



Balance Sheet

Current Assets

Cash and Cash Equivalents – \$5.8M compared to \$1.9M July 2022

Short-term Investments – Short-term investments were \$515M at month-end, net of restricted investments totaling \$124M.

Ad Valorem Taxes Receivable – \$3.4M balance is composed of:

Gross Tax Receivables	\$ 11.7M
Taxable Assessed Valuation Adjustment	(5.4)M
Est. Allowance for Doubtful collections	(2.9)M
Total Taxes Receivable	<u>\$ 3.4M</u>

Other Receivables – Other receivables total \$6.9M and includes intercompany balances:

- Accrued Interest - \$2.6M
- CUC – \$1.9M
- Prepaid Expenses – \$988K
- Miscellaneous Receivables – \$799K
- Sendero - \$682k
- Community Care Collaborative - \$86K
- AR Enterprise Health Claims (self-funding) - \$(87)K

Total Current Assets – \$655M

Long Term Assets

Sendero Paid-in-Capital – \$71.0M (unchanged)



July 2023 Preliminary Monthly Financial Statements (unaudited)

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

Sendero Surplus Debenture – \$37.1M (unchanged)

Restricted TCHD LPPF Cash & Investments - \$18.6M

Lease Receivables GASB87* - \$251M

- Lease Receivable Short-Term \$12M
- Lease Receivable Long-Term \$239M

Capital Assets – \$151M, net of accumulated depreciation, include purchase of Cameron Road Buildings

Total Assets – \$1.2B



Current Liabilities

Accounts Payable – Major components of the \$34M balance are:

- \$10M estimated IBNR for healthcare services.
- \$24M invoices payable

Salaries and Benefits Payable – \$7M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Debt Service Payable, Short-Term – \$4.6M in Certificates of Obligation and Interest Payable for Series 2020 and 2021 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$3M

Total Current Liabilities – \$49M

Restricted or Noncurrent Liabilities

Funds held for TCHD LPPF - \$18.6M receipts from participants in the LPPF.



Debt Service Payable, Long-Term – \$71.8M balance (changed):

	Series 2020	Series 2021	
	General Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT	2.5 M	12.4 M	
Taxable LT		54.7 M	
Premium		2.0 M	
Totals	2.5 M	69.1 M	71.8M

\$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 or Noncurrent Liabilities – \$90M

Lease Payable GASB87* - \$47.7M

- Lease Payable Short-Term \$1.2M
- Lease Payable Long-Term \$46.5M

Deferred Revenue Long-Term GASB87* - \$239M

Total Noncurrent Liabilities Leases* – \$287M

Total Liabilities – \$426M

Net Assets

Unrestricted Net Assets – \$576M



Restricted Net Assets – \$50M

Investment in Capital Assets – \$117M

Total Net Assets – \$743M

Total Liabilities and Net Assets – \$1.2B

*Governmental Accounting Standards Board statement 87, Leases (GASB87) the new lease accounting standard requires entities to report future long term lease obligations, previously reported as operating activity, on the balance sheet to convey control of the right to use the non-financial asset. This will significantly increase long term governmental balance sheets as a result of this requirement. The new rules require lessees to recognize a lease liability and an intangible asset while lessors are required to recognize lease receivables and a deferred inflow of resources on their financial statements.



Sources and Uses Report

July financials → ten months, 83% of the fiscal year.

Sources – Total \$3.4M for the month

Property Tax Revenue – Net property tax revenue for the month was \$(79)k. Net revenue includes \$83.6k current month's collections; \$78K Penalties and Interest; and \$(241)K in adjustments for prior year delinquent taxes.

Lease Revenue – \$1.5M for Downtown Campus, Hancock Clinic, and land leases

Other Revenue/Expense – \$2M primarily for investment income

Uses of Funds – Total \$38M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$37M for the month and \$172M YTD compared to \$122M FY22 YTD.

Administration Program – \$1.15M in expense for the month, which includes:

- Salaries and Benefits – \$667K
- Other Goods and Services - \$486K

Excess Sources/(Uses) – \$(35)M current month. Current YTD is \$129M compared to \$147M FY22 YTD.



CENTRAL HEALTH

Central Health

Financial Statement Presentation

FY 2023 – as of July 31, 2023 (Preliminary)

Central Health Board of Managers

August 23, 2023

Jeff Knodel CFO

Patti Bethke, Controller



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- Year-to-date through July collected net property tax revenue is \$278 million compared to \$260 million as of July 2022 representing 97.5% of the adjusted tax levy compared to 98.2% as of July 2022.
- Healthcare Delivery is \$172 million for the year as of 7/31/2023.
- GAAP reporting Net Assets increased \$115 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 6/30/2023 is \$18.6 million.
- Governmental Accounting Standards Board statement 87, Leases (GASB87) the new lease accounting standard requires entities to report future long term lease obligations, previously reported as operating activity, on the balance sheet to convey control of the right to use the non-financial asset. This will significantly increase long term governmental balance sheets as a result of this requirement. The new rules require lessees to recognize a lease liability and an intangible asset while lessors are required to recognize lease receivables and a deferred inflow of resources on their financial statements.

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.



CENTRAL HEALTH

	Preliminary as of	
	07/31/2023	as of 7/31/2022
ASSETS		
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	5,842,796	1,909,524
SHORT TERM INVESTMENTS	514,841,720	425,017,538
RESTRICTED INVESTMENTS	123,750,699	110,149,454
ACCOUNTS RECEIVABLE TAX	3,362,444	2,770,107
OTHER RECEIVABLES	6,908,901	2,730,474
TOTAL CURRENT ASSETS	654,706,560	542,577,098
LONG TERM ASSETS		
LEASE RECEIVABLE		
LEASE RECEIVABLE SHORT TERM	11,997,523	-
LEASE RECEIVABLE LONG TERM	238,804,438	-
TOTAL LEASE RECEIVABLES	250,801,961	-
CAPITAL ASSETS	187,598,170	114,928,490
ACCUMULATED DEPRECIATION	(35,881,277)	(29,278,778)
TOTAL CAPITAL ASSETS	151,716,894	85,649,712
TOTAL ASSETS	1,169,308,414	740,309,809
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	34,290,477	6,853,288
SALARIES & BENEFITS PAYABLE	6,971,880	3,744,535
DEBT SERVICE SHORT TERM	4,578,827	1,660,000
DEFERRED TAX REVENUE	3,015,611	2,233,594
TOTAL CURRENT LIABILITIES	48,856,796	14,491,417
RESTRICTED OR NONCURRENT LIABILITIES		
FUNDS HELD FOR TCHD LPPF	18,591,732	18,577,773
DEBT SERVICE PAYABLE LONG TERM	71,845,823	79,257,259
TOTAL RESTRICTED OR NONCURRENT LIABILITIES	90,437,555	97,835,032
NONCURRENT LIABILITIES		
LEASE LIABILITIES	47,685,113	-
DEFERRED REVENUE	238,828,472	-
TOTAL NONCURRENT LIABILITIES AND LEASES	286,513,585	-
TOTAL LIABILITIES	425,807,936	112,326,449
NET ASSETS		
INVESTMENT IN CAPITAL ASSETS	117,487,023	60,253,263
RESTRICTED	50,319,259	56,055,994
UNRESTRICTED	575,694,196	511,674,103
TOTAL NET ASSETS	743,500,478	627,983,360
LIABILITIES AND NET ASSETS	1,169,308,414	740,309,809

* New GASB87 reporting requirement for leases.



CENTRAL HEALTH

SOURCES / USES	JUL 2023	FY23 YTD	FY23 Budget	Percent of Budget Used	FY22 YTD
SOURCES					
PROPERTY TAX REVENUE	(79,390)	278,116,396	281,605,053	98.76%	260,036,070
LEASE REVENUE	1,573,101	15,980,308	13,145,328	121.57%	10,478,757
OTHER REVENUE	1,954,135	17,498,704	1,500,000	1166.58%	2,851,164
TOBACCO SETTLEMENT REVENUE	-	4,828,924	4,500,000	107.31%	4,676,730
TOTAL SOURCES	3,447,846	316,424,332	300,750,381	1494.22%	278,042,721
USES OF FUNDS					
HEALTHCARE DELIVERY PROGRAM (SEE NEXT PAGE)	37,111,641	171,781,918	283,508,877	60.66%	122,467,616
ADMINISTRATIVE PROGRAM					
SALARIES AND BENEFITS	666,676	6,287,483	9,641,743	65.21%	4,765,465
OTHER GOODS AND SERVICES	486,340	9,558,683	12,507,617	76.42%	4,111,952
TOTAL ADMINISTRATIVE PROGRAM	1,153,016	15,846,166	22,149,360	71.54%	8,877,418
TOTAL USES	38,264,657	187,628,084	305,358,238	61.45%	131,340,794
EXCESS SOURCES / (USES)	(34,816,811)	128,796,248	(4,607,857)	1432.77%	146,701,928



CENTRAL HEALTH

HEALTHCARE DELIVERY SUMMARY	JUL 2023	FY23 YTD	FY23 Budget	Percent of Budget Used	FY22 YTD
PURCHASED HEALTHCARE SERVICES					
PRIMARY CARE	6,756,360	48,975,268	66,236,822	74%	40,356,568
SPECIALTY CARE, INCLD DENTAL	1,122,859	11,615,030	27,163,000	43%	6,332,913
SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE	1,091,272	6,653,390	12,040,000	55%	497,742
PHARMACY	672,749	8,724,623	17,000,000	51%	8,834,315
POST ACUTE CARE	362,571	3,248,691	5,650,000	57%	142,705
COMMUNITY HEALTHCARE INITIATIVES FUND	-	135,107	1,750,000	8%	-
ALL OTHER HEALTHCARE SERVICES	-	-	687,035		572,529
SUBTOTAL PURCHASED HEALTHCARE SERVICES	10,005,811	79,352,110	130,526,857	61%	56,736,772
DIRECT HEALTHCARE SERVICES	82,145	433,557	5,673,261	8%	70,694
MAP ELIGIBILITY - INCREASE IN PERIOD	-	-	2,000,000		-
SUBTOTAL HEALTHCARE SERVICES	10,087,957	79,785,667	138,200,118	58%	56,807,466
ACA PREMIUM ASSIST	1,111,712	11,038,901	14,648,261	75%	10,405,258
HEALTHCARE FACILITIES AND CAMPUS REDEVELOPMENT	240,999	2,698,527	4,754,027	57%	3,190,259
HEALTHCARE DELIVERY OPERATION COSTS	3,115,557	27,197,852	48,409,728	56%	32,630,681
DEBT, RESERVES AND TRANSFERS	124,708	28,630,263	55,496,744	52%	19,433,951
UT AFFILIATION AGREEMENT	22,430,708	22,430,708	22,000,000	102%	-
TOTAL HEALTHCARE DELIVERY	37,111,641	171,781,918	283,508,877	61%	122,467,616



CENTRAL HEALTH

HEALTHCARE DELIVERY - SPECIALTY CARE	JUL 2023	FY23 YTD	FY2023 BUDGET	Percent of Budget Used	FY2022 YTD	YOY Percent Change	Comments
HCD-Ancillary Services	40	483,656	2,408,000	20%	164,788	194%	Includes additional services: Anesthesia, Mammography, DME
HCD-Cardiology	61,253	347,353	1,215,000	29%	292,731	19%	
HCD-Dental	342,185	1,335,640	1,500,000	89%	781,777	71%	
HCD-Dermatology	94,089	764,768	1,125,000	68%	662,104	16%	
HCD-Dialysis	97,387	637,097	2,600,000	25%	0	0%	New Service late FY22
HCD-Endocrinology	64,797	541,132	925,000	59%	595,117	-9%	Service Expansion
HCD-Ear, Nose & Throat ENT	10,139	130,363	500,000	26%	99,300	31%	Provider Vacancy
HCD-Gastroenterology	112,821	1,049,830	2,100,000	50%	1,002,610	5%	Service Expansion
HCD-General Surgery	(53,973)	300,828	200,000	150%	58,122	418%	
HCD-Gynecology	69,529	1,075,284	1,050,000	102%	0	0%	Transition from CCC
HCD-Musculoskeletal	24,131	1,430,181	1,700,000	84%	26,005	5400%	Transition from CCC
HCD-Nephrology	9,895	92,584	350,000	26%	43,532	113%	
HCD-Neurology	1,352	40,259	300,000	13%	11,375	254%	New CUC Service
HCD-Oncology	64,168	516,269	1,800,000	29%	264,603	95%	
HCD-Ophthalmology	19,564	1,088,400	3,300,000	33%	1,003,165	8%	
HCD-Pain Management	0	0	350,000	0%	0	0%	New Services FY23
HCD-Podiatry	648	694,680	1,350,000	51%	400,890	73%	
HCD-Project Access	0	0	330,000	0%	0	0%	Future transition from CCC
HCD-Pulmonology	52,508	325,609	475,000	69%	293,422	11%	
HCD-Referral Management	20,050	142,090	875,000	16%	250,000	-43%	
HCD-Rheumatology	30,167	233,106	350,000	67%	131,996	77%	
HCD-Sexual & Reproductive Svc	102,108	385,902	2,110,000	18%	251,376	54%	
HCD-Urology	0	0	250,000	0%	0	0%	Agreement Inactive
Total Healthcare Delivery - Specialty Care	1,122,859	11,615,030	27,163,000	43%	6,332,913	83%	



Questions ? Comments ?