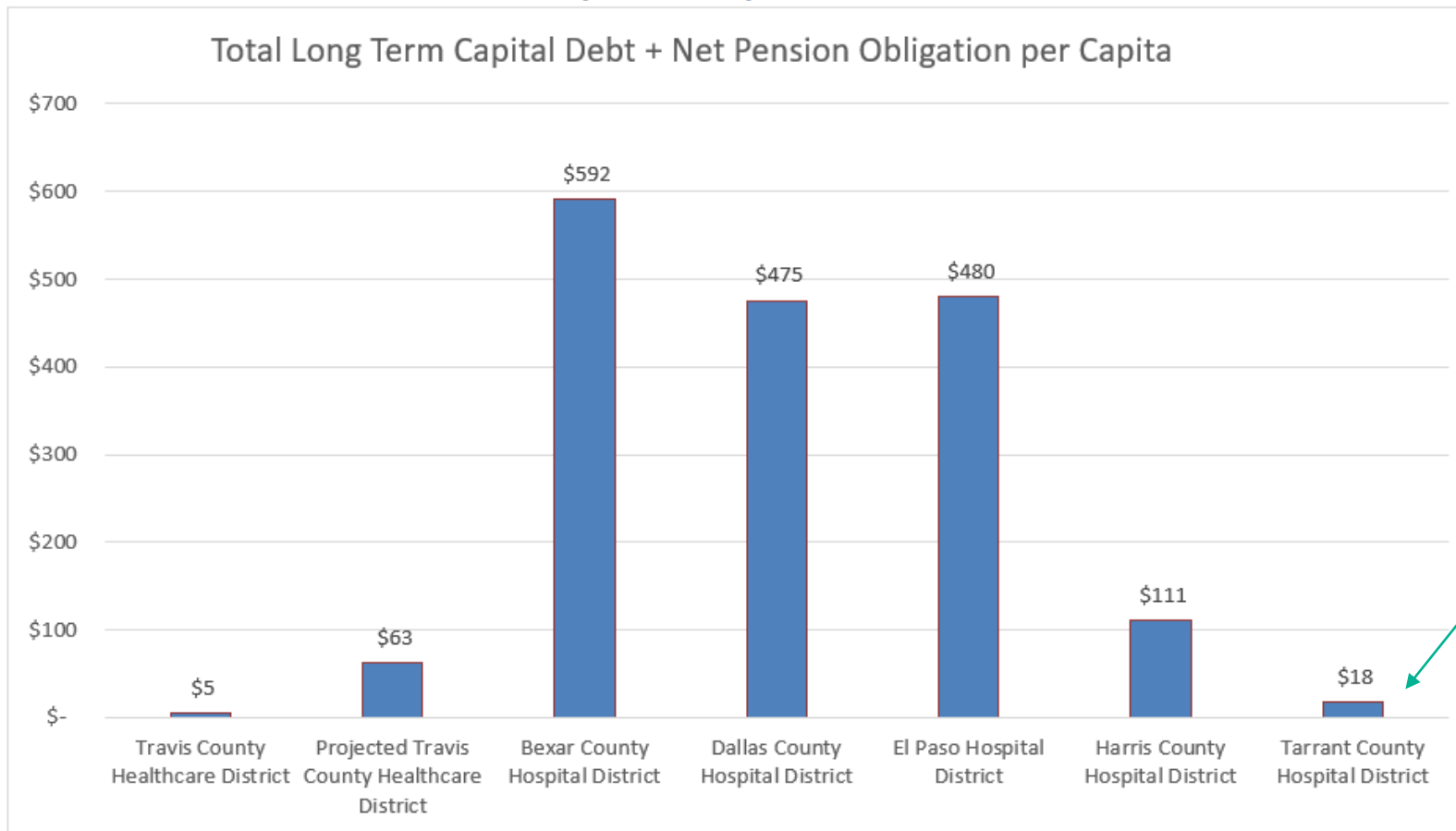
## 20 and 30 YR Savings – Net of Lease Payments

Admin Consolidation/Clinical  
Build vs Lease  
30 Year Aggregate Cost



# Hospital District Debt Comparison per Capita

## MAJOR TEXAS HOSPITAL DISTRICTS: FY 2020 DEBT BURDEN COMPARISON (in millions)



Tarrant County voters approved \$800M in 2018





# Summary of Action Items

EVENT	CH	TCCC
Land Acquisition – Hornsby Bend	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Land Acquisition – Del Valle	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Project Construction Budget Approval – Hornsby Bend/Del Valle	<input checked="" type="checkbox"/>	
Approve Hancock Acquisition – Former Sears Building and CUC Hancock Clinic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Project Acquisition and Renovation Budget Approval	<input checked="" type="checkbox"/>	
Approve Intent to Issue Contractual Obligations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Approve Sale of Contractual Obligations		





# Travis County Healthcare District Final Bond Sale Results

**PFM Financial Advisors LLC**

August 23, 2021

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PFM Financial Advisors LLC  
pfm.com

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111 Congress Ave  
Suite 2150  
Austin, Texas 78701  
512.809.2714



## TCHD's 2021 Bond Issuances - Final Results

- ◆ On Monday, August 23 at 10:00A.M., TCHD accepted competitive bids for its issuance of \$76.385 million in combined tax-exempt and taxable Certificates of Obligation.
  - \$62.755 million taxable COs to fund costs of the Hancock clinical expansion and administrative building consolidation
  - \$13.63 million tax-exempt COs to fund costs of medical clinics at Del Valle and Hornsby Bend
- ◆ Award of the bonds is based on the bidder providing the lowest True Interest Cost to TCHD
- ◆ Central Health Board of Managers and Travis County Commissioners Court to approve the sale of the bonds on August 23 and August 24, respectively
- ◆ Bond closing anticipated to occur on September 21, 2021



## Certificates of Obligation, Series 2021 (Limited Tax) – Final Results

<b>Issuer:</b>	Travis County Healthcare District
<b>Series:</b>	Certificates of Obligation, Series 2021
<b>Final Par Amount:</b>	\$13,630,000
<b>Tax Status:</b>	Tax-Exempt
<b>Bond Ratings (Moody's):</b>	Aa2 (stable outlook)
<b>Amortization:</b>	2022-2041 (20-year bonds)
<b>Optional Redemption:</b>	10-year par call
<b>Security Pledge:</b>	Secured by a pledge of annual ad valorem taxes levied by the Travis County Healthcare District, limited to \$0.25 per \$100 of assessed value
<b>Use of Proceeds:</b>	<ul style="list-style-type: none"><li>- Del Valle and Hornsby Bend clinics</li><li>- Pay costs of issuance</li></ul>
<b>Bond Purchaser</b>	Bank of America
<b>Pricing:</b>	August 23, 2021
<b>Award Date:</b>	August 24, 2021
<b>Expected Closing Date:</b>	September 21, 2021*



## \$13,630,000 Certificates of Obligation, Series 2021 (Limited Tax) – Bid Results

- ◆ TCHD received strong demand in its competitive tax-exempt bond offering with a total of seven (7) banks providing bids:

The following bids were submitted using **PARITY**<sup>®</sup> and displayed ranked by lowest TIC. Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	<a href="#">BofA Securities</a>	1.826056
<input type="checkbox"/>	<a href="#">Robert W. Baird &amp; Co., Inc.</a>	1.826331
<input type="checkbox"/>	<a href="#">Citigroup Global Markets Inc.</a>	1.926910
<input type="checkbox"/>	<a href="#">J.P. Morgan Securities LLC</a>	1.935356
<input type="checkbox"/>	<a href="#">HilltopSecurities</a>	1.972996
<input type="checkbox"/>	<a href="#">Mesirow Financial, Inc.</a>	1.988111
<input type="checkbox"/>	<a href="#">Morgan Stanley &amp; Co, LLC</a>	2.049903



## \$62,755,000 Certificates of Obligation, Taxable Series 2021 (Limited Tax)

<b>Issuer:</b>	Travis County Healthcare District
<b>Series:</b>	Certificates of Obligation, Taxable Series 2021 (Limited Tax)
<b>Final Par Amount:</b>	\$62,755,000
<b>Tax Status:</b>	Taxable
<b>Bond Ratings (Moody's):</b>	Aa2 (stable outlook)
<b>Amortization:</b>	2022-2041 (20-year bonds)
<b>Optional Redemption:</b>	10-year par call
<b>Security Pledge:</b>	Secured by a pledge of annual ad valorem taxes levied by the Travis County Healthcare District, limited to \$0.25 per \$100 of assessed value
<b>Use of Proceeds:</b>	<ul style="list-style-type: none"><li>- Administrative and Clinical Services</li><li>- Pay costs of issuance</li></ul>
<b>Bond Purchaser</b>	Raymond James
<b>Pricing:</b>	August 23, 2021
<b>Award Date:</b>	August 24, 2021
<b>Expected Closing Date:</b>	September 21, 2021



## Certificates of Obligation, Taxable Series 2021 (Limited Tax) – Bid Results

- ◆ TCHD received strong demand in its competitive taxable bond offering with a total of eight (8) banks providing bids:

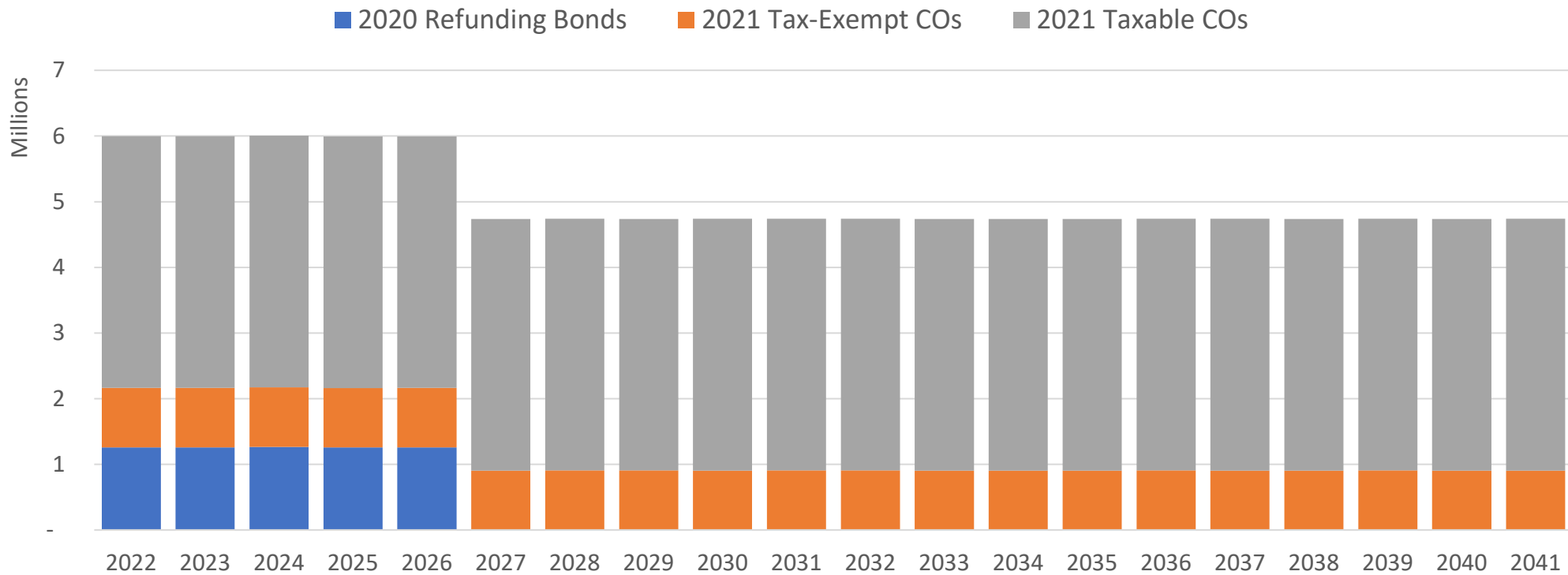
The following bids were submitted using **PARITY**<sup>®</sup> and displayed ranked by lowest TIC. Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	<a href="#">Raymond James &amp; Associates, Inc.</a>	2.118254
<input type="checkbox"/>	<a href="#">Robert W. Baird &amp; Co., Inc.</a>	2.236645
<input type="checkbox"/>	<a href="#">J.P. Morgan Securities LLC</a>	2.382936
<input type="checkbox"/>	<a href="#">Wells Fargo Bank, National Association</a>	2.399292
<input type="checkbox"/>	<a href="#">Citigroup Global Markets Inc.</a>	2.406413
<input type="checkbox"/>	<a href="#">BofA Securities</a>	2.421326
<input type="checkbox"/>	<a href="#">HilltopSecurities</a>	2.509349
<input type="checkbox"/>	<a href="#">Mesirow Financial, Inc.</a>	2.515776



## TCHD's Debt Service Requirements

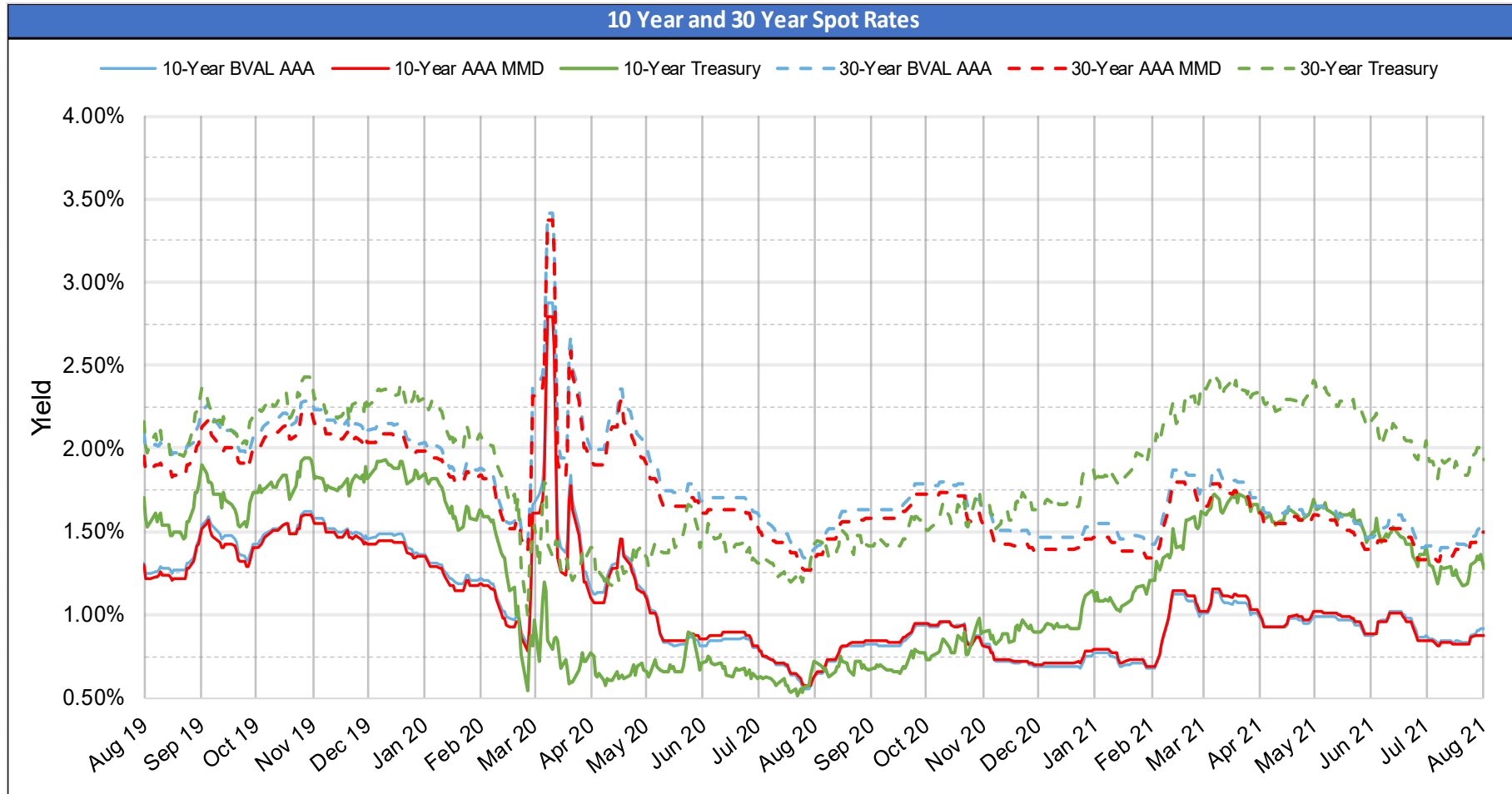
### Travis County Healthcare District - Debt Service







# Interest Rate Trends



10-Year Rates					30-Year Rates				
	Current	Last Week	Last Month	Last Year		Current	Last Week	Last Month	Last Year
MMD	0.88%	0.87%	0.84%	0.63%	MMD	1.50%	1.43%	1.33%	1.33%
Treasury	1.28%	1.30%	1.42%	0.72%	Treasury	1.93%	1.95%	2.05%	1.43%
MMD/TSY	69%	67%	59%	87%	MMD/TSY	78%	73%	65%	93%
BVAL	0.91%	0.88%	0.87%	0.62%	BVAL	1.54%	1.47%	1.42%	1.40%

Source: Bloomberg, Thomson Reuters  
PFM Pricing Group



## Aa2 Rating Assigned by Moody's

- Travis County Healthcare District received a credit rating of **Aa2** (stable outlook) from Moody's Investors Service
- Third highest possible bond rating – reflects assessment of Travis County economic fundamentals and financial and operating assessment of Central Health
- Positive credit factors:
  - Health liquidity and extremely modest debt burden
  - Large tax base that has experience consistent, strong tax base growth
  - Conservative budgeting practices
- Considerations:
  - Health insurance plan capital requirements
  - Federal revenue uncertainty

Source: Moody's report from May 2021.

**MOODY'S**  
INVESTORS SERVICE

**CREDIT OPINION**  
11 June 2021

Rate this Research

**Travis County Healthcare District, TX**  
New issuer

**Summary**  
[Travis County Healthcare District, TX's](#) (Central Health; Aa2 stable) credit profile benefits from its dynamic economic base in the greater [Austin](#) (Aa1 stable) with growth that is showing no signs of slowing. A unique entity amongst its [Texas](#) (Aaa stable) healthcare district peers, the district does not operate a hospital, opting instead to contract out provision of health care services to qualifying residents. Property taxes and federal revenues are the two key revenue streams; the former is growing given sizeable annual base growth, while the latter is subject to risk of reductions pending the outcome of the state's Medicaid 1115 waiver.

The district's cash balance is healthy and its debt burden is nominal, but debt may increase as the system expands into service delivery activities. Governance is key to the district' credit profile and strong, as evidenced in part by the district's strong operational ties to [Travis County, TX](#) (Aaa stable) which must approve the district's annual budgets and tax rates. A perennial challenge, the district operates a health insurance plan that has required capital contributions from the primary government, a trend that is expected to continue as the district looks to grow participation.

**Credit strengths**

- » Continued maintenance of healthy liquidity and an extremely modest debt burden
- » Large tax base that has experienced consistent, strong growth

**Credit challenges**

- » Ongoing provision of support for the district's insurance provider
- » Uncertainty regarding relationship with key service provider and federal revenue

**Rating outlook**  
The stable outlook reflects the hospital's important role within the county that will continue to support stable operations. Additionally, the district's large tax base and conservative budgeting practices will enable the district to maintain a solid financial position.

**Contacts**

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Grayson Nichols VP-Senior Analyst grayson.nichols@moody's.com	+1.214.979.6851

**CLIENT SERVICES**

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454



pfm

AN ORDER AUTHORIZING THE ISSUANCE AND SALE OF TRAVIS COUNTY HEALTHCARE DISTRICT CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2021 (LIMITED TAX); LEVYING A TAX IN PAYMENT THEREOF; AWARDING THE SALE OF THE CERTIFICATES OF OBLIGATION; APPROVING THE OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, pursuant to Subchapter C of Chapter 271, Texas Local Government Code, as amended (the “Act”), and Chapter 281.106, Texas Health and Safety Code, as amended, the Board of Managers (the “Board”) of Travis County Healthcare District (the “District”) is authorized to issue certificates of obligation for the purpose of paying contractual obligations to be incurred for the construction of public works and for other public purposes; and

WHEREAS, pursuant to the provisions of Chapter 281, Texas Health and Safety Code, as amended (“Chapter 281”), the Commissioners Court (the “Commissioners Court”) of Travis County, Texas (the “County”), is the appropriate entity to issue such certificates of obligation, in the name and on behalf of the District; and

WHEREAS, the Board has requested that the Commissioners Court authorize the issuance of a series of certificates of obligation, in the name of and on behalf of the District, for the purpose of paying contractual obligations of the District to be incurred for the purpose of financing the Projects (as hereinafter defined); and

WHEREAS, the certificates of obligation will be payable from the collection of the District’s annual ad valorem tax, levied, within the limits prescribed by law, upon all taxable property within the District, and from a lien on and pledge of certain surplus revenues derived from the operation of the District’s healthcare facilities, such lien and pledge being limited to \$1,000; and

WHEREAS, the Commissioners Court has found and determined that it is necessary and in the best interests of the District that it issue the certificates of obligation authorized by this Order; and

WHEREAS, pursuant to an order heretofore passed by this governing body, notice of the intention to issue certificates of obligation of the District for the purposes and payable as provided in this Order has been (i) published in a newspaper of general circulation in the District, once a week for two (2) consecutive weeks, the date of the first publication being at least forty-six (46) days before the date of this Order and (ii) posted continuously on the District’s website for at least forty-five (45) days before the date of this Order; and

WHEREAS, no petition has been filed with any official of the District or the County protesting the issuance of such certificates of obligation; and

WHEREAS, no bond proposition to authorize the issuance of bonds for the same purpose as any of the Projects being financed with the proceeds of such certificates of obligation was

submitted to the voters of the District during the preceding three (3) years and failed to be approved; and

WHEREAS, the Commissioners Court is now authorized and empowered to authorize the issuance of such certificates of obligation and to sell the same for cash; and

WHEREAS, the meeting at which this Order is considered is open to the public as required by law, and public notice of the time, place, and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended; NOW, THEREFORE,

BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF TRAVIS COUNTY, TEXAS:

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

#### Section 1.01. Definitions; Interpretations.

(a) Unless otherwise expressly provided or unless the context clearly requires otherwise in this Order, the following terms shall have the meanings specified below:

“Board” means the Board of Managers of the District.

“Business Day” means any day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the cities of Austin or Houston, Texas, are authorized by law or executive order to close.

“Certificate” means any of the Certificates.

“Certificate Date” means the date designated as the initial date of the Certificates by Section 3.02(a) of this Order.

“Certificates” means the certificates of obligation authorized to be issued pursuant to Section 3.01 of this Order and designated as “Travis County Healthcare District Certificates of Obligation, Taxable Series 2021 (Limited Tax).”

“Closing Date” means the date of the initial delivery of and payment for the Certificates.

“Commissioners Court” means the Commissioners Court of Travis County, Texas, together with any successor to the duties and functions thereof.

“County” means Travis County, Texas.

“Defeasance Securities” means investment securities authorized by law for the investment of funds to defease public securities, which under current applicable law include (i) direct non-callable obligations of United States of America, including

obligations that are unconditionally guaranteed by the United States of America; (ii) non-callable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; and (iii) non-callable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, which, in the case of (i), (ii) or (iii), may be in book-entry form.

“District” means Travis County Healthcare District.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“EMMA” means the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Event of Default” means any event of default as defined in Section 11.01 of this Order.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means such fiscal year as shall from time to time be set by the District.

“Initial Certificate” means the Initial Certificate authorized by Section 3.04 of this Order.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 2.02 of this Order.

“Interest Payment Date” means the date or dates on which interest on the Certificates is scheduled to be paid until their respective dates of maturity, such dates being September 1 and March 1 of each year, commencing March 1, 2022.

“MSRB” means the Municipal Securities Rulemaking Board.

“Owner” means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

“Paying Agent/Registrar” means the financial institution named in the Paying Agent/Registrar Agreement or any successor thereto, as provided in this Order.

“Paying Agent/Registrar Agreement” means the Paying Agent/Registrar Agreement between the Paying Agent/Registrar and the District pertaining to the Certificates.

“Projects” means the purposes for which the Certificates are issued as set forth in Section 3.01.

“Purchaser” means [\_\_\_\_\_].

“Record Date” means the fifteenth day of the month next preceding an Interest Payment Date.

“Representations Letter” means the Blanket Issuer Letter of Representations between the District and DTC.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b) of this Order.

“Surplus Revenues” means certain surplus revenues derived from the operation of the District’s healthcare facilities, in an amount not to exceed \$1,000, remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements with respect to any of the District’s revenue and other obligations, now outstanding or hereafter issued, that are payable from all or any part of such revenues.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal of or interest on the Certificates as the same come due and payable.

**Section 1.02. Findings.**

The declarations, determinations, and findings declared, made, and found in the preamble to this Order are hereby adopted, restated, and made a part of the operative provisions hereof.

**Section 1.03. Table of Contents, Titles, and Headings.**

The table of contents, titles, and headings of the Articles and Sections of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be

considered or given any effect in construing this Order or any provision hereof or in ascertaining intent, if any question of intent should arise.

**Section 1.04. Interpretation.**

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

(c) Any duty, responsibility, privilege, power or authority conferred by this Order upon an officer shall extend to an individual who occupies such office in an interim, acting or provisional capacity.

**ARTICLE II**

**SECURITY FOR THE CERTIFICATES; INTEREST AND SINKING FUND**

**Section 2.01. Tax Levy.**

(a) Pursuant to the authority granted by the Texas Constitution and the laws of the State of Texas, there shall be levied and there is hereby levied, on behalf of the District, for the current year and for each succeeding year thereafter while any of the Certificates or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the District, at a rate sufficient, within the limit prescribed by law, to pay the debt service requirements of the Certificates, being (i) the interest on the Certificates, and (ii) a sinking fund for their redemption at maturity or a sinking fund of two percent (2%) per annum (whichever amount is the greater), when due and payable, full allowance being made for delinquencies and costs of collection. The Commissioners Court hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the debt service requirements of the Certificates, it having been determined that the existing and available taxing authority of the District for such purpose is adequate to permit a legally sufficient tax in payment thereof.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the District most recently approved in accordance with law, and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Certificates when and as due and payable in accordance with their terms and this Order.

(d) The Commissioners Court, on behalf of the District, hereby covenants and agrees that the Surplus Revenues are hereby irrevocably pledged equally and ratably to the payment of the principal of and interest on the Certificates, as the same become due to the extent the taxes



mentioned above shall ever be insufficient or unavailable for such purpose. The Commissioners Court, on behalf of the District, reserves the right to issue bonds or other obligations for any lawful purpose at any time, in one or more installments that are payable, in whole or in part, from the revenues, including proceeds from its ad valorem tax, of the District. In which event, the payment of debt service, reserve and other requirements with respect to such revenue bonds and other obligations shall be deducted from revenues in determining Surplus Revenues.

(e) If the liens and provisions of this Order shall be released in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit.

**Section 2.02. Interest and Sinking Fund.**

(a) There is hereby established a special fund to be designated the “Travis County Healthcare District Certificates of Obligation, Taxable Series 2021 (Limited Tax) Interest and Sinking Fund” (the “Interest and Sinking Fund”), said fund to be maintained at an official depository bank of the District separate and apart from all other funds and accounts of the District.

(b) Money on deposit in or required by this Order to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying the interest on and principal of the Certificates when and as due and payable in accordance with their terms and this Order.

**ARTICLE III**

**AUTHORIZATION; GENERAL TERMS AND PROVISIONS  
REGARDING THE CERTIFICATES**

**Section 3.01. Authorization.**

The District’s certificates of obligation to be designated “Travis County Healthcare District Certificates of Obligation, Taxable Series 2021 (Limited Tax)” (the “Certificates”), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, specifically Subchapter C of Chapter 271, Local Government Code, as amended, and Chapter 281, Texas Health and Safety Code, as amended. The Certificates shall be issued in the aggregate principal amount of \$[15,155,000] for the purpose of evidencing indebtedness to pay a portion of the costs of (i) the acquisition, construction, improvement, renovation and equipping of buildings and land to be used as medical clinics located in Del Valle and Hornsby Bend, (ii) the acquisition, construction, improvement, renovation and equipping of buildings and land to be used as a site for the management and administration of District services and the delivery and provision of clinical and medical services located at 1000 E 41st Street, Austin, Texas 78751 and (iii) the payment of all professional fees and services related thereto, and to pay the costs of issuing the Certificates.

**Section 3.02. Date, Denomination, Maturities, and Interest.**

(a) The Certificates shall be dated September 1, 2021. The Certificates shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from one upward, except the Initial Certificate, which shall be numbered T-1.

(b) The Certificates shall mature on March 1 in the years and in the principal amounts set forth in the following schedule:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(c) Interest shall accrue and be paid on each Certificate respectively until its maturity from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rates per annum for each respective maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable on each Interest Payment Date. Interest on the Certificates shall be calculated on the basis of a 360-day year of twelve 30-day months.

**Section 3.03. Medium, Method, and Place of Payment.**

(a) The principal of and interest on the Certificates shall be paid in lawful money of the United States of America.

(b) Interest on the Certificates shall be payable to the Owners as shown in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Certificate appearing in the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest shall be paid by check, dated as of and mailed on the Interest Payment Date, and sent United States mail, first class, postage prepaid, by the Paying Agent/Registrar to each Owner of record as of the Record Date, at the address thereof as it appears in the Register, or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, that the Owner shall bear all risk and expense of such other banking arrangement. At the option of an Owner of at least \$1,000,000 principal amount of the Certificates, interest may be paid by wire transfer to the bank account of such Owner on file with the Paying Agent/Registrar.

(d) The principal of each Certificate shall be paid to the Owner thereof on the maturity date thereof upon presentation and surrender of such Certificate at the office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Certificates is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

(f) Unclaimed Payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owners of the Certificates to which such Unclaimed Payments pertain. Subject to Title 6 of the Texas Property Code, any Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment date shall be applied to the next payment or payments on the Certificates thereafter coming due and, to the extent any such money remains three years after the retirement of all outstanding Certificates, such money shall be paid to the District to be used for any lawful purpose. Thereafter, none of the County, the District, the Paying Agent/Registrar or any other person shall be liable or responsible to any Owners of such Certificates for any further payment of such unclaimed moneys or on account of any such Certificates, subject to Title 6 of the Texas Property Code.

**Section 3.04. Execution and Registration of Certificates.**

(a) The Certificates shall be executed by the County Judge, countersigned by the County Clerk by their manual or facsimile signatures, and the official seal of the Commissioners Court shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Certificates shall have the same effect as if each of the Certificates had been signed manually and in person by each of said officers, and such facsimile seal on the Certificates shall have the same effect as if the official seal of the Commissioners Court had been manually impressed upon each of the Certificates.

(b) In the event that any officer of the County whose manual or facsimile signature appears on the Certificates ceases to be such officer before the authentication of such Certificates or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Order unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which certificate shall be evidence that the Certificate has been duly approved by the Attorney General of the State of Texas, that it is a valid and binding obligation of the District, and that it has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Certificate representing the entire principal amount of all Certificates, payable in stated installments to the Representative or its designee, executed by the County Judge and County Clerk, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Representative or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver to DTC on behalf of the Purchaser a single typewritten Certificate for each maturity of the Certificates, in the aggregate principal amount thereof; registered in the name of Cede & Co., as nominee of DTC.

### **Section 3.05. Ownership.**

(a) The County, the District, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal thereof; for the further purpose of making and receiving payment of the interest thereon, and for all other purposes (except that interest will be paid to the person in whose name such Certificate is registered on the Record Date or Special Record Date, as applicable), whether or not such Certificate is overdue, and none of the County, the District or the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Certificate shall be valid and effectual and shall discharge the liability of the District and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

### **Section 3.06. Registration, Transfer, and Exchange.**

(a) So long as any Certificates remain outstanding, the District shall cause the Paying Agent/Registrar to keep at its office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with this Order.

(b) The ownership of a Certificate may be transferred only upon the presentation and surrender of the Certificate at the office of the Paying Agent/Registrar with such endorsement or

other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Certificate shall be effective until entered in the Register.

(c) The Certificates shall be exchangeable upon the presentation and surrender thereof at the office of the Paying Agent/Registrar for a Certificate or Certificates of the same maturity and interest rate and in a denomination or denominations of any integral multiple of \$5,000, and in an aggregate principal amount equal to the unpaid principal amount of the Certificates presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Certificates exchanged for other Certificates in accordance with this Section.

(d) Each exchange Certificate delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the District and shall be entitled to the benefits and security of this Order to the same extent as the Certificate or Certificates in lieu of which such exchange Certificate is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Certificates. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Certificate.

(f) The Paying Agent/Registrar shall not be required to transfer or exchange any Certificate called for redemption in whole or in part during the 45-day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Owner of the unredeemed portion of a Certificate called for redemption in part.

### **Section 3.07. Cancellation.**

All Certificates paid in accordance with this Order, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance with this Order, shall be cancelled and proper records shall be made regarding such payment, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Certificates in accordance with its document retention policies.

### **Section 3.08. Temporary Certificates.**

(a) Following the delivery and registration of the Initial Certificate and pending the preparation of definitive Certificates, the proper officers of the County may execute and, upon such execution, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Certificates that are printed, lithographed, typewritten, mimeographed, or otherwise produced, in any denomination, substantially of the tenor of the definitive Certificates in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions, and other variations as the officers of the County executing such temporary Certificates may determine, as evidenced by their signing of such temporary Certificates.

(b) Until exchanged for Certificates in definitive form, such Certificates in temporary form shall be entitled to the benefit and security of this Order.

(c) The County, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Certificates in definitive form; thereupon, upon the presentation and surrender of the Certificate or Certificates in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar cancel the Certificates in temporary form and shall authenticate and deliver in exchange therefor a Certificate or Certificates of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Certificate or Certificates in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

**Section 3.09. Replacement Certificates.**

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding. The County, the District or the Paying Agent/Registrar may require the Owner of such Certificate to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Certificate is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction, or theft of such Certificate;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar to save it and the County and the District harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar, and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the County, the District or the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Certificate, a bona fide purchaser of the original Certificate in lieu of which such replacement Certificate was issued presents for payment such original Certificate, the County, the District and the Paying Agent/Registrar shall be entitled to recover such replacement Certificate from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by the County, the District or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed, or wrongfully taken Certificate has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Certificate, may pay such Certificate if it has become due and payable or may pay such Certificate when it becomes due and payable.

(e) Each replacement Certificate delivered in accordance with this Section shall constitute an original additional contractual obligation of the County and shall be entitled to the benefits and security of this Order to the same extent as the Certificate or Certificates in lieu of which such replacement Certificate is delivered.

### **Section 3.10. Book-Entry Only System.**

(a) The definitive Certificates shall be initially issued in the form of a single separate fully registered Certificate for each of the maturities thereof. Upon initial issuance of the Certificates, the ownership of such Certificates shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the County, the District and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the County, the District and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register, of any amount with respect to principal of or interest on the Certificates. Notwithstanding any other provision of this Order to the contrary, the County, the District and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute owner of such Certificate for the purpose of payment of principal of and interest on the Certificates, for the purpose of giving notices with respect to such Certificate and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates only to or upon the order of the respective Owners, as shown in the Register, as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a Certificate evidencing the obligation of the District to make payments of amounts due pursuant to this Order. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

(c) The President and Chief Financial Officer is authorized and directed to execute and deliver any agreements, certificates, letters and other instruments (including but not limited

to a Representations Letter) in such form as such official shall approve and deem appropriate to evidence the City's obligations to DTC as securities depository in connection with the delivery of the Certificates and the City's other public securities in book-entry only form.

**Section 3.11. Successor Securities Depository: Transfer Outside Book-Entry-Only System.**

In the event that the District determines that it is in the best interest of the District and the beneficial owners of the Certificates that they be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the District shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability through DTC of certificated Certificates and cause the Paying Agent/Registrar to transfer one or more separate registered Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Order.

**Section 3.12. Payments to Cede & Co.**

Notwithstanding any other provision of this Order to the contrary, so long as the Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in the Representations Letter of the District to DTC.

**ARTICLE IV**

**REDEMPTION OF CERTIFICATES BEFORE MATURITY**

**Section 4.01. Redemption Before Maturity.**

The Certificates shall be subject to redemption before scheduled maturity only as provided in this Article IV.

**Section 4.02. Optional Redemption.**

(a) The District reserves the option to redeem Certificates maturing on and after March 1, 20\_\_, in whole or any part, in principal amounts of \$5,000 or any integral multiple thereof, before their respective scheduled maturity dates, on March 1, 20\_\_, or on any date thereafter, at a price equal to the principal amount of the Certificates called for redemption plus accrued interest to the date fixed for redemption.



(b) If less than all of the Certificates are to be redeemed pursuant to an optional redemption, the District shall determine the maturity or maturities and the amounts thereof to be redeemed and, if less than all of the Certificates within a stated maturity are to be redeemed, the District shall direct the Paying Agent/Registrar to select such Certificates to be redeemed on a pro rata pass-through distribution of principal basis.

(c) The District, at least 45 days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Certificates to be redeemed.

(d) The County will, at the direction or request of the District, take any action necessary to effect a redemption of the Certificates by the District.

**Section 4.03. Mandatory Sinking Fund Redemption.**

(a) The Certificates maturing in the years \_\_\_\_ and \_\_\_\_ (the “Term Certificates”) shall be subject to mandatory sinking fund redemption and will be redeemed by the District, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts set forth in the following schedule:

<u>TERM CERTIFICATES MATURING _____, 20</u>	
<u>Mandatory Redemption Date</u> (March 1)	<u>Principal</u> <u>Amount</u>

(b) At least 45 days prior to each mandatory sinking fund redemption date, the Paying Agent/Registrar shall select for redemption on a pro rata pass-through distribution of principal basis, a principal amount of Term Certificates of such maturity equal to the principal amount of such Term Certificates to be redeemed on such mandatory sinking fund redemption date, shall call such Term Certificates for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.04.

(c) The principal amount of Term Certificates required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the District, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District at a price not exceeding the principal amount of such Term Certificates plus accrued unpaid interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

**Section 4.04. Partial Redemption.**

(a) A portion of a single Certificate of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Certificate is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of the Certificate as though it were a single Certificate for purposes of selection for redemption.

(b) During any period in which ownership of the Certificates to be redeemed is determined by a book-entry at a securities depository for such Certificates, if fewer than all of such Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Board and the securities depository.

(c) Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Order, shall authenticate and deliver an exchange Certificate or Certificates in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered, such exchange being without charge.

**Section 4.05. Notice of Redemption to Owners.**

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Certificate (or part thereof) to be redeemed, at the address shown on the Register at the close of business on the business day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Certificates are to be surrendered for payment, and, if less than all the Certificates outstanding are to be redeemed, an identification of the Certificates or portions thereof to be redeemed.

(c) The District reserves the right to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the District retains the right to rescind such notice at any time prior to the scheduled redemption date if the District delivers a certificate to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the District to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

(d) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

**Section 4.06. Payment Upon Redemption.**

(a) Before or on each redemption date, the District shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Certificates to be redeemed on such date by setting aside and holding in trust such amounts as are received by the Paying Agent/Registrar from the District and shall use such funds solely for the purpose of paying the principal of and accrued interest on the Certificates being redeemed.

(b) Upon presentation and surrender of any Certificate called for redemption to the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of and accrued interest on such Certificate to the date of redemption from the money set aside for such purpose.

**Section 4.07. Effect of Redemption.**

(a) Notice of redemption having been given as provided in Section 4.05 of this Order, and subject, in the case of an optional redemption under Section 4.02, to any conditions or rights reserved by the District under Section 4.05(c), the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the District fails to make provision for the payment of the principal thereof or accrued interest thereon, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If the District shall fail to make provision for payment of all sums due on a redemption date, then any Certificate or portion thereof called for redemption shall continue to bear interest at the rate stated on the Certificate until due provision is made for the payment of same by the District.

**ARTICLE V**

**PAYING AGENT/REGISTRAR**

**Section 5.01. Appointment of Initial Paying Agent/Registrar.**

The selection and appointment by the District of the Paying Agent/Registrar named in the Paying Agent/Registrar Agreement presented with this Order as the initial Paying Agent/Registrar for the Certificates is hereby approved and confirmed. The Commissioners Court hereby approves the execution and delivery of the Paying Agent/Registrar Agreement in substantially the form presented with this Order.

**Section 5.02. Qualifications.**

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Certificates.

**Section 5.03. Maintaining Paying Agent/Registrar.**

(a) At all times while any of the Certificates are outstanding, the District will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Order.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the District will promptly appoint a replacement.

**Section 5.04. Termination.**

The District, upon not less than 60 days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination.

**Section 5.05. Notice of Change to Owners.**

Promptly upon each change in the entity serving as Paying Agent/Registrar, the District will cause notice of the change to be sent to each Owner by United States mail, first class, postage prepaid, at the address thereof in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

**Section 5.06. Agreement to Perform Duties and Functions.**

By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Order and that it will perform the duties and functions of Paying Agent/Registrar prescribed herein

**Section 5.07. Delivery of Records to Successor.**

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Certificates to the successor Paying Agent/Registrar.

**ARTICLE VI**

**FORM OF THE CERTIFICATES**

**Section 6.01. Form Generally.**

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment

form to appear on each of the Certificates, (i) shall be substantially in the form set forth in Exhibit A hereto, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Commissioners Court or by the officers executing such Certificates, as evidenced by their execution thereof.

(b) Any portion of the text of any Certificates may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Certificates.

(c) The definitive Certificates, if any, shall be typewritten, photocopied, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof.

(d) The Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

**Section 6.02. CUSIP Registration; Legal Opinion.**

(a) The District may secure identification numbers through the CUSIP Global Services managed by S&P Global Market Intelligence on behalf of The American Bankers Association and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Certificates shall be of no significance or effect in regard to the legality thereof and none of the County, the District or the attorneys approving said Certificates as to the legality are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

(b) The approving opinion of Orrick, Herrington & Sutcliffe LLP, Austin, Texas, Bond Counsel, may be attached to or printed on the reverse side of each Certificate.

**ARTICLE VII**

**SALE AND DELIVERY OF CERTIFICATES; DEPOSIT OF PROCEEDS**

**Section 7.01. Sale of Certificates; Official Statement.**

(c) The Certificates are hereby officially sold and awarded to and shall be delivered to the [\_\_\_\_\_], the Purchaser, at the price equal to the principal amount thereof[, plus a cash net premium of \$[\_\_\_\_\_]]. It is hereby official found, determined and declared that the Purchaser submitted the bid which results in the lowest net effective interest rate to the District. The Certificates shall initially be registered in the name of the Purchaser or its designee.

(a) The form and substance of the Preliminary Official Statement for the Certificates and any addenda, supplement or amendment thereto and the final official statement (the "Official Statement") have been approved by official action of the Board in accordance with the

requirements of paragraph (b)(1) of the Rule. The use and distribution of the Preliminary Official Statement in the preliminary public offering of the Certificates by the Purchaser is hereby ratified, approved and confirmed. The County Clerk is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting.

(b) All officers of the County and the District are authorized to execute such documents, certificates and receipts, as they may deem appropriate in order to consummate the delivery of the Certificates in accordance with the terms of, and to carry out purposes of, this Order. The Board, or its designee, is hereby authorized to approve the payment of all costs of issuance relating to the Certificates.

(c) Bond Counsel is hereby authorized to make nonsubstantive changes to the terms of this Order if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Certificates by the Attorney General of Texas.

**Section 7.02. Control and Delivery of Certificates.**

(a) The Chairman of the Board or his designee is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining thereto pending investigation, examination, and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Certificates shall be made to the Purchaser under and subject to the general supervision and direction of the Chairman of the Board or his designee, against receipt by the District of all amounts due to the District under the terms of sale.

**Section 7.03. Deposit of Proceeds.**

(a) Any amount of premium received on the Closing Date that is not required to pay the cost of issuing the Certificates shall be deposited to the Interest and Sinking Fund.

(b) The remaining proceeds received on the Closing Date shall be deposited to a special account of the District, held at a depository bank of the District, such moneys to be dedicated and used solely for the purposes for which the Certificates are being issued as herein provided. Any amounts remaining in such account following payment of the costs of the Projects and the costs of issuing the Certificates shall be transferred to the Interest and Sinking Fund.

**ARTICLE VIII**

**INVESTMENTS**

**Section 8.01. Investments.**

(a) Money in the Interest and Sinking Fund created by this Order and any of the funds to be deposited pursuant to Section 7.03(b) hereof, at the option of the District, may be invested in

such securities or obligations as permitted under applicable law as in effect on the date of the investment.

(b) Any securities or obligations in which money in the Interest and Sinking Fund is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the Interest and Sinking Fund.

**Section 8.02. Investment Income.**

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such fund.

(b) Interest and income derived from investment of the funds to be deposited pursuant to Section 7.03(b) hereof shall be credited to the account where deposited until the payment of the costs of the Projects is completed and thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

**ARTICLE IX**

**PARTICULAR REPRESENTATIONS AND COVENANTS**

**Section 9.01. Payment of the Certificates.**

On or before each Interest Payment Date for the Certificates and while any of the Certificates are outstanding and unpaid, the District shall make available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such principal of and interest on the Certificates as will accrue or mature on the applicable Interest Payment Date or maturity date. Such transfer of funds shall be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar not later than the close of business on the Business Day next preceding the date of payment for the Certificates.

**Section 9.02. Other Representations and Covenants.**

(a) The District will faithfully perform, at all times, any and all covenants, undertakings, stipulations, and provisions contained in this Order and in each Certificate; the District will promptly pay or cause to be paid the principal of and interest on each Certificate on the dates and at the places and in the manner prescribed in such Certificate; and will, at the times and in the manner prescribed by this Order, deposit or cause to be deposited the amounts of money specified by this Order.

(b) The Commissioners Court is duly authorized under the laws of the State of Texas to issue the Certificates in the name and on behalf of the District; all action on its part for the creation and issuance of the Certificates has been duly and effectively taken; and the Certificates in the hands of the Owners thereof are and will be valid and enforceable obligations of the District in accordance with their terms.

**Section 9.03. Tax Exemption of Certificates.**

The District does not intend that the interest on the Certificates shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the “Code”).

**ARTICLE X**

**DEFAULT AND REMEDIES**

**Section 10.01. Events of Default.**

Each of the following occurrences or events for the purpose of this Order is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement, or obligation of the District, which default materially and adversely affects the rights of the Owners, including but not limited to their prospect or ability to be repaid in accordance with this Order, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the District.

**Section 10.02. Remedies for Default.**

(a) Upon the happening of any Event of Default, any Owner or an authorized representative thereof, including but not limited to a trustee or trustees therefor, may proceed against the District for the purpose of protecting and enforcing the rights of the Owners under this Order by mandamus or other suit, action or special proceeding in equity or at law in any court of competent jurisdiction for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Certificates then outstanding.

**Section 10.03. Remedies Not Exclusive.**

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Order, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Order.



(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

## ARTICLE XI

### DEFEASANCE

#### Section 11.01. Defeasance.

The County, on behalf of the District, may defease the provisions of this Order and discharge the District's obligation to the Owners of any or all of the Certificates to pay the principal of and interest thereon in any manner now or hereafter permitted by law, including (but not limited to) by depositing with the Registrar, a trust company, commercial bank or other eligible financial institution, or with the Comptroller either:

(a) cash in an amount equal to the principal amount of and interest on the Certificates to the date of maturity or earlier redemption, if any, or

(b) pursuant to an escrow or trust agreement, cash and/or Defeasance Securities, the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such escrow at the same time and available for such purpose, shall be sufficient to provide for the timely payment of the principal of and interest on the Certificates to the date of maturity or earlier redemption, if any;

provided, however, that if any of such Certificates are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in this Order. Upon such deposit, such Certificates shall no longer be regarded to be outstanding or unpaid. Any surplus amount not required to accomplish such defeasance shall be returned to the District.

## ARTICLE XII

### CONTINUING DISCLOSURE UNDERTAKING

#### Section 12.01. Annual Reports.

(a) By its official action, the Board has acknowledged and agreed that the District is an "obligated person" within the meaning of the Rule and has undertaken for the benefit of the Owners, so long as the Certificates remain outstanding and unpaid, to provide annually to the MSRB, within six (6) months after the end of each Fiscal Year ending in or after 2021, financial information and operating data with respect to the District of the general type included in the final Official Statement, being the information described paragraph 1 in Exhibit B hereto. In addition, the District will provide annually to the MSRB, within twelve (12) months after the end of each Fiscal Year ending in or after 2021, financials statements of the District if audited financial statements of the District are then available. If the audit of such financial statements is not complete

within twelve (12) months after any such Fiscal Year end, then the District shall file unaudited financial statements within such twelve (12)-month period and audited financial statements for the applicable Fiscal Year, when and if the audit report on such statements becomes available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit B hereto, and (ii) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided.

(b) If the District changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new Fiscal Year end) prior to the next date by which the District otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to MSRB or filed with the SEC.

#### **Section 12.02. Material Event Notices.**

(a) The District shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than ten Business Days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (i) nonpayment related defaults, if material;
- (ii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) substitution of credit or liquidity providers, or their failure to perform;
- (v) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
- (vi) modifications to rights of Owners, if material;
- (vii) bond calls, if material, and tender offers;
- (viii) defeasance;
- (ix) release, substitution, or sale of property securing repayment of the Certificates, if material;
- (x) rating changes;

(xi) bankruptcy, insolvency, receivership, or similar event of the District;

(xii) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiii) appointment of a successor or additional paying agent/registrars or the change of name of a paying agent/registrars, if material; and

(xiv) incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material; and

(xv) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

(b) For these purposes, (a) any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District, and (b) the District intends the words used in the immediately preceding paragraphs (xv) and (xvi) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

(c) The District shall notify the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with Section 12.02 of this Order by the time required by such Section.

### **Section 12.03. Limitations, Disclaimers and Amendments.**

(a) The District shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the District remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the District in any event will give notice of any redemption calls and any defeasances that cause the District to be no longer an “obligated person.”

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Certificates, and nothing in this Article, express or implied, shall give any benefit or

any legal or equitable right, remedy, or claim hereunder to any other person. The District undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the District's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The District does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(c) No default by the District in observing or performing its obligations under this Article shall constitute a breach of or default under the Order for purposes of any other provisions of this Order.

(d) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the District under federal and state securities laws.

(e) The provisions of this Article may be amended at the written request of the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, but only if (i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Order that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (B) an entity or individual person that is unaffiliated with the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. The provisions of this Article may also be amended from time to time or repealed by the District if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the District's right to do so would not prevent underwriters of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the District so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

## ARTICLE XIII

### AMENDMENTS TO ORDER

#### **Section 13.01. Amendments to Order.**

(a) The Commissioners Court, acting on behalf of the District, reserves the right to amend this Order without the consent of or notice to any registered owners of the Certificates in any manner not detrimental to the interest of the Owners for the purpose of curing any ambiguity, inconsistency, manifest error, formal defect or omission in the Order.

(b) In addition to subparagraph (a) above, the Commissioners Court further reserves the right, but only with the written consent of the Owners of a majority in aggregate principal amount of the Certificates then outstanding, to amend, add to, or rescind any of the provisions of this Order.

(c) Without the consent of the Owners of all of the Certificates then outstanding, no amendment, addition or rescission may (i) extend the time or times of payment of the principal of and interest on the Certificates, (ii) reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of and interest on the Certificates; (iii) give any preference to any Certificate over any other Certificate, or (iv) reduce the aggregate principal amount of Certificates required to be held by Owners for consent to any such amendment, addition or rescission.

#### **Section 13.02. Notice and Adoption of Amendment.**

If the District desires to amend this Order and such amendment requires the consent of the Owner pursuant to Section 13.01, the District shall cause notice of the proposed amendment to be given in writing to each Owner of Certificates then outstanding. If, within 30 days, or such longer period as shall be prescribed by the District, following the giving of such notice, the Owners of Certificates then outstanding in the aggregate principal amount required by Section 13.01 shall have consented to the amendment as herein provided, no Owner of a Certificate shall have any right to object to any of the terms and provisions contained therein, or in any manner to question the propriety of the execution thereof; and all the rights of all Owners of Certificates shall thereafter be determined, exercised, and enforced hereunder subject in all respects to such amendment.

#### **Section 13.03. Consent of Owners Irrevocable.**

Any consent given by any Owner of a Certificate pursuant to the provisions of this Article shall be irrevocable and binding on all future Owners of the same Certificate from the date of such consent.

## ARTICLE XIV

### MISCELLANEOUS

#### **Section 14.01. Benefits of Order.**

Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon any person other than the County, the District, the Paying Agent/Registrar and the Owners, any right, remedy, or claim, legal or equitable, under or by reason of this Order or any provision hereof; this Order and all its provisions being intended to be and being for the sole and exclusive benefit of the County, the District, the Paying Agent/Registrar and the Owners.

#### **Section 14.02. Inconsistent Provisions.**

All orders or resolutions, or parts thereof; which are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict, and the provisions of this Order shall be and remain controlling as to the matters contained herein.

#### **Section 14.03. Governing Law.**

This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

#### **Section 14.04. Severability.**

If any provision of this Order or the application thereof to any circumstance shall be held to be invalid, the remainder of this Order and the application thereof to other circumstances shall nevertheless be valid, and the Court hereby declares that this Order would have been enacted without such provision.

#### **Section 14.05. Further Procedures.**

The officers and employees of the County and/or District are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the County and/or District all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the initial sale and delivery of the Certificates, the Paying Agent/Registrar Agreement and the Official Statement. In case any officer of the County and/or District whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in his office until such delivery.

**Section 14.06. Effective Date.**

This Order shall be in full force and effect from and upon its adoption.

PASSED AND APPROVED this August 24, 2021.

COMMISSIONERS COURT  
TRAVIS COUNTY, TEXAS

DISTRICT'S ACCEPTANCE OF AND AGREEMENT TO  
PERFORM DUTIES UNDER THIS ORDER

Travis County Healthcare District, acting by and through its Board of Managers, hereby accepts and agrees to the terms and provisions of this Order and agrees to perform the obligations and duties of the District required hereunder.

TRAVIS COUNTY HEALTHCARE DISTRICT

By: \_\_\_\_\_  
Chairperson, Board of Managers



**EXHIBIT A**  
**FORM OF CERTIFICATE**

(a) Form of Certificate

United States of America  
State of Texas

REGISTERED  
No. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

TRAVIS COUNTY HEALTHCARE DISTRICT  
CERTIFICATES OF OBLIGATION  
TAXABLE SERIES 2021 (LIMITED TAX)

INTEREST RATE:  
%

MATURITY DATE:  
\_\_\_\_\_, \_\_\_\_

CERTIFICATE DATE:  
September 1, 2021

CUSIP:

TRAVIS COUNTY HEALTHCARE DISTRICT (the "District"), for value received, promises to pay to

\_\_\_\_\_ or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

and to pay interest on such principal amount from the later of the Certificate Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on September 1 and March 1 each year, commencing March 1, 2022.

The principal of this Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the office in Austin, Texas, of Bank, N.A., as Paying Agent/Registrar, or, with respect to a successor Paying Agent/Registrar, at the designated payment/transfer office of such successor. Interest on this Certificate is payable by check dated as of the interest payment date, and will be mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the registered owner; provided, however, such registered owner shall bear all risk and expense of such other banking arrangement. At the option of an Owner of at least \$1,000,000 in principal amount of the Certificates, interest

may be paid by wire transfer to the bank account of such Owner on file with the Paying Agent/Registrar. For the purpose of the payment of interest on this Certificate, the registered owner shall be the person in whose name this Certificate is registered at the close of business on the "Record Date," which shall be the fifteenth day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days (as hereinafter defined) prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing such notice.

If the date for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the cities of Austin or Houston, Texas, are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions in the cities of Austin and Houston, Texas, are required or authorized to close (a "Business Day"), and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

This Certificate is one of a series of fully registered certificates specified in the title hereof issued in the aggregate principal amount of \$[15,155,000] (herein referred to as the "Certificates"), issued, on behalf and in the name of the District, pursuant to a certain order of the Commissioners Court of Travis County, Texas (the "Order"). The Certificates are issued for the purpose of paying contractual obligations to be incurred by the District for making permanent public improvements with respect to the District's healthcare facilities, as further described in the Order, and to pay all professional fees and services related thereto (collectively, the "Projects") and to pay the costs of issuing the Certificates.

The Certificates maturing on and after March 1, 20\_\_, are subject to optional redemption, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, before their respective scheduled maturity dates, on March 1, 20\_\_, or on any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption. If less than all of the Certificates are to be redeemed pursuant to an optional redemption, the District shall determine the maturity or maturities and the amounts thereof to be redeemed and, if less than all of the Certificates within a stated maturity are to be redeemed, the District shall direct the Paying Agent/Registrar to select such Certificates to be redeemed on a pro rata pass-through distribution of principal basis.

The Certificates maturing in the years \_\_\_\_ and \_\_\_\_ (the "Term Certificates") shall be subject to mandatory sinking fund redemption and will be redeemed by the District, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the

redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts set forth in the following schedule:

<u>TERM CERTIFICATES MATURING _____, 20</u>	
Mandatory Redemption Date (March 1)	Principal Amount

At least 45 days prior to each mandatory sinking fund redemption date, the Paying Agent/Registrar shall select for redemption on a pro rata pass-through distribution of principal basis, a principal amount of Term Certificates of such maturity equal to the principal amount of such Term Certificates to be redeemed on such mandatory sinking fund redemption date, shall call such Term Certificates for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in the Order.

The principal amount of Term Certificates required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the District, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District at a price not exceeding the principal amount of such Term Certificates plus accrued unpaid interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Not less than 30 days prior to a redemption date for the Certificates, the Paying Agent/Registrar shall give a notice of redemption to be sent by United States mail, first class, postage prepaid, to the Owners of the Certificates to be redeemed at the address of the Owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice.

The District reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the District retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the District delivers a certificate of the District to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption and such redemption has been rescinded shall

remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the District to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the District in the notice, the Certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any Certificate or portion thereof has not been surrendered for payment, interest on such Certificates or portions thereof shall cease to accrue.

As provided in the Order, and subject to certain limitations therein set forth, this Certificate is transferable upon surrender of this Certificate for transfer at the office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Certificates of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The County, the District, the Paying Agent/Registrar, and any other person may treat the person in whose name this Certificate is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Certificate is registered on the Record Date) and for all other purposes, whether or not this Certificate be overdue, and none of the County, the District nor the Paying Agent/Registrar shall be affected by notice to the contrary.

It is hereby certified and recited that the issuance of this Certificate and the series of which it is a part is duly authorized by law; that all acts, conditions, and things to be done precedent to and in the issuance of the Certificates have been properly done and performed and have happened in regular and due time, form, and manner as required by law; that ad valorem taxes upon all taxable property in the District have been levied for and pledged to the payment of the debt service requirements of the Certificates within the limit prescribed by law; that, in addition to said taxes, further provisions have been made for the payment of the debt service requirements of the Certificates by pledging to such purpose Surplus Revenues, as defined in the Order, derived by the District from the operation of the District's healthcare facilities in an amount limited to \$1,000; that when so collected, such taxes and Surplus Revenues shall be appropriated to such purposes; and that the total indebtedness of the District, including the Certificates, does not exceed any constitutional or statutory limitation.

In witness whereof, the Commissioners Court, on behalf and in the name of the District, has caused this Certificate to be executed by the manual or facsimile signature of the County Judge and countersigned by the manual or facsimile signature of the County Clerk, and the official seal of the Commissioners Court has been duly impressed, or placed in facsimile, on this Certificate.

(SEAL)

\_\_\_\_\_  
County Judge, Travis County, Texas  
On behalf of the Travis County Healthcare District

\_\_\_\_\_  
County Clerk, Travis County, Texas  
On behalf of the Travis County Healthcare District

\* \* \* \* \*

(b) Form of Comptroller's Registration Certificate

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. \_\_\_\_\_

I hereby certify that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Certificate has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts of the  
State of Texas

(SEAL)

\* \* \* \* \*

(c) Form of Registrar's Authentication Certificate

The following Comptroller's Registration Certificate may be deleted from the definitive Certificates if such certificate on the Initial Certificate is fully executed.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Certificate has been delivered pursuant to the Order described in the text of this Certificate, in exchange for or in replacement of a Certificate, Certificates or a portion of a Certificate or Certificates of an issue of Certificates which was originally approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

UMB Bank, N.A.,  
as Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Signature \_\_\_\_\_  
Date of Authentication: \_\_\_\_\_

\* \* \* \* \*

(d) Form of Assignment

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Please print or type name, address, and zip code of Transferee)

\_\_\_\_\_  
(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer such Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_  
Signature Guaranteed: \_\_\_\_\_ Registered Owner

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Certificate in every particular, without any alteration, enlargement or change whatsoever.

(e) The Initial Certificate shall be in the form set forth in paragraphs (a), (b) and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Certificate, the headings “INTEREST RATE” and “MATURITY DATE” shall both be completed with the words “As Shown Below” and the reference to “CUSIP” shall be deleted;

(ii) in the first paragraph of the Certificate, the words “on the Maturity Date specified above, the sum of \_\_\_\_\_ DOLLARS” shall be deleted and the following will be inserted: “on March 1 in each of the years, in the principal amounts, and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(Information to be inserted from schedule in Section 3.02 of this Order)

(iii) the Initial Certificate shall be numbered T-1.

## EXHIBIT B

### DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Article XII of this Order.

#### Annual Financial Information and Operating Data and Financial Statements

The financial information and operating data and financial statements with respect to the District to be provided annually in accordance with such Article are as specified below (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The quantitative financial information and operating data with respect to the District of the general type included in the main text of the Official Statement under the captions “CONSOLIDATED DEBT SERVICE REQUIREMENTS,” “DISTRICT DEBT — Bonded Indebtedness,” “DISTRICT DEBT — Debt Ratios,” and “ANALYSIS OF TAX DATA — Historical Analysis of Tax Base — Assessed Valuation and Exemptions,” “– Tax Rates and Collections,” “– Ten Principal Taxpayers,” “– Valuation and Debt History” and “– Governmental Fund Revenues for Fiscal Years 2016 through 2020.”
2. The portions of the financial statements of the District appended to the Official Statement as Appendix C, but for the most recently concluded Fiscal Year.

#### Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 2 above, as such principles may be changed from time to time to comply with State law.



AN ORDER AUTHORIZING THE ISSUANCE AND SALE OF TRAVIS COUNTY HEALTHCARE DISTRICT CERTIFICATES OF OBLIGATION, SERIES 2021 (LIMITED TAX); LEVYING A TAX IN PAYMENT THEREOF; AWARDING THE SALE OF THE CERTIFICATES OF OBLIGATION; APPROVING THE OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, pursuant to Subchapter C of Chapter 271, Texas Local Government Code, as amended (the “Act”), and Chapter 281.106, Texas Health and Safety Code, as amended, the Board of Managers (the “Board”) of Travis County Healthcare District (the “District”) is authorized to issue certificates of obligation for the purpose of paying contractual obligations to be incurred for the construction of public works and for other public purposes; and

WHEREAS, pursuant to the provisions of Chapter 281, Texas Health and Safety Code, as amended (“Chapter 281”), the Commissioners Court (the “Commissioners Court”) of Travis County, Texas (the “County”), is the appropriate entity to issue such certificates of obligation, in the name and on behalf of the District; and

WHEREAS, the Board has requested that the Commissioners Court authorize the issuance of a series of certificates of obligation, in the name of and on behalf of the District, for the purpose of paying contractual obligations of the District to be incurred for the purpose of financing the Projects (as hereinafter defined); and

WHEREAS, the certificates of obligation will be payable from the collection of the District’s annual ad valorem tax, levied, within the limits prescribed by law, upon all taxable property within the District, and from a lien on and pledge of certain surplus revenues derived from the operation of the District’s healthcare facilities, such lien and pledge being limited to \$1,000; and

WHEREAS, the Commissioners Court has found and determined that it is necessary and in the best interests of the District that it issue the certificates of obligation authorized by this Order; and

WHEREAS, pursuant to an order heretofore passed by this governing body, notice of the intention to issue certificates of obligation of the District for the purposes and payable as provided in this Order has been (i) published in a newspaper of general circulation in the District, once a week for two (2) consecutive weeks, the date of the first publication being at least forty-six (46) days before the date of this Order and (ii) posted continuously on the District’s website for at least forty-five (45) days before the date of this Order; and

WHEREAS, no petition has been filed with any official of the District or the County protesting the issuance of such certificates of obligation; and

WHEREAS, no bond proposition to authorize the issuance of bonds for the same purpose as any of the Projects being financed with the proceeds of such certificates of obligation was

submitted to the voters of the District during the preceding three (3) years and failed to be approved; and

WHEREAS, the Commissioners Court is now authorized and empowered to authorize the issuance of such certificates of obligation and to sell the same for cash; and

WHEREAS, the meeting at which this Order is considered is open to the public as required by law, and public notice of the time, place, and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended; NOW, THEREFORE,

BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF TRAVIS COUNTY, TEXAS:

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

#### Section 1.01. Definitions; Interpretations.

(a) Unless otherwise expressly provided or unless the context clearly requires otherwise in this Order, the following terms shall have the meanings specified below:

“Board” means the Board of Managers of the District.

“Business Day” means any day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the cities of Austin or Houston, Texas, are authorized by law or executive order to close.

“Certificate” means any of the Certificates.

“Certificate Date” means the date designated as the initial date of the Certificates by Section 3.02(a) of this Order.

“Certificates” means the certificates of obligation authorized to be issued pursuant to Section 3.01 of this Order and designated as “Travis County Healthcare District Certificates of Obligation, Series 2021 (Limited Tax).”

“Closing Date” means the date of the initial delivery of and payment for the Certificates.

“Commissioners Court” means the Commissioners Court of Travis County, Texas, together with any successor to the duties and functions thereof.

“County” means Travis County, Texas.

“Defeasance Securities” means investment securities authorized by law for the investment of funds to defease public securities, which under current applicable law include (i) direct non-callable obligations of United States of America, including

obligations that are unconditionally guaranteed by the United States of America; (ii) non-callable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; and (iii) non-callable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, which, in the case of (i), (ii) or (iii), may be in book-entry form.

“District” means Travis County Healthcare District.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“EMMA” means the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Event of Default” means any event of default as defined in Section 11.01 of this Order.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means such fiscal year as shall from time to time be set by the District.

“Initial Certificate” means the Initial Certificate authorized by Section 3.04 of this Order.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 2.02 of this Order.

“Interest Payment Date” means the date or dates on which interest on the Certificates is scheduled to be paid until their respective dates of maturity, such dates being September 1 and March 1 of each year, commencing March 1, 2022.

“MSRB” means the Municipal Securities Rulemaking Board.

“Owner” means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

“Paying Agent/Registrar” means the financial institution named in the Paying Agent/Registrar Agreement or any successor thereto, as provided in this Order.

“Paying Agent/Registrar Agreement” means the Paying Agent/Registrar Agreement between the Paying Agent/Registrar and the District pertaining to the Certificates.

“Projects” means the purposes for which the Certificates are issued as set forth in Section 3.01.

“Purchaser” means [\_\_\_\_\_].

“Record Date” means the fifteenth day of the month next preceding an Interest Payment Date.

“Representations Letter” means the Blanket Issuer Letter of Representations between the District and DTC.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b) of this Order.

“Surplus Revenues” means certain surplus revenues derived from the operation of the District’s healthcare facilities, in an amount not to exceed \$1,000, remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements with respect to any of the District’s revenue and other obligations, now outstanding or hereafter issued, that are payable from all or any part of such revenues.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal of or interest on the Certificates as the same come due and payable.

**Section 1.02. Findings.**

The declarations, determinations, and findings declared, made, and found in the preamble to this Order are hereby adopted, restated, and made a part of the operative provisions hereof.

**Section 1.03. Table of Contents, Titles, and Headings.**

The table of contents, titles, and headings of the Articles and Sections of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be

considered or given any effect in construing this Order or any provision hereof or in ascertaining intent, if any question of intent should arise.

**Section 1.04. Interpretation.**

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

(c) Any duty, responsibility, privilege, power or authority conferred by this Order upon an officer shall extend to an individual who occupies such office in an interim, acting or provisional capacity.

**ARTICLE II**

**SECURITY FOR THE CERTIFICATES; INTEREST AND SINKING FUND**

**Section 2.01. Tax Levy.**

(a) Pursuant to the authority granted by the Texas Constitution and the laws of the State of Texas, there shall be levied and there is hereby levied, on behalf of the District, for the current year and for each succeeding year thereafter while any of the Certificates or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the District, at a rate sufficient, within the limit prescribed by law, to pay the debt service requirements of the Certificates, being (i) the interest on the Certificates, and (ii) a sinking fund for their redemption at maturity or a sinking fund of two percent (2%) per annum (whichever amount is the greater), when due and payable, full allowance being made for delinquencies and costs of collection. The Commissioners Court hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the debt service requirements of the Certificates, it having been determined that the existing and available taxing authority of the District for such purpose is adequate to permit a legally sufficient tax in payment thereof.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the District most recently approved in accordance with law, and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Certificates when and as due and payable in accordance with their terms and this Order.

(d) The Commissioners Court, on behalf of the District, hereby covenants and agrees that the Surplus Revenues are hereby irrevocably pledged equally and ratably to the payment of the principal of and interest on the Certificates, as the same become due to the extent the taxes

mentioned above shall ever be insufficient or unavailable for such purpose. The Commissioners Court, on behalf of the District, reserves the right to issue bonds or other obligations for any lawful purpose at any time, in one or more installments that are payable, in whole or in part, from the revenues, including proceeds from its ad valorem tax, of the District. In which event, the payment of debt service, reserve and other requirements with respect to such revenue bonds and other obligations shall be deducted from revenues in determining Surplus Revenues.

(e) If the liens and provisions of this Order shall be released in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit.

**Section 2.02. Interest and Sinking Fund.**

(a) There is hereby established a special fund to be designated the “Travis County Healthcare District Certificates of Obligation, Series 2021 (Limited Tax) Interest and Sinking Fund” (the “Interest and Sinking Fund”), said fund to be maintained at an official depository bank of the District separate and apart from all other funds and accounts of the District.

(b) Money on deposit in or required by this Order to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying the interest on and principal of the Certificates when and as due and payable in accordance with their terms and this Order.

**ARTICLE III**

**AUTHORIZATION; GENERAL TERMS AND PROVISIONS  
REGARDING THE CERTIFICATES**

**Section 3.01. Authorization.**

The District’s certificates of obligation to be designated “Travis County Healthcare District Certificates of Obligation, Series 2021 (Limited Tax)” (the “Certificates”), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, specifically Subchapter C of Chapter 271, Local Government Code, as amended, and Chapter 281, Texas Health and Safety Code, as amended. The Certificates shall be issued in the aggregate principal amount of \$[15,155,000] for the purpose of evidencing indebtedness to pay a portion of the costs of (i) the acquisition, construction, improvement, renovation and equipping of buildings and land to be used as medical clinics located in Del Valle and Hornsby Bend, (ii) the acquisition, construction, improvement, renovation and equipping of buildings and land to be used as a site for the management and administration of District services and the delivery and provision of clinical and medical services located at 1000 E 41st Street, Austin, Texas 78751 and (iii) the payment of all professional fees and services related thereto, and to pay the costs of issuing the Certificates.

**Section 3.02. Date, Denomination, Maturities, and Interest.**

(a) The Certificates shall be dated September 1, 2021. The Certificates shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from one upward, except the Initial Certificate, which shall be numbered T-1.

(b) The Certificates shall mature on March 1 in the years and in the principal amounts set forth in the following schedule:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(c) Interest shall accrue and be paid on each Certificate respectively until its maturity from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rates per annum for each respective maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable on each Interest Payment Date. Interest on the Certificates shall be calculated on the basis of a 360-day year of twelve 30-day months.

**Section 3.03. Medium, Method, and Place of Payment.**

(a) The principal of and interest on the Certificates shall be paid in lawful money of the United States of America.

(b) Interest on the Certificates shall be payable to the Owners as shown in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Certificate appearing in the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest shall be paid by check, dated as of and mailed on the Interest Payment Date, and sent United States mail, first class, postage prepaid, by the Paying Agent/Registrar to each Owner of record as of the Record Date, at the address thereof as it appears in the Register, or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, that the Owner shall bear all risk and expense of such other banking arrangement. At the option of an Owner of at least \$1,000,000 principal amount of the Certificates, interest may be paid by wire transfer to the bank account of such Owner on file with the Paying Agent/Registrar.

(d) The principal of each Certificate shall be paid to the Owner thereof on the maturity date thereof upon presentation and surrender of such Certificate at the office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Certificates is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

(f) Unclaimed Payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owners of the Certificates to which such Unclaimed Payments pertain. Subject to Title 6 of the Texas Property Code, any Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment date shall be applied to the next payment or payments on the Certificates thereafter coming due and, to the extent any such money remains three years after the retirement of all outstanding Certificates, such money shall be paid to the District to be used for any lawful purpose. Thereafter, none of the County, the District, the Paying Agent/Registrar or any other person shall be liable or responsible to any Owners of such Certificates for any further payment of such unclaimed moneys or on account of any such Certificates, subject to Title 6 of the Texas Property Code.

### **Section 3.04. Execution and Registration of Certificates.**

(a) The Certificates shall be executed by the County Judge, countersigned by the County Clerk by their manual or facsimile signatures, and the official seal of the Commissioners Court shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Certificates shall have the same effect as if each of the Certificates had been signed manually and in person by each of said officers, and such facsimile seal on the Certificates shall have the same effect as if the official seal of the Commissioners Court had been manually impressed upon each of the Certificates.

(b) In the event that any officer of the County whose manual or facsimile signature appears on the Certificates ceases to be such officer before the authentication of such Certificates or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.



(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Order unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which certificate shall be evidence that the Certificate has been duly approved by the Attorney General of the State of Texas, that it is a valid and binding obligation of the District, and that it has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Certificate representing the entire principal amount of all Certificates, payable in stated installments to the Representative or its designee, executed by the County Judge and County Clerk, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Representative or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver to DTC on behalf of the Purchaser a single typewritten Certificate for each maturity of the Certificates, in the aggregate principal amount thereof; registered in the name of Cede & Co., as nominee of DTC.

### **Section 3.05. Ownership.**

(a) The County, the District, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal thereof; for the further purpose of making and receiving payment of the interest thereon, and for all other purposes (except that interest will be paid to the person in whose name such Certificate is registered on the Record Date or Special Record Date, as applicable), whether or not such Certificate is overdue, and none of the County, the District or the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Certificate shall be valid and effectual and shall discharge the liability of the District and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

### **Section 3.06. Registration, Transfer, and Exchange.**

(a) So long as any Certificates remain outstanding, the District shall cause the Paying Agent/Registrar to keep at its office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with this Order.

(b) The ownership of a Certificate may be transferred only upon the presentation and surrender of the Certificate at the office of the Paying Agent/Registrar with such endorsement or

other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Certificate shall be effective until entered in the Register.

(c) The Certificates shall be exchangeable upon the presentation and surrender thereof at the office of the Paying Agent/Registrar for a Certificate or Certificates of the same maturity and interest rate and in a denomination or denominations of any integral multiple of \$5,000, and in an aggregate principal amount equal to the unpaid principal amount of the Certificates presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Certificates exchanged for other Certificates in accordance with this Section.

(d) Each exchange Certificate delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the District and shall be entitled to the benefits and security of this Order to the same extent as the Certificate or Certificates in lieu of which such exchange Certificate is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Certificates. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Certificate.

(f) The Paying Agent/Registrar shall not be required to transfer or exchange any Certificate called for redemption in whole or in part during the 45-day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Owner of the unredeemed portion of a Certificate called for redemption in part.

### **Section 3.07. Cancellation.**

All Certificates paid in accordance with this Order, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance with this Order, shall be cancelled and proper records shall be made regarding such payment, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Certificates in accordance with its document retention policies.

### **Section 3.08. Temporary Certificates.**

(a) Following the delivery and registration of the Initial Certificate and pending the preparation of definitive Certificates, the proper officers of the County may execute and, upon such execution, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Certificates that are printed, lithographed, typewritten, mimeographed, or otherwise produced, in any denomination, substantially of the tenor of the definitive Certificates in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions, and other variations as the officers of the County executing such temporary Certificates may determine, as evidenced by their signing of such temporary Certificates.

(b) Until exchanged for Certificates in definitive form, such Certificates in temporary form shall be entitled to the benefit and security of this Order.

(c) The County, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Certificates in definitive form; thereupon, upon the presentation and surrender of the Certificate or Certificates in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar cancel the Certificates in temporary form and shall authenticate and deliver in exchange therefor a Certificate or Certificates of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Certificate or Certificates in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

### **Section 3.09. Replacement Certificates.**

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding. The County, the District or the Paying Agent/Registrar may require the Owner of such Certificate to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Certificate is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction, or theft of such Certificate;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar to save it and the County and the District harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar, and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the County, the District or the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Certificate, a bona fide purchaser of the original Certificate in lieu of which such replacement Certificate was issued presents for payment such original Certificate, the County, the District and the Paying Agent/Registrar shall be entitled to recover such replacement Certificate from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by the County, the District or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed, or wrongfully taken Certificate has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Certificate, may pay such Certificate if it has become due and payable or may pay such Certificate when it becomes due and payable.

(e) Each replacement Certificate delivered in accordance with this Section shall constitute an original additional contractual obligation of the County and shall be entitled to the benefits and security of this Order to the same extent as the Certificate or Certificates in lieu of which such replacement Certificate is delivered.

**Section 3.10. Book-Entry Only System.**

(a) The definitive Certificates shall be initially issued in the form of a single separate fully registered Certificate for each of the maturities thereof. Upon initial issuance of the Certificates, the ownership of such Certificates shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the County, the District and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the County, the District and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register, of any amount with respect to principal of or interest on the Certificates. Notwithstanding any other provision of this Order to the contrary, the County, the District and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute owner of such Certificate for the purpose of payment of principal of and interest on the Certificates, for the purpose of giving notices with respect to such Certificate and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates only to or upon the order of the respective Owners, as shown in the Register, as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a Certificate evidencing the obligation of the District to make payments of amounts due pursuant to this Order. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

(c) The President and Chief Financial Officer is authorized and directed to execute and deliver any agreements, certificates, letters and other instruments (including but not limited

to a Representations Letter) in such form as such official shall approve and deem appropriate to evidence the City's obligations to DTC as securities depository in connection with the delivery of the Certificates and the City's other public securities in book-entry only form.

**Section 3.11. Successor Securities Depository: Transfer Outside Book-Entry-Only System.**

In the event that the District determines that it is in the best interest of the District and the beneficial owners of the Certificates that they be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the District shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability through DTC of certificated Certificates and cause the Paying Agent/Registrar to transfer one or more separate registered Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Order.

**Section 3.12. Payments to Cede & Co.**

Notwithstanding any other provision of this Order to the contrary, so long as the Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in the Representations Letter of the District to DTC.

**ARTICLE IV**

**REDEMPTION OF CERTIFICATES BEFORE MATURITY**

**Section 4.01. Redemption Before Maturity.**

The Certificates shall be subject to redemption before scheduled maturity only as provided in this Article IV.

**Section 4.02. Optional Redemption.**

(a) The District reserves the option to redeem Certificates maturing on and after March 1, 2032, in whole or any part, in principal amounts of \$5,000 or any integral multiple thereof, before their respective scheduled maturity dates, on March 1, 2031, or on any date thereafter, at a price equal to the principal amount of the Certificates called for redemption plus accrued interest to the date fixed for redemption.

(b) If less than all of the Certificates are to be redeemed pursuant to an optional redemption, the District shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity or maturities and in such principal amounts for redemption.

(c) The District, at least 45 days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Certificates to be redeemed.

(d) The County will, at the direction or request of the District, take any action necessary to effect a redemption of the Certificates by the District.

**Section 4.03. Mandatory Sinking Fund Redemption.**

(a) The Certificates maturing in the years \_\_\_\_\_ and \_\_\_\_\_ (the "Term Certificates") shall be subject to mandatory sinking fund redemption and will be redeemed by the District, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts set forth in the following schedule:

<u>TERM CERTIFICATES MATURING _____, 20____</u>	
<u>Mandatory Redemption Date</u> <u>(March 1)</u>	<u>Principal</u> <u>Amount</u>

(b) At least 45 days prior to each mandatory sinking fund redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Certificates of such maturity equal to the principal amount of such Term Certificates to be redeemed on such mandatory sinking fund redemption date, shall call such Term Certificates for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of Term Certificates required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the District, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District at a price not exceeding the principal amount of such Term Certificates plus accrued unpaid interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

**Section 4.04. Partial Redemption.**

(a) A portion of a single Certificate of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Certificate is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of the Certificate as though it were a single Certificate for purposes of selection for redemption.

(b) During any period in which ownership of the Certificates to be redeemed is determined by a book-entry at a securities depository for such Certificates, if fewer than all of such Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Board and the securities depository.

(c) Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Order, shall authenticate and deliver an exchange Certificate or Certificates in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered, such exchange being without charge.

**Section 4.05. Notice of Redemption to Owners.**

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Certificate (or part thereof) to be redeemed, at the address shown on the Register at the close of business on the business day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Certificates are to be surrendered for payment, and, if less than all the Certificates outstanding are to be redeemed, an identification of the Certificates or portions thereof to be redeemed.

(c) The District reserves the right to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the District retains the right to rescind such notice at any time prior to the scheduled redemption date if the District delivers a certificate to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the District to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

(d) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

**Section 4.06. Payment Upon Redemption.**

(a) Before or on each redemption date, the District shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Certificates to be redeemed on such date by setting aside and holding in trust such amounts as are received by the Paying Agent/Registrar from the District and shall use such funds solely for the purpose of paying the principal of and accrued interest on the Certificates being redeemed.

(b) Upon presentation and surrender of any Certificate called for redemption to the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of and accrued interest on such Certificate to the date of redemption from the money set aside for such purpose.

**Section 4.07. Effect of Redemption.**

(a) Notice of redemption having been given as provided in Section 4.05 of this Order, and subject, in the case of an optional redemption under Section 4.02, to any conditions or rights reserved by the District under Section 4.05(c), the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the District fails to make provision for the payment of the principal thereof or accrued interest thereon, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If the District shall fail to make provision for payment of all sums due on a redemption date, then any Certificate or portion thereof called for redemption shall continue to bear interest at the rate stated on the Certificate until due provision is made for the payment of same by the District.

**ARTICLE V**

**PAYING AGENT/REGISTRAR**

**Section 5.01. Appointment of Initial Paying Agent/Registrar.**

The selection and appointment by the District of the Paying Agent/Registrar named in the Paying Agent/Registrar Agreement presented with this Order as the initial Paying Agent/Registrar for the Certificates is hereby approved and confirmed. The Commissioners Court hereby approves the execution and delivery of the Paying Agent/Registrar Agreement in substantially the form presented with this Order.



**Section 5.02. Qualifications.**

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Certificates.

**Section 5.03. Maintaining Paying Agent/Registrar.**

(a) At all times while any of the Certificates are outstanding, the District will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Order.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the District will promptly appoint a replacement.

**Section 5.04. Termination.**

The District, upon not less than 60 days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination.

**Section 5.05. Notice of Change to Owners.**

Promptly upon each change in the entity serving as Paying Agent/Registrar, the District will cause notice of the change to be sent to each Owner by United States mail, first class, postage prepaid, at the address thereof in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

**Section 5.06. Agreement to Perform Duties and Functions.**

By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Order and that it will perform the duties and functions of Paying Agent/Registrar prescribed herein

**Section 5.07. Delivery of Records to Successor.**

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Certificates to the successor Paying Agent/Registrar.

**ARTICLE VI**

**FORM OF THE CERTIFICATES**

**Section 6.01. Form Generally.**

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment

form to appear on each of the Certificates, (i) shall be substantially in the form set forth in Exhibit A hereto, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Commissioners Court or by the officers executing such Certificates, as evidenced by their execution thereof.

(b) Any portion of the text of any Certificates may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Certificates.

(c) The definitive Certificates, if any, shall be typewritten, photocopied, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof.

(d) The Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

**Section 6.02. CUSIP Registration; Legal Opinion.**

(a) The District may secure identification numbers through the CUSIP Global Services managed by S&P Global Market Intelligence on behalf of The American Bankers Association and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Certificates shall be of no significance or effect in regard to the legality thereof and none of the County, the District or the attorneys approving said Certificates as to the legality are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

(b) The approving opinion of Orrick, Herrington & Sutcliffe LLP, Austin, Texas, Bond Counsel, may be attached to or printed on the reverse side of each Certificate.

**ARTICLE VII**

**SALE AND DELIVERY OF CERTIFICATES; DEPOSIT OF PROCEEDS**

**Section 7.01. Sale of Certificates; Official Statement.**

(c) The Certificates are hereby officially sold and awarded to and shall be delivered to the [\_\_\_\_\_], the Purchaser, at the price equal to the principal amount thereof[, plus a cash net premium of \$[\_\_\_\_\_]]. It is hereby official found, determined and declared that the Purchaser submitted the bid which results in the lowest net effective interest rate to the District. The Certificates shall initially be registered in the name of the Purchaser or its designee.

(a) The form and substance of the Preliminary Official Statement for the Certificates and any addenda, supplement or amendment thereto and the final official statement (the "Official Statement") have been approved by official action of the Board in accordance with the

requirements of paragraph (b)(1) of the Rule. The use and distribution of the Preliminary Official Statement in the preliminary public offering of the Certificates by the Purchaser is hereby ratified, approved and confirmed. The County Clerk is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting.

(b) All officers of the County and the District are authorized to execute such documents, certificates and receipts, as they may deem appropriate in order to consummate the delivery of the Certificates in accordance with the terms of, and to carry out purposes of, this Order. The Board, or its designee, is hereby authorized to approve the payment of all costs of issuance relating to the Certificates.

(c) Bond Counsel is hereby authorized to make nonsubstantive changes to the terms of this Order if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Certificates by the Attorney General of Texas.

**Section 7.02. Control and Delivery of Certificates.**

(a) The Chairman of the Board or his designee is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining thereto pending investigation, examination, and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Certificates shall be made to the Purchaser under and subject to the general supervision and direction of the Chairman of the Board or his designee, against receipt by the District of all amounts due to the District under the terms of sale.

**Section 7.03. Deposit of Proceeds.**

(a) Any amount of premium received on the Closing Date that is not required to pay the cost of issuing the Certificates shall be deposited to the Interest and Sinking Fund.

(b) The remaining proceeds received on the Closing Date shall be deposited to a special account of the District, held at a depository bank of the District, such moneys to be dedicated and used solely for the purposes for which the Certificates are being issued as herein provided. Any amounts remaining in such account following payment of the costs of the Projects and the costs of issuing the Certificates shall be transferred to the Interest and Sinking Fund.

**ARTICLE VIII**

**INVESTMENTS**

**Section 8.01. Investments.**

(a) Money in the Interest and Sinking Fund created by this Order and any of the funds to be deposited pursuant to Section 7.03(b) hereof, at the option of the District, may be invested in

such securities or obligations as permitted under applicable law as in effect on the date of the investment.

(b) Any securities or obligations in which money in the Interest and Sinking Fund is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the Interest and Sinking Fund.

**Section 8.02. Investment Income.**

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such fund.

(b) Interest and income derived from investment of the funds to be deposited pursuant to Section 7.03(b) hereof shall be credited to the account where deposited until the payment of the costs of the Projects is completed and thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

**ARTICLE IX**

**PARTICULAR REPRESENTATIONS AND COVENANTS**

**Section 9.01. Payment of the Certificates.**

On or before each Interest Payment Date for the Certificates and while any of the Certificates are outstanding and unpaid, the District shall make available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such principal of and interest on the Certificates as will accrue or mature on the applicable Interest Payment Date or maturity date. Such transfer of funds shall be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar not later than the close of business on the Business Day next preceding the date of payment for the Certificates.

**Section 9.02. Other Representations and Covenants.**

(a) The District will faithfully perform, at all times, any and all covenants, undertakings, stipulations, and provisions contained in this Order and in each Certificate; the District will promptly pay or cause to be paid the principal of and interest on each Certificate on the dates and at the places and in the manner prescribed in such Certificate; and will, at the times and in the manner prescribed by this Order, deposit or cause to be deposited the amounts of money specified by this Order.

(b) The Commissioners Court is duly authorized under the laws of the State of Texas to issue the Certificates in the name and on behalf of the District; all action on its part for the creation and issuance of the Certificates has been duly and effectively taken; and the Certificates in the hands of the Owners thereof are and will be valid and enforceable obligations of the District in accordance with their terms.

### **Section 9.03. Tax Exemption of Certificates.**

(a) The District intends that the interest on the Certificates shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the “Code”), and all applicable temporary, proposed and final regulations (the “Regulations”) and procedures promulgated thereunder and applicable to the Certificates, the District covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Certificates (including all property the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Certificates) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause interest on the Certificates to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Certificates for federal income tax purposes. Without limiting the generality of the foregoing, the District shall comply with each of the following covenants:

(i) The District will use all of the proceeds of the Certificates to (A) provide funds for the purposes described in Section 3.01 hereof, which will be owned and operated by the District and (B) to pay the costs of issuing the Certificates. The District will not use any portion of the proceeds of the Certificates to pay the principal of or interest or redemption premium on, any other obligation of the District or a related person;

(ii) The District will not directly or indirectly take any action, or omit to take any action, which action or omission would cause the Certificates to constitute “private activity bonds” within the meaning of Section 141(a) of the Code;

(iii) Principal of and interest on the Certificates will be paid solely from ad valorem taxes and Surplus Revenues collected by the District and investment earnings on such collections;

(iv) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Certificates are delivered, the District reasonably expects that the proceeds of the Certificates will not be used in a manner that would cause the Certificates or any portion thereof to be an “arbitrage bond” within the meaning of Section 148 of the Code;

(v) At all times while the Certificates are outstanding, the District will identify and properly account for all amounts constituting gross proceeds of the Certificates in accordance with the Regulations. The District will monitor the yield on the investments of the proceeds of the Certificates and, to the extent required by the Code and the Regulations, will restrict the yield on such investments to a yield which is not materially higher than the yield on the Certificates. To the extent necessary to prevent the Certificates from constituting “arbitrage bonds,” the District will make such payments as are necessary to cause the yield on all yield restricted nonpurpose investments allocable to the Certificates to be less than the yield that is materially higher than the yield on the Certificates;

(vi) The District will not take any action or knowingly omit to take any action that, if taken or omitted, would cause the Certificates to be treated as “federally guaranteed” obligations for purposes of Section 149(b) of the Code;

(vii) The District represents that not more than fifty percent (50%) of the proceeds of the Certificates will be invested in nonpurpose investments (as defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the District reasonably expects that at least eighty-five percent (85%) of the spendable proceeds of the Certificates would be used to carry out the governmental purpose of the Certificates within the three-year period beginning on the date of issue of the Certificates;

(viii) The District will take all necessary steps to comply with the requirement that certain amounts earned by the District on the investment of the gross proceeds of the Certificates, if any, be rebated to the federal government. Specifically, the District will (A) maintain records regarding the receipt, investment, and expenditure of the gross proceeds of the Certificates as may be required to calculate such excess arbitrage profits separately from records of amounts on deposit in the funds and accounts of the District allocable to other obligations of the District or moneys which do not represent gross proceeds of any obligations of the District and retain such records for at least six years after the day on which the last outstanding Certificate is discharged, (B) account for all gross proceeds under a reasonable, consistently applied method of accounting, not employed as an artifice or device to avoid in whole or in part, the requirements of Section 148 of the Code, including any specified method of accounting required by applicable Regulations to be used for all or a portion of any gross proceeds, (C) calculate, at such times as are required by applicable Regulations, the amount of excess arbitrage profits, if any, earned from the investment of the gross proceeds of the Certificates and (D) timely pay, as required by applicable Regulations, all amounts required to be rebated to the federal government. In addition, the District will exercise reasonable diligence to assure that no errors are made in the calculations required by the preceding sentence and, if such an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter, including payment to the federal government of any delinquent amounts owed to it, interest thereon and any penalty;

(ix) The District will not directly or indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Certificates that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if such arrangement had been at arm’s length and had the yield on the Certificates not been relevant to either party;

(x) The District will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Certificates on such form and in such place as the Secretary may prescribe;

(xi) The District will not issue or use the Certificates as part of an “abusive arbitrage device” (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the Certificates are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (A) enabling the District to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, or (B) increasing the burden on the market for tax-exempt obligations;

(xii) Proper officers of the District charged with the responsibility for issuing the Certificates are hereby directed to make, execute and deliver certifications as to facts, estimates or circumstances in existence as of the date of issuance of the Certificates and stating whether there are facts, estimates or circumstances that would materially change the District’s expectations. On or after the date of issuance of the Certificates, the District will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates; and

(xiii) The covenants and representations made or required by this Section are for the benefit of the Certificate Owners and any subsequent Certificate Owner and may be relied upon by the Certificate Owners and any subsequent Certificate Owner and bond counsel to the District.

(b) In complying with the foregoing covenants, the District may rely upon an unqualified opinion issued to the District by nationally recognized bond counsel that any action by the District or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Certificates to be includable in gross income for federal income tax purposes under existing law.

(c) Notwithstanding any other provision of this Order, the District’s representations and obligations under the covenants and provisions of this Section shall survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the exclusion of interest on the Certificates from the gross income of the owners for federal income tax purposes.

## ARTICLE X

### DEFAULT AND REMEDIES

#### **Section 10.01. Events of Default.**

Each of the following occurrences or events for the purpose of this Order is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement, or obligation of the District, which default materially and adversely affects the rights of the Owners, including but not limited to their prospect or ability to be repaid in accordance

with this Order, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the District.

**Section 10.02. Remedies for Default.**

(a) Upon the happening of any Event of Default, any Owner or an authorized representative thereof, including but not limited to a trustee or trustees therefor, may proceed against the District for the purpose of protecting and enforcing the rights of the Owners under this Order by mandamus or other suit, action or special proceeding in equity or at law in any court of competent jurisdiction for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Certificates then outstanding.

**Section 10.03. Remedies Not Exclusive.**

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Order, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Order.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

**ARTICLE XI**

**DEFEASANCE**

**Section 11.01. Defeasance.**

The County, on behalf of the District, may defease the provisions of this Order and discharge the District's obligation to the Owners of any or all of the Certificates to pay the principal of and interest thereon in any manner now or hereafter permitted by law, including (but not limited to) by depositing with the Registrar, a trust company, commercial bank or other eligible financial institution, or with the Comptroller either:

(a) cash in an amount equal to the principal amount of and interest on the Certificates to the date of maturity or earlier redemption, if any, or

(b) pursuant to an escrow or trust agreement, cash and/or Defeasance Securities, the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such



escrow at the same time and available for such purpose, shall be sufficient to provide for the timely payment of the principal of and interest on the Certificates to the date of maturity or earlier redemption, if any;

provided, however, that if any of such Certificates are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in this Order. Upon such deposit, such Certificates shall no longer be regarded to be outstanding or unpaid. Any surplus amount not required to accomplish such defeasance shall be returned to the District.

## **ARTICLE XII**

### **CONTINUING DISCLOSURE UNDERTAKING**

#### **Section 12.01. Annual Reports.**

(a) By its official action, the Board has acknowledged and agreed that the District is an “obligated person” within the meaning of the Rule and has undertaken for the benefit of the Owners, so long as the Certificates remain outstanding and unpaid, to provide annually to the MSRB, within six (6) months after the end of each Fiscal Year ending in or after 2021, financial information and operating data with respect to the District of the general type included in the final Official Statement, being the information described paragraph 1 in Exhibit B hereto. In addition, the District will provide annually to the MSRB, within twelve (12) months after the end of each Fiscal Year ending in or after 2021, financial statements of the District if audited financial statements of the District are then available. If the audit of such financial statements is not complete within twelve (12) months after any such Fiscal Year end, then the District shall file unaudited financial statements within such twelve (12)-month period and audited financial statements for the applicable Fiscal Year, when and if the audit report on such statements becomes available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit B hereto, and (ii) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided.

(b) If the District changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new Fiscal Year end) prior to the next date by which the District otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to MSRB or filed with the SEC.

#### **Section 12.02. Material Event Notices.**

(a) The District shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than ten Business Days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
  - (i) nonpayment related defaults, if material;
  - (ii) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (iii) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (iv) substitution of credit or liquidity providers, or their failure to perform;
  - (v) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
  - (vi) modifications to rights of Owners, if material;
  - (vii) bond calls, if material, and tender offers;
  - (viii) defeasance;
  - (ix) release, substitution, or sale of property securing repayment of the Certificates, if material;
  - (x) rating changes;
  - (xi) bankruptcy, insolvency, receivership, or similar event of the District;
  - (xii) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
  - (xiii) appointment of a successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material; and
  - (xiv) incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material; and
  - (xv) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.
- (b) For these purposes, (a) any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code

or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets of business of the District, and (b) the District intends the words used in the immediately preceding paragraphs (xv) and (xvi) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

(c) The District shall notify the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with Section 12.02 of this Order by the time required by such Section.

### **Section 12.03. Limitations, Disclaimers and Amendments.**

(a) The District shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the District remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the District in any event will give notice of any redemption calls and any defeasances that cause the District to be no longer an “obligated person.”

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Certificates, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The District undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the District’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The District does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(c) No default by the District in observing or performing its obligations under this Article shall constitute a breach of or default under the Order for purposes of any other provisions of this Order.

(d) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the District under federal and state securities laws.

(e) The provisions of this Article may be amended at the written request of the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, but only if (i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Order that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (B) an entity or individual person that is unaffiliated with the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. The provisions of this Article may also be amended from time to time or repealed by the District if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the District's right to do so would not prevent underwriters of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the District so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

## ARTICLE XIII

### AMENDMENTS TO ORDER

#### Section 13.01. Amendments to Order.

(a) The Commissioners Court, acting on behalf of the District, reserves the right to amend this Order without the consent of or notice to any registered owners of the Certificates in any manner not detrimental to the interest of the Owners for the purpose of curing any ambiguity, inconsistency, manifest error, formal defect or omission in the Order.

(b) In addition to subparagraph (a) above, the Commissioners Court further reserves the right, but only with the written consent of the Owners of a majority in aggregate principal amount of the Certificates then outstanding, to amend, add to, or rescind any of the provisions of this Order.

(c) Without the consent of the Owners of all of the Certificates then outstanding, no amendment, addition or rescission may (i) extend the time or times of payment of the principal of and interest on the Certificates, (ii) reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of and interest on the Certificates; (iii) give any preference to any Certificate over any other Certificate, or (iv) reduce the aggregate principal amount of Certificates required to be held by Owners for consent to any such amendment, addition or rescission.

**Section 13.02. Notice and Adoption of Amendment.**

If the District desires to amend this Order and such amendment requires the consent of the Owner pursuant to Section 13.01, the District shall cause notice of the proposed amendment to be given in writing to each Owner of Certificates then outstanding. If, within 30 days, or such longer period as shall be prescribed by the District, following the giving of such notice, the Owners of Certificates then outstanding in the aggregate principal amount required by Section 13.01 shall have consented to the amendment as herein provided, no Owner of a Certificate shall have any right to object to any of the terms and provisions contained therein, or in any manner to question the propriety of the execution thereof; and all the rights of all Owners of Certificates shall thereafter be determined, exercised, and enforced hereunder subject in all respects to such amendment.

**Section 13.03. Consent of Owners Irrevocable.**

Any consent given by any Owner of a Certificate pursuant to the provisions of this Article shall be irrevocable and binding on all future Owners of the same Certificate from the date of such consent.

**ARTICLE XIV**

**MISCELLANEOUS**

**Section 14.01. Benefits of Order.**

Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon any person other than the County, the District, the Paying Agent/Registrar and the Owners, any right, remedy, or claim, legal or equitable, under or by reason of this Order or any provision hereof; this Order and all its provisions being intended to be and being for the sole and exclusive benefit of the County, the District, the Paying Agent/Registrar and the Owners.

**Section 14.02. Inconsistent Provisions.**

All orders or resolutions, or parts thereof; which are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict, and the provisions of this Order shall be and remain controlling as to the matters contained herein.

**Section 14.03. Governing Law.**

This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

**Section 14.04. Severability.**

If any provision of this Order or the application thereof to any circumstance shall be held to be invalid, the remainder of this Order and the application thereof to other circumstances shall nevertheless be valid, and the Court hereby declares that this Order would have been enacted without such provision.

**Section 14.05. Further Procedures.**

The officers and employees of the County and/or District are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the County and/or District all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the initial sale and delivery of the Certificates, the Paying Agent/Registrar Agreement and the Official Statement. In case any officer of the County and/or District whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in his office until such delivery.

**Section 14.06. Effective Date.**

This Order shall be in full force and effect from and upon its adoption.

PASSED AND APPROVED this August 24, 2021.

COMMISSIONERS COURT  
TRAVIS COUNTY, TEXAS

DISTRICT'S ACCEPTANCE OF AND AGREEMENT TO  
PERFORM DUTIES UNDER THIS ORDER

Travis County Healthcare District, acting by and through its Board of Managers, hereby accepts and agrees to the terms and provisions of this Order and agrees to perform the obligations and duties of the District required hereunder.

TRAVIS COUNTY HEALTHCARE DISTRICT

By: \_\_\_\_\_  
Chairperson, Board of Managers

**EXHIBIT A**  
**FORM OF CERTIFICATE**

(a) Form of Certificate

United States of America  
State of Texas

REGISTERED  
No. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

TRAVIS COUNTY HEALTHCARE DISTRICT  
CERTIFICATES OF OBLIGATION  
SERIES 2021 (LIMITED TAX)

INTEREST RATE:  
%

MATURITY DATE:  
\_\_\_\_\_, \_\_\_\_

CERTIFICATE DATE:  
September 1, 2021

CUSIP:

TRAVIS COUNTY HEALTHCARE DISTRICT (the "District"), for value received, promises to pay to

\_\_\_\_\_ or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

and to pay interest on such principal amount from the later of the Certificate Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on September 1 and March 1 each year, commencing March 1, 2022.

The principal of this Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the office in Austin, Texas, of UMB Bank, N.A., as Paying Agent/Registrar, or, with respect to a successor Paying Agent/Registrar, at the designated payment/transfer office of such successor. Interest on this Certificate is payable by check dated as of the interest payment date, and will be mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the registered owner; provided, however, such registered owner shall bear all risk and expense of such other banking arrangement. At the option of an Owner of at least \$1,000,000 in principal amount of the Certificates, interest



may be paid by wire transfer to the bank account of such Owner on file with the Paying Agent/Registrar. For the purpose of the payment of interest on this Certificate, the registered owner shall be the person in whose name this Certificate is registered at the close of business on the "Record Date," which shall be the fifteenth day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days (as hereinafter defined) prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing such notice.

If the date for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the cities of Austin or Houston, Texas, are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions in the cities of Austin and Houston, Texas, are required or authorized to close (a "Business Day"), and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

This Certificate is one of a series of fully registered certificates specified in the title hereof issued in the aggregate principal amount of \$[15,155,000] (herein referred to as the "Certificates"), issued, on behalf and in the name of the District, pursuant to a certain order of the Commissioners Court of Travis County, Texas (the "Order"). The Certificates are issued for the purpose of paying contractual obligations to be incurred by the District for making permanent public improvements with respect to the District's healthcare facilities, as further described in the Order, and to pay all professional fees and services related thereto (collectively, the "Projects") and to pay the costs of issuing the Certificates.

The Certificates maturing on and after March 1, 2032, are subject to optional redemption, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, before their respective scheduled maturity dates, on March 1, 2031, or on any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption. If less than all of the Certificates are to be redeemed, the District shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity and in such principal amounts, for redemption.

The Certificates maturing in the years \_\_\_\_\_ and \_\_\_\_\_ (the "Term Certificates") shall be subject to mandatory sinking fund redemption and will be redeemed by the District, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the

redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts set forth in the following schedule:

<u>TERM CERTIFICATES MATURING _____, 20</u>	
Mandatory Redemption Date (March 1)	Principal Amount

At least 45 days prior to each mandatory sinking fund redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Certificates of such maturity equal to the principal amount of such Term Certificates to be redeemed on such mandatory sinking fund redemption date, shall call such Term Certificates for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.05.

The principal amount of Term Certificates required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the District, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District at a price not exceeding the principal amount of such Term Certificates plus accrued unpaid interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Not less than 30 days prior to a redemption date for the Certificates, the Paying Agent/Registrar shall give a notice of redemption to be sent by United States mail, first class, postage prepaid, to the Owners of the Certificates to be redeemed at the address of the Owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice.

The District reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the District retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the District delivers a certificate of the District to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any

Certificates subject to conditional redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the District to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the District in the notice, the Certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any Certificate or portion thereof has not been surrendered for payment, interest on such Certificates or portions thereof shall cease to accrue.

As provided in the Order, and subject to certain limitations therein set forth, this Certificate is transferable upon surrender of this Certificate for transfer at the office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Certificates of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The County, the District, the Paying Agent/Registrar, and any other person may treat the person in whose name this Certificate is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Certificate is registered on the Record Date) and for all other purposes, whether or not this Certificate be overdue, and none of the County, the District nor the Paying Agent/Registrar shall be affected by notice to the contrary.

It is hereby certified and recited that the issuance of this Certificate and the series of which it is a part is duly authorized by law; that all acts, conditions, and things to be done precedent to and in the issuance of the Certificates have been properly done and performed and have happened in regular and due time, form, and manner as required by law; that ad valorem taxes upon all taxable property in the District have been levied for and pledged to the payment of the debt service requirements of the Certificates within the limit prescribed by law; that, in addition to said taxes, further provisions have been made for the payment of the debt service requirements of the Certificates by pledging to such purpose Surplus Revenues, as defined in the Order, derived by the District from the operation of the District's healthcare facilities in an amount limited to \$1,000; that when so collected, such taxes and Surplus Revenues shall be appropriated to such purposes; and that the total indebtedness of the District, including the Certificates, does not exceed any constitutional or statutory limitation.

In witness whereof, the Commissioners Court, on behalf and in the name of the District, has caused this Certificate to be executed by the manual or facsimile signature of the County Judge and countersigned by the manual or facsimile signature of the County Clerk, and the official seal of the Commissioners Court has been duly impressed, or placed in facsimile, on this Certificate.

(SEAL)

\_\_\_\_\_  
County Judge, Travis County, Texas  
On behalf of the Travis County Healthcare District

\_\_\_\_\_  
County Clerk, Travis County, Texas  
On behalf of the Travis County Healthcare District

\* \* \* \* \*

(b) Form of Comptroller's Registration Certificate

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. \_\_\_\_\_

I hereby certify that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Certificate has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts of the  
State of Texas

(SEAL)

\* \* \* \* \*

(c) Form of Registrar's Authentication Certificate

The following Comptroller's Registration Certificate may be deleted from the definitive Certificates if such certificate on the Initial Certificate is fully executed.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Certificate has been delivered pursuant to the Order described in the text of this Certificate, in exchange for or in replacement of a Certificate, Certificates or a portion of a Certificate or Certificates of an issue of Certificates which was originally approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

UMB Bank, N.A.,  
as Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Signature \_\_\_\_\_  
Date of Authentication: \_\_\_\_\_

\* \* \* \* \*

(d) Form of Assignment

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Please print or type name, address, and zip code of Transferee)

\_\_\_\_\_  
(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer such Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_  
Signature Guaranteed: \_\_\_\_\_ Registered Owner

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Certificate in every particular, without any alteration, enlargement or change whatsoever.

(e) The Initial Certificate shall be in the form set forth in paragraphs (a), (b) and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Certificate, the headings “INTEREST RATE” and “MATURITY DATE” shall both be completed with the words “As Shown Below” and the reference to “CUSIP” shall be deleted;

(ii) in the first paragraph of the Certificate, the words “on the Maturity Date specified above, the sum of \_\_\_\_\_ DOLLARS” shall be deleted and the following will be inserted: “on March 1 in each of the years, in the principal amounts, and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
--------------	-----------------------------	--------------------------

(Information to be inserted from schedule in Section 3.02 of this Order)

(iii) the Initial Certificate shall be numbered T-1.

## **EXHIBIT B**

### **DESCRIPTION OF ANNUAL FINANCIAL INFORMATION**

The following information is referred to in Article XII of this Order.

#### Annual Financial Information and Operating Data and Financial Statements

The financial information and operating data and financial statements with respect to the District to be provided annually in accordance with such Article are as specified below (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The quantitative financial information and operating data with respect to the District of the general type included in the main text of the Official Statement under the captions “CONSOLIDATED DEBT SERVICE REQUIREMENTS,” “DISTRICT DEBT — Bonded Indebtedness,” “DISTRICT DEBT — Debt Ratios,” and “ANALYSIS OF TAX DATA — Historical Analysis of Tax Base — Assessed Valuation and Exemptions,” “– Tax Rates and Collections,” “– Ten Principal Taxpayers,” “– Valuation and Debt History” and “– Governmental Fund Revenues for Fiscal Years 2016 through 2020.”
2. The portions of the financial statements of the District appended to the Official Statement as Appendix C, but for the most recently concluded Fiscal Year.

#### Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 2 above, as such principles may be changed from time to time to comply with State law.

**APPROVAL OF HIGHEST ELECTED OFFICIAL  
OF TRAVIS COUNTY, TEXAS**

**WHEREAS**, Travis County Healthcare District (the “District”), in connection with the proposed issuance of its Certificates of Obligations, Series 2021 (Limited Tax) (the “Certificates”) in the aggregate maximum principal amount of \$15,155,000, has requested the approval of the Financing (as defined and described below) and the Project (as defined below) located in Travis County; and

**WHEREAS**, the “Financing” consists of the issuance by the Commissioners Court (the “Court”) of Travis County, Texas (the “County”), in the name of and behalf of the District, of the Certificates, pursuant to an order to be adopted by the Commissioners Court authorizing the issuance of the Certificates for the purpose of paying contractual obligations to be incurred for (i) the acquisition, construction, improvement, renovation and equipping of buildings and land to be used as medical clinics located at the southeast corner of the intersection of Sandifer Street and Gilbert Road in Hornsby Bend, Texas and the southwest corner of the intersection of Elroy Road and Ross Road in Del Valle, Texas and (ii) the payment of all professional fees and services related thereto (collectively, the “Projects”); and

**WHEREAS**, in accordance with certain provisions of the Internal Revenue Code of 1986, as amended (the “Code”) as described below, notice of a public hearing was posted on the County’s website on June 7, 2021, which notice provided that members of the public were invited to a hearing to be held on June 14, 2021, commencing at 2:00 p.m. in the board room of the District headquarters located at 1111 E. Cesar Chavez St, Austin, Texas 78702, in connection with the Financing and the Project; and

**WHEREAS**, it is necessary for the undersigned, as the highest elected official of the County, to approve the Financing and the Project solely for the purpose of satisfying the requirements of section 147(f) of the Code;

**NOW, THEREFORE**, the undersigned highest elected official of the County, acting solely in his official capacity as County Judge, hereby approves the Financing; provided that such approval shall be solely for the purposes of section 147(f) of the Code, and neither the County nor the undersigned shall have any responsibility or liability for the Financing or the Project.

**IN WITNESS WHEREOF**, I have set my hand as of this \_\_\_\_\_, 2021.

**TRAVIS COUNTY, TEXAS**

\_\_\_\_\_  
Andy Brown, County Judge





## CENTRAL HEALTH

### **Our Vision**

Central Texas is a model healthy community.

### **Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

### **Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 2**

Receive and discuss a report on fiscal year-to-date healthcare service expenditures made by, and accept the preliminary June and July 2021 financial statements for, Central Health and the Community Care Collaborative, and review historical average revenues and expenses for Central Health. (*Informational Item*)



# Central Health

## Financial Statement Presentation

FY 2021 – as of June 30, 2021 (Preliminary)

Central Health Board of Managers

August 25, 2021

Lisa Owens, Deputy CFO

Patti Bethke, Controller



- Slide 2 Index
- Slide 3 Highlights
- Slide 4 Balance Sheet - Assets
- Slide 5 Balance Sheet - Liabilities & Net Assets
- Slide 6 Sources & Uses
- Slide 7 HCD - Summary
- Slide 8 HCD - Blank Page
- Slide 9 HCD - IGT & HCD Services
- Slide 10 HCD - Operating Cost
- Slide 11 HCD - Primary Care
- Slide 12 HCD - Specialty Care

Note: HCD = Health Care Delivery



- Year-to-date through June collected net property tax revenue is \$237 million compared to \$213 million as of June 2020 representing 98% of the adjusted tax levy compared to 98% as of June 2020.
- Anticipated Tax Revenue for FY21 is \$5.6 million favorable to budget due to a \$5.2 billion increase in TCAD tax valuations from July certified roll to October final certified roll.
- Healthcare Delivery is \$73 million for the nine months ending 6/30/2021.
- GAAP reporting Net Assets increased \$79 million year-over-year this is net of hospital impairment totaling \$51 million due to redevelopment.
- TCHD LPPF total restricted balance of LPPF as of 6/30/2021 is \$12 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 6/30/2021	as of 6/30/2020
Current Assets		
Cash and cash equivalents	1,304,103	1,221,321
Short-term investments	341,298,334	226,182,070
Ad valorem taxes receivable	3,452,609	2,991,908
Other receivables	4,228,534	6,199,814
Prepaid expenses	554,871	681,552
Total Current Assets	<u>350,838,452</u>	<u>237,276,665</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	11,143,697	7,961,479
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	11,687,515	1,814,065
Total Restricted Cash and Investments or Noncurrent	<u>134,914,212</u>	<u>121,858,543</u>
Capital Assets		
Land	13,425,967	12,598,612
Buildings and improvements	58,788,268	130,702,304
Equipment and furniture	9,205,480	9,590,119
Capital Projects in progress	9,684,381	3,423,577
Less accumulated depreciation	(24,365,807)	(46,335,475)
Total Capital Assets	<u>66,738,289</u>	<u>109,979,137</u>
<b>Total Assets</b>	<u><u>552,490,953</u></u>	<u><u>469,114,345</u></u>



<b>Liabilities</b>	<b>Preliminary</b>	
	<b>as of 6/30/2021</b>	<b>as of 6/30/2020</b>
<b>Current Liabilities</b>		
Accounts payable	6,628,816	10,938,147
Salaries and benefits payable	1,738,138	1,443,596
Other Payables	-	50,763
Debt service payable, short-term	1,215,641	1,194,277
Deferred tax revenue	2,714,073	2,559,699
Other deferred revenue	-	610,000
<b>Total Current Liabilities</b>	<b>12,296,668</b>	<b>16,796,482</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	11,687,515	1,814,065
Debt service payable, long-term	4,915,000	6,105,000
<b>Total Restricted or Noncurrent Liabilities</b>	<b>16,602,515</b>	<b>7,919,065</b>
<b>Total Liabilities</b>	<b>28,899,184</b>	<b>24,715,547</b>
<b>Net Assets</b>		
Unrestricted	456,853,481	334,419,661
Investment in Capital Assets	66,738,289	109,979,137
<b>Total Net Assets</b>	<b>523,591,769</b>	<b>444,398,798</b>
<b>Liabilities and Net Assets</b>	<b>552,490,953</b>	<b>469,114,345</b>



Sources / Uses	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Sources</b>					
Property Tax Revenue	345,688	237,349,180	234,057,519	101%	213,407,994
Lease Revenue	862,753	9,330,943	12,909,866	72%	9,268,997
Other Revenue	89,900	764,011	1,720,000	44%	2,038,570
Tobacco Settlement Revenue	-	3,872,274	2,800,000	138%	3,819,376
Contingency Reserve (Carryforward)	-	136,179,266	115,856,728	118%	64,898,396
<b>Total Sources</b>	<b>1,298,341</b>	<b>387,495,674</b>	<b>367,344,113</b>	<b>105%</b>	<b>293,433,333</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>6,672,388</b>	<b>72,541,130</b>	<b>353,858,894</b>	<b>21%</b>	<b>101,339,129</b>
<b>Administrative Program</b>					
Salaries and benefits	434,577	3,674,794	5,561,651	66%	3,480,207
Consulting Fees	2,700	225,354	1,259,570	18%	301,837
Legal Fees	31,735	402,932	1,497,136	27%	800,310
Other Purchase Goods and Services	128,325	1,237,705	3,081,046	40%	847,271
<b>Total Administrative Program</b>	<b>597,337</b>	<b>5,540,785</b>	<b>11,399,403</b>	<b>49%</b>	<b>5,429,625</b>
<b>Tax Collection Expenses</b>	<b>80,584</b>	<b>1,564,050</b>	<b>2,085,816</b>	<b>75%</b>	<b>1,527,396</b>
<b>Total Uses</b>	<b>7,350,309</b>	<b>79,645,965</b>	<b>367,344,113</b>	<b>22%</b>	<b>108,296,150</b>
<b>Excess Sources / (Uses)</b>	<b>(6,051,968)</b>	<b>307,849,709</b>			<b>185,137,183</b>



<b>Healthcare Delivery Summary</b>	<b>Jun 2021</b>	<b>FY21 YTD</b>	<b>FY21 Budget</b>	<b>Percent of Budget Used</b>	<b>FY20 YTD</b>
<b>Inter-Governmental Transfers (IGTs)</b>	-	-	23,528,575	0%	26,959,115
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	2,468,555	28,971,962	56,935,000	51%	31,739,164
Specialty Care, incld Dental & Behavioral Health	686,069	4,355,496	14,448,856	30%	3,814,077
Pharmacy	726,648	7,126,528	13,250,000	54%	7,282,686
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	93,741	787,176	4,469,990	18%	841,327
Community Healthcare Initiatives Fund	1,875	1,875	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>3,976,888</b>	<b>41,243,037</b>	<b>155,078,846</b>	<b>27%</b>	<b>43,677,254</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>988,341</b>	<b>8,921,808</b>	<b>12,160,674</b>	<b>73%</b>	<b>7,015,880</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>246,275</b>	<b>1,994,022</b>	<b>6,097,472</b>	<b>33%</b>	<b>2,776,260</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,454,474</b>	<b>12,638,376</b>	<b>29,473,028</b>	<b>43%</b>	<b>10,286,653</b>
<b>Debt, Reserves and Transfers</b>	<b>6,410</b>	<b>7,743,887</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,623,967</b>
<b>Total Healthcare Delivery</b>	<b>6,672,388</b>	<b>72,541,130</b>	<b>353,858,894</b>	<b>21%</b>	<b>101,339,129</b>





Details for Health Care Delivery on the following slides.

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Healthcare Delivery - Detail	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Intergovernmental Transfers (IGTs)</b>					
DSH - Disproportionate Share	-	-	-	0%	26,959,115
DSRIP - CCC	-	-	23,528,575	0%	-
<b>Subtotal Intergovernmental Transfers (IGTs)</b>	-	-	<b>23,528,575</b>	<b>0%</b>	<b>26,959,115</b>
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	2,468,555	28,971,962	56,935,000	51%	31,739,164
Specialty Care, incld Dental - (see detail on Slide 12)	541,928	3,912,146	12,565,000	31%	3,417,204
Specialty Care, Behavioral Health	144,141	443,350	1,883,856	24%	396,873
Pharmacy	726,648	7,126,528	13,250,000	54%	7,282,686
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	36,388	271,900	1,150,000	24%	325,871
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,353	515,276	719,990	72%	462,956
Primary & Specialty Care Reserves	-	-	2,000,000	0%	52,500
Community Health Care Initiatives	1,875	1,875	875,000	0%	-
Hospital and Specialty Services	-	-	57,000,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>3,976,888</b>	<b>41,243,037</b>	<b>155,078,846</b>	<b>27%</b>	<b>43,677,254</b>
Service Expansion Funds					

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Healthcare Delivery Detail (continued)	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Healthcare Operations and Support</b>					
<b>ACA and Premium Assistance Programs</b>					
High Risk Premium Programs	723,689	6,304,816	8,600,000	73%	4,835,116
CHAP Program	251,578	2,074,092	2,959,354	70%	1,607,170
ACA Enrollment and Education Services	13,074	542,900	601,320	90%	573,594
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>988,341</b>	<b>8,921,808</b>	<b>12,160,674</b>	<b>73%</b>	<b>7,015,880</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	7,201	72,114	368,579	20%	271,459
Consulting Services	42,197	229,299	1,730,000	13%	-
Legal Fees	12,590	156,144	174,500	89%	-
Other Goods & Svc incl. UT Ground Lease	184,287	1,536,465	3,824,393	40%	2,504,801
<b>Subtotal Healthcare Facilities and Campus</b>	<b>246,275</b>	<b>1,994,022</b>	<b>6,097,472</b>	<b>33%</b>	<b>2,776,260</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	966,252	8,807,829	15,021,176	59%	7,080,307
Consulting Services	3,249	47,246	1,085,500	4%	42,434
Legal Fees	(16,767)	75,681	332,000	23%	96,663
Other Services and Purchased Goods	501,740	3,707,620	13,034,352	28%	3,067,249
<b>Subtotal HCD Operating Cost</b>	<b>1,454,474</b>	<b>12,638,376</b>	<b>29,473,028</b>	<b>43%</b>	<b>10,286,653</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	6,410	1,243,887	1,264,357	98%	1,267,677
Healthcare Capital Line of Credit	-	-	1,091,773	-	-
FY2021 Capital reserve	-	6,500,000	34,100,000	19%	2,950,000
FY2021 Hospital Services Reserve	-	-	4,000,000	-	6,406,290
FY2021 Contingency reserve appropriation	-	-	87,064,169	-	-
<b>Subtotal Debt, Reserves and Transfers</b>	<b>6,410</b>	<b>7,743,887</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,623,967</b>
<b>Total Healthcare Delivery</b>	<b>6,672,388</b>	<b>72,541,130</b>	<b>353,858,894</b>	<b>21%</b>	<b>101,339,129</b>



<b>Healthcare Delivery - Primary Care</b>	<b>Jun 2021</b>	<b>FY21 YTD</b>	<b>FY21 Budget</b>	<b>Percent of Budget Used</b>	<b>FY20 YTD</b>
<b>Primary Care</b>					
CommUnity Care	1,861,190	23,658,806	44,885,000	53%	26,029,562
Lone Star Circle of Care	370,480	3,599,008	6,555,000	55%	3,912,427
People's Community Clinic	225,771	1,557,957	2,600,000	60%	1,473,428
Other Primary Care	11,114	156,191	2,895,000	5%	323,746
<b>Subtotal Primary Care Services</b>	<b>2,468,555</b>	<b>28,971,962</b>	<b>56,935,000</b>	<b>51%</b>	<b>31,739,163</b>

(continued on next page)



Healthcare Delivery - Specialty	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD	YOY Percent Change	Comments
Specialty Care							
Ancillary Services	1,311	51,632	610,000	8%	13,255	290%	
Cardiology	6,053	73,820	265,000	28%	92,161	-20%	
Consultation Services	25,000	225,000	500,000	45%	0	0%	Addition of services with CUC
Dental Specialty	99,589	577,950	1,000,000	58%	659,158	-12%	
Dermatology	63,409	307,524	550,000	56%	312,045	-1%	
Durable Medical Equipmen	431	15,346	115,000	13%	15,335	0%	
Ear, Nose & Throat ENT	19,267	185,292	350,000	53%	159,799	16%	
Endocrinology	27,382	233,543	575,000	41%	142,306	64%	Increased utilization of e-consults
Gastroenterology	77,608	579,826	2,100,000	28%	572,431	1%	
General Surgery	4,112	30,188	300,000	10%	95,321	-68%	Lower volume
Gynecology IPU	0	0	600,000	0%	13,974	-100%	Services currently contracted in CCC
Nephrology	881	10,546	200,000	5%	0	0%	New service in FY21 with lower volume
Oncology	36,826	238,613	700,000	34%	287,535	-17%	
Ophthalmology	111,819	842,080	1,575,000	53%	657,148	28%	
Orthotics & Prosthetics	29,948	113,043	200,000	57%	89,616	26%	
Podiatry	6,463	159,938	350,000	46%	4,375	3556%	New service in FY20
Pulmonology	12,143	123,361	375,000	33%	190,339	-35%	
Rheumatology	14,610	99,817	250,000	40%	94,632	5%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	Services currently contracted in CCC
Neurology	0	0	100,000	0%	0	0%	
Wound Care	5,075	44,625	150,000	30%	17,775	151%	
<b>Total Specialty Care</b>	<b>541,927</b>	<b>3,912,144</b>	<b>12,565,000</b>	<b>31%</b>	<b>3,417,205</b>	<b>14%</b>	



# Questions ? Comments ?

DRAFT



**Restricted Cash & Investments or Noncurrent**

Investments Restricted for Capital Acquisition – \$11M in short-term securities 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 - \$11.7M

Capital Assets – \$67M, net of accumulated depreciation

**Total Assets – \$552M**



**Current Liabilities** – Slide 5

Accounts Payable and Other Payables – Major components of the \$6.6M balance are:

- \$5M estimated IBNR for healthcare services.
- \$1.6M vendor invoices due.

Salaries and Benefits Payable – \$1.7M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off and various fringe benefit amounts withheld and not yet paid.

Debt Service Payable, Short-Term – \$1.2M in Certificates of Obligation Payable, interest due 09/01/21.

Deferred Tax Revenue - \$2.7M pending collection

**Total Current Liabilities** – \$12M





June 2021 Preliminary Monthly Financial Statements (unaudited)

Page 4 of 6

**Restricted or Noncurrent Liabilities** – Slide 5 (continued)

Funds held for TCHD LPPF - \$11.7M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$4.9M balance of the \$7.285M in General Obligation Bonds, Series 2020. This debt was originally issued in 2011 for the North Central clinic and refunded May 2020. Due annually on 3/1.

**Total Restricted or Noncurrent Liabilities – \$16.6M**

**Total Liabilities** – \$28.9M

**Net Assets**

Unrestricted Net Assets – \$457M

Investment in Capital Assets – \$67M

**Total Net Assets** – \$524M

**Total Liabilities and Net Assets** – \$552M



June 2021 Preliminary Monthly Financial Statements (unaudited)

Page 5 of 6

**Sources and Uses Report** – Slide 6

June financials → nine months, 75% of the fiscal year.

**Sources – Total \$1.3M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$346K. Net revenue includes \$329K current month's collections; \$84K Penalties and Interest; (\$67)K in adjustments for prior year delinquent taxes.

Lease Revenue – \$863K recorded for Seton lease payment.

Other Revenue – \$90K from monthly investment income.

**Uses of Funds – Total \$7.3M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$6.7M for the month and \$73M YTD compared to \$101M YTD thru June 2020.

Healthcare Delivery Budget includes funds for service expansion in Post-Acute Care \$5.4M, Primary & Specialty Care \$3.8M (Musculoskeletal \$1.7M, Neurology \$100k, and Reserves \$2M), Community Health Care Initiatives Fund \$875k, and Hospital and Specialty Services \$59.7M.

Administration Program – \$597K in expense for the month, which includes:

- Personnel costs – \$434K
- Consulting services – \$3K
- Legal fees – \$32K
- Other general and administrative – \$128K

**Tax Collection Expenses** – \$81K for the month.

**Excess Sources/(Uses)** – \$(6.0)M in June. Current YTD is \$308M compared to prior year FY20 YTD of \$185M.

**Healthcare Delivery Expense** – Slide 7**Healthcare Delivery Expense** – Total \$6.7M June; \$73M YTD compared to \$101M June FY20 YTD.Intergovernmental Transfers (“IGT’s”) – YTD \$0 compared to \$27M YTD last year for DSH.Healthcare Services – Healthcare delivery providers’ expense for June totaled \$4M, which includes:

- Primary care – \$2.5M
- Specialty Care (including Dental and Behavioral Health) – \$686K
- Pharmacy - \$727K
- All Other Healthcare Services - \$94K
- Community Healthcare Initiatives Fund - \$2K

ACA Premium Assist, Education, Enrollment – \$988K in expenses for the month; \$8.9M YTD compared to \$7M FY20 YTDHealthcare Facilities and Campus Redevelopment - \$246K in expense for the month and \$2M YTD.Healthcare Delivery Operating Cost – \$1.5M in expenses for the month and includes:

- Personnel costs – \$966K
- Consulting Services – \$3K
- Legal Fees - \$(17)K
- Other services and purchased goods – \$502K

Debt, Reserves and Transfer – \$6K in Debt Service and Capital Reserve for the month**Total Healthcare Delivery** - for the month of June was \$6.7M.



# Central Health

## Financial Statement Presentation

FY 2021 – as of July 31, 2021 (Preliminary)

Central Health Board of Managers

August 23, 2021

Lisa Owens, Deputy CFO

Patti Bethke, Controller



- Slide 2 Index
- Slide 3 Highlights
- Slide 4 Balance Sheet - Assets
- Slide 5 Balance Sheet - Liabilities & Net Assets
- Slide 6 Sources & Uses
- Slide 7 HCD - Summary
- Slide 8 HCD - Blank Page
- Slide 9 HCD - IGT & HCD Services
- Slide 10 HCD - Operating Cost
- Slide 11 HCD - Primary Care
- Slide 12 HCD - Specialty Care

Note: HCD = Health Care Delivery



- Year-to-date through July collected net property tax revenue is \$237 million compared to \$213 million as of July 2020 representing 98% of the adjusted tax levy compared to 98% as of June 2020.
- Transferred \$19M in IGT for CCC DSRIP program in July, this lower IGT was a result of an enhanced rate still in effect for matching due to COVID-19 and did not impact revenue received by the CCC.
- Healthcare Delivery is \$101 million for the ten months ending 7/31/2021.
- GAAP reporting Net Assets increased \$78 million year-over-year this is net of hospital impairment totaling \$51 million due to redevelopment.
- TCHD LPPF total restricted balance of LPPF as of 7/31/2021 is \$38 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 7/31/2021	as of 7/31/2020
Current Assets		
Cash and cash equivalents	1,205,944	1,083,803
Short-term investments	313,945,173	193,761,302
Ad valorem taxes receivable	2,611,397	2,495,274
Other receivables	4,035,541	5,988,003
Prepaid expenses	568,987	515,469
Total Current Assets	<u>322,367,042</u>	<u>203,843,851</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	9,977,026	7,935,047
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	38,099,366	11,983,963
Total Restricted Cash and Investments or Noncurrent	<u>160,159,392</u>	<u>132,002,010</u>
Capital Assets		
Land	13,425,967	12,598,612
Buildings and improvements	59,847,914	130,702,304
Equipment and furniture	18,253,615	9,612,935
Capital Projects in progress	3,250,920	3,525,512
Less accumulated depreciation	(25,564,457)	(46,696,360)
Total Capital Assets	<u>69,213,960</u>	<u>109,743,004</u>
<b>Total Assets</b>	<u><u>551,740,393</u></u>	<u><u>445,588,866</u></u>



<b>Liabilities</b>	<b>Preliminary</b>	
	<b>as of 7/31/2021</b>	<b>as of 7/31/2020</b>
<b>Current Liabilities</b>		
Accounts payable	7,859,446	5,608,883
Salaries and benefits payable	1,799,865	1,596,575
Other Payables	-	43,548
Debt service payable, short-term	1,222,051	1,201,927
Deferred tax revenue	3,616,316	2,246,038
Other deferred revenue	-	610,000
<b>Total Current Liabilities</b>	<b>14,497,678</b>	<b>11,306,971</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	38,099,366	11,983,963
Debt service payable, long-term	4,915,000	6,105,000
<b>Total Restricted or Noncurrent Liabilities</b>	<b>43,014,366</b>	<b>18,088,963</b>
<b>Total Liabilities</b>	<b>57,512,043</b>	<b>29,395,934</b>
<b>Net Assets</b>		
Unrestricted	423,815,740	306,449,927
Investment in Capital Assets	70,412,610	109,743,004
<b>Total Net Assets</b>	<b>494,228,350</b>	<b>416,192,931</b>
<b>Liabilities and Net Assets</b>	<b>551,740,393</b>	<b>445,588,866</b>





Sources / Uses	Jul 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Sources</b>					
Property Tax Revenue	(196,977)	237,152,203	234,057,519	101%	213,342,916
Lease Revenue	862,753	10,193,695	12,909,866	79%	10,126,838
Other Revenue	87,238	851,249	1,720,000	49%	2,179,586
Tobacco Settlement Revenue	-	3,872,274	2,800,000	138%	3,819,376
Contingency Reserve (Carryforward)	-	136,179,266	115,856,728	118%	64,898,396
<b>Total Sources</b>	<b>753,014</b>	<b>388,248,687</b>	<b>367,344,113</b>	<b>106%</b>	<b>294,367,112</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>28,222,652</b>	<b>100,763,785</b>	<b>353,858,894</b>	<b>28%</b>	<b>129,389,713</b>
<b>Administrative Program</b>					
Salaries and benefits	423,492	4,098,286	5,561,651	74%	3,890,654
Consulting Fees	30,325	255,679	1,259,570	20%	315,088
Legal Fees	49,806	452,739	1,497,136	30%	880,696
Other Purchase Goods and Services	111,092	1,348,797	3,081,046	44%	915,307
<b>Total Administrative Program</b>	<b>614,715</b>	<b>6,155,501</b>	<b>11,399,403</b>	<b>54%</b>	<b>6,001,745</b>
<b>Tax Collection Expenses</b>	<b>80,414</b>	<b>1,644,464</b>	<b>2,085,816</b>	<b>79%</b>	<b>1,606,938</b>
<b>Total Uses</b>	<b>28,917,781</b>	<b>108,563,750</b>	<b>367,344,113</b>	<b>30%</b>	<b>136,998,396</b>
<b>Excess Sources / (Uses)</b>	<b>(28,164,767)</b>	<b>279,684,937</b>			<b>157,368,716</b>



<b>Healthcare Delivery Summary</b>	<b>Jul 2021</b>	<b>FY21 YTD</b>	<b>FY21 Budget</b>	<b>Percent of Budget Used</b>	<b>FY20 YTD</b>
<b>Inter-Governmental Transfers (IGTs)</b>	<b>19,983,752</b>	<b>19,983,752</b>	<b>23,528,575</b>	<b>85%</b>	<b>47,787,968</b>
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	4,148,502	33,120,464	56,935,000	58%	34,861,076
Specialty Care, incld Dental & Behavioral Health	549,145	4,904,641	14,448,856	34%	4,310,681
Pharmacy	620,718	7,749,122	13,250,000	58%	8,119,882
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	126,074	913,250	4,469,990	20%	908,804
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>5,444,439</b>	<b>46,687,477</b>	<b>155,078,846</b>	<b>30%</b>	<b>48,200,443</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>956,383</b>	<b>9,878,190</b>	<b>12,160,674</b>	<b>81%</b>	<b>7,864,196</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>461,380</b>	<b>2,455,404</b>	<b>6,097,472</b>	<b>40%</b>	<b>3,265,974</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,370,288</b>	<b>14,008,665</b>	<b>29,473,028</b>	<b>48%</b>	<b>11,639,514</b>
<b>Debt, Reserves and Transfers</b>	<b>6,410</b>	<b>7,750,297</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,631,618</b>
<b>Total Healthcare Delivery</b>	<b>28,222,652</b>	<b>100,763,785</b>	<b>353,858,894</b>	<b>28%</b>	<b>129,389,713</b>



Details for Health Care Delivery on the following slides.

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Healthcare Delivery - Detail	Jul 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Intergovernmental Transfers (IGTs)</b>					
DSH - Disproportionate Share	-	-	-	0%	26,959,115
DSRIP - CCC	19,983,752	19,983,752	23,528,575	85%	20,828,853
<b>Subtotal Intergovernmental Transfers (IGTs)</b>	<b>19,983,752</b>	<b>19,983,752</b>	<b>23,528,575</b>	<b>85%</b>	<b>47,787,968</b>
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	4,148,502	33,120,464	56,935,000	58%	34,861,076
Specialty Care, incld Dental - (see detail on Slide 12)	472,796	4,384,942	12,565,000	35%	3,864,492
Specialty Care, Behavioral Health	76,349	519,699	1,883,856	28%	446,189
Pharmacy	620,718	7,749,122	13,250,000	58%	8,119,882
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	68,821	340,721	1,150,000	30%	341,908
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,253	572,529	719,990	80%	514,396
Primary & Specialty Care Reserves	-	-	2,000,000	0%	52,500
Community Health Care Initiatives	-	-	875,000	0%	-
Hospital and Specialty Services	-	-	57,000,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>5,444,439</b>	<b>46,687,477</b>	<b>155,078,846</b>	<b>30%</b>	<b>48,200,443</b>
Service Expansion Funds					

(continued on next page)



Healthcare Delivery Detail (continued)	Jul 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Healthcare Operations and Support</b>					
<b>ACA and Premium Assistance Programs</b>					
High Risk Premium Programs	728,026	7,032,842	8,600,000	82%	5,511,003
CHAP Program	215,283	2,289,375	2,959,354	77%	1,795,222
ACA Enrollment and Education Services	13,074	555,973	601,320	92%	557,971
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>956,383</b>	<b>9,878,190</b>	<b>12,160,674</b>	<b>81%</b>	<b>7,864,196</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	11,062	83,177	368,579	23%	302,755
Consulting Services	7,303	236,602	1,730,000	14%	-
Legal Fees	13,436	169,581	174,500	97%	-
Other Goods & Svc incl. UT Ground Lease	429,579	1,966,044	3,824,393	51%	2,963,219
<b>Subtotal Healthcare Facilities and Campus</b>	<b>461,380</b>	<b>2,455,404</b>	<b>6,097,472</b>	<b>40%</b>	<b>3,265,974</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	874,417	9,682,247	15,021,176	64%	7,905,760
Consulting Services	11,892	59,138	1,085,500	5%	41,815
Legal Fees	3,513	79,194	332,000	24%	98,360
Other Services and Purchased Goods	480,466	4,188,086	13,034,352	32%	3,593,579
<b>Subtotal HCD Operating Cost</b>	<b>1,370,288</b>	<b>14,008,665</b>	<b>29,473,028</b>	<b>48%</b>	<b>11,639,514</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	6,410	1,250,297	1,264,357	99%	1,275,328
Healthcare Capital Line of Credit	-	-	1,091,773	-	-
FY2021 Capital reserve	-	6,500,000	34,100,000	19%	2,950,000
FY2021 Hospital Services Reserve	-	-	4,000,000	-	6,406,290
FY2021 Contingency reserve appropriation	-	-	87,064,169	-	-
<b>Subtotal Debt, Reserves and Transfers</b>	<b>6,410</b>	<b>7,750,297</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,631,618</b>
<b>Total Healthcare Delivery</b>	<b>28,222,652</b>	<b>100,763,785</b>	<b>353,858,894</b>	<b>28%</b>	<b>129,389,713</b>



Healthcare Delivery - Primary Care	Jul 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Primary Care</b>					
CommUnity Care	3,432,934	27,091,740	44,885,000	60%	29,290,885
Lone Star Circle of Care	555,014	4,154,022	6,555,000	63%	4,385,096
People's Community Clinic	187,429	1,745,386	2,600,000	67%	1,569,669
Other Primary Care	(26,874)	129,316	2,895,000	4%	(384,576)
<b>Subtotal Primary Care Services</b>	<b>4,148,503</b>	<b>33,120,464</b>	<b>56,935,000</b>	<b>58%</b>	<b>34,861,074</b>

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Healthcare Delivery - Specialty	Jul 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD	YOY Percent Change	Comments
Specialty Care							
Ancillary Services	(4,227)	47,405	610,000	8%	14,319	231%	
Cardiology	7,566	81,387	265,000	31%	80,006	2%	
Consultation Services	25,000	250,000	500,000	50%	0	0%	Addition of services with CUC
Dental Specialty	44,286	622,236	1,000,000	62%	743,980	-16%	
Dermatology	69,849	377,373	550,000	69%	333,015	13%	
Durable Medical Equipmen	3,019	18,366	115,000	16%	16,986	8%	
Ear, Nose & Throat ENT	19,701	204,993	350,000	59%	266,629	-23%	
Endocrinology	25,889	259,431	575,000	45%	155,366	67%	Increased utilization of e-consults
Gastroenterology	83,853	663,679	2,100,000	32%	628,551	6%	
General Surgery	1,799	31,987	300,000	11%	120,680	-73%	Lower volume
Gynecology IPU	0	0	600,000	0%	11,474	-100%	Services currently contracted in CCC
Nephrology	1,808	12,353	200,000	6%	0	0%	New service in FY21 with lower volume
Oncology	36,732	275,345	700,000	39%	339,132	-19%	
Ophthalmology	107,134	949,215	1,575,000	60%	688,695	38%	
Orthotics & Prosthetics	1,868	114,912	200,000	57%	99,633	15%	
Podiatry	22,138	182,075	350,000	52%	44,567	309%	New service in FY20
Pulmonology	10,588	133,949	375,000	36%	211,828	-37%	
Rheumatology	10,716	110,533	250,000	44%	90,470	22%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	Services currently contracted in CCC
Neurology	0	0	100,000	0%	0	0%	
Wound Care	5,075	49,700	150,000	33%	19,163	159%	
<b>Total Specialty Care</b>	<b>472,794</b>	<b>4,384,939</b>	<b>12,565,000</b>	<b>35%</b>	<b>3,864,494</b>	<b>13%</b>	



# Questions ? Comments ?

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Balance Sheet (Assets) – Slide 4

**Current Assets**

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Cash and Cash Equivalents – \$1.2M compared to \$1.1M July 2020

Short-term Investments – Short-term investments were \$314M at month-end and restricted investments of \$10M for capital acquisitions.

Ad Valorem Taxes Receivable – \$2.6M balance is composed of:

Gross Tax Receivables	\$ 7.4M
Taxable Assessed Valuation Adjustment	(2.1)M
Est. Allowance for Doubtful collections	(2.7)M
<b>Total Taxes Receivable</b>	<b>\$ 2.6M</b>

Other Receivables – Other receivables total \$4.0M and includes intercompany balances:

- CommUnityCare - \$1.7M
- Sendero - \$1.3M
- Community Care Collaborative - \$531K
- Accrued Interest - \$412K
- Miscellaneous Receivables – \$32K

Prepaid Expenses – \$569K balance composed of:

- TCAD Appraisal Fees - \$159K
- Prepaid Insurance - \$138K
- ICC Dues \$115K
- Software - \$96K
- Memberships - \$39K
- Deposits - \$21K
- Prepaid Tax Collection Fees - \$1K

**Total Current Assets – \$322M**



July 2021 Preliminary Monthly Financial Statements (unaudited)

Page 2 of 6

Balance Sheet (Assets) – Slide 4 (continued)

**Restricted Cash & Investments or Noncurrent**

Investments Restricted for Capital Acquisition – \$10M in short-term securities 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 - \$38.1M

Capital Assets – \$69M, net of accumulated depreciation

**Total Assets – \$552M**



**Current Liabilities** – Slide 5

Accounts Payable and Other Payables – Major components of the \$7.9M balance are:

- \$5M estimated IBNR for healthcare services.
- \$2.9M vendor invoices due.

Salaries and Benefits Payable – \$1.8M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off and various fringe benefit amounts withheld and not yet paid.

Debt Service Payable, Short-Term – \$1.2M in Certificates of Obligation Payable, interest due 09/01/21.

Deferred Tax Revenue - \$3.6M pending collection

**Total Current Liabilities** – **\$14.5M**



**Restricted or Noncurrent Liabilities** – Slide 5 (continued)

Funds held for TCHD LPPF - \$38.1M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$4.9M balance of the \$7.285M in General Obligation Bonds, Series 2020. This debt was originally issued in 2011 for the North Central clinic and refunded May 2020. Due annually on 3/1.

**Total Restricted or Noncurrent Liabilities – \$43M**

**Total Liabilities** – \$58M

**Net Assets**

Unrestricted Net Assets – \$424M

Investment in Capital Assets – \$70M

**Total Net Assets** – \$494M

**Total Liabilities and Net Assets** – \$552M



**Sources and Uses Report** – Slide 6

July financials → ten months, 83% of the fiscal year.

**Sources – Total \$753K for the month**

Property Tax Revenue – Net property tax revenue for the month was (\$197K). Net revenue includes \$204K current month's collections; \$69K Penalties and Interest; (\$469K) in adjustments for prior year delinquent taxes.

Lease Revenue – \$863K recorded for Seton lease payment.

Other Revenue – \$87K from monthly investment income.

**Uses of Funds – Total \$28.9M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$28.2M for the month and \$101M YTD compared to \$129M YTD thru July 2020.

Healthcare Delivery Budget includes funds for service expansion in Post-Acute Care \$5.4M, Primary & Specialty Care \$3.8M (Musculoskeletal \$1.7M, Neurology \$100k, and Reserves \$2M), Community Health Care Initiatives Fund \$875k, and Hospital and Specialty Services \$59.7M.

Administration Program – \$615K in expense for the month, which includes:

- Personnel costs – \$423K
- Consulting services – \$30K
- Legal fees – \$50K
- Other general and administrative – \$111K

**Tax Collection Expenses** – \$80K for the month.

**Excess Sources/(Uses)** – (\$28M) in July. Current YTD is \$280M compared to prior year FY20 YTD of \$157M.



July 2021 Preliminary Monthly Financial Statements (unaudited)

Page 6 of 6

**Healthcare Delivery Expense** – Slide 7

**Healthcare Delivery Expense** – Total \$28M July; \$101M YTD compared to \$129M July FY20 YTD.

Intergovernmental Transfers (“IGT’s”) – YTD \$20M for DSRIP IGT compared to \$48M YTD last year for DSRIP IGT and DSH.

Healthcare Services – Healthcare delivery providers’ expense for July totaled \$5.4M, which includes:

- Primary care – \$4.1M
- Specialty Care (including Dental and Behavioral Health) – \$549K
- Pharmacy - \$621K
- All Other Healthcare Services - \$126K

ACA Premium Assist, Education, Enrollment – \$956K in expenses for the month; \$9.9M YTD compared to \$7.8M FY20 YTD

Healthcare Facilities and Campus Redevelopment - \$461K in expense for the month and \$2.4M YTD.

Healthcare Delivery Operating Cost – \$1.4M in expenses for the month and includes:

- Personnel costs – \$874K
- Consulting Services – \$12K
- Legal Fees - \$4K
- Other services and purchased goods – \$480K

Debt, Reserves and Transfer – \$6K in Debt Service and Capital Reserve for the month

**Total Healthcare Delivery** - for the month of July was \$28M.

# Community Care Collaborative

## Financial Statement Presentation

### FY 2021 – as of June 30, 2021 (Preliminary)

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**Central Health Board of Managers**  
**Board of Managers Meeting**  
**August 25, 2021**

**Jeff Knodel, Chief Financial Officer**  
**Lisa Owens, Deputy Chief Financial Officer**



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*Preliminary*

# Highlights Community Care Collaborative

June 2021



- \* Cash is at \$7.0 million compared to \$9.8million last year.
- \* Total Liabilities are at \$8.9 million as of the end of June 2021.
- \* Net Assets at the end of June are -\$1.7M.

*Preliminary*



# Balance Sheet Community Care Collaborative

As of June 2021



## Community Care Collaborative

	as of 6/30/2021	as of 6/30/2020
<b>Assets</b>		
Cash and Cash Equivalents	7,015,930	9,765,781
Other Receivables	91,344	315,353
Prepaid and Other	112,781	65,433
Total Assets	<u>7,220,055</u>	<u>10,146,567</u>
<b>Liabilities</b>		
AP and Accrued Liabilities	5,156,286	10,789,837
Deferred Revenue	3,479,719	1,961,042
Other Liabilities	170,875	227,323
Accrued Payroll	108,148	117,719
Total Liabilities	<u>8,915,028</u>	<u>13,095,921</u>
Net Assets	<u>(1,694,972)</u>	<u>(2,949,353)</u>
Liabilities and Net Assets	<u>7,220,055</u>	<u>10,146,567</u>

*Preliminary*

# Sources and Uses Report, Budget vs Actual

## Fiscal Year-to-Date through June 2021



Sources of Funds	Budget	YTD Actual	YTD %	Prior YTD
			of Budget	Actual
DSRIP Revenue	61,168,472	870,509	1%	0
Operations Contingency Carryforward	5,362,495	11,316,128	211%	10,731,787
Other Sources	100,000	11,503	12%	112,493
<b>Total Sources of Funds</b>	<b>66,630,967</b>	<b>12,198,140</b>	<b>18%</b>	<b>10,844,280</b>
<b>Uses - Programs</b>				
Healthcare Delivery	19,630,967	10,139,783	52%	11,929,604
UT Services Agreement	35,000,000	0	0%	0
DSRIP Project Costs	12,000,000	8,753,330	73%	6,864,029
<b>Total Uses</b>	<b>66,630,967</b>	<b>18,893,113</b>	<b>28%</b>	<b>18,793,633</b>
<b>Net Sources (Uses)</b>	<b>-</b>	<b>(6,694,973)</b>		<b>(7,949,353)</b>
<b>Net Assets</b>		<b>(1,694,973)</b>		<b>(2,949,353)</b>

<sup>(1)</sup> Final contributions will be subject to provisions of the MSA, which requires the parties to collaborate to adequately fund the CCC, but leaves the amount of funding up to each parties' discretion. Each member contribution could be more or less than the budget, depending upon a variety of factors.

*Preliminary*



# Healthcare Delivery Costs - Summary

Fiscal Year-to-Date through June 2021

	Budget	YTD Actual	YTD % of Budget	Prior YTD Actual
<b>Healthcare Delivery</b>				
Primary Care & Emergency Transport	921,822	690,019	75%	435,202
Specialty Care	3,908,000	1,624,263	42%	1,649,069
Specialty Behavioral Health	8,000,000	4,808,324	60%	5,600,395
Post-Acute Care	2,675,000	1,417,303	53%	2,027,275
Urgent and Convenient Care	475,000	92,537	19%	135,291
Healthcare Delivery - Operations	2,849,742	1,507,338	53%	2,082,371
Operations Contingency Reserve	801,403	0	0%	0
<b>Total Healthcare Delivery</b>	<b>19,630,967</b>	<b>10,139,783</b>	<b>52%</b>	<b>11,929,604</b>

*Preliminary*

# Thank You

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*Preliminary*



June 2021 FYTD Financial Statements (unaudited)  
Page 1 of 4

## **Balance Sheet**

### **Current Assets**

Cash and Cash Equivalents – \$7.0M

Other Receivables – \$91K

Prepaid and Other – \$113K – Atrium Security deposit and software license

**Total Assets – \$7.2M**

### **Liabilities**

Accounts Payable and Accrued Liabilities – \$5.2M, which includes:

- \$4.7M estimated IBNR (Incurred But Not Received) for healthcare provider services
- \$0.5M due to Central Health (for July 2020 - Jun 2021)

Deferred Revenue – \$3.5M deferred revenue related to DSRIP projects

Other Liabilities – \$171K; includes leasehold improvement allowance liability of \$58K and deferred rent of \$113K

Payroll Liabilities – \$108K; includes PTO liability

**Total Liabilities – \$8.9M**



June 2021 FYTD Financial Statements (unaudited)  
Page 2 of 4

**Net Assets**

Unrestricted Net Assets – (\$1.7M)

**Total Net Assets – (\$1.7M)**

**Total Liabilities and Net Assets – \$7.2M**

**Sources and Uses Report**

Jun financials → nine months, 75% of the fiscal year

**Sources of Funds, Year-to-Date**

DSRIP Revenue - \$871K, reflects the release of reserves for prior year audited metrics, anticipated receipt for calendar year 2020 metrics is July 2021

Operations Contingency - \$11.3M from FY2020 (This excludes emergency reserves of \$5M)

Other Sources – \$12K interest income

**Uses of Funds, Year-to-Date**

Operating Expenses

Healthcare Delivery (Excludes DSRIP) – \$10M

	Budget	YTD Actual	YTD % of Budget	Prior YTD Actual
<b>Healthcare Delivery</b>				
Primary Care & Emergency Transport	921,822	690,019	75%	435,202
Specialty Care	3,908,000	1,624,263	42%	1,649,069
Specialty Behavioral Health	8,000,000	4,808,324	60%	5,600,395
Post-Acute Care	2,675,000	1,417,303	53%	2,027,275
Urgent and Convenient Care	475,000	92,537	19%	135,291
Healthcare Delivery - Operations	2,849,742	1,507,338	53%	2,082,371
Operations Contingency Reserve	801,403	0	0%	0
<b>Total Healthcare Delivery</b>	<b>19,630,967</b>	<b>10,139,783</b>	<b>52%</b>	<b>11,929,604</b>

UT Services Agreement – \$0M



June 2021 FYTD Financial Statements (unaudited)  
Page 4 of 4

DSRIP Project Costs – \$8.8M, primarily made up of provider earnings of:

- Community Care - \$7.2M
- Lone Star Circle of Care – \$1.3M
- Hospice Austin – \$65K
- DSRIP Operating Expenses - \$160K

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# Community Care Collaborative

## Financial Statement Presentation

### FY 2021 – as of July 31, 2021 (Preliminary)

---

**Central Health Board of Managers**  
**Board of Managers Meeting**  
**August 23, 2021**

**Jeff Knodel, Chief Financial Officer**  
**Lisa Owens, Deputy Chief Financial Officer**



a partnership of Central Health and Seton Healthcare Family

*Preliminary*

# Highlights Community Care Collaborative

July 2021



- \* Cash is at \$60.2 million compared to \$70.3 million last year.
- \* Total Liabilities are at \$48.7 million as of the end of July 2021 and include the UT Affiliation for \$35M.
- \* Net Assets at the end of July are \$19.6M.
- \* DSRIP Revenues totaling \$62M, 102% of budget, were received and reserved for unaudited revenue risk, netting to \$59M.

*Preliminary*

# Balance Sheet Community Care Collaborative

As of July 2021



## Community Care Collaborative

	as of 7/31/2021	as of 7/31/2020
<b>Assets</b>		
Cash and Cash Equivalents	60,182,571	70,258,060
Other Receivables	8,045,569	337,161
Prepaid and Other	106,425	57,934
Total Assets	<u>68,334,565</u>	<u>70,653,155</u>
<b>Liabilities</b>		
AP and Accrued Liabilities	40,997,783	44,441,267
Deferred Revenue	7,455,418	1,961,042
Other Liabilities	164,831	223,901
Accrued Payroll	103,715	118,895
Total Liabilities	<u>48,721,747</u>	<u>46,745,105</u>
Net Assets	<u>19,612,817</u>	<u>23,908,051</u>
Liabilities and Net Assets	<u>68,334,565</u>	<u>70,653,155</u>

*Preliminary*

# Sources and Uses Report, Budget vs Actual

## Fiscal Year-to-Date through July 2021



Sources of Funds	Budget	YTD Actual	YTD %	Prior YTD
			of Budget	Actual
DSRIP Revenue	61,168,472	59,134,908	97%	63,290,350
Operations Contingency Carryforward	5,362,495	11,316,128	211%	10,731,787
Other Sources	100,000	12,218	12%	114,864
<b>Total Sources of Funds</b>	<b>66,630,967</b>	<b>70,463,254</b>	<b>106%</b>	<b>74,137,001</b>
<b>Uses - Programs</b>				
Healthcare Delivery	19,630,967	11,243,040	57%	13,386,840
UT Services Agreement	35,000,000	35,000,000	100%	35,000,000
DSRIP Project Costs	12,000,000	9,607,396	80%	6,842,111
<b>Total Uses</b>	<b>66,630,967</b>	<b>55,850,436</b>	<b>84%</b>	<b>55,228,950</b>
<b>Net Sources (Uses)</b>	<b>-</b>	<b>14,612,817</b>		<b>18,908,051</b>
<b>Net Assets</b>		<b>19,612,817</b>		<b>23,908,051</b>

<sup>(1)</sup> Final contributions will be subject to provisions of the MSA, which requires the parties to collaborate to adequately fund the CCC, but leaves the amount of funding up to each parties' discretion. Each member contribution could be more or less than the budget, depending upon a variety of factors.

*Preliminary*



# Healthcare Delivery Costs - Summary

Fiscal Year-to-Date through July 2021

	Budget	YTD Actual	YTD % of Budget	Prior YTD Actual
<b>Healthcare Delivery</b>				
Primary Care & Emergency Transport	921,822	766,669	83%	534,336
Specialty Care	3,908,000	1,815,773	46%	1,849,946
Specialty Behavioral Health	8,000,000	5,248,524	66%	6,290,559
Post-Acute Care	2,675,000	1,662,606	62%	2,271,153
Urgent and Convenient Care	475,000	102,194	22%	148,477
Healthcare Delivery - Operations	2,849,742	1,647,274	58%	2,292,368
Operations Contingency Reserve	801,403	0	0%	0
<b>Total Healthcare Delivery</b>	<b>19,630,967</b>	<b>11,243,040</b>	<b>57%</b>	<b>13,386,840</b>

*Preliminary*

# Thank You

[www.ccc-ids.org](http://www.ccc-ids.org)

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*Preliminary*



July 2021 FYTD Financial Statements (unaudited)  
Page 1 of 4

## **Balance Sheet**

### **Current Assets**

Cash and Cash Equivalents – \$60M

Other Receivables – \$8M DSRIP payment in bank transit on 7/31/2021

Prepaid and Other – \$106K – Atrium Security deposit and software license

**Total Assets – \$68M**

### **Liabilities**

Accounts Payable and Accrued Liabilities – \$41M, which includes:

- \$35M UT Affiliation Agreement
- \$5.2M estimated IBNR (Incurred But Not Received) for healthcare provider services
- \$0.5M due to Central Health (for July 2020 - July 2021)

Deferred Revenue – \$7.5M deferred revenue related to DSRIP projects, increased for CY20 payment

Other Liabilities – \$165K; includes leasehold improvement allowance liability of \$55K and deferred rent of \$110K

Payroll Liabilities – \$104K; includes PTO liability

**Total Liabilities – \$48.7M**



July 2021 FYTD Financial Statements (unaudited)  
Page 2 of 4

### **Net Assets**

Unrestricted Net Assets – \$19.6M

**Total Net Assets – \$19.6M**

**Total Liabilities and Net Assets – \$68.3M**

### **Sources and Uses Report**

July financials → ten months, 83% of the fiscal year

### **Sources of Funds, Year-to-Date**

DSRIP Revenue - \$59M, receipt for calendar year 2020 metrics

Operations Contingency - \$11.3M from FY2020 (This excludes emergency reserves of \$5M)

Other Sources – \$12K interest income



**Uses of Funds, Year-to-Date**

Operating Expenses

Healthcare Delivery (Excludes DSRIP) – \$11M

	Budget	YTD Actual	YTD % of Budget	Prior YTD Actual
<b>Healthcare Delivery</b>				
Primary Care & Emergency Transport	921,822	766,669	83%	534,336
Specialty Care	3,908,000	1,815,773	46%	1,849,946
Specialty Behavioral Health	8,000,000	5,248,524	66%	6,290,559
Post-Acute Care	2,675,000	1,662,606	62%	2,271,153
Urgent and Convenient Care	475,000	102,194	22%	148,477
Healthcare Delivery - Operations	2,849,742	1,647,274	58%	2,292,368
Operations Contingency Reserve	801,403	0	0%	0
<b>Total Healthcare Delivery</b>	<b>19,630,967</b>	<b>11,243,040</b>	<b>57%</b>	<b>13,386,840</b>

UT Services Agreement – \$35M

DSRIP Project Costs – \$9.6M, primarily made up of provider earnings of:



July 2021 FYTD Financial Statements (unaudited)  
Page 4 of 4

- CommUnity Care - \$8.0M
- Lone Star Circle of Care – \$1.3M
- Hospice Austin – \$65K
- DSRIP Operating Expenses - \$175K

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# CENTRAL HEALTH

## **Our Vision**

Central Texas is a model healthy community.

## **Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

## **Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 3**

Receive and discuss an update on community engagement and results of the community survey regarding the proposed Fiscal Year 2022 strategic priorities and proposed budget. (*Informational Item*)



**AGENDA ITEM SUBMISSION FORM**

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date	<u>August 23, 2021</u>
Who will present the agenda item? (Name, Title)	<u>Iván Dávila, Director of Communications and Community Engagement; Matt Richardson, Senior Data Strategy Analyst</u>
General Item Description	<u>A presentation on the efforts of and results from Central Health’s FY 2022 budget and strategic priorities community engagement and feedback-gathering process.</u>
Is this an informational or action item?	<u>Informational</u>
Fiscal Impact	<u>None</u>
Recommended Motion (if needed – action item)	<u>N/A</u>

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) FY 2022 Budget & Strategic Priorities: Engagement Goals
- 2) Communications, Community Engagement & Outreach Tactics Used
- 3) Survey Methodology
- 4) Participant Breakdown
- 5) Summary of Results

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	<u>The FY2022 Budget &amp; Strategic Priorities Community Engagement Report (67 pages)</u>
Estimated time needed for presentation & questions?	<u>15 minutes</u>
Is closed session recommended? (Consult with attorneys.)	<u>No</u>



CENTRAL HEALTH

Form Prepared By/Date

Submitted:

Iván Dávila – 08/13/2021

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FISCAL YEAR 2022 BUDGET & STRATEGIC PRIORITIES  
COMMUNITY ENGAGEMENT  
PRELIMINARY REPORT

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## EXECUTIVE SUMMARY

To ensure its strategic priorities and budget align with the health care needs of our community, Central Health staff rely heavily on demographic and clinical data. In addition, staff annually prioritize involving residents in a robust community engagement process.

Through systematic community engagement methods, the goal of staff is to involve residents in the planning, implementation and evaluation of Central Health projects. This report thematically summarizes the public input staff have gathered for consideration during the Fiscal Year (FY) 2022 budget development process.

Staff collected public and consumer feedback through Community Conversations, an online survey, one-on-one interviews (by phone), and a public hearing. In addition, staff received comments and answered questions online: [participate.centralhealth.net/2022budget](https://participate.centralhealth.net/2022budget).

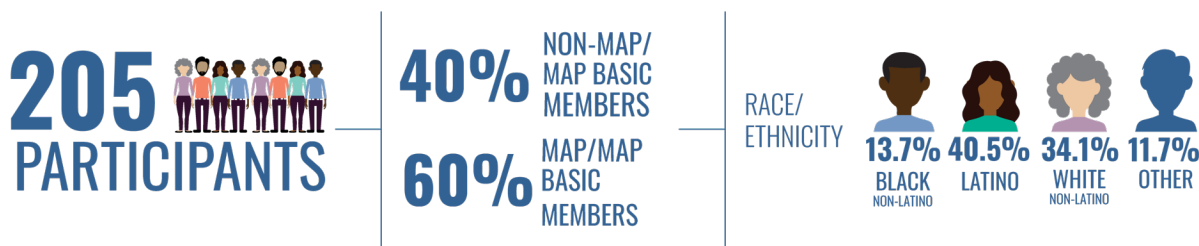
While the budget development process continues through September 21, as of August 16, a total of **237 community members have provided input.**

# of Activities	Type of Activity	# of participants
2	Community Conversations	32*
1	Survey (including One-on-One Interviews)	205
1	Online Comment Form	0
1	Public Hearing	0
<b>Total number of people</b>		<b>237</b>

\*As of Aug. 16, the Community Conversation recordings had 573 views.

### Summary: Survey and Telephone Interviews

**205 community members and consumers participated** in the online survey and one-on-one interviews. See detailed report in Exhibit A.



### Key Findings

- Large majorities of respondents either strongly or somewhat agree with all the proposed budget priorities (Table 1, Exhibit A). The strategies with the strongest support were Healthcare for the Homeless and Transitions of Care (both at 90.6%). Current and former MAP and MAP BASIC members tended to have even more positive views of the proposed strategies.
- Wait times, the referral process, and communication concerns surfaced repeatedly in the structured and open-ended responses from members.
- MAP and MAP BASIC members report higher satisfaction with their clinical care experience than the non-member respondents. Members largely feel that their doctors understand them, that the care team respects their culture, that they are included and have a voice in their care, and that their preferences are taken into account (Table 2, Exhibit A). They also feel more confident about their ability to



manage their health after a visit with a provider and that the amount of information provided at the visit was “about right.”

“Si no fuera por la tarjeta, ya me hubiera muerto.”  
**Translation:** “If it wasn’t for the card, I would have died by now.”  
**Current MAP member on the impact of having her MAP card.**

## COMMUNITY ENGAGEMENT APPROACH

As a tax-funded public entity, Central Health uses a systematic approach to community engagement and public participation. This approach employs methods recommended by the Systematic Development of Informed Consent (SDIC) public engagement process from the Institute for Participatory Management & Planning (IPMP), as well as the International Association for Public Participation (IAP2). Both best-practice models are widely used by other local public entities, including the City of Austin, Capital Metro, and the Austin Independent School District.

### Tactics & Activities

Central Health staff engage with residents to gather their feedback through community conversations, community advisory committees, online/paper surveys and one-on-one interviews (in person or by phone). In addition, we rely on communications tactics, as well as outreach tactics to ensure we involve our consumers in the public participation process. The graphic below illustrates how Central Health’s four core external relations functions support one another to carry out our strategic objectives.





Because we highly value input from our patient population, we consistently engage them by employing feedback-gathering tactics that meet them where they are. To inform and obtain **feedback** from consumers and patients, we employ the following tactics:

1. Online/paper surveys
2. One-on-one interviews (in person or by phone)

To inform and obtain feedback from the community at-large, we employ the following tactics:

1. Community Advisory Committees
2. Community Conversations

While Community Conversations are meant to cast a wide net to inform and obtain feedback from the general public, community advisory committees are designed to inform and obtain feedback from highly active community members around a particular project – through ongoing dialogue.

Below you'll find a description of each community engagement and communications tactic as well as a sample list of the community groups we have engaged for community outreach purposes.

## COMMUNITY ENGAGEMENT TACTICS

### Community Conversations

Central Health hosts Community Conversations – or public meetings – to keep the community at large informed. New in 2021, Central Health now holds Community Conversations in English and in Spanish. Additionally, staff ensure accommodations for additional language translation services. Since the beginning of the Coronavirus pandemic, these events have been taking place virtually.

#### Central Health's FY 2022 Priorities

On Thursday, June 17, staff held two Community Conversations (one in English and one in Spanish) via Facebook Live. Attendees learned about Central Health's 2022 proposed priorities, as well as ways to get involved throughout the budget development process.

#### Central Health's FY 2022 Budget

On Thursday, Aug. 26, staff will hold two Community Conversations (one in English and one in Spanish) via Facebook Live. During these, attendees will learn about Central Health's FY 2022 budget.



## Meetings with Neighborhood Groups

Throughout the budget engagement process, Central Health staff is taking its Community Conversations on the road to a variety of neighborhood groups, including but not limited to:

- St. John's Neighborhood
- Austin Colony Homeowners
- Del Valle Community Coalition
- City of Creedmoor
- North Austin Civic Association
- Georgian Manor
- Southeast Neighborhood Plan Contact Team
- Anti-Displacement Organizational Team
- LGBTQ2IA+ Coalition

## Online Survey and Telephone Interviews

To capture feedback from individuals unable to attend Community Conversations, Central Health administered online surveys ([participate.centralhealth.net/2022budget](https://participate.centralhealth.net/2022budget)) and conducted over-the-phone interviews with a representative sample of MAP and MAP BASIC members from June 21 through Aug. 10, 2021. In-person interviews were conducted in places where our target population gathers – clinics, enrollment offices for health coverage programs, schools, faith-based centers, events, etc. Given pandemic restrictions, Central Health staff made direct phone calls to MAP/MAP BASIC members to conduct these interviews. See the detailed results of the online and telephone surveys in Exhibit A.



## COMMUNICATION TACTICS

Central Health staff use best-practice communication and outreach methods, using a logic model based on the Theory of Change. The model helps ensure we are thoughtful and methodical in the selection, implementation, and evaluation of communications and outreach tactics. Below is a sample of the tactics used during the Budget Engagement process.

### Media Relations

Central Health uses a variety of traditional media outreach strategies to inform the community through local media channels.

### Paid Digital Advertising

Our paid media efforts specifically target residents with low income living in Travis County. Digital ads are in Spanish and in English. A most recent digital ad reached 1.3 million users, resulting in 7,661 clicks.



## Newsletter/Email Invitations

Prior to any Community Conversation, staff send an email invitation and two reminders to a list of more than 6,000 contacts, including elected officials, health care partners, nonprofit organizations, community groups, advisory committees, and Community Health Champions.

## Social Media

In addition to the email invitation and reminders, Central Health promotes Community Conversations and any online survey on the organization's Facebook, Twitter, and Instagram social media channels. These posts have historically reached about 1,700 users.

## Facebook Group Outreach

Staff share information about Community Conversations and online surveys on 120 Facebook Groups targeting communities of color in Travis County.

## Weekly Emails

Staff share information with advisory committee members, Community Health Champions, health care partners, and nonprofit organizations through a weekly email. The information is in both Spanish and English, and it goes to more than 600 contacts. The emails contain information that is ready to be shared by partners via their social media platforms, newsletters or in person. Information about Community Conversations and online surveys is included in these weekly emails.

## Phone Calls

Staff engage with MAP members, as well as representatives from community groups, faith-based centers, schools and organizations by phone. MAP members participate in one-on-one interviews while stakeholders are encouraged to spread the word about online surveys.

## COMMUNITY OUTREACH PARTNERS

Central Health staff collaborate with a variety of faith-based centers, community groups, schools, and organizations to raise awareness of health care services and health care coverage programs. They also share information about ways to participate in our public involvement process to ensure we hear from all walks of life in Travis County. Below is only a sample list of faith-based centers, community groups, schools and organizations with whom we have continuously engaged.

### Community groups

- AC Rivercreek HOA
- African American Heritage Network
- Austin's Colony Homeowner's Association
- Austin Latino Coalition
- Chaparral Crossing Neighborhood Association
- Colony Park Neighborhood Association
- Community Resilience Trust ATX



- Del Valle Community Coalition
- Dove Springs Proud
- Forest Bluff Residential Association
- Hispanic Advocates Business Leaders of Austin (HABLA)
- Hermanos de East Austin
- Hispanic Women's Network of Texas – Austin Chapter
- Hispanos Network of Austin
- Kennedy Ridge Community
- Latinos Ready to Vote
- Network of Asian American Organizations
- Phase III Austin's Colony HOA
- Taiwanese American Professionals – Austin Chapter
- Travis County Hispanic Network

### Faith-based centers

Central Health is in continuous communication with about twelve faith-based centers in Eastern Travis County that reach communities of color. Central Health provides these faith-based centers with information to share with congregants.

- Austin Eastview Church of God
- Center Union Missionary Baptist Church Creedmoor
- Church of Christ at Eastside
- David Chapel Missionary Baptist Church
- Greater Mt. Zion
- Holy Cross Catholic Church
- Hornsby Bend Assembly of God
- New Hope Missionary Baptist Church
- Pleasant Valley Missionary Baptist Church
- San Francisco Javier Catholic Church
- San Juan Diego Catholic Church
- Santa Barbara Catholic Church

### Organizations

- Asian American Resource Center
- Asian Family Support Services of Austin
- Austin Voices for Education & Youth
- City of Pflugerville
- Commission on Immigration Affairs
- Community Coalition for Health
- Go! Austin/Vamos! Austin
- Greater Austin Asian Chamber of Commerce
- Greater Austin Black Chamber of Commerce
- Greater Austin Hispanic Chamber of Commerce
- Greater Austin LGBT Chamber of Commerce
- Latino HealthCare Forum
- OneVoice Central Texas
- Workers Defense Project
- Young Hispanic Professional Association of Austin



## Schools

- Austin ISD
- Austin Achieve Public Schools
- Barbara Jordan Elementary School
- Creedmoor Elementary School
- Decker Middle School
- Del Valle ISD
- Dailey Middle School
- Gilbert Elementary School
- Hornsby-Dunlap Elementary School
- KIPP Texas Public Schools
- Manor ISD
- Manor Senior High School
- Pflugerville ISD
- Volma Overton Elementary School



## EXHIBIT A: SURVEY SUMMARY RESULTS

### Background:

In support of the Fiscal Year 2022 (FY22) budget development process, Central Health actively engaged MAP/MAP BASIC members and the community June 24 through August 10, 2021 for input on the proposed budget priorities. The Community Engagement and Outreach team worked with the Analytics and Reporting team to develop, test, and deploy bilingual (English/Spanish) online and telephone surveys designed to capture community input in a structured way while still allowing respondents to provide additional feedback through open-ended responses. While largely similar to the online survey, the telephone survey was adapted and reduced in length: Several questions around facility expansion, fiscal, equity, and sustainability were not asked of the telephone respondents.

The results provided in this document are based on 205 total responses - 147 online surveys open to the public and 58 targeted telephone surveys of MAP and MAP BASIC members. 81 total MAP and MAP BASIC members are included in the sample (40% of the total). The question-specific denominator varies as not all respondents answered every question.

### Survey Goals:

- 1.) Educate the public and members about Central Health's functions, how it pays for medical services and its budget priorities and strategies for FY22.
- 2.) Gather input from Central Health MAP/MAP BASIC members and the community at-large on the proposed budget priorities and strategies.

### Key Findings:

- The sample captures diverse community roles, ages, races, ethnicities, gender identities, geography, and primary language and is broadly representative of the Central Health MAP and MAP BASIC member population (Table 5, page 9). Females, English speakers, persons 45-64 years of age, and Black/African American respondents are overrepresented in the sample compared to their proportion in the FY2020 Central Health member cohort.
- Large majorities of respondents either strongly or somewhat agree with all the proposed budget priorities (Table 1, next page). The strategies with the strongest support were Healthcare for the Homeless and Transitions of Care (both at 90.6%). Current and former MAP and MAP BASIC members tended to have even more positive views of the proposed strategies.
- Wait times, the referral process, and communication concerns surfaced repeatedly in the structured and open-ended responses from members.
- MAP and MAP BASIC members report higher satisfaction with their clinical care experience than the non-member respondents. Members largely feel that their doctors understand them, that the care team respects their culture, that they are included and have a voice in their care, and that their preferences are taken into account (Table 2, page 3). They also feel more confident about their ability to manage their health after a visit with a provider and that the amount of information provided at the visit was "about right."
- Respondents provided hundreds of responses to open response questions soliciting their input, particularly on the topics of service expansion and specialty care access.
- The level of financial knowledge about Central Health's operations is low, with majorities of respondents underestimating how much of the budget Central Health spends on health care while overestimating the Central Health tax burden for Travis County residents and businesses.



**Table 1: Summary of Respondent Agreement/Disagreement with Proposed Strategies**

Strategy	Strongly Agree/Somewhat Agree	Neither Agree Nor Disagree	Strongly Disagree/Somewhat Disagree	Don't Know/Unsure
1. Service Expansion to Meet Clients Where They Are: New Facilities (n=204)	88.7%	8.3%	3.0%	0.0%
2. Service Delivery Focus Area: Specialty Care Access (n=204)	82.4%	15.2%	2.0%	0.4%
3. Service Delivery Focus Area: Healthcare for the Homeless (n=204)	90.6%	4.4%	5.0%	0.0%
4. Service Delivery Focus Area: Behavioral Health (n=192)	82.8%	6.8%	7.8%	2.6%
5. Service Delivery Focus Area: Substance Use Disorder Treatment (n=201)	89.0%	8.0%	2.0%	1.0%
6. Service Delivery Focus Area: Transitions of Care (n=201)	90.6%	7.0%	2.0%	0.4%
7. Service Delivery Focus Area: Clinical and Patient Education (n=201)	86.0%	9.0%	5.0%	0.0%
8. Building a Culture of Equity (n=147)	78.9%	9.5%	11.6%	0.0%
9. Long-term Sustainability (n=147)	83.6%	6.8%	9.6%	0.0%

In the following sections of this report, we drill down into each of these strategies to look at differences between MAP/MAP BASIC members and other respondents in greater detail, as well as the open responses provided by the respondents for insights into how Central Health can continue to improve the quality of care for the communities we serve.

The clinical experience of Central Health's MAP and MAP BASIC members is extremely important to Central Health and its care partners. Table 2 summarizes member responses across seven clinical experience domains. Interestingly, members rated each of these domains more positively than did the other respondents. The sections for Strategies 6 and 7 delve more deeply into the findings.



**Table 2: Summary of Clinical Experience for MAP/MAP BASIC members (n=81)**

Clinical Experience Questions	Rarely/Neve er	Some of the time	All/most of the time	
Thinking about your own experience with health care, how often did you feel like you or someone you cared about “got lost” between providers?	27.3%	27.3%	45.4%	
	<b>Strongly or somewhat agree</b>	<b>Neither agree nor disagree</b>	<b>Somewhat or strongly disagree</b>	<b>Don't know/Unsur e</b>
My doctor understands me.	82.1%	5.1%	11.5%	1.3%
The care team respects my culture.	84.6%	7.7%	7.7%	0.0%
I am included and have a voice in my care.	87.2%	5.1%	7.7%	0.0%
My preferences are taken into account.	80.8%	6.4%	12.8%	0.0%
	<b>Very or somewhat confident</b>	<b>Neutral</b>	<b>Not very or not at all confident</b>	<b>Don't know/Unsur e</b>
How confident do you typically feel about your ability to manage your health after leaving a medical visit?	88.5%	3.8%	6.4%	1.3%
	<b>About Right</b>	<b>Too much</b>	<b>Not enough</b>	<b>Don't know/Unsur e</b>
How do you feel about the amount of information your health care providers give you?	74.4%	5.1%	19.2%	1.3%

**Methods:**

Engagement, Outreach, and Data Analytics staff deployed the surveys in two formats – online and telephone – as well as in two languages (English and Spanish).

Staff conducted the online survey using Central Health's new Bang the Table engagement platform (participate.centralhealth.net). This site included infographics, videos, and considerable text and took around 20 minutes to complete during pilot testing.

Staff then adapted the telephone survey from the online survey and streamlined it to reduce its length and generate a more organic conversation with the respondent. Staff captured the telephone surveys in REDCap. Each survey taking around 30 minutes to complete during pilot testing. The Community Outreach team conducted the phone survey interviews of a representative random sample of 691 current and former MAP and MAP BASIC members in their preferred language. Up to three call attempts were made both during business hours and after hours as requested by the member.

Staff merged, cleaned, recoded, and translated the four data sets as necessary. Staff used Structured Query Language (SQL) to join additional data elements from existing tables, such as race/ethnicity and city/ZIP for member phone interviewees.





When analyzing survey responses in Spanish, staff conducted translations using the DeepL Translator (<https://www.deepl.com/translator>). English translations are provided below the original Spanish response within the same cell. Aside from translation, the respondent comments were not edited in any way.

The cleaned master data table was connected to Tableau for analysis and visualization purposes. As appropriate, qualitative open responses were analyzed for their valence (positive, neutral, mixed, negative) and theme or category. Where possible, quantitative results are presented as percentages to one decimal place. Null values were generally excluded. Both survey tools are available upon request.

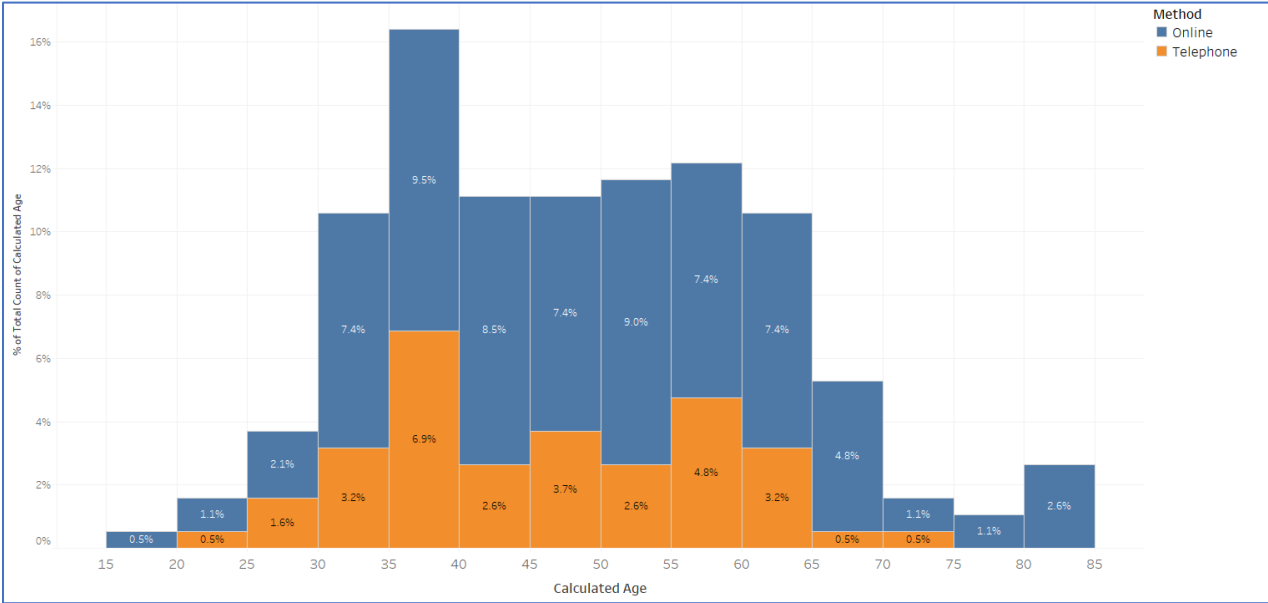
**Results: Demographics**

Total respondents: n=205

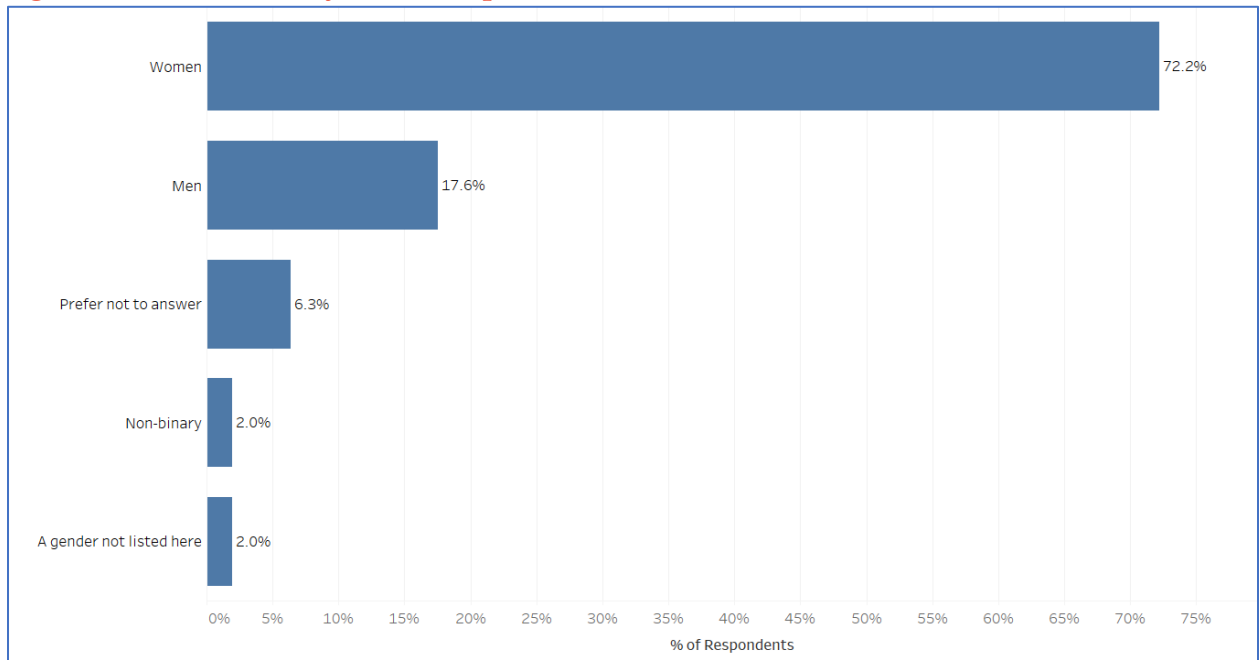
**Table 3: Number of Completed Surveys by Survey Method and Language (n=205)**

Survey Method	Language	Number of Responses	% of Total
Online survey	English	143	69.8%
	Spanish	4	2.0%
Telephone survey	English	34	16.6%
	Spanish	24	11.6%

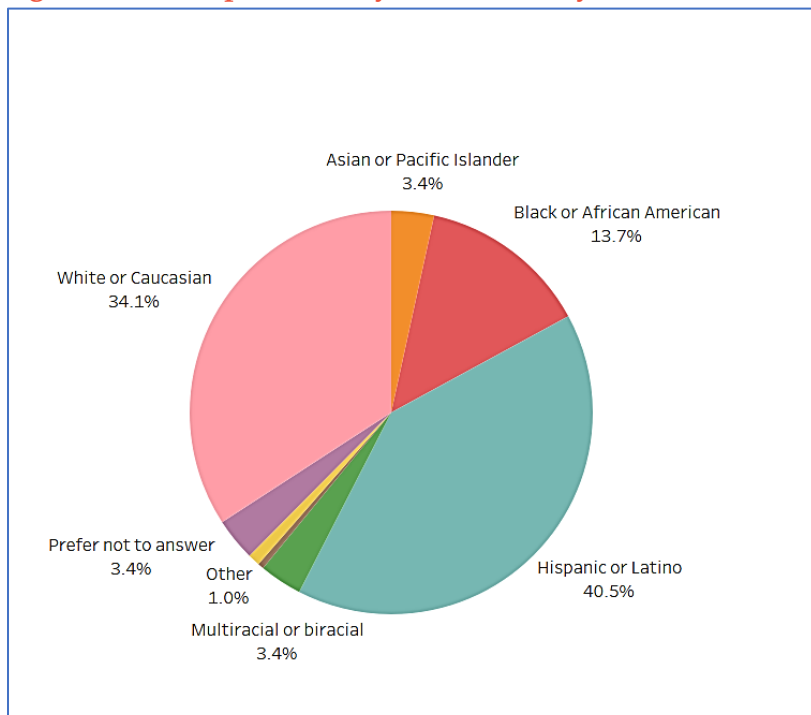
**Figure 1: Age of All Respondents, by Five-year Age group and Survey Method (n=189)**



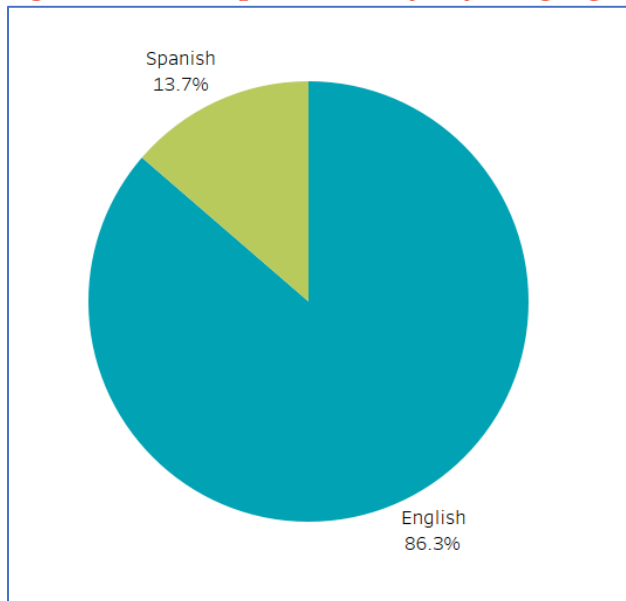
**Figure 2: Gender Identity of All Respondents**



**Figure 3: All Respondents by Race/Ethnicity**

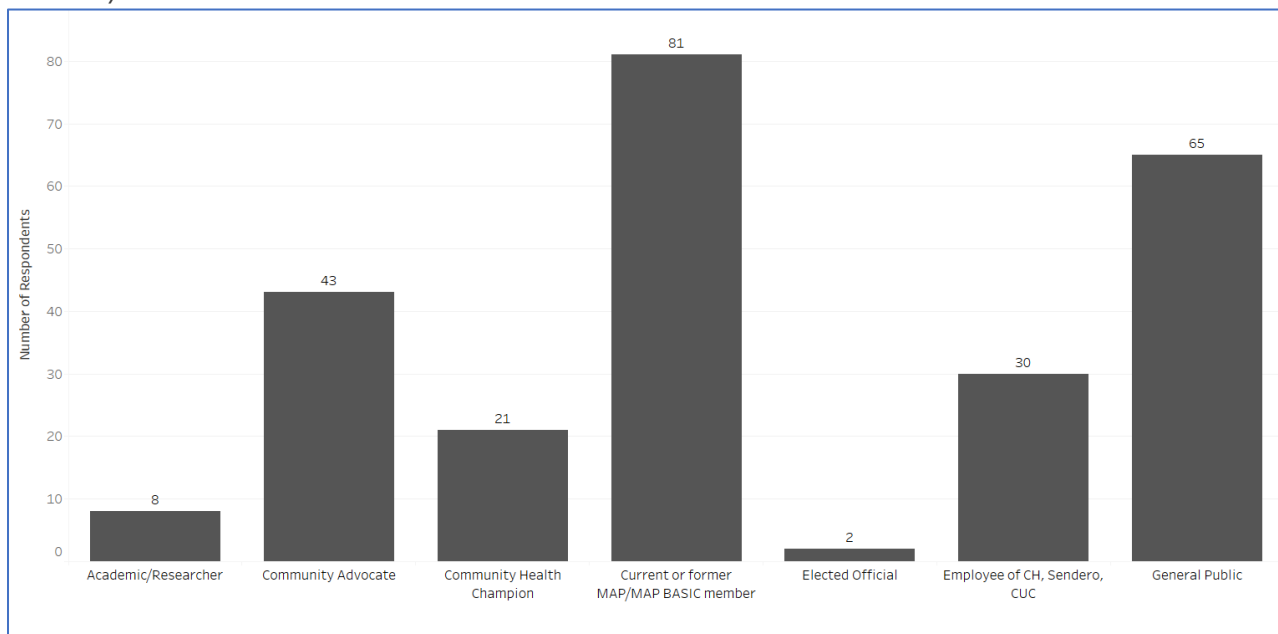


**Figure 4: All Completed Surveys by Language**



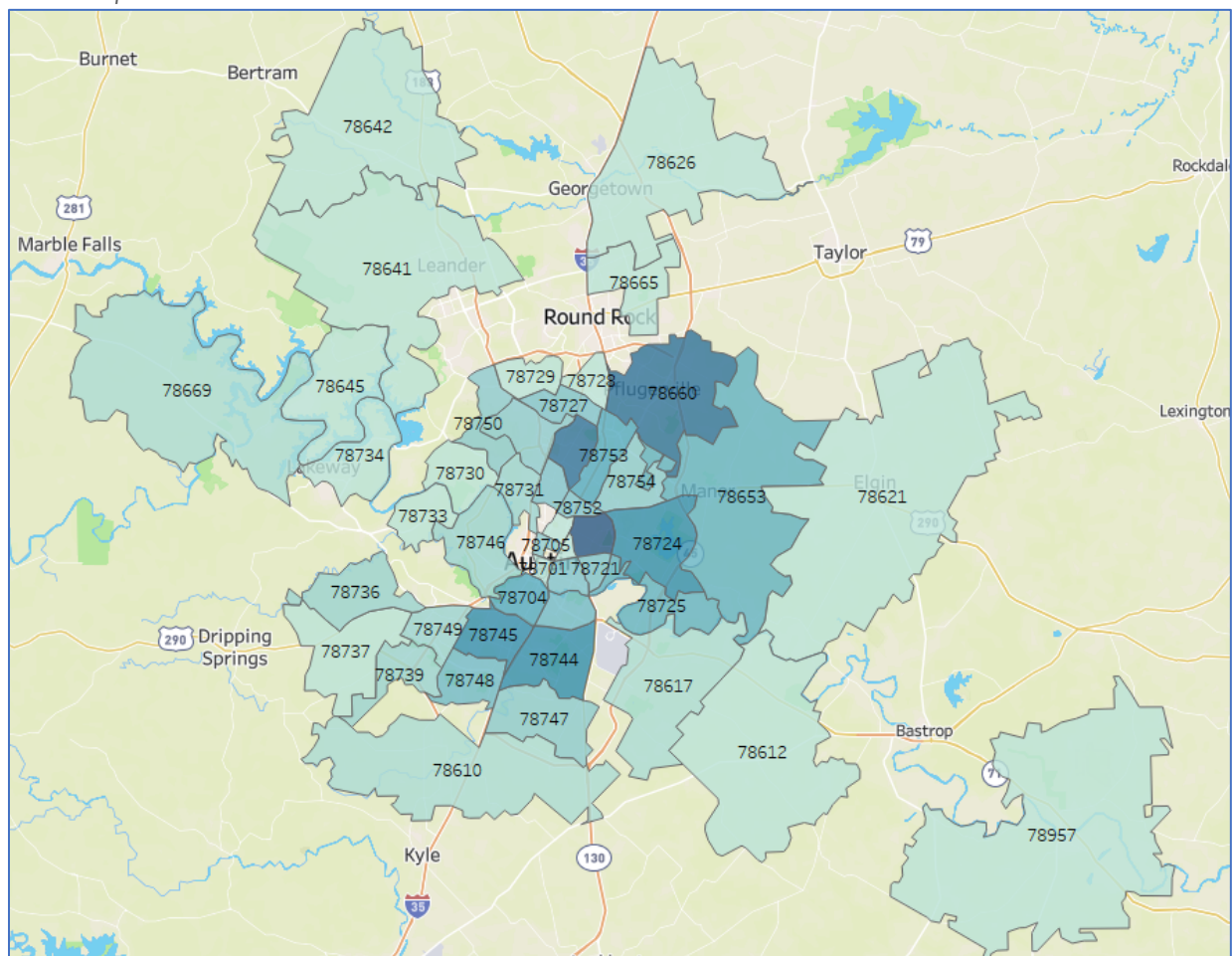
**Figure 5: All Respondents by Self-Described Community Role**

*Note: Respondents could select multiple community roles, so these categories are not mutually exclusive.*



**Figure 6: Map of All Respondents by ZIP Code**

Total Respondents n=200



Respondents represent nearly every ZIP code in Travis County as well as a small number of persons living in other counties. The IH-35 corridor and East Austin are well-represented, as is Pflugerville. An analysis of the number of respondents by ZIP code also shows representation by the high priority ZIP codes identified in the FY2020 Demographics Report.

Table 4 provides a comparison of the 81 current and former MAP and MAP BASIC members in the survey sample to the overall FY2020 Central Health member population. Because of the small sample size, it is important to understand how representative the sample is of the target population.

**Table 4: Demographic Comparison of MAP/MAP BASIC Sample Population to FY2020 Central Health member population (n=81, online and telephone surveys combined)**

Dimension	Current or Former MAP/MAP BASIC members (n=81)	FY2020 Central Health member population (n=108,102)	Difference
Men	21.0%	45.4%	(24.4%)
Women	72.8%	54.4%	17.4%
Non-binary	2.5%	Unknown	2.5%
A gender not listed here	1.2%	Unknown	1.2%
Prefer not to answer	2.5%	Unknown	2.5%
White or Caucasian	21.0%	11.3%	9.7%
Hispanic or Latino	45.7%	65.8%	(20.1%)



Black or African American	25.9%	6.6%	19.3%
Asian or Pacific Islander	0.0%	2.6%	(2.6%)
Other race/biracial/multiracial	6.2%	6.9%	(0.7%)
Race/ethnicity unreported	1.2%	6.8%	(5.6%)
English as primary language	65.4%	39.0%	26.4%
Spanish as primary language	34.6%	49.3%	(14.7%)
Age 18-45 years	51.9%	56.9%	(5.0%)
Age 46-64 years	44.3%	24.7%	19.6%
Age 65+ years	3.8%	3.6%	4.7%

In general, it is difficult to get a perfectly representative sample of a larger population. For the purposes of these surveys, the sample is reasonably diverse and representative of the overall MAP/MAP BASIC population – that is, the proportions were not much more than 20% away from the target population. However, there were some notable exceptions. First, the member sample is overwhelmingly and disproportionately female with almost three out of every four responses being from women. Second, Hispanics/Latinos were underrepresented by about the same percentage that Black/African Americans were overrepresented. Third, and probably related to the underrepresentation of Hispanics/Latinos, English language speakers were overrepresented and thus Spanish language speakers were underrepresented equally. Lastly, persons ages 46-64 were overrepresented. However, it should also be noted that minors are excluded entirely from the sample.

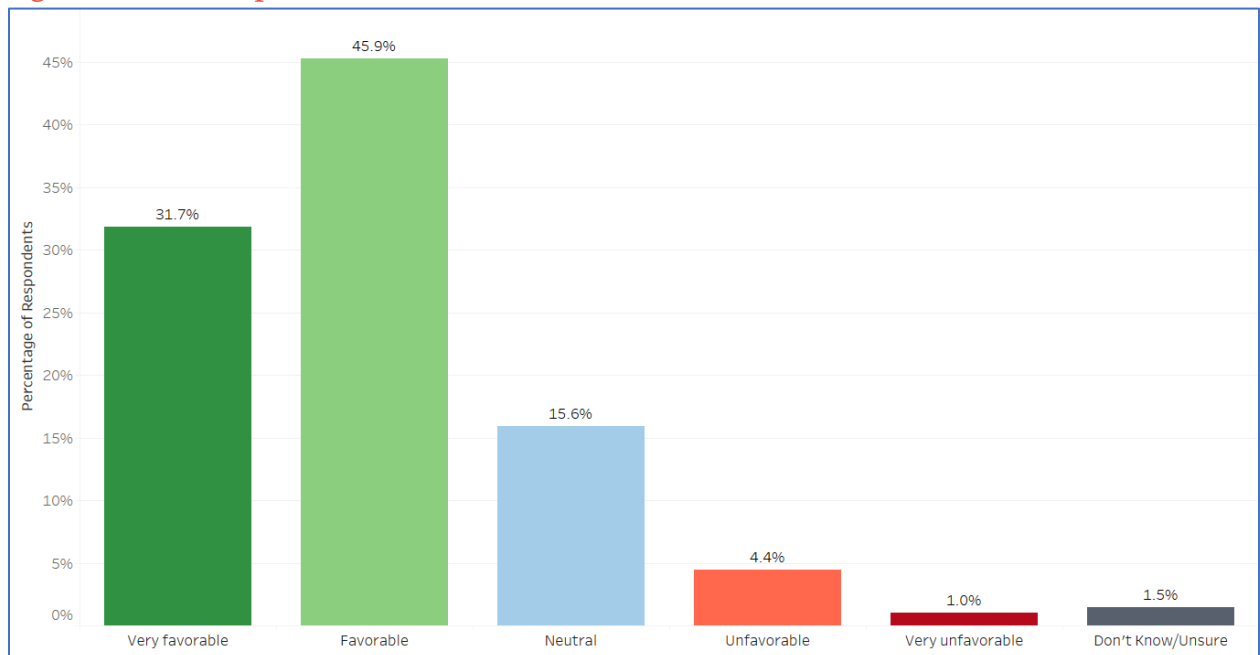
Results: Goal 1 - Educate the public and members about Central Health's functions and funding

### Subjective Overall Impression of Central Health (pre/post)

Total number of respondents: n=205

Respondents were asked at the beginning of the survey to rate their current impression of Central Health, from Very Unfavorable to Very Favorable (Figure 7). 77.6% of respondents had an initial overall impression of Central Health that was either Favorable or Very Favorable.

Figure 7: Initial Impression of Central Health



After all the information in the survey was presented, the respondents were asked how their impression had **changed after they had learned more about Central Health and its priorities for next year** from Less Favorable, About the same, or More Favorable (Figure 8, next page). Generally, respondents who were initially Favorable or Very Favorable tended to respond their impression was either More Favorable or About the Same after learning more through the survey. Respondents who were initially Neutral to Very Unfavorable tended to report that their impression after the survey was About the Same. Where respondents did report a change in their impression of Central Health after taking the survey, it was almost exclusively toward More Favorable.

**Figure 8: Impact of Survey on Impression of Central Health**



**Percentage of Budget Spent on Health Care**

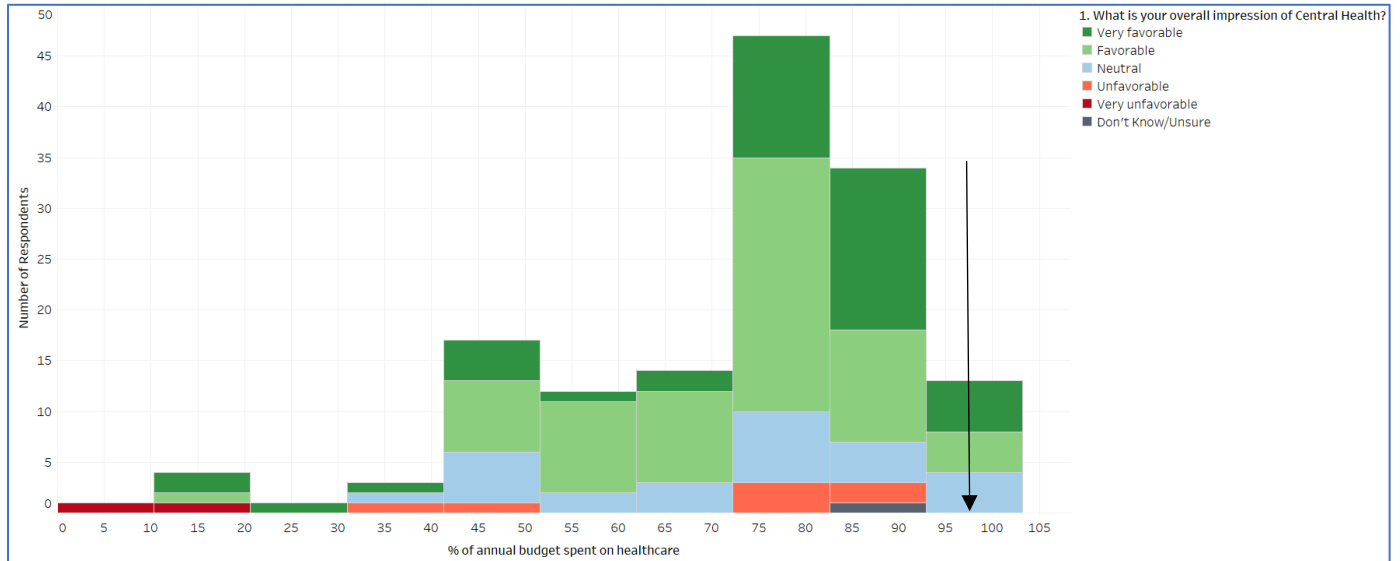
Total number of respondents: n=146

Almost all of the survey respondents vastly underestimated how much of Central Health's budget is used for health care (Figure 9). Interestingly, the more favorably the respondents thought of Central Health, the less they thought Central Health spent on providing medical care.

The Neutral respondents tended to have higher expectations of Central Health for the percentage of the budget spent providing medical care. The actual value for Fiscal Year 2020 (FY20) was 97%, indicated by the black arrow (Figure 9, next page).



**Figure 9: Respondent estimates of % of Central Health Budget Spent on Health Care**

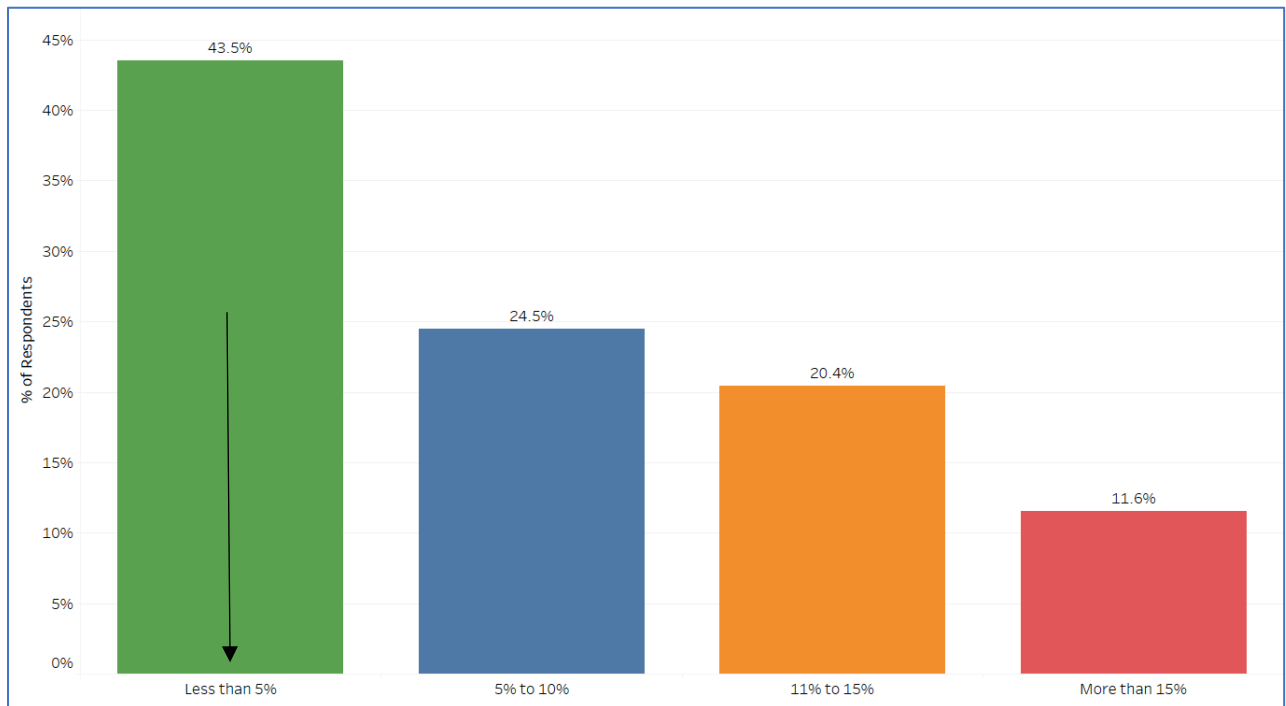


**“What percent of Travis County taxes would you guess is spent funding Central Health?”**

Total number of respondents: n=147

Respondents were asked to pick from a list of ranges to estimate the percentage of Travis County taxes that were used to fund Central Health (Figure 10). Less than half the respondents guessed the correct range (4.38% in FY20, black arrow). Most respondents significantly overestimated the tax burden of Central Health on the taxpayers of Travis County. This may be an opportunity for continued community engagement and education.

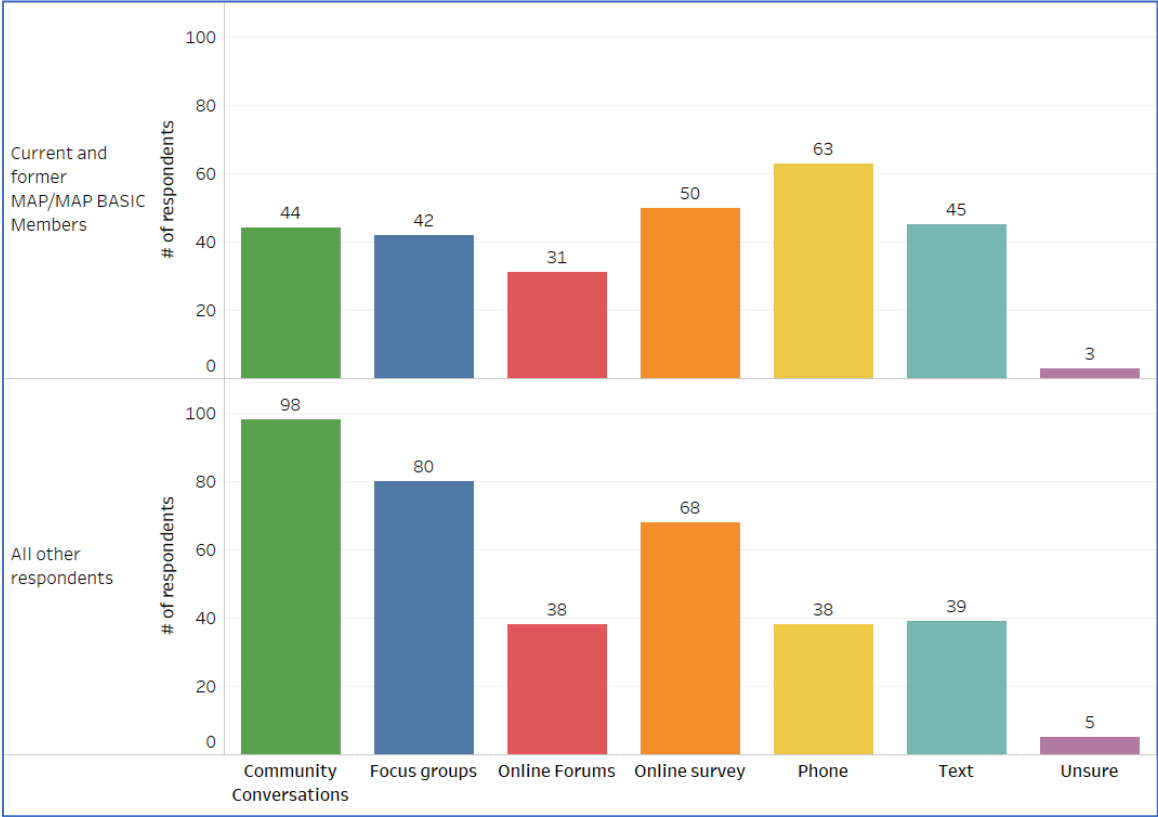
**Figure 10: Respondent estimates of Percentage of Travis County Taxes Used for Central Health**



Survey respondents were also asked about their preferred methods for providing community input in the ongoing strategic planning process (Figure 11, next page).

As seen throughout this report, there are important differences between the current or former MAP/MAP BASIC members and all the other respondents. For this reason, most of the results are stratified by what is termed “Community Role.” While all of the phone survey respondents were verified members, online respondents could indicate one of their community roles was as a current or former MAP/MAP BASIC member. Because responses were collected anonymously, there is no way to verify membership.

**Figure 11: Central Health is hiring a consultant to help us evaluate our system and help plan for the future based on community input. What do you think would be the best ways for us to get community input? Select all that apply.**



MAP/MAP BASIC members preferred phone and online surveys, whereas other respondents preferred Community Conversations and focus groups. This may be attributable to the mode of contact, since the majority of MAP/MAP BASIC members were contacted directly by phone. In the online survey, the sample is dominated by non-members. It may also reflect socioeconomic differences in the two groups, such as availability of time for in-person meetings and focus groups. Also, the impact of the continued COVID-19 pandemic is apparent in several of the open responses. Where in-person events may generally be preferred, there is evidence that some respondents are concerned about face-to-face meetings.

Respondents also provided suggestions for other ways that Central Health could solicit input. Some of the most frequently mentioned were:

- Mailing surveys to members
- Holding group events like block parties at apartment complexes, back-to-school events
- Conducting in-person interviews at clinic locations





Results: Goal 2 - Gather community input on the proposed budget priorities and strategies

**Strategy 1: Service Expansion to Meet Clients Where They Are**

Our Proposed Solution:

Currently, Central Health is excited to be planning three new community health centers in Hornsby Bend, Del Valle, and Colony Park.

After being presented with additional details, respondents were asked to rate their level of agreement/disagreement with four statements about the new facilities. These results are summarized in Table 5 below.

**Table 5: Summary of Attitudes Towards the New Facilities, all Respondents**

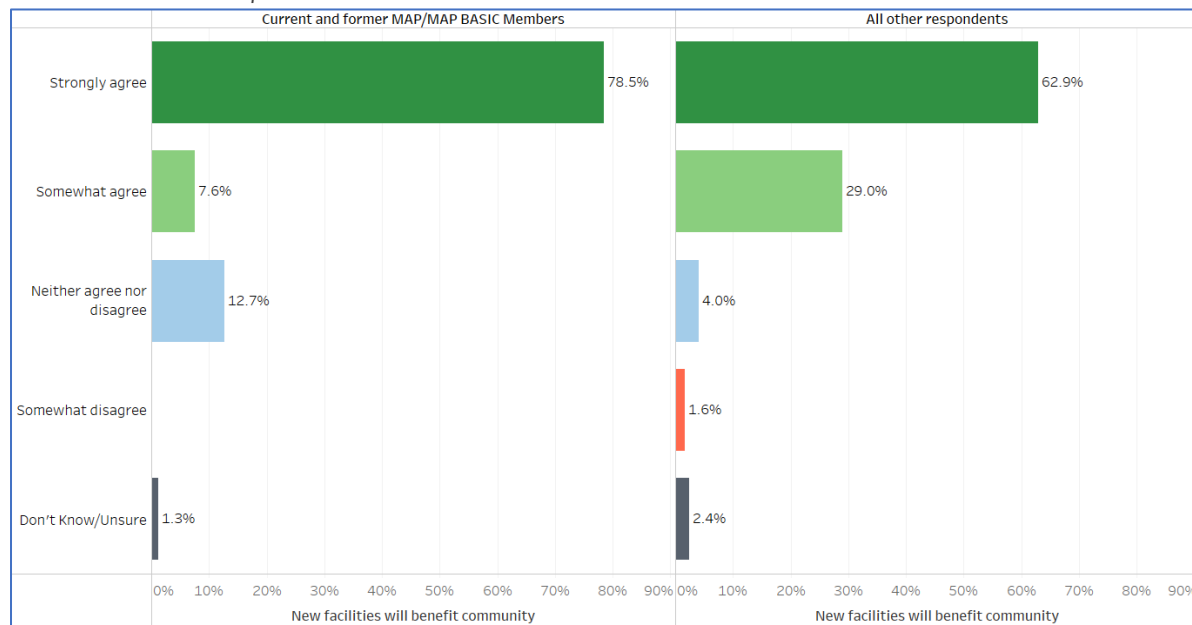
	Strongly agree/somewhat agree	Neither agree nor disagree	Strongly disagree/somewhat disagree	Don't know/Unsure
The new facilities will benefit the community (n=203)	89.7%	7.4%	1.0%	2.0%
Services well-matched to needs of community (n=147)	74.8%	15.6%	2.0%	7.5%
Would enjoy receiving care at the new facilities (n=147)	50.4%	30.6%	9.5%	9.5%
Important community gathering places (n=147)	80.3%	14.3%	4.8%	0.7%

However, this isn't the full story. Those respondents who were either former or current members viewed the questions through the lens of their direct experience with Central Health and were generally more positive in their responses. This trend continues throughout the survey results, with some exceptions.



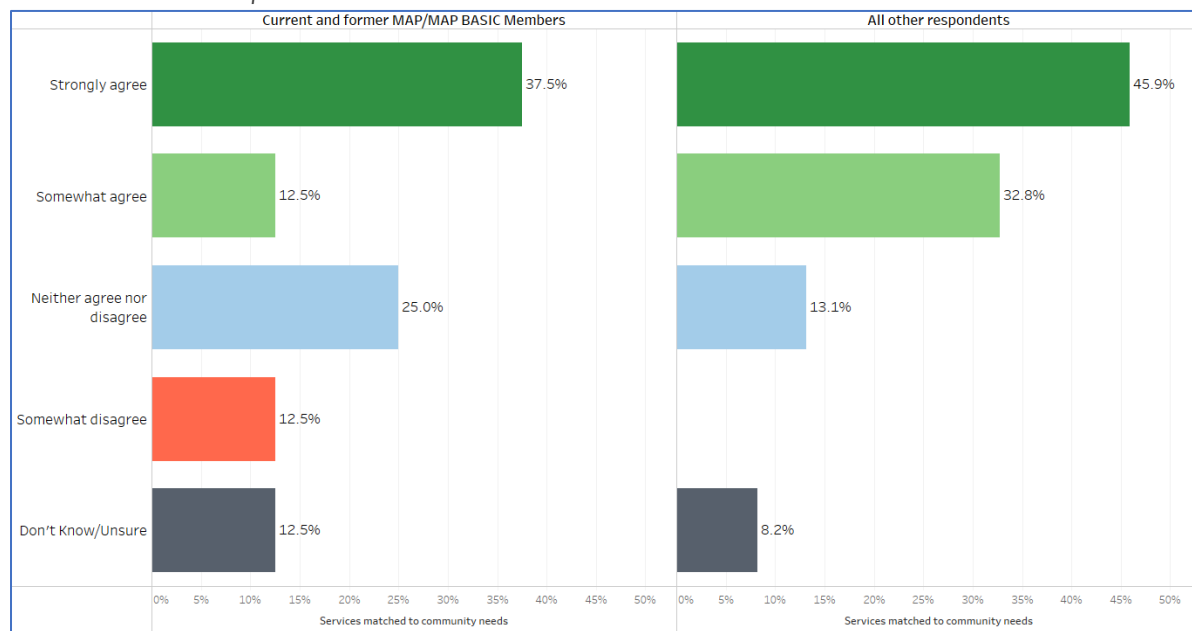
**Figure 12: Central Health’s new facilities will benefit the community**

Total number of respondents: n=203



**Figure 13: The services to be provided are well matched to the needs of these communities.**

Total number of respondents: n=147

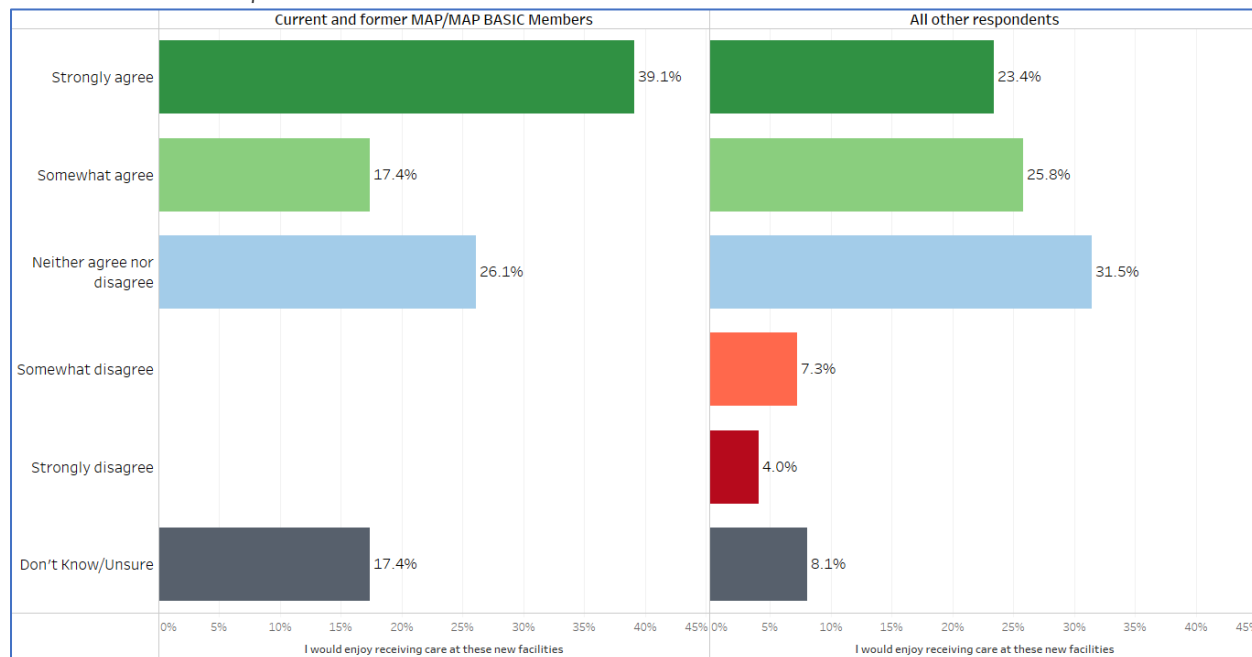


This response is an exception to the larger trend – members were **less** positive on this question about the services being well-matched to the needs of these communities. Some of the respondents mentioned in their open responses that they were not familiar with one or more of the communities, and as such couldn't say whether the facilities were well-matched to those communities. This is also visible in the Neither Agree nor Disagree and Don't Know/Unsure bars on Figure 13 above.



**Figure 14: I would enjoy receiving care at one of these facilities.**

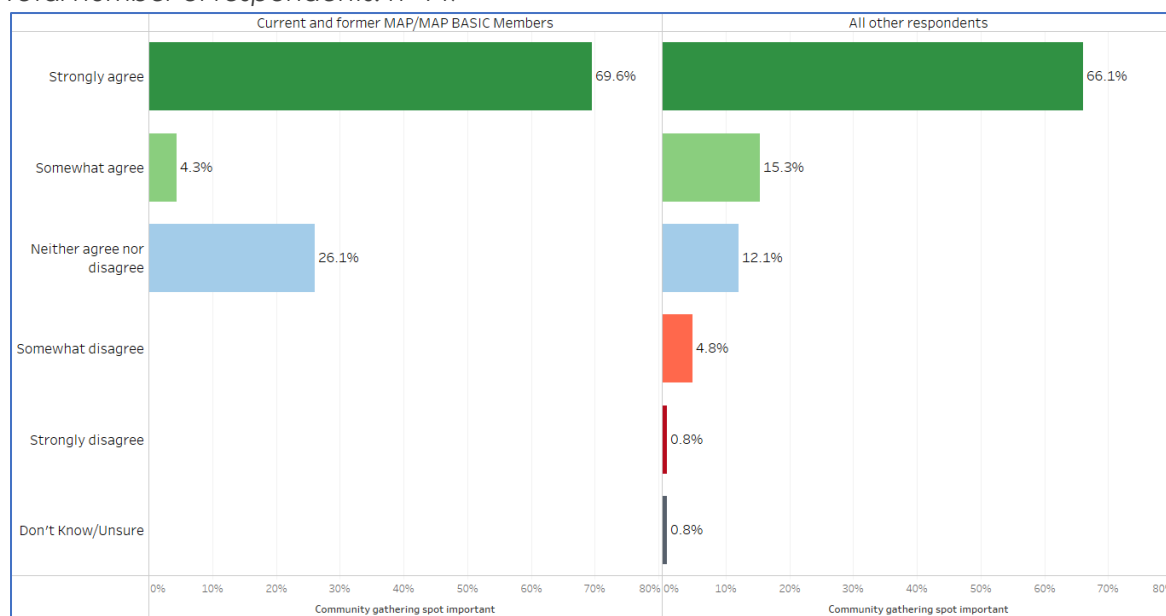
Total number of respondents: n=147



These results are somewhat surprising, because of the high level of uncertainty. Members are more positive than other respondents, but still have high levels of Neither agree nor disagree and Don't Know/Unsure. This may be an opportunity for education and promotion of the quality-of-care experience planned for these new facilities.

**Figure 15: It is important to me that these facilities be places where the community can gather.**

Total number of respondents: n=147

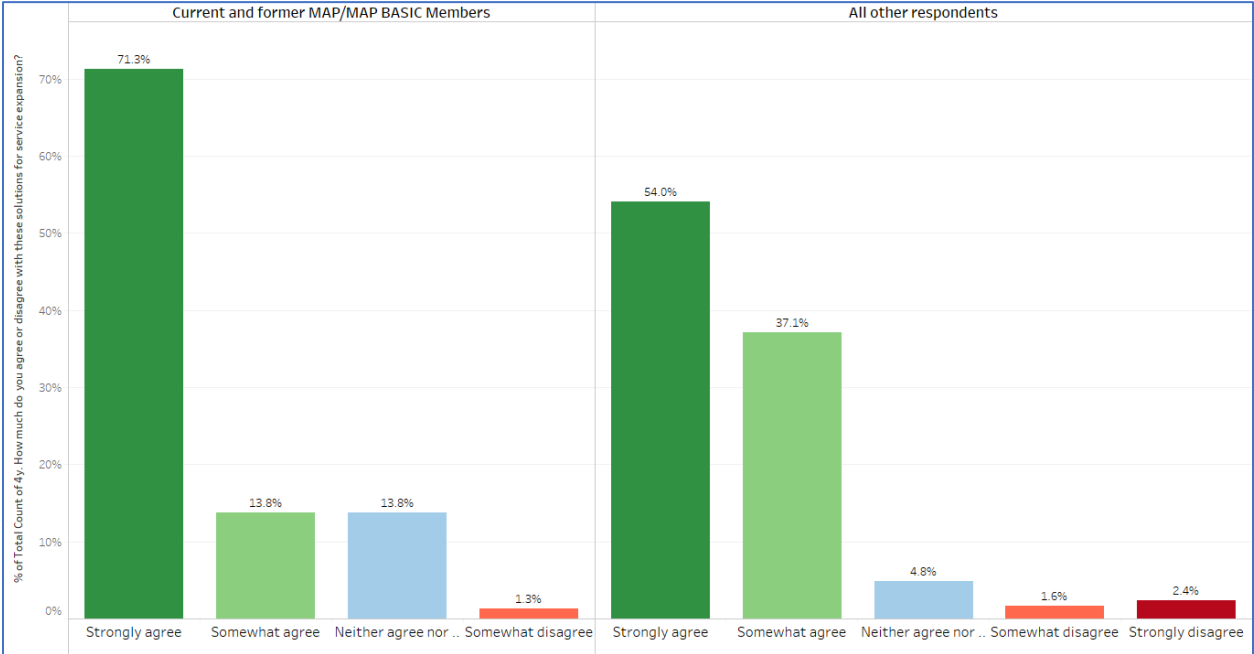


Survey respondents submitted 66 additional comments about the proposed new facilities. Of those, 31 were positive (47%), 30 were neutral (45%), 1 was mixed, and 4 were negative (6%). These comments were generally:

- Requests for more facilities and for facilities in other areas that don't have nearby clinics,
- Requests for extended hours of operation to better accommodate working families,
- Inquiries about assessments of the needs of youth and teens in these communities,
- Suggestions for enhancements, like electric vehicle charging, dog parks, on-site childcare,
- Suggestions for on-site wraparound services, like evening health education classes,
- Emphasis on integrating mental and behavioral health into primary care, and
- Requests to try to hire staff and contractors for the new facilities from these communities

**Figure 16: Respondent agreement or disagreement for service expansion solutions**

Total number of respondents: n=204



Members were more strongly positive on this strategy of facility development than other respondents, but support is high overall.

16 respondents somewhat or strongly disagreed with the service expansion strategy. Their comments were largely:

- Questions about the cost and sustainability,
- Concerns about patient transportation, particularly via public transit,
- Requests for additional services, like allergists, vision, nutrition, and wellness, and
- Requests for Central Health to “first, do the basics well” – reducing phone wait times, decreasing no-show rates, improving follow-up, and increasing the quality of care at existing sites

**Strategy 2: Specialty Care Access**

Total number of respondents: n=194

Our Proposed Solutions:

Central Health currently helps by coordinating care and providing medical management across the health care system so clients can focus on their health instead of the hassle.



Central Health currently provides access to 29 different specialties to clients, but provider availability, wait times, and eligibility can be an issue for some clients. In the year ahead, we will work to improve timely access to specialists by expanding access to more specialties for more clients, including a focus on:

1. Cardiology - treat problems with the heart and cardiovascular system

**All respondents were asked to choose their top three barriers to specialty care access. The top barriers were:**

1. **Wait time (n=159)**
2. **Choice of specialists (n=105)**
3. **Getting a referral (n=99)**

2. Neurology - treat problems with the brain, nerves, and spinal cord
3. Rheumatology - treat problems due to the immune system attacking joints, muscles, bones, and/or organs (arthritis, etc.)
4. Wound care - care for wounds, especially those that take a long time to heal
5. Podiatry - treat problems with the feet
6. Nephrology – treat problems with the kidneys, including dialysis outside of the hospital

When asked about specialty care barriers, respondents had a lot to say. Ninety-one comments were submitted about additional barriers. The valences of the comments are summarized in Table 6.

**Table 6: Other Specialty Care Barriers, by Group and Valence (n=91)**

Community Role/Group	Positive	Neutral	Mixed	Negative	Grand Total
Current and former MAP/MAP BASIC Members	2	9	1	12	24
All other respondents		43		24	67
<b>Grand Total</b>	<b>2</b>	<b>52</b>	<b>1</b>	<b>36</b>	<b>91</b>

These comments were further grouped into emergent themes using thematic qualitative analysis. Table 7 provides a summary of the top five themes mentioned in the respondent comments. Other barriers mentioned were:

- trust/fear of the medical system,
- access to on-site childcare,
- respite for caregivers,
- access to allergists, and
- fiscal/housing stability.

**Table 7: Summary of Top Five Other Specialty Care Barriers, by Category**

Themes	Examples	Number of comments
Accessibility	Extended hours, difficulty getting an appointment, very long hold times on the phone, time between diagnosis and treatment, distance to care/area of	36



	town not convenient, length of process to seek care, limited choices of providers.	
Communication	Culturally competent and respectful care, patient education, lack of knowledge about services, language barriers, healthcare literacy, communication between providers and care teams.	25
Wait Times	Excessive wait times for specialists, providers	20
Care Coordination	Broken referral process and lack of “closing the loop” on the referrals, multiple intakes at different providers, lack of patient navigation.	14
Language	Not enough Spanish-speaking providers, rude treatment by staff to Spanish clients, assistance with completing forms/paperwork.	11

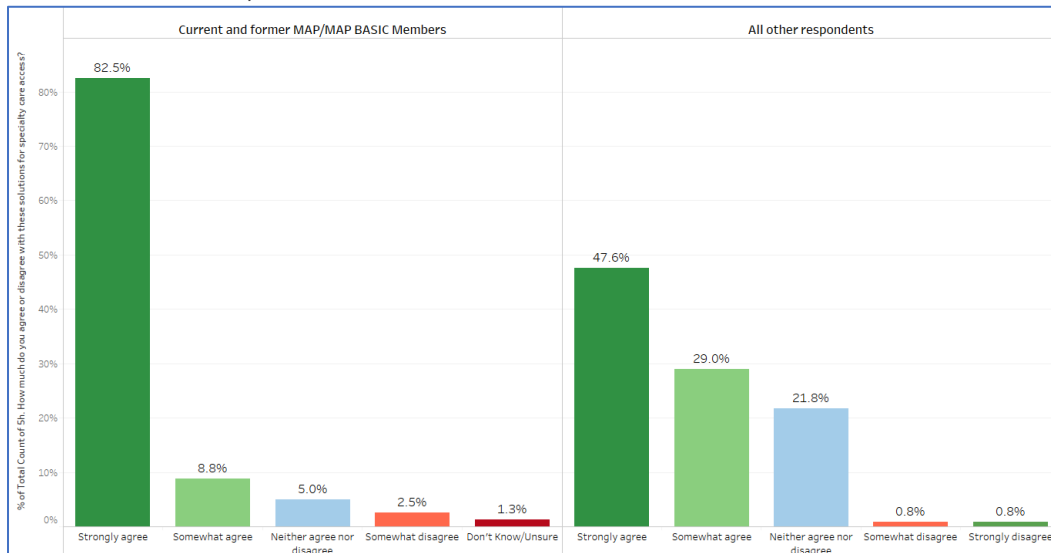
Respondents also had a lot of suggestions for improving specialty care access. Many of the responses again mentioned the impact of the long wait times and the need for a patient-centered approach that removes barriers to care:

- extended hours,
- on-site childcare,
- providing/paying for transportation,
- “one stop shopping” points of care,
- minimizing the number of different places the patients need to go,
- reducing wait times through increased providers and specialists,
- improved care coordination, and
- fixing the referrals process.

It should be noted that both members and employees noted the issues with the referral process.

**Figure 17: Respondent agreement or disagreement for specialty care access solutions**

Total number of respondents: n=204



The specialty care access strategies have broad support, and members are more strongly in favor than other respondents. Where respondents disagreed with these strategies, they noted that the cost to see a specialist is still a significant barrier.



### Strategy 3: Health Care for the Homeless

Total number of respondents: n=204

#### Our Proposed Solutions:

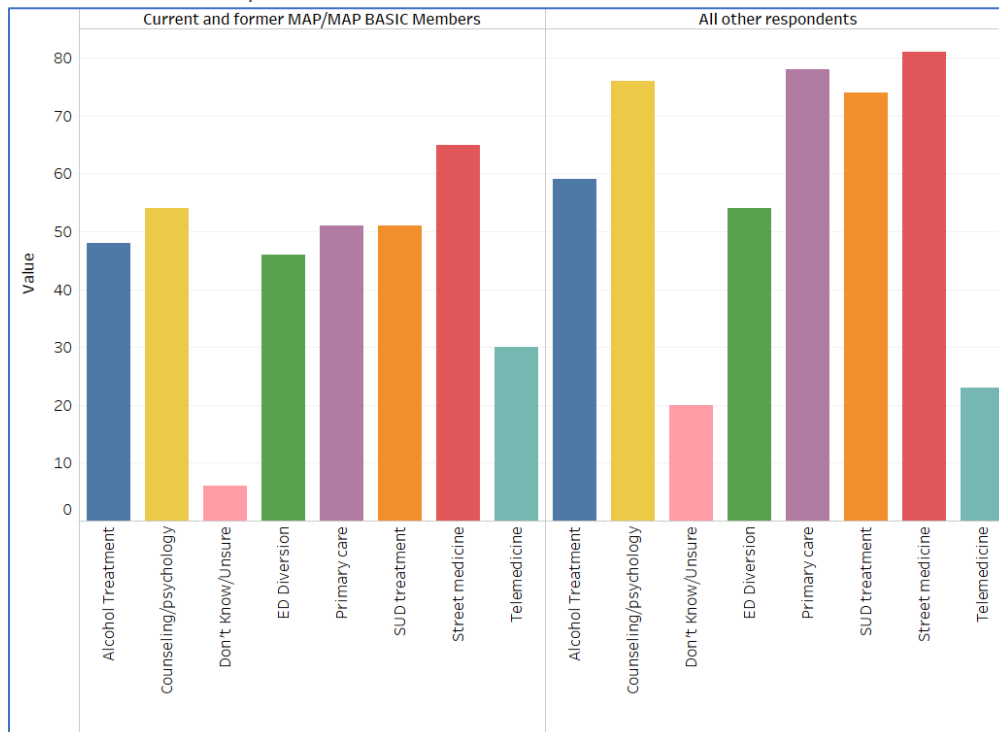
Improving the health of the population experiencing homelessness is a major focus for our service delivery.

#### We will do this by working with community partners to:

1. Expand existing services like our street medicine teams,
2. Expand other services to support people experiencing homelessness,
3. Launch medical respite services for MAP members experiencing homelessness so they have a safe place to stay while recovering from an illness or treatment under the care of medical staff, and
4. Introduce behavioral health into street medicine teams and homeless service sites to help patients in acute mental distress.

**Figure 18: In your experience with unhoused neighbors/people, what types of health care or behavioral health programs have they benefitted from?**

Total number of respondents: n=204

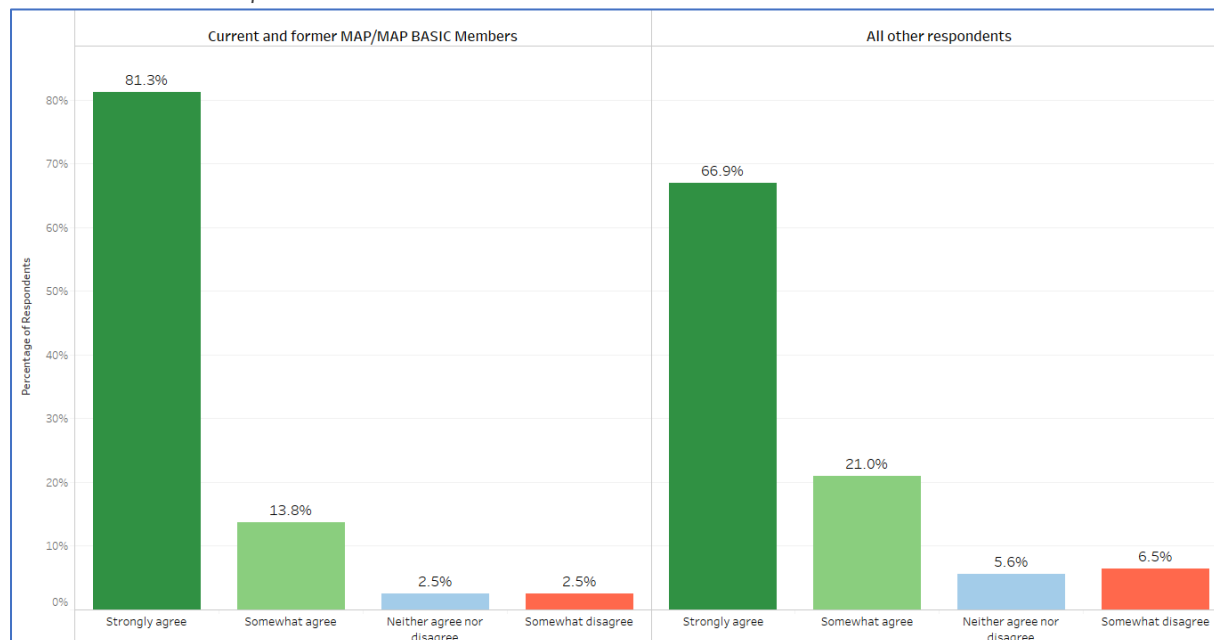


Street medicine, counseling/psychology, alcohol and substance use disorder (SUD) treatment, and primary care were noted by members and other respondents as the most effective, with telemedicine ranking as least effective by both groups.



**Figure 19: Respondent agreement or disagreement for healthcare for the homeless solutions**

Total number of respondents: n=204



Again, we see broad support generally and stronger support from members for these strategies to provide healthcare for the homeless. However, 16 respondents submitted comments about why they somewhat or strongly disagreed. Several comments indicated that some of the respondents viewed housing and other assistance as a higher priority, or were unsure of the logistics of telemedicine for people experiencing homelessness. A small group of respondents expressed discomfort with the subsidizing care for people who aren't employed and/or don't pay taxes.

#### **Strategy 4: Behavioral Health**

Total number of respondents: n=204

##### Our Proposed Solutions:

Along with our work around Health Care for the Homeless, our priorities for next year include:

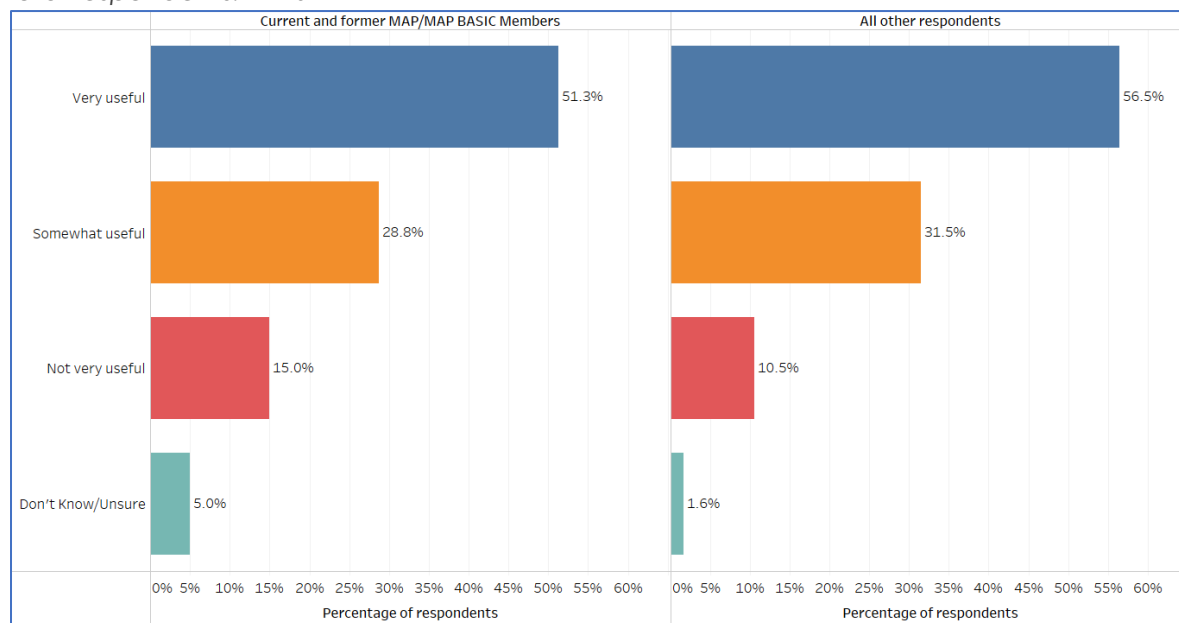
1. Expanding psychiatry access and therapy in the primary care setting, and
2. Providing more behavioral health services via telemedicine. This will bring expanded access to mental health services into members' medical homes, leading to better integration of care.





**Figure 20: If you could see a doctor on a computer or phone for your mental health needs, how useful would that be for you?**

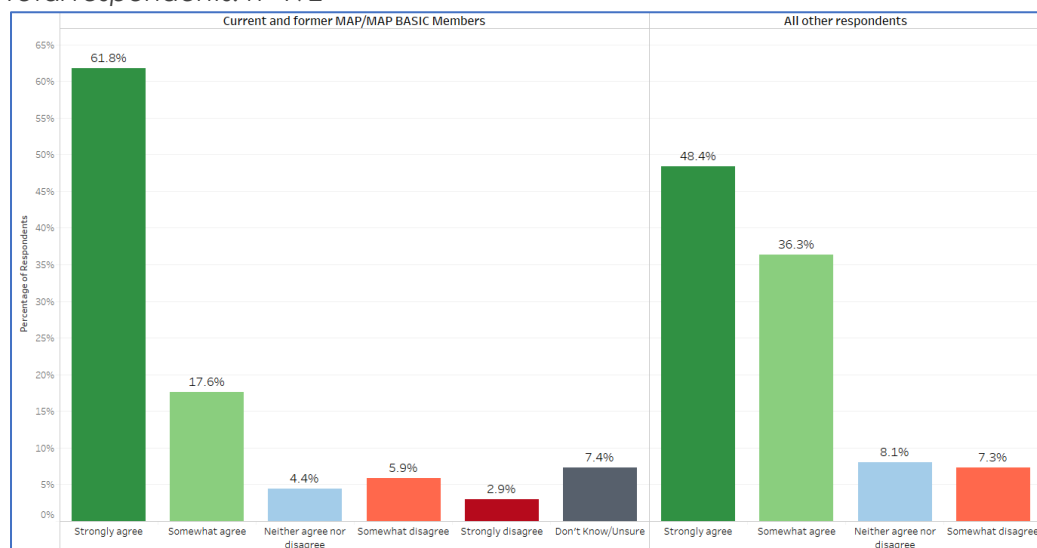
Total respondents: n=204



About 80% of respondents thought that mental health care via telemedicine would be somewhat or very useful. MAP/MAP BASIC members were less enthusiastic about telemedicine for mental health needs, and many respondents noted in their open responses that in-person counseling would be preferable.

**Figure 21: Respondent agreement or disagreement for behavioral health solutions**

Total respondents: n=192



Still, the behavioral health strategies have broad support, with stronger support from members. Several respondents indicated in their comments that telemedicine for behavioral health would be more convenient and help resolve their transportation issues for appointments. Others felt that behavioral health issues require in-person services or had concerns about the logistics of telemedicine.



**Strategy 5: Substance Use Disorder (SUD) Treatment**

Total respondents: n=203

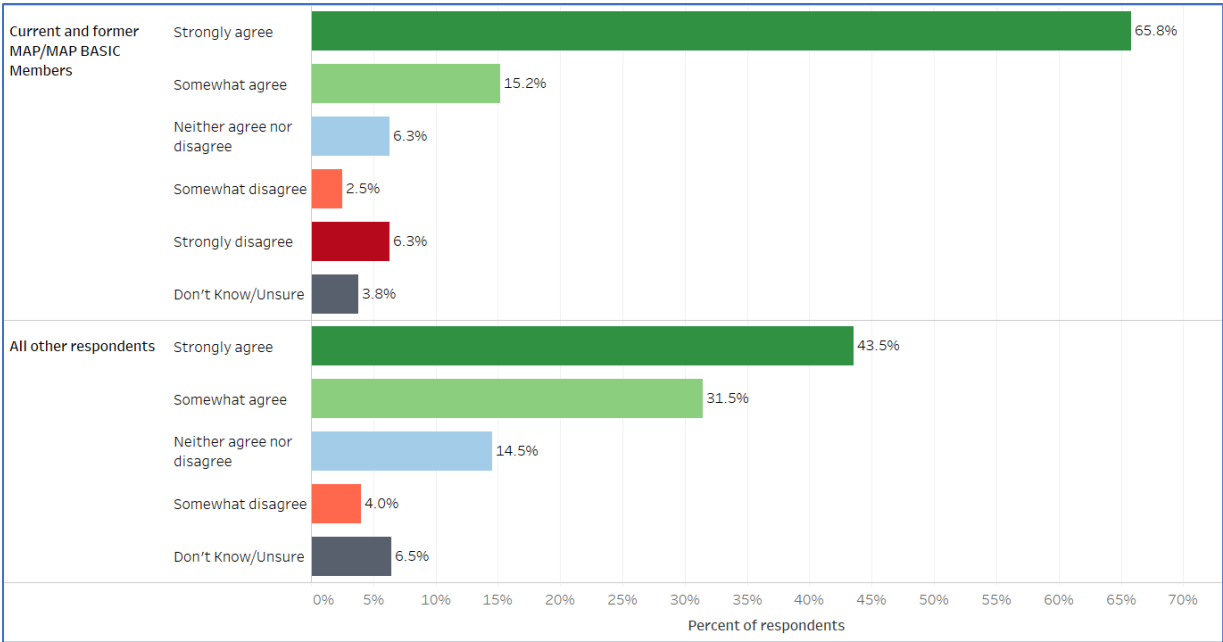
Our Proposed Solutions:

To address the growing need for substance use disorder treatment, Central Health plans to introduce multiple initiatives to give patients the support, tools, and medications to help them in their journey to sobriety. Specifically, in the next year we are proposing to:

1. Introduce access to peer support specialists - people who've been there and done that and recovered - to engage with empathy with our patients in the hospital for alcohol use-related conditions.
2. Expand the use of Medication Assisted Therapy (MAT) - a combination of counseling, therapy, and medicine that's been shown to help prevent relapses.

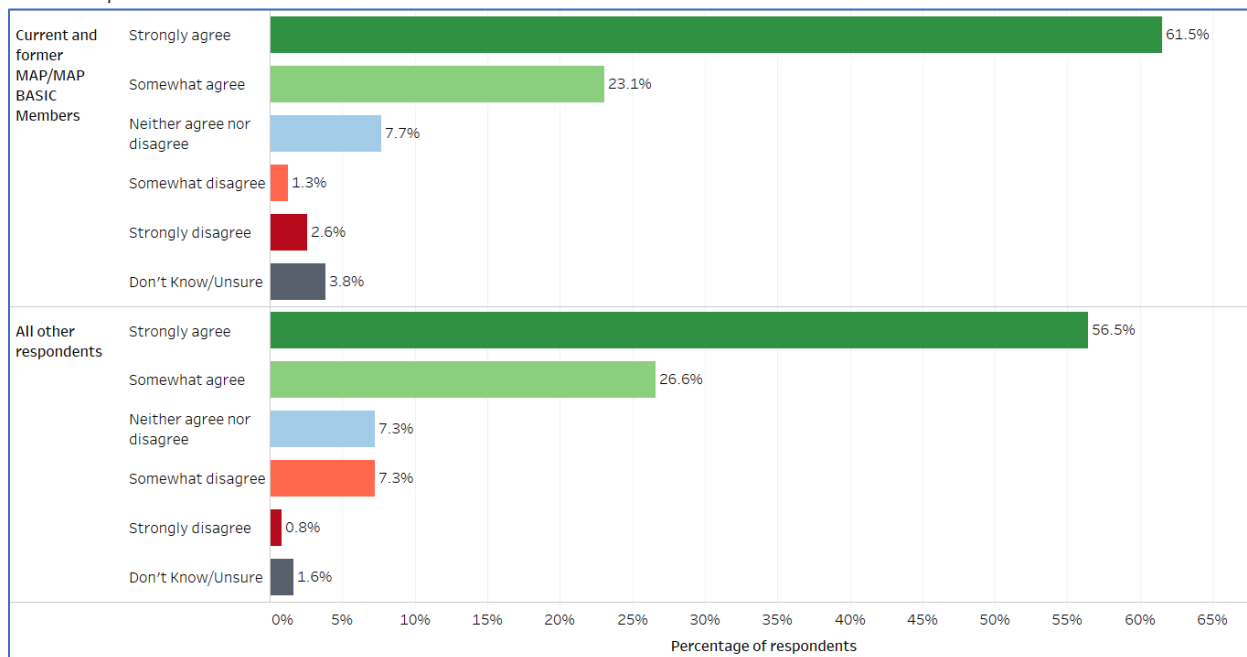
**Figure 22: I would feel more comfortable talking about my alcohol and substance use with someone who'd been through what I'm going through.**

Total respondents: n=203



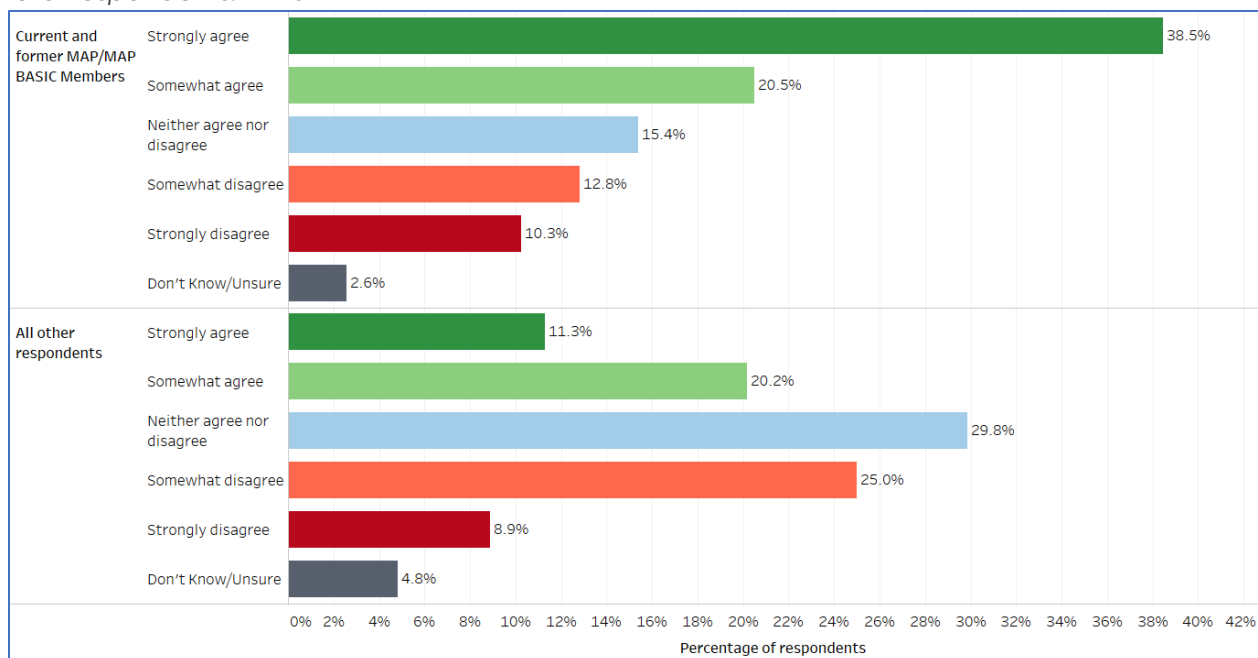
**Figure 23: Stigma around alcohol and substance abuse is a real barrier to care.**

Total respondents: n=202



**Figure 24: I would feel more comfortable talking only with a medical provider.**

Total respondents: n=202

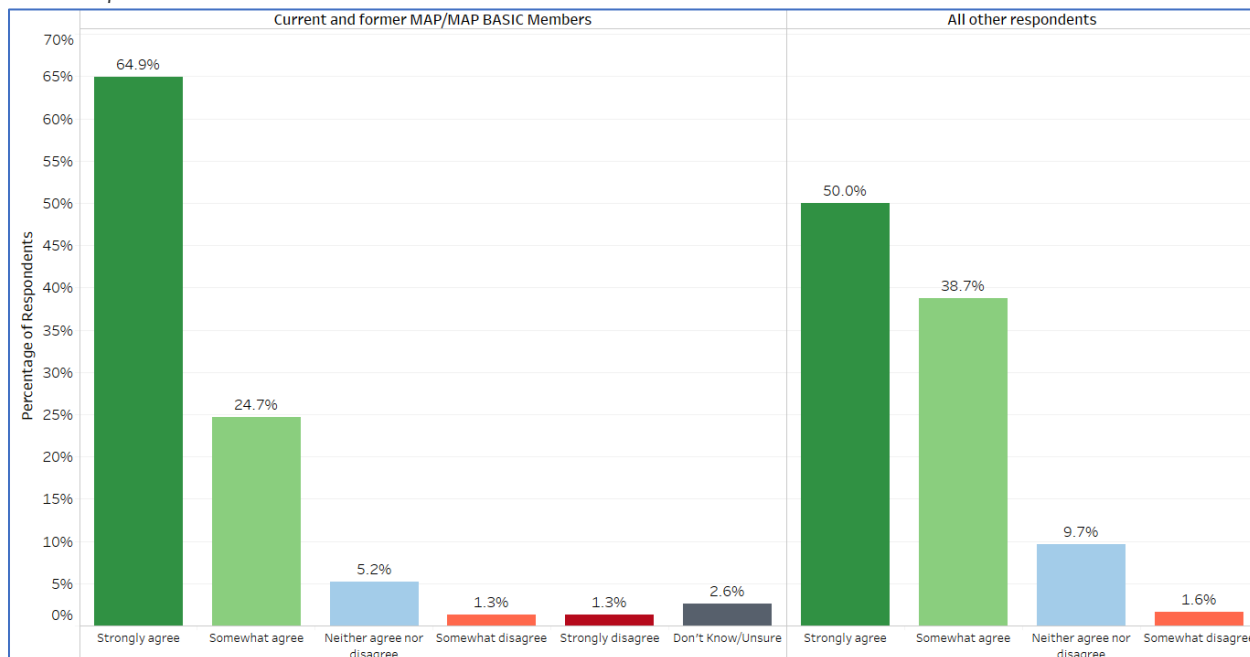


The peer support initiative has strong support, especially among members. However, respondents also noted the importance of their relationship with the provider. A hybrid approach is recommended.



**Figure 25: Respondent agreement or disagreement for SUD treatment solutions**

Total respondents: n=201



The SUD strategy also enjoys strong support, especially among members.

### Strategy 6: Transitions of Care

Total respondents: n=201

#### Our Proposed Solutions:

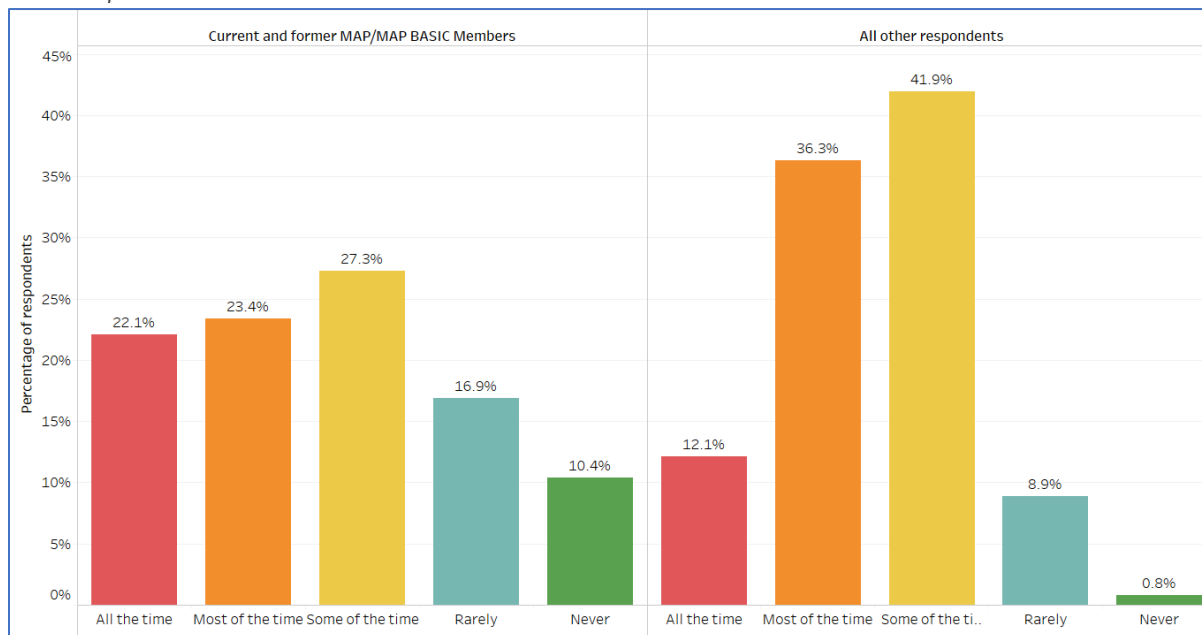
We are dedicated to providing its members seamless transfers between providers, services, and settings because effective transitions lead to reduced readmissions to the hospital, shorter inpatient stays, higher patient satisfaction, and better outcomes. We will do this by:

1. Expanding our medical management team to reach a larger group of MAP/MAP BASIC members, including those with complex medical problems like congestive heart failure, and
2. Providing services to help patients after a hospitalization, including transitions to skilled nursing facilities, home health visits, palliative care, and hospice care.



**Figure 26: Thinking about your own experience with health care, how often did you feel like you or someone you cared about “got lost” between providers?**

Total respondents: n=201

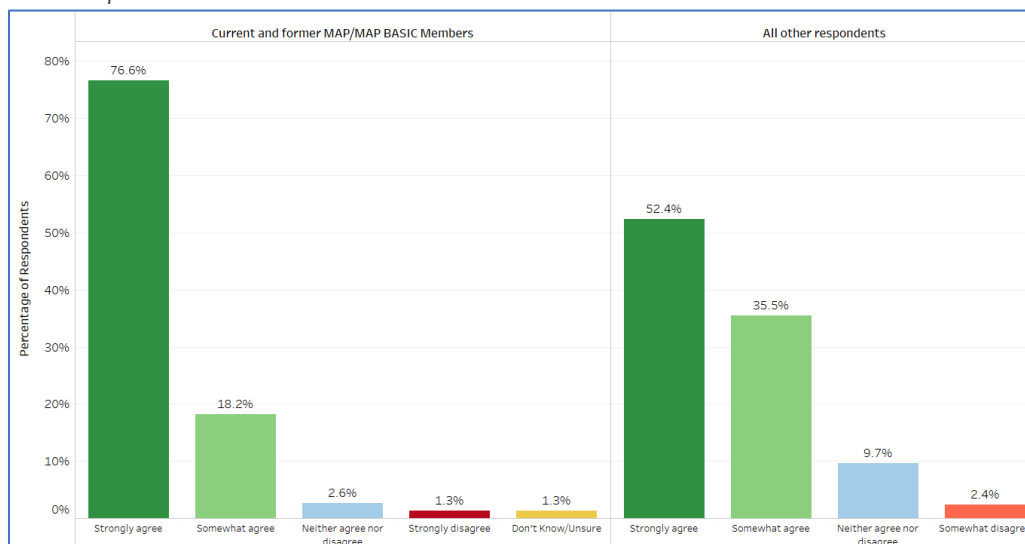


Although there is still clearly room for improvement, MAP and MAP BASIC members were less likely to report getting “lost” between providers Most or Some of the time, and almost three times more likely to report that they had Rarely or Never gotten “lost” when compared to non-member respondents.

Survey respondents had a lot to say about what Central Health could do to improve transitions of care, with many of the comments echoing similar concerns about communicating with patients, following up on referrals and diagnostic tests, and closing the referral loop through care coordination and patient navigation efforts.

**Figure 27: Respondent agreement or disagreement for transitions of care solutions**

Total respondents: n=201



Member support again exceeds non-member support for the transitions of care strategies. Respondents also noted in their open responses that members need greater assistance with specialist referrals, especially if their medical conditions make it difficult to communicate and remember information.



**Strategy 7: Clinical and Patient Education**

Total respondents: n=202

Our Proposed Solutions:

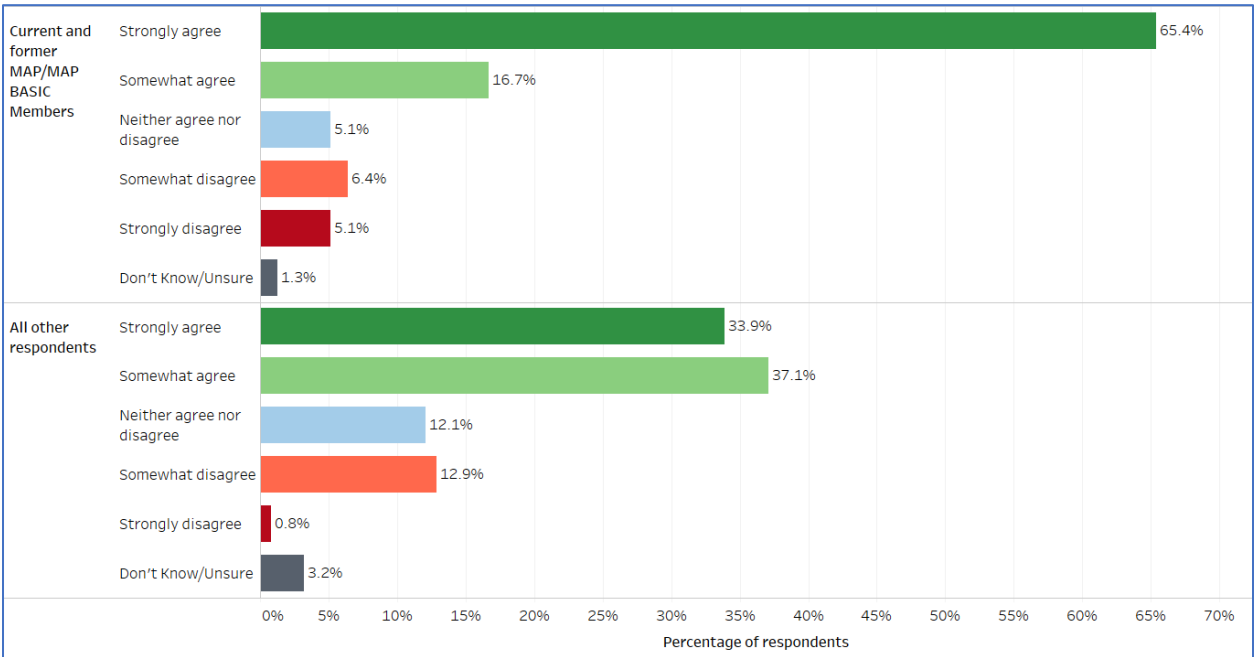
We believe that as communication between patients and their providers improves, patients' trust increases and adherence to their care plans improves, leading to better health outcomes. As such, we are developing a Clinical Education Program to improve culturally appropriate communication centered on the patient's goals and health.

The Clinical Education Program will:

1. Focus on culturally appropriate, disease-specific education for each patient's unique situation, and
2. Deliver disease prevention messages, like information on annual flu vaccines, the benefits of annual wellness visits, and age-appropriate cancer screenings.

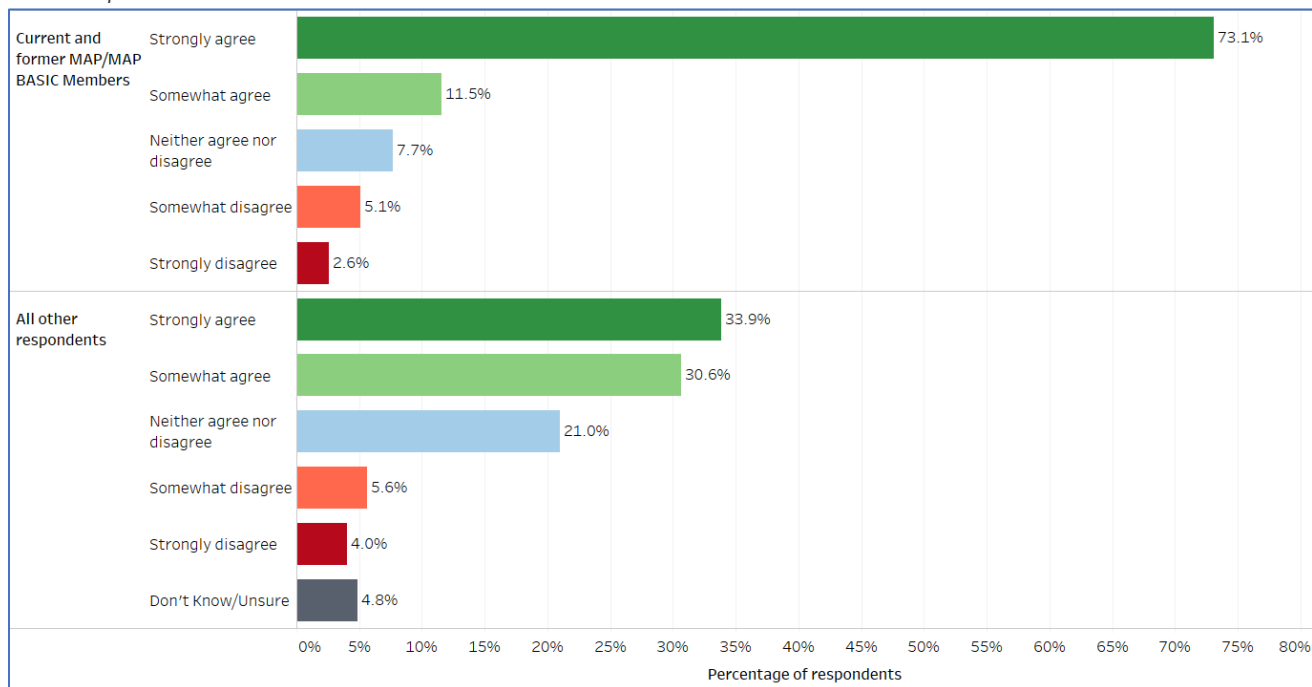
**Figure 28: My doctor understands me.**

Total respondents: n=202



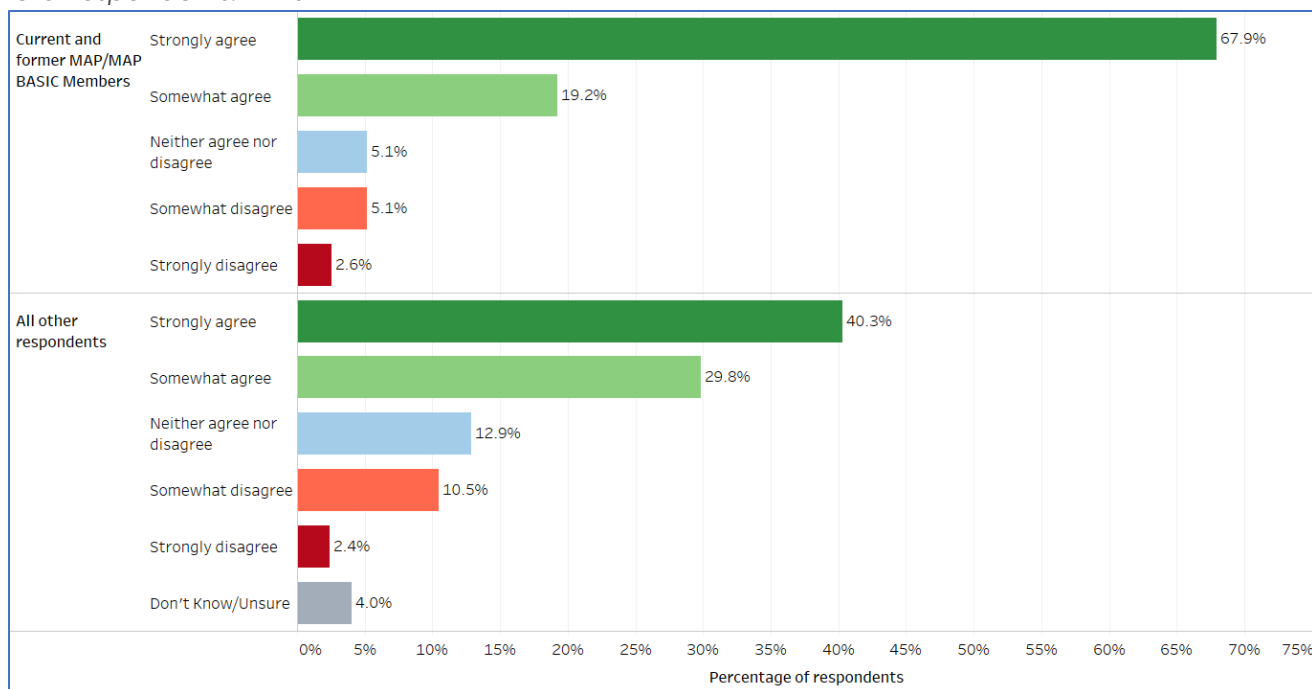
**Figure 29: The care team respects my culture.**

Total respondents: n=202



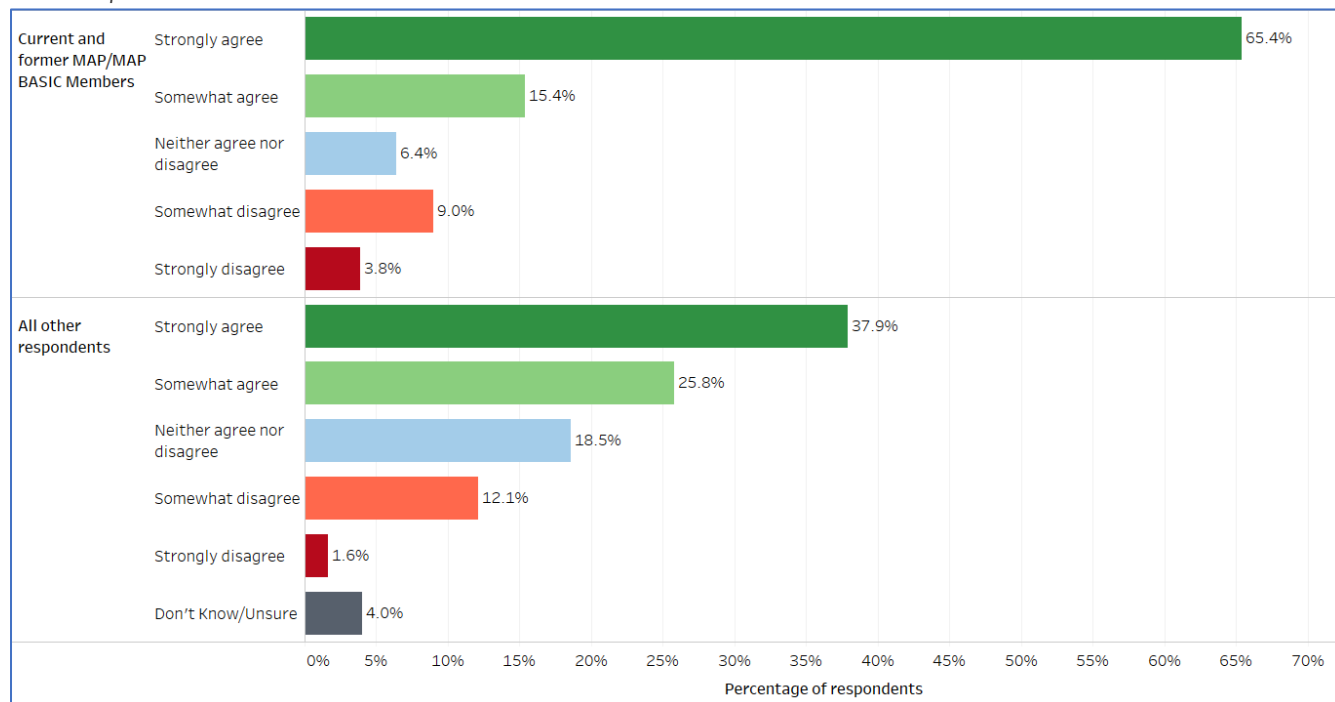
**Figure 30: I am included and have a voice in my care.**

Total respondents: n=202



**Figure 31: My preferences are taken into account.**

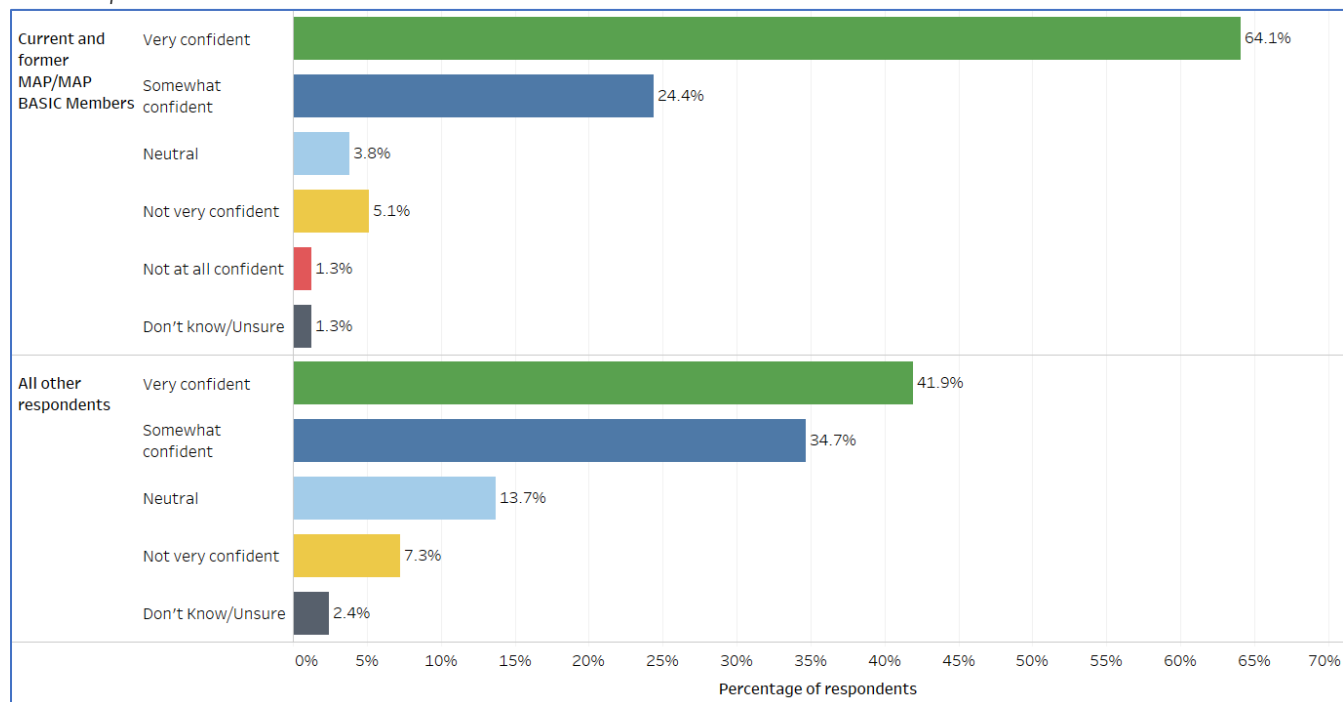
Total respondents: n=202



MAP and MAP BASIC members rated all four clinical patient education dimensions higher than did non-members, which reflects well on efforts by providers to provide patient-centered care.

**Figure 32: How confident do you typically feel about your ability to manage your health after leaving a medical visit?**

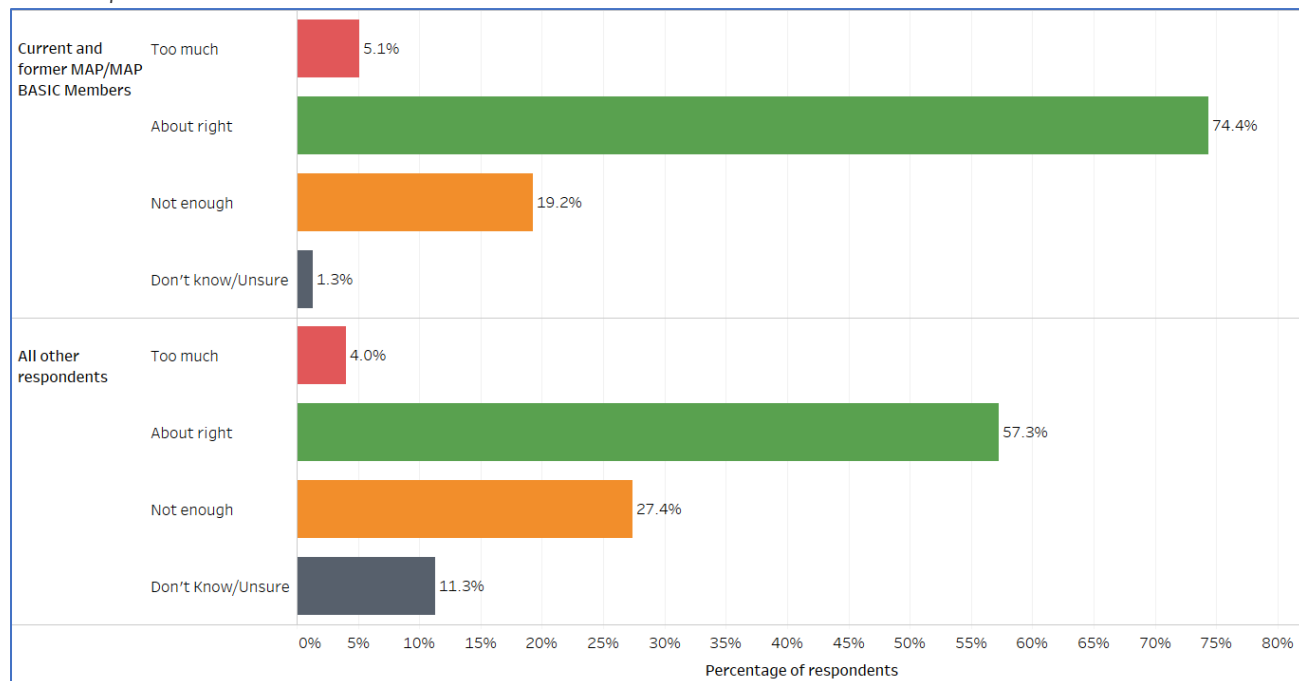
Total respondents: n=202





**Figure 33: How do you feel about the amount of information your healthcare providers give you?**

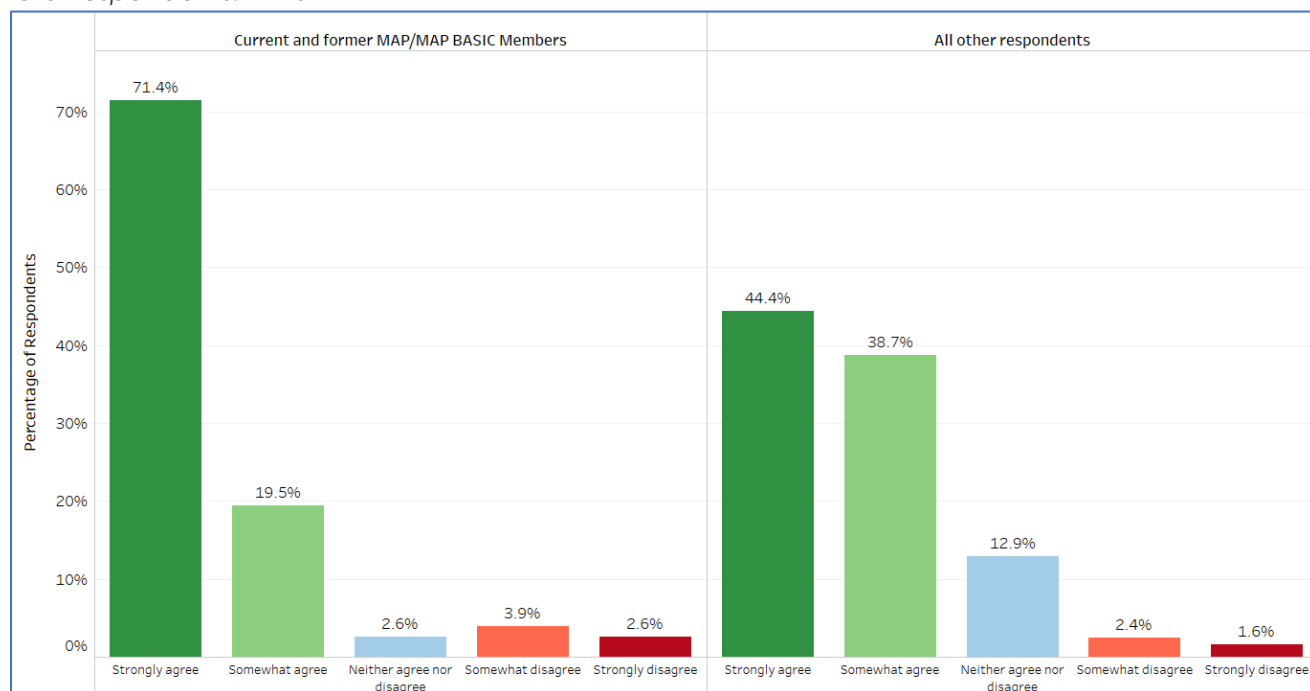
Total respondents: n=202



Central Health members also felt more confident than non-members about their ability to manage their care after a medical visit, and that the amount of information they received was "About Right".

**Figure 34: Respondent agreement or disagreement for clinical and patient education solutions**

Total respondents: n=201



This clinical patient education strategy also garnered strong support.



**Strategy 8: Building a Culture of Equity (Online survey only)**

Total respondents: n=147

For reasons of brevity, this question section was excluded from the telephone surveys. Data are provided from the online surveys only.

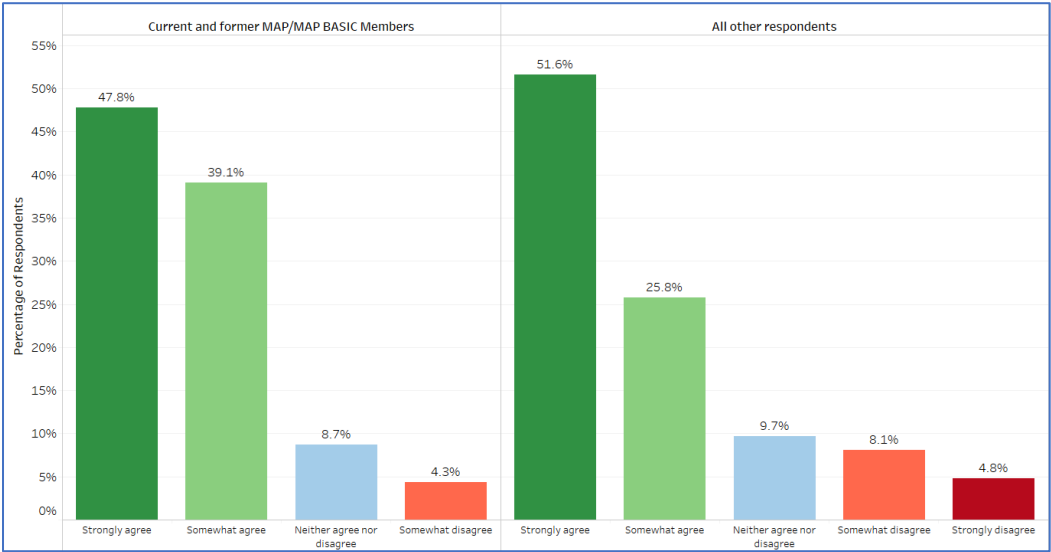
Our Proposed Solutions:

To effectively address the health inequities our members experience, we must intentionally create a culture of equity across the Enterprise – keeping our collective purpose in mind: to improve health outcomes for those who are most impacted by health disparities. In 2019, Central Health created an Employee Equity and Inclusion Task Force. This group of dedicated staff created equity and inclusion goals, objectives, standards, and values for Central Health. The Task Force is now creating employee resource groups, opportunities for mentoring and career development, and will help attract and retain a more diverse workforce.

In addition to the employee Task Force, Central Health hired a Diversity and Inclusion Manager, dedicated to promoting a culture of inclusiveness, and to lead the internal training of staff, focusing on diversity, equity and inclusion.

**Figure 35: Respondent agreement or disagreement for equity solutions**

Total respondents: n=147



Although a greater proportion of members either agreed or strongly agreed, this strategy is another exception to the trend because non-members were slightly stronger in their agreement. However, members were less like to neither agree nor disagree and disagree.

**Strategy 9: Long-term Sustainability (Online survey only)**

Total respondents: n=147

For reasons of brevity, this question section was excluded from the telephone surveys. Data are provided from the online surveys only.

Our Proposed Solutions:

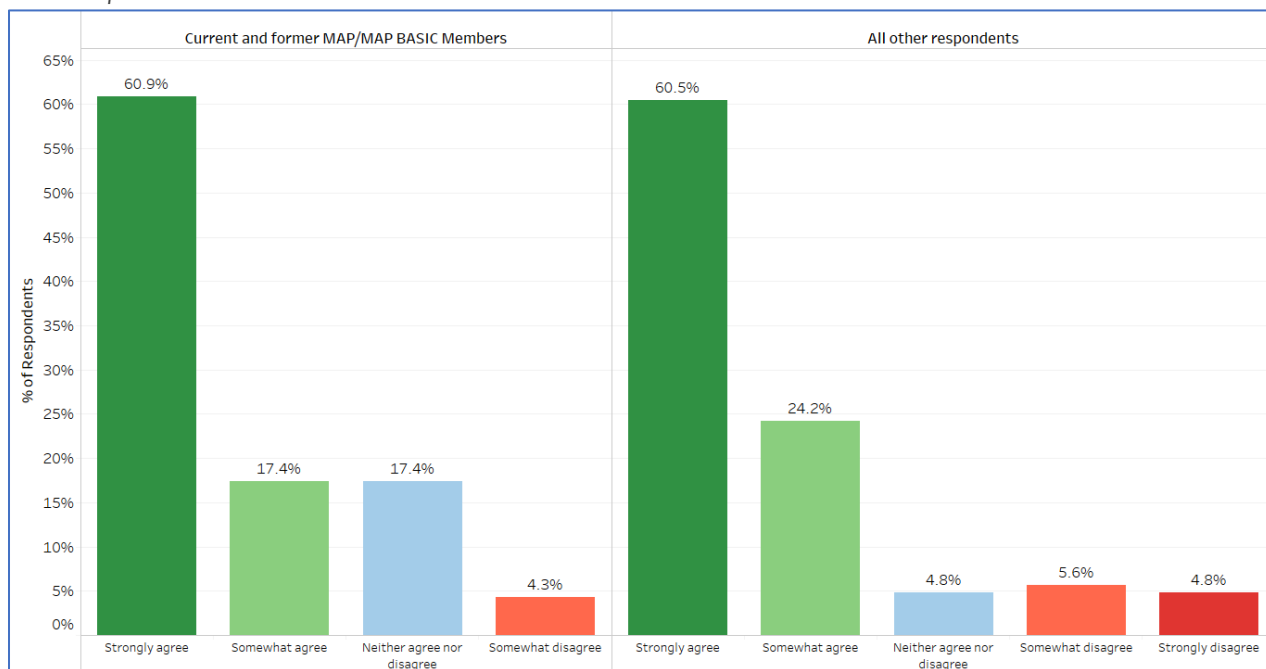
We will ensure Central Health’s long-term sustainability by:

1. Maintaining sufficient reserves to continue increasing access to care.
2. Maximizing the use of Central Health real estate. Central Health is redeveloping and leasing portions of its Downtown Property to diversify revenue streams to pay for health care now and in the future. With a diverse mix of revenue sources, Central Health won’t have to rely solely on property taxes to fund health care for Travis County residents with low income. This plan is already proving to be a viable way of generating money for our health care operations.



**Figure 36: Respondent agreement or disagreement for fiscal sustainability solutions**

Total respondents: n=147



There was little difference between members and other respondents on this strategy, which still had strong support. Eight responses were submitted in disagreement, generally concerns about the cost and capital expenses.

**Open response: “We’ve talked about a lot of different services that are or will be available to our members. Are there any services we didn’t mention that you think we should consider adding?”**

Total respondents: n=93

Staff performed qualitative analyses on this open response question to identify emergent themes in the responses. The responses were coded for their valence (positive, neutral, mixed, or negative) as well as the general theme. A comment could be coded to one or more themes, and all comments have at least one theme. Table 8 provides a summary by valence and community role.

**Table 8: Open response to “Are there any services we didn’t mention that you think we should consider adding?”, count by community role and valence of comment**

Community Role	Positive	Neutral	Mixed	Negative	Row Total
Current and former MAP/MAP BASIC Members	11	16	1	10	<b>38</b>
All other respondents	1	52		2	<b>55</b>
<b>Column Total</b>	<b>12</b>	<b>68</b>	<b>1</b>	<b>12</b>	<b>93</b>

Current and former MAP/MAP BASIC members provided more positive and negative comments than all other respondents, who were largely neutral in their comments. 13 of the responses were members simply indicating their satisfaction with the services they received (14%). The other 80 responses were grouped into one or several of the 32 emergent themes based on the thematic qualitative analysis. Table 9 on the next page provides a summary of the top 10 themes.



Other themes worth noting were:

- Wait time
- Equity involvement
- COVID-19 sequelae
- Capacity/Number of Providers
- Transportation
- Diagnostic Imaging

**Table 9: Summary of Top 10 Themes from Open Responses to “Are there any services we didn’t mention that you think we should consider adding?”**

Theme	Examples	Total
Communication	More training for all staff, but especially providers, with a focus on trauma-informed care. Better patient education. Cultural training and listening to patients.	19
Chronic Disease Prevention	Focusing on a variety of preventative services, including nutrition and social workers to help solve problems before they get worse. Obesity prevention. Diabetic educators/education. Healthy food and food preparation. Wellness classes. Health coaches.	13
Care Coordination/Integration	More integration with providers to make care a more seamless experience. Follow-up on referrals and closing the referral loop. Case management and more complete hospital care and ED diversion.	12
Nutrition	Access to free food to include fresh fruits and vegetables. Development of community gardens. Nutrition and healthy cooking classes. Eating disorder care. Nutrition counseling and messaging.	12
Access/Enrollment	Make renewing coverage easier. Reduce phone call wait and hold times. Streamline MAP application process for the homeless. Expand prescription and specialty care benefits to MAP BASIC members. Assist with applications for disability benefits, which can unlock Medicaid/Medicare. Expand MAP access and lower the cost for members. Help people sign up for health insurance.	10
Dental	More dental coverage and more dental providers that accept MAP. Expand dental services. Mobile dentist services. Preventive services for educating on proper dental care. Figure out primary and specialist dental and vision services as well.	8
Mental Health	Eating disorder care and support groups. Mental health for adolescents and young adults very critical for the future of our country. More mental healthcare options easier access. More intensive and accessible mental health services that do not rely on Integral Care.	7
Non-medical services (e.g., CHWs, Health Coaches)	Doula and midwifery. Focusing on variety of preventative services, including nutrition and social workers to help solve problems before they get worse. The plan leaves out the need for Health Coaches and Community Health Workers. More non-medical alternative therapies need to be included (meditation, sleep therapy, physical fitness programs, etc.). Mental health through therapy, massage, and nature holistic.	5
Specialist Referrals	Add or expand dialysis, Ears/Nose/Throat, and ophthalmology. Fix the referral process, to include closing the referral loop and improving communication with patients. Decrease wait times for specialists. Consider adding access to plastic and cosmetic surgery (ex. – for visible scars, burn wounds).	5
Affordable/Stable housing	Investing in affordable housing. Especially affordable housing that specifically serves medically vulnerable people. Stable housing helps lead to stable health. More staff for healthcare for the	4



	homeless and street medicine teams. Please focus on [the homeless] population even if it means raising my taxes. Please.	
--	--	--

**Limitations:**

This final analysis has a number of important limitations. First, the sample size is still too small to allow for meaningful statistical comparisons across subgroups. Although many of our members speak a language other than English or Spanish the survey was only conducted in those two languages. An analysis of the members who refused to participate has not been conducted, so we do not know if the refusals are similar or dissimilar demographically from the respondents. However, the refused data are expected to be somewhat skewed due to exclusion criteria (e.g., minors, Austin Transition Center members) and an uneven distribution of wrong phone numbers based on source.

There was self-selection bias by the respondents; those individuals predisposed favorably towards Central Health and willing to spend 30 minutes or more completing the survey chose to participate. Of the 691 potential telephone interviewees, only 58 completed a phone survey (8.4%). The surveys were also quite long, which may have hampered the completion rate. Because online surveys can be submitted anonymously, it is not possible to see how many of the respondents were verified MAP or MAP BASIC members for that survey methodology. All answers are subjective responses of the respondents, and survey responses are only snapshots in time.

**Next Steps:**

The knowledge gained from these surveys will be shared back internally at Central Health with the Service Delivery Operations staff as well as the consultant for the strategic planning process. Central Health will present these results to leadership and the Board of Managers for consideration. Also, Community input and conversations will continue, informed by the respondents' input preferences. Lessons learned from this year's budget survey will be captured and documented for next year.

Fiscal Year 2022 Budget & Strategic Priorities Community Engagement Preliminary Report	
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CENTRAL HEALTH

CommUnityCare | Sendero

# FY 2022 Budget & Strategic Priorities: Community Engagement

Aug. 23, 2021



# Community Engagement Goals

- 1. Educate members and the public about Central Health's functions, how it pays for medical services and its budget priorities and strategies for FY 2022.**
- 2. Gather community input on the proposed budget priorities and strategies.**



# Communications, Community Engagement & Outreach Tactics

FY22 Budget Engagement Report



# Community Engagement Tactics



**Community  
Conversations**



**Meetings with  
Neighborhood  
Groups**



**Telephone Interviews**

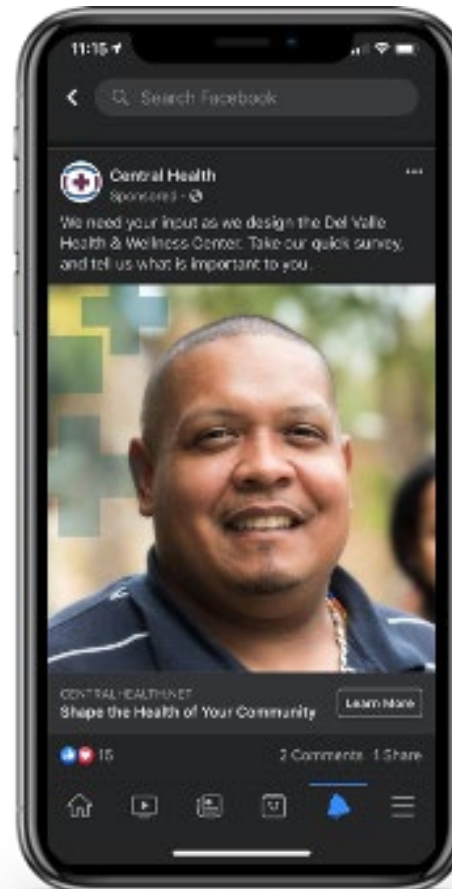


**Online Survey**



# Communications & Outreach Tactics

- **Newsletter/Email Invitations**
- **Social Media**
- **Facebook Group Outreach**
- **Paid Digital Advertising**
- **Direct Phone Calls**




# Survey Participants

FY22 Budget Engagement Preliminary Report

# Survey Participants

## Demographic Breakdown

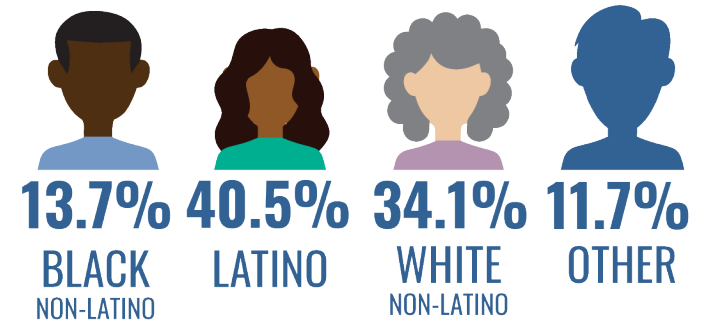
**205**  
PARTICIPANTS



**40%** NON-MAP/  
MAP BASIC  
MEMBERS

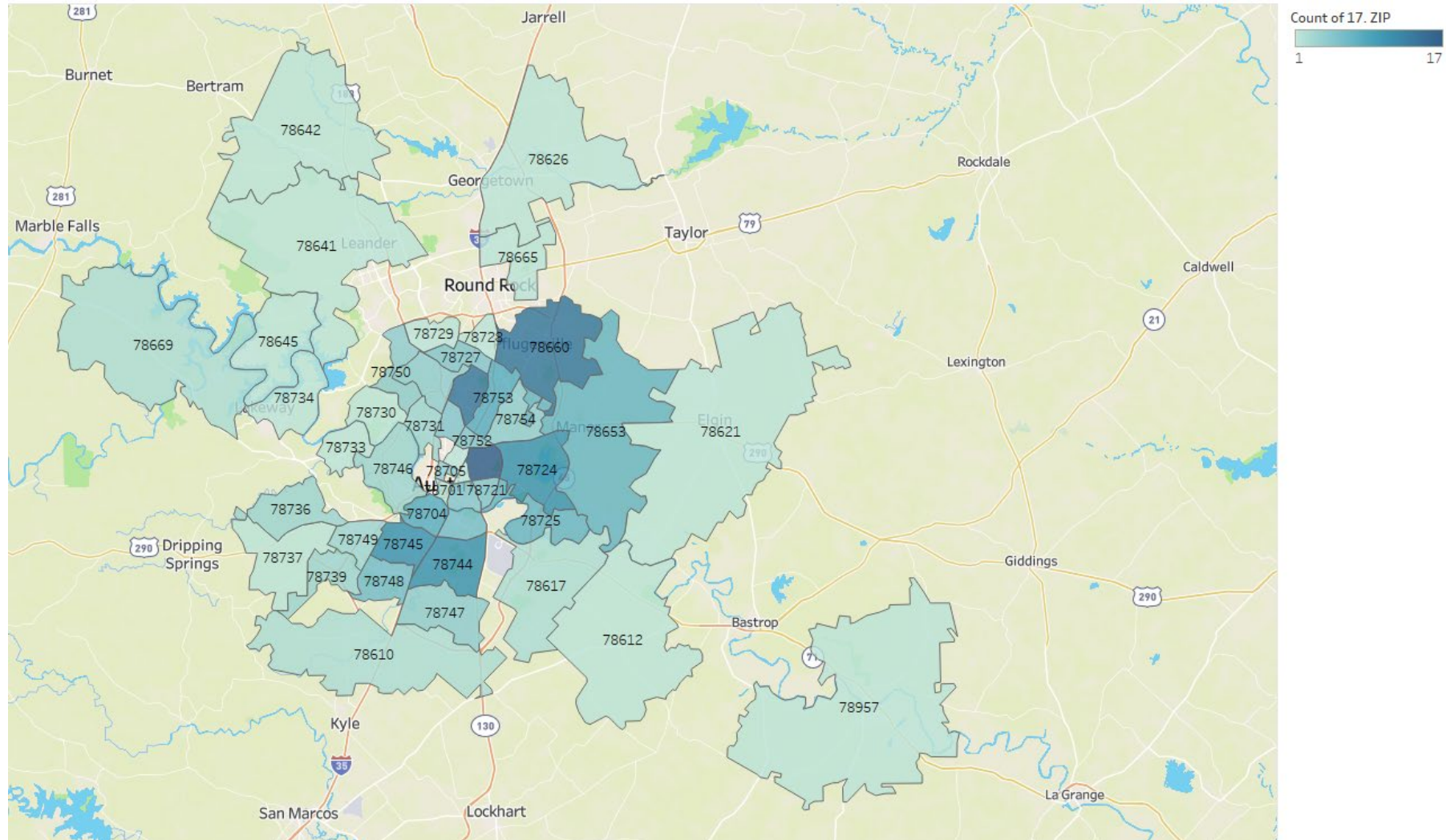
**60%** MAP/MAP  
BASIC  
MEMBERS

RACE/  
ETHNICITY



# Survey Participants Represent Most ZIP codes in Travis County

## Geography



# Survey & Telephone Interviews

## Methodology & Summary of Results

FY22 Budget Engagement Report

# Survey Methodology

- **Parallel online and telephone surveys (n=205)**
  - Online: general public and engaged stakeholders, including MAP/MAP BASIC members
  - Telephone: MAP/MAP BASIC members
- **Approximately 20-30 minutes per survey**
  - 28 pages and 48 questions (Online)
  - 43 questions (Telephone)
- **Structured and open-ended responses**



# Key Findings

- **Large majorities of respondents support the proposed budget strategies.**
- **MAP and MAP BASIC members are even more strongly supportive.**
- **MAP and MAP BASIC members largely report that they are more satisfied than the other respondents on "Clinical Experience" questions.**
- **Wait times, the referral process, and patient communication concerns surfaced repeatedly in the structured and open-ended responses from members.**





# Strong Support for all Strategic Priorities

(All Respondents)



**NEW FACILITIES**



**SPECIALTY  
CARE ACCESS**



**HOMELESS  
HEALTHCARE**



**BEHAVIORAL  
HEALTH**



**SUBSTANCE USE  
TREATMENT**



**TRANSITIONS  
OF CARE**



**CLINICAL & PATIENT  
EDUCATION**



**EQUITY  
CULTURE**



**LONG-TERM  
SUSTAINABILITY**



# Thank you!

Contact [ivan.davila@centralhealth.net](mailto:ivan.davila@centralhealth.net)  
with questions.



# Methodology





# CENTRAL HEALTH

## **Our Vision**

Central Texas is a model healthy community.

## **Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

## **Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 4**

Receive and discuss a presentation on the proposed Central Health Fiscal Year 2022 Budget and tax rate. (*Informational Item*)



CENTRAL HEALTH

CommUnityCare | Sendero

# EMPOWERING COMMUNITIES WITH CARE

FISCAL YEAR 2022 PROPOSED BUDGET



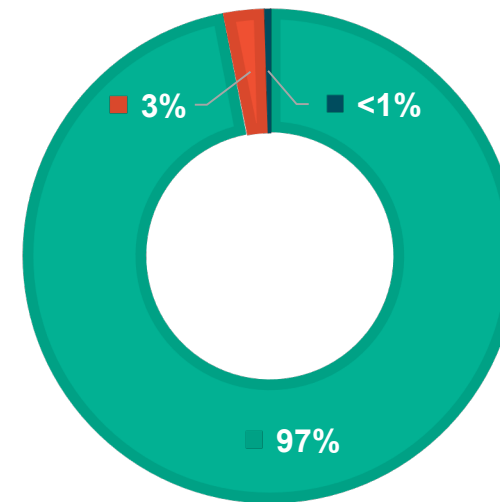
# OUR REQUEST – TAX RATE

Approve a proposed property tax rate of **11.1814 cents per \$100 of taxable property value**, which is 6% above the Maintenance & Operations No-New-Revenue Tax Rate, which will support Central Health’s Fiscal Year 2022 budget of **\$506M**.

Set the date, time and location for the public hearing.

**This tax rate will fund expenditures of:**

- Healthcare Delivery - \$491,485,796
- Administration - \$13,220,246
- Tax Collection - \$2,170,853



# EMPOWERING COMMUNITIES WITH CARE

Central Health FY 2022 proposed budget: Empower communities by helping them understand and access health care services and lead healthier lives.

## How:

- Address the most important needs of often overlooked communities (e.g. people experiencing homelessness, people of color, families with low income)
- Collaborate with patients, healthcare workers and advocates to identify and eliminate health disparities by empowering communities through programs such as:
  - Specialty care access
  - Health care for the homeless
  - Behavioral health
  - Substance use disorder
  - Clinical and patient education
  - Transitions of care



# FY2022 PROPOSED BUDGET HIGHLIGHTS

- Investment in Healthcare Delivery Program
- Implement strategic priorities in healthcare services to support new initiatives and ongoing programs
  - Specialty Care Access
  - Health Care for the Homeless
  - Behavioral Health
  - Substance Use Disorder Treatment
  - Transitions of Care
  - Clinical and Patient Education
- Increased investments in MAP and MAP Basic programs
  - Primary Care/Urgent Care
  - Pharmacy
  - Increase length of MAP eligibility
- Clinical practice development
  - Application for NPI/TPI
- System of Care Planning
  - Addresses system of care gaps
- Investment in Operational Excellence and Staff
  - Robust business case planning process used for 20 initiatives
  - Implement HUB Disparity Study results
  - Enhancing diversity and inclusion initiatives





# EMPOWERING COMMUNITIES WITH CARE

Our plan for the coming year

# CONNECTING WITH MAP MEMBERS

## VACCINE REGISTRATION

- 1,883 people w/out internet access registered for COVID-19 vaccine.

## ACA APPLICATION ASSISTANCE

- 90 MAP BASIC members scheduled for ACA application assistance with Foundation Communities.

## DIRECT MAIL

- Mailed 6 postcards (avg. 35,560 MAP member households) information on COVID-19 prevention, testing, vaccines, and Census.

## PHONE CALLS

- 2,382 phone calls reaching 1,358 MAP members in high-priority ZIP codes.
- Topics: COVID-19 prevention, testing, vaccine facts, Census, and ACA Open Enrollment Period.

## VIRTUAL TOWN HALLS

- 5 Town Halls, 3,999 views.
- Topics: COVID-19 prevention, testing and vaccine facts.

## SMALL BUSINESS OUTREACH

- 1,126 small business visits in 10 high-priority ZIP codes.
- Delivered PPE, posters and flyers to 990 small businesses.



# CONNECTING WITH THE COMMUNITY

## Community Engagement: Oct. 1 - Aug. 16, 2021

- 822 participants; 74% increase over last year.

## Digital Media Since Oct. 1, 2020

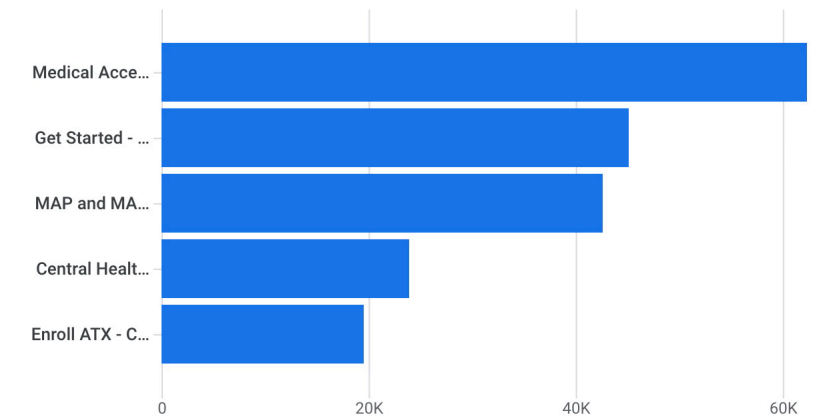
- +5,000 followers on Facebook, our most effective way to reach local community members (English & Spanish).
- Engaged approximately 12,000 times (each time a user clicked on or responded to one of our posts) since.
- CentralHealth.net had almost 500,000 views
- “Why I Choose to Wear a Mask” video >650,000 views on Twitter

## Traditional Media since 10/1/20

- Central Health was covered or mentioned almost 700 times in local to global media
- Reached more than 1.6B viewers
- Generated \$38.1M in advertising equivalency value

## Website Traffic

Views by Page title and screen class



## Social Media



**Top Tweet** earned 667K impressions

We choose to **#WearAMask** to protect the community. How about you?

**#MaskUpATX #MaskOn**  
[pic.twitter.com/RPTdVZH6jv](https://pic.twitter.com/RPTdVZH6jv)



64 replies 200 retweets 501 likes

## Earned Media

### Coverage Summary

2020/10/01 - 2021/09/30

Total Mentions  
**691**

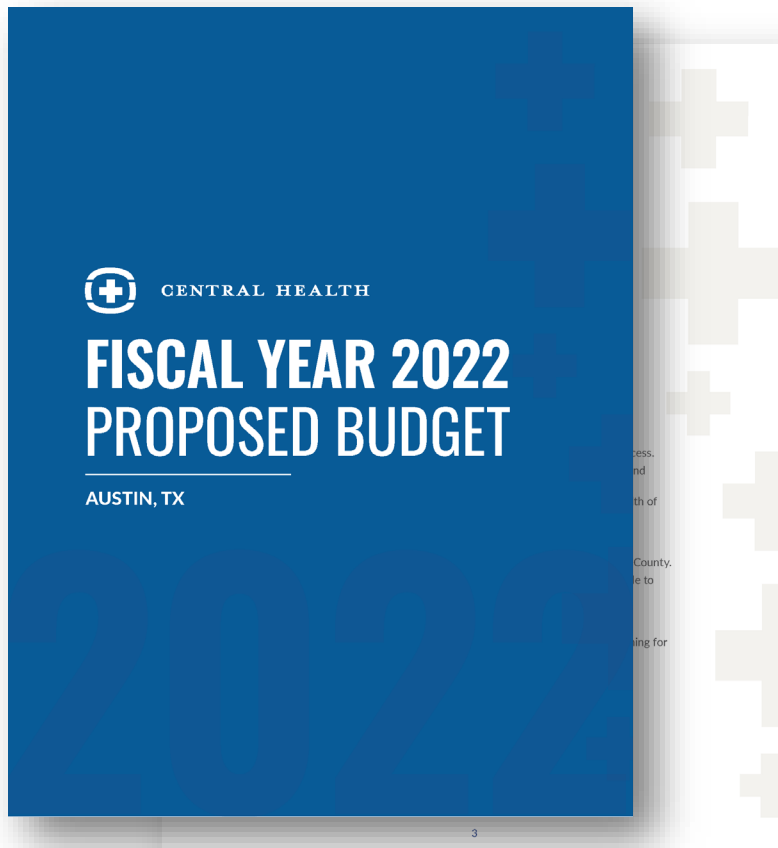
Audience Reach  
**1.6B**

AVE  
**\$38.1M**



# CONNECTING WITH COMMUNITY LEADERS

## BUDGET BOOK



## SPOTLIGHT REPORTS

The image shows a stack of three "Central Health Spotlight" reports. The top report is titled "CENTRAL HEALTH SPOTLIGHT" and "DIVERSITY, EQUITY, INCLUSION". It is categorized under "PEOPLE" and "POLICIES & PROGRAMS".

**PEOPLE**

- Equity and Inclusion Employee Task Force (created Aug. 2019):** Led by employees, this group of dedicated volunteers, divided into subcommittees, addresses equity and inclusion goals, objectives, standards and values for Central Health. The Task Force is creating employee affinity groups and offering internal networking opportunities while providing a platform for new ideas and innovative solutions. The Task Force creates opportunities for mentoring and career development, and will help attract and retain a more diverse workforce.
- Diversity and Inclusion Manager (starting Dec. 2020):** A newly created position dedicated to promoting a culture of sensitivity and inclusiveness, and to lead the internal training of staff, focusing on diversity, inclusion and equity.

**POLICIES & PROGRAMS**

- Emerging Leaders Program:** The ELP provides career pathways for staff and supervisors by providing them with education and training that will help them obtain a leadership position within the Central Health Enterprise.
- Health equity training:** Central Health provides all team members with training focused on the relationship between racial inequities and the issues surrounding health and health care access in the U.S. and Travis County.
- Anti-harassment training:** All Central Health team members receive enhanced and expanded training on an annual basis.
- HR Workforce Recruiting Strategy:** The HR team is enhancing its recruitment efforts and working on strategies that will build a larger racially equitable pool.
- Central Health Equity Analysis of Hiring Practices:** We have conducted an in-depth review of hiring decisions of management positions. The results were shared with the Board of Managers in September 2020.

**FISCAL YEAR 2020**

Category	Hispanic or Latino	White	Black	Asian	Native Hawaiian or Other Pacific Islander	Two or more races	Unreported	Other
Central Health Hires by Race/Ethnicity	47% (17)	28% (10)	19% (7)	3% (1)	3% (1)	3% (1)	0%	0%
Central Health Staff Racial/Ethnic Distribution	40% (72)	41% (74)	12% (21)	5% (9)	2%	1%	0%	0%
Population Served by Race/Ethnicity	67%	2%	8%	2%	7%	12%	0%	0%



# STRIVING FOR ORGANIZATIONAL EXCELLENCE

- Building culture of equity
  - Equity and Inclusion Task Force
  - Implement HUB disparity study
  - HR Recruitment, Pathways & Training
- Expanded compliance program
- Focus on change management and cross-organizational alignment
- Operational strategies for critical areas; e.g., facilities, technology, administration, etc.
- Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award



# FY 2022 PROPOSED STRATEGIC PRIORITIES

## **Objective 1: Develop and execute health care delivery based on people and place**

- **Eastern Travis County Site expansions**
  - Hornsby Bend
  - Del Valle
  - Colony Park

## **Objective 3: Sustainable financial model for health care delivery**

- Ensure sustainable hospital service funding model that provides measurable timely access and high-quality care
- Ensure long-term efficiency in land use
  - Brackenridge/Downtown Campus
  - Administration consolidation

## **Objective 2: Implement patient-focused and coordinated health care system**

### Systems-Based Planning & Health Equity - Phase III and IV

- Strategic services plan
- Operational implementation plan
- Operational financial plan

### Systems-Based Planning & Health Equity - Immediate Service Delivery Focus Areas

- Specialty care access
- Health care for the homeless
- Behavioral health
- Substance use disorder
- Clinical and patient education
- Transitions of care



# BUDGET SURVEY RESULTS



**NEW FACILITIES**



**SPECIALTY  
CARE ACCESS**



**HOMELESS  
HEALTHCARE**



**BEHAVIORAL  
HEALTH**



**SUBSTANCE USE  
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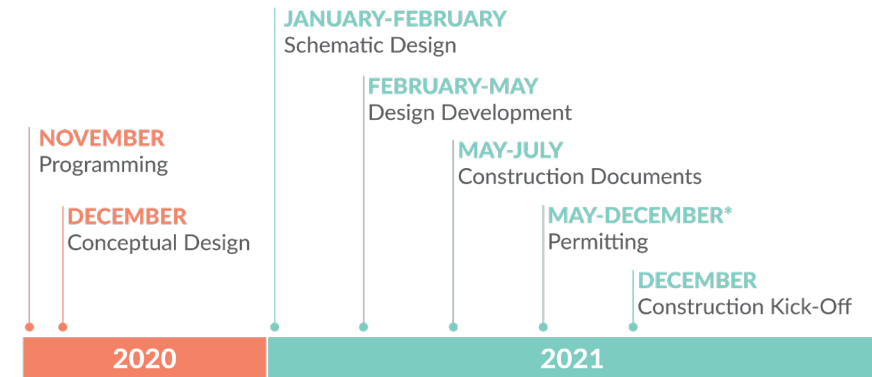
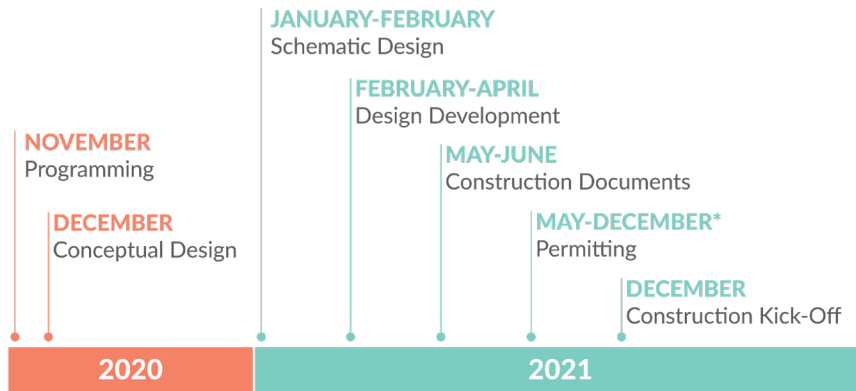
# OBJECTIVE 1: DEVELOP & EXECUTE HEALTH CARE DELIVERY BASED ON PEOPLE & PLACE

## Del Valle, Hornsby Bend, Colony Park

### Del Valle Rendering & Design Schedule



### Hornsby Bend Rendering & Design Schedule



\*The site plan and building permit review process is identified as high risk to timeline. Regulatory review process and timeline is dependent upon both the City of Austin and Travis County review.

\*The site plan and building permit review process is identified as high risk to timeline. Regulatory review process and timeline is dependent upon both the City of Austin and Travis County review.





# NORTHEAST HEALTH RESOURCE CENTER

**Central Health and partners now offering health and wellness services in Northeast Travis County.**

## **LOCATIONS**

- **Barbara Jordan Elementary School and Volma Overton Elementary School.**

## **SERVICES AVAILABLE**

- **MAP/MAP BASIC enrollment assistance**
- **In-person and virtual community resources and referrals**
- **CommUnityCare mobile clinic**
- **Primary care services**
- **WIC mobile unit**



# OBJECTIVE 2: IMPLEMENT PATIENT-FOCUSED & COORDINATED HEALTH CARE SYSTEM

## Increased spending on new, critical programs:

- +\$3.2M in new Specialty Care Access spending
- +\$1.7M in new spending for Health Care for the Homeless
- +\$1M for Transitions of Care & Clinical Patient Education
- +\$.9M Behavioral Health & Substance Abuse Therapy



# OBJECTIVE 3: SUSTAINABLE FINANCIAL MODEL FOR HEALTH CARE DELIVERY

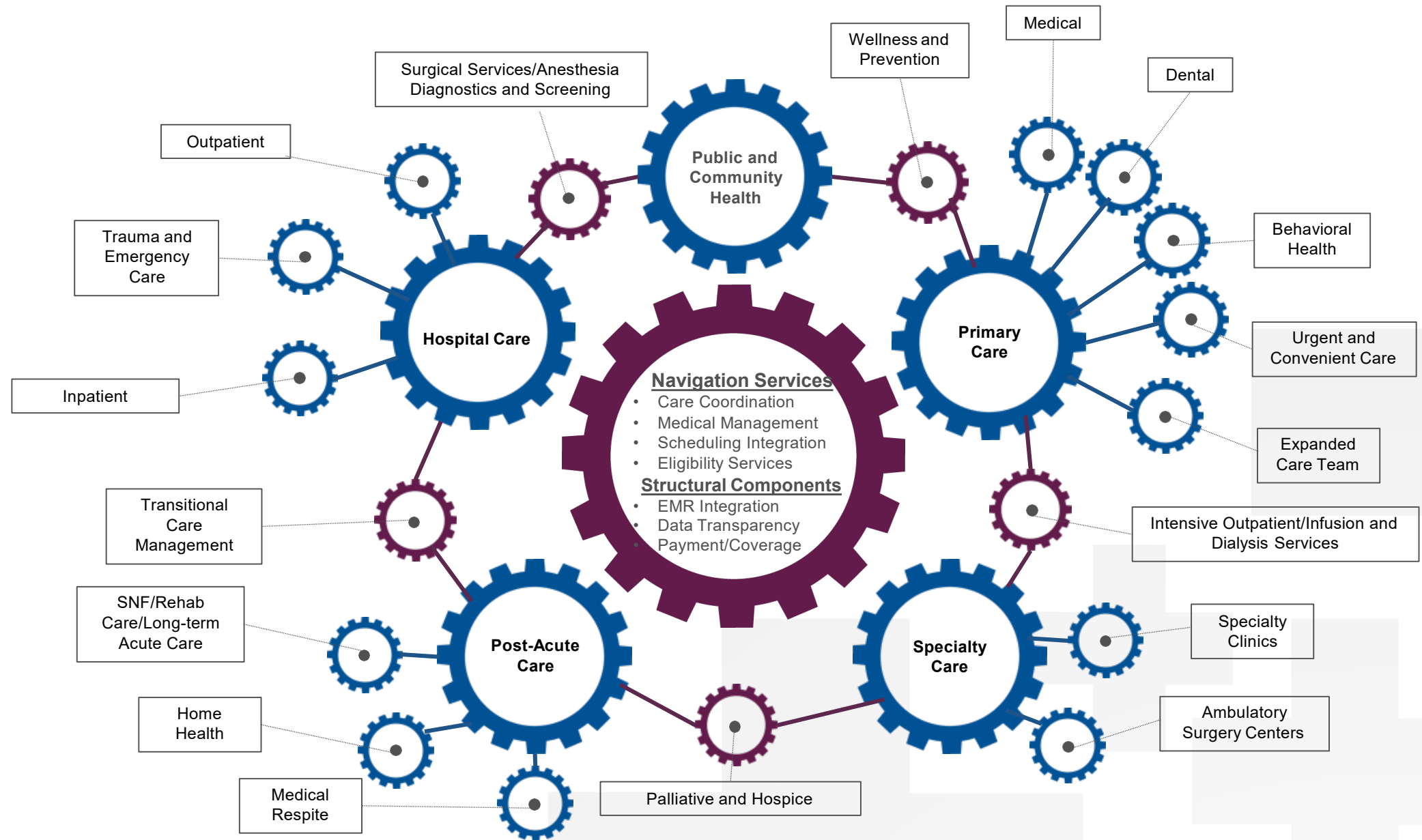


## Downtown Property

- Rezoning approved by City Council in June 2021 as Planned Unit Development (PUD).
- 2033 Higher Education Development Foundation is constructing 17-story office building with a 99-year ground lease, open in 2022, generating approximately \$430 million to Central Health over the life of the lease.
- The Foundation paid Central Health \$1,548,429 in FY 2020 for two tracts of land Ascension Seton paid Central Health \$9,390,624 in FY 2020 in leases to support hospital operations.
- Central Health will continue to evaluate development options on other parts of the property.
- Central Health aims to ensure long term efficiency in land use by strategically diversifying future revenue sources, including planned headquarters consolidation.



# Components of a High Functioning System & Current Identified Gap Areas



# THE FISCAL YEAR 2022 BUDGET

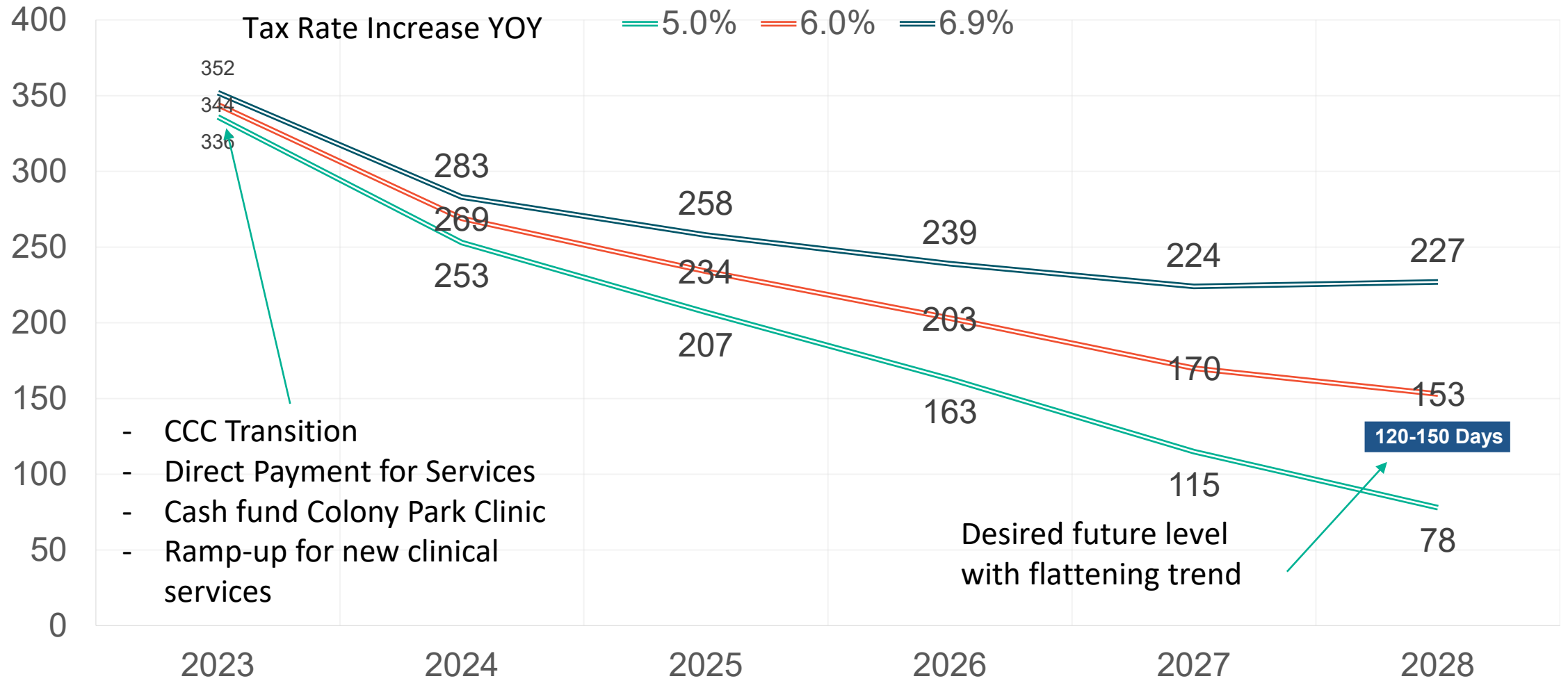
# THE FINANCIAL ENVIRONMENT

## Built on a solid foundation:

- Strong credit rating – recently received Moody’s Outlook Summary – Aa2 Credit Rating
- Received GFOA Distinguished Budget Award
  - FY2020 and FY2021
- LONG-TERM OUTLOOK TO PROVIDE SUSTAINABLE FUNDING FOR SYSTEM OF CARE SERVICE LEVELS



# FUTURE RESERVE LEVELS DAYS OF CASH ON HAND



- CCC Transition
- Direct Payment for Services
- Cash fund Colony Park Clinic
- Ramp-up for new clinical services



# FY2022 PROPOSED TAX RATE 6.0% OVER M&O NO NEW REVENUE RATE

	<b>FY21 APPROVED</b>	<b>FY22 PROPOSED</b>
Average Taxable Homestead Value	\$355, 379	\$386, 136
Average Taxable Homestead Appreciation	2.2%	8.7%
<b>Tax Rate</b>	<b>11.0306</b>	<b>11.1814</b>
M&O	10.9717	10.9204
Debt Service	0.0589	0.2610
<b>Tax Bill</b>	<b>\$392.00</b>	<b>\$431.75</b>
M&O	\$389.91	\$421.68
Debt Service	\$2.09	\$10.08

Annual Increase=\$39.75 (10.14%)

(M&O=\$31.77 & Debt Service=\$7.99)

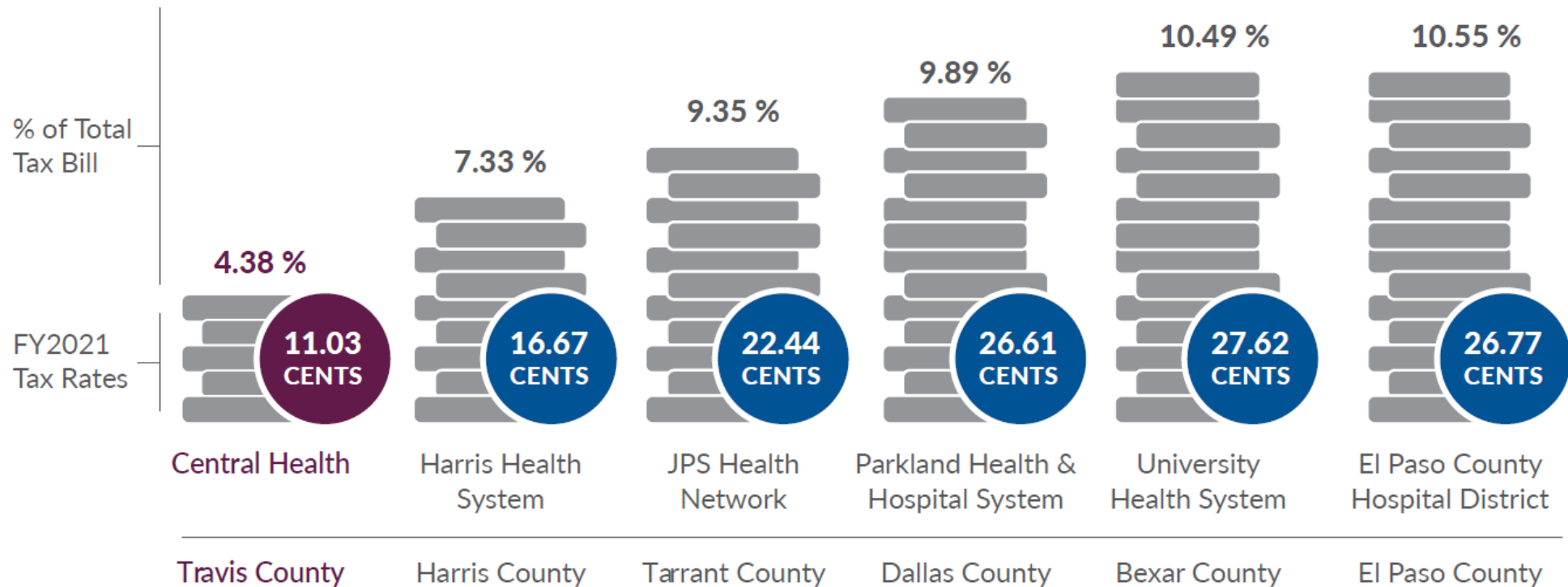
<b>HOMESTEAD EXEMPTION</b>	<b>OVER 65 HOMESTEAD EXEMPTION</b>	<b>DISABILITY HOMESTEAD EXEMPTION</b>
FY22 Approved (A)	\$100, 000	\$100, 000

(A) Includes 20% the maximum allowable by state law (5,000 minimum)





# MAJOR TEXAS HOSPITAL DISTRICTS FY 2021 TAX BURDEN COMPARISONS



# CENTRAL HEALTH FY 2022 PROPOSED BUDGET

## Attachment A – Sources and Uses

DESCRIPTION	FY 2021 APPROVED BUDGET	FY 2022 PROPOSED BUDGET
<b>TAX RATE</b>	<b>0.110306</b>	<b>0.111814</b>
<b>SOURCES</b>		
Property Taxes	234,057,519	260,933,097
Lease Revenue	12,909,866	13,422,399
Tobacco Litigation Settlement	2,800,000	3,000,000
Other	1,720,000	3,000,000
Subtotal Revenue	<b>251,487,385</b>	<b>280,355,496</b>
Contingency Reserve Carryforward	115,856,728	226,521,399
<b>Total Sources</b>	<b>367,344,113</b>	<b>506,876,895</b>
<b>USES</b>		
Healthcare Delivery	353,858,895	491,485,796
Administration	11,399,403	13,220,246
Tax Collection	2,085,816	2,170,853
<b>Total Uses</b>	<b>367,344,113</b>	<b>506,876,895</b>
<b>RESERVES</b>		
Emergency Reserve	38,719,836	38,719,836



# CENTRAL HEALTH FY 2022 PROPOSED BUDGET

## Attachment B – Uses

DESCRIPTION	FY 2021 APPROVED BUDGET	FY 2022 PROPOSED BUDGET
<b>HEALTH CARE DELIVERY</b>		
<b>Intergovernmental transfers:</b>		
IGT - CCC DSRIP	23,528,575	15,509,298
<b>Total Intergovernmental Transfers</b>	<b>23,528,575</b>	<b>15,509,298</b>
<b>Healthcare Services</b>		
Primary Care: Medical, Dental, & Behavioral Health	56,935,000	59,040,000
Specialty Care: including Specialty Dental	13,715,000	17,175,000
Specialty Care: Behavioral Health	1,883,856	1,383,856
Post Acute Care	5,400,000	2,125,000
Pharmacy	13,250,000	14,250,000
Hospital & Specialty Services	57,000,000	-
Hospital Performance Incentive	2,700,000	-
Healthcare Services - PSH/PFS Payment	600,000	-
MAP Eligibility Enhancements Reserve	-	2,000,000
Integrated Care Collaboration (ICC)	719,990	687,035
Community Health Care Initiatives Fund	875,000	875,000
Primary & Specialty Care Reserves	2,000,000	4,050,000
<b>Total Healthcare Services</b>	<b>155,078,846</b>	<b>101,585,891</b>



# CENTRAL HEALTH FY 2022 PROPOSED BUDGET

## Attachment B – Uses

DESCRIPTION	FY 2021 APPROVED BUDGET	FY 2022 PROPOSED BUDGET
<b>HEALTH CARE DELIVERY</b>		
<b>Healthcare Operations &amp; Support</b>		
ACA Healthcare Premium Assistance Programs	11,559,354	13,319,929
ACA Education and Enrollment	601,320	583,000
Healthcare Facilities and Campus Redevelopment	5,156,629	5,303,564
UT land lease for teaching hospital	940,843	981,231
Salary and Benefits	15,021,176	18,866,066
Legal	332,000	339,000
Consulting	1,085,500	840,000
Other professional goods & services	7,065,656	8,557,311
Marketing, Community Relations & Engagement	839,990	942,274
Leases, security & maintenance	1,774,296	1,947,000
Insurance and Risk Management	-	142,000
Phones, Technology and Utilities	2,449,460	3,293,473
Printing, copying, postage & signage	334,522	384,056
Travel, training and professional development	276,607	280,966
Other operating expenses	293,822	39,741
Health Care Capital Line of Credit	1,091,773	1,091,773
<b>Total Health Care Operations</b>	<b>48,822,947</b>	<b>56,911,384</b>



# CENTRAL HEALTH FY 2022 PROPOSED BUDGET

## Attachment B – Uses

DESCRIPTION	FY 2021 APPROVED BUDGET	FY 2022 PROPOSED BUDGET
<b>HEALTH CARE DELIVERY</b>		
<b>Reserves, appropriated uses &amp; transfers:</b>		
Transfer to capital reserve	34,100,000	12,546,013
Transfer to emergency reserve	-	-
Transfer to Hospital Services Reserve	4,000,000	-
Sendero risk-based capital	-	-
Contingency reserve appropriation	87,064,169	298,780,535
<b>Total Reserves, appropriated uses &amp; transfers</b>	<b>125,164,169</b>	<b>311,326,548</b>
<b>Debt service:</b>		
Debt service - principal retirement	1,180,000	4,060,000
Debt service - interest	84,357	2,092,676
<b>Total Debt Service</b>	<b>1,264,357</b>	<b>6,152,676</b>
<b>Total Healthcare Delivery</b>	<b>353,858,895</b>	<b>491,485,796</b>



# CENTRAL HEALTH FY 2022 PROPOSED BUDGET

## Attachment B – Uses

DESCRIPTION	FY 2021 APPROVED BUDGET	FY 2022 PROPOSED BUDGET
<b>ADMINISTRATION</b>		
Salary and Benefits	5,561,651	7,134,758
Legal	1,497,136	1,456,636
Consulting	1,259,570	1,341,120
Investment Services (Travis County)	115,500	115,000
Benefits & Payroll administrative services	185,337	168,243
Other professional goods & services	1,257,450	819,787
Marketing, Community Relations & Engagement	182,350	209,958
Leases, security & maintenance	244,940	274,250
Insurance & Risk Management	150,000	375,000
Phones, Technology and Utilities	135,449	401,716
Printing, copying, postage & signage	85,245	60,745
Travel, training and professional development	222,282	370,789
Other operating expenses	502,494	492,244
<b>Total Administration</b>	<b>11,399,403</b>	<b>13,220,246</b>
<b>TAX COLLECTION</b>		
Appraisal District Svcs	1,123,128	1,179,284
Tax Collection Expense	962,688	991,569
<b>Total Tax Collection</b>	<b>2,085,816</b>	<b>2,170,853</b>
<b>TOTAL USES</b>	<b>367,344,113</b>	<b>506,876,895</b>



# HEALTH CARE DELIVERY PROGRAM: YEAR-OVER-YEAR COMPARISON

	<b>ELIGIBILITY &amp; ENROLLMENT</b>	<b>JOINT TECHNOLOGY</b>	<b>CLINICAL SERVICES &amp; MEDICAL MANAGEMENT</b>	<b>PROVIDER REIMBURSEMENT &amp; NETWORK SERVICES</b>	<b>HCD &amp; WELLNESS OPERATIONS</b>	<b>QUALITY ASSESS &amp; PERFORMANCE</b>	<b>COMMUNITY ENGAGEMENT</b>	<b>SERVICE DELIVERY OPERATIONS &amp; PMO</b>	<b>RHP7, 1115 WAIVER, &amp; POPULATION HEALTH STRATEGY</b>	<b>TOTAL</b>
<b>Total FY22</b>	6,202,331	5,659,668	6,944,887	3,406,122	6,667,304	2,109,773	1,774,763	2,303,477	1,164,563	36, 232,887
<b>Total FY21</b>	5,833,173	4,522,824	4,709,436	3,363,929	4,286,537	2,098,121	1,651,041	2,336,873	1,272,417	30,074,351
<b>YOY HCD Variance</b>	369,158	1,136,844	2,235,451	42,193	2,380,767	11,652	123,722	(33,396)	(107,854)	6,158,536
<b>YOY % Change</b>	6%	25%	47%	1%	56%	1%	7%	-1%	-8%	20%
<b>Total FY22 FTEs</b>	42.0	15.7	35.6	5.0	13.5	11.0	7.0	16.0	5.4	151.1
<b>Total FY21 FTEs</b>	36.0	10.2	25.0	5.0	14.5	11.0	7.0	17.0	5.6	131.3
<b>YOY FTE Variance</b>	6.0	5.5	10.6	-	(1.0)	-	-	(1.0)	(0.3)	19.8



# ADMINISTRATION PROGRAM: YEAR-OVER-YEAR COMPARISON

	FINANCE & PROCUREMENT OPERATIONS	EXTERNAL AFFAIRS	ADMINISTRATION	STRATEGY	HUMAN RESOURCES	COMMUNICATIONS	COMPLIANCE	TOTAL
Total FY22	4,003,741	3,163,864	1,981,564	1,521,384	1,207,811	985,337	356,545	13,220,246
Total FY21	2,993,868	3,134,760	1,614,031	1,112,953	1,196,041	1,071,141	276,612	11,339,406
YOY Admin Variance	1,009,873	29,104	367,533	408,431	11,770	(85,804)	79,933	1,820,840
YOY % Change	34%	1%	23%	37%	1%	-8%	29%	16%
Total FY22 FTEs	20.7	5.4	8.0	3.0	5.7	5.5	2.0	50.2
Total FY21 FTEs	13.4	5.4	7.0	3.0	3.7	4.5	2.0	38.9
YOY FTE Variance	7.3	-	1.0	-	2.0	1.0	-	11.3

\*Replaces PY contract/professional services costs





# FY2022 CAPITAL RESERVE ESTIMATES (IN MILLIONS)

<b>FY2022 Proposed Capital Reserves Budget</b>	<b>Estimated Opening Balance FY22</b>	<b>Reserves</b>	<b>Total Sources of Capital Reserves</b>	<b>Estimated FY22 Uses of Capital Reserves</b>	<b>Estimated Capital Reserves Ending Balance FY22</b>
Eastern Travis County Facilities	\$14.8	\$3.0	\$17.8	\$7.3	\$10.5
Campus Redevelopment	4.9	-	4.9	4.4	0.5
Technology and Equipment	0.9	3.4	4.3	2.3	2.0
Facilities and Operations	1.9	6.1	8.1	4.3	3.8
<b>Total</b>	<b>\$22.5</b>	<b>\$12.5</b>	<b>\$35.0</b>	<b>\$18.2</b>	<b>\$16.8</b>



# FY2022 BUDGET CALENDAR

- ✓ April 28 Central Health Board of Managers  
*(FY 2022 Central Health 5 Year Forecast)*
- ✓ May 12 Central Health Strategic Planning Committee Meeting  
*(FY 2022 Strategic Priorities)*
- ✓ May 26 Central Health Board of Managers Meeting  
*(FY 2022 Central Health Capital Budget and Forecast)*
- ✓ June 14 Central Health Board of Managers Meeting  
*(FY 2022 Central Health Proposed Budget)*
- ✓ June 17 Community Conversation
- ✓ June 30 Central Health Board of Managers Meeting  
*(FY2022 Central Health Proposed Budget)*
- ✓ Aug. 4 Central Health Strategic Planning Committee Meeting  
*(FY 2022 Strategic Priorities)*



# FY2022 BUDGET CALENDAR

- ✓ Aug. 11 Central Health Board of Managers Meeting  
*(FY2022 Central Health Proposed Budget and tax rate)*
- Aug. 23 Central Health Board of Managers Meeting  
*(FY2022 Central Health Proposed Budget and tax rate)*
- Aug. 26 Community Conversation  
*(FY2022 Proposed Budget)*
- Aug. 31 Travis County Commissioners Court  
*(FY2022 Central Health Budget)*
- Sept. 2 Central Health Public Hearing  
*(FY2022 Central Health Proposed Budget and Tax Rate)*
- Sept. 9 Central Health Board of Managers Meeting  
*(FY2022 Central Health Budget and Tax Rate Adopted; CCC Budget Approval)*
- Sept. 21 Travis County Commissioners Court  
*(FY2022 Central Health Budget and Tax Rate Adopted)*



**QUESTIONS**

# APPENDIX

The background features a complex, abstract pattern of overlapping squares and crosses in a teal color. The shapes are arranged in a way that creates a sense of depth and movement, with some shapes appearing to be in front of others. The overall effect is a modern, geometric design.

# FY 2021 ACCOMPLISHMENTS

## **Approved New Healthcare Clinic Plans**

- Del Valle
- Hornsby Bend

## **Provided COVID-19 Support**

- Funded healthcare services
- Communication and engagement community outreach
- Provided programmatic support to CommUnityCare

## **Supported Countywide Pandemic Response**

- Testing clinics in Southwest Travis County
- Contact tracing and vaccine registration
- PPE campaigns
- Outreach to businesses, faith-based centers, multi-family housing
- Vaccine education: grassroots and paid media

## **Launched Customer Service Center**

- Now handling 8,000 calls per month
- Staffed with eligibility and enrollment specialists
- Created online application process during pandemic

## **Addressed High-Need Area: Dialysis**

- Access to consistent, standard dialysis
- Vascular and catheter access
- Case management and transportation services

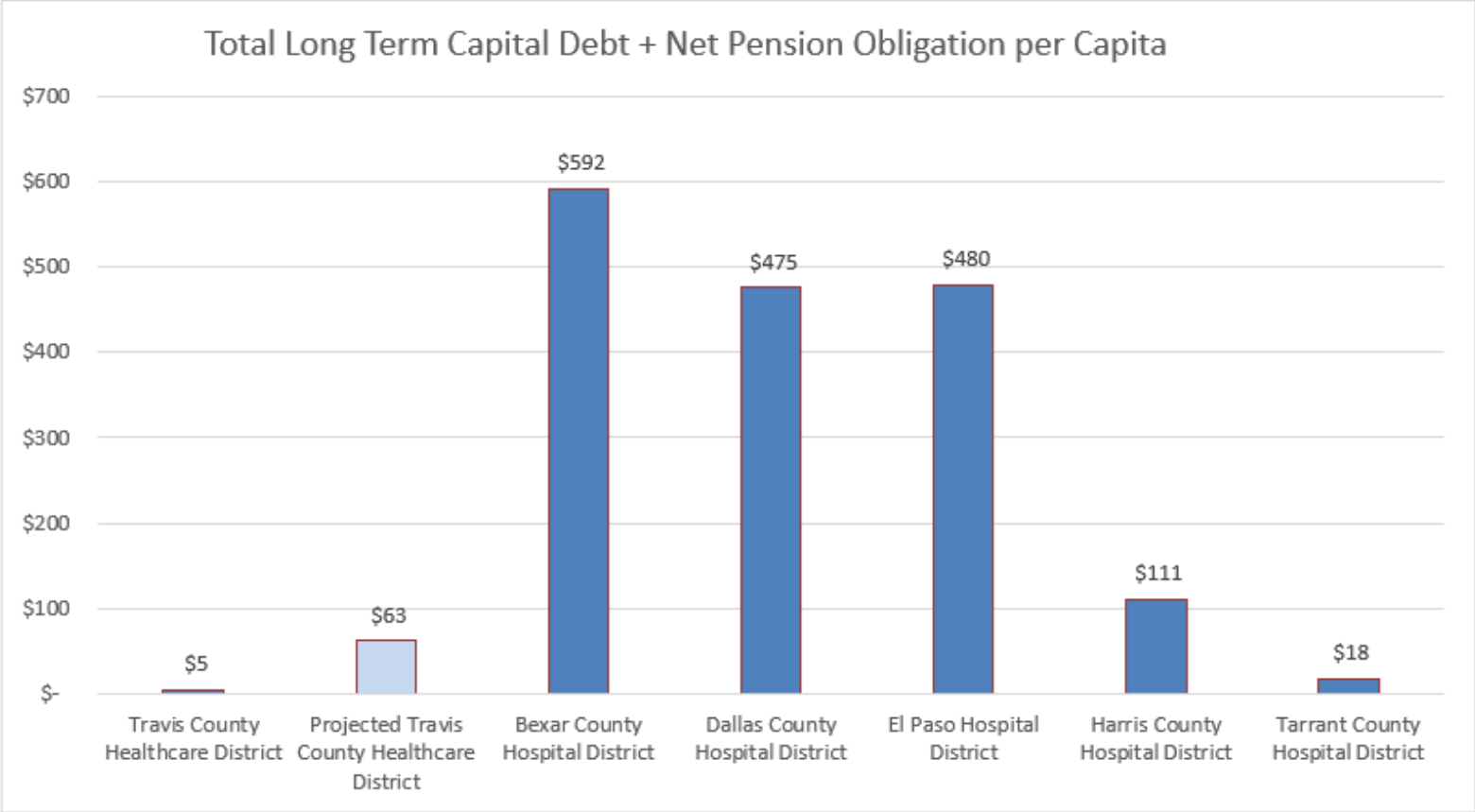
## **Expanded Medical Management**

- Added team members to reach more patients
- Developed added infrastructure to meet case management needs where people are

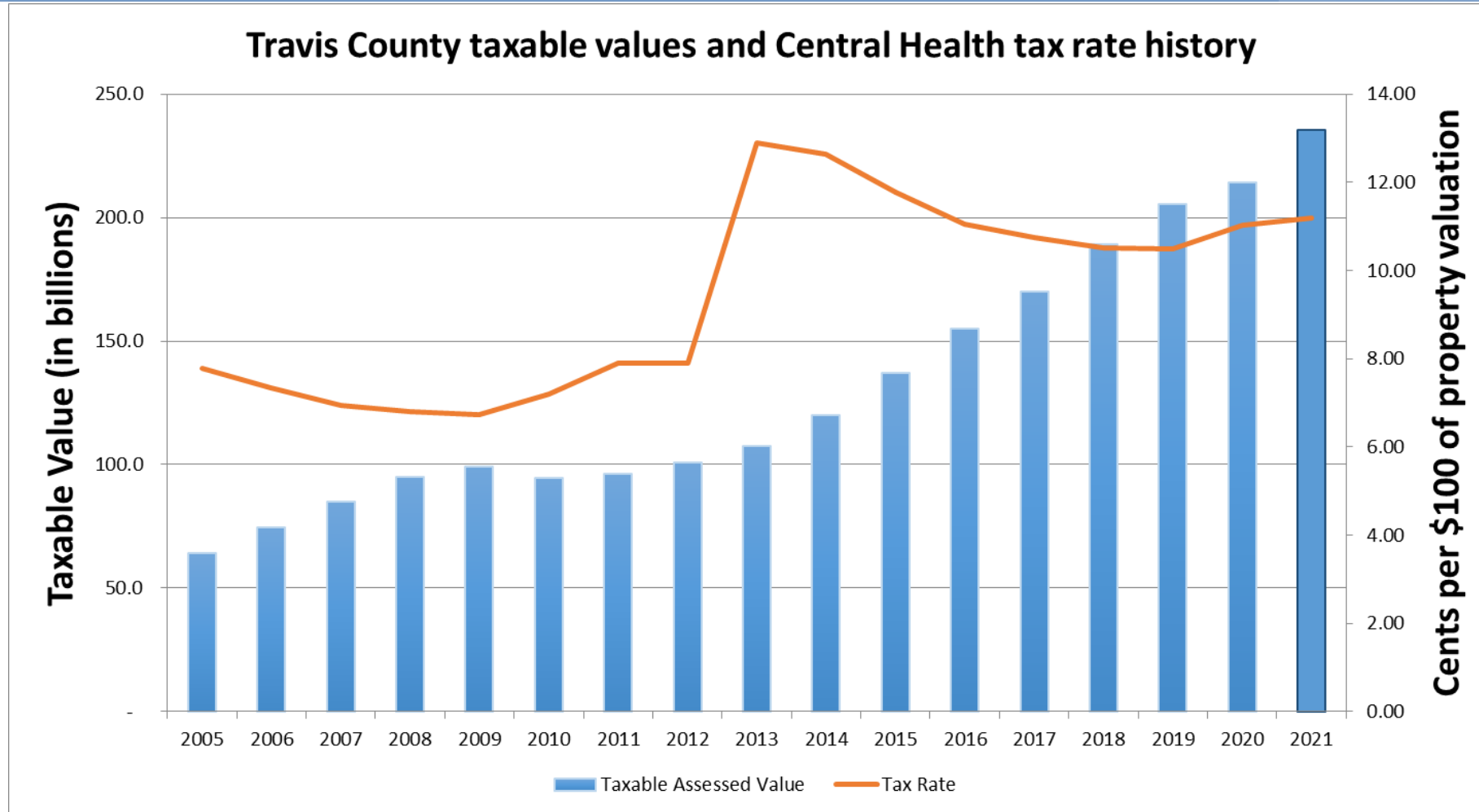


# HOSPITAL DISTRICT DEBT COMPARISON PER CAPITA

**MAJOR TEXAS HOSPITAL DISTRICTS:  
FY 2020 DEBT BURDEN COMPARISON (in millions)**



# TAXABLE VALUES BY TAX YEAR (IN BILLIONS)



\*Tax Year 2021 Certified Roll received July 20, 2021





# CENTRAL HEALTH PROPERTY TAX IMPACT STATEMENT: FY2021-2022

FY2021 HOMESTEAD VALUE	FY2021 TAXABLE HOMESTEAD VALUE*	FY2021 TAX BILL**	FY2022 AVERAGE HOMESTEAD VALUE APPRECIATION	FY2022 HOMESTEAD VALUE	FY2022 TAXABLE HOMESTEAD VALUE *	FY2022 TAX BILL (6.0% OVER EFFECTIVE)***	ANNUAL INCREASE	PERCENT INCREASE
150,000	\$120,000	\$132	9.4%	\$164,085	\$131,268	\$147	\$14	10.9%
250,000	\$200,000	\$221	8.9%	\$272,318	\$217,854	\$244	\$23	10.4%
350,000	\$280,000	\$309	8.8%	\$380,711	\$304,569	\$341	\$32	10.3%
450,000	\$360,000	\$397	8.7%	\$489,125	\$391,300	\$438	\$40	10.2%
550,000	\$440,000	\$485	8.3%	\$595,678	\$476,543	\$533	\$47	9.8%
650,000	\$520,000	\$574	8.1%	\$702,855	\$562,284	\$629	\$55	9.6%
750,000	\$600,000	\$662	8.3%	\$812,474	\$649,979	\$727	\$65	9.8%
850,000	\$680,000	\$750	7.8%	\$916,570	\$733,256	\$820	\$70	9.3%

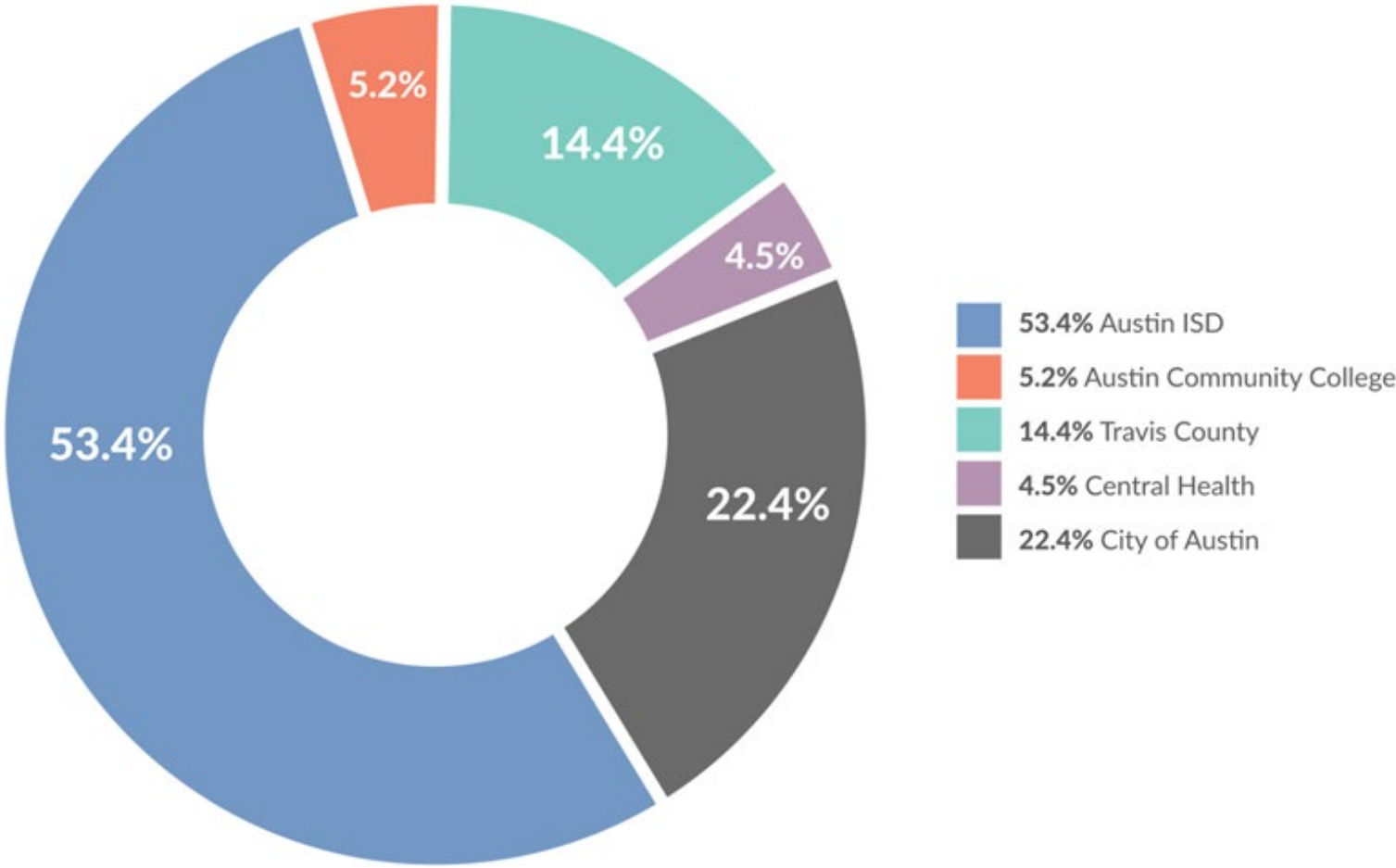
\*Includes 20% homestead exemption

\*\*FY2021 Tax Rate: 11.0306¢ per \$100/valuation

\*\*\*FY2022 Tax Rate: 11.1814¢ per \$100/valuation (M&O=10.9204¢, Debt Service=0.261¢)



# FY 2022 TRAVIS COUNTY TAX BURDEN COMPARISONS



# CENTRAL HEALTH MAJOR CAPITAL PROJECTS UPDATE

<b>Major Capital Project Budget and Planning</b>	<b>Board of Mangers Approved Budget</b>	<b>Estimate of Expenses through 9/30/2021</b>	<b>Remaining Project Budget for Future Years</b>	<b>Primary Financing Source</b>
Epic Electronic Health Record	\$9,100,000	\$9,100,000	\$0	Line of Credit
Hornsby Bend Health and Wellness Center	\$5,072,000	\$1,169,196	\$3,902,804	CO Issue 2021
Del Valle Health and Wellness Center	\$10,083,000	\$1,277,190	\$8,805,810	CO Issue 2021
Colony Park Health and Wellness Center	\$16,143,586	\$1,608,447	\$14,535,139	Capital Reserves*
Red River Realignment	\$8,464,000	\$4,788,644	\$3,675,356	Capital Reserves
Clinical Services and Administrative Consolidation	\$62,590,000	\$22,500,000	\$40,090,000	CO Issue 2021

*\*currently anticipated to be funded by capital reserves*



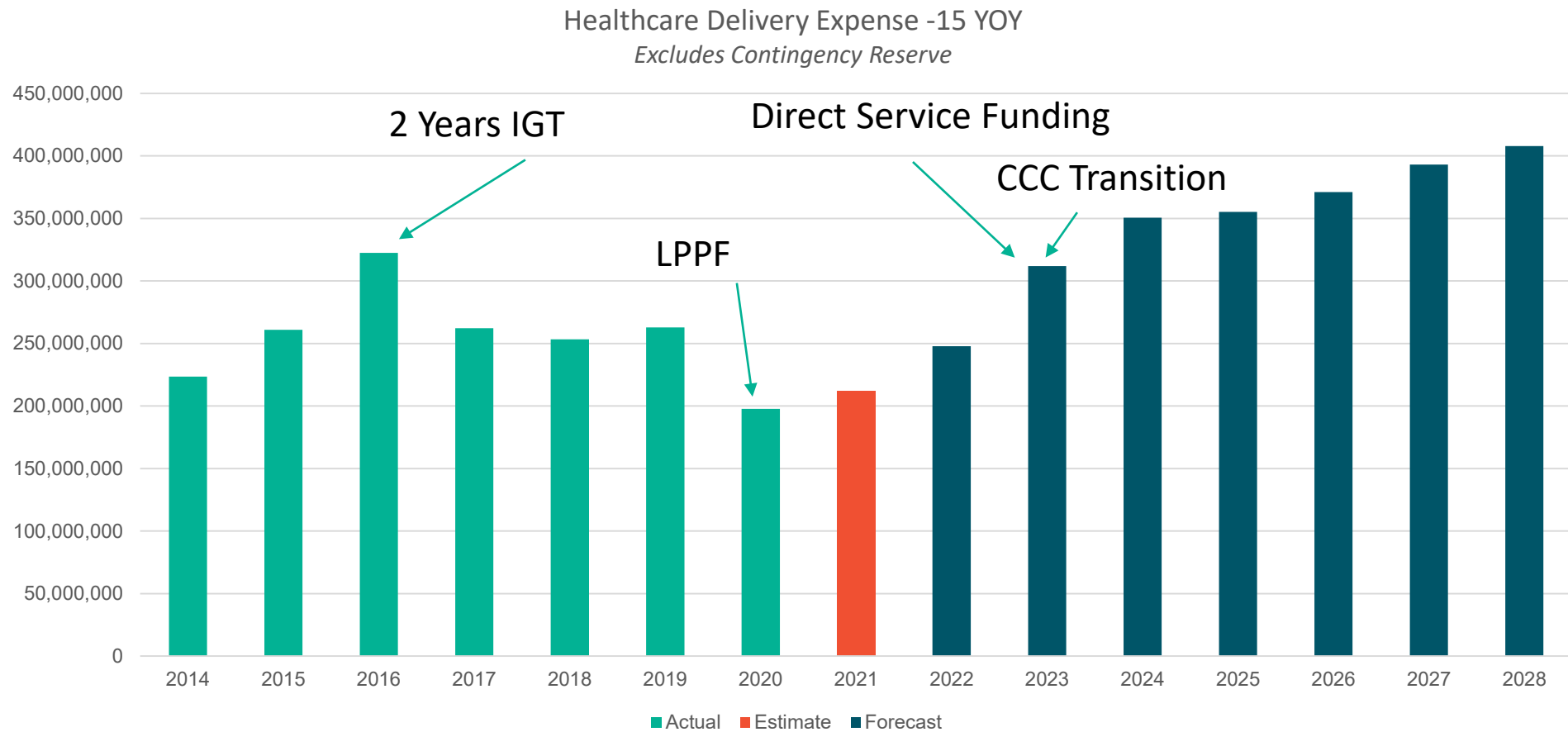
# CENTRAL HEALTH FY 2022 BUSINESS CASES

Health Care Delivery Business Cases	FTEs	FY22 Impact
Healthcare Systems Planning Expansion		\$ 6,900,000
Healthcare Service Operations Expansion	5.6	\$ 1,218,082
Technology Operations Expansion	1.2	\$ 308,378
MAP Basic Dental Expansion		\$ 300,000
Dietician-CHW Pilot Program	3	\$ 250,428
Increased Eligibility Services	6	\$ 210,862
Technology PMO Expansion	1.2	\$ 138,060
Technology Support Ticketing System		\$ 100,000
Technology Applications Expansion	0.64	\$ 76,560
Technology Development Expansion	0.32	\$ 23,426
Technology Security Expansion	0.16	\$ 21,301
<b>Total</b>	<b>18.12</b>	<b>\$ 9,547,098</b>

Administration Business Cases	FTEs	FY22 Impact
Finance Procurement Operational Excellence	2	\$ 244,760
HUB Program Expansion	2	\$ 230,700
Enterprise Organizational Development	1	\$ 114,446
Administrative Department Expansion	1	\$ 81,276
HR Recruiting Expansion		\$ 20,000
HR Employee Program Expansion		\$ 7,000
Public Relations Services Development	1	\$ (43,420)
<b>Total</b>	<b>7</b>	<b>\$ 654,762</b>

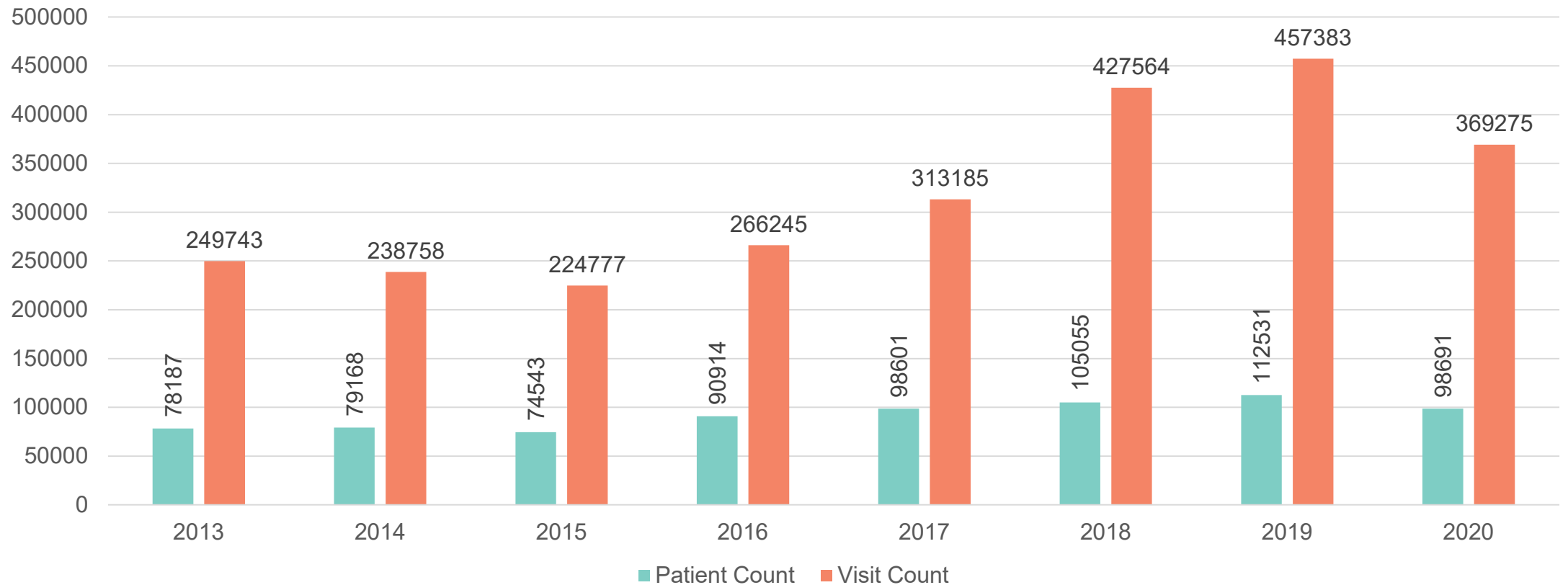


# HISTORY AND FORECAST OF HEALTHCARE DELIVERY EXPENDITURES



# HEALTHCARE UTILIZATION: 2013-2020

Patient and Visit Counts  
Utilization in Ambulatory and Hospital Settings





# CENTRAL HEALTH

## **Our Vision**

Central Texas is a model healthy community.

## **Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

## **Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

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## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 5**

Discuss and take appropriate action on Central Health's proposed property tax rate for Fiscal Year 2022. (*Action Item – Roll Call Vote Required*)



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## BOARD MEETING

**August 23, 2021**

## REGULAR AGENDA ITEM 6

Set the date, time, and location for the public hearing at which the Central Health Board of Managers will present, and receive comments from the public on, the proposed Fiscal Year 2022 tax rate. (*Action Item*)





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## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 7**

Receive an update and take appropriate action on an interlocal agreement with the City of Austin for the purchase of property and preliminary design for Colony Park clinic.<sup>4</sup> (*Action Item*)



**AGENDA ITEM SUBMISSION FORM**

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date August 23, 2021

Who will present the agenda item? (Name, Title) Mike Geeslin, President & CEO; Stephanie Lee McDonald, VP Enterprise Alignment & Coordination; David Duncan, TCAO

General Item Description Update on Colony Park Land Transaction with City of Austin

Is this an informational or action item? Informational – Closed Session

Fiscal Impact Closed Session

Recommended Motion (if needed – action item)

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- Update on negotiations with the City of Austin for the purchase of 2.28 acres in the Colony Park
- 1) Master Development Area
- 2)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Verbal

Estimated time needed for presentation & questions? 15 minutes

Is closed session recommended? (Consult with attorneys.) Yes

Form Prepared By/Date Submitted: Stephanie Lee McDonald 8/17/2021



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## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 8**

Receive and take appropriate action on revisions to the plan fiduciary and administrator designation, and renaming of the committee responsible for, the Central Health Retirement and Deferred Compensation Plans. (*Action Item*)



AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date August 25, 2021

Who will present the agenda item? (Name, Title) Jeff Knodel

General Item Description Retirement Plan Committee Charter

Is this an informational or action item? Action Item

Fiscal Impact None

Recommended Motion (if needed – action item)

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) The committee name is changing from "Investment Committee" to "The Retirement Plan Committee"
2) The Board of Managers will authorize the proposed Investment Committee to serve as the Plans' fiduciary and plan administrator.
3)
4)
5)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Retirement Plan Committee Charter

Estimated time needed for presentation & questions? 5 minutes

Is closed session recommended? (Consult with attorneys.) No



CENTRAL HEALTH

Form Prepared By/Date

Susan Lara Willars

8/12/2021

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## **Retirement Plan Committee Charter**

### **Introduction**

This charter outlines the responsibilities of the Travis County Healthcare District Retirement Plan and Travis County Healthcare District Deferred Compensation Plan (“Plans”) Retirement Plan Committee (“Committee”) with respect to the duties of individual members.

### **Purpose of the Committee**

The purpose of the Committee is to oversee the ongoing operation and administration of the Plans and to serve as the Plans’ “named fiduciary” and serve as the “Plan Administrator” as applicable to a government defined contribution plan under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The members of the Committee are fiduciaries of the Plans with respect to the responsibilities allocated to them.

### **Establishment of the Committee**

The primary Committee members shall consist of the individuals holding the positions listed below.

- Enterprise VP & CHRO – Committee Chair
- Senior Vice President of Financial Strategies & CFO – Committee Vice Chair
- Benefit Administrator – Committee Secretary
- Sendero Employee – Member
- CommUnityCare Employee – Member
- Central Health Employee - Member

These committee member positions are appointed by the Committee Chair; however, no Committee member’s appointment shall become effective until such member has provided a written acceptance of his or her appointment and acknowledges his or her status as a Plan fiduciary responsibility. The Committee Chair may remove any member of the Committee at any time by providing written notice to the member, and any member may resign at any time by providing written notice to the Committee Chair.

As fiduciaries of the Plans, members of the Committee have legal obligations to the Plans. Among other duties, they must act solely in the interest of Plan participants and beneficiaries for the exclusive purpose of providing benefits to participants and beneficiaries and defraying the reasonable expenses of administering the Plans. They must also act with the skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with such matters would use. Finally, they must act in accordance with the Plan documents to the extent that such documents are consistent with the applicable provisions of ERISA.

## **Roles and Responsibilities**

The Committee shall:

- Understand and follow the terms of the Plans to the extent consistent with ERISA.
- Maintain Plan documents and execute Plan Amendments as necessary.
- Delegate/Appoint other agents such as trustee, recordkeeper, and/or investment advisors/managers (discretionary or otherwise) as the Committee deems necessary or desirable in connection with carrying out its responsibilities.
- Establish, review and revise as needed the investment guidelines (Investment Policy Statement) for the Plan consistent with the legal responsibilities under ERISA, including diversification of investments and compliance with ERISA section 404(c).
- Select, monitor and review the Plans' investment options in accordance with the IPS.
- Review, analyzes and monitor investment related expenses paid by the participants and Plans.
- Document all Plan decisions and related decision-making process.

## **Disclosures and Conflicts of Interest**

Committee members shall not vote or participate in a determination of any matter in which the Committee member may receive a special, private gain – avoid conflicts of interest. Committee members have a duty of loyalty that precludes them from being influenced by motives other than the accomplishment of the purposes of the Plans. Committee members must avoid prohibited transactions.

## **Committee Meetings**

- The Committee shall meet as often as it deems necessary and appropriate in its judgment, but not less than once per calendar year.
- The meetings of the Committee may be conducted in person or by conference call.
- A majority of the Committee as constituted at the time shall constitute a quorum; however, action can be taken by a minimum of 3 committee members that are present at the meeting.
- The action of the Committee shall be determined by the vote or other affirmative expression by the majority of its members in attendance where a quorum is present or when a minimum of 3 committee members are present.
- Regular attendance at the Committee meetings is expected from all members.
- The Committee will keep written minutes of its meetings.

## **Outside Consulting Services**

The committee has the discretion to seek guidance from a third-party consultant at any time.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

---

Chairman of the Committee

---

Printed Name

**Acceptance of Committee Appointment and Acknowledgement of Fiduciary Status**

The undersigned appointee to the Committee accepts his or her appointment as a member of the Committee, effective upon signing and submitting the Acceptance and acknowledges that, as a member of the Committee, he or she will be a fiduciary under the provisions applicable to a government defined contribution plan of the Employee Retirement Income Security Act of 1974, as amended (ERISA), with respect to certain of the responsibilities that have been delegated to the Committee by the Plan Sponsor.

---

Committee Member Signature

---

Date





# CENTRAL HEALTH

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## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 9**

Receive and take appropriate action on revisions to the Central Health Policy on Policies.<sup>3</sup> (*Action Item*)



AGENDA ITEM SUBMISSION FORM

Today's Date: 08/16/2021

Agenda Item Meeting Date: 08/23/2021

Form Prepared By: McKenzie Frazier

Who will present the agenda item? (Name, Title): McKenzie Frazier, Compliance Officer; supported by Trelisha Brown, Attorney (Travis County Attorney's Office)

Item Description: Receive and take appropriate action on revisions to the Central Health Policy on Policies.

Is this an informational or action item? Action Item

Fiscal Impact: Unknown

Proposed Motion: Yes

What backup will you provide to the Board? (Backup is due one week before the meeting. Please notify Briana if your backup will be late.) Policies and Standard Operating Procedure Management AKA the Policy on Policies and Standard Operating Procedures Management

How much time do you think the item will take including presentation & questions? 15 minutes

Key takeaways about agenda item:

- Five empty checkboxes for key takeaways.

Is closed session needed? (You will have to consult with attorneys to ensure closed session is permitted.) Yes, confirmed.



<b>Policy Title:</b> Policies and Standard Operating Procedure Management AKA the Policy on Policies and Standard Operating Procedures Management
<b>Policy #:</b> CMP-0011P
<b>Effective Date:</b> 01/31/2019
<b>Revision Dates:</b> <u>05/05/2021</u>
<b>Review Dates:</b> 07/15/2020; <del>07/12/2021</del>
<b>Policy Owner:</b> Compliance Manager
<b>Executive Sponsor:</b> Chief Executive Officer
<b>Attachments:</b> Policy Template (Att. A), Standard Operating Procedure Template (Att. B)

**I. PURPOSE**

The purpose of this policy is to outline the essential elements of a policy and standard operating procedure program for Central Health that ensures the consistency, continuous development, approval, communication, monitoring, and oversight and guidance of published policies and SOPs.

**II. SCOPE**

This policy applies to all Central Health employees and operations. This includes Board of Managers, officers, consultants, interns, volunteers and temporary employees.

**III. DEFINITIONS**

**Policy** – Adopted statement document communicating Central Health’s adherence to or commitment to a specific process.

**Standard Operating Procedure** – Detailed document that expands upon a Central Health policy to provide additional clarity on the implementation of a policy in daily operations. Also, referred to as a standard operating procedure (SOP).

**Desktop Protocols** – Operational reference materials to further detail a Central Health Policy or SOP to aid employees in training and executing the task. Also, referred to as a Job Aid.

**IV. RELEVANT FEDERAL AND STATE STATUTES**

**V. RELATED POLICIES AND SOPS**

None.

**VI. PROCEDURE**

Central Health is committed to establishing a process for the development, approval, communication, monitoring and enforcement of operational policies and SOPs.

The policy and SOP program includes, at a minimum, the following components:

## 1) Consistency

Policies and SOPs published by Central Health shall be standardized to ensure organizational expectations and requirements are communicated to employees in a concise and consistent manner. Every effort will be made to avoid processes, which are cumbersome or diminish the employee's ability to access or understand the policies and/or SOPs. This includes the use of a standard template, clarity in language and style, and easy to access their storage location.

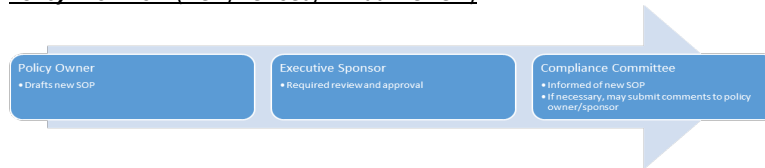
### Style guidelines:

- a. Best effort should be used to write policies and SOPs in clearly understanding language. A definition provided should be provided when using a complex subject or industry terms.
- b. Titles and headers will be in Calibri 12-point font. They may be bolded as well.
- c. Paragraphs, lists and other text will be Calibri 11.5 font. This text should not be bolded.
- d. Policies must be created using the *Policy Template – Attachment A*.
- e. Standard Operating Procedures must be created using the *Standard Operating Procedure Template – Attachment B*.
- f. Relevant forms, agreements or documents referenced in a policy or SOP may be referenced and should be included as attachments.
- g. Desktop protocols do not need to comply with the style guidelines. Supervisors and leadership are permitted to create additional training materials or reference documents to support daily operations beyond formal policies or SOPs.

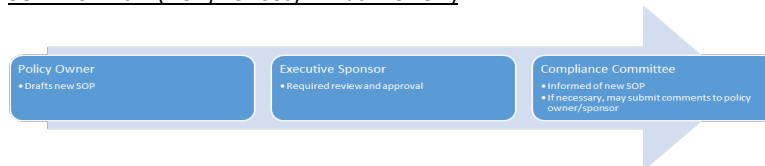
## 2) Approval Authority and Workflow

Clearly identified levels of authority for policies and SOPs is essential for the maintenance of a policy program. By implementing a delineation of authority, business processes are not adversely impacted by an approval workflow.

### Policy Workflow (New/Revised/Annual Review):



### SOP Workflow (New/Revised/Annual Review):



The Central Health Board of Manager's has delegated operational policy approval to the Chief Executive Officer (CEO) per the Board By-Laws.

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The Compliance Manager will be responsible for overseeing adherence to this policy. The Compliance Committee's role shall be to support adherence to this policy. Employees are responsible for understanding any policy or SOP identified to their functional area. Supervisors and leadership may be asked to communicate the expectations of a new or revised policy and/or SOP to their employees.

### 3) Policy Ownership

All policies and SOPs require a Policy Owner, as well as an Executive Sponsor. The Policy Owner, under the oversight of the Executive Sponsor, will be responsible for ensuring the policy or SOP is relevant, accurate and current with review timeframes. The Policy Owner should be an individual knowledgeable of the content and processes related to the policy or SOP. They should also be aware of any relevant regulatory and statutory requirements the policy or SOP needs to address. The Executive Sponsor will be responsible for reviewing the policy or SOP content, confirming the accuracy of, formally approving, and communicating upward any newly created policy or SOPs or any significant changes to the appropriate oversight committee/s.

### 4) Timeframes for review/revision

To ensure the accuracy and relevance of Central Health policies with current business operations, as well as applicable laws and regulations, all Central Health policies and SOPs will be reviewed at least annually, but no later than every two years. The review date due to record, will be viewed as the month and year in which the policy or SOP was last reviewed. For Example: 05/X/2018; 05/X/2019; 05/X/2020. Policy Owners or Executive Sponsors may elect to deviate from the last review due date only in circumstances where a review or revision is conducted *prior to* the due date previously captured for the applicable year. Examples of circumstances requiring a deviation include changes in organizational structure or business processes, acquisition or creation of new entities, changes in regulations or laws affecting Central Health.

The Policy Owners and or Executive Sponsors will be responsible for tracking the approval and review dates of their policies and SOPs.

### 5) Publication and communication of policies and SOPs

Following the approval of a policy or SOP, impacted individuals must be informed. This applies for new policies and SOPs, as well revised policies and SOPs when the revision is deemed significant. If appropriate, formal training on the standards and requirements outlined in a policy or SOP may be required.

Specific Central Health policies may require an acknowledgement of receipt and understanding such as the *Standards of Conduct (HR2-008)* and *Code of Conduct and Ethics (CMP-002)*.

All final policies and SOPs will be maintained on the T Drive (T:\Governance\Policies and Procedures\CENTRAL HEALTH POLICIES). Any other physical or electronic version of a

policy or SOP will be considered a copy. While not encouraged, if individuals choose to save copies in any location (physical or electronic) outside of the official policy location, the documents must be clearly identified as a copy.

**6) Enforcement**

Central Health will enforce compliance with policies and SOPs through various methods, to include, but are not limited to:

- Auditing and monitoring activities conducted by the Compliance Manager.
- Auditing and monitoring activities conducted by appropriate functional areas.
- Auditing and monitoring activities conducted by external entities or consultants.
- Employee performance review activities.
- Monitoring of Compliance and Ethics Help Line reports regarding violations of Central Health policies and SOPs.



Attachment A: Policy Template

<b>Policy Title:</b>	
<b>Policy #:</b>	
<b>Effective Date:</b>	
<b>Revision Dates:</b>	
<b>Review Dates:</b>	
<b>Policy Owner:</b>	
<b>Executive Sponsor:</b>	
<b>Attachments:</b>	
<input checked="" type="checkbox"/> <b>Central Health Specific</b>	<input checked="" type="checkbox"/> <b>Enterprise Included</b>

**Commented [FM1]:** Please delete only the [X] for the entity that does not apply.

**I. PURPOSE**

Provide a short statement indicating the reason for the policy's existence and importance (i.e. why is this policy necessary). State what legal, regulatory, financial, operational, accreditation, technological and/or social requirements this policy addresses.

**II. SCOPE**

All categories of people, process and governance to which the policy applies.

**III. DEFINITIONS**

This section defines key terms used within the policy to ensure that all readers of the policy interpret its meaning using the same criteria. List key terms by alphabetic order.

**IV. POLICY**

Statement that establishes the organization's position on a matter or prescribes how the organization intends to act in specific circumstances. The policy statement should not include background details on the policy nor should it contain procedural steps.

**V. RELEVANT STATUTES, REGULATIONS OR GUIDANCE**

This section includes references and/or hyperlinks to any related federal or state laws.

**VI. RELATED POLICIES AND PROCEDURES**

This section includes references and/or hyperlinks to any related policies.

**VII. PROCESS**

If applicable, this section provides Central Health Enterprise staff with a sequential, step-by-step guide of all actions required to comply with the policy. The procedures should be clear and concise.



Attachment B: Standard Operating Procedure Template

<b>Standard Operating Procedure Title:</b>	
<b>SOP #:</b>	
<b>Effective Date:</b>	
<b>Revision Dates:</b>	
<b>Review Dates:</b>	
<b>SOP Owner:</b>	
<b>Executive Sponsor:</b>	
<b>Attachments:</b>	
<input checked="" type="checkbox"/> <b>Central Health Specific</b>	<input checked="" type="checkbox"/> <b>Enterprise Included</b>

**Commented [FM1]:** Please delete only the [X] for the entity that does not apply.

**I. PURPOSE**

Provide a short statement indicating the reason for the policy’s existence and importance (i.e. why is this policy necessary). State what legal, regulatory, financial, operational, accreditation, technological and/or social requirements this policy addresses.

**II. SCOPE**

All categories of people, process and governance to which the policy applies.

**III. DEFINITIONS**

This section defines key terms used within the policy to ensure that all readers of the policy interpret its meaning using the same criteria. List key terms by alphabetic order.

**IV. RELEVANT STATUTES, REGULATIONS OR GUIDANCE**

This section includes references and/or hyperlinks to any related federal or state laws.

**V. RELATED POLICIES AND PROCEDURES**

This section includes references and/or hyperlinks to any related policies.

**VI. PROCEDURE**

If applicable, this section provides Central Health Enterprise staff with a sequential, step-by-step guide of all actions required to comply with the policy. The procedures should be clear and concise.





# CENTRAL HEALTH

## **Our Vision**

Central Texas is a model healthy community.

## **Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

## **Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 10**

Receive a briefing on and discuss Fiscal Year 2021 Strategic Objectives, per Board adopted budget resolution or Board directive, and receive updates on specific items including:

- a. Current workforce demographics and levels, including new hires and turnover;
- b. Workforce culture update on Central Health's Diversity & Inclusion initiatives.  
(*Informational Item*)



**AGENDA ITEM SUBMISSION FORM**

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date	<u>August 25, 2021</u>
Who will present the agenda item? (Name, Title)	<u>Susan Willars, Enterprise VP of HR &amp; Betsy Good, HRIS &amp; Compensation Analyst</u>
General Item Description	<u>Workforce Dashboards</u>
Is this an informational or action item?	<u>Informational</u>
Fiscal Impact	<u>No</u>
Recommended Motion (if needed – action item)	<u>N/A</u>

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Overview of staff turnover by entity and collectively as an Enterprise.
- 2) Overview of other demographic data, including the breakdown of staff by EEO-4 category.
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Dashboards in Word format

Estimated time needed for presentation & questions? 10

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Susan Willars 8/12/2021



## MEMORANDUM

**To:** Central Health Board of Managers  
**From:** Susan Willars, Enterprise Vice President of Human Resources and Betsy Good, HRIS and Compensation Analyst  
**CC:** Mike Geeslin, President and CEO  
**Date:** 8/20/2021  
**Re:** Central Health Q3 Staff Demographics for Current Employees, New Hires and Turnover

---

### **Purpose:**

This memo provides a high-level overview of the workforce demographic dashboards for third quarter of fiscal year 2021.

### **Page One: Headcount Demographics**

Each organization grew this quarter for a total count of 1,354 employees compared to the Q2 demographics which showed 1,308 employees. CommunityCare continues to show a considerable difference in the tenure of their employees the youngest employees with 51% having two years or less of tenure with the organization.

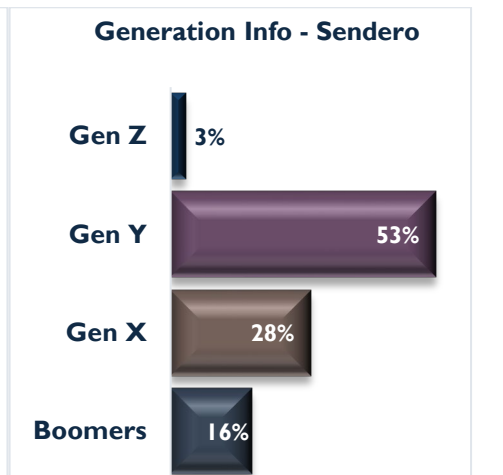
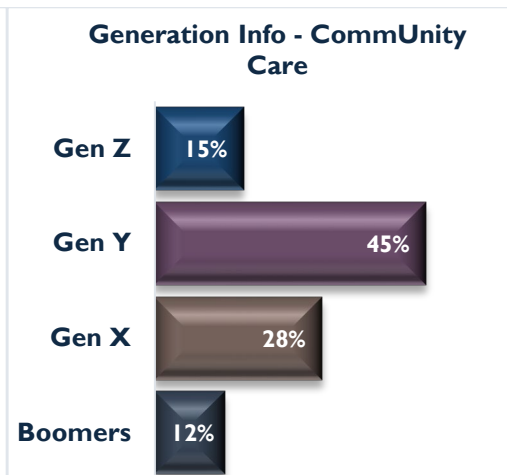
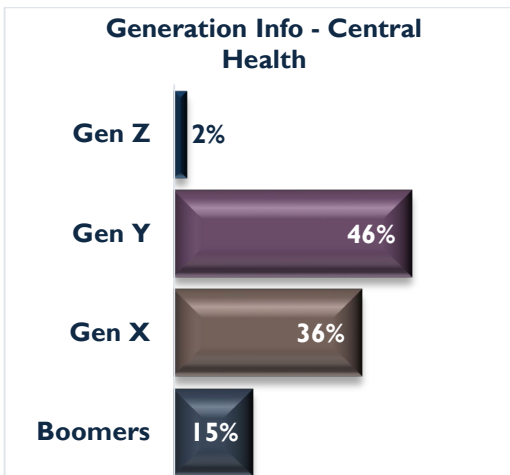
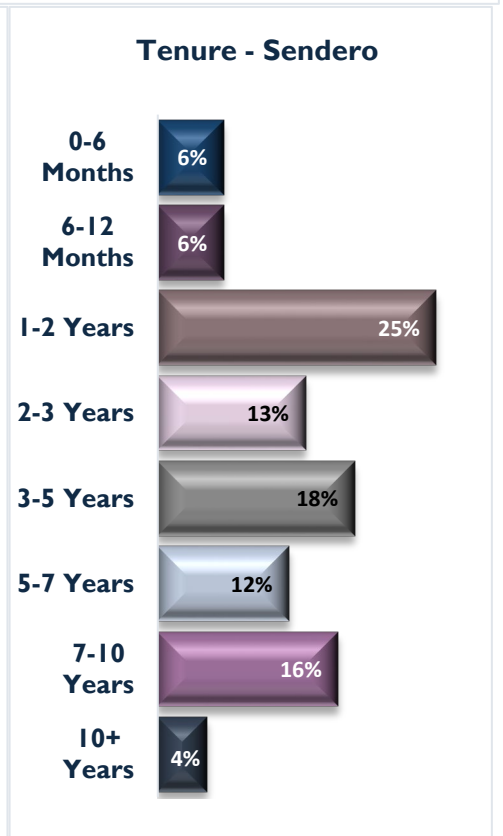
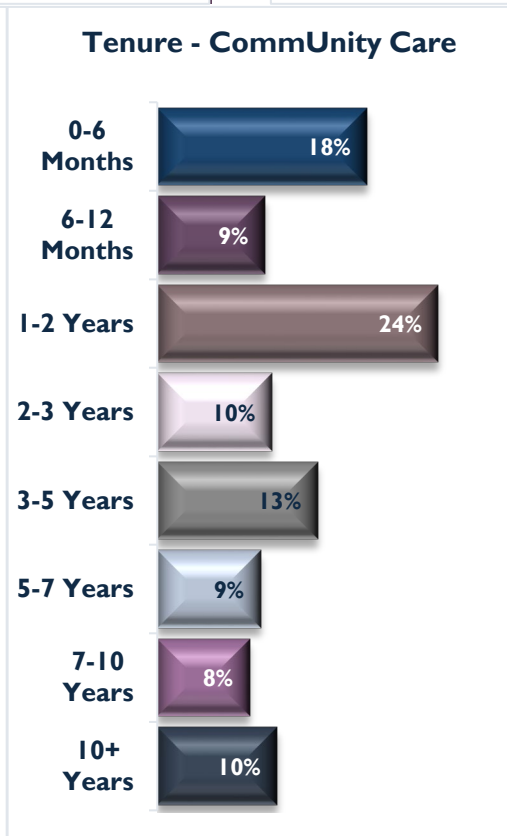
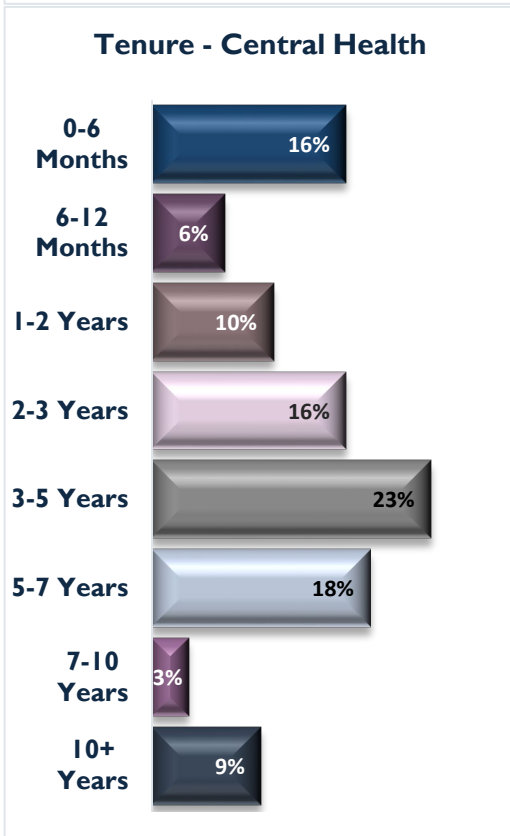
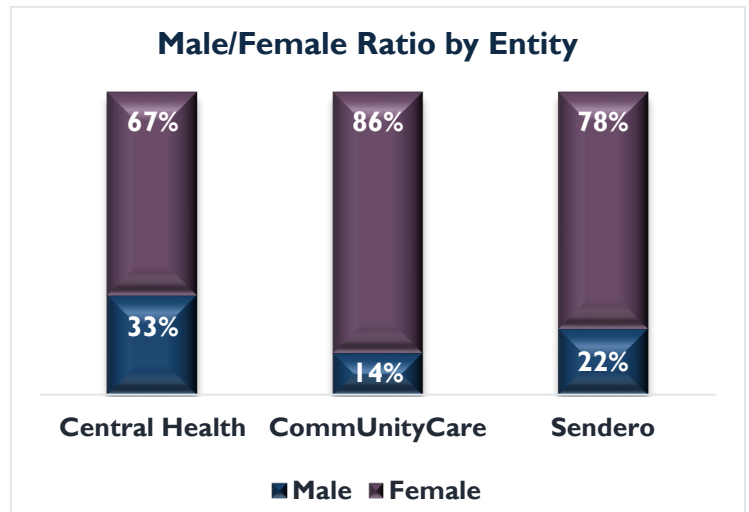
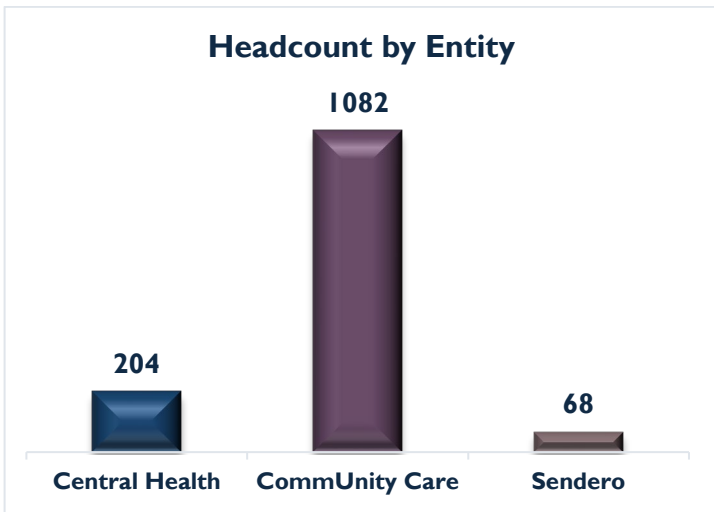
### **Page Two: Enterprise and Central Health Voluntary Turnover**

The enterprise has an additional 5% of voluntary turnover in Q3 of FY21 compared to Q3 of FY20. While Central Health's voluntary turnover has risen each quarter of this fiscal year, 9% is considerably better than this time last year at 12%. An interesting finding was that the most voluntary turnover for the Enterprise at 34% was Family/School/Relocation/Deceased – in other words, not reasons that would be considered as negative for the Enterprise like (e.g.) "Career Advancement."

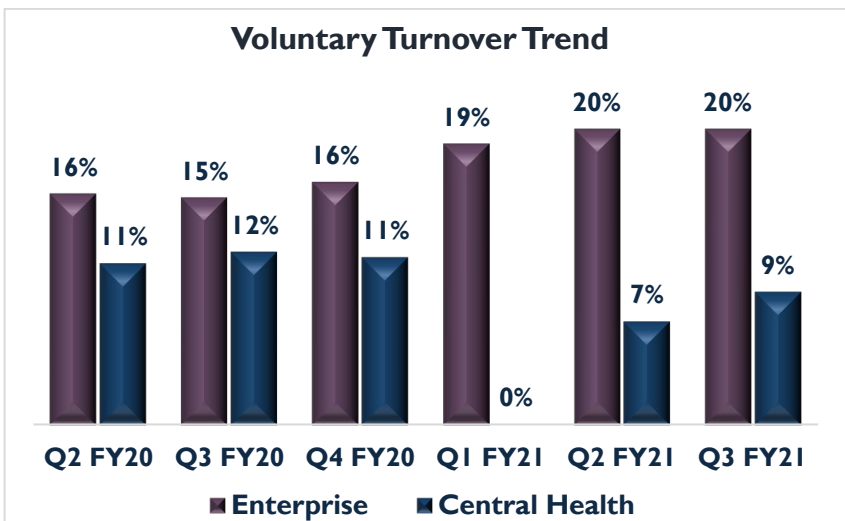
### **Page Three: Central Health Diversity**

The most interesting note on this dashboard is that while our White population is only 39%, five out of the seven employees who voluntarily left the organization were of the White racial group. That number is quite disproportionate to our employee population.

# Headcount Demographics Q3 FY21 = 1,354 Employees



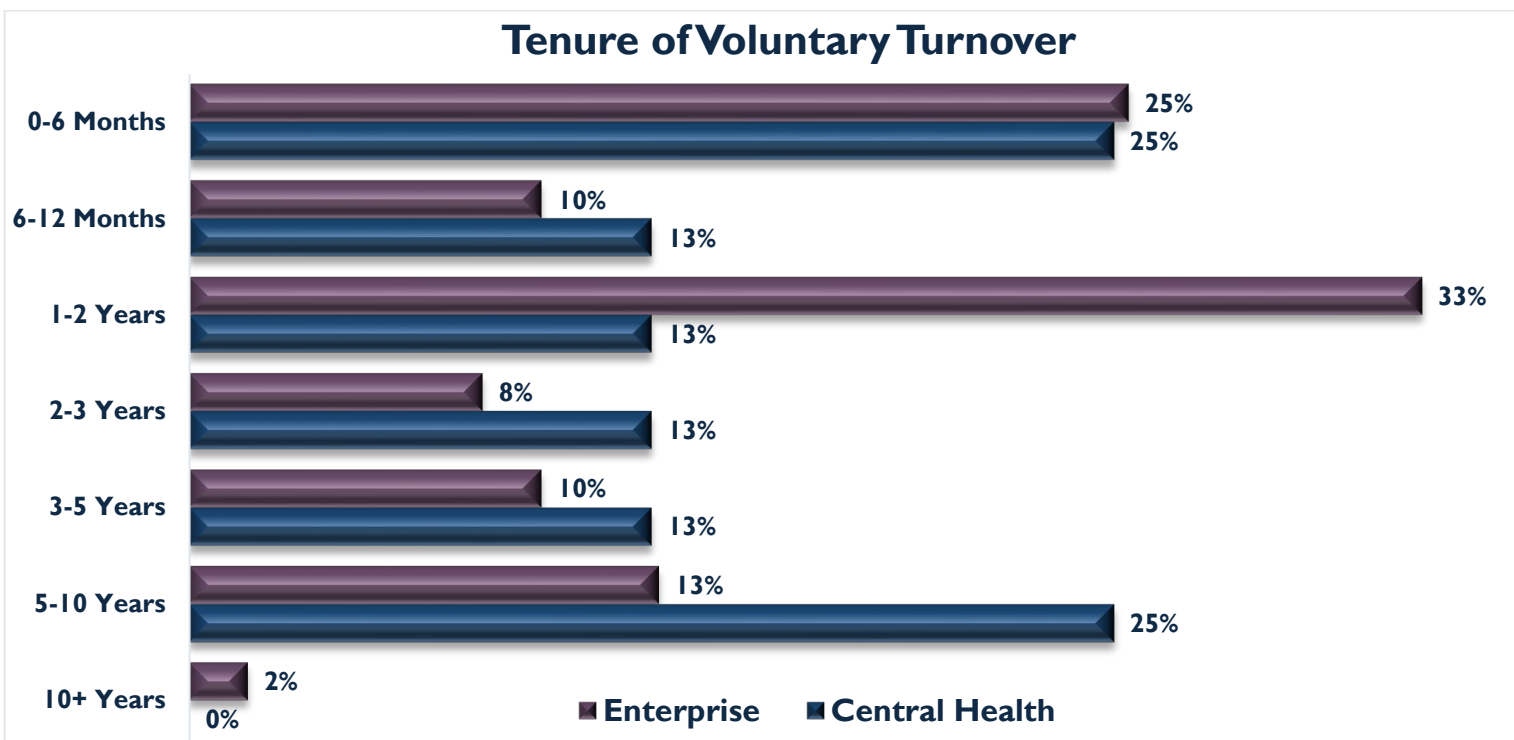
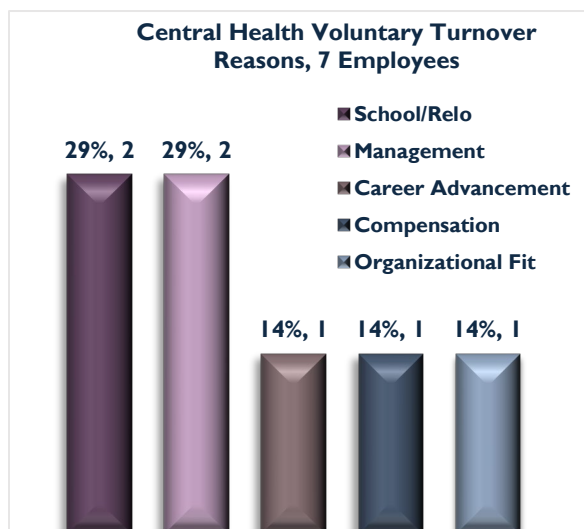
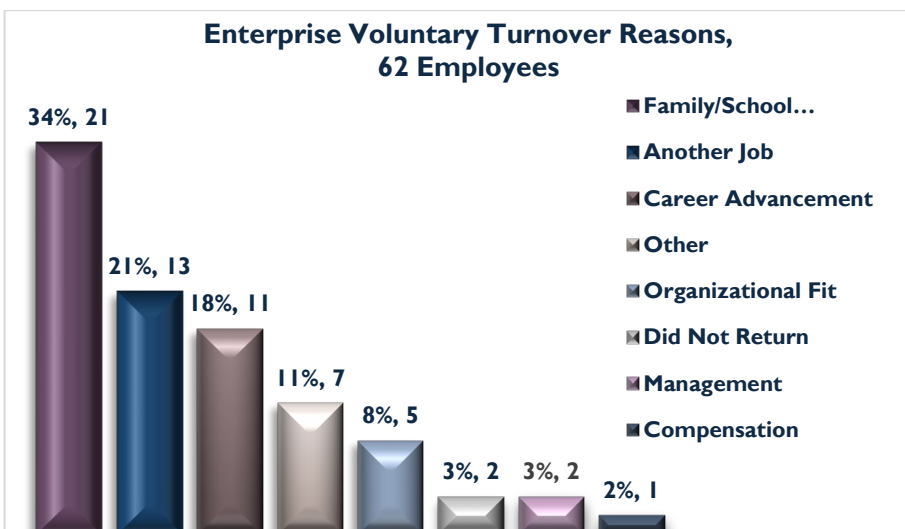
# Enterprise & Central Health Voluntary Turnover



Enterprise Voluntary Turnover Rate	
Q3 FY20 = 15%	Q3 FY21 = 20%

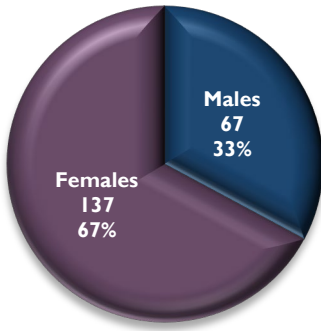
Central Health Voluntary Turnover Rate	
Q3 FY20 = 12%	Q3 FY21 = 9%

CUC and Sendero Voluntary Turnover for FY 2020 & 2021 by Quarter					
Organization	Q320	Q420	Q121	Q221	Q321
CommUnity Care	17%	18%	21%	23%	22%
Sendero	4%	3%	19%	9%	2%

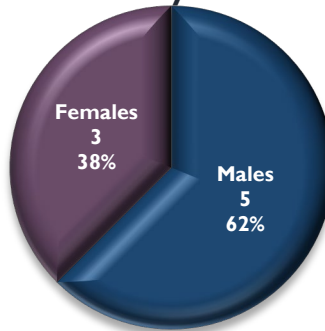


# Central Health Diversity for Q3 FY 2021

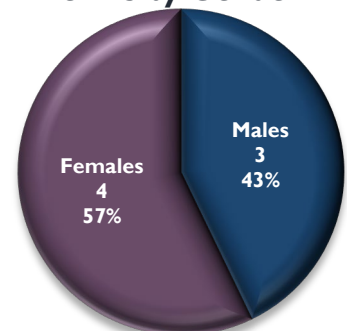
## Gender Distribution



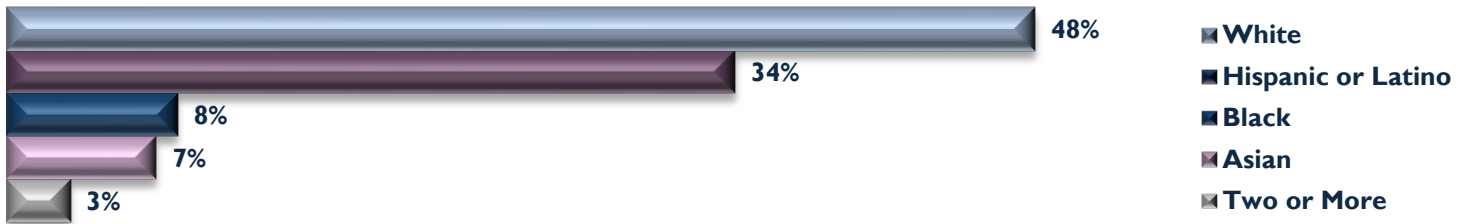
## Hires by Gender



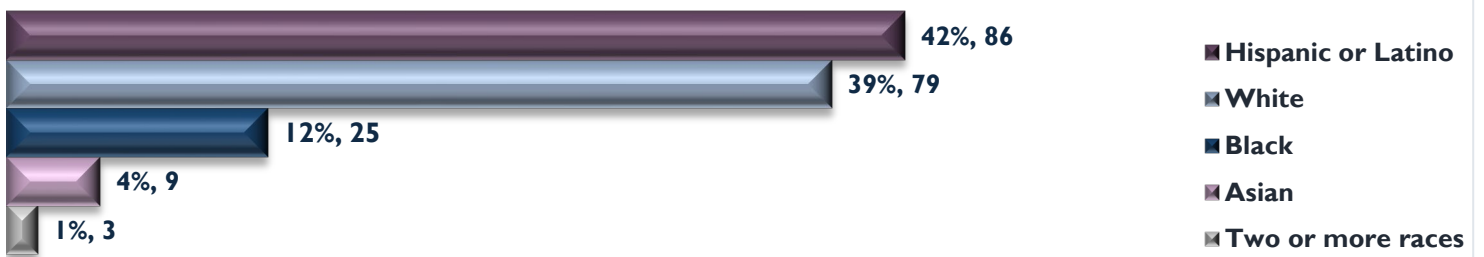
## Terms by Gender



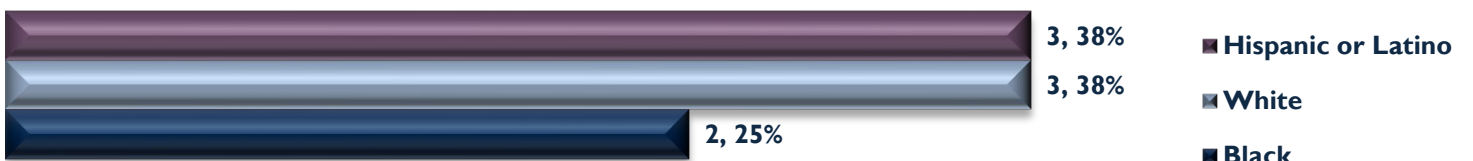
## Racial/Ethnic Distribution of Austin



## Racial/Ethnic Distribution of Central Health



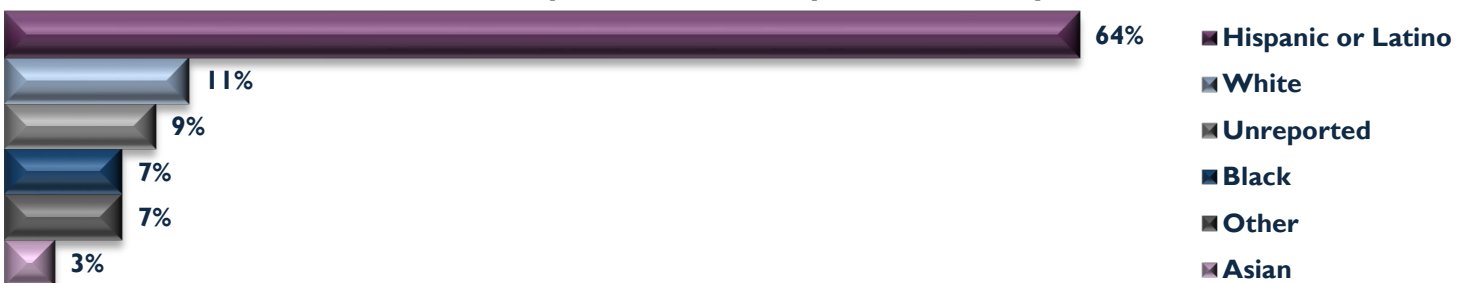
## Hires by Race/Ethnicity



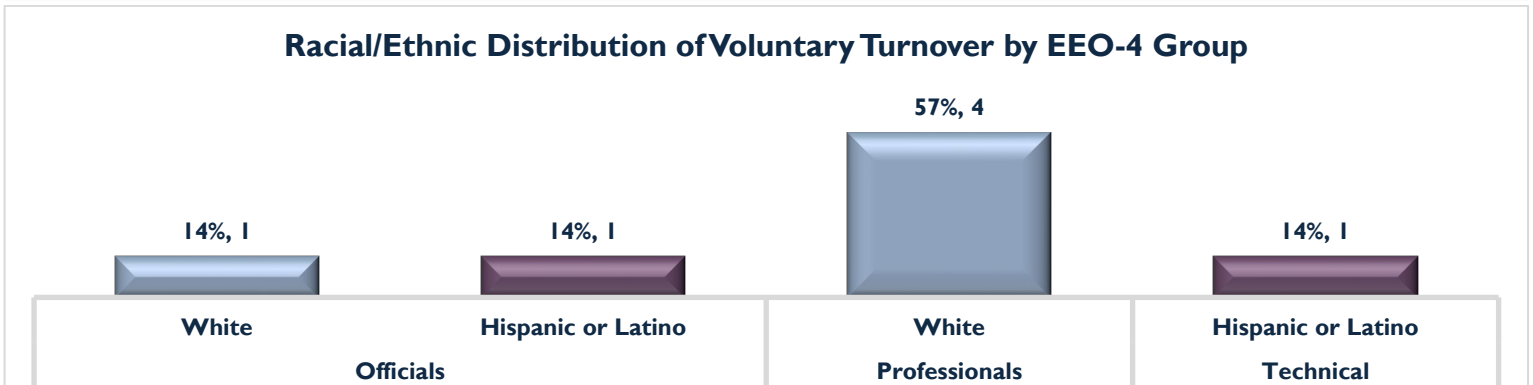
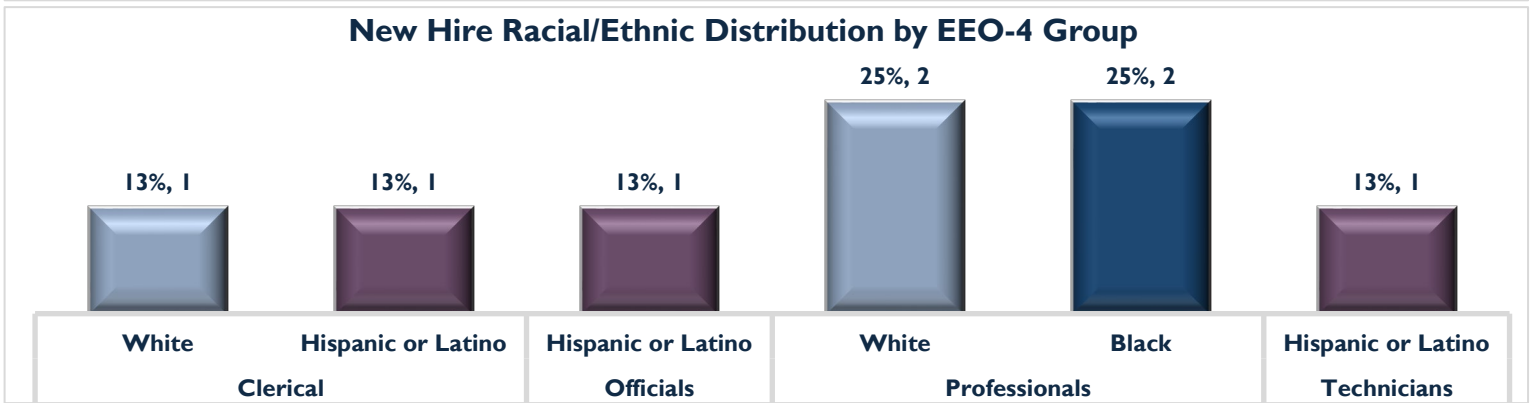
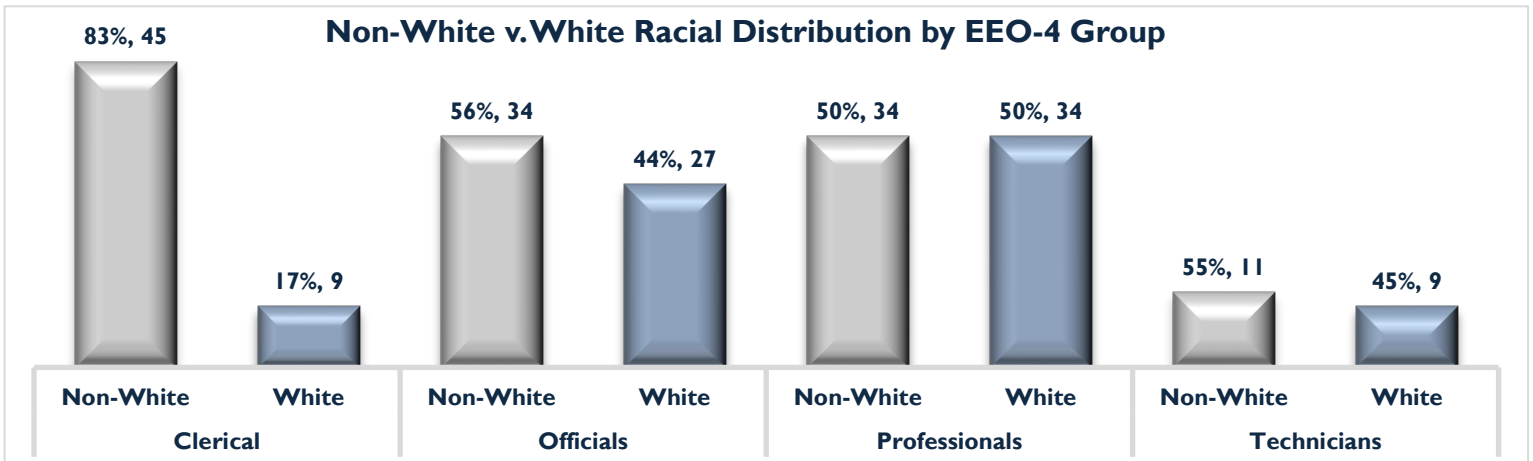
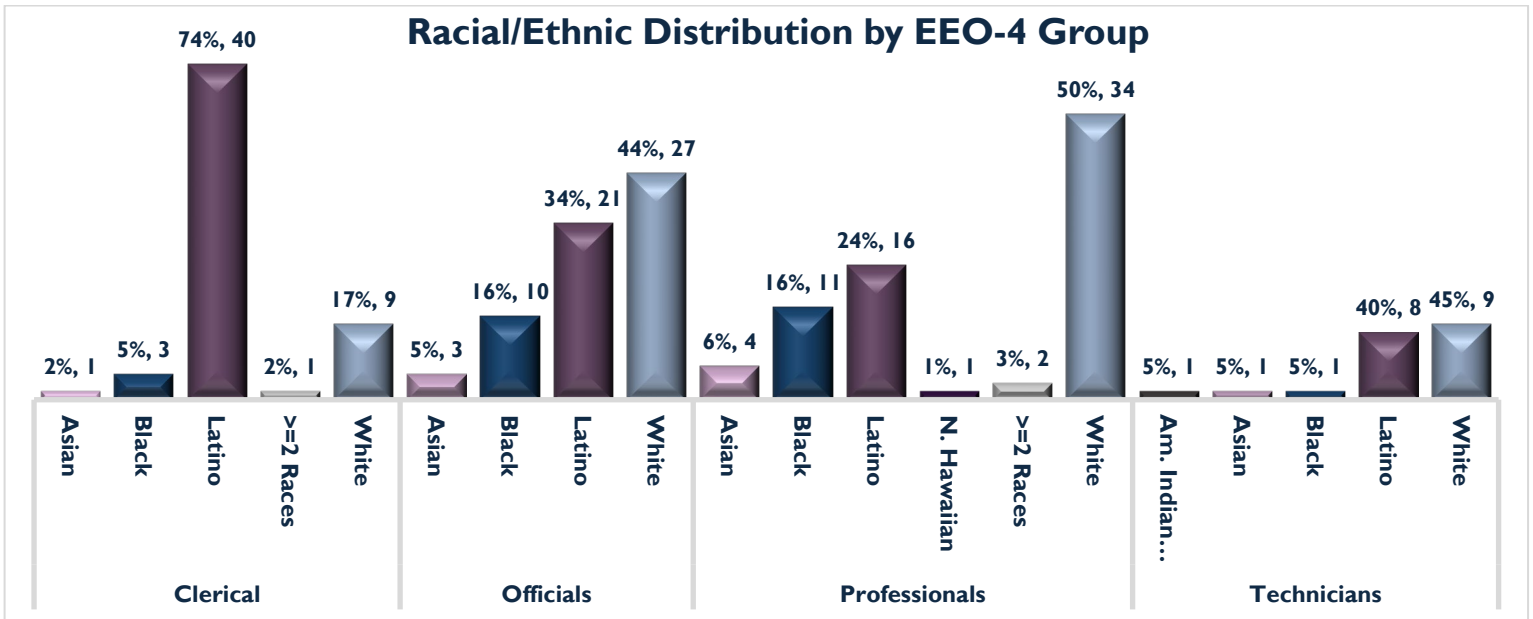
## Voluntary Terms by Race/Ethnicity



## Population Served by Race/Ethnicity



# Central Health EEO-4 Diversity Distribution





**AGENDA ITEM SUBMISSION FORM**

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date August 25, 2021

Who will present the agenda item? (Name, Title) Susan Lara Willars, Enterprise VP of HR and Janna Allen, D&I Manager

General Item Description Diversity and Inclusion Update

Is this an informational or action item? Informational

Fiscal Impact No

Recommended Motion (if needed – action item) N/A

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Provide the Board with an update regarding the current D&I initiatives
- 2) Provide the Board with an overview of the FY2022 initiatives
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Presentation

Estimated time needed for presentation & questions? 15

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Susan Willars 8/25/2021





CENTRAL HEALTH

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CommUnityCare | Sendero

# Diversity, Equity and Inclusion Update

Janna Allen Hines, Interim Diversity & Inclusion Manager

# Understanding Central Health's DEI Journey

# Central Health's Diversity, Equity & Inclusion Journey

- **Central Health's Equity & Inclusion Taskforce has created purpose, vision and value statements along with goals.**
  - Purpose Statement
    - We believe all differences, visible and invisible, help us problem solve issues at large. We embrace all cultures and all voices within our organizations and communities. We encourage and acknowledge diversity of ideas, perspectives and backgrounds are critical for enterprise success and patient advocating.
    - We believe in fairness and recognizing all the differences that enhance our community. Central Health stands up for those experiencing health inequities and strives for everyone to have a healthy life. Through honest dialogue with the community and collaborating with partners, we create access to care for those who need it most.



# Equity & Inclusion Taskforce Efforts

- **Equity & Inclusion Taskforce has created purpose, vision and value statements along with goals and objectives.**
  - Vision Statement
    - Central Health Enterprise envisions a Travis County Community with access to high quality healthcare through fostering of a workforce that is equitable and reflective of our target population.



# Equity & Inclusion Taskforce Efforts

- **The Diversity, Equity & Inclusion Taskforce has created purpose, vision and value statements along with goals and objectives.**

- Goals

1. Ensure leadership commitment and accountability
2. Foster a collaborative culture
3. Support staff growth and development
4. Create a diverse and inclusive environment throughout the recruitment, retention, and promotion process
5. Ensure mission effectiveness through equity, diversity, and inclusion efforts.



# **Diversity, Equity & Inclusion Awareness Training**

# Purpose of DEI Awareness Training

- To create a common language and shared understanding of the significance of diversity, equity, and inclusion within the workplace.
- To provide an overview of Central Health's DEI journey
- To understand how to apply DEI frameworks and resources within your role in the organization.

# Creating Shared Language & History

- **History of Diversity, Equity & Inclusion**

- Emerged following the Civil Rights Movement and Labor Movements
- Title VII of the Civil Rights Act of 1964 was a landmark civil rights and labor law in the United States that made discrimination based on race, color, religion, sex, or national origin illegal for employers with more than 15 employees to discriminate in hiring, termination, promotion, compensation, job training, or any other term, condition, or privilege of employment.
- Supplements to the law prohibit discrimination on the basis of pregnancy, age, and disability. Sexual harassment and discrimination based on sexual orientation are both also now illegal under Title VII.





# Growing as an Inclusive Leader

## The Inclusive Leader Continuum



### UNAWARE

You think diversity is compliance-related and simply tolerate it. It's someone else's job—not yours.

### AWARE

You are aware that you have a role to play and are educating yourself about how best to move forward.

### ACTIVE

You have shifted your priorities and are finding your voice as you begin to take meaningful action in support of others.

### ADVOCATE

You are proactively and consistently using your privilege to the advantage of others. You consider their issues your issues and stand in solidarity with them.

Private // Low Risk // Individual Perspective

Public // High Risk // Organizational Perspective

To learn more about the Inclusive Leader Continuum, and to take the assessment, visit [www.inclusiveleaderassessment.com](http://www.inclusiveleaderassessment.com)



# Employee Resource Groups

# Employee Resource Groups

- **Purpose**

- Employee Resource Groups (ERGs) are employee led, self-directed *voluntary* groups that offer opportunities to network, attract a diverse employee base, provide the inclusion of ideas and solutions, and create opportunities for mentoring and career development.
- ERGs can tap into the extraordinary resources brought to Central Health by its employees.
- Enterprise ERGs can increase employee engagement, champion diversity and inclusion and embed D&I in Enterprise strategic planning efforts and policies.
- ERGs can be an additional means to support Central Health's commitment to promote diversity and inclusion, as well as supporting employees' professional development.



# Employee Resource Groups

- **Employee Resource Groups Process Overview**

- Employee Resource Groups are comprised of several subsets:
  - Employees from traditionally underrepresented identities and their allies
  - Employees who share a common purpose, interest, or background.
  - A committee has reviewed the ERG charter and application process.
  - Funding has been secured for each ERG to have an annual budget for activities



# Next Steps

# Next Steps

- **Phase 2: Health Equity Training**
- **Phase 3: Professional Assessment of DEI efforts**



Questions?

Contact for additional questions or comments:

- [Janna.allen@centralhealth.net](mailto:Janna.allen@centralhealth.net)
- (512) 978-9739







## CENTRAL HEALTH

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*Collaboration* - We partner with others to improve the health of our community.

## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 11**

Receive and discuss updates on the Central Health Enterprise's responses to the current COVID-19 pandemic, including basic reports on services, coordination, and outreach with and among Central Health, CommUnityCare, and Sendero Health Plans, Inc. (*Informational Item*)



CENTRAL HEALTH

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CommUnityCare | Sendero

# Enterprise COVID update

Central Health Board of Managers meeting

# Agenda

- Sendero update
- CommUnityCare update
- Central Health update
  - Communications
  - Equity Incentive Payment Program
  - Vaccine Incentive Program



CENTRAL HEALTH

CommUnityCare | Sendero

# COVID-19 Update August 2021

Sendero Health Plans, Inc.

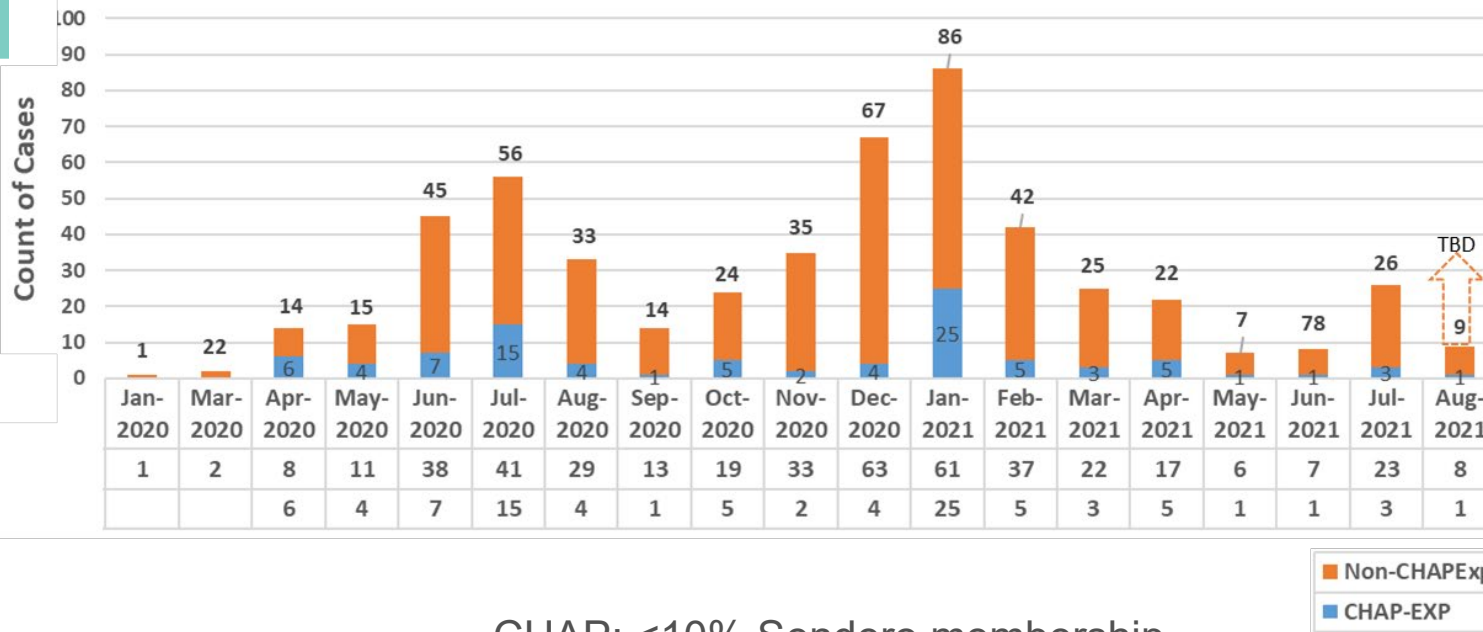


**SENDERO**  
**HEALTH PLANS**

# Sendero Update: Tracking and preventing COVID-19

## Sendero case curve mirrors local community

Number of New COVID-19 Cases (N=531) by Index Month, total, CHAP-Exp and Non-CHAP, Sendero Health Plan Members (as of 08/11/2021)

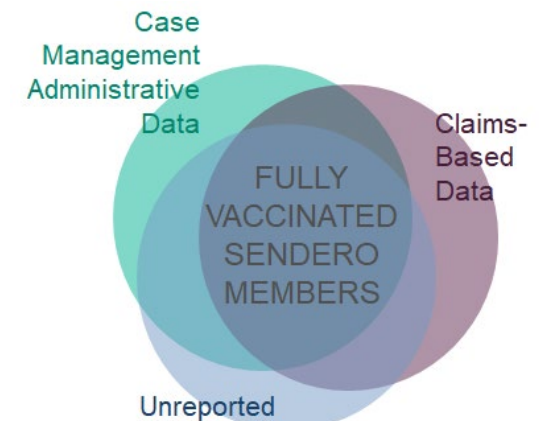


CHAP: <10% Sendero membership

- 50% COVID-related hospitalizations (total = 66)
- 50% COVID-related ICU admissions (total = 16)



- **Case Management** continues outreach
- **Vaccination numbers** continue to rise
- **Member Services** continues partnership activities

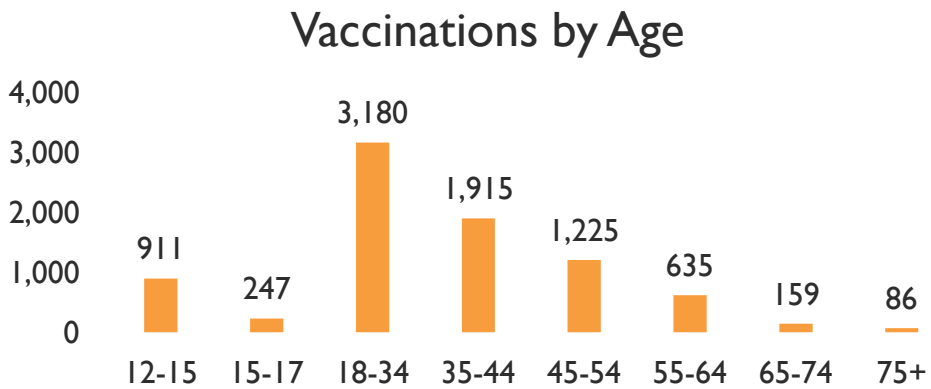
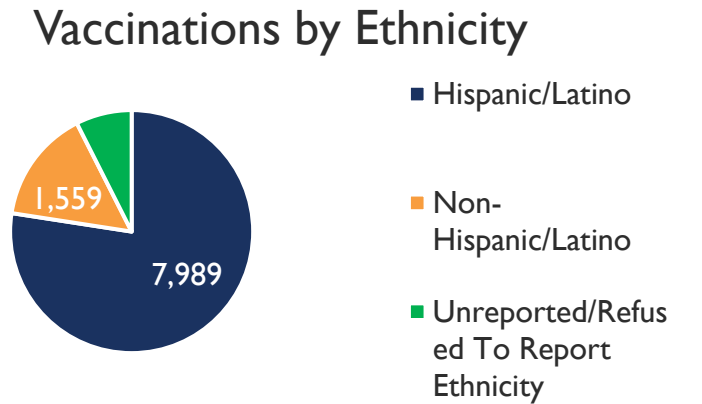
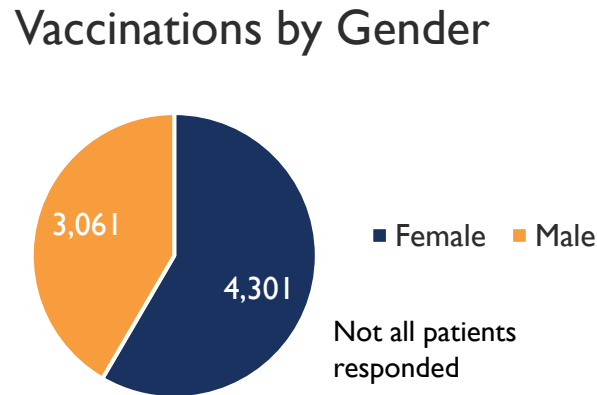
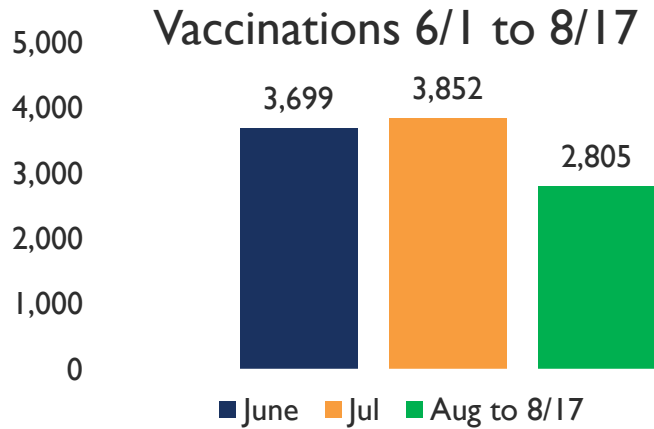


# CUC COVID-19 OPERATIONAL UPDATE

Tara A. Trower

Chief Strategy Officer, CommUnityCare

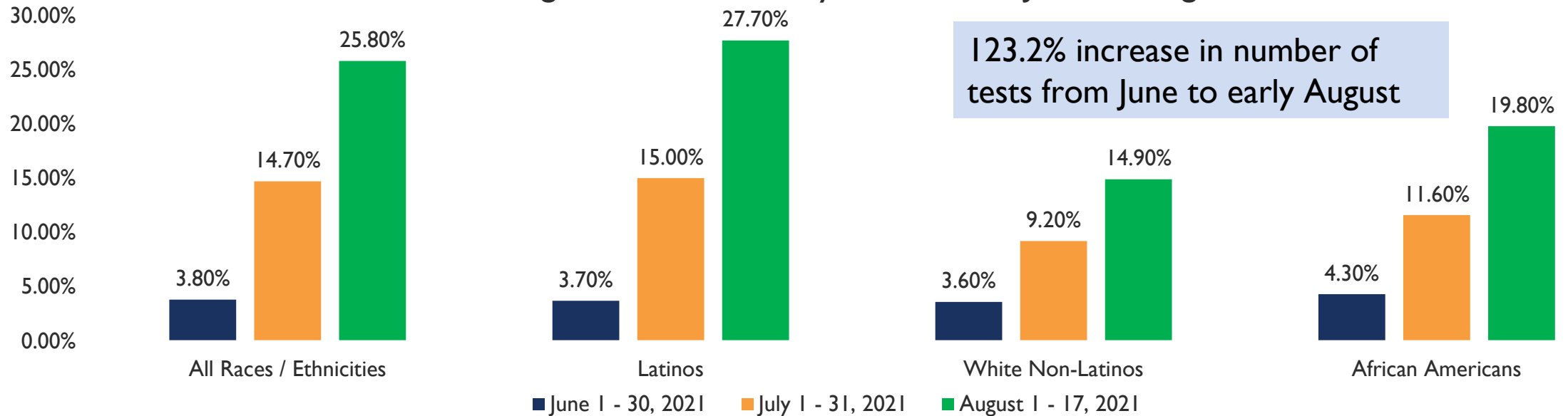
# CUC COVID-19 OPERATIONAL UPDATE: VACCINATION



TOP LOCATIONS	Jun	Jul	Aug	Grand Total
CUC Rosewood Zaragosa	1,641	889	548	3,078
CUC North Central	659	625	773	2,057
CUC Southeast Health and Wellness	298	702	788	1,788
CUC Rundberg	416	263	139	818
CUC Pflugerville	190	264	88	542

# CUC COVID OPERATIONAL UPDATE: TESTING

COVID-19 Testing - Percent Positivity Trends from June 1 - August 17, 2021



June Total Tests: 1,709

July Total Tests: 2,179

August Total Tests (partial): 2,162



# COVID Communications + Outreach

**Direct Mail:** 198,291 postcards (English/Spanish) mailed to MAP households since April 2020 (Recent mailing Aug. 16)

**Unified Marketing Campaign (Aug. 2021):** Central Health, Austin Public Health, Travis County



Unified Partner Campaign



Direct Mail: Aug. 2021

# COVID Communications + Outreach

**Business/Faith-community/Apartment Complex Outreach (Summer):** Delivered posters to 221 locations

**Virtual Town Halls with Faith Communities:** 5 town halls; 3,999 views

**Pop-up Vaccine Site Support:** Lending staff support to three JD's Supermarket pop-up vaccine sites; Distributed 1,337 \$25 gift cards



The poster features a central graphic of two hands shaking, with a bandage on each wrist, set against a circular background. The text "LET'S STICK TOGETHER" is arched above the hands, and "VACUNÉMONOS Y JUNTÉMONOS" is arched below. A small map of Texas is positioned between the two phrases. Below the graphic, there are two columns of text in English and Spanish, each with a bulleted list of vaccine facts. At the bottom, there are logos for Austin Public Health, Central Health, and CommUnityCare.

**LET'S STICK TOGETHER**  
**VACUNÉMONOS Y JUNTÉMONOS**

**IF WE ALL GET VACCINATED, WE CAN ALL GET TOGETHER AGAIN.**

- COVID-19 vaccines are tested, safe and effective.
- Vaccines protect you from COVID-19 and keep you out of the hospital.
- You may have side effects, but they go away in a few days.
- No cost. No I.D. and many cases no appointment.

Find a vaccine near you:  
311 | [vaccines.gov](https://vaccines.gov)

**SI TODOS NOS VACUNAMOS, PODREMOS VOLVER A JUNTARNOS.**

- Las vacunas contra el COVID-19 están probadas, son seguras y efectivas.
- Las vacunas le protegen del COVID-19, manteniéndole fuera del hospital.
- Puede tener efectos secundarios, pero desaparecen en un par de días.
- Son gratis. No necesita identificación y la mayoría de las veces no necesita cita.

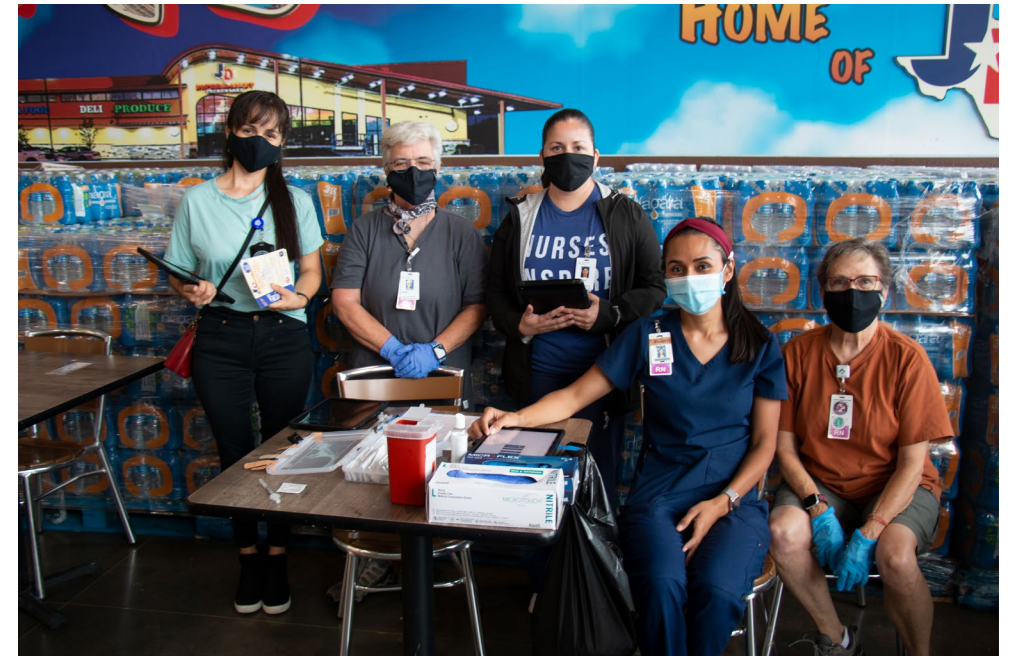
Encuentre una vacuna cerca a usted:  
311 | [vacunas.gov](https://vacunas.gov)

**Austin Public Health**  
PREVENT. PROMOTE. PROTECT.

**CENTRAL HEALTH**

**CommUnityCare**

Business Outreach Poster



JD's Supermarket Pop-up Vaccine Site

# Central Health COVID Vaccine Initiatives - Highlights

## Equity Incentive Payment Program

- Data period: March 1, 2021 – July 31, 2021
- Providers: CUC, LSCC, PCC
- Providers expanded hours, sites, staffing, and outreach to increase vaccination rates, particularly in targeted zip codes.
- Payment paid for each vaccine administered to
  - Any Central Health patient
  - Anyone who resided in a targeted ZIP code
- 49,979 people received vaccine
- \$314,444 total cost to CH up to end of July
- \$450,000 total NTE for overall program

## Vaccine Incentive Program

- \$25 gift card incentive offered at pop-up vaccine events for people receiving first dose.
- In partnership with Travis County Mobile Vaccine Collaborative and APH
- June 19, 2021 – August 6, 2021
- 1,342 people received vaccine, 1,337 gift cards were distributed
- \$34,150 total cost – a small number of cards are being held in reserve for future planned vaccine events

# Central Health COVID Vaccine Initiatives - Demographics

## Equity Incentive Payment Program

- Total vaccinated: 49,979
- ~64% vaccinated were people of color
- ~54% identified as Female
- Even distribution among the non-geriatric adult-aged population, they were the majority of those vaccinated
- 74% vaccinated resided in eastern Travis County ZIP codes

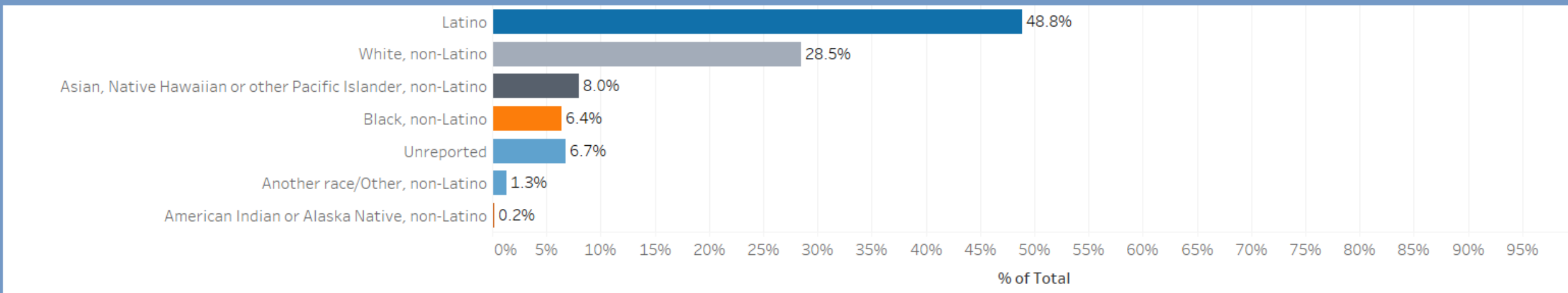
## Vaccine Incentive Program

- Total vaccinated: 1,342
- ~97% vaccinated were people of color
- ~60% identified as Male
- Age distribution skewed heavily toward pediatric population
- 81% vaccinated resided in eastern Travis County ZIP codes

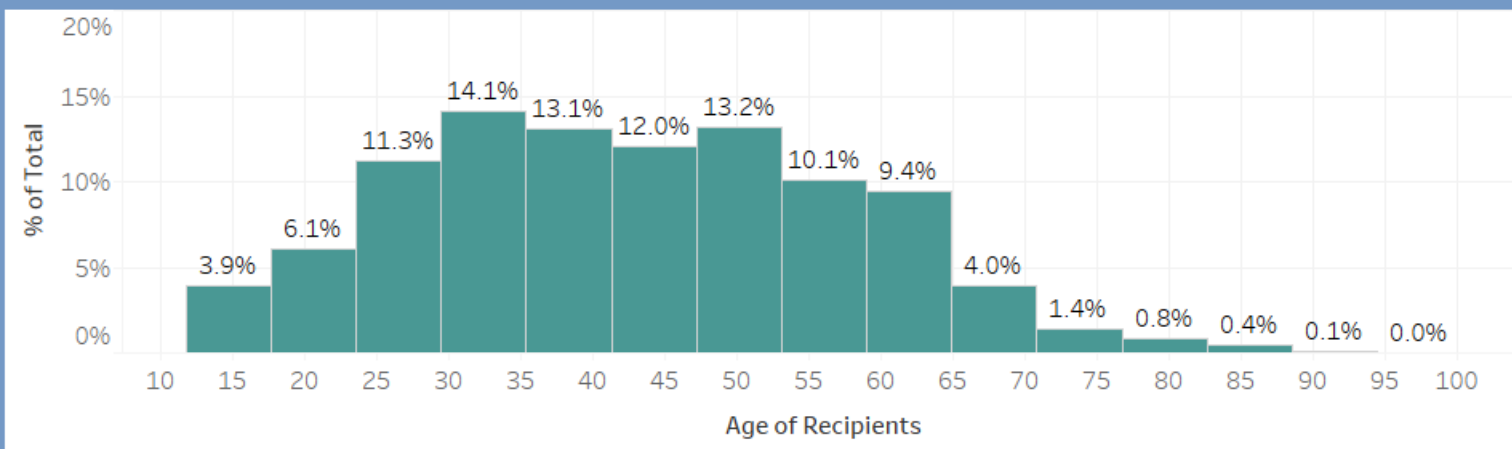
# Combined Program Patient Demographics

Total number of people receiving vaccine: 51,321

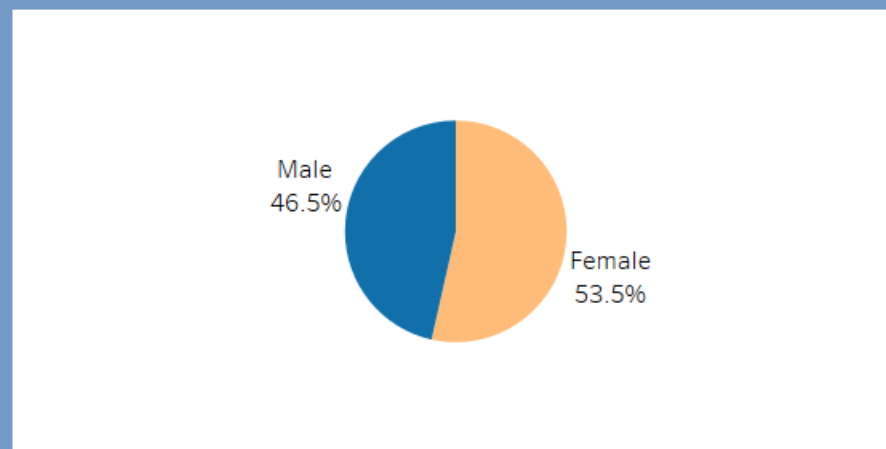
## By Race/Ethnicity



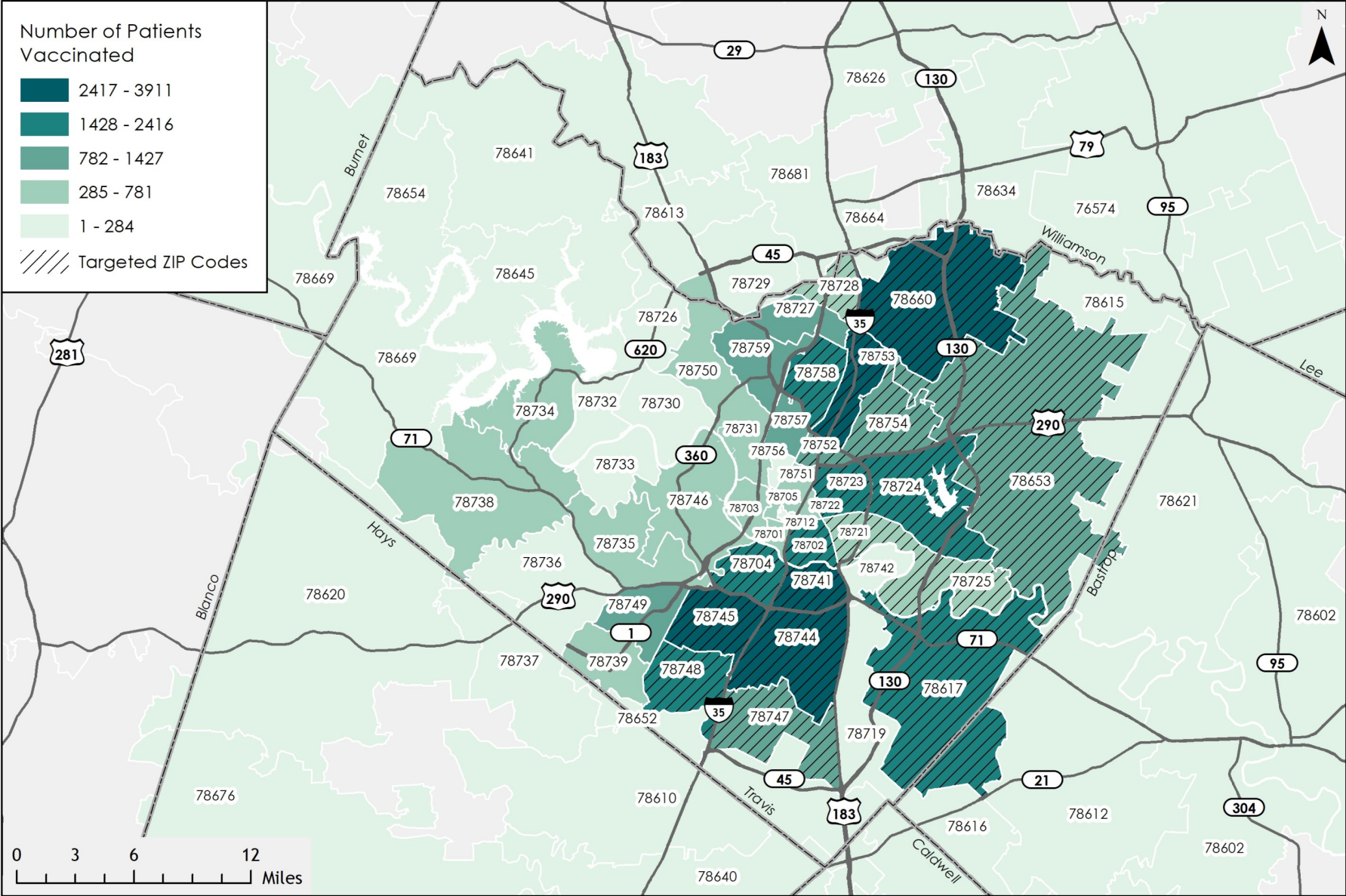
## By Age



## By Sex



# Number of Patients Vaccinated Under the Equity Payment and Vaccine Incentive Programs

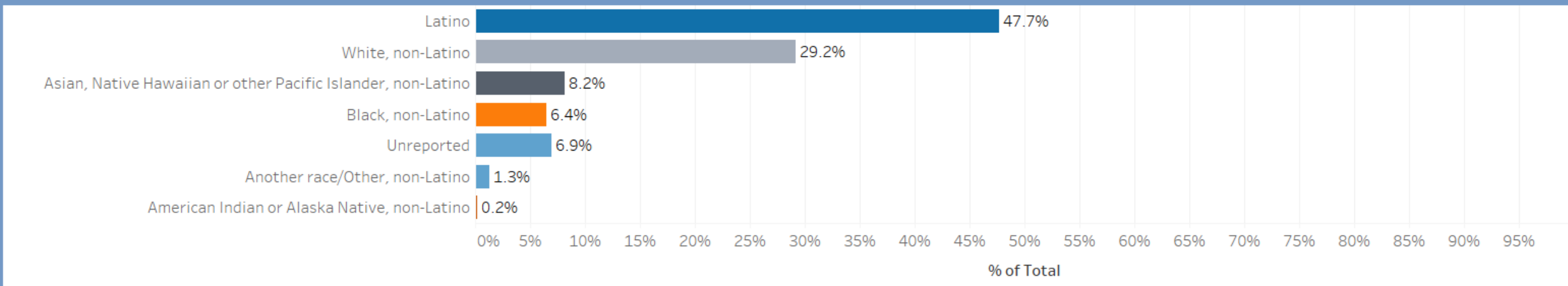


# Appendix

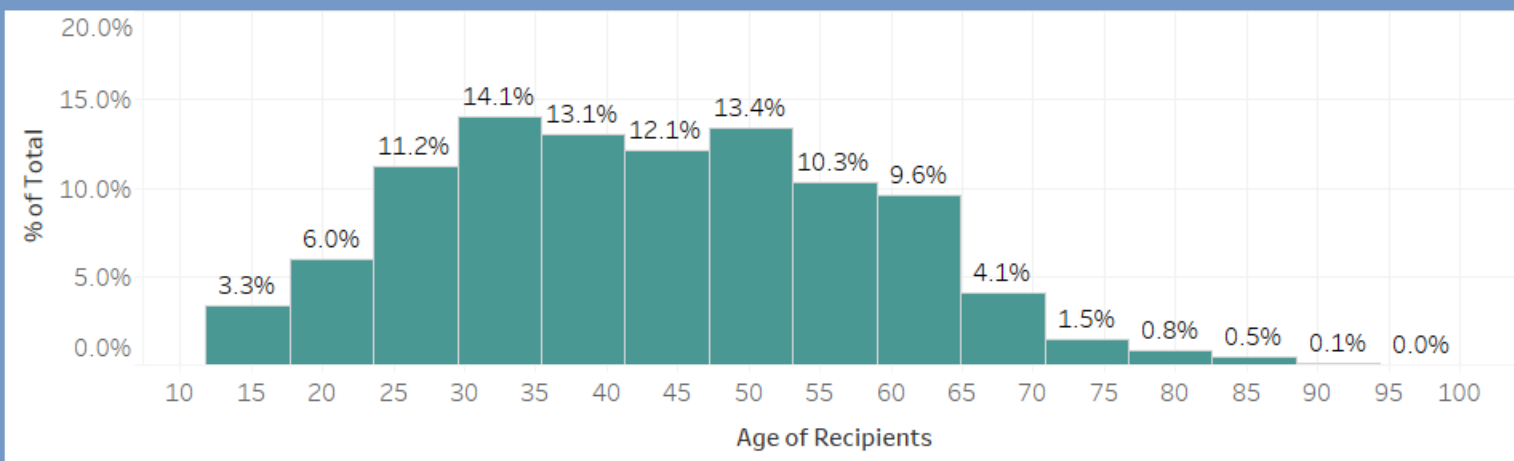
# Equity Incentive Payment Program Patient Demographics

Total number of people receiving vaccine: 49,979

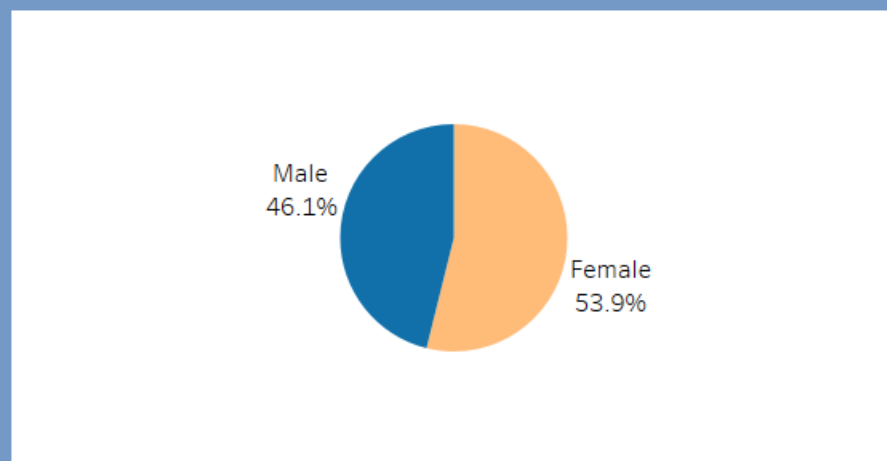
## By Race/Ethnicity



## By Age

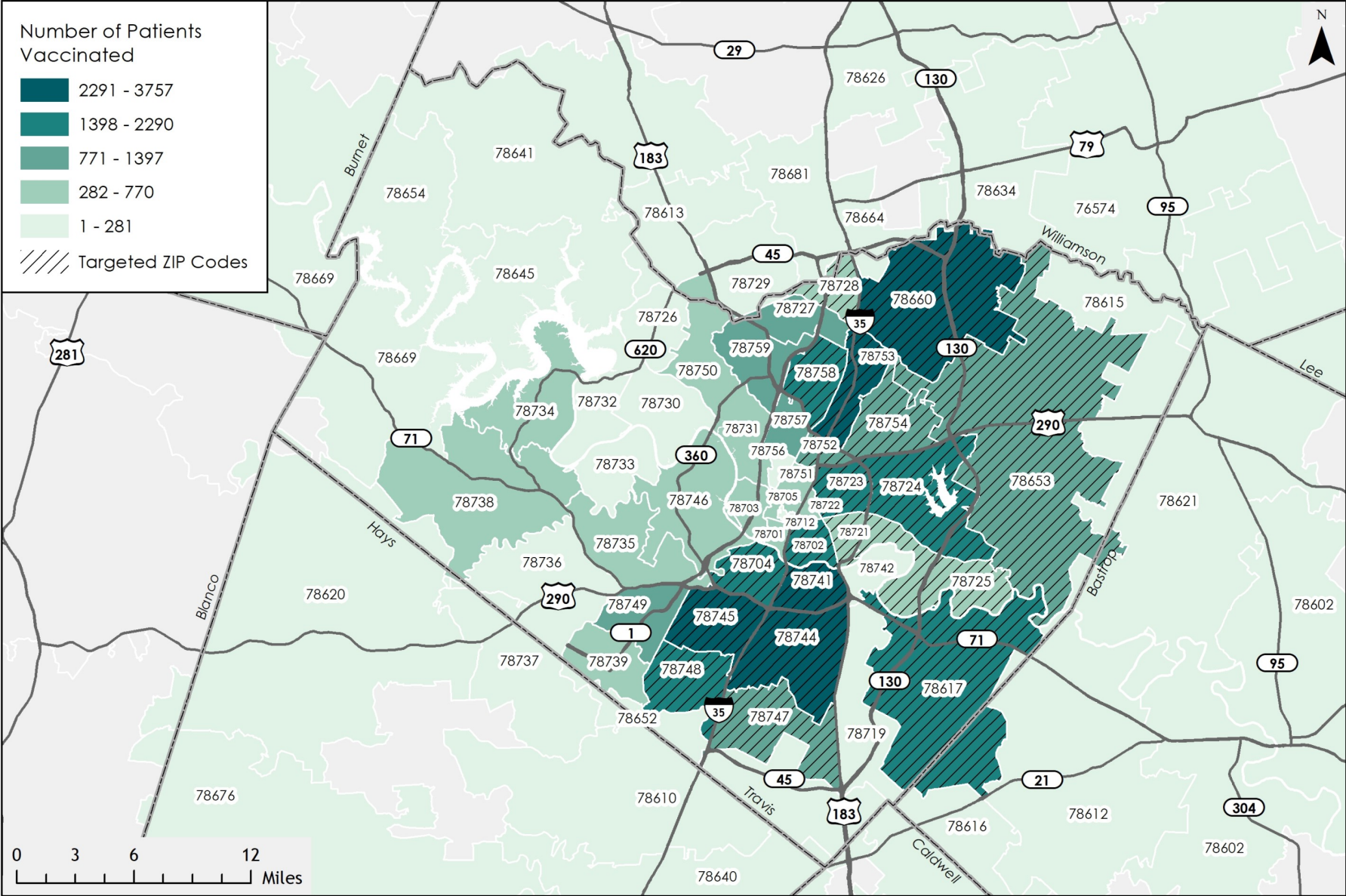


## By Sex





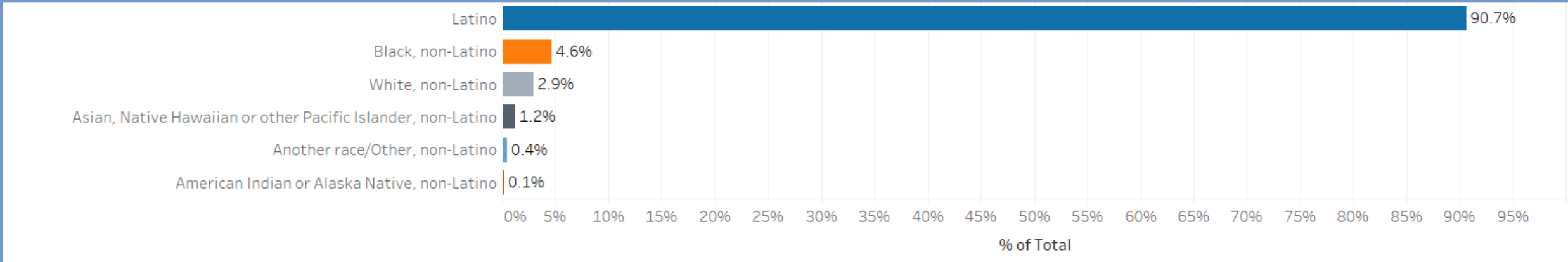
# Number of Patients Vaccinated by CUC, LSCC, and PCC Under the Equity Payment Incentive Program



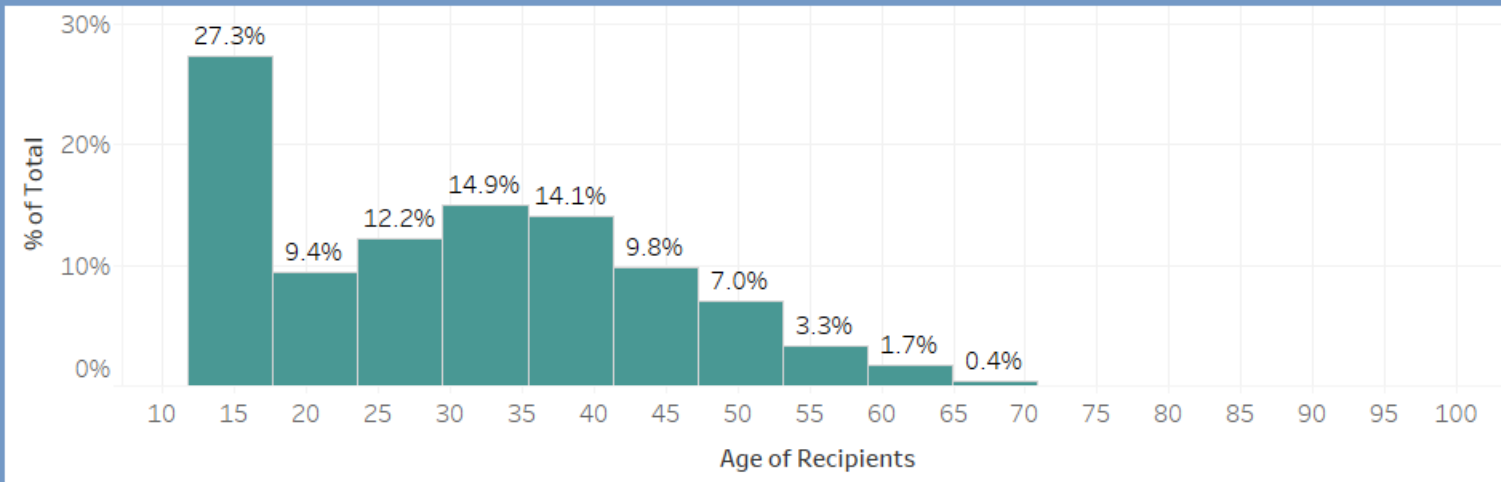
# Vaccine Incentive Program Patient Demographics

Total number of people receiving vaccine: 1,342

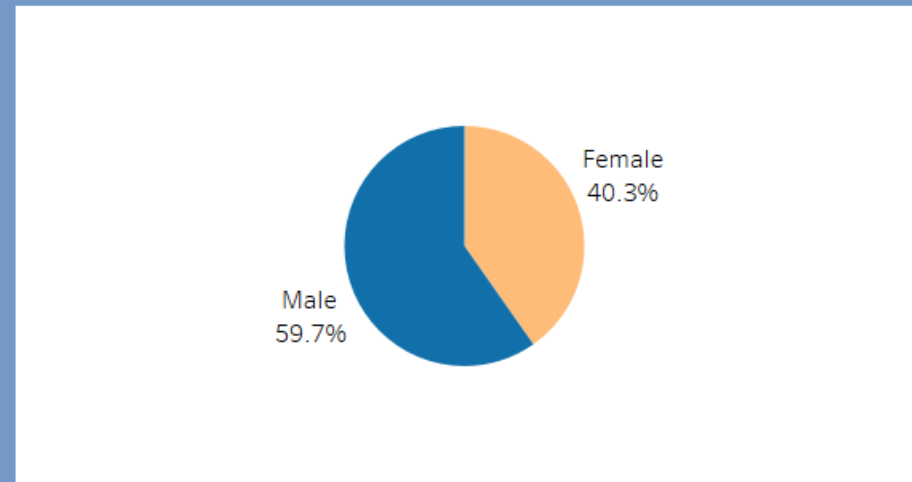
## By Race/Ethnicity



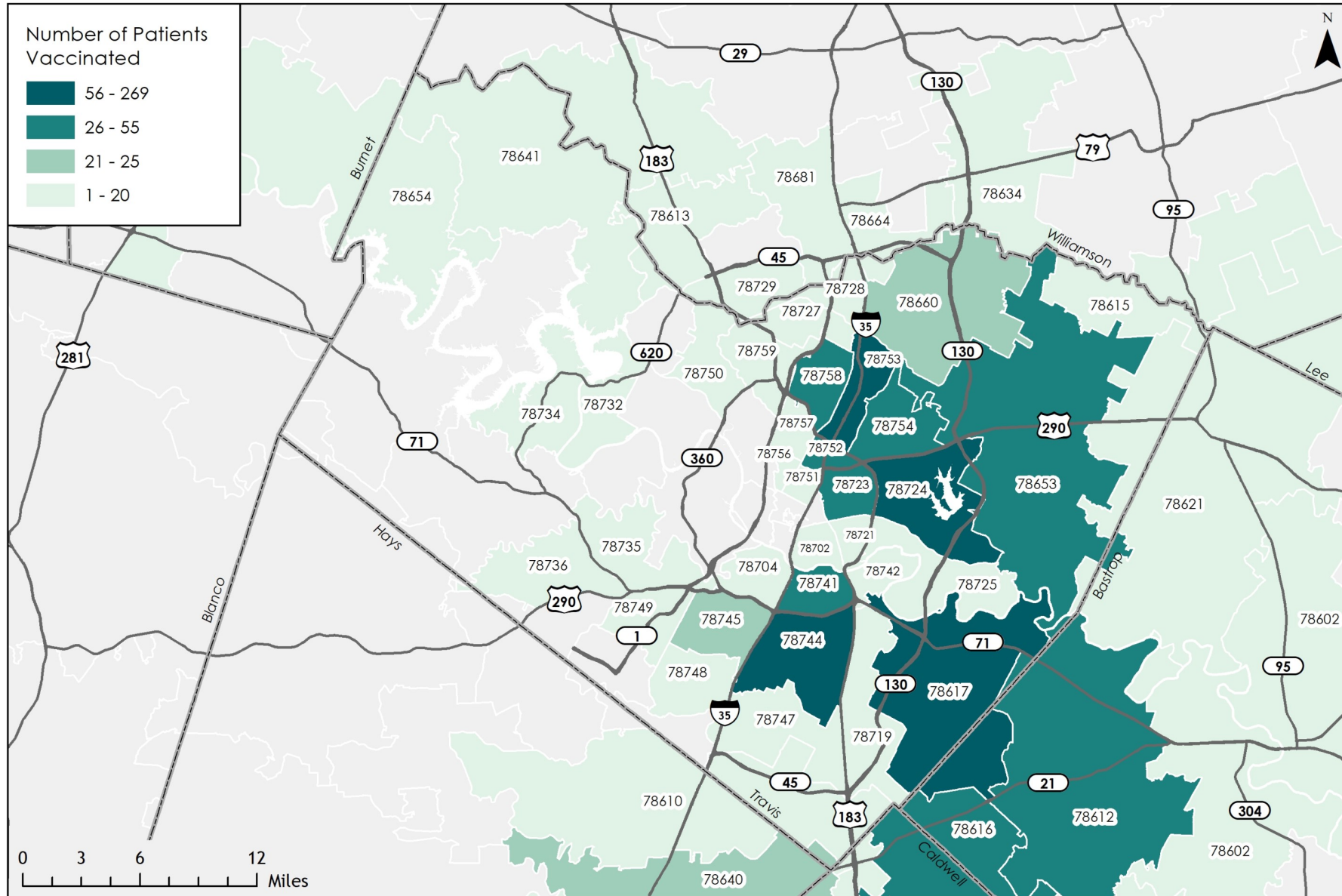
## By Age



## By Sex



# Number of Patients Vaccinated Under the Vaccine Incentive Program





# CENTRAL HEALTH

## **Our Vision**

Central Texas is a model healthy community.

## **Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

## **Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 12**

Receive and discuss updates on the 1115 Medicaid Waiver, Delivery System Reform Incentive Payment (DSRIP) program and associated projects, the Community Care Collaborative, and other healthcare delivery partners, programs, projects, and arrangements, including agreements with Ascension Texas.<sup>3</sup> (*Informational Item*)



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## BOARD MEETING

**August 23, 2021**

## REGULAR AGENDA ITEM 13

Receive a briefing regarding Central Health Enterprise information security.<sup>5</sup> (*Informational Item*)



**AGENDA ITEM SUBMISSION FORM**

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date 08/23/2021

Who will present the agenda item? (Name, Title) John Clark, Chief Information Officer

General Item Description Cyber Security Awareness Update

Is this an informational or action item? Informational

Fiscal Impact 0 at this time

Recommended Motion (if needed – action item) N/A

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Cyber Security requires on-going investments of time and resources.
- 2) Cyber Security is everyone’s battle.
- 3) Joint Tech is committed to continues improvements to Central Health’s Cyber Security protocols.
- 4) Awareness of current actions/activities being taken to enhance security posture.
- 5) Awareness of daily preventions, education, and monitoring of Cyber Security threats.

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Short power-point will be provided by EOD 08/18/2021

Estimated time needed for presentation & questions? 15 mins

Is closed session recommended? (Consult with attorneys.) Not necessary – the presentation will not present vulnerabilities.

Form Prepared By/Date Submitted: John Clark



CENTRAL HEALTH

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# Cyber Security Update

John Clark, Chief Information Officer

# Cyber Security Update

Consistent Diligence, Continuous Improvement, and Closing The Gaps On Risk



# What We Have Learned and What We Have Done

- **Secure File Transfer Protocol (SFTP)**
  - Utility That Provides A Secure Method For Data, Files, And Other Forms Of Digital Information Exchange Between Multiple Remote Organizations and Systems.
  - In Our Environment, We Have Multiple Partners That Use This Protocol.
  - Best Practice Approach To Managing This Protocol Involves Keeping These Sharing Interactions Segregated From The Internal Network.
  - Central Health Does This By Only Allowing The SFTP Protocol Within A Segment Of The Network Outside Of Internal Firewall.



# What We Have Learned and What We Have Done

- **Remote Access Protocols Are Some Of The Most Vulnerable Areas For Cyber Security**
  - Bad Actors Target, Systems That Are Not Regularly Updated, Poorly Constructed Protocols In An Environment, and Compromised Credentials.
  - If Successful, The Bad Actors Are Able To Gain Access And Ultimately Damage The Host Environment.



# What We Have Learned and What We Have Done

- **Crucial Prevention Measures**

- Maintain Procedures For Remote Access Controls – User Credentials.
- Hardening The SFTP Environment – Diligence On Maintaining Servers And Security Protocols.
- Avoid Any Data At Rest In The Segment Portion Of The Network – Ensure That Data Is Moved Out Of The Segmented Environment Immediately.



# What We Have Learned and What We Have Done

- **Changes We Have Made**

- Process For Access To The SFTP Environment Has Been Revamped And Implemented.
  - Requires Additional Detail Information From Partner Organizations.
  - Defines Secured Connection Information For Connecting Users.
  - Internal Review And With Partners For On-Going Connections.
  - Deactivation For Non-Used Credentials.
  - Monitoring All SFTP Folders To Ensure All Digital Information Is Being Removed After Initial Use.
  - Continued Education For Internal Business Owners Of The SFTP Folders.



# Going Forward – Strategic Cyber Security Measures

- **Threats Continue To Increase And Become More Sophisticated Every Day.**
  - It Takes Continuous Planning, Continuous Monitoring, And Continuous Improvement.
  - The International Organization For Standardization (ISO) Provides Technical Frameworks.
    - We Use That Framework To Identify Areas Of Cyber Security To Strengthen.

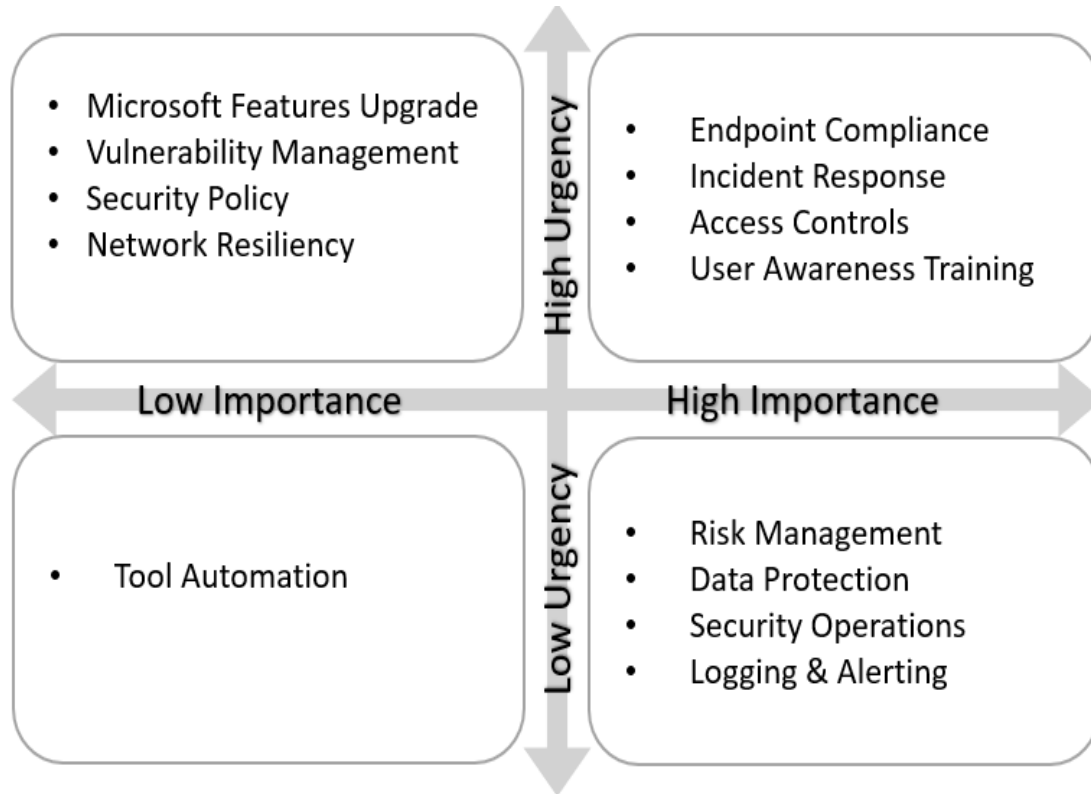


# Going Forward – Strategic Cyber Security Measures

- **This Framework Provides Established Security Policy And Procedures Through An Information Security Management System (ISMS).**
  - This System Creates A Foundation For A Mature Cyber Security Program.
  - It Specifies A Cyber Security Governance That Allows Continuous Assessment, Improvement, And Adaptation.
  - Has Four Crucial Cyclical Components – Leadership Oversight, Security Policy, Risk Management, And Incident Response.



# Going Forward – Strategic Cyber Security Measures



- **Priority Of Initiatives Under This Framework.**

- The Strategy Classifies Areas Based On Importance And Urgency.
- As Represented Previously, These Classification Can Shift Based On Current And Future Risks.
- The Idea Of The Strategy Is To Get Beyond Protecting, Preventing, Managing, Monitoring, and Reacting.
- The Strategy Provides A Method By Which The Organization Is Taking A Proactive Approach To Cyber Security.



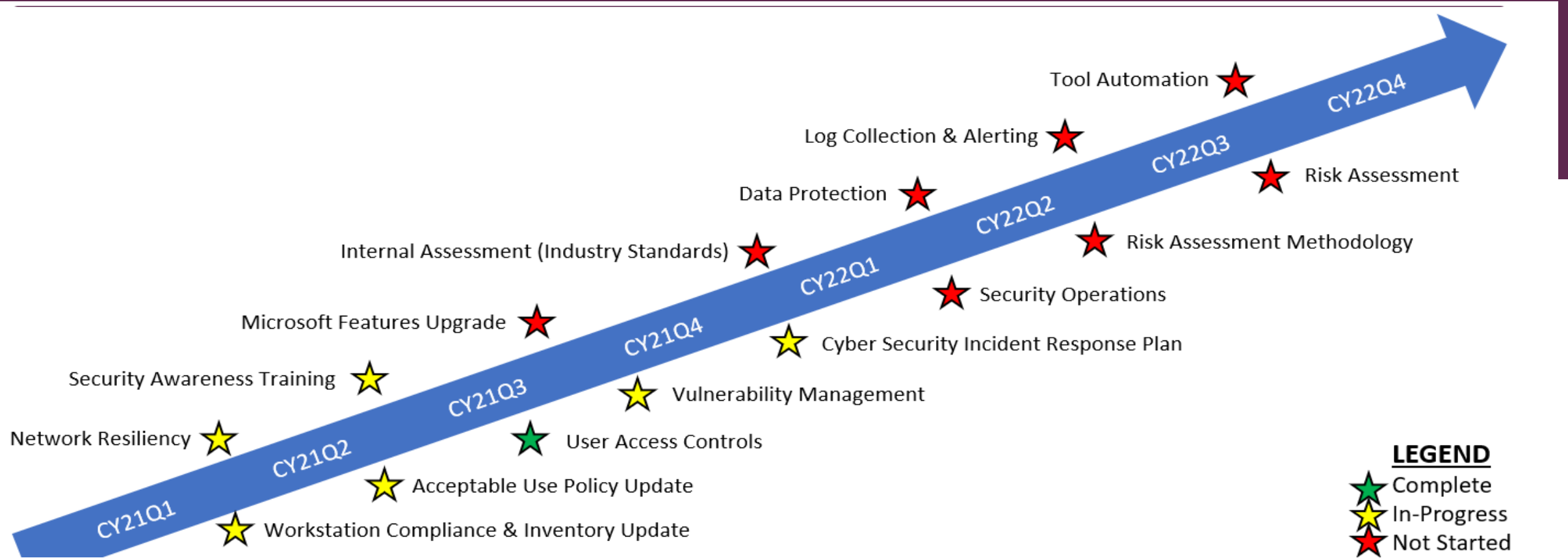
# Going Forward – Strategic Cyber Security Measures

- **We Have Been On This Path For A While.**
  - This Strategy Has Been Implemented At Central Health For A Number Of Years.
  - On-Going Efforts Are Made To Harden Our Environment.
  - Many Changes Have Been Made Throughout The Years To Infrastructure, Device Settings, User Access Controls, Firewalls, And Many Other Areas.
  - However, The Work Never Ends.





# Road Map For Continuing Our Strategy.



# Things We Must All Keep In Mind

- **Cyber Security Requires On-Going Investment Of Time And Resources.**
  - Enhancing Our Technology Tools.
  - Commitment From Various Operations Of The Organization.
  - Continued Sound Governance Around Compliance And Information Security.
  - Investment In People – Proper Training And Allocation Of Staff.



# Things We Must All Keep In Mind

- **Cyber Security Involves More Than A Technology Footprint To Mitigate Risk.**
  - Continued User Education.
  - The Role Each Individual Has In Protecting The Environment.
  - Physical Controls – Such As Locking Door or Controlling Access To Areas.



# Things We Must All Keep In Mind

- **Most Important To The Conversation**

- There Is No Level Of Protection, Prevention, or Proactiveness, That Can Provide A Guarantee.
- We All Must Remain Diligent, Keep A Focus On Continuing To Strengthen Our Posture, And Know How We Will Manage Incidents If Or When They Occur.





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## **BOARD MEETING**

**August 23, 2021**

## **REGULAR AGENDA ITEM 14**

Confirm the next regular Board meeting date, time, and location. (*Informational Item*)