



Balance Sheet (Assets) – Slide 3

Current Assets

Cash and Cash Equivalents – \$1.6M

Short-term Investments – Short-term investments were \$79.7M at month-end, which is net of restricted investments of \$6.7M for capital acquisitions.

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

Gross Tax Receivables	\$3.2M
Taxable Assessed Valuation Adjustment	(.85)M
Est. Allowance For Doubtful collections	<u>(1.3)M</u>
Total Taxes Receivable	\$1.0M

Other Receivables – Other receivables total \$4.2M and consists of intercompany balances:

- CommUnityCare - \$878K
- Sendero - \$731K
- Community Care Collaborative - \$2.1M
- and interest receivable of \$395K

Prepaid Expenses – \$654K balance composed of:

- Prepaid insurance and software - \$422K
- Prepaid ICC dues - \$51K
- Prepaid expenses - \$181K

Total Current Assets – \$87.2M

Noncurrent Assets

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

Sendero Paid-in Capital – \$35.0M (unchanged) – FY18 Transfer of \$36M to Sendero is shown on Sources and Uses: Reserves, Appropriated Uses and Transfers

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



September 2018 Preliminary Monthly Financial Statements (unaudited)

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Sendero Surplus Debenture – \$17.1M (unchanged)

Capital Assets – \$115.4M, net of accumulated depreciation

Total Assets – \$265.0M

Balance Sheet (Liabilities and Net Assets) – Slide 4

Current Liabilities

Accounts Payable – Major components of the \$1.5M balance are:

- \$556K in vendor invoices at month-end, and
- \$988K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$981K 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 – \$81K

Debt Service Payable, Short-Term – \$1.1M balance is comprised of \$1M in Certificates of Obligation Payable.

Capital Lease Obligation, Short-Term – \$82K related to medical equipment leased at Southeast Health and Wellness Center.

Total Current Liabilities – \$3.7M

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.

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

Total Noncurrent Liabilities – \$8.5M



Total Liabilities – \$12.1M

Net Assets

Unrestricted Net Assets – \$137.3M

Investment in Capital Assets – \$115.6M

Total Net Assets – \$252.9M

Total Liabilities and Net Assets – \$265.0M

Sources and Uses Report – Slide 5

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

Sources

Property Tax Revenue – Net property tax revenue for the month of September was \$1.1M. Net revenue includes \$1.1M current month's collections, plus \$33K in adjustments for prior year delinquent taxes. Current year's collections were 100.4% of the fiscal 2018 budget.

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

Other Revenue – (\$196)K interest income and year end adjustment to investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$9.8M for the month.

Administration Program – \$429K in expense for the month, which includes:

- Personnel costs – \$220K
- Legal fees – \$26K
- Consulting services – \$29K
- Other general and administrative – \$154K

Tax Collection Expenses – \$6K



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Excess Sources/(Uses) – Decreased by \$8.5 in September. Year-to-date, Excess Sources/(Uses) have increased by \$53.5M.

Healthcare Delivery Expense – Slide 6

Provider Costs – Healthcare delivery providers' expense for September totaled \$8.5M, which includes:

- Primary care – \$284K
- Medical Administration – \$51K
- CCC Member payment - \$8.2M

Healthcare Delivery Operating Cost – \$703K in expenses for the month and includes:

- Personnel costs – \$448K
- Consulting services – \$226K
- Legal fees – \$4
- Other services and purchased goods – \$25K

Other Costs – \$579K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$357K
- ACA Enrollment and Subsidy – \$192K
- Debt Service – \$30K

Total Healthcare Delivery for the month of September was \$9.8M.



CENTRAL HEALTH

Central Health

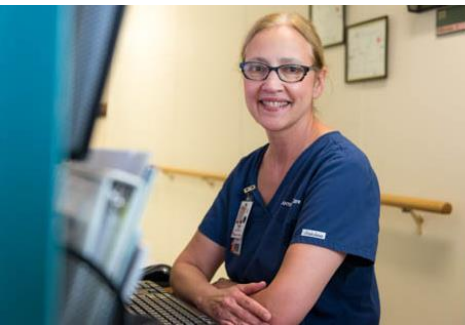
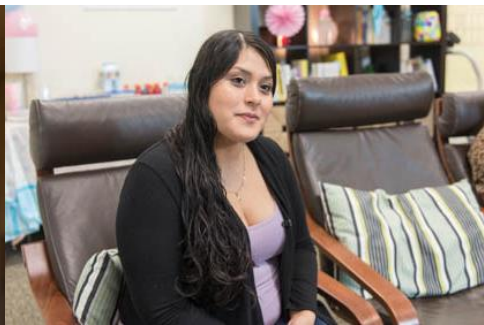
Financial Statement Presentation

FY 2018 – as of September 30, 2018 (Preliminary)

Central Health Budget and Finance Committee

October 17, 2018

Lisa Owens, VP of Financial Operations





September 2018 Financial Highlights

- Financial results are preliminary. More information and finalized financials will be presented when the audit is complete.
- Year-to-date, collected net property tax revenue of \$182.5 million (100.4% of fiscal 2018 budget).
- Collected 98.86% of the adjusted tax levy.
- Paid CCC Member Payment, \$8.2 million.

Preliminary



Balance Sheet
As of September 30, 2018
(Page 1 of 2, Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Assets		
Current Assets		
Cash and cash equivalents	1,595,375	2,939,229
Short-term investments	79,771,440	93,560,920
Ad valorem taxes receivable	1,022,083	634,781
Other receivables	4,148,586	1,922,611
Prepaid expenses	654,159	243,484
Total Current Assets	<u>87,191,643</u>	<u>99,301,025</u>
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,328,247	6,923,962
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>63,006,962</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	134,241,485	132,374,052
Equipment and furniture	9,193,351	8,900,240
Construction in progress	734,286	1,965,642
Less accumulated depreciation	<u>(40,551,468)</u>	<u>(35,770,717)</u>
Total Capital Assets	<u>115,387,838</u>	<u>119,239,401</u>
Total Assets	<u><u>264,990,729</u></u>	<u><u>281,547,388</u></u>

* FY18 Transfer of \$36M to Sendero is shown on Slide 6 in Reserves, Appropriated Uses and Transfers

Preliminary



Balance Sheet
As of September 30, 2018
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Liabilities		
Current Liabilities		
Accounts payable	1,544,449	2,049,902
Salaries and benefits payable	980,668	1,177,299
Other Payables	0	14,535,842
Debt service payable, short-term	1,059,933	1,032,200
Capital Lease Obligation, Short-Term	81,607	82,673
Deferred tax revenue	0	0
Other deferred revenue	0	0
Total Current Liabilities	<u>3,666,657</u>	<u>18,877,916</u>
Noncurrent Liabilities		
Debt service payable, long-term	8,350,000	9,380,000
Capital Lease Obligation, Long-Term	107,870	192,228
Total Noncurrent Liabilities	<u>8,457,870</u>	<u>9,572,228</u>
Total Liabilities	<u>12,124,527</u>	<u>28,450,144</u>
Net Assets		
Unrestricted	137,267,249	133,857,844
Investment in Capital Assets	115,598,953	119,239,400
Total Net Assets	<u>252,866,202</u>	<u>253,097,244</u>
Liabilities and Net Assets	<u>264,990,729</u>	<u>281,547,388</u>

Preliminary



Sources and Uses Report
Fiscal Year-to-Date through September 30, 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	1,090,701	182,538,059	181,839,054	100.4%	170,889,154
Lease Revenue	857,841	10,744,091	10,303,467	104.3%	29,301,403
Other Revenue	(196,193)	1,678,016	400,000	419.5%	1,131,905
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	1,752,349	249,946,823	237,825,481	105.1%	256,709,821
Uses of Funds					
Total Healthcare Delivery	9,819,761	188,248,260	227,029,206	82.9%	169,492,241
Administrative Program					
Salaries and benefits	220,418	3,503,761	4,413,183	79.4%	3,678,596
Legal Fees	25,780	722,754	926,200	78.0%	718,256
Consulting Fees	29,278	787,205	1,208,800	65.1%	607,126
Other Purchased Goods and Services	153,739	1,652,272	2,595,333	63.7%	1,646,948
Total Administrative Program	429,215	6,665,992	9,143,516	72.9%	6,650,926
Tax Collection Expenses	6,408	1,541,652	1,652,760	93.3%	1,444,514
Total Uses	10,255,384	196,455,904	237,825,481	82.6%	177,587,681
Excess Sources/(Uses)	(8,503,035)	53,490,919	-		79,122,140

Preliminary



Healthcare Delivery Expense
Fiscal Year-to-Date through September 30, 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⁾	-	113,096,147	142,920,000	79.1%	118,986,135
Provider Costs					
Primary Care	284,259	977,518	1,731,800	56.4%	792,584
DSRIP Project Expense	1,647	(37,396)	-	0.0%	1,629,658
Charity Care ⁽⁵⁾	-	1,062,933	4,251,733	25.0%	4,251,733
New Healthcare Initiatives	-	-	500,000	0.0%	-
Member Payment to CCC ⁽²⁾	8,200,000	23,200,000	29,245,166	79.3%	24,615,508
Medical Administration	51,440	617,275	666,657	92.6%	617,275
Subtotal Provider Costs	8,537,346	25,820,330	36,395,356	70.9%	31,906,758
Service Expansion Funds ⁽³⁾	-	-	2,000,000	0.00%	-
Total IGTs and Provider Costs	8,537,346	138,916,477	181,315,356	76.6%	150,892,893
Healthcare Delivery Operating Costs					
Salaries and benefits	448,416	3,718,792	3,897,517	95.4%	3,097,080
Consulting Services	226,256	264,195	389,000	67.92%	237,195
Legal Fees	3,500	63,642	31,200	204.0%	47,600
Other Services and Purchased Goods ⁽⁴⁾	25,284	1,600,612	3,894,185	41.1%	2,595,003
Subtotal HCD Operating Costs	703,456	5,647,241	8,211,902	68.8%	5,976,878
Other Costs					
UMCB Campus Redevelopment ⁽⁵⁾	357,478	2,469,662	4,360,644	56.6%	1,002,428
ACA Enrollment and Subsidy	191,548	2,426,430	2,700,000	89.9%	1,344,141
Debt Service	29,933	1,370,528	1,372,795	99.8%	1,395,901
Subtotal Other Costs	578,959	6,266,620	8,433,439	74.3%	3,742,470
Subtotal Reserves, Appropriated Uses and Transfers ⁽⁶⁾	-	37,417,922	29,068,509	128.7%	8,880,000
Total Healthcare Delivery	9,819,761	188,248,260	227,029,206	82.9%	169,492,241

⁽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. ⁽⁶⁾ Includes FY18 Transfer of \$36M to Sendero.

Preliminary



Recap of FY18 IGT Payments
Actuals Through September 30, 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	-	33.9	35.0	1.1
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	-	113.1	142.9	29.8

Preliminary

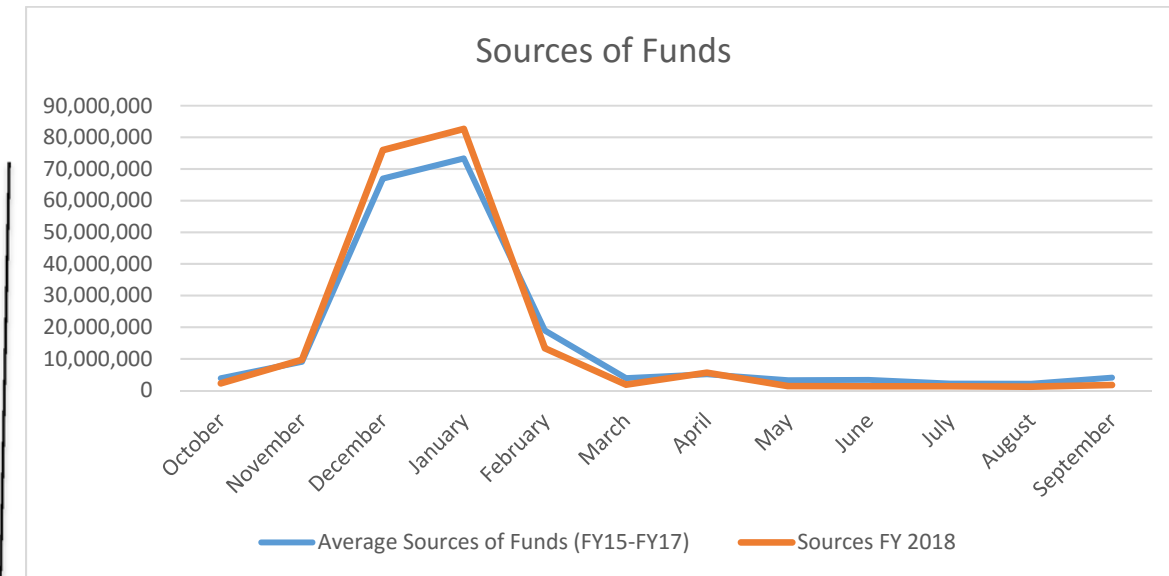
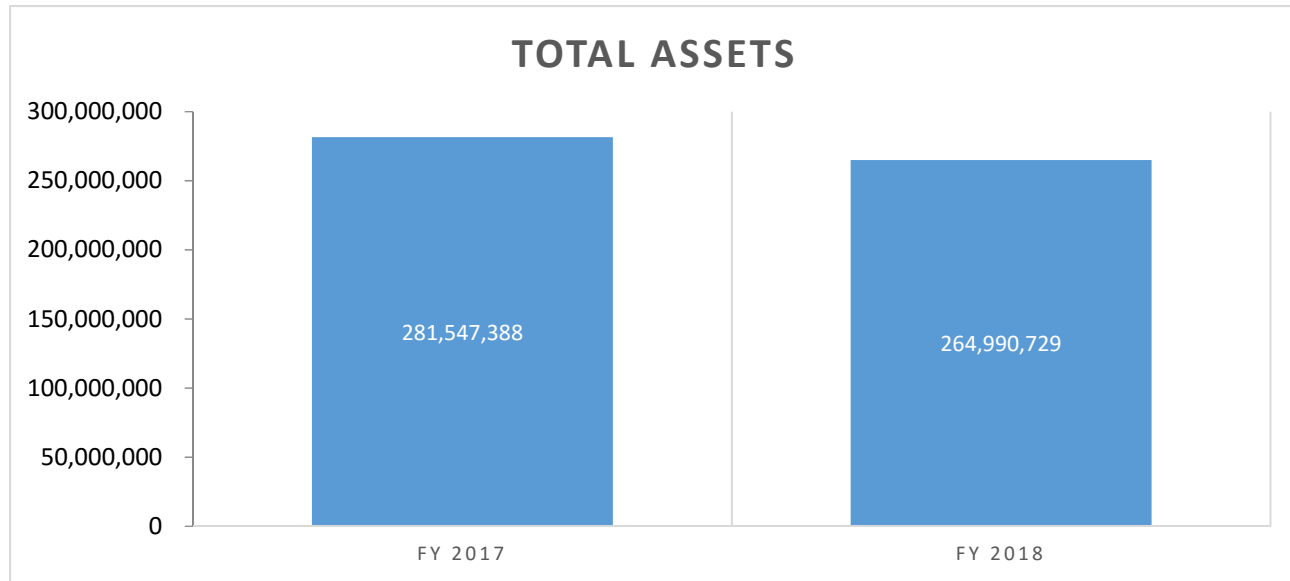


Questions? Comments?

*Unaudited results

Total Assets (September 30, 2018)

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

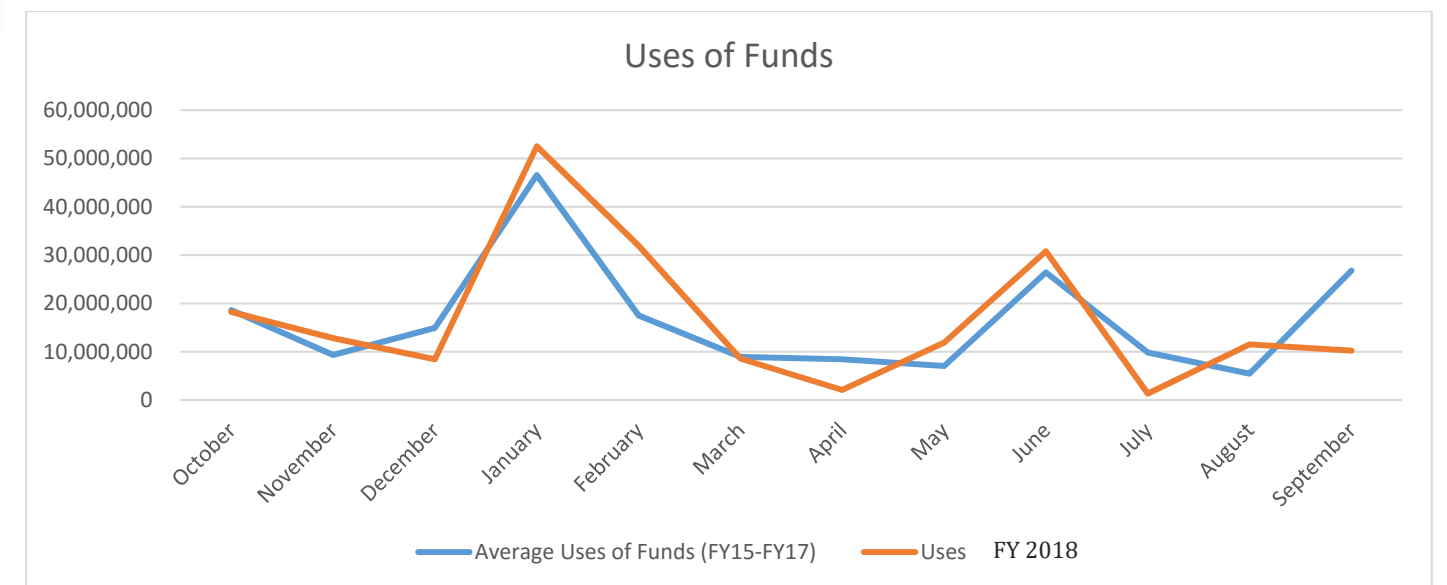
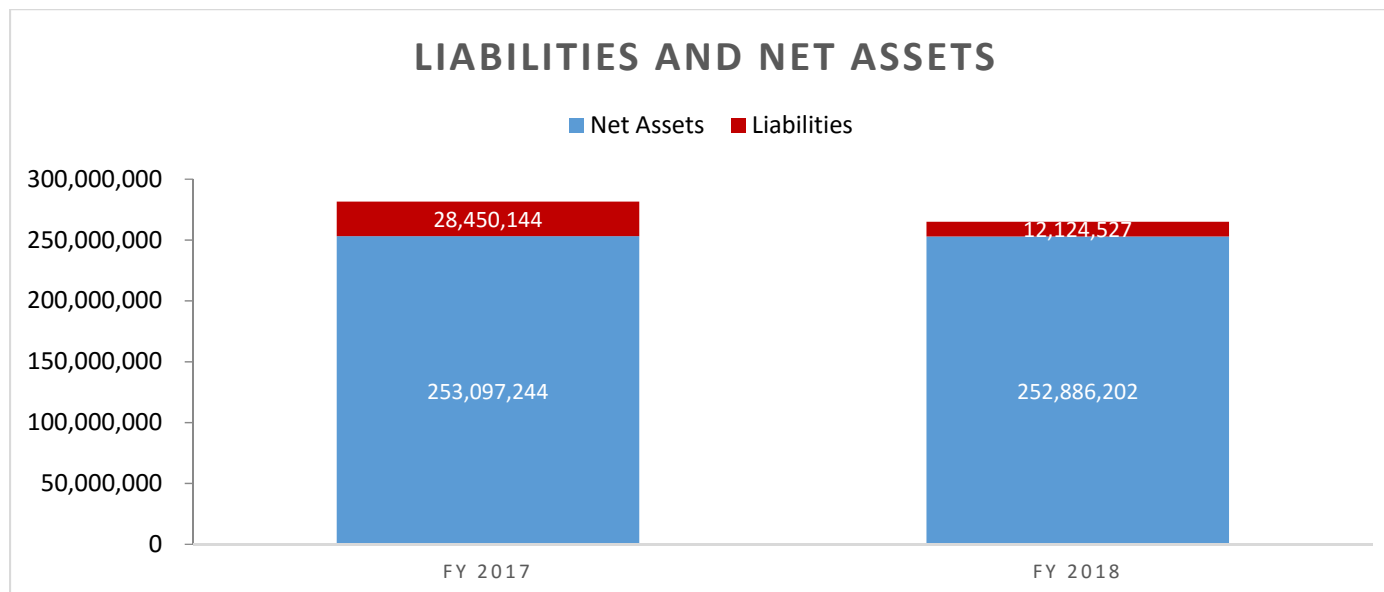


FY15-FY17 year-to-date average monthly sources: \$16.4 million

FY18 year-to-date average monthly sources: \$16.5 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 (September 30, 2018)



FY15-FY17 year-to-date average monthly uses: \$16.7 million

FY18 year-to-date average monthly uses: \$16.7 million