



Balance Sheet (Assets) – Slide 4

**Current Assets**

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Cash and Cash Equivalents – \$1.3M compared to \$1.2M June 2020

Short-term Investments – Short-term investments were \$341M at month-end and restricted investments of \$11M for capital acquisitions.

Ad Valorem Taxes Receivable – \$3.5M balance is composed of:

Gross Tax Receivables	\$ 8.1M
Taxable Assessed Valuation Adjustment	(1.9)M
Est. Allowance for Doubtful collections	(2.7)M
<b>Total Taxes Receivable</b>	<b>\$ 3.5M</b>

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

- CommUnityCare - \$2.5M
- Sendero - \$652K
- Community Care Collaborative - \$500K
- Accrued Interest - \$399K
- Miscellaneous Receivables – \$208K

Prepaid Expenses – \$555K balance composed of:

- TCAD Appraisal Fees - \$239K
- Prepaid Insurance - \$158K
- Software - \$88K
- Memberships - \$47K
- Deposits - \$21K
- Prepaid Tax Collection Fees - \$2K

**Total Current Assets – \$351M**

Balance Sheet (Assets) – Slide 4 (continued)



**Restricted Cash & Investments or Noncurrent**

Investments Restricted for Capital Acquisition – \$11M 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 - \$11.7M

Capital Assets – \$67M, net of accumulated depreciation

**Total Assets – \$552M**



**Current Liabilities** – Slide 5

Accounts Payable and Other Payables – Major components of the \$6.6M balance are:

- \$5M estimated IBNR for healthcare services.
- \$1.6M vendor invoices due.

Salaries and Benefits Payable – \$1.7M 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.

Debt Service Payable, Short-Term – \$1.2M in Certificates of Obligation Payable, interest due 09/01/21.

Deferred Tax Revenue - \$2.7M pending collection

**Total Current Liabilities** – \$12M

**Restricted or Noncurrent Liabilities** – Slide 5 (continued)

Funds held for TCHD LPPF - \$11.7M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$4.9M balance of the \$7.285M in General Obligation Bonds, Series 2020. This debt was originally issued in 2011 for the North Central clinic and refunded May 2020. Due annually on 3/1.

**Total Restricted or Noncurrent Liabilities – \$16.6M**

**Total Liabilities – \$28.9M**

**Net Assets**

Unrestricted Net Assets – \$457M

Investment in Capital Assets – \$67M

**Total Net Assets – \$524M**

**Total Liabilities and Net Assets – \$552M**



June 2021 Preliminary Monthly Financial Statements (unaudited)

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**Sources and Uses Report** – Slide 6

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

**Sources – Total \$1.3M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$346K. Net revenue includes \$329K current month's collections; \$84K Penalties and Interest; (\$67)K in adjustments for prior year delinquent taxes.

Lease Revenue – \$863K recorded for Seton lease payment.

Other Revenue – \$90K from monthly investment income.

**Uses of Funds – Total \$7.3M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$6.7M for the month and \$73M YTD compared to \$101M YTD thru June 2020.

Healthcare Delivery Budget includes funds for service expansion in Post-Acute Care \$5.4M, Primary & Specialty Care \$3.8M (Musculoskeletal \$1.7M, Neurology \$100k, and Reserves \$2M), Community Health Care Initiatives Fund \$875k, and Hospital and Specialty Services \$59.7M.

Administration Program – \$597K in expense for the month, which includes:

- Personnel costs – \$434K
- Consulting services – \$3K
- Legal fees – \$32K
- Other general and administrative – \$128K

**Tax Collection Expenses** – \$81K for the month.

**Excess Sources/(Uses)** – \$(6.0)M in June. Current YTD is \$308M compared to prior year FY20 YTD of \$185M.

**Healthcare Delivery Expense** – Slide 7**Healthcare Delivery Expense** – Total \$6.7M June; \$73M YTD compared to \$101M June FY20 YTD.Intergovernmental Transfers (“IGT’s”) – YTD \$0 compared to \$27M YTD last year for DSH.Healthcare Services – Healthcare delivery providers’ expense for June totaled \$4M, which includes:

- Primary care – \$2.5M
- Specialty Care (including Dental and Behavioral Health) – \$686K
- Pharmacy - \$727K
- All Other Healthcare Services - \$94K
- Community Healthcare Initiatives Fund - \$2K

ACA Premium Assist, Education, Enrollment – \$988K in expenses for the month; \$8.9M YTD compared to \$7M FY20 YTDHealthcare Facilities and Campus Redevelopment - \$246K in expense for the month and \$2M YTD.Healthcare Delivery Operating Cost – \$1.5M in expenses for the month and includes:

- Personnel costs – \$966K
- Consulting Services – \$3K
- Legal Fees - \$(17)K
- Other services and purchased goods – \$502K

Debt, Reserves and Transfer – \$6K in Debt Service and Capital Reserve for the month**Total Healthcare Delivery** - for the month of June was \$6.7M.



# Central Health

## Financial Statement Presentation

FY 2021 – as of June 30, 2021 (Preliminary)

Central Health Board of Managers

August 25, 2021

Lisa Owens, Deputy CFO

Patti Bethke, Controller



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Note: HCD = Health Care Delivery





- Year-to-date through June collected net property tax revenue is \$237 million compared to \$213 million as of June 2020 representing 98% of the adjusted tax levy compared to 98% as of June 2020.
- Anticipated Tax Revenue for FY21 is \$5.6 million favorable to budget due to a \$5.2 billion increase in TCAD tax valuations from July certified roll to October final certified roll.
- Healthcare Delivery is \$73 million for the nine months ending 6/30/2021.
- GAAP reporting Net Assets increased \$79 million year-over-year this is net of hospital impairment totaling \$51 million due to redevelopment.
- TCHD LPPF total restricted balance of LPPF as of 6/30/2021 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 6/30/2021	as of 6/30/2020
Current Assets		
Cash and cash equivalents	1,304,103	1,221,321
Short-term investments	341,298,334	226,182,070
Ad valorem taxes receivable	3,452,609	2,991,908
Other receivables	4,228,534	6,199,814
Prepaid expenses	554,871	681,552
Total Current Assets	<u>350,838,452</u>	<u>237,276,665</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	11,143,697	7,961,479
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	11,687,515	1,814,065
Total Restricted Cash and Investments or Noncurrent	<u>134,914,212</u>	<u>121,858,543</u>
Capital Assets		
Land	13,425,967	12,598,612
Buildings and improvements	58,788,268	130,702,304
Equipment and furniture	9,205,480	9,590,119
Capital Projects in progress	9,684,381	3,423,577
Less accumulated depreciation	(24,365,807)	(46,335,475)
Total Capital Assets	<u>66,738,289</u>	<u>109,979,137</u>
<b>Total Assets</b>	<u><u>552,490,953</u></u>	<u><u>469,114,345</u></u>



<b>Liabilities</b>	<b>Preliminary</b>	
	<b>as of 6/30/2021</b>	<b>as of 6/30/2020</b>
<b>Current Liabilities</b>		
Accounts payable	6,628,816	10,938,147
Salaries and benefits payable	1,738,138	1,443,596
Other Payables	-	50,763
Debt service payable, short-term	1,215,641	1,194,277
Deferred tax revenue	2,714,073	2,559,699
Other deferred revenue	-	610,000
<b>Total Current Liabilities</b>	<b>12,296,668</b>	<b>16,796,482</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	11,687,515	1,814,065
Debt service payable, long-term	4,915,000	6,105,000
<b>Total Restricted or Noncurrent Liabilities</b>	<b>16,602,515</b>	<b>7,919,065</b>
<b>Total Liabilities</b>	<b>28,899,184</b>	<b>24,715,547</b>
<b>Net Assets</b>		
Unrestricted	456,853,481	334,419,661
Investment in Capital Assets	66,738,289	109,979,137
<b>Total Net Assets</b>	<b>523,591,769</b>	<b>444,398,798</b>
<b>Liabilities and Net Assets</b>	<b>552,490,953</b>	<b>469,114,345</b>



Sources / Uses	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Sources</b>					
Property Tax Revenue	345,688	237,349,180	234,057,519	101%	213,407,994
Lease Revenue	862,753	9,330,943	12,909,866	72%	9,268,997
Other Revenue	89,900	764,011	1,720,000	44%	2,038,570
Tobacco Settlement Revenue	-	3,872,274	2,800,000	138%	3,819,376
Contingency Reserve (Carryforward)	-	136,179,266	115,856,728	118%	64,898,396
<b>Total Sources</b>	<b>1,298,341</b>	<b>387,495,674</b>	<b>367,344,113</b>	<b>105%</b>	<b>293,433,333</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>6,672,388</b>	<b>72,541,130</b>	<b>353,858,894</b>	<b>21%</b>	<b>101,339,129</b>
<b>Administrative Program</b>					
Salaries and benefits	434,577	3,674,794	5,561,651	66%	3,480,207
Consulting Fees	2,700	225,354	1,259,570	18%	301,837
Legal Fees	31,735	402,932	1,497,136	27%	800,310
Other Purchase Goods and Services	128,325	1,237,705	3,081,046	40%	847,271
<b>Total Administrative Program</b>	<b>597,337</b>	<b>5,540,785</b>	<b>11,399,403</b>	<b>49%</b>	<b>5,429,625</b>
<b>Tax Collection Expenses</b>	<b>80,584</b>	<b>1,564,050</b>	<b>2,085,816</b>	<b>75%</b>	<b>1,527,396</b>
<b>Total Uses</b>	<b>7,350,309</b>	<b>79,645,965</b>	<b>367,344,113</b>	<b>22%</b>	<b>108,296,150</b>
<b>Excess Sources / (Uses)</b>	<b>(6,051,968)</b>	<b>307,849,709</b>			<b>185,137,183</b>



<b>Healthcare Delivery Summary</b>	<b>Jun 2021</b>	<b>FY21 YTD</b>	<b>FY21 Budget</b>	<b>Percent of Budget Used</b>	<b>FY20 YTD</b>
<b>Inter-Governmental Transfers (IGTs)</b>	-	-	23,528,575	0%	26,959,115
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	2,468,555	28,971,962	56,935,000	51%	31,739,164
Specialty Care, incld Dental & Behavioral Health	686,069	4,355,496	14,448,856	30%	3,814,077
Pharmacy	726,648	7,126,528	13,250,000	54%	7,282,686
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	93,741	787,176	4,469,990	18%	841,327
Community Healthcare Initiatives Fund	1,875	1,875	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>3,976,888</b>	<b>41,243,037</b>	<b>155,078,846</b>	<b>27%</b>	<b>43,677,254</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>988,341</b>	<b>8,921,808</b>	<b>12,160,674</b>	<b>73%</b>	<b>7,015,880</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>246,275</b>	<b>1,994,022</b>	<b>6,097,472</b>	<b>33%</b>	<b>2,776,260</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,454,474</b>	<b>12,638,376</b>	<b>29,473,028</b>	<b>43%</b>	<b>10,286,653</b>
<b>Debt, Reserves and Transfers</b>	<b>6,410</b>	<b>7,743,887</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,623,967</b>
<b>Total Healthcare Delivery</b>	<b>6,672,388</b>	<b>72,541,130</b>	<b>353,858,894</b>	<b>21%</b>	<b>101,339,129</b>



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Intergovernmental Transfers (IGTs)</b>					
DSH - Disproportionate Share	-	-	-	0%	26,959,115
DSRIP - CCC	-	-	23,528,575	0%	-
<b>Subtotal Intergovernmental Transfers (IGTs)</b>	<b>-</b>	<b>-</b>	<b>23,528,575</b>	<b>0%</b>	<b>26,959,115</b>
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	2,468,555	28,971,962	56,935,000	51%	31,739,164
Specialty Care, incld Dental - (see detail on Slide 12)	541,928	3,912,146	12,565,000	31%	3,417,204
Specialty Care, Behavioral Health	144,141	443,350	1,883,856	24%	396,873
Pharmacy	726,648	7,126,528	13,250,000	54%	7,282,686
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	36,388	271,900	1,150,000	24%	325,871
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,353	515,276	719,990	72%	462,956
Primary & Specialty Care Reserves	-	-	2,000,000	0%	52,500
Community Health Care Initiatives	1,875	1,875	875,000	0%	-
Hospital and Specialty Services	-	-	57,000,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>3,976,888</b>	<b>41,243,037</b>	<b>155,078,846</b>	<b>27%</b>	<b>43,677,254</b>
Service Expansion Funds					

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Healthcare Delivery Detail (continued)	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Healthcare Operations and Support</b>					
<b>ACA and Premium Assistance Programs</b>					
High Risk Premium Programs	723,689	6,304,816	8,600,000	73%	4,835,116
CHAP Program	251,578	2,074,092	2,959,354	70%	1,607,170
ACA Enrollment and Education Services	13,074	542,900	601,320	90%	573,594
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>988,341</b>	<b>8,921,808</b>	<b>12,160,674</b>	<b>73%</b>	<b>7,015,880</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	7,201	72,114	368,579	20%	271,459
Consulting Services	42,197	229,299	1,730,000	13%	-
Legal Fees	12,590	156,144	174,500	89%	
Other Goods & Svc incl. UT Ground Lease	184,287	1,536,465	3,824,393	40%	2,504,801
<b>Subtotal Healthcare Facilities and Campus</b>	<b>246,275</b>	<b>1,994,022</b>	<b>6,097,472</b>	<b>33%</b>	<b>2,776,260</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	966,252	8,807,829	15,021,176	59%	7,080,307
Consulting Services	3,249	47,246	1,085,500	4%	42,434
Legal Fees	(16,767)	75,681	332,000	23%	96,663
Other Services and Purchased Goods	501,740	3,707,620	13,034,352	28%	3,067,249
<b>Subtotal HCD Operating Cost</b>	<b>1,454,474</b>	<b>12,638,376</b>	<b>29,473,028</b>	<b>43%</b>	<b>10,286,653</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	6,410	1,243,887	1,264,357	98%	1,267,677
Healthcare Capital Line of Credit	-	-	1,091,773		-
FY2021 Capital reserve	-	6,500,000	34,100,000	19%	2,950,000
FY2021 Hospital Services Reserve	-	-	4,000,000		6,406,290
FY2021 Contingency reserve appropriation	-	-	87,064,169		-
<b>Subtotal Debt, Reserves and Transfers</b>	<b>6,410</b>	<b>7,743,887</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,623,967</b>
<b>Total Healthcare Delivery</b>	<b>6,672,388</b>	<b>72,541,130</b>	<b>353,858,894</b>	<b>21%</b>	<b>101,339,129</b>





Healthcare Delivery - Primary Care	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Primary Care</b>					
CommUnity Care	1,861,190	23,658,806	44,885,000	53%	26,029,562
Lone Star Circle of Care	370,480	3,599,008	6,555,000	55%	3,912,427
People's Community Clinic	225,771	1,557,957	2,600,000	60%	1,473,428
Other Primary Care	11,114	156,191	2,895,000	5%	323,746
<b>Subtotal Primary Care Services</b>	<b>2,468,555</b>	<b>28,971,962</b>	<b>56,935,000</b>	<b>51%</b>	<b>31,739,163</b>

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Healthcare Delivery - Specialty	Jun 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD	YOY Percent Change	Comments
Specialty Care							
Ancillary Services	1,311	51,632	610,000	8%	13,255	290%	
Cardiology	6,053	73,820	265,000	28%	92,161	-20%	
Consultation Services	25,000	225,000	500,000	45%	0	0%	Addition of services with CUC
Dental Specialty	99,589	577,950	1,000,000	58%	659,158	-12%	
Dermatology	63,409	307,524	550,000	56%	312,045	-1%	
Durable Medical Equipmen	431	15,346	115,000	13%	15,335	0%	
Ear, Nose & Throat ENT	19,267	185,292	350,000	53%	159,799	16%	
Endocrinology	27,382	233,543	575,000	41%	142,306	64%	Increased utilization of e-consults
Gastroenterology	77,608	579,826	2,100,000	28%	572,431	1%	
General Surgery	4,112	30,188	300,000	10%	95,321	-68%	Lower volume
Gynecology IPU	0	0	600,000	0%	13,974	-100%	Services currently contracted in CCC
Nephrology	881	10,546	200,000	5%	0	0%	New service in FY21 with lower volume
Oncology	36,826	238,613	700,000	34%	287,535	-17%	
Ophthalmology	111,819	842,080	1,575,000	53%	657,148	28%	
Orthotics & Prosthetics	29,948	113,043	200,000	57%	89,616	26%	
Podiatry	6,463	159,938	350,000	46%	4,375	3556%	New service in FY20
Pulmonology	12,143	123,361	375,000	33%	190,339	-35%	
Rheumatology	14,610	99,817	250,000	40%	94,632	5%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	Services currently contracted in CCC
Neurology	0	0	100,000	0%	0	0%	
Wound Care	5,075	44,625	150,000	30%	17,775	151%	
<b>Total Specialty Care</b>	<b>541,927</b>	<b>3,912,144</b>	<b>12,565,000</b>	<b>31%</b>	<b>3,417,205</b>	<b>14%</b>	



# Questions ? Comments ?