



## Balance Sheet

### Current Assets

Cash and Cash Equivalents – \$4.6M compared to \$4.5M same month prior year.

Short-term Investments – Short-term investments were \$726M at month-end, net of restricted investments totaling \$171M.

Short-Term Lease Receivables GASB87\* - \$11M

Ad Valorem Taxes Receivable – \$12M balance is composed of:

|   |    |        |
|---|----|--------|
| Gross Tax Receivables                   | \$ | 17.7M  |
| Taxable Assessed Valuation Adjustment   |    | (2.0)M |
| Est. Allowance for Doubtful collections |    | (3.5)M |
| Total Taxes Receivable                  | \$ | 12.2M  |

Other Receivables – Other receivables total \$8.7M and includes intercompany balances:

- Accrued Interest - \$2.6M
- Sendero - \$2.3M, including risk payment - \$828k
- CUC - \$2M
- Rent - \$1M
- Prepaid Expenses – \$500k
- Miscellaneous - \$246k

Restricted TCHD LPPF Cash & Investments - \$15M

Restricted for Capital Acquisition - \$171M



**Total Current Assets – \$949M**

**Long Term Assets**

Sendero Paid-in-Capital – \$83.0M includes \$12M additional funding in current year

Sendero Surplus Debenture – \$37.1M (unchanged)

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

Long-Term Lease Receivables GASB87\* - \$238M

Capital Assets – \$170M, net of accumulated depreciation.

**Total Assets – \$1.5B**



### **Current Liabilities**

Accounts Payable – Major components of the \$17M balance are:

- \$14M estimated IBNR for healthcare services.
- \$3M invoices payable

Salaries and Benefits Payable – \$6.2M 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 – \$11.2M in Certificates of Obligation and Interest Payable for Series 2020, 2021 and 2023 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$9.9M

**Total Current Liabilities – \$44M**

### **Restricted or Noncurrent Liabilities**

Funds held for TCHD LPPF - \$15M receipts from participants in the LPPF.



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

|            | Series 2020                 | Series 2021                         | Series 2023                         |                |
|------------|-----------------------------|-------------------------------------|-------------------------------------|----------------|
|            | General<br>Obligation Bonds | Certificates of<br>Obligation Bonds | Certificates of<br>Obligation Bonds |                |
| Non-tax LT |                             | 12.2 M                              | 7.7 M                               |                |
| Taxable LT | 2.5 M                       | 54.6 M                              | 88.6 M                              |                |
| Premium    |                             | 2.0 M                               | 0.7 M                               |                |
| Totals     | <b>2.5 M</b>                | <b>68.8 M</b>                       | <b>97.0 M</b>                       | <b>168.3 M</b> |

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

Lease/SBITA Payable GASB87 and GASB96\* - \$58M

Deferred Revenue Long-Term GASB87\* - \$233M

**Total Restricted or Noncurrent Liabilities – \$475M**

**Total Liabilities – \$519M**



**Net Assets**

Restricted For Capital Assets - \$200M

CO Construction – \$131M

Investment in Capital Assets – \$69M

Emergency Reserve - \$47M

Unrestricted Net Assets – \$715M

**Total Net Assets – \$961M**

**Total Liabilities and Net Assets – \$1.5B**

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



### **Sources and Uses Report**

February financials → fifth month, 42% of the fiscal year.

#### **Sources – Total \$28M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$24M. Net revenue includes \$24M current month's collections; (\$319K) Penalties and Interest; and \$566K in adjustment for prior year delinquent taxes.

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

Investment and Other Revenue/Expense – \$3M primarily for investment income

#### **Uses of Funds – Total \$23M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$20M for the month and \$86M YTD compared to \$54M Prior YTD.

Administration Program – \$3.2M in expense for the month and \$11M YTD compared to \$8M Prior YTD.

**Excess Sources/(Uses)** – \$6M current month. Current YTD is \$224M compared to \$228M Prior YTD.



# Central Health

## Financial Statement Presentation FY 2024 – as of February 29, 2024 (Preliminary)

Central Health Board of Managers  
Budget and Finance Committee

March 27, 2024

Jeff Knodel, CFO

Nicki Riley, Deputy CFO

Patti Bethke, Controller



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- February fiscal year-to-date collected net property tax revenue is \$310 million (96.3%), compared to \$276 million (96.3%) year-to-date February 2023 of the adjusted tax levy.
- Healthcare Delivery is \$86 million for the year as of 02/29/2024, compared to \$54 million for prior year.
- TCHD LPPF total restricted balance of LPPF as of 02/29/2024 is \$15 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.



|   | Preliminary as of<br>02/29/2024 | as of<br>02/28/2023  |
|---|---------------------------------|----------------------|
| <b>ASSETS</b>                                     |                                 |                      |
| <b>CURRENT ASSETS</b>                             |                                 |                      |
| CASH AND CASH EQUIVALENTS                         | 4,617,687                       | 4,464,810            |
| SHORT TERM INVESTMENTS                            | 725,500,603                     | 579,744,554          |
| LEASE RECEIVABLE SHORT TERM*                      | 11,398,766                      | 10,033,224           |
| ACCOUNTS RECEIVABLE TAX                           | 12,237,845                      | 10,767,959           |
| OTHER RECEIVABLES                                 | 8,696,587                       | 5,856,474            |
| <b>TOTAL UNRESTRICTED CURRENT ASSETS</b>          | <b>762,451,489</b>              | <b>610,867,021</b>   |
| <b>RESTRICTED CASH &amp; INVESTMENTS</b>          |                                 |                      |
| RESTRICTED TCHD LPPF CASH & INVESTMENTS           | 15,170,150                      | 1,889,199            |
| RESTRICTED FOR CAPITAL ACQUISITION                | 170,915,912                     | 111,999,025          |
| <b>TOTAL RESTRICTED CASH &amp; INVESTMENTS</b>    | <b>186,086,062</b>              | <b>113,888,224</b>   |
| <b>TOTAL CURRENT ASSETS</b>                       | <b>948,537,551</b>              | <b>724,755,245</b>   |
| <b>LONG TERM ASSETS</b>                           |                                 |                      |
| SENDERO PAID-IN CAPITAL                           | 83,000,000                      | 71,000,000           |
| SENDERO SURPLUS DEBENTURE                         | 37,083,000                      | 37,083,000           |
| ADVANCE RECEIVABLE                                | 4,000,000                       | 4,000,000            |
| LEASE RECEIVABLE LONG TERM*                       | 237,766,530                     | 241,375,130          |
| <b>TOTAL LONG TERM ASSETS</b>                     | <b>361,849,530</b>              | <b>353,458,130</b>   |
| <b>TOTAL CAPITAL ASSETS, NET of DEPRECIATION</b>  | <b>170,307,572</b>              | <b>129,884,443</b>   |
| <b>TOTAL ASSETS</b>                               | <b>1,480,694,653</b>            | <b>1,208,097,817</b> |
| <b>LIABILITIES</b>                                |                                 |                      |
| <b>CURRENT LIABILITIES</b>                        |                                 |                      |
| ACCOUNTS PAYABLE                                  | 17,133,351                      | 10,772,184           |
| SALARIES & BENEFITS PAYABLE                       | 6,205,530                       | 5,339,284            |
| DEBT SERVICE PAYABLE                              | 11,220,837                      | 1,393,014            |
| DEFERRED TAX REVENUE                              | 9,889,011                       | 8,682,057            |
| <b>TOTAL CURRENT LIABILITIES</b>                  | <b>44,448,729</b>               | <b>26,186,539</b>    |
| <b>RESTRICTED OR NONCURRENT LIABILITIES</b>       |                                 |                      |
| FUNDS HELD FOR TCHD LPPF                          | 15,170,150                      | 1,889,197            |
| DEBT SERVICE PAYABLE                              | 168,315,877                     | 75,764,583           |
| LEASE & SUBSCRIPTION LIABILITIES*                 | 57,861,210                      | 43,087,558           |
| DEFERRED REVENUE*                                 | 233,449,830                     | 242,837,912          |
| <b>TOTAL RESTRICTED OR NONCURRENT LIABILITIES</b> | <b>474,797,067</b>              | <b>363,579,250</b>   |
| <b>TOTAL LIABILITIES</b>                          | <b>519,245,796</b>              | <b>389,765,789</b>   |
| <b>NET ASSETS</b>                                 |                                 |                      |
| RESTRICTED FOR CAPITAL ASSETS                     | 199,946,575                     | 101,216,981          |
| RESTRICTED  | 46,739,076                      | 54,764,013           |
| UNRESTRICTED                                      | 714,763,206                     | 662,351,035          |
| <b>TOTAL NET ASSETS</b>                           | <b>961,448,857</b>              | <b>818,332,029</b>   |
| <b>LIABILITIES AND NET ASSETS</b>                 | <b>1,480,694,653</b>            | <b>1,208,097,817</b> |

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



| <b>SOURCES / USES</b>          | <b>FEB 2024</b>   | <b>FY24 YTD</b>    | <b>FY24 Budget</b>  | <b>Percent of Budget Used</b> | <b>FY23 YTD</b>    |
|--------------------------------|-------------------|--------------------|---------------------|-------------------------------|--------------------|
| <b>SOURCES</b>                 |                   |                    |                     |                               |                    |
| PROPERTY TAX REVENUE           | 23,797,367        | 309,739,260        | 312,456,814         | 99%                           | 276,435,238        |
| LEASE REVENUE                  | 1,654,699         | 8,311,421          | 12,022,497          | 69%                           | 8,124,048          |
| INVESTMENT AND OTHER REVENUE   | 2,959,540         | 11,792,068         | 7,500,000           | 157%                          | 5,876,957          |
| TOBACCO SETTLEMENT REVENUE     | 0                 | 0                  | 4,500,000           | 0%                            | 0                  |
| <b>TOTAL SOURCES</b>           | <b>28,411,605</b> | <b>329,842,749</b> | <b>336,479,311</b>  | <b>98%</b>                    | <b>290,436,243</b> |
| <b>USES OF FUNDS</b>           |                   |                    |                     |                               |                    |
| HEALTHCARE DELIVERY PROGRAM    | 19,562,754        | 86,057,136         | 295,246,807         | 29%                           | 54,449,843         |
| ADMINISTRATIVE PROGRAM         | 3,240,037         | 11,492,150         | 30,944,445          | 37%                           | 7,928,164          |
| UT AFFILIATION AGREEMENT       | 0                 | 0                  | 35,000,000          | 0%                            | 0                  |
| TRANSFER TO EMERGENCY RESERVES | 0                 | 8,019,240          | 8,019,240           | 100%                          | 0                  |
| <b>TOTAL USES</b>              | <b>22,802,791</b> | <b>105,568,526</b> | <b>369,210,492</b>  | <b>29%</b>                    | <b>62,378,007</b>  |
| <b>EXCESS SOURCES / (USES)</b> | <b>5,608,814</b>  | <b>224,274,223</b> | <b>(32,731,181)</b> |                               | <b>228,058,236</b> |
| <b>RESERVE BALANCES:</b>       |                   |                    |                     |                               |                    |
| EMERGENCY RESERVE              |                   | 46,739,076         | 46,739,076          |                               | 38,719,836         |
| CONTINGENCY RESERVE            |                   |                    | 377,296,303         |                               | 441,168,057        |



Details for Health Care Delivery on the following slides.



| HEALTHCARE DELIVERY SUMMARY                    | FEB 2024   | FY24 YTD   | FY24 Budget | Percent of Budget Used | FY23 YTD   |
|--|------------|------------|-------------|------------------------|------------|
| PURCHASED HEALTHCARE SERVICES                  |            |            |             |                        |            |
| PRIMARY CARE                                   | 6,756,024  | 26,825,060 | 71,782,200  | 37%                    | 22,941,975 |
| SPECIALTY CARE, INCLD DENTAL                   | 1,621,209  | 6,325,372  | 30,188,000  | 21%                    | 4,948,284  |
| SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE  | 1,379,702  | 3,353,066  | 20,675,000  | 16%                    | 1,186,262  |
| PHARMACY                                       | 2,052,974  | 4,938,785  | 18,000,000  | 27%                    | 4,282,700  |
| POST ACUTE CARE                                | 1,074,495  | 2,359,202  | 7,250,000   | 33%                    | 1,313,841  |
| COMMUNITY HEALTHCARE INITIATIVES FUND          | 15,200     | 38,600     | 875,000     | 4%                     | 66,107     |
| ALL OTHER HEALTHCARE SERVICES                  | 0          | 0          | 2,000,000   | 0%                     | 0          |
| SUBTOTAL PURCHASED HEALTHCARE SERVICES         | 12,899,604 | 43,840,085 | 150,770,200 | 29%                    | 34,739,169 |
| DIRECT SERVICES                                | 1,057,317  | 3,104,633  | 29,276,374  | 11%                    | 91,433     |
| MAP ELIGIBILITY - INCREASE IN PERIOD           | 0          | 0          | 1,000,000   | 0%                     | 0          |
| SUBTOTAL HEALTHCARE SERVICES                   | 13,956,921 | 46,944,718 | 181,046,574 | 26%                    | 34,830,603 |
| ACA PREMIUM ASSIST                             | 1,093,030  | 5,220,113  | 18,587,364  | 28%                    | 5,517,720  |
| HEALTHCARE FACILITIES AND CAMPUS REDEVELOPMENT | 211,866    | 1,161,019  | 2,957,400   | 39%                    | 1,082,900  |
| HEALTHCARE OPERATIONS & SUPPORT                | 3,742,126  | 17,937,237 | 71,689,007  | 25%                    | 12,356,899 |
| DEBT, RESERVES AND TRANSFERS                   | 558,811    | 14,794,048 | 20,966,462  | 71%                    | 661,722    |
| TOTAL HEALTHCARE DELIVERY                      | 19,562,754 | 86,057,136 | 295,246,807 | 29%                    | 54,449,844 |



| HEALTHCARE DELIVERY -<br>SPECIALTY CARE           | FEB 2024         | FY24 YTD         | FY24<br>BUDGET    | Percent<br>of<br>Budget<br>Used | FY23 YTD         | Comments  |                    |
|---|------------------|------------------|-------------------|---------------------------------|------------------|---|--------------------|
| HCD-Ancillary Services                            | (97,089)         | 160,939          | 2,998,000         | 5%                              | 201,864          | Includes additional services: Anesthesia, Mammography, DME, Prosthetics. Negative value due to Feb change in estimate for prosthetics |                    |
| HCD-Cardiology                                    | 37,135           | 222,531          | 1,215,000         | 18%                             | 149,273          |   |                    |
| HCD-Dental  | 200,187          | 615,263          | 1,500,000         | 41%                             | 396,607          |   |                    |
| HCD-Dermatology                                   | 76,227           | 385,632          | 915,000           | 42%                             | 291,158          |   |                    |
| HCD-Dialysis                                      | 318,217          | 719,181          | 3,000,000         | 24%                             | 479,507          |   |                    |
| HCD-Endocrinology                                 | 53,841           | 269,208          | 830,000           | 32%                             | 225,292          |   |                    |
| HCD-Ear, Nose & Throat ENT                        | 34,270           | 159,019          | 900,000           | 18%                             | 66,791           |   |                    |
| HCD-Gastroenterology                              | 127,663          | 543,545          | 2,030,000         | 27%                             | 550,140          |   |                    |
| HCD-General Surgery                               | 64,029           | 102,336          | 600,000           | 17%                             | 101,602          |   |                    |
| HCD-Gynecology                                    | 162,166          | 510,831          | 1,550,000         | 33%                             | 332,981          |   |                    |
| HCD-Infectious Disease                            | 978              | 978              | 100,000           | 1%                              | 0                |   |                    |
| HCD-Musculoskeletal                               | 199,814          | 845,397          | 2,500,000         | 34%                             | 762,619          |   |                    |
| HCD-Nephrology                                    | 9,534            | 47,667           | 200,000           | 24%                             | 24,104           |   |                    |
| HCD-Neurology                                     | 4,550            | 22,750           | 100,000           | 23%                             | 17,875           |   |                    |
| HCD-Oncology                                      | 87,357           | 234,214          | 2,900,000         | 8%                              | 154,743          |   |                    |
| HCD-Ophthalmology                                 | 111,170          | 591,389          | 3,100,000         | 19%                             | 496,473          |   |                    |
| HCD-Podiatry                                      | 54,709           | 289,614          | 1,300,000         | 22%                             | 249,202          |   |                    |
| HCD-Project Access                                | 0                | 0                | 330,000           | 0%                              | 0                |   | Agreement Inactive |
| HCD-Pulmonology                                   | 26,931           | 130,974          | 425,000           | 31%                             | 159,250          |   |                    |
| HCD-Referral Management                           | 1,773            | 29,940           | 585,000           | 5%                              | 83,170           |   |                    |
| HCD-Rheumatology                                  | 22,316           | 111,583          | 300,000           | 37%                             | 77,458           |   |                    |
| HCD-Sexual & Reproductive Svc                     | 125,431          | 332,384          | 2,210,000         | 15%                             | 128,175          |   |                    |
| HCD-Specialty Care Reserve                        | 0                | 0                | 300,000           | 0%                              | 0                |   |                    |
| HCD-Urology                                       | 0                | 0                | 300,000           | 0%                              | 0                | Agreement Inactive  |                    |
| <b>Total Healthcare Delivery - Specialty Care</b> | <b>1,621,209</b> | <b>6,325,372</b> | <b>30,188,000</b> | <b>21%</b>                      | <b>4,948,284</b> |   |                    |



# Questions ? Comments ?