



Balance Sheet

Current Assets

Cash and Cash Equivalents – \$4.2M compared to \$3.4M October 2022

Short-term Investments – Short-term investments were \$502M at month-end, net of restricted investments totaling \$261M.

Ad Valorem Taxes Receivable – \$324.4M balance is composed of:

Gross Tax Receivables	\$ 327.5M
Taxable Assessed Valuation Adjustment	(261)K
Est. Allowance for Doubtful collections	(2.8)M
Total Taxes Receivable	<u>\$ 324.4M</u>

Other Receivables – Other receivables total \$7.1M and includes intercompany balances:

- Accrued Interest - \$2.7M
- CUC – \$2.6M
- Prepaid Expenses – \$667K
- Sendero - \$665K
- Other - \$492K

Total Current Assets – \$1.1B

Long Term Assets

Sendero Paid-in-Capital – \$71.0M (unchanged)

Working Capital Advance to CommUnityCare – \$4.0M (unchanged)



October 2023 Preliminary Monthly Financial Statements (unaudited)

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Sendero Surplus Debenture – \$37.1M (unchanged)

Lease Receivables GASB87* - \$250M

- Lease Receivable Short-Term \$12M
- Lease Receivable Long-Term \$238M

Capital Assets – \$161M, net of accumulated depreciation, include purchase of Cameron Road

Buildings **Total Assets – \$1.6B**

Current Liabilities

Accounts Payable – Major components of the \$21M balance are:

- \$16.6M estimated IBNR for healthcare services.
- \$3.9M invoices payable

Salaries and Benefits Payable – \$4.4M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Debt Service Payable, Short-Term – \$9M in Certificates of Obligation and Interest Payable for Series 2020, 2021 and 2023 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$322.3M

Total Current Liabilities – \$356M



Restricted or Noncurrent Liabilities

Funds held for TCHD LPPF - \$79M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$168M balance (changed):

	Series 2020	Series 2021	Series 2023	
	General Obligation Bonds	Certificates of Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT		12.2 M	7.7 M	
Taxable LT	2.5 M	54.6 M	88.6 M	
Premium		1.9 M	0.2 M	
Totals	2.5 M	68.7 M	96.5 M	167.7 M

\$7.285M was originally issued in 2011 for the North Central clinic and refunded May 2020. \$72.9M was issued in 2021 for two clinics and an administration building. \$99.4M was issued in 2023 for two clinics. Annual payments are due on 3/1 for all Series.

Total Restricted or Noncurrent Liabilities – \$247M

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

- Lease Payable Short-Term \$1.2M
- Lease Payable Long-Term \$45M
- Subscription Payable Short-Term 1.8M
- Subscription Payable Long-Term 3.6M
- Interest Payable Long-Term 1.4M

Deferred Revenue Long-Term GASB87* - \$237M

Total Noncurrent Liabilities Leases* – \$290M

Total Liabilities – \$894M



Net Assets

Unrestricted Net Assets – \$487M

Restricted Net Assets – \$135M

Investment in Capital Assets – \$108M

Total Net Assets – \$729M

Total Liabilities and Net Assets – \$1.6B

*• Governmental Accounting Standards Board statements 87 & 96, Leases (GASB87) and Subscription-Based Information Technology Arrangements (GASB97 SBITAs), new accounting standards require entities to report future long term obligations, previously reported as operating activity, on the balance sheet to convey control of the right to use the non-financial asset. This will significantly increase long term governmental balance sheets as a result of these requirements. The new rules require recognition of a lease or SBITA liability and an intangible asset while lessors are required to recognize lease receivables and a deferred inflow of resources on their financial statements.



Sources and Uses Report

October financials → first months, 8.3% of the fiscal year.

Sources – Total \$3.5M for the month

Property Tax Revenue – Net property tax revenue for the month was (\$172K). Net revenue includes \$0K current month's collections; \$69K Penalties and Interest; and \$0K in adjustments for Uncollectible Property tax; (\$241k) in adjustment for prior year delinquent taxes.

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

Other Revenue/Expense – \$2M primarily for investment income

Uses of Funds – Total \$12.2M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$11.3M for the month and \$11.3M YTD compared to \$27M FY23 YTD.

Administration Program – \$919K in expense for the month, which includes:

- Salaries and Benefits – \$850K
- Other Goods and Services - \$69K

Excess Sources/(Uses) – \$(8.7M) current month. Current YTD is \$(8.7M) compared to \$(25M) FY23 YTD.



CENTRAL HEALTH

Central Health

Financial Statement Presentation FY 2024 – as of October 31, 2023 (Preliminary)

Central Health Board of Managers

December 13, 2023

Jeff Knodel CFO

Patti Bethke, Controller

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- Healthcare Delivery is \$11 million for the year as of 10/31/2023.
- GAAP reporting Net Assets increased \$147 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 9/30/2023 is \$79 million.
- Governmental Accounting Standards Board statements 87 & 96, Leases (GASB87) and Subscription-Based Information Technology Arrangements (GASB97 SBITAs), new accounting standards require entities to report future long term obligations, previously reported as operating activity, on the balance sheet to convey control of the right to use the non-financial asset. This will significantly increase long term governmental balance sheets as a result of these requirements. The new rules require recognition of a lease or SBITA liability and an intangible asset while lessors are required to recognize lease receivables and a deferred inflow of resources on their financial statements.

GAAP: Generally Accepted Accounting Principles refer to a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board. GAAP primary focus is to improve clarity, consistency, and comparability of the communication of financial information.

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	Preliminary as of 10/31/2023	as of 10/31/2022
ASSETS		
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	4,210,814	3,425,276
SHORT TERM INVESTMENTS	502,492,046	353,285,434
RESTRICTED TCHD LPPF CASH & INVESTMENT	78,889,158	55,814,976
RESTRICTED FOR CAPITAL ACQUISITION	182,520,005	111,708,010
RESTRICTED CASH & INVESTMENTS OR NONCURRENT	261,409,163	167,522,986
ACCOUNTS RECEIVABLE TAX	324,371,784	289,532,601
OTHER RECEIVABLES	7,171,381	3,457,523
TOTAL CURRENT ASSETS	1,099,655,188	817,223,820
LONG TERM ASSETS		
LEASE RECEIVABLE		
LEASE RECEIVABLE SHORT TERM*	12,721,747	9,938,687
LEASE RECEIVABLE LONG TERM*	237,820,808	238,566,993
TOTAL LEASE RECEIVABLES	250,542,555	248,505,680
CAPITAL ASSETS	199,838,666	161,504,874
ACCUMULATED DEPRECIATION	(39,308,432)	(31,456,639)
TOTAL CAPITAL ASSETS	160,530,234	130,048,236
TOTAL ASSETS	1,622,810,976	1,307,860,735
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	20,540,200	11,922,068
SALARIES & BENEFITS PAYABLE	4,375,867	3,371,755
DEBT SERVICE SHORT TERM	8,945,712	4,345,000
DEFERRED TAX REVENUE	322,275,364	287,715,083
TOTAL CURRENT LIABILITIES	356,137,144	307,353,907
RESTRICTED OR NONCURRENT LIABILITIES		
FUNDS HELD FOR TCHD LPPF	79,336,674	55,840,455
DEBT SERVICE PAYABLE LONG TERM	168,355,764	76,120,512
TOTAL RESTRICTED OR NONCURRENT LIABILITIES	247,692,438	131,960,966
NONCURRENT LIABILITIES		
LEASE & SUBSCRIPTION LIABILITIES*	53,152,362	44,016,206
DEFERRED REVENUE*	236,523,340	241,804,351
TOTAL NONCURRENT LIABILITIES AND LEASES	289,675,701	285,820,556
TOTAL LIABILITIES	893,505,283	725,135,429
NET ASSETS		
INVESTMENT IN CAPITAL ASSETS	108,109,406	0
RESTRICTED	134,946,679	0
UNRESTRICTED	486,249,608	582,725,306
TOTAL NET ASSETS	729,305,693	582,725,306
LIABILITIES AND NET ASSETS	1,622,810,976	1,307,860,735

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



CENTRAL HEALTH

SOURCES / USES	OCT 2023	FY24 YTD	FY24 Budget**	Percent of Budget Used	FY23 YTD
SOURCES					
PROPERTY TAX REVENUE	(172,425)	(172,425)	312,456,814	0%	(67,778)
LEASE REVENUE*	1,666,437	1,666,437	12,022,497	14%	1,562,165
OTHER REVENUE	1,968,691	1,968,691	7,500,000	26%	692,554
TOBACCO SETTLEMENT REVENUE	-	-	4,500,000	0%	-
TOTAL SOURCES	3,462,702	3,462,702	336,479,311	1%	2,186,942
USES OF FUNDS					
HEALTHCARE DELIVERY PROGRAM (SEE NEXT PAGE)	11,282,173	11,282,173	295,246,807	4%	26,808,009
UT AFFILIATION AGREEMENT	-	-	35,000,000	0%	-
ADMINISTRATIVE PROGRAM					
SALARIES AND BENEFITS	849,541	849,541	15,587,147	5%	449,277
OTHER GOODS AND SERVICES	69,132	69,132	13,059,883	1%	409,355
TOTAL ADMINISTRATIVE PROGRAM	918,673	918,673	28,647,030	3%	858,632
TOTAL USES	12,200,847	12,200,847	358,893,837	3%	27,666,641
EXCESS SOURCES / (USES)	(8,738,145)	(8,738,145)	(22,414,526)		(25,479,699)

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

** FY2024 Budget preliminary to be finalized by category in November Financial Statements



HEALTHCARE DELIVERY SUMMARY	OCT 2023	FY24 YTD	FY24 Budget**	Percent of Budget Used	FY23 YTD
PURCHASED HEALTHCARE SERVICES					
PRIMARY CARE	5,020,714	5,020,714	73,782,200	7%	4,019,459
SPECIALTY CARE, INCLD DENTAL	1,777,858	1,777,858	30,188,000	6%	485,697
SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE	547,560	547,560	20,675,000	3%	34,580
PHARMACY	1,501,847	1,501,847	18,000,000	8%	837,117
POST ACUTE CARE	508,006	508,006	7,250,000	7%	18,000
COMMUNITY HEALTHCARE INITIATIVES FUND	(53,800)	(53,800)	875,000	0%	-
ALL OTHER HEALTHCARE SERVICES	-	-	-		-
SUBTOTAL PURCHASED HEALTHCARE SERVICES	9,302,184	9,302,184	150,770,200	6%	5,394,853
DIRECT HEALTHCARE SERVICES	461,277	461,277	29,276,374	2%	-
MAP ELIGIBILITY - INCREASE IN PERIOD	-	-	1,000,000		-
SUBTOTAL HEALTHCARE SERVICES	9,763,462	9,763,462	181,046,574	6%	5,394,853
ACA PREMIUM ASSIST	9,200	9,200	18,587,364	0%	1,066,410
HEALTHCARE FACILITIES AND CAMPUS REDEVELOPMENT	430,778	430,778	8,656,910	7%	170,196
HEALTHCARE DELIVERY OPERATION COSTS	519,924	519,924	71,989,497	1%	2,005,192
DEBT, RESERVES AND TRANSFERS	558,809	558,809	14,966,462	4%	18,171,357
TOTAL HEALTHCARE DELIVERY	11,282,173	11,282,173	295,246,807	4%	26,808,009

** FY2024 Budget preliminary to be finalized by category in November Financial Statements



CENTRAL HEALTH

HEALTHCARE DELIVERY - SPECIALTY CARE	OCT 2023	FY24 YTD	FY2024 BUDGET**	Percent of Budget Used	FY2023 YTD	Comments
HCD-Ancillary Services	48,867	48,867	2,000,000	2%	-	Includes additional services: Anesthesia, Mammography, DME
HCD-Cardiology	60,189	60,189	1,215,000	5%	26,596	
HCD-Dental	174,916	174,916	1,500,000	12%	61,234	
HCD-Dermatology	126,450	126,450	915,000	14%	54,329	
HCD-Dialysis	235,600	235,600	3,000,000	8%	49,782	New Service late FY22
HCD-Durable Medical Equipment	11,723	11,723	998,000	1%	-	
HCD-Endocrinology	85,893	85,893	830,000	10%	47,829	
HCD-Ear, Nose & Throat ENT	12,090	12,090	900,000	1%	-	Provider Vacancy
HCD-Gastroenterology	183,795	183,795	2,030,000	9%	73,179	Service Expansion
HCD-General Surgery	37,753	37,753	600,000	6%	-	
HCD-Gynecology	177,950	177,950	1,550,000	11%	-	Transition from CCC
HCD-Musculoskeletal	59,180	59,180	2,500,000	2%	5,170	Transition from CCC
HCD-Nephrology	12,675	12,675	200,000	6%	4,306	
HCD-Neurology	6,825	6,825	100,000	7%	1,056	New CUC Service
HCD-Oncology	49,631	49,631	2,900,000	2%	1,939	
HCD-Ophthalmology	155,373	155,373	3,100,000	5%	33,272	
HCD-Pain Management	8,325	8,325	-	0%	-	New Services FY23
HCD-Podiatry	93,627	93,627	1,300,000	7%	38,766	
HCD-Project Access	-	-	330,000	0%	-	
HCD-Pulmonology	52,325	52,325	425,000	12%	28,058	
HCD-Referral Management	55,130	55,130	585,000	9%	25,000	
HCD-Rheumatology	43,875	43,875	300,000	15%	14,273	
HCD-Sexual & Reproductive Svc	85,665	85,665	2,210,000	4%	20,909	
HCD-Urology	-	-	300,000	0%	-	New agreement for vasectomies
Total Healthcare Delivery - Specialty Care	1,777,858	1,777,858	30,788,000	6%	485,697	

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Questions ? Comments ?