



Balance Sheet (Assets) – Slide 3

Current Assets

Cash and Cash Equivalents – \$2.9 million

Short-term Investments – Short-term investments were \$93.6 million at month-end, which is net of restricted investments of \$6.9 million for capital acquisitions.

Ad Valorem Taxes Receivable – \$635K balance is composed of \$2.9 million uncollected taxes and September's tax distributions in transit from the Travis County Tax Office of \$31K, offset by estimated allowances for doubtful collections of \$2.3 million.

Other Receivables – Other receivables total \$2.0 million and consists of intercompany balances of \$1.8 million, interest receivable of \$137K, and lease revenue receivable of \$10K.

Prepaid Expenses – \$243K balance composed of \$214K appraisal fees, \$18K unamortized insurance, and \$11K in deposits.

Total Current Assets – \$99.4 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$6.9 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 – \$119.2 million, net of accumulated depreciation.

Total Assets – \$281.6 million



Balance Sheet (Liabilities and Net Assets) – Slide 4

Current Liabilities

Accounts Payable – Major components of the \$2.1 million balance are:

- \$1.1 million in vendor invoices at month-end, and
- \$902K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$1.2 million 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 – \$4.8 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.

Other Deferred Revenue – \$9.7 million, which consists of contingent rent received from Seton for the months of June, July, August, and September.

Total Current Liabilities – \$18.9 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 – \$192K related to medical equipment leased at Southeast Health and Wellness Center.

Total Noncurrent Liabilities – \$9.6 million

Total Liabilities – \$28.5 million



Net Assets

Unrestricted Net Assets – \$133.9 million

Investment in Capital Assets – \$119.2 million

Total Net Assets – \$253.1 million

Total Liabilities and Net Assets – \$281.6 million

Sources and Uses Report – Slide 5

September financials → Twelve months, 100% of the fiscal year

Sources

Property Tax Revenue – Net property tax revenue for the month of September was \$1.1 million. Net revenue includes \$89K current month's collections, \$920K recognized revenue for uncollected FY17 tax levy, and \$100K annual adjustment to allowance for estimated uncollectible tax. Current month's collections were 0.052% of the 2016 tax levy. Total collected this fiscal year was \$169.9 million, or 99.46% of the 2016 adjusted tax levy. Prior year's tax collection was 99.44% or total tax levy or \$160 million.

Lease Revenue – \$3.5 million, which consists of \$2.5 million recorded for Seton lease payment and \$895K for the UT ground lease.

Other Revenue – \$173K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$13.3 million for the month.

Administration Program – \$900K in expense for the month, which includes:

- Personnel costs – \$346K
- Legal fees – \$109K
- Consulting services – \$259K
- Other general and administrative – \$186K

Tax Collection Expenses – \$167

Excess Sources Over (Under) Uses – Net assets decreased by \$9.4 million in September. Year-to-date, net assets have increased by \$51.6 million.



Healthcare Delivery Expense – Slide 6

Intergovernmental Transfers (IGTs) – IGTs for September totaled \$12.2 million.

Provider Costs – Healthcare delivery providers' expense for September totaled (\$442K), which includes:

- Primary care – \$255K
- DSRIP project expense – \$408K
- Charity care – \$354K
- Member payment to CCC – (\$1.5 million)

Healthcare Delivery Operating Cost – \$1.3 million in expense for the month, which includes:

- Personnel costs – \$226K
- Consulting services – \$42K
- Legal fees – \$38K
- Other services and purchased goods – \$1.0 million

Other Costs – \$173K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$55K
- ACA Enrollment and Subsidy – \$86K
- Debt Service – \$32K

Total Healthcare Delivery for the month of September was \$13.3 million.

Recap of FY17 IGT Payments – Slide 7

IGT expense of \$12.2 million, related to Uncompensated Care, was sent on September 8, 2017. The IGT included \$5.3 million for Private UC and \$6.9 million for UMCB UC.

On October 2, 2017, \$7.1 million in IGTs related to Disproportionate Share was sent. On October 19, 2017, \$4.2 million in IGTs related to Uncompensated Care was sent.



CENTRAL HEALTH

Central Health

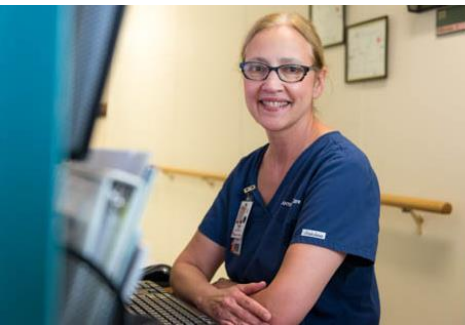
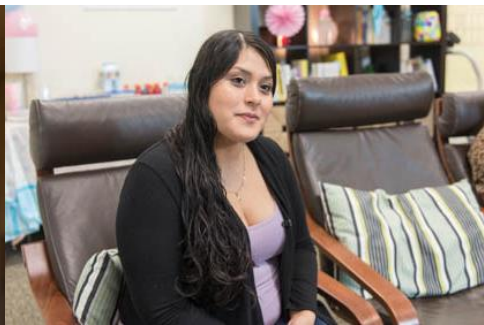
Financial Statement Presentation

FY 2017 – as of September 30, 2017 (Preliminary)

Central Health Budget and Finance Committee

October 25, 2017

Lisa Owens, Acting CFO





September 2017 Financial Highlights

- Financial results are preliminary. More information and finalized financials will be presented as the audit is completed.
- Preliminary results indicate that Central Health is at 106.9% of total sources (over budget) and at 73.9% of total uses (under budget) for fiscal year 2017.
- Sent Intergovernmental Transfer related to Uncompensated Care, \$12.2 million in September. Year to date uncompensated care actual less than budgeted by over \$16 million.



Preliminary

Balance Sheet
As of September 30, 2017
(Page 1 of 2, Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 2,939,229	\$ 2,569,549
Short-Term Investments	93,560,920	54,796,757
Ad Valorem Taxes Receivable	634,782	451,863
Other Receivables	1,996,480	983,363
Prepaid Expenses	243,484	247,553
Total Current Assets	<u>99,374,895</u>	<u>59,049,085</u>
Noncurrent or Restricted Cash and Investments		
Restricted for Capital Acquisition	6,923,962	5,903,256
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>63,006,962</u>	<u>55,986,256</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and Improvements	132,374,052	125,080,604
Equipment and Furniture	8,900,240	9,078,151
Construction In Progress	2,111,109	10,191,003
Less Accumulated Depreciation	<u>(35,916,185)</u>	<u>(32,739,214)</u>
Total Capital Assets	<u>119,239,400</u>	<u>123,380,728</u>
Total Assets	<u>\$ 281,621,257</u>	<u>\$ 238,416,069</u>



Preliminary

Balance Sheet
As of September 30, 2017
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 2,099,991	\$ 1,188,212
Salaries and Benefits Payable	1,177,299	957,075
Other Payables	4,843,111	750,916
Debt Service Payable, Short-Term	1,032,200	1,009,101
Capital Lease Obligation, Short-Term	82,673	81,021
Other Deferred Revenue	9,692,731	3,174,900
Total Current Liabilities	<u>18,928,005</u>	<u>7,161,225</u>
Noncurrent Liabilities		
Debt Service Payable, Long-Term	9,380,000	10,380,000
Capital Lease Obligation, Long-Term	192,228	274,900
Total Noncurrent Liabilities	<u>9,572,228</u>	<u>10,654,900</u>
Total Liabilities	<u>28,500,233</u>	<u>17,816,125</u>
Net Assets		
Unrestricted	133,881,624	97,219,216
Investment in Capital Assets	119,239,400	123,380,728
Total Net Assets	<u>253,121,024</u>	<u>220,599,944</u>
Liabilities and Net Assets	<u>\$ 281,621,257</u>	<u>\$ 238,416,069</u>



Preliminary

Sources and Uses Report
Fiscal Year-to-Date through September 30, 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	\$ 1,148,908	\$ 170,889,154	\$ 169,806,722	100.6%	\$ 161,046,231
Lease Revenue	3,450,689	29,301,404	31,544,675	92.9%	35,257,650
Other Revenue	173,289	1,131,905	400,000	283.0%	427,155
Tobacco Settlement Revenue	-	3,510,614	1,800,000	195.0%	2,341,521
Contingency Reserve (Appropriated) ⁽¹⁾	-	24,347,860	36,600,000	66.5%	66,792,002
Total Sources	4,772,886	229,180,937	240,151,397	95.4%	265,864,559
Uses of Funds					
Total Healthcare Delivery Program	13,320,193	169,459,726	229,738,205	73.8%	235,435,733
Administration Program					
Personnel Salary and Benefits	345,791	3,678,596	4,268,817	86.2%	3,690,564
Other Purchased Goods and Services					
Legal Fees	108,593	758,605	1,166,500	65.0%	844,905
Consulting Services	259,230	550,512	1,038,000	53.0%	426,816
Other General and Administrative	185,933	1,646,948	2,453,284	67.1%	1,623,272
Subtotal Other Purchased Goods and Services	553,756	2,956,065	4,657,784	63.5%	2,894,993
Total Administration Program	899,547	6,634,661	8,926,601	74.3%	6,585,557
Tax Collection Expenses	167	1,444,514	1,486,591	97.2%	1,413,613
Total Uses	14,219,907	177,538,901	240,151,397	73.9%	243,434,903
Excess Sources Over (Under) Uses	\$ (9,447,021)	\$ 51,642,036	\$ -		\$ 22,429,656

(1) Emergency reserve (not included within the Contingency Reserve) is \$29,895,000 and \$28,515,000 at fiscal year-end 2017 and 2016, respectively.



Preliminary

Healthcare Delivery Expense
Fiscal Year-to-Date through September 30, 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⁾	\$ 12,240,959	\$ 118,986,135	\$ 141,570,000	84.0%	\$ 185,876,469
Provider Costs					
Primary Care	254,574	792,584	816,000	97.1%	677,342
Mental Health	-	-	-	N/A	(44,868)
DSRIP Project Expense	407,921	1,703,527	1,703,527	100.0%	1,612,352
Charity Care	354,311	4,251,733	4,251,733	100.0%	4,251,733
Member Payment to CCC ⁽²⁾	(1,458,361)	24,541,639	24,541,639	100.0%	24,632,814
Medical Administration	-	617,275	617,275	100.0%	617,275
Subtotal Provider Costs	(441,555)	31,906,758	31,930,174	99.9%	31,746,648
Service Expansion Funds	-	-	1,769,000	0.0%	-
Total IGTs and Provider Costs	11,799,404	150,892,893	175,269,174	86.1%	217,623,117
Healthcare Delivery Operating Costs					
Personnel Costs	225,883	3,097,079	3,871,685	80.0%	2,665,717
Consulting Services	42,134	213,225	334,000	63.8%	128,619
Legal Fees	37,584	99,544	25,000	398.2%	302,688
Other Services and Purchased Goods	1,042,476	2,595,004	3,222,215	80.5%	1,867,704
Subtotal HCD Operating Costs	1,348,077	6,004,852	7,452,900	80.6%	4,964,728
Other Costs					
UMCB Campus Redevelopment	54,764	979,439	2,047,675	47.8%	-
ACA Enrollment and Subsidy	85,748	1,331,641	2,745,000	48.5%	941,403
Debt Service	32,200	1,370,901	1,372,803	99.9%	1,367,206
Subtotal Other Costs	172,712	3,681,981	6,165,478	59.7%	2,308,609
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	\$ 13,320,193	\$ 169,459,726	\$ 229,738,205	73.8%	\$ 235,435,733

(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.



Preliminary

**Recap of FY17 IGT Payments
Actuals Through September 30, 2017**

<i>\$ in millions</i>	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Under (Over) Budget
Private UC	\$ 5.3	\$ 18.8	\$ 27.9	\$ 9.1
UMCB UC	6.9	17.6	25.0	7.4
DSH	-	34.6	32.5	(2.1)
DSRIP - CCC	-	27.5	29.3	1.8
DSRIP - UMCB	-	17.1	21.8	4.7
DSRIP - Dell Children's	-	2.7	4.5	1.8
DSRIP - St. David's	-	0.7	0.6	(0.1)
Total	\$ 12.2	\$ 119.0	\$ 141.6	\$ 22.6



Questions? Comments?