



**Balance Sheet (Assets) – Slide 3**

**Current Assets**

Cash and Cash Equivalents – \$1.6M compared to \$1.6M Dec 2017

Short-term Investments – Short-term investments were \$93.6M at month-end, which is net of restricted investments of \$6.3M for capital acquisitions.

Ad Valorem Taxes Receivable – \$128M balance is composed of:

Gross Tax Receivables	\$130.0M
Taxable Assessed Valuation Adjustment	(.3)
Est. Allowance For Doubtful collections	<u>(2.2)</u>
<b>Total Taxes Receivable</b>	<b>\$127.5M</b>

Other Receivables – Other receivables total \$6.5M and consists of intercompany balances:

- CommUnityCare - \$2,146K
- Sendero - \$563K
- Community Care Collaborative - \$3,522K
- and interest receivable of \$128K

Prepaid Expenses – \$548K balance composed of:

- Prepaid Travis County Tax Collection Fee - \$381K
- Prepaid Travis County Tax Appraisal Fee - \$83K
- Prepaid ICC dues - \$51K
- Prepaid expenses other - \$32K

**Total Current Assets – \$230M**

**Noncurrent Assets**

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

Sendero Paid-in Capital – \$91M (\$20M transferred in Dec 2018)

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



December 2018 Preliminary Monthly Financial Statements (unaudited)  
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Sendero Surplus Debenture – \$17.1M (unchanged)

Capital Assets – \$114M, net of accumulated depreciation

**Total Assets – \$462.2M**

## **Balance Sheet (Liabilities and Net Assets) – Slide 4**

### **Current Liabilities**

Accounts Payable – Major components of the \$2.0M balance are:

- \$1,524K estimated healthcare delivery costs for services incurred but not received invoicing.
- \$500K in vendor invoices at month-end.

Salaries and Benefits Payable – \$809K 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 – \$90K capital lease obligation related to medical equipment leased at Southeast Health and Wellness Center, compared to \$15.7M for Dec 2017 which was Charity Care \$4.7M & Seton lease revenue \$10.9M.

Debt Service Payable, Short-Term – \$1.2M balance is comprised of \$1M in Certificates of Obligation Payable.

**Total Current Liabilities – \$121.8M**

### **Noncurrent Liabilities**

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

**Total Noncurrent Liabilities – \$8.4M**

**Total Liabilities – \$130.1M**

### **Net Assets**



Unrestricted Net Assets – \$218M

Investment in Capital Assets – \$114M

**Total Net Assets** – \$332M

**Total Liabilities and Net Assets** – \$462.2M

### **Sources and Uses Report – Slide 5**

December Preliminary financials → three months into the fiscal year, 25% of the fiscal year.

#### **Sources – Total \$71.8M**

Property Tax Revenue – Net property tax revenue for the month was \$71.8M. Net revenue includes \$70.8M current month's collections, plus \$69K in adjustments for prior year delinquent taxes.

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

Other Revenue – \$156K investment income for the month, \$431K YTD, compared to \$324K last year.

#### **Uses of Funds – Total \$42.9M**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$58.1M YTD compared to \$31.8M YTD thru Dec 2017. There was a \$10M member payment to CCC and \$20M risk based capital payment to Sendero in December. The Sendero payment was \$10M higher than last year for this same period.

Administration Program – \$536K in expense for the month, which includes:

- Personnel costs – \$328K
- Legal fees – \$96K
- Consulting services – \$28K
- Other general and administrative – \$84K

Tax Collection Expenses – \$686K



December 2018 Preliminary Monthly Financial Statements (unaudited)

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**Excess Sources/(Uses)** – Increased by \$28.8M in December.

**Healthcare Delivery Expense – Total \$8.3M and \$16.6M YTD - Slide 6**

Intergovernmental Transfer "IGT" – December totaled \$10.4M, \$24.1M YTD compared to \$18.3M for the prior year.

Provider Costs – Healthcare delivery providers' expense for December totaled \$10.1M, which includes:

- Primary care – \$66K
- Member Payment to CCC - \$10M
- Medical Administration – \$51K

Healthcare Delivery Operating Cost – \$504K in expenses for the month and includes:

- Personnel costs – \$305K
- Consulting services – \$(6)K
- Legal fees – \$6K
- Other services and purchased goods – \$200K

Other Costs – \$726K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$285K
- ACA Enrollment and Subsidy – \$410K
- Debt Service – \$30K

**Total Healthcare Delivery for the month of December was \$41.8M.**



CENTRAL HEALTH

# Central Health

## Financial Statement Presentation

FY 2019 – as of December 31, 2018 (Preliminary)

Central Health Board of Managers

January 23, 2019

Lisa Owens, VP of Financial Operations





# December 2018 Financial Highlights

- Financial results are preliminary. Audited FY2018 financials will be presented 1/23/2019.
- Year-to-date, collected net property tax revenue is \$82 million compared to \$85 million in Dec 2017.
- The IGT for YTD Dec 2018 was \$24.1 compared to \$18.3 million in YTD Dec 2017.
- Central Health made a \$20M risk based capital transfer to Sendero.
- Collected 41.3% of the adjusted tax levy.

*Preliminary*



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

<b>Assets</b>	<b>Preliminary as of 12/31/2018</b>	<b>as of 12/31/2017</b>
<b>Current Assets</b>		
Cash and cash equivalents	1,580,022	1,619,796
Short-term investments	93,630,773	137,092,450
Ad valorem taxes receivable	127,516,065	111,937,004
Other receivables	6,460,901	4,279,473
Prepaid expenses	548,815	444,025
<b>Total Current Assets</b>	<b>229,736,576</b>	<b>255,372,748</b>
<b>Noncurrent or restricted cash and investments</b>		
Restricted for capital acquisition	6,328,247	6,810,539
Sendero paid-in-capital	91,000,000	45,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	17,083,000	17,083,000
<b>Total Noncurrent or restricted cash and investments</b>	<b>118,411,247</b>	<b>72,893,539</b>
<b>Capital Assets</b>		
Land	11,770,184	11,770,184
Buildings and improvements	134,354,256	132,392,946
Equipment and furniture	8,779,252	8,900,240
Construction in progress	196,006	2,205,639
Less accumulated depreciation	(41,063,482)	(37,061,767)
<b>Total Capital Assets</b>	<b>114,036,216</b>	<b>118,207,242</b>
<b>Total Assets</b>	<b>462,184,040</b>	<b>446,473,529</b>

*Preliminary*



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

<b>Liabilities</b>	<b>Preliminary as of 12/31/2018</b>	<b>as of 12/31/2017</b>
Current Liabilities		
Accounts payable	2,024,171	1,151,858
Salaries and benefits payable	808,701	627,600
Other Payables	90,270	15,681,661
Debt service payable, short-term	1,149,732	1,128,798
Deferred tax revenue	116,856,193	98,712,700
Other deferred revenue	828,027	4,019,061
Total Current Liabilities	<u>121,757,094</u>	<u>121,321,678</u>
Noncurrent Liabilities		
Debt service payable, long-term	8,350,000	9,380,000
Capital Lease Obligation, Long-Term		
Total Noncurrent Liabilities	<u>8,350,000</u>	<u>9,380,000</u>
Total Liabilities	<u>130,107,094</u>	<u>130,701,678</u>
<b>Net Assets</b>		
Unrestricted	218,040,730	197,564,609
Investment in Capital Assets	114,036,216	118,207,242
Total Net Assets	<u>332,076,946</u>	<u>315,771,851</u>
<b>Liabilities and Net Assets</b>	<u>462,184,040</u>	<u>446,473,529</u>

*Preliminary*





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

	Preliminary This Month	Prelim - Fiscal Year to Date	Fiscal Year Budget	Percent of Budget Used	Prior Fiscal Year to Date
<b>Sources</b>					
Property Tax Revenue	70,739,642	82,398,345	196,861,527	41.9%	84,788,601
Lease Revenue	857,841	2,573,523	18,067,937	14.2%	2,790,000
Other Revenue	156,890	431,158	400,000	107.8%	324,523
Tobacco Settlement Revenue	-	-	2,000,000	0.0%	-
Contingency Reserve (Carryforward)	-	-	41,039,184	0.0%	51,560,311
<b>Total Sources</b>	<b>71,754,373</b>	<b>85,403,026</b>	<b>258,368,648</b>	<b>33.1%</b>	<b>139,463,435</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>41,753,527</b>	<b>58,154,521</b>	<b>247,343,600</b>	<b>23.5%</b>	<b>31,805,096</b>
<b>Administrative Program</b>					
Salaries and benefits	328,244	1,007,830	4,690,997	21.5%	855,038
Legal Fees	96,396	133,840	1,198,320	11.2%	118,260
Consulting Fees	28,419	57,215	1,026,500	5.6%	216,085
Other Purchase Goods and	83,790	248,866	2,406,021	10.3%	404,017
Services					
<b>Total Administrative Program</b>	<b>536,849</b>	<b>1,447,751</b>	<b>9,321,838</b>	<b>15.5%</b>	<b>1,593,400</b>
<b>Tax Collection Expenses</b>	<b>685,601</b>	<b>704,610</b>	<b>1,703,211</b>	<b>41.4%</b>	<b>684,440</b>
<b>Total Uses</b>	<b>42,975,977</b>	<b>60,306,882</b>	<b>258,368,648</b>	<b>23.3%</b>	<b>34,082,936</b>
<b>Excess Sources / (Uses)</b>	<b>28,778,396</b>	<b>25,096,144</b>	<b>-</b>		<b>105,380,499</b>

*Preliminary*



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

	Preliminary This Month	Prelim - Fiscal Year to Date	Fiscal Year Budget	Percent of Budget Used	Prior Fiscal Year to Date
<b>Intergovernmental Transfers (IGTs) <sup>(1)</sup></b>	10,405,186	24,117,172	139,130,000	17.3%	18,278,393
<b>Provider Costs</b>					
Primary Care	65,862	199,986	790,344	25.3%	141,567
DSRIP Project Expense	1,000	1,000	-	0.0%	228,824
Charity Care	-	-	-	0.0%	1,062,933
Member Payment to CCC <sup>(2)</sup>	10,000,000	10,000,000	34,000,000	29.4%	-
Medical Administration	51,440	152,672	719,990	21.2%	154,319
<b>Subtotal Provider Costs</b>	<b>10,118,302</b>	<b>10,353,658</b>	<b>35,510,334</b>	<b>29.2%</b>	<b>1,587,643</b>
<b>Service Expansion Funds</b>	-	-	4,480,000	0.0%	-
<b>Total IGTs and Provider Costs</b>	<b>20,523,488</b>	<b>34,470,830</b>	<b>179,120,334</b>	<b>19.2%</b>	<b>19,866,036</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	305,118	977,989	3,818,591	25.6%	854,983
Consulting Services	(5,938)	3,994	559,590	0.7%	104,867
Legal Fees	5,758	41,450	51,200	81.0%	5,421
Other Services and Purchased Goods	199,505	631,301	5,164,895	12.2%	218,596
<b>Subtotal HCD Operating Costs</b>	<b>504,443</b>	<b>1,654,734</b>	<b>9,594,276</b>	<b>17.2%</b>	<b>1,183,867</b>
<b>Other Costs</b>					
UMCB Campus Redevelopment	285,387	775,381	11,125,542	7.0%	138,570
ACA Enrollment and Subsidy	410,276	1,163,777	8,916,000	13.1%	520,024
Debt Service	29,933	89,799	1,372,818	6.5%	96,599
<b>Subtotal Other Costs</b>	<b>725,596</b>	<b>2,028,957</b>	<b>21,414,360</b>	<b>9.5%</b>	<b>755,193</b>
<b>Reserves and Transfers</b>					
FY2019 Capital reserve			2,840,000		
FY2019 Emergency reserve			1,000,000		
FY2019 Sendero risk-based capital	20,000,000	20,000,000	20,000,000		10,000,000
FY2019 Contingency reserve appropriation			13,374,630		
<b>Subtotal Reserves, Appropriated Uses and Transfers</b>	<b>20,000,000</b>	<b>20,000,000</b>	<b>37,214,630</b>	<b>53.7%</b>	<b>10,000,000</b>
<b>Total Healthcare Delivery</b>	<b>41,753,527</b>	<b>58,154,521</b>	<b>247,343,600</b>	<b>23.5%</b>	<b>31,805,096</b>

Preliminary

<sup>(1)</sup> Budget includes allocated portion of the contingency reserve appropriation, for IGT timing differences.

<sup>(2)</sup> 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 FY18 IGT Payments Actuals Through December 31, 2018

<i>\$ in millions</i>	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Under (Over) Budget	Prior Year Fiscal Year-To-Date
Private UC	7.7	7.7	24.0	16.3	2.2
UMCB UC	2.8	2.8	24.5	21.7	2.0
DSH	-	13.7	35.0	21.3	14.1
DSRIP - CCC	-	-	27.5	27.5	-
DSRIP - UMCB, Dell Children's	-	-	27.5	27.5	-
DSRIP - St. David's	-	-	0.6	0.6	-
<b>Total</b>	<b>10.4</b>	<b>24.1</b>	<b>139.1</b>	<b>115.0</b>	<b>18.3</b>

*Preliminary*



Questions ? Comments ?