



Balance Sheet (Assets) – Slide 3

Current Assets

Cash and Cash Equivalents – \$1.6M

Short-term Investments – Short-term investments were \$86.9M at month-end, which is net of restricted investments of \$6.3M for capital acquisitions.

Ad Valorem Taxes Receivable – \$1.0M balance is composed of:

Gross Tax Receivables	\$4.9M
Taxable Assessed Valuation Adjustment	(1.6)M
Est. Allowance For Doubtful collections	<u>(2.3)M</u>
Total Taxes Receivable	\$1.0M

Other Receivables – Other receivables total \$13.2M and consists of intercompany balances:

- CommUnityCare - \$5.9M
- Sendero - \$503K
- Community Care Collaborative - \$6.4M
- and interest receivable of \$226K

Prepaid Expenses – \$947K balance composed of:

- Prepaid insurance and software - \$515K
- Prepaid ICC dues - \$51K
- Prepaid expenses - \$381K

Total Current Assets – \$103.7M

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$6.3M in short-term securities restricted for capital acquisition.

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

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

Sendero Surplus Debenture – \$17.1M (unchanged)



Capital Assets – \$115.7M, net of accumulated depreciation

Total Assets – \$281.9M

Balance Sheet (Liabilities and Net Assets) – Slide 4

Current Liabilities

Accounts Payable – Major components of the \$954K balance are:

- \$332K in vendor invoices at month-end, and
- \$622K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$513K 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 – \$7.1M

Debt Service Payable, Short-Term – \$1.0M balance is comprised of \$1M in Certificates of Obligation Payable.

Capital Lease Obligation, Short-Term – \$107K related to medical equipment leased at Southeast Health and Wellness Center.

Deferred Tax Revenue – \$1.1M for the uncollected portion of the 2017 tax levy.

Other Deferred Revenue – \$828K for FY 2018. \$9.1M for FY 2017 due to Seton for UMCBC rent.

Total Current Liabilities – \$11.6M

Noncurrent Liabilities

Debt Service Payable, Long-Term – \$8.4M balance of the \$16M in Series 2011 Certificates of Obligation, reduced by eight principal payments made to date. This debt was issued for the North Central clinic.



August 2018 Preliminary Monthly Financial Statements (unaudited)
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Capital Lease Obligation, Long-Term – \$115K related to medical equipment leased at Southeast Health and Wellness Center.

Total Noncurrent Liabilities – \$8.5M

Total Liabilities – \$20.0M

Net Assets

Unrestricted Net Assets – \$146.1M

Investment in Capital Assets – \$115.7M

Total Net Assets – \$261.8M

Total Liabilities and Net Assets – \$281.9M

Sources and Uses Report – Slide 5

August financials → Eleven months, 91.7% of the fiscal year

Sources

Property Tax Revenue – Net property tax revenue for the month of August was \$184K. Net revenue includes \$126K current month's collections, plus \$57K in adjustments for prior year delinquent taxes. Current year's collections were 99.8% of the fiscal 2018 budget.

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

Other Revenue – \$160K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$11.0M for the month.

Administration Program – \$501K in expense for the month, which includes:

- Personnel costs – \$300K



August 2018 Preliminary Monthly Financial Statements (unaudited)

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- Legal fees – \$56K
- Consulting services – \$16K
- Other general and administrative – \$128K

Tax Collection Expenses – \$600

Excess Sources/(Uses) – Decreased by \$10.3 in August. Year-to-date, Excess Sources/(Uses) have increased by \$58.0M.

Healthcare Delivery Expense – Slide 6

Provider Costs – Healthcare delivery providers' expense for August totaled \$155K, which includes:

- Primary care – \$103K
- Medical Administration – \$51K

Healthcare Delivery Operating Cost – \$448K in expenses for the month and includes:

- Personnel costs – \$341K
- Consulting services – (\$10)K
- Legal fees – (\$235)
- Other services and purchased goods – \$118K

Other Costs – \$554K in expense for the month, which includes:

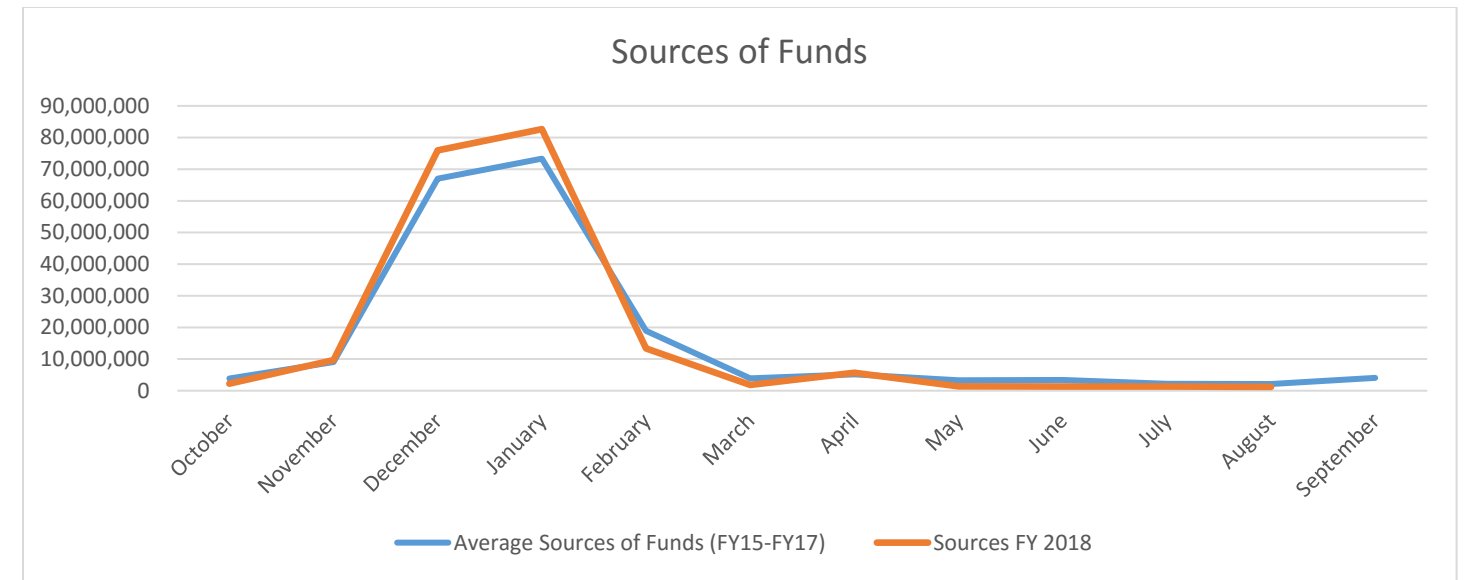
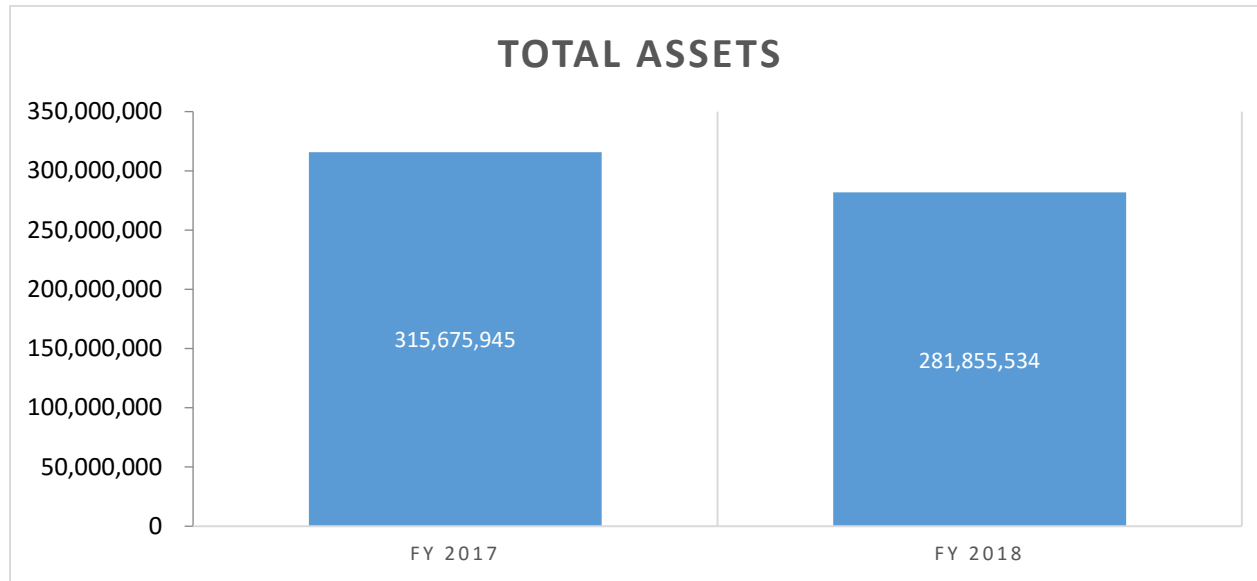
- UMCB Campus Redevelopment – \$327K
- ACA Enrollment and Subsidy – \$197K
- Debt Service – \$30K

Total Healthcare Delivery for the month of August was \$11.0M.

Monthly Financial Dashboard—August 2018*

*Unaudited results

Total Assets (August 31, 2018)

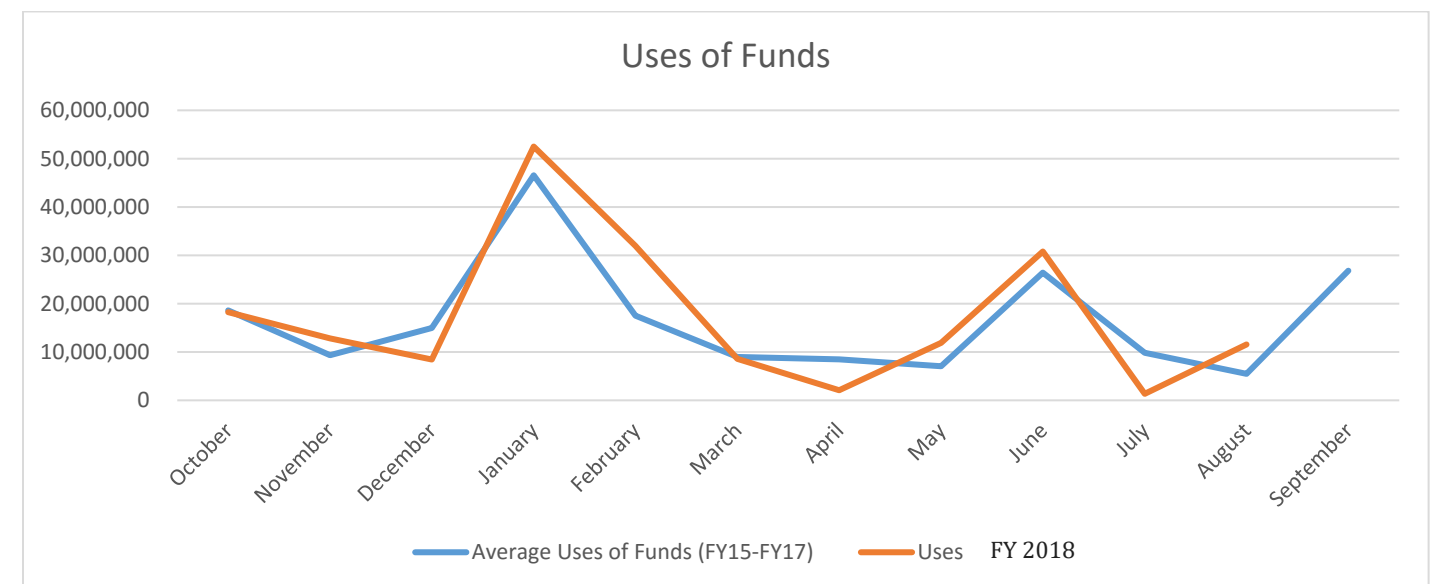
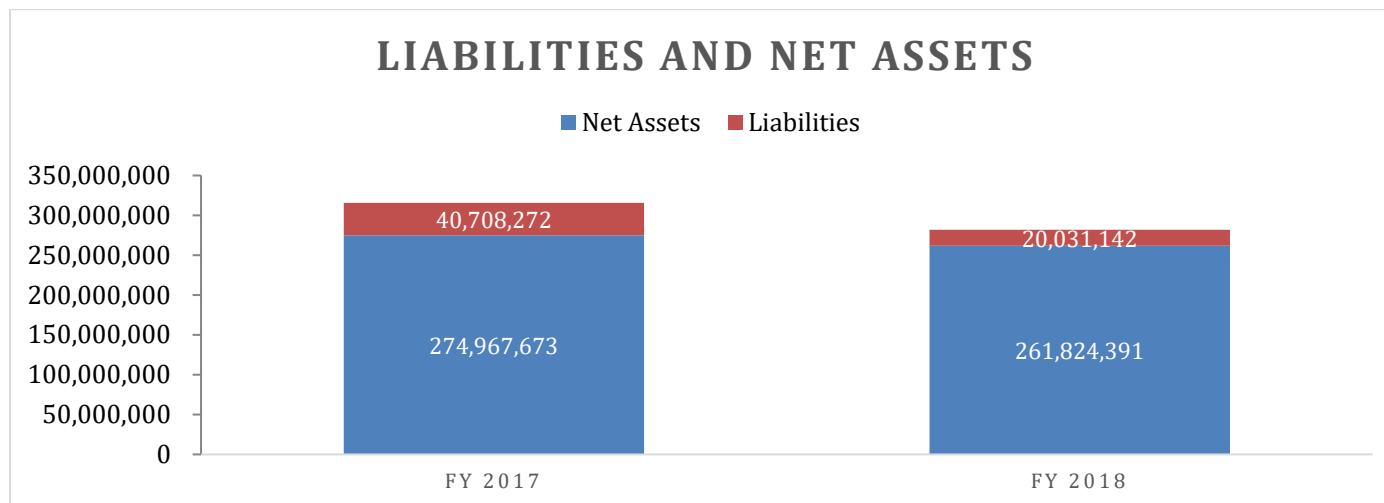


FY15-FY17 year-to-date average monthly sources: \$17.6 million

FY18 year-to-date average monthly sources: \$17.9 million

Note: Central Health has a strong cash and short-term investments position. Current assets include cash, investments and accounts receivable which could be converted to cash within one year.

Liabilities and Net Assets (August 31, 2018)



FY15-FY17 year-to-date average monthly uses: \$15.7 million

FY18 year-to-date average monthly uses: \$17.3 million

Note: Net assets are equal to total assets minus total liabilities.



CENTRAL HEALTH

Central Health

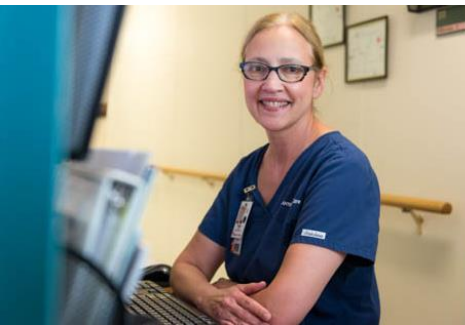
Financial Statement Presentation

FY 2018 – as of August 31, 2018

Central Health Budget and Finance Committee

September 26, 2018

Jeff Knodel, VP of Financial Strategies





August 2018 Financial Highlights

- Through the first eleven months of fiscal year 2018.
- Year-to-date, collected net property tax revenue of \$181.8 million (99.8% of fiscal 2018 budget).
- Collected 98.79% of the adjusted tax levy.



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

	<u>FY 2018</u>	<u>FY 2017</u>
Assets		
Current Assets		
Cash and cash equivalents	1,648,328	1,566,142
Short-term investments	86,898,811	103,182,611
Ad valorem taxes receivable	1,031,943	640,364
Other receivables	13,206,766	1,861,294
Prepaid expenses	947,741	33,042
Total Current Assets	<u>103,733,589</u>	<u>107,283,453</u>
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,328,247	6,962,653
Sendero paid-in-capital	35,000,000	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	<u>62,411,247</u>	<u>63,045,653</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	132,393,816	132,370,891
Equipment and furniture	8,909,710	8,887,800
Construction in progress	2,677,591	2,088,020
Less accumulated depreciation	(40,040,603)	(35,534,180)
Total Capital Assets	<u>115,710,698</u>	<u>119,582,715</u>
Total Assets	<u><u>281,855,534</u></u>	<u><u>289,911,821</u></u>



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

	<u>FY 2018</u>	<u>FY 2017</u>
Liabilities		
Current Liabilities		
Accounts payable	954,226	1,078,696
Salaries and benefits payable	513,356	665,199
Other Payables	7,063,190	4,488,799
Debt service payable, short-term	1,030,000	1,000,000
Capital Lease Obligation, Short-Term	106,928	82,535
Deferred tax revenue	1,070,450	994,176
Other deferred revenue	828,027	9,073,185
Total Current Liabilities	<u>11,566,177</u>	<u>17,382,590</u>
Noncurrent Liabilities		
Debt service payable, long-term	8,350,000	9,380,000
Capital Lease Obligation, Long-Term	114,965	199,181
Total Noncurrent Liabilities	<u>8,464,965</u>	<u>9,579,181</u>
Total Liabilities	<u>20,031,142</u>	<u>26,961,771</u>
Net Assets		
Unrestricted	146,113,693	143,367,336
Investment in Capital Assets	115,710,698	119,582,715
Total Net Assets	<u>261,824,391</u>	<u>262,950,051</u>
Liabilities and Net Assets	<u>281,855,534</u>	<u>289,911,821</u>



Sources and Uses Report
Fiscal Year-to-Date through August 31, 2018
(Excludes Depreciation Expense)

	<u>This Month</u>	<u>Fiscal Year to Date</u>	<u>Fiscal Year Budget</u>	<u>Percent of Budget Used</u>	<u>Prior Year to Date</u>
Sources					
Property Tax Revenue	183,924	181,447,358	181,839,054	99.8%	169,740,246
Lease Revenue	857,841	9,886,250	10,303,467	96.0%	25,850,715
Other Revenue	160,032	1,874,209	400,000	468.6%	958,616
Tobacco Settlement Revenue	-	3,426,346	1,800,000	190.4%	3,510,614
Contingency Reserve (Appropriated)	-	51,560,311	43,482,960	118.6%	51,876,745
Total Sources	1,201,797	248,194,474	237,825,481	104.4%	251,936,936
Uses of Funds					
Total Healthcare Delivery	11,047,975	182,428,499	227,029,206	80.4%	156,164,532
Administrative Program					
Salaries and benefits	300,494	3,283,342	4,413,183	74.4%	3,332,805
Legal Fees	56,346	696,974	926,200	75.3%	650,012
Consulting Fees	16,000	757,927	1,208,800	62.7%	291,282
Other Purchased Goods and Services	128,333	1,498,533	2,595,333	57.7%	1,461,014
Total Administrative Program	501,173	6,236,776	9,143,516	68.2%	5,735,113
Tax Collection Expenses	600	1,535,243	1,652,760	92.9%	1,444,347
Total Uses	11,549,748	190,200,518	237,825,481	80.0%	163,343,992
Excess Sources/(Uses)	(10,347,951)	57,993,956	-		88,592,944



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

	Actual - This Month	Actual - Fiscal Year to Date	Budget - Fiscal Year Total	Percent Consumption of Annual Budget	Actual - Prior Year to Date
Intergovernmental Transfers (IGTs) ⁽¹⁾	(109,525)	113,096,147	142,920,000	79.1%	106,745,176
Provider Costs					
Primary Care	103,481	693,259	1,731,800	40.0%	538,010
DSRIP Project Expense	-	(39,043)	-	0.0%	1,295,606
Charity Care ⁽⁵⁾	-	1,062,933	4,251,733	25.0%	3,897,422
New Healthcare Initiatives	-	-	500,000	0.0%	-
Member Payment to CCC ⁽²⁾	-	15,000,000	29,245,166	51.3%	26,000,000
Medical Administration	51,440	565,835	666,657	84.9%	617,275
Subtotal Provider Costs	154,921	17,282,984	36,395,356	47.5%	32,348,313
Service Expansion Funds ⁽³⁾	-	-	2,000,000	0.00%	-
Total IGTs and Provider Costs	45,396	130,379,131	181,315,356	71.9%	139,093,489
Healthcare Delivery Operating Costs					
Salaries and benefits	340,595	3,270,376	3,897,517	83.9%	2,871,197
Consulting Services	(10,408)	37,938	389,000	9.75%	171,091
Legal Fees	(235)	60,142	31,200	192.8%	61,959
Other Services and Purchased Goods ⁽⁴⁾	118,374	1,575,329	3,894,185	40.5%	1,552,526
Subtotal HCD Operating Costs	448,326	4,943,785	8,211,902	60.2%	4,656,773
Other Costs					
UMCB Campus Redevelopment ⁽⁴⁾	326,853	2,112,184	4,360,644	48.4%	924,675
ACA Enrollment and Subsidy	197,467	2,234,882	2,700,000	82.8%	1,245,893
Debt Service	29,933	1,340,595	1,372,795	97.7%	1,363,702
Subtotal Other Costs	554,253	5,687,661	8,433,439	67.4%	3,534,270
Subtotal Reserves, Appropriated Uses and Transfers	10,000,000	41,417,922	29,068,509	142.5%	8,880,000
Total Healthcare Delivery	11,047,975	182,428,499	227,029,206	80.4%	156,164,532

⁽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 Mangers appropriated \$400K to potential Pay for Success project to support Permanent Supportive Housing.

⁽⁵⁾ Seton.



Recap of FY18 IGT Payments Actuals Through August 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	(0.1)	33.9	35.0	1.0
DSRIP - CCC	-	24.6	29.3	4.7
DSRIP - UMCB, Dell Children's	-	25.7	29.0	3.3
DSRIP - St. David's	-	0.3	0.6	0.3
Total	(0.1)	113.1	142.9	29.7



Questions? Comments?