



January 2022 Preliminary Monthly Financial Statements (unaudited)

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Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – \$1.3M compared to \$714K January 2021

Short-term Investments – Short-term investments were \$450M at month-end, net of restricted investments totaling \$79M.

Ad Valorem Taxes Receivable – \$63.4M balance is composed of:

| | | |
|---|----|--------|
| Gross Tax Receivables | \$ | 66.7M |
| Taxable Assessed Valuation Adjustment | | (0.4)M |
| Est. Allowance for Doubtful collections | | (2.9)M |
| Total Taxes Receivable | \$ | 63.4M |

Other Receivables – Other receivables total \$2.2M and includes intercompany balances:

- CommUnityCare - \$677K
- Sendero - \$706K
- Community Care Collaborative - \$27K
- Accrued Interest - \$500K
- Miscellaneous Receivables – \$320K



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Balance Sheet (Assets) – Slide 4 (continued)

Prepaid Expenses – \$730K balance composed of:

- TCAD Appraisal Fees - \$188K
- ICC - \$115K
- Prepaid Tax Collection Fees - \$89K
- Software - \$84K
- Deposits - \$82K
- Prepaid Insurance - \$76K
- JTT Equipment - \$65K
- Memberships - \$31K

Total Current Assets – \$517M

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$79M in securities and reserves 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 - \$22M

Capital Assets – \$85M, net of accumulated depreciation (unchanged)

Total Assets – \$816M



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$7.6M balance are:

- \$6.3M estimated IBNR for healthcare services.
- \$1.3M vendor invoices due.

Salaries and Benefits Payable – \$2M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Other Payables – \$1.2M Contract Liability.

Debt Service Payable, Short-Term – \$5M in Certificates of Obligation and Interest Payable for 2011 and 2021 Taxable and non-Taxable Series, due 03/01/22.

Deferred Tax Revenue - \$34M pending collection

Total Current Liabilities – **\$50M**

Restricted or Noncurrent Liabilities

Funds held for TCHD LPPF - \$22M receipts from participants in the LPPF.

Balance Sheet (Liabilities) – Slide 5 (continued)

Debt Service Payable, Long-Term – \$80.2M balance (unchanged):

| | Series 2020 | Series 2021 | |
|------------|-----------------------------|-------------------------------------|---------------|
| | General Obligation Bonds | Certificates of Obligation Bonds | |
| Non-tax LT | 7.285 M | 10.8 M | |
| Taxable LT | | 60.0 M | |
| Premium | | 2.1 M | |
| Totals | 7.285 M | 72.9 M | 80.2 M |

\$7.285M was originally issued in 2011 for the North Central clinic and refunded May 2020. \$72.9M was issued in 2021 for two clinics and an administration building. Annual payments are due on 3/1 for all Series.

Total Restricted of Noncurrent Liabilities – \$102.5M

Total Liabilities – \$153M

Net Assets

Unrestricted Net Assets – \$522M

Restricted Net Assets – \$56M

Investment in Capital Assets – \$85M

Total Net Assets – \$664M

Total Liabilities and Net Assets – \$816M



Sources and Uses Report – Slide 6

January financials → four months, 33% of the fiscal year.

Sources – Total \$115M for the month

Property Tax Revenue – Net property tax revenue for the month was \$114M. Net revenue includes \$115M current month's collections; \$86K Penalties and Interest; (\$500K) in adjustments for prior year delinquent taxes.

Lease Revenue – \$868K recorded for Seton.

Other Revenue – \$98K in monthly investment income

Uses of Funds – Total \$9.6M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$8.7M for the month and \$33M YTD compared to \$31M YTD thru January 2021.

Healthcare Delivery Budget includes funds for service expansion in Post-Acute Care \$2.1M, Primary & Specialty Care \$6.7M, and Community Health Care Initiatives \$875K

Administration Program – \$460K in expense for the month, which includes:

- Personnel costs – \$398K
- Consulting services – \$(53)K
- Legal fees – \$35K
- Other general and administrative – \$80K

Tax Collection Expenses – \$504K for the month.

Excess Sources/(Uses) – \$105M in January. Current YTD is \$434M compared to prior year YTD of \$309M.



Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$8.7M January; \$33M YTD compared to \$31M January FY21 YTD.

Intergovernmental Transfers ("IGT's") – YTD \$0M for DSRIP IGT compared to \$0M YTD last year for DSRIP IGT.

Healthcare Services – Healthcare delivery providers' expense for January totaled \$5.6M, which includes:

- Primary care – \$4.2M
- Specialty Care (including Dental and Behavioral Health) – \$437K
- Pharmacy - \$905K
- All Other - \$57

ACA Premium Assist, Education, Enrollment – \$1.2M in expenses for the month; \$4.1M YTD compared to \$3.9M FY21 YTD

Healthcare Facilities and Campus Redevelopment - \$905K in expense for the month and \$1.4M YTD.

Healthcare Delivery Operating Cost – \$805K in expenses for the month and includes:

- Personnel costs – \$1.06M
- Consulting Services – \$125K
- Legal Fees - \$3K
- Other services and purchased goods – \$(384)K

Debt, Reserves and Transfer – \$136K in Debt Service and Capital Reserve for the month

Total Healthcare Delivery - for the month of January was \$8.7M.



Central Health

Financial Statement Presentation

FY 2022 – as of January 31, 2022 (Preliminary)

Central Health Board of Managers

February 23, 2022

Lisa Owens, Deputy CFO

Patti Bethke, Controller



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- Slide 5 Balance Sheet - Liabilities & Net Assets
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- Slide 10 HCD - Primary Care
- Slide 11 HCD - Specialty Care

Note: HCD = Health Care Delivery



- Year-to-date through January collected net property tax revenue is \$231 million compared to \$204 million as of January 2021 representing 87.1% of the adjusted tax levy compared to 84.3% as of January 2021 .
- Healthcare Delivery is \$33 million for the four months ending 1/31/2022.
- GAAP reporting Net Assets increased \$95 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 1/31/2022 is \$22 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 1/31/2022 | as of 1/31/2021 |
| Current Assets | | |
| Cash and cash equivalents | 1,254,330 | 713,514 |
| Short-term investments | 449,847,609 | 314,674,418 |
| Ad valorem taxes receivable | 63,408,572 | 74,925,976 |
| Other receivables | 2,230,295 | 2,112,597 |
| Prepaid expenses | 730,113 | 509,276 |
| Total Current Assets | 517,470,919 | 392,935,781 |
| Restricted Cash and Investments or Noncurrent | | |
| Restricted for capital acquisition | 79,093,651 | 6,459,065 |
| 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 | 22,298,833 | 29,651,206 |
| Total Restricted Cash and Investments or Noncurrent | 213,475,484 | 148,193,271 |
| Capital Assets | | |
| Land | 26,372,222 | 13,425,967 |
| Buildings and improvements | 56,589,949 | 132,881,024 |
| Equipment and furniture | 17,761,542 | 10,030,421 |
| Capital Projects in progress | 11,181,570 | 4,429,042 |
| Less accumulated depreciation | (26,525,158) | (48,965,461) |
| Total Capital Assets | 85,380,126 | 111,800,992 |
| Total Assets | 816,326,529 | 652,930,044 |



| | Preliminary | |
|---|--------------------|--------------------|
| | as of | as of |
| Liabilities | 1/31/2022 | 1/31/2021 |
| Current Liabilities | | |
| Accounts payable | 7,610,270 | 6,757,702 |
| Salaries and benefits payable | 2,013,277 | 1,867,684 |
| Other Payables | 1,216,226 | - |
| Debt service payable, short-term | 4,988,640 | 1,218,246 |
| Deferred tax revenue | 34,301,038 | 37,495,975 |
| Other deferred revenue | - | 610,000 |
| Total Current Liabilities | 50,129,451 | 47,949,608 |
| Restricted or Noncurrent Liabilities | | |
| Funds held for TCHD LPPF | 22,298,833 | 29,651,206 |
| Debt service payable, long-term | 80,228,130 | 6,105,000 |
| Total Restricted of Noncurrent Liabilities | 102,526,963 | 35,756,206 |
| Total Liabilities | 152,656,414 | 83,705,814 |
| Net Assets | | |
| Unrestricted | 522,028,489 | 457,423,238 |
| Restricted | 56,261,500 | - |
| Investment in Capital Assets | 85,380,126 | 111,699,601 |
| Total Net Assets | 663,670,115 | 569,122,839 |
| Liabilities and Net Assets | 816,326,529 | 652,828,653 |



| Sources / Uses | Jan 2022 | FY22 YTD | FY22 Budget | Percent of Budget Used | FY21 YTD |
|-------------------------------------|--------------------|--------------------|--------------------|------------------------|--------------------|
| Sources | | | | | |
| Property Tax Revenue | 114,154,480 | 230,978,341 | 260,933,097 | 89% | 203,503,691 |
| Lease Revenue | 867,725 | 3,528,309 | 13,422,399 | 26% | 3,449,982 |
| Other Revenue | 98,368 | 356,614 | 3,000,000 | 12% | 243,032 |
| Tobacco Settlement Revenue | - | - | 3,000,000 | 0% | - |
| Contingency Reserve (Carryforward) | - | 235,884,286 | 226,521,399 | 104% | 136,179,266 |
| Total Sources | 115,120,573 | 470,747,550 | 506,876,895 | 93% | 343,375,971 |
| Uses of Funds | | | | | |
| Healthcare Delivery | 8,675,590 | 33,493,437 | 491,485,797 | 7% | 30,949,456 |
| Administrative Program | | | | | |
| Salaries and benefits | 397,637 | 1,761,946 | 7,134,758 | 25% | 1,541,946 |
| Consulting Fees | (52,875) | 5,073 | 1,341,120 | 0% | 47,176 |
| Legal Fees | 35,485 | 221,453 | 1,456,636 | 15% | 287,074 |
| Other Purchase Goods and Services | 79,964 | 652,476 | 3,287,732 | 20% | 473,725 |
| Total Administrative Program | 460,211 | 2,640,948 | 13,220,246 | 20% | 2,349,921 |
| Tax Collection Expenses | 504,237 | 1,106,297 | 2,170,853 | 51% | 1,090,141 |
| Total Uses | 9,640,038 | 37,240,682 | 506,876,896 | 7% | 34,389,518 |
| Excess Sources / (Uses) | 105,480,535 | 433,506,868 | | | 308,986,453 |



| Healthcare Delivery Summary | Jan 2022 | FY22 YTD | FY22 Budget | Percent of Budget Used | FY21 YTD |
|---|------------------|-------------------|--------------------|-----------------------------------|-------------------|
| Inter-Governmental Transfers (IGTs) | - | - | 15,509,298 | 0% | - |
| Healthcare Services | | | | | |
| Primary Care - (see detail on Slide 11) | 4,213,271 | 15,792,112 | 59,040,000 | 27% | 15,221,238 |
| Specialty Care, incld Dental - (see detail on Slide 12) | 418,330 | 1,999,452 | 17,175,000 | 12% | 2,056,373 |
| Specialty Care, Behavioral Health | 18,951 | 243,951 | 1,383,856 | 18% | 204,328 |
| Pharmacy | 905,395 | 3,132,651 | 14,250,000 | 22% | 3,335,700 |
| Post Acute Care | - | - | 2,125,000 | 0% | - |
| All Other Healthcare Services | 57,253 | 229,012 | 6,737,035 | 3% | 229,412 |
| Community Healthcare Initiatives Fund | - | - | 875,000 | 0% | - |
| Subtotal Healthcare Services | 5,613,200 | 21,397,178 | 101,585,891 | 21% | 21,047,051 |
| ACA Premium Assist, Education, Enrollment | 1,215,957 | 4,146,083 | 13,902,929 | 30% | 3,864,309 |
| Healthcare Facilities and Campus Redevelopment | 904,848 | 1,414,536 | 6,284,795 | 23% | 669,291 |
| Healthcare Delivery Operating Costs | 805,380 | 5,990,821 | 35,631,887 | 17% | 5,338,208 |
| Debt, Reserves and Transfers | 136,205 | 544,819 | 318,570,997 | 0% | 30,597 |
| Total Healthcare Delivery | 8,675,590 | 33,493,437 | 491,485,797 | 7% | 30,949,456 |



Details for Health Care Delivery on the following slides.



| Healthcare Delivery Detail | Jan 2022 | FY22 YTD | FY22 Budget | Percent of Budget Used | FY21 YTD |
|--|------------------|-------------------|--------------------|------------------------|-------------------|
| Healthcare Operations and Support | | | | | |
| ACA and Premium Assistance Programs | | | | | |
| High Risk Premium Programs | 865,500 | 2,856,369 | 10,240,575 | 28% | 2,612,562 |
| CHAP Program | 134,976 | 823,116 | 3,079,354 | 27% | 778,077 |
| ACA Enrollment and Education Services | 215,481 | 466,598 | 583,000 | 80% | 473,670 |
| Subtotal ACA & Premium Assist Program | 1,215,957 | 4,146,083 | 13,902,929 | 30% | 3,864,309 |
| Healthcare Facilities and Campus | | | | | |
| Salaries and benefits | 24,755 | 108,175 | 395,914 | 27% | 32,135 |
| Consulting Services | - | 5,096 | 1,512,000 | 0% | 65,181 |
| Legal Fees | 6,744 | 14,312 | 370,000 | 4% | 113,030 |
| Other Goods & Svc incl. UT Ground Lease | 873,349 | 1,286,953 | 4,006,881 | 32% | 458,945 |
| Subtotal Healthcare Facilities and Campus | 904,848 | 1,414,536 | 6,284,795 | 23% | 669,291 |
| Healthcare Delivery Operating Costs | | | | | |
| Salaries and benefits | 1,062,055 | 4,430,834 | 18,866,066 | 23% | 3,642,755 |
| Consulting Services | 124,746 | 258,675 | 840,000 | 31% | 10,860 |
| Legal Fees | 2,784 | 6,264 | 339,000 | 2% | 36,598 |
| Other Services and Purchased Goods | (384,205) | 1,295,048 | 15,586,821 | 8% | 1,647,995 |
| Subtotal HCD Operating Cost | 805,380 | 5,990,821 | 35,631,887 | 17% | 5,338,208 |
| Debt Service, Reserves and Transfers | | | | | |
| Debt Service | 136,205 | 544,819 | 6,152,676 | 9% | 30,597 |
| Healthcare Capital Line of Credit | - | - | 1,091,773 | - | - |
| FY2022 Capital reserve | - | - | 12,546,013 | - | - |
| FY2022 Contingency reserve appropriation | - | - | 298,780,535 | - | - |
| Subtotal Debt, Reserves and Transfers | 136,205 | 544,819 | 318,570,997 | 0% | 30,597 |
| Total Healthcare Delivery | 8,675,590 | 33,493,437 | 491,485,797 | 7% | 30,949,456 |



| Healthcare Delivery - Primary Care | Jan 2022 | FY22 YTD | FY22 Budget | Percent of Budget Used | FY21 YTD |
|---|------------------|-------------------|--------------------|-------------------------------|-------------------|
| Primary Care | | | | | |
| CommUnity Care | 3,648,879 | 13,416,079 | 45,885,000 | 29% | 12,817,043 |
| Lone Star Circle of Care | 401,492 | 1,671,072 | 6,755,000 | 25% | 1,640,770 |
| People's Community Clinic | 153,409 | 655,979 | 2,600,000 | 25% | 601,593 |
| Other Primary Care | 9,491 | 48,982 | 3,800,000 | 1% | 161,832 |
| Subtotal Primary Care Services | 4,213,271 | 15,792,112 | 59,040,000 | 27% | 15,221,238 |

(continued on next page)



| Healthcare Delivery - Specialty Care | Jan 2022 | FY22 YTD | FY22 Budget | Percent of Budget Used | FY21 YTD | YOY Percent Change | Comments* |
|--------------------------------------|----------------|------------------|-------------------|------------------------|------------------|--------------------|---------------------------------------|
| Specialty Care | | | | | | | |
| Ancillary Services & DME | 2,148 | 18,168 | 735,000 | 2% | 18,706 | -3% | |
| Cardiology | 44,036 | 88,436 | 265,000 | 33% | 50,925 | 74% | |
| Referral Services | 25,000 | 100,000 | 500,000 | 20% | 100,000 | 0% | |
| Dental Specialty | 68,133 | 326,930 | 1,300,000 | 25% | 249,795 | 31% | Service Expansion |
| Dermatology | 68,251 | 168,397 | 550,000 | 31% | 128,152 | 31% | |
| Ear, Nose & Throat ENT | 3,589 | 61,503 | 350,000 | 18% | 95,636 | -36% | |
| Endocrinology | 35,975 | 135,625 | 575,000 | 24% | 85,819 | 58% | Service Expansion |
| Gastroenterology | 45,908 | 255,141 | 2,100,000 | 12% | 405,431 | -37% | Lower Volume |
| General Surgery | 1,552 | 10,252 | 300,000 | 3% | 15,983 | -36% | |
| Gynecology Complex | 0 | 0 | 100,000 | 0% | (200) | -100% | CCC Agreement |
| Nephrology | 5,886 | 12,486 | 200,000 | 6% | 5,232 | 139% | New service in FY21 with lower volume |
| Oncology | 1,427 | 103,777 | 700,000 | 15% | 87,604 | 18% | |
| Ophthalmology | 28,329 | 344,984 | 1,650,000 | 21% | 331,813 | 4% | |
| Prosthetics | 1,679 | 16,837 | 200,000 | 8% | 23,629 | -29% | |
| Podiatry | 7,225 | 87,325 | 350,000 | 25% | 96,600 | -10% | |
| Pulmonology | 13,738 | 74,338 | 375,000 | 20% | 113,941 | -35% | |
| Reproductive and Sexual Health | 34,477 | 122,873 | 1,150,000 | 11% | 150,887 | -19% | |
| Rheumatology | 24,230 | 51,230 | 250,000 | 20% | 46,943 | 9% | |
| Neurology | 0 | 0 | 100,000 | 0% | 0 | 0% | New CUC Service |
| Wound Care | 6,750 | 21,150 | 150,000 | 14% | 49,475 | -57% | |
| Subtotal Specialty Care | 418,333 | 1,999,452 | 11,900,000 | 17% | 2,056,371 | -3% | |
| MAP Basic Expansion | 0 | 0 | 1,975,000 | 0% | 0 | 0% | |
| Systems Planning Expansion | 0 | 0 | 3,300,000 | 0% | 0 | 0% | |
| Total Specialty Care | 418,333 | 1,999,452 | 17,175,000 | 12% | 2,056,371 | -3% | |

* Changes greater than \$90,000 and +/- 33%



Questions ? Comments ?