



Balance Sheet (Assets) – Slide 1

Current Assets

Cash and Cash Equivalents – \$2.6 million

Short-term Investments – Short-term investments were \$42.2 million at month-end, which is net of restricted investments of \$7.7 million for capital acquisitions and \$6.0 million for future Sendero paid-in capital.

Ad Valorem Taxes Receivable – \$171.4 million balance is composed of the 2016 tax levy of \$170.7 million, delinquent prior years' taxes of \$2.7 million, and tax distributions in transit from the Travis County Tax Office of \$349k, offset by estimated allowances for doubtful collections and adjustments of \$2.4 million.

Other Receivables – Other receivables total \$1.3 million and consist primarily of intercompany balances of \$1.3 million and interest receivable of \$22K.

Prepaid Expenses – \$836K balance composed of \$18K unamortized insurance, \$807K appraisal and collection fees, and \$11K in deposits.

Total Current Assets – \$218.3 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$7.7 million in short-term securities restricted for capital acquisition.

Investments Restricted for Future Sendero Paid-in Capital – \$6.0 million

Sendero Paid-in Capital – \$29.0 million (unchanged)

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$122.8 million, net of accumulated depreciation.

Total Assets – \$404.9 million



Balance Sheet (Liabilities and Net Assets) – Slide 2

Current Liabilities

Accounts Payable – Major components of the \$1.1 million balance are:

- \$364K in vendor invoices at month-end, and
- \$719K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$995K 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 – \$1.1 million in other payables is the amount due to Seton for Charity Care.

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.

Deferred Tax Revenue – \$170.1 million for the uncollected portion of the 2016 tax levy.

Other Deferred Revenue – \$3.2 million – Seton's November 2016 lease payment received in current month.

Total Current Liabilities – \$178.1 million

Noncurrent Liabilities

Debt Service Payable, Long Term – \$10.4 million balance of the \$16 million in Series 2011 Certificates of Obligation, reduced by five principal payments made to date. This debt was issued for the North Central clinic and the Southeast Health and Wellness Center.

Total Liabilities – \$188.5 million

Net Assets

Unrestricted Net Assets – \$93.7 million

Investment in Capital Assets – \$122.8 million

Total Net Assets – \$216.5 million

Total Liabilities and Net Assets – \$404.9 million



Sources and Uses Report – Slide 3

October financials → 8.3% of the fiscal year

Sources

Property Tax Revenue – \$1.6 million balance in the property tax revenue account consists of \$1.5 million current month collections, plus penalties and interest.

Lease Revenue – \$3.2 million recorded for Seton lease payment.

Other Revenue – \$25K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$17.0 million for the month.

Administration Program – \$531K in expense for the month, which includes:

- Personnel costs – \$302K
- Legal fees – \$98K
- Consulting services – \$13K
- Other general and administrative – \$119K

Tax Collection Expenses – \$16k

Excess Sources Over (Under) Uses – Net assets decreased by \$12.7 million in October, the first month of FY17.



Healthcare Delivery Expense – Slide 4

Intergovernmental Transfers (IGTs) – IGTs for October totaled \$7.0 million.

Provider Costs – Healthcare delivery providers' expense for October totaled \$632K and includes \$49K for primary care, \$354K for charity care, and \$229K for medical administration.

Healthcare Delivery Operating Cost – \$348K in expense for the month, which includes:

- Personnel costs – \$232K
- Consulting services – \$10K
- Legal fees – \$3K
- Other services and purchased goods – \$103K

Other Costs – \$141K balance composed of \$10K related to UMCB Campus Redevelopment, \$97K for ACA enrollment and subsidy costs, and \$34K in debt service for interest on the \$16 million Series 2011 Certificates of Obligation.

Total Healthcare Delivery for the month of October was \$17.0 million.

Recap of FY17 IGT Payments – Slide 5

IGT expense, all related to Disproportionate Share totaled \$7.0 million in October.



Balance Sheet
As of October 31, 2016
(Page 1 of 2, Assets)

	<u>FY 2017</u>		<u>FY 2016</u>
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 2,600,018	\$	3,118,873
Short-Term Investments	42,249,696		76,626,343
Ad Valorem Taxes Receivable	171,366,787		161,896,400
Other Receivables	1,297,713		3,848,575
Prepaid Expenses	835,751		902,050
Total Current Assets	<u>218,349,965</u>		<u>246,392,241</u>
Noncurrent or Restricted Cash and Investments			
Restricted for Capital Acquisition	7,699,899		10,278,665
Restricted for Future Sendero Paid-In Capital	6,000,000		9,083,000
Sendero Paid-In Capital	29,000,000		29,000,000
Working Capital Advance to CommUnityCare	4,000,000		4,000,000
Sendero Surplus Debenture	17,083,000		8,000,000
Total Noncurrent or Restricted Cash and Investments	<u>63,782,899</u>		<u>60,361,665</u>
Capital Assets			
Land	11,770,184		11,770,184
Buildings and Improvements	125,080,605		117,789,671
Equipment and Furniture	8,523,893		7,103,606
Construction In Progress	10,448,618		15,081,073
Less Accumulated Depreciation	<u>(33,008,182)</u>		<u>(28,813,355)</u>
Total Capital Assets	<u>122,815,118</u>		<u>122,931,178</u>
Total Assets	<u>\$ 404,947,982</u>	<u>\$</u>	<u>429,685,084</u>



Balance Sheet
As of October 31, 2016
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 1,094,450	\$ 4,596,724
Salaries and Benefits Payable	994,765	952,466
Other Payables	1,108,228	11,810,772
Debt Service Payable, Short-Term	1,043,202	1,021,400
Deferred Tax Revenue	170,685,904	161,929,685
Other Deferred Revenue	3,174,900	2,864,332
Total Current Liabilities	<u>178,101,449</u>	<u>183,175,379</u>
Noncurrent Liabilities		
Debt Service Payable, Long-Term	<u>10,380,000</u>	<u>11,355,000</u>
Total Liabilities	<u>188,481,449</u>	<u>194,530,379</u>
Net Assets		
Unrestricted	93,651,416	112,223,527
Investment in Capital Assets	<u>122,815,117</u>	<u>122,931,178</u>
Total Net Assets	<u>216,466,533</u>	<u>235,154,705</u>
Liabilities and Net Assets	<u>\$ 404,947,982</u>	<u>\$ 429,685,084</u>



Sources and Uses Report
Fiscal Year-to-Date through October 31, 2016
(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Sources:					
Property Tax Revenue	\$ 1,592,981	\$ 1,592,981	\$ 169,806,722	0.9%	\$ (24,394)
Seton Lease Revenue	3,174,900	3,174,900	31,544,675	10.1%	2,864,332
Other Revenue	24,986	24,986	400,000	6.2%	35,790
Tobacco Settlement Revenue	-	-	1,800,000	0.0%	-
Contingency Reserve	-	-	36,600,000	0.0%	-
Total Sources	\$ 4,792,867	\$ 4,792,867	\$ 240,151,397	2.0%	\$ 2,875,728
Uses of Funds:					
Total Healthcare Delivery Program	\$ 16,986,838	\$ 16,986,838	\$ 229,738,205	7.4%	\$ 35,335,966
Administration Program					
Personnel Salary and Benefits	\$ 301,584	\$ 301,584	\$ 4,268,817	7.1%	\$ 277,417
Other Purchased Goods and Services:					
Legal Fees	98,000	98,000	1,166,500	8.4%	41,211
Consulting Services	12,875	12,875	1,038,000	1.2%	23,211
Other General and Administrative	118,649	118,649	2,453,284	4.8%	144,843
Subtotal Other Purchased Goods and Services	\$ 229,524	\$ 229,524	\$ 4,657,784	4.9%	\$ 209,265
Total Administration Program	\$ 531,108	\$ 531,108	\$ 8,926,601	5.9%	\$ 501,416
Tax Collection Expenses	\$ 15,527	\$ 15,527	\$ 1,486,591	1.0%	\$ 14,734
Total Uses	\$ 17,533,473	\$ 17,533,473	\$ 240,151,397	7.3%	\$ 35,837,382
Excess Sources Over (Under) Uses	\$ (12,740,606)	\$ (12,740,606)	\$ -		\$ (32,961,654)



Healthcare Delivery Expense
Fiscal Year-to-Date through October 31, 2016
(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
<u>Intergovernmental Transfers (IGTs)</u> ⁽¹⁾	\$ 6,985,424	\$ 6,985,424	\$ 141,570,000	4.9%	\$ 23,958,961
<u>Provider Costs</u>					
Primary Care	48,750	48,750	585,000	8.3%	45,691
Charity Care	354,311	354,311	4,251,733	8.3%	354,311
Member Payment to CCC ⁽²⁾	-	-	26,245,166	0.0%	-
Medical Administration	228,940	228,940	617,275	37.1%	76,440
Subtotal Provider Costs	\$ 632,001	\$ 632,001	\$ 31,699,174	2.0%	\$ 476,442
Service Expansion Funds	-	-	2,000,000	0.0%	-
Total IGTs and Provider Costs	\$ 7,617,425	\$ 7,617,425	\$ 175,269,174	4.3%	\$ 24,435,403
<u>Healthcare Delivery Operating Cost</u>					
Personnel Costs	232,332	232,332	3,871,685	6.0%	42,772
Consulting Services	9,811	9,811	334,000	2.9%	13,797
Legal Fees	3,000	3,000	25,000	12.0%	925
Other Services and Purchased Goods	103,086	103,086	3,222,215	3.2%	123,570
Subtotal HCD Operating Cost	\$ 348,229	\$ 348,229	\$ 7,452,900	4.7%	\$ 181,064
<u>Other Costs</u>					
UMCB Campus Redevelopment	10,000	10,000	2,047,675	0.0%	-
ACA Enrollment/Subsidy	97,083	97,083	2,745,000	3.5%	144,520
Debt Service	34,101	34,101	1,372,803	2.5%	35,700
Subtotal Other Costs	\$ 141,184	\$ 141,184	\$ 6,165,478	2.3%	\$ 180,220
<u>Reserves, Appropriated Uses and Transfers</u>					
Subtotal Reserves, Appropriated Uses and Transfers	\$ 8,880,000	\$ 8,880,000	\$ 40,850,653	21.7%	\$ 10,539,279
Total Healthcare Delivery	\$ 16,986,838	\$ 16,986,838	\$ 229,738,205	7.4%	\$ 35,335,966

(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.



Recap of FY17 IGT Payments
Actuals Through October 31, 2016

<i>\$ in millions</i>	Fiscal Year Budget	This Month	Fiscal Year-To-Date	Under (Over) Budget
Private UC	27.9	-	-	27.9
UMCB UC	25.0	-	-	25.0
DSH	32.5	7.0	7.0	25.5
DSRIP - CCC	29.3	-	-	29.3
DSRIP - UMCB and Dell	26.3	-	-	26.3
DSRIP - St. David's	0.6	-	-	0.6
Total	141.6	7.0	7.0	134.6

(1) Allocated portion of the contingency reserve appropriation, for IGT timing differences.



Questions? Comments?