



Balance Sheet (Assets) – Slide 3

Current Assets

Cash and Cash Equivalents – \$1.6 million

Short-term Investments – Short-term investments were \$130.6 million at month-end, which is net of restricted investments of \$6.4 million for capital acquisitions.

Ad Valorem Taxes Receivable – \$1.9 million balance is composed of the 2017 tax levy of \$3.2 million, delinquent prior years' taxes of \$2.3 million, and tax distributions in transit from the Travis County Tax Office of \$111 thousand, partially offset by estimated allowances for doubtful collections and adjustments of \$3.7 million.

Other Receivables – Other receivables total \$9.8 million and consists of intercompany balances of \$9.7 million, and interest receivable of \$158K.

Prepaid Expenses – \$321K balance composed of \$310K appraisal and collection fees and \$11K in deposits.

Total Current Assets – \$144.3 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$6.4 million in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$61.0 million (\$10 million Risk Based Capital was transferred in May)

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$116.7 million, net of accumulated depreciation.

Total Assets – \$349.5 million



Balance Sheet (Liabilities and Net Assets) – Slide 4

Current Liabilities

Accounts Payable – Major components of the \$1.7 million balance are:

- \$1.5 million in vendor invoices at month-end, and
- \$157K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$515K 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 – \$7.1 million in other payables is comprised of the amount due to Seton for Charity Care and the distribution of the tobacco settlement proceeds.

Debt Service Payable, Short-Term – \$1.1 million balance is comprised of \$90K is accrued interest and \$1.0 million is Certificates of Obligation Payable.

Capital Lease Obligation, Short-Term – \$91K related to medical equipment leased at Southeast Health and Wellness Center.

Deferred Tax Revenue – \$1.9 million for the uncollected portion of the 2017 tax levy.

Total Current Liabilities – \$12.4 million

Noncurrent Liabilities

Debt Service Payable, Long-Term – \$8.2 million balance of the \$16 million in Series 2011 Certificates of Obligation, reduced by eight 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 – \$136K related to medical equipment leased at Southeast Health and Wellness Center.

Total Noncurrent Liabilities – \$8.3 million

Total Liabilities – \$20.8 million



Net Assets

Unrestricted Net Assets – \$212.0 million

Investment in Capital Assets – \$116.7 million

Total Net Assets – \$328.7 million

Total Liabilities and Net Assets – \$349.5 million

Sources and Uses Report – Slide 5

May financials → Eight months, 66.7% of the fiscal year

Sources

Property Tax Revenue – Net property tax revenue for the month of May was \$268K. Net revenue includes \$305K current month's collections, less \$93K in adjustments for prior year delinquent taxes. Current year's collections were 99.4 % of the fiscal 2018 budget.

Lease Revenue – \$858K recorded for Seton lease payment and UT ground lease.

Other Revenue – \$239K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$1.2 million for the month.

Administration Program – \$724K in expense for the month, which includes:

- Personnel costs – \$260K
- Legal fees – \$47K
- Consulting services – \$336K
- Other general and administrative – \$80K

Tax Collection Expenses – \$3K

Excess Sources Over (Under) Uses – Net assets decreased by \$523K in May. Year-to-date, net assets have increased by \$123.8 million.



Healthcare Delivery Expense – Slide 6

Provider Costs – Healthcare delivery providers' expense for May totaled \$69K, which includes:

- Primary care – \$69K

Healthcare Delivery Operating Cost – \$587K in expenses for the month and includes:

- Personnel costs – \$404K
- Consulting services – \$6K
- Legal fees – (\$1K)
- Other services and purchased goods – \$177K

Other Costs – \$505K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$242K
- ACA Enrollment and Subsidy – \$233K
- Debt Service – \$29K

Total Healthcare Delivery for the month of May was \$1.2 million.



CENTRAL HEALTH

Central Health

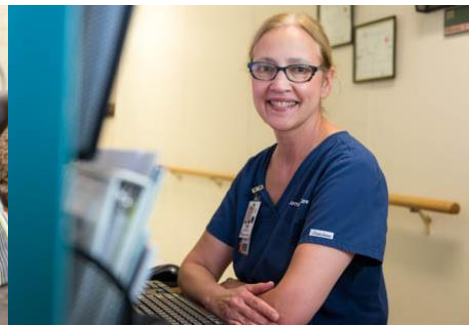
Financial Statement Presentation

FY 2018 – as of May 31, 2018

Central Health Budget and Finance Committee

June 13, 2018

Lisa Owens, VP of Financial Operations





May 2018 Financial Highlights

- Through the first eight months of fiscal year 2018.
- Year-to-date, collected net property tax revenue of \$180.8 million (99.4% of fiscal 2018 budget).
- Collected 98.43% of the adjusted tax levy.
- Additional \$10 million for Risk Based Capital was transferred to Sendero in May.



Balance Sheet
As of May 31, 2018
(Page 1 of 2, Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Assets		
Current Assets		
Cash and cash equivalents	1,600,147	2,600,410
Short-term investments	130,633,236	139,416,124
Ad valorem taxes receivable	1,932,550	1,534,365
Other receivables	9,828,444	1,716,032
Prepaid expenses	320,606	46,291
Total Current Assets	144,314,983	145,313,222
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,429,810	7,078,242
Sendero paid-in-capital	61,000,000	35,000,000
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	88,512,810	63,161,242
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	132,393,816	125,135,632
Equipment and furniture	8,909,710	9,078,151
Construction in progress	2,576,028	10,460,990
Less accumulated depreciation	(38,923,893)	(35,782,955)
Total Capital Assets	116,725,845	120,662,002
Total Assets	349,553,638	329,136,466



Balance Sheet
As of May 31, 2018
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Liabilities		
Current Liabilities		
Accounts payable	1,698,209	5,468,226
Salaries and benefits payable	514,992	807,014
Other Payables	7,063,191	3,425,866
Debt service payable, short-term	1,119,799	1,096,599
Capital Lease Obligation, Short-Term	91,082	82,119
Deferred tax revenue	1,953,635	1,910,027
Other deferred revenue	-	150,505
Total Current Liabilities	12,440,908	12,940,356
Noncurrent Liabilities		
Debt service payable, long-term	8,213,821	9,160,029
Capital Lease Obligation, Long-Term	136,179	219,971
Total Noncurrent Liabilities	8,350,000	9,380,000
Total Liabilities	20,790,908	22,320,356
 Net Assets		
Unrestricted	212,036,886	186,154,108
Investment in Capital Assets	116,725,844	120,662,002
Total Net Assets	328,762,730	306,816,110
 Liabilities and Net Assets	349,553,638	329,136,466



Sources and Uses Report

Fiscal Year-to-Date through May 31, 2018

(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Sources					
Property Tax Revenue	267,526	180,751,749	181,839,054	99.4%	169,097,853
Lease Revenue	857,841	7,312,727	10,303,467	71.0%	25,399,200
Other Revenue	239,243	1,278,260	400,000	319.6%	589,308
Tobacco Settlement Revenue	-	3,426,346	1,800,000	190.4%	-
Contingency Reserve (Appropriated) ⁽¹⁾	-	51,560,311	43,482,960	118.6%	51,876,745
Total Sources	1,364,610	244,329,393	237,825,481	102.7%	246,963,106
Uses of Funds					
Total Healthcare Delivery	1,160,880	114,250,196	227,029,206	50.32%	109,812,026
Administrative Program					
Salaries and benefits	260,211	2,365,497	4,413,183	53.60%	2,492,229
Legal Fees	46,818	525,927	926,200	56.78%	688,374
Consulting Fees	336,321	705,525	1,208,800	58.37%	142,504
Other Purchased Goods and Services	80,163	1,136,002	2,595,333	43.77%	1,094,842
Total Administrative Program	723,513	4,732,951	9,143,516	51.76%	4,417,949
Tax Collection Expenses	3,073	1,530,664	1,652,760	92.61%	1,451,483
Total Uses	1,887,466	120,513,811	237,825,481	50.67%	115,681,458
Excess Sources Over (Under) Uses	(522,856)	123,815,582	-		131,281,648

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



Healthcare Delivery Expense Fiscal Year-to-Date through May 31, 2018 (Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Intergovernmental Transfers (IGTs) ⁽¹⁾	-	98,734,056	142,920,000	69.08%	89,931,678
Provider Costs					
Primary Care	68,761	527,522	1,731,800	30.5%	390,000
DSRIP Project Expense	-	585,985	-	0.0%	901,816
Charity Care ⁽⁵⁾	-	1,062,933	4,251,733	25.0%	2,834,489
New Healthcare Initiatives ⁽⁴⁾	-	-	500,000	0.0%	-
Member Payment to CCC ⁽²⁾	-	-	29,245,166	0.0%	-
Medical Administration	-	462,956	666,657	69.4%	462,956
Subtotal Provider Costs	68,761	2,639,396	36,395,356	7.25%	4,589,261
Service Expansion Funds ⁽³⁾	-	-	2,000,000	0.00%	-
Total IGTs and Provider Costs	68,761	101,373,452	181,315,356	55.9%	94,520,939
Healthcare Delivery Operating Costs					
Salaries and benefits	404,115	2,239,788	3,897,517	57.5%	2,176,441
Consulting Services	6,430	(6,539)	389,000	-1.68%	114,222
Legal Fees	(892)	25,883	31,200	83.0%	33,810
Other Services and Purchased Goods	177,132	1,183,293	3,894,185	30.4%	1,134,971
Subtotal HCD Operating Costs	586,786	3,442,425	8,211,902	41.92%	3,459,445
Other Costs					
UMCB Campus Redevelopment	242,172	1,104,651	4,360,644	25.3%	739,002
ACA Enrollment and Subsidy	233,228	1,660,949	2,700,000	61.5%	970,537
Debt Service	29,933	1,250,797	1,372,795	91.1%	1,242,103
Subtotal Other Costs	505,333	4,016,397	8,433,439	47.62%	2,951,642
Reserves, Appropriated Uses and Transfers	-	5,417,922	29,068,509	18.64%	8,880,000
Total Healthcare Delivery	1,160,880	114,250,196	227,029,206	50.32%	109,812,026

⁽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.

⁽³⁾ In February 2018, the Board of Managers appropriated \$200K to the CCC.

⁽⁴⁾ In March 2018 the Board of Managers appropriated \$400K to potential Pay for Success project to support Permanent Supportive Housing.

⁽⁵⁾ Seton.



Recap of FY18 IGT Payments
Actuals Through May 31, 2018

<i>\$ in millions</i>	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Under (Over) Budget
Private UC	-	16.0	24.0	8.0
UMCB UC	-	12.7	25.0	12.3
DSH	-	20.0	35.0	15.0
DSRIP - CCC	-	24.4	29.3	4.9
DSRIP - UMCB, Dell Children's	-	25.4	29.0	3.6
DSRIP - St. David's	-	0.2	0.6	0.4
Total	-	98.7	142.9	44.2



Questions? Comments?