

**Balance Sheet (Assets)** – Slide 3**Current Assets**

Cash and Cash Equivalents – \$1.8M compared to \$1.6M June 2018

Short-term Investments – Short-term investments were \$136M at month-end, which is net of restricted investments of \$7.3M for capital acquisitions.

Ad Valorem Taxes Receivable – \$2.2M balance is composed of:

Gross Tax Receivables	\$5.8M
Taxable Assessed Valuation Adjustment	(1.3M)
Est. Allowance for Doubtful collections	<u>(2.1M)</u>
<b>Total Taxes Receivable</b>	<b>\$2.2M</b>

Other Receivables – Other receivables total \$3.1M and consists of intercompany balances:

- CommUnityCare - \$1.3M
- Sendero - \$470K
- Community Care Collaborative - \$1.0M
- Interest and miscellaneous receivables of \$312K

Prepaid Expenses – \$323K balance composed of:

- Prepaid Insurance - \$147K
- Prepaid Memberships/Subscriptions - \$154K
- Deposits - \$11K

**Total Current Assets** – **\$143M**



June 2019 Monthly Financial Statements (unaudited)

Page 2 of 5

**Balance Sheet (Assets)** – Slide 3 (continued)

**Noncurrent Assets**

Investments Restricted for Capital Acquisition – \$6.9M in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$71M (unchanged)

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

Sendero Surplus Debenture – \$37.1M (unchanged) (\$20M paid by CH in December 2018)

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

**Total Assets** – \$377M

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

**Current Liabilities**

Accounts Payable – Major components of the \$2.2M balance are:

- \$1.6M estimated healthcare delivery costs for services incurred but not received.
- \$592K in vendor invoices at month-end.

Salaries and Benefits Payable – \$834K 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 – \$91K capital lease obligation related to medical equipment leased at Southeast Health and Wellness Center. (unchanged)

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

Debt Service Payable, Short-Term – \$1.2M balance is comprised of \$1.1M in Certificates of Obligation Payable.

Deferred Tax Revenue - \$1.9M

Other Deferred Revenue - \$477K are funds received from the HRSA grant related to the Convenient Care Clinic move to South East Health & Wellness Center.

**Total Current Liabilities** – **\$6.6M**

**Noncurrent Liabilities**

Debt Service Payable, Long-Term – \$7.3M balance of the \$16M in Series 2011 Certificates of Obligation, reduced by eight payments made to date. This debt was issued for the North Central clinic.

Deferred Revenue – Long Term - \$1.2M, lease revenue for Block 164 year 2-FY20 and year 3-FY21 from 2033 LLP.

**Total Noncurrent Liabilities** – **\$8.5M**

**Total Liabilities** – **\$15.1M**

**Net Assets**

Unrestricted Net Assets – \$247M

Investment in Capital Assets – \$114M

**Total Net Assets** – **\$361M**

**Total Liabilities and Net Assets – \$377M****Sources and Uses Report** – Slide 5

June financials → nine months into the fiscal year, 75% of the fiscal year.

**Sources – Total \$1.4M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$288K. Net revenue includes \$292K current month's collections, less \$4K in adjustments for prior year delinquent taxes.

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

Other Revenue – \$278K investment income for the month, \$2.1M YTD, compared to \$1.5M YTD last year.

**Uses of Funds – Total \$14.5M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$153M YTD compared to \$149M YTD thru June 2018.

Administration Program – \$514K in expense for the month, which includes:

- Personnel costs – \$292K
- Legal fees – \$8K
- Consulting services – \$89K
- Other general and administrative – \$126K

Tax Collection Expenses – \$2.2K for the month.

**Excess Sources/(Uses)** – \$(13)M in June. Current YTD is \$104M compared to prior year 2018 YTD of \$90M.



**Healthcare Delivery Expense** – Slide 6 & 7

**Healthcare Delivery Expense** – Total \$153M June YTD and \$149M June 2018

Intergovernmental Transfer “IGT” – \$12M DSH June, YTD is at \$90M.

Provider Costs – Healthcare delivery providers’ expense for June totaled \$173K, which includes:

- Primary care – \$121K
- Medical Administration – \$52K

Service Expansion Funds – Service Expansion expense for June totaled \$102K for the LARC program.

Healthcare Delivery Operating Cost – \$532K in expenses for the month and includes:

- Personnel costs – \$293K
- Consulting Services – \$6K
- Legal Fees - \$3K
- Other services and purchased goods – \$230K

Other Costs – \$792K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$316K
- ACA Enrollment and Subsidy – \$449K
- Debt Service – \$27K

**Total Healthcare Delivery** - for the month of June was \$14M.



CENTRAL HEALTH

# Central Health

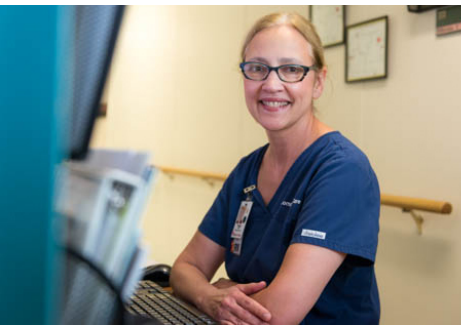
## Financial Statement Presentation

FY 2019 – as of June 30, 2019

Central Health Budget & Finance Committee

July 24, 2019

Lisa Owens, VP of Financial Operations





# June 2019 Financial Highlights

- Year-to-date, collected net property tax revenue is \$196 million compared to \$181 million as of June 2018.
- Tax collected through June 2019 is 99% of the adjusted tax levy compared to 99% as of June 2018.
- The IGT for YTD June 2019 is \$90 million compared to \$113 million as of June 2018.



**Balance Sheet**  
**As of June 30, 2019**  
*(Page 1 of 2, Assets)*

<b>Assets</b>	<b>as of 6/30/2019</b>	<b>as of 6/30/2018</b>
Current Assets		
Cash and cash equivalents	1,835,761	1,600,789
Short-term investments	135,931,095	99,495,398
Ad valorem taxes receivable	2,222,974	1,542,599
Other receivables	3,074,415	11,455,568
Prepaid expenses	323,072	611,901
Total Current Assets	<u>143,387,317</u>	<u>114,706,255</u>
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,909,199	6,429,810
Sendero paid-in-capital	71,000,000	61,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	37,083,000	17,083,000
Total Noncurrent or restricted cash and investments	<u>118,992,199</u>	<u>88,512,810</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	134,395,476	132,393,816
Equipment and furniture	9,495,729	8,909,710
Construction in progress	1,697,357	2,585,884
Less accumulated depreciation	(43,273,201)	(39,296,472)
Total Capital Assets	<u>114,085,545</u>	<u>116,363,122</u>
<b>Total Assets</b>	<u><u>376,465,061</u></u>	<u><u>319,582,187</u></u>





**Balance Sheet**  
**As of June 30, 2019**  
*(Page 2 of 2, Liabilities and Net Assets)*

<b>Liabilities</b>	<b>as of 6/30/2019</b>	<b>as of 6/30/2018</b>
Current Liabilities		
Accounts payable	2,190,312	1,869,890
Salaries and benefits payable	833,889	487,919
Other Payables	91,128	7,153,893
Debt service payable, short-term	1,173,814	1,149,732
Deferred tax revenue	1,866,267	1,637,390
Other deferred revenue	476,542	-
Total Current Liabilities	<u>6,631,952</u>	<u>12,298,824</u>
Noncurrent Liabilities		
Debt service payable, long-term	7,285,000	8,350,000
Deferred Revenue	1,220,000	
Total Noncurrent Liabilities	<u>8,505,000</u>	<u>8,350,000</u>
Total Liabilities	<u>15,136,952</u>	<u>20,648,824</u>
<b>Net Assets</b>		
Unrestricted	247,242,564	182,570,242
Investment in Capital Assets	114,085,545	116,363,121
Total Net Assets	<u>361,328,109</u>	<u>298,933,363</u>
<b>Liabilities and Net Assets</b>	<u>376,465,061</u>	<u>319,582,187</u>



**Sources and Uses Report**  
**Fiscal Year-to-Date through June 30, 2019**  
*(Excludes Depreciation Expense)*

<b>Sources / Uses</b>	<b>This Month</b>	<b>Fiscal Year to Date</b>	<b>Fiscal Year Budget</b>	<b>Percent of Budget Used</b>	<b>Prior Fiscal Year to Date</b>
<b>Sources</b>					
Property Tax Revenue	288,369	196,281,282	196,861,527	100%	181,009,348
Lease Revenue	857,841	9,250,596	18,067,937	51%	8,170,568
Other Revenue	277,955	2,121,858	400,000	530%	1,492,001
Tobacco Settlement Revenue	-	3,523,773	2,000,000	176%	3,426,346
Contingency Reserve (Carryforward)	-	52,648,775	41,039,184	128%	51,560,311
<b>Total Sources</b>	<b>1,424,165</b>	<b>263,826,284</b>	<b>258,368,648</b>	<b>102%</b>	<b>245,658,574</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>13,929,736</b>	<b>153,116,434</b>	<b>247,343,600</b>	<b>62%</b>	<b>149,040,214</b>
<b>Administrative Program</b>					
Salaries and benefits	292,216	3,161,143	4,690,997	67%	2,680,204
Legal Fees	7,555	206,981	1,026,500	20%	727,225
Consulting Fees	88,545	584,083	1,198,320	49%	603,723
Other Purchase Goods and Services	126,138	842,261	2,406,021	35%	1,296,788
<b>Total Administrative Program</b>	<b>514,454</b>	<b>4,794,468</b>	<b>9,321,838</b>	<b>51%</b>	<b>5,307,940</b>
<b>Tax Collection Expenses</b>	<b>2,198</b>	<b>1,555,694</b>	<b>1,703,211</b>	<b>91%</b>	<b>1,532,815</b>
<b>Total Uses</b>	<b>14,446,388</b>	<b>159,466,596</b>	<b>258,368,648</b>	<b>62%</b>	<b>155,880,969</b>
<b>Excess Sources / (Uses)</b>	<b>(13,022,223)</b>	<b>104,359,688</b>	<b>-</b>		<b>89,777,605</b>



**Healthcare Delivery Expense**  
**Fiscal Year-to-Date through June 30, 2019**  
*(Excludes Depreciation Expense)*

<b>Healthcare Delivery</b>	<b>This Month</b>	<b>Fiscal Year to Date</b>	<b>Fiscal Year Budget</b>	<b>Percent of Budget Used</b>	<b>Prior Fiscal Year to Date</b>
<b>Intergovernmental Transfers (IGTs) <sup>(1)</sup></b>					
Private Uncompensated Care	-	15,228,042	24,000,000	63%	15,965,283
DSMC Uncompensated Care	-	14,256,758	24,500,000	58%	12,667,158
DSH - Disproportionate Share	12,332,321	32,186,792	35,000,000	92%	33,959,603
DSRIP - CCC	-	13,485,266	27,500,000	49%	24,381,240
DSRIP - DSMC, Dell Children's	-	14,537,581	27,500,000	53%	25,454,252
DSRIP - St. David's	-	584,580	630,000	93%	185,669
<b>Subtotal Intergovernmental Transfers (IGTs)</b>	<b>12,332,321</b>	<b>90,279,019</b>	<b>139,130,000</b>	<b>65%</b>	<b>112,613,205</b>
<b>Provider Costs</b>					
Primary Care	121,193	607,899	790,344	77%	538,985
DSRIP Project Expense	-	-	-	0%	585,985
Charity Care	-	-	-	0%	1,062,933
Member Payment to CCC <sup>(2)</sup>	-	24,210,000	34,000,000	71%	15,000,000
Medical Administration	51,440	462,956	719,990	64%	462,956
<b>Subtotal Provider Costs</b>	<b>172,633</b>	<b>25,280,855</b>	<b>35,510,334</b>	<b>71%</b>	<b>17,650,859</b>
<b>Service Expansion Funds</b>					
Sexual & Reproductive Health	101,560	412,964	1,080,000	38%	-
New Initiatives <sup>(3)</sup>	-	-	1,400,000	0%	-
Other Service Expansion	-	-	2,000,000	0%	-
<b>Subtotal Service Expansion Funds</b>	<b>101,560</b>	<b>412,964</b>	<b>4,480,000</b>	<b>0%</b>	<b>-</b>

(continued on next page)

<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.

<sup>(3)</sup> Funds appropriated for \$300,000 for possible Pay for Success project and \$420,000 for Integral Care school based program, paid as a CCC Member Payment.



**Healthcare Delivery Expense (continued)**  
**Fiscal Year-to-Date through June 30, 2019**  
*(Excludes Depreciation Expense)*

<b>Healthcare Delivery</b>	<b>This Month</b>	<b>Fiscal Year to Date</b>	<b>Fiscal Year Budget</b>	<b>Percent of Budget Used</b>	<b>Prior Fiscal Year to Date</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	293,191	2,890,597	3,818,591	76%	2,525,989
Consulting Services	5,802	40,635	559,590	7%	18,097
Legal Fees	3,034	32,832	51,200	64%	41,162
Other Services and Purchased Goods	229,562	1,830,253	5,164,895	35%	1,386,175
<b>Subtotal HCD Operating Costs</b>	<b>531,589</b>	<b>4,794,317</b>	<b>9,594,276</b>	<b>50%</b>	<b>3,971,423</b>
<b>Other Costs</b>					
UMCB Campus Redevelopment	315,458	3,062,020	11,125,542	28%	1,685,615
ACA Enrollment and Subsidy	448,972	4,123,781	8,916,000	46%	1,838,382
Debt Service	27,203	1,323,478	1,372,818	96%	1,280,730
<b>Subtotal Other Costs</b>	<b>791,633</b>	<b>8,509,279</b>	<b>21,414,360</b>	<b>40%</b>	<b>4,804,727</b>
<b>Reserves and Transfers</b>					
FY2019 Capital reserve		2,840,000	2,840,000		
FY2019 Emergency reserve	-	1,000,000	1,000,000		
FY2019 Sendero Risk Based Capital	-	20,000,000	20,000,000		10,000,000
FY2019 Contingency reserve appropriation			13,374,630		
<b>Subtotal Reserves, Appropriated Uses &amp; Transfers</b>	<b>-</b>	<b>23,840,000</b>	<b>37,214,630</b>	<b>64%</b>	<b>10,000,000</b>
<b>Total Healthcare Delivery</b>	<b>13,929,736</b>	<b>153,116,434</b>	<b>247,343,600</b>	<b>62%</b>	<b>149,040,214</b>



Questions ? Comments ?