



March 2021 Preliminary Monthly Financial Statements (unaudited)

Page 1 of 6

Balance Sheet (Assets) – Slide 4

**Current Assets**

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Cash and Cash Equivalents – \$903K compared to \$1.2M March 2020

Short-term Investments – Short-term investments were \$362M at month-end and restricted investments of \$11.6M for capital acquisitions.

Ad Valorem Taxes Receivable – \$6.1M balance is composed of:

Gross Tax Receivables	\$ 10.2M
Taxable Assessed Valuation Adjustment	(1.4)M
Est. Allowance for Doubtful collections	(2.7)M
<b>Total Taxes Receivable</b>	<b>\$ 6.1M</b>

Other Receivables – Other receivables total \$2.6M and includes intercompany balances:

- CommUnityCare - \$1.1M
- Sendero - \$714K
- Community Care Collaborative - \$404K
- Accrued Interest - \$336K
- Miscellaneous Receivables – \$9K

Prepaid Expenses – \$564K balance composed of:

- TCAD Appraisal Fees - \$239K
- Software - \$54K
- Prepaid Tax Collection Fees - \$6K
- Memberships - \$71K
- Prepaid Insurance - \$173K
- Deposits - \$21K

**Total Current Assets – \$372M**



March 2021 Preliminary Monthly Financial Statements (unaudited)

Page 2 of 6

Balance Sheet (Assets) – Slide 4 (continued)

**Restricted Cash & Investments or Noncurrent**

Investments Restricted for Capital Acquisition – \$11.6M 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 - \$7M

Capital Assets – \$63M, net of accumulated depreciation

**Total Assets – \$565M**



**Current Liabilities** – Slide 5

Accounts Payable – Major components of the \$6.7M balance are:

- \$5M estimated IBNR for healthcare services.
- \$474K estimated month-end vendor invoices due.
- \$1.3M month-end vendor invoices due.

Salaries and Benefits Payable – \$1.9M 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 - \$4.9M pending collection

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

**Total Current Liabilities** – **\$15M**



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

Funds held for TCHD LPPF - \$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 – \$12M**

**Total Liabilities – \$27M**

**Net Assets**

Unrestricted Net Assets – \$476M

Investment in Capital Assets – \$63M

**Total Net Assets – \$538M**

**Total Liabilities and Net Assets – \$565M**



March 2021 Preliminary Monthly Financial Statements (unaudited)

Page 5 of 6

**Sources and Uses Report** – Slide 6

March financials → six months, 50% of the fiscal year.

**Sources – Total \$4.4M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$2.5M. Net revenue includes \$2.6M current month's collections; \$203K Penalties and Interest; (\$285)K in adjustments for prior year delinquent taxes.

Lease Revenue – \$1.8M recorded for Seton lease payment and the UT ground lease for block 167.

Other Revenue – \$86k: \$80K investment income for the month, \$370K YTD, compared to \$1.4M YTD last year.

**Uses of Funds – Total \$13.8M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$13M for the month and \$51.5M YTD compared to \$67.9M YTD thru March 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 – \$744K in expense for the month, which includes:

- Personnel costs – \$516K
- Consulting services – \$8K
- Legal fees – \$43K
- Other general and administrative – \$176K

**Tax Collection Expenses** – \$85K for the month.

**Excess Sources/(Uses)** – \$(9.4)M in March. Current YTD is \$322M compared to prior year FY20 YTD of \$213M.



March 2021 Preliminary Monthly Financial Statements (unaudited)

Page 6 of 6

**Healthcare Delivery Expense** – Slide 7

**Healthcare Delivery Expense** – Total \$13M March; \$51.5M YTD compared to \$67.9M March FY20 YTD.

Intergovernmental Transfers (“IGT’s”) – YTD \$0 compared to \$11.6M YTD last year for DSH.

Healthcare Services – Healthcare delivery providers’ expense for March totaled \$2.7M, which includes:

- Primary care – \$2.2M
- Specialty Care (including Dental and Behavioral Health) – \$(234)K
- Pharmacy - \$727K
- All Other Healthcare Services - \$82K

ACA Premium Assist, Education, Enrollment – \$1M in expenses for the month; \$5.9M YTD compared to \$4.4M FY20 YTD

Healthcare Facilities and Campus Redevelopment - \$141K in expense for the month and \$1.3M YTD.

Healthcare Delivery Operating Cost – \$1.4M in expenses for the month and includes:

- Personnel costs – \$1.1M
- Consulting Services – \$3K
- Legal Fees - \$6K
- Other services and purchased goods – \$267K

Debt, Reserves and Transfer – \$7.6M in Debt Service and Capital Reserve for the month

**Total Healthcare Delivery** - for the month of March was \$13M.



# Central Health

## Financial Statement Presentation

FY 2021 – as of Mar 31, 2021 (Preliminary)

Central Health Board of Managers

April 28, 2020

Lisa Owens, Deputy CFO

Patti Bethke, Controller



- Slide 2 Index
- Slide 3 Highlights
- Slide 4 Balance Sheet - Assets
- Slide 5 Balance Sheet - Liabilities & Net Assets
- Slide 6 Sources & Uses
- Slide 7 HCD - Summary
- Slide 8 HCD - Blank Page
- Slide 9 HCD - IGT & HCD Services
- Slide 10 HCD - Operating Cost
- Slide 11 HCD - Primary Care
- Slide 12 HCD - Specialty Care

Note: HCD = Health Care Delivery





- Year-to-date through March, collected net property tax revenue is \$236 million compared to \$213 million as of March 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.
- Tax collected through March 2021 is 98% of the adjusted tax levy compared to 98% as of March 2020.
- Healthcare Delivery is \$52 million for the six months ending 3/31/2021.
- GAAP reporting Net Assets increased \$65 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 3/31/2021 is \$7 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



Assets	Preliminary as	
	of 03/31/2021	as of 3/31/2020
Current Assets		
Cash and cash equivalents	903,062	1,178,261
Short-term investments	361,991,251	254,256,220
Ad valorem taxes receivable	6,086,398	4,639,248
Other receivables	2,592,883	6,017,652
Prepaid expenses	564,109	611,160
Total Current Assets	<u>372,137,703</u>	<u>266,702,540</u>
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	11,582,854	8,198,789
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	6,948,348	19,839,833
Total Restricted Cash and Investments or Noncurrent	<u>130,614,202</u>	<u>140,121,622</u>
Capital Assets		
Land	13,425,967	12,546,211
Buildings and improvements	58,253,175	130,395,330
Equipment and furniture	9,870,147	9,581,124
Capital Projects in progress	5,500,751	2,196,491
Less accumulated depreciation	(24,388,416)	(45,295,164)
Total Capital Assets	<u>62,661,625</u>	<u>109,423,993</u>
<b>Total Assets</b>	<u><u>565,413,530</u></u>	<u><u>516,248,155</u></u>



<b>Liabilities</b>	<b>Preliminary</b>	
	<b>as of 03/31/2021</b>	<b>as of 3/31/2020</b>
<b>Current Liabilities</b>		
Accounts payable	6,733,183	8,804,820
Salaries and benefits payable	1,918,262	1,926,753
Other Payables	-	65,048
Debt service payable, short-term	1,196,410	1,124,177
Deferred tax revenue	4,877,231	3,965,430
Other deferred revenue	610,000	610,000
<b>Total Current Liabilities</b>	<b>15,335,087</b>	<b>16,496,229</b>
<b>Restricted or Noncurrent Liabilities</b>		
Funds held for TCHD LPPF	6,948,348	19,839,833
Debt service payable, long-term	4,915,000	6,185,000
Deferred Revenue	-	610,000
<b>Total Restricted of Noncurrent Liabilities</b>	<b>11,863,348</b>	<b>26,634,833</b>
<b>Total Liabilities</b>	<b>27,198,435</b>	<b>43,131,062</b>
<b>Net Assets</b>		
Unrestricted	475,553,561	363,693,100
Investment in Capital Assets	62,661,625	109,423,993
<b>Total Net Assets</b>	<b>538,215,185</b>	<b>473,117,093</b>
<b>Liabilities and Net Assets</b>	<b>565,413,620</b>	<b>516,248,155</b>



Sources / Uses	Mar 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Sources</b>					
Property Tax Revenue	2,521,024	235,626,249	234,057,519	101%	212,896,552
Lease Revenue	1,819,950	6,132,684	12,909,866	48%	6,085,474
Other Revenue	85,892	384,977	1,720,000	22%	1,440,113
Tobacco Settlement Revenue	-	-	2,800,000	0%	-
Contingency Reserve (Carryforward)	-	136,179,266	115,856,728	118%	64,898,396
<b>Total Sources</b>	<b>4,426,866</b>	<b>378,323,176</b>	<b>367,344,113</b>	<b>103%</b>	<b>285,320,535</b>
<b>Uses of Funds</b>					
<b>Healthcare Delivery</b>	<b>12,979,123</b>	<b>51,523,024</b>	<b>353,858,894</b>	<b>15%</b>	<b>67,891,723</b>
<b>Administrative Program</b>					
Salaries and benefits	516,186	2,336,754	5,561,651	42%	2,248,251
Consulting Fees	8,378	65,304	1,259,570	5%	258,072
Legal Fees	43,470	352,817	1,497,136	24%	461,526
Other Purchase Goods and Services	176,379	795,704	3,081,046	26%	537,411
<b>Total Administrative Program</b>	<b>744,413</b>	<b>3,550,579</b>	<b>11,399,403</b>	<b>31%</b>	<b>3,505,260</b>
<b>Tax Collection Expenses</b>	<b>85,016</b>	<b>1,320,849</b>	<b>2,085,816</b>	<b>63%</b>	<b>1,286,846</b>
<b>Total Uses</b>	<b>13,808,552</b>	<b>56,394,452</b>	<b>367,344,113</b>	<b>15%</b>	<b>72,683,829</b>
<b>Excess Sources / (Uses)</b>	<b>(9,381,686)</b>	<b>321,928,724</b>			<b>212,636,706</b>



<b>Healthcare Delivery Summary</b>	<b>Mar 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%	11,637,720
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	2,171,309	20,939,989	56,935,000	37%	23,572,627
Specialty Care, incld Dental & Behavioral Health	(234,410)	2,289,189	14,448,856	16%	3,535,602
Pharmacy	727,765	4,893,463	13,250,000	37%	4,985,674
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	82,158	515,194	4,469,990	12%	589,531
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>2,746,822</b>	<b>28,637,835</b>	<b>155,078,846</b>	<b>18%</b>	<b>32,683,434</b>
<b>ACA Premium Assist, Education, Enrollment</b>	<b>1,006,877</b>	<b>5,896,813</b>	<b>12,160,674</b>	<b>48%</b>	<b>4,359,266</b>
<b>Healthcare Facilities and Campus Redevelopment</b>	<b>141,475</b>	<b>1,263,845</b>	<b>6,097,472</b>	<b>21%</b>	<b>2,203,258</b>
<b>Healthcare Delivery Operating Costs</b>	<b>1,397,539</b>	<b>7,999,875</b>	<b>29,473,028</b>	<b>27%</b>	<b>6,426,561</b>
<b>Debt, Reserves and Transfers</b>	<b>7,686,410</b>	<b>7,724,656</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,581,484</b>
<b>Total Healthcare Delivery</b>	<b>12,979,123</b>	<b>51,523,024</b>	<b>353,858,894</b>	<b>15%</b>	<b>67,891,723</b>



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Mar 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
<b>Intergovernmental Transfers (IGTs)</b>					
DSH - Disproportionate Share	-	-	-	0%	11,637,720
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>11,637,720</b>
<b>Healthcare Services</b>					
Primary Care - (see detail on Slide 11)	2,171,309	20,939,989	56,935,000	37%	23,572,627
Specialty Care, incld Dental - (see detail on Slide 12)	(199,278)	2,060,130	12,565,000	16%	3,250,767
Specialty Care, Behavioral Health	(35,132)	229,059	1,883,856	12%	284,835
Pharmacy	727,765	4,893,463	13,250,000	37%	4,985,674
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	25,105	171,676	1,150,000	15%	228,394
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,053	343,518	719,990	48%	308,637
Primary & Specialty Care Reserves	-	-	2,000,000	0%	52,500
Community Health Care Initiatives	-	-	875,000	0%	-
Hospital and Specialty Services	-	-	57,000,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
<b>Subtotal Healthcare Services</b>	<b>2,746,822</b>	<b>28,637,835</b>	<b>155,078,846</b>	<b>18%</b>	<b>32,683,434</b>

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Healthcare Delivery Detail (continued)	Mar 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	737,125	4,097,567	8,600,000	48%	2,801,826
CHAP Program	256,713	1,299,498	2,959,354	44%	1,023,221
ACA Enrollment and Education Services	13,039	499,748	601,320	83%	534,219
<b>Subtotal ACA &amp; Premium Assist Program</b>	<b>1,006,877</b>	<b>5,896,813</b>	<b>12,160,674</b>	<b>48%</b>	<b>4,359,266</b>
<b>Healthcare Facilities and Campus</b>					
Salaries and benefits	8,457	49,146	368,579	13%	178,641
Consulting Services	13,318	115,647	1,730,000	7%	-
Legal Fees	(9,190)	137,942	174,500	79%	78,405
Other Goods & Svc incl. UT Ground Lease	128,890	961,110	3,824,393	25%	1,946,212
<b>Subtotal Healthcare Facilities and Campus</b>	<b>141,475</b>	<b>1,263,845</b>	<b>6,097,472</b>	<b>21%</b>	<b>2,203,258</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	1,121,942	5,780,918	15,021,176	38%	4,649,906
Consulting Services	3,068	16,915	1,085,500	2%	32,066
Legal Fees	5,818	52,181	332,000	16%	80,255
Other Services and Purchased Goods	266,711	2,149,861	13,034,352	16%	1,664,334
<b>Subtotal HCD Operating Cost</b>	<b>1,397,539</b>	<b>7,999,875</b>	<b>29,473,028</b>	<b>27%</b>	<b>6,426,561</b>
<b>Debt Service, Reserves and Transfers</b>					
Debt Service	1,186,410	1,224,656	1,264,357	97%	1,225,194
Healthcare Capital Line of Credit	-	-	1,091,773	-	-
FY2021 Capital reserve	6,500,000	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>7,686,410</b>	<b>7,724,656</b>	<b>127,520,299</b>	<b>6%</b>	<b>10,581,484</b>
<b>Total Healthcare Delivery</b>	<b>12,979,123</b>	<b>51,523,024</b>	<b>353,858,894</b>	<b>15%</b>	<b>67,891,723</b>





<b>Healthcare Delivery - Primary Care</b>	<b>Mar 2021</b>	<b>FY21 YTD</b>	<b>FY21 Budget</b>	<b>Percent of Budget Used</b>	<b>FY20 YTD</b>
<b>Primary Care</b>					
CommUnity Care	1,594,732	17,459,471	44,885,000	39%	19,113,751
Lone Star Circle of Care	358,168	2,446,252	6,555,000	37%	3,307,596
People's Community Clinic	202,321	955,158	2,600,000	37%	914,680
Other Primary Care	16,089	79,108	2,895,000	3%	236,600
<b>Subtotal Primary Care Services</b>	<b>2,171,310</b>	<b>20,939,989</b>	<b>56,935,000</b>	<b>37%</b>	<b>23,572,627</b>

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Healthcare Delivery - Specialty	Mar 2021	FY21 YTD	FY21 Budget	Percent of		YOY Percent Change	Comments
				Budget Used	FY20 YTD		
Specialty Care							
Ancillary Services	7,460	30,933	610,000	5%	30,434	2%	
Cardiology	(16,423)	40,984	265,000	15%	75,674	-46%	Lower volume than anticipated related to COVID
Consultation Services	0	0	500,000	0%	37,500	-100%	
Dental Specialty	(2,218)	251,096	1,000,000	25%	485,358	-48%	Lower volume than anticipated related to COVID; Transition of denture provider
Dermatology	18,725	177,652	550,000	32%	212,945	-17%	
Durable Medical Equipmen	1,157	7,526	115,000	7%	10,963	-31%	
Ear, Nose & Throat ENT	1,765	129,063	350,000	37%	153,824	-16%	
Endocrinology	(30,102)	77,172	575,000	13%	141,410	-45%	Lower volume than anticipated related to COVID
Gastroenterology	(155,119)	360,586	2,100,000	17%	661,598	-45%	Lower volume than anticipated related to COVID
General Surgery	6,161	22,379	300,000	7%	89,638	-75%	Lower volume than anticipated related to COVID
Gynecology IPU	0	0	600,000	0%	91,613	-100%	Services currently contracted in CCC
Nephrology	(5,668)	872	200,000	0%	0	0%	New service in FY21 with lower volume than anticipated related to COVID
Oncology	11,693	117,945	700,000	17%	194,676	-39%	Lower volume than anticipated related to COVID
Ophthalmology	61,848	556,445	1,575,000	35%	553,984	0%	
Orthotics & Prosthetics	8,951	50,008	200,000	25%	72,442	-31%	
Podiatry	(51,100)	69,650	350,000	20%	79,587	-12%	Lower volume than anticipated related to COVID
Pulmonology	(63,947)	78,480	375,000	21%	200,248	-61%	Lower volume than anticipated related to COVID
Rheumatology	182	58,860	250,000	24%	77,350	-24%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	Services currently contracted in CCC
Neurology	0	0	100,000	0%	0	0%	
Wound Care	7,355	30,480	150,000	20%	81,523	-63%	
<b>Total Specialty Care</b>	<b>(199,280)</b>	<b>2,060,131</b>	<b>12,565,000</b>	<b>16%</b>	<b>3,250,767</b>	<b>-37%</b>	



# Questions ? Comments ?