



Balance Sheet (Assets) – Slide 3

Current Assets

Cash and Cash Equivalents – \$1.6 million

Short-term Investments – Short-term investments were \$103.2 million at month-end, which is net of restricted investments of \$7.0 million for capital acquisitions.

Ad Valorem Taxes Receivable – \$640K balance is composed of \$2.4 million uncollected 2016 tax levy less \$1.4 million adjustments, delinquent prior years' taxes of \$2.0 million, and tax distributions in transit from the Travis County Tax Office of \$37K, offset by estimated allowances for doubtful collections \$2.4 million.

Other Receivables – Other receivables total \$1.9 million and consists of intercompany balances of \$1.6 million, and interest receivable of \$233K.

Prepaid Expenses – \$33K balance composed of \$22K unamortized insurance and \$11K in deposits.

Total Current Assets – \$107.3 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$7.0 million in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$35.0 million (unchanged)

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$119.6 million, net of accumulated depreciation.

Total Assets – \$289.9 million



Balance Sheet (Liabilities and Net Assets) – Slide 4

Current Liabilities

Accounts Payable – Major components of the \$1.4 million balance are:

- \$635K in vendor invoices at month-end, and
- \$729K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$665K balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued leave balances and various fringe benefit amounts withheld and not yet disbursed.

Other Payables – \$4.5 million in other payables is comprised of the amount due to Seton for Charity Care and the distribution of the 2016 tobacco settlement proceeds.

Debt Service Payable, Short-Term – \$1.0 million balance consists of the annual principal payment and accrued interest on the Series 2011 Certificates of Obligation.

Capital Lease Obligation, Short-Term – \$83K related to medical equipment leased at Southeast Health and Wellness Center.

Deferred Tax Revenue – \$1.0 million for the uncollected portion of the 2016 tax levy.

Other Deferred Revenue – \$9.1 million, which consists of contingent rent received from Seton for the months of June, July and August.

Total Current Liabilities – \$17.7 million

Noncurrent Liabilities

Debt Service Payable, Long-Term – \$9.4 million balance of the \$16 million in Series 2011 Certificates of Obligation, reduced by six principal payments made to date. This debt was issued for the North Central clinic and the Southeast Health and Wellness Center.

Capital Lease Obligation, Long-Term – \$199K related to medical equipment leased at Southeast Health and Wellness Center.

Total Noncurrent Liabilities – \$9.6 million

Total Liabilities – \$27.2 million



Net Assets

Unrestricted Net Assets – \$143.1 million

Investment in Capital Assets – \$119.6 million

Total Net Assets – \$262.7 million

Total Liabilities and Net Assets – \$289.9 million

Sources and Uses Report – Slide 5

August financials → Eleven months, 92% of the fiscal year

Sources

Property Tax Revenue – Net property tax revenue for the month of August was \$154K. Current month's collections were 0.07% of the 2016 tax levy. Through the first eleven months of fiscal year 2017, \$169.8 million has been collected, or 99.42% of the 2016 adjusted tax levy. At the same time in prior year, \$160 million had been collected, or 99.39% of the 2015 adjusted tax levy.

Lease Revenue – \$151K recorded for Seton lease payment.

Other Revenue – \$126K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$7.4 million for the month.

Administration Program – \$447K in expense for the month, which includes:

- Personnel costs – \$329K
- Legal fees – (\$154K)
- Consulting services – \$123K
- Other general and administrative – \$149K

Tax Collection Expenses – \$426

Excess Sources Over (Under) Uses – Net assets decreased by \$7.4 million in August. Year-to-date, net assets have increased by \$88.3 million.



Healthcare Delivery Expense – Slide 6

Intergovernmental Transfers (IGTs) – No IGTs were processed during August.

Provider Costs – Healthcare delivery providers' expense for August totaled \$6.7 million, which includes:

- Primary care – \$50K
- DSRIP project expense – \$287K
- Charity care – \$354K
- Member payment to CCC – \$6.0 million

Healthcare Delivery Operating Cost – \$473K in expense for the month, which includes:

- Personnel costs – \$285K
- Consulting services – \$13K
- Legal fees – \$20K
- Other services and purchased goods – \$155K

Other Costs – \$195K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$63K
- ACA Enrollment and Subsidy – \$100K
- Debt Service – \$32K

Total Healthcare Delivery for the month of August was \$7.4 million.

Recap of FY17 IGT Payments – Slide 7

No IGTs were processed during August.

On September 8, 2017, \$12.2 million in IGTs related to Uncompensated Care was sent.



CENTRAL HEALTH

Central Health

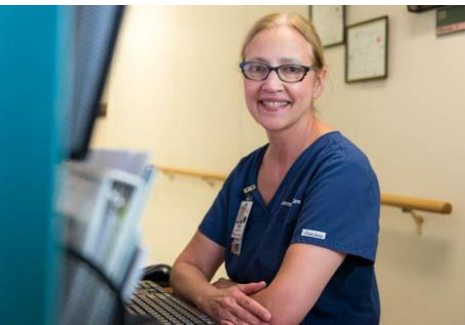
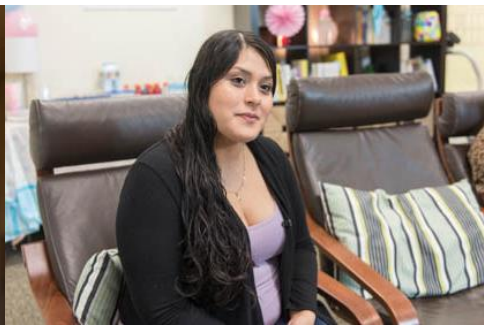
Financial Statement Presentation

FY 2017 – as of August 31, 2017

Central Health Budget and Finance Committee
September 20, 2017

Lisa Owens, Acting CFO

Danielle Stanley, Controller





August 2017 Financial Highlights

- Through eleven months of FY17, Central Health is at 104.9% of total sources (over budget) and at 68.1% of total uses (under budget).
- Expect September to capture more year-end expenses; however, anticipate that Central Health will still end FY17 with excess sources over uses.
- Paid CCC additional Member Payment, \$6.0 million



Balance Sheet
As of August 31, 2017
(Page 1 of 2, Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 1,564,559	\$ 2,600,043
Short-Term Investments	103,182,611	105,593,715
Ad Valorem Taxes Receivable	640,364	431,497
Other Receivables	1,861,294	1,659,080
Prepaid Expenses	33,042	45,881
Total Current Assets	<u>107,281,870</u>	<u>110,330,216</u>
Noncurrent or Restricted Cash and Investments		
Restricted for Capital Acquisition	6,962,653	6,328,969
Sendero Paid-In Capital	35,000,000	29,000,000
Working Capital Advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	17,083,000	17,083,000
Total Noncurrent or Restricted Cash and Investments	<u>63,045,653</u>	<u>56,411,969</u>
Capital Assets		
Land	11,770,183	11,770,184
Buildings and Improvements	132,370,891	117,528,881
Equipment and Furniture	8,887,800	7,542,563
Construction In Progress	2,088,020	18,852,602
Less Accumulated Depreciation	<u>(35,534,180)</u>	<u>(32,286,966)</u>
Total Capital Assets	<u>119,582,714</u>	<u>123,407,263</u>
Total Assets	<u>\$ 289,910,237</u>	<u>\$ 290,149,448</u>



Balance Sheet
As of August 31, 2017
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 1,363,876	\$ 6,031,475
Salaries and Benefits Payable	665,199	497,307
Other Payables	4,488,799	5,862,225
Debt Service Payable, Short-Term	1,000,000	975,000
Capital Lease Obligation, Short-Term	82,535	-
Deferred Tax Revenue	994,176	983,630
Other Deferred Revenue	9,073,185	2,713,827
Total Current Liabilities	<u>17,667,770</u>	<u>17,063,464</u>
Noncurrent Liabilities		
Debt Service Payable, Long-Term	9,380,000	10,380,000
Capital Lease Obligation, Long-Term	199,181	-
Total Noncurrent Liabilities	<u>9,579,181</u>	<u>10,380,000</u>
Total Liabilities	<u>27,246,951</u>	<u>27,443,464</u>
Net Assets		
Unrestricted	143,080,572	139,298,721
Investment in Capital Assets	119,582,714	123,407,263
Total Net Assets	<u>262,663,286</u>	<u>262,705,984</u>
Liabilities and Net Assets	<u>\$ 289,910,237</u>	<u>\$ 290,149,448</u>



Sources and Uses Report
Fiscal Year-to-Date through August 31, 2017
(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Sources					
Property Tax Revenue	\$ 153,798	\$ 169,740,246	\$ 169,806,722	100.0%	\$ 159,910,448
Seton Lease Revenue	150,505	25,850,715	31,544,675	81.9%	31,507,652
Other Revenue	126,093	958,616	400,000	239.7%	565,140
Tobacco Settlement Revenue	-	3,510,614	1,800,000	195.0%	2,341,521
Contingency Reserve	-	51,876,745	36,600,000	141.7%	-
Total Sources	430,396	251,936,936	240,151,397	104.9%	194,324,761
Uses of Funds					
Total Healthcare Delivery Program	7,359,286	156,466,297	229,738,205	68.1%	189,407,916
Administration Program					
Personnel Salary and Benefits	329,430	3,332,805	4,268,817	78.1%	3,487,575
Other Purchased Goods and Services					
Legal Fees	(153,565)	610,012	1,166,500	52.3%	764,032
Consulting Services	122,748	291,282	1,038,000	28.1%	370,869
Other General and Administrative	148,729	1,461,015	2,453,284	59.6%	1,410,756
Subtotal Other Purchased Goods and Services	117,912	2,362,309	4,657,784	50.7%	2,545,657
Total Administration Program	447,342	5,695,114	8,926,601	63.8%	6,033,232
Tax Collection Expenses	426	1,444,347	1,486,591	97.2%	1,414,170
Total Uses	7,807,054	163,605,758	240,151,397	68.1%	196,855,318
Excess Sources Over (Under) Uses	\$ (7,376,658)	\$ 88,331,178	\$ -		\$ (2,530,557)



Healthcare Delivery Expense
Fiscal Year-to-Date through August 31, 2017
(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Intergovernmental Transfers (IGTs) ⁽¹⁾	\$ -	\$ 106,745,176	\$ 141,570,000	75.4%	\$ 161,988,722
Provider Costs					
Primary Care	49,630	538,010	585,000	92.0%	705,619
Mental Health	-	-	-	N/A	(44,868)
DSRIP Project Expense	286,764	1,582,369	-	N/A	886,628
Charity Care	354,311	3,897,422	4,251,733	91.7%	3,897,422
Member Payment to CCC ⁽²⁾	6,000,000	26,000,000	26,245,166	99.1%	5,000,000
Medical Administration	-	617,275	617,275	100.0%	617,275
Subtotal Provider Costs	6,690,705	32,635,076	31,699,174	103.0%	11,062,076
Service Expansion Funds	-	-	2,000,000	0.0%	-
Total IGTs and Provider Costs	6,690,705	139,380,252	175,269,174	79.5%	173,050,798
Healthcare Delivery Operating Costs					
Personnel Costs	285,109	2,871,197	3,871,685	74.2%	2,406,190
Consulting Services	13,499	171,091	334,000	51.2%	118,321
Legal Fees	19,678	101,959	25,000	407.8%	139,968
Other Services and Purchased Goods	155,025	1,552,527	3,222,215	48.2%	843,227
Subtotal HCD Operating Costs	473,311	4,696,774	7,452,900	63.0%	3,507,706
Other Costs					
UMCB Campus Redevelopment	63,231	924,675	2,047,675	45.2%	-
ACA Enrollment and Subsidy	99,839	1,245,894	2,745,000	45.4%	977,028
Debt Service	32,200	1,338,702	1,372,803	97.5%	1,333,105
Subtotal Other Costs	195,270	3,509,271	6,165,478	56.9%	2,310,133
Reserves, Appropriated Uses and Transfers					
Subtotal Reserves, Appropriated Uses and Transfers	-	8,880,000	40,850,653	21.7%	10,539,279
Total Healthcare Delivery	\$ 7,359,286	\$ 156,466,297	\$ 229,738,205	68.1%	\$ 189,407,916

(1) Budget includes allocated portion of the contingency reserve appropriation, for IGT timing differences.

(2) 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.



Recap of FY17 IGT Payments Actuals Through August 31, 2017

<i>\$ in millions</i>	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Under (Over) Budget
Private UC	\$ -	\$ 13.5	\$ 27.9	\$ 14.4
UMCB UC	-	10.7	25.0	14.3
DSH	-	34.6	32.5	(2.1)
DSRIP - CCC	-	27.5	29.3	1.8
DSRIP - UMCB	-	17.0	21.8	4.8
DSRIP - Dell Children's	-	2.7	4.5	1.8
DSRIP - St. David's	-	0.7	0.6	(0.1)
Total	\$ -	\$ 106.7	\$ 141.6	\$ 34.9



Questions? Comments?