

Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – \$1.1M compared to \$1.2M July 2019

Short-term Investments – Short-term investments were \$194M at month-end and restricted investments of \$8.0M for capital acquisitions.

Ad Valorem Taxes Receivable – \$2.5M balance is composed of:

Gross Tax Receivables	\$ 7.1M
Taxable Assessed Valuation Adjustment	(2.2)M
Est. Allowance for Doubtful collections	(2.4)M
Total Taxes Receivable	\$ 2.5M

Other Receivables – Other receivables total \$6.0M and consists of intercompany balances:

- CommUnityCare - \$3.8M
- Sendero - \$597K
- Community Care Collaborative - \$1.1M
- Accrued Interest and Misc Receivables \$514K

Prepaid Expenses – \$515K balance composed of:

- Prepaid Insurance - \$131K
- Tax Assessor Collection Fees - \$1K
- TCAD Appraisal Fees - \$157K
- ICC - \$103K
- Software - \$99K
- Prepaid Memberships/Subscriptions - \$18K
- Deposits - \$6K

Total Current Assets – \$204M



Balance Sheet (Assets) – Slide 4 (continued)

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$8.0M in short-term securities restricted for capital acquisition.

Sendero Paid-in-Capital – \$71.0M (unchanged)

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

Sendero Surplus Debenture – \$37.1M (unchanged)

Restricted TCHD LPPF Cash & Investments - \$12M

Capital Assets – \$110M, net of accumulated depreciation

Total Assets – **\$446M**



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$5.6M balance are:

- \$4.6M estimated IBNR for healthcare services.
- \$986K estimated healthcare delivery costs.
- \$(8)K in month-end vendor invoices due.

Salaries and Benefits Payable – \$1.6M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off and various fringe benefit amounts withheld and not yet paid.

Other Payables – \$44K includes capital lease obligation related to medical equipment leased at Southeast Health and Wellness Center.

Debt Service Payable, Short-Term – \$1.2M in Certificates of Obligation Payable and \$22K Interest Payable.

Deferred Tax Revenue - \$2.2M

Other Deferred Revenue - \$610K consists of the lease revenue \$610K for Block 164 Yr3 (FY21) from 2033 LLP

Total Current Liabilities – **\$11.3M**



Restricted or Noncurrent Liabilities – Slide 5 (continued)

Funds held for TCHD LPPF - \$12M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$6.1M balance of the \$7.285M in General Obligation Bonds, Series 2020. This debt was originally issued in 2011 for the North Central clinic. Due annually on 3/1.

Deferred Revenue – Long Term - \$0.

Total Restricted or Noncurrent Liabilities – **\$18M**

Total Liabilities – **\$29M**

Net Assets

Unrestricted Net Assets – \$306M

Investment in Capital Assets – \$110M

Total Net Assets – **\$416M**

Total Liabilities and Net Assets – **\$446M**

Sources and Uses Report – Slide 6

July financials → ten months of the fiscal year, 83% of the fiscal year.

Sources – Total \$934K for the month

Property Tax Revenue – Net property tax revenue for the month was \$(65)K. Net revenue includes \$64K current month's collections, less \$129K in adjustments for prior year delinquent taxes.

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

Other Revenue – \$141K investment income for the month, \$2.2M YTD, compared to \$2.2M YTD last year. And \$511 in miscellaneous income (lot rent).

Uses of Funds – Total \$28.8M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$28M for the month and \$130M YTD compared to \$181M YTD thru July 2019.

Administration Program – \$572K in expense for the month, which includes:

- Personnel costs – \$411K
- Consulting services – \$13K
- Legal fees – \$80K
- Other general and administrative – \$68K

Tax Collection Expenses – \$80K for the month.

Excess Sources/(Uses) – \$(28)M in July. Current YTD is \$157M compared to prior year 2019 YTD of \$77M.

Healthcare Delivery Expense – Slide 7**Healthcare Delivery Expense** – Total \$28M July; \$130M YTD compared to \$181M July 2019.Intergovernmental Transfers (“IGT’s”) – YTD \$21M compared to \$117M last year.Healthcare Services – Healthcare delivery providers’ expense for July totaled \$4.5M, which includes:

- Primary care – \$3.1M
- Specialty Care (including Dental and Behavioral Health) – \$497K
- Pharmacy - \$837K
- All Other Healthcare Services - \$67K

ACA Premium Assist, Education, Enrollment – \$848K in expenses for the month.Healthcare Facilities and Campus Redevelopment - \$566K in expense for the month and \$3.4M YTD.Healthcare Delivery Operating Cost – \$1.3M in expenses for the month and includes:

- Personnel costs – \$828K
- Consulting Services – \$(1)K
- Legal Fees - \$1.7K
- Other services and purchased goods – \$523K

Debt, Reserves and Transfer – \$7.6K in Debt Service expense for the month**Total Healthcare Delivery** - for the month of July was \$28M.



Central Health

Financial Statement Presentation

FY 2020 – as of July 31, 2020 (Preliminary)

Central Health Board of Managers

August 26, 2020

Lisa Owens, Deputy CFO



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Note: HCD = Health Care Delivery



- Year-to-date through July, collected net property tax revenue is \$213 million compared to \$197 million as of July 2019.
- Tax collected through July 2020 is 98% of the adjusted tax levy compared to 99% as of July 2019.
- Healthcare Delivery is \$130 million for the ten months ending 07/31/2020.
- GAAP reporting Net Assets increased \$82 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 07/31/2020 is \$12 million.

GAAP: Generally Accepted Accounting Principles refer to a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board. GAAP primary focus is to improve clarity, consistency, and comparability of the communication of financial information.



Assets	Preliminary as	
	of 7/31/2020	as of 7/31/2019
Current Assets		
Cash and cash equivalents	1,083,803	1,180,079
Short-term investments	193,761,302	108,796,259
Ad valorem taxes receivable	2,495,274	1,878,986
Other receivables	5,988,003	3,939,482
Prepaid expenses	515,469	376,732
Total Current Assets	203,843,851	116,171,538
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	7,935,047	6,661,315
Sendero paid-in-capital	71,000,000	71,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	37,083,000	37,083,000
Restricted TCHD LPPF Cash & Investments	11,983,963	-
Total Restricted Cash and Investments or Noncurrent	132,002,010	118,744,315
Capital Assets		
Land	12,598,612	11,770,184
Buildings and improvements	130,702,304	134,395,476
Equipment and furniture	9,612,935	9,495,729
Construction in progress	3,525,512	1,945,241
Less accumulated depreciation	(46,696,360)	(43,635,767)
Total Capital Assets	109,743,004	113,970,864
Total Assets	445,588,866	348,886,717



	Preliminary	
	as of	as of
Liabilities	7/31/2020	7/31/2019
Current Liabilities		
Accounts payable	5,598,746	2,440,497
Salaries and benefits payable	1,596,575	802,325
Other Payables	43,548	91,274
Debt service payable, short-term	1,201,927	1,037,797
Deferred tax revenue	2,246,038	1,532,576
Other deferred revenue	610,000	486,339
Total Current Liabilities	11,296,834	6,390,807
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	11,983,963	-
Debt service payable, long-term	6,105,000	7,285,000
Deferred Revenue	-	1,220,000
Total Restricted of Noncurrent Liabilities	18,088,963	8,505,000
Total Liabilities	29,385,797	14,895,807
Net Assets		
Unrestricted	306,460,064	220,020,046
Investment in Capital Assets	109,743,004	113,970,864
Total Net Assets	416,203,068	333,990,910
Liabilities and Net Assets	445,588,866	348,886,717



Sources / Uses	Jul 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Sources					
Property Tax Revenue	(65,078)	213,342,916	214,906,371	99%	196,584,290
Lease Revenue	857,841	10,126,838	13,749,848	74%	10,108,437
Other Revenue	141,016	2,179,586	2,150,000	101%	2,388,290
Tobacco Settlement Revenue	-	3,819,376	3,500,000	109%	3,523,773
Contingency Reserve (Carryforward)	-	64,898,396	56,499,497	115%	52,648,775
Total Sources	933,779	294,367,112	290,805,716	101%	265,253,565
Uses of Funds					
Healthcare Delivery	28,123,770	129,556,993	278,017,581	47%	181,061,417
Administrative Program					
Salaries and benefits	410,447	3,890,654	5,903,601	66%	3,375,312
Consulting Fees	13,251	315,088	1,187,720	27%	213,981
Legal Fees	80,386	880,696	1,390,820	63%	650,872
Other Purchase Goods and Services	68,036	915,307	2,417,737	38%	981,646
Total Administrative Program	572,120	6,001,745	10,899,878	55%	5,221,811
Tax Collection Expenses	79,542	1,606,938	1,888,258	85%	1,557,581
Total Uses	28,775,432	137,165,676	290,805,716	47%	187,840,809
Excess Sources / (Uses)	(27,841,653)	157,201,436			77,412,756



Healthcare Delivery Summary	Jul 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Inter-Governmental Transfers (IGTs)	20,828,854	47,787,969	61,694,651	77%	116,641,750
Healthcare Services					
Member Payment to CCC	-	-	-	0%	24,210,000
Primary Care - (see detail on Slide 11)	3,121,912	34,861,076	50,270,000	69%	553,612
Specialty Care, incld Dental & Behavioral Health	496,604	4,310,681	9,823,856	44%	-
Pharmacy	837,197	8,119,882	11,600,000	70%	-
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	67,477	908,804	5,269,990	17%	1,097,910
Indigent Care & Hospital Performance Incentive	-	-	52,925,000	0%	-
Subtotal Healthcare Services	4,523,190	48,200,443	135,288,846	36%	25,861,522
ACA Premium Assist, Education, Enrollment	848,316	7,864,196	9,856,120	80%	4,516,731
Healthcare Facilities and Campus Redevelopment	566,230	3,436,585	10,996,170	31%	4,185,706
Healthcare Delivery Operating Costs	1,349,530	11,636,182	26,044,728	45%	4,700,026
Debt, Reserves and Transfers	7,650	10,631,618	34,137,066	31%	25,155,682
Total Healthcare Delivery	28,123,770	129,556,993	278,017,581	47%	181,061,417



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Jul 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Intergovernmental Transfers (IGTs)					
Private - Uncompensated Care	-	-	-	0%	15,228,042
DSMC - Uncompensated Care	-	(907,876)	-	0%	14,256,758
DSH - Disproportionate Share	-	27,866,991	36,120,000	77%	32,114,584
DSRIP - CCC	20,828,854	20,828,854	25,574,651	81%	32,150,830
DSRIP - DSMC, Dell Children's	-	-	-	0%	22,207,318
DSRIP - St. David's	-	-	-	0%	684,218
Subtotal Intergovernmental Transfers (IGTs)	20,828,854	47,787,969	61,694,651	77%	116,641,750
Healthcare Services					
Member Payment to CCC	-	-	-	0%	24,210,000
Primary Care - (see detail on Slide 11)	3,121,912	34,861,076	50,270,000	69%	553,612
Specialty Care, incld Dental - (see detail on Slide 12)	447,288	3,864,492	8,940,000	43%	-
Specialty Care, Behavioral Health	49,316	446,189	883,856	50%	-
Pharmacy	837,197	8,119,882	11,600,000	70%	-
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	16,037	341,908	1,950,000	18%	-
Health care services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	51,440	514,396	719,990	71%	514,396
Primary & Specialty Care Reserves	-	52,500	2,000,000	3%	583,514
Indigent Care	-	-	50,225,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
Subtotal Healthcare Services	4,523,190	48,200,443	135,288,846	36%	25,861,522

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Healthcare Delivery Detail (continued)	Jul 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	675,888	5,511,003	7,000,000	79%	2,011,518
CHAP Program	188,052	1,795,222	2,251,800	80%	1,710,808
ACA Enrollment and Education Services	(15,624)	557,971	604,320	92%	794,405
Subtotal ACA & Premium Assist Program	848,316	7,864,196	9,856,120	80%	4,516,731
Healthcare Facilities and Campus					
Salaries and benefits	31,296	302,755	432,555	70%	287,379
Consulting Services	-	-	5,872,788		61,781
Legal Fees	76,516	170,611	234,000	73%	57,853
Other Goods & Svc incl. UT Ground Lease	458,418	2,963,219	4,456,827	66%	3,778,693
Subtotal Healthcare Facilities and Campus	566,230	3,436,585	10,996,170	31%	4,185,706
Healthcare Delivery Operating Costs					
Salaries and benefits	825,452	7,905,760	15,367,495	51%	3,241,046
Consulting Services	(619)	41,815	1,073,000	4%	43,507
Legal Fees	1,698	98,360	184,500	53%	46,123
Other Services and Purchased Goods	522,999	3,590,247	9,419,733	38%	1,369,350
Subtotal HCD Operating Cost	1,349,530	11,636,182	26,044,728	45%	4,700,026
Debt Service, Reserves and Transfers					
Debt Service	7,650	1,275,328	1,373,283	93%	1,315,682
FY2020 Capital reserve	-	2,950,000	2,950,000	100%	2,840,000
FY2020 Emergency reserve	-	6,406,290	6,406,290	100%	1,000,000
FY2020 Sendero Risk Based Capital	-	-	-		20,000,000
FY2020 Contingency reserve appropriation			23,407,493		-
Subtotal Debt, Reserves and Transfers	7,650	10,631,618	34,137,066	31%	25,155,682
Total Healthcare Delivery	28,123,770	129,556,993	278,017,581	47%	181,061,417



Healthcare Delivery - Primary Care	Jul 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Primary Care				
CommUnity Care	3,261,323	29,290,885	39,000,000	75%
Lone Star Circle of Care	472,670	4,385,096	6,400,000	69%
People's Community Clinic	96,241	1,569,669	2,500,000	63%
Other Primary Care	(708,322)	(384,576)	2,370,000	-16%
Subtotal Primary Care Services	3,121,912	34,861,074	50,270,000	69%

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Healthcare Delivery - Specialty Care	Jul 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Specialty Care				
Ancillary Services	1,064	14,319	100,000	14%
Cardiology	(12,155)	80,006	150,000	53%
Consultation Services	0	0	75,000	0%
Dental Specialty	84,822	743,980	1,000,000	74%
Dermatology	20,970	333,015	550,000	61%
Durable Medical Equipment	1,651	16,986	115,000	15%
Ear, Nose & Throat ENT	106,831	266,629	400,000	67%
Endocrinology	13,060	155,366	300,000	52%
Gastroenterology	56,120	628,551	1,650,000	38%
General Surgery	25,359	120,680	300,000	40%
Gynecology IPU	(2,500)	11,474	100,000	11%
Nephrology	0	0	200,000	0%
Oncology	51,596	339,132	700,000	48%
Ophthalmology	39,791	653,995	1,725,000	38%
Orthotics & Prosthetics	10,017	99,633	200,000	50%
Podiatry	40,192	44,567	250,000	18%
Pulmonology	21,489	211,828	375,000	56%
Rheumatology	(4,162)	90,470	150,000	60%
Specialty Care	(8,245)	34,700	450,000	8%
Wound Care	1,388	19,163	150,000	13%
Total Specialty Care	447,288	3,864,494	8,940,000	43%



Questions ? Comments ?