



Balance Sheet

Current Assets

Cash and Cash Equivalents – \$5.8M compared to \$2.3M December 2023

Short-term Investments – Short-term investments were \$547M at month-end, net of restricted investments totaling \$180M.

Short-Term Lease Receivables GASB87* - \$13M

Ad Valorem Taxes Receivable – \$215M balance is composed of:

Gross Tax Receivables	\$	219.2M
Taxable Assessed Valuation Adjustment		(358)K
Est. Allowance for Doubtful collections		(3.5)M
Total Taxes Receivable	\$	215M

Other Receivables – Other receivables total \$5M and includes intercompany balances:

- Accrued Interest - \$2.6M
- Prepaid Expenses – \$1.6M
- Sendero - \$1.0M

Total Unrestricted Current Assets – \$786M

Restricted TCHD LPPF Cash & Investments - \$84.5M

Restricted for Capital Acquisition - \$180M

Total Current Assets – \$1.0B



Long Term Assets

Sendero Paid-in-Capital – \$83.0M includes \$12M additional capital payment to maintain sufficient capital levels required by Texas Department of Insurance.

Sendero Surplus Debenture – \$37.1M (unchanged)

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

Long-Term Lease Receivables GASB87* - \$238M

Total Long Term Assets - \$362M

Capital Assets – \$164M, net of accumulated depreciation.

Total Assets – \$1.6B



Current Liabilities

Accounts Payable – Major components of the \$12M balance are:

- \$10M estimated IBNR for healthcare services.
- \$1.8M invoices payable

Salaries and Benefits Payable – \$8M 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 – \$10.1M in Certificates of Obligation and Interest Payable for Series 2020, 2021 and 2023 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$201M

Total Current Liabilities – \$230M

Restricted or Noncurrent Liabilities

Funds held for TCHD LPPF - \$85.1M receipts from participants in the LPPF.



Debt Service Payable, Long-Term – \$168.3M balance:

	Series 2020	Series 2021	Series 2023	
	General Obligation Bonds	Certificates of Obligation Bonds	Certificates of Obligation Bonds	
Non-tax LT		12.2 M	7.7 M	
Taxable LT	2.5 M	54.6 M	88.6 M	
Premium		2.0 M	0.7 M	
Totals	2.5 M	68.8 M	97.0 M	168.3 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. \$99.4M was issued in 2023 for two clinics. Annual payments are due on 3/1 for all Series.

Lease/SBITA Payable GASB87 and GASB96* - \$53M

Deferred Revenue Long-Term GASB87* - \$235M

Total Restricted or Noncurrent Liabilities – \$542M

Total Liabilities – \$772M



Net Assets

Restricted For Capital Assets - \$245M

CO Construction – \$133M

Investment in Capital Assets – \$112M

Restricted - \$47M for emergency reserve

Unrestricted Net Assets – \$513M

Total Net Assets – \$804M

Total Liabilities and Net Assets – \$1.6B

*Governmental Accounting Standards Board statements 87 & 96, Leases (GASB87) and Subscription-Based Information Technology Arrangements (GASB97 SBITAs), new accounting standards require entities to report future long term 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 these requirements. The new rules require recognition of a lease or SBITA 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

December financials → Third month, 25% of the fiscal year.

Sources – Total \$120M for the month

Property Tax Revenue – Net property tax revenue for the month was \$116M. Net revenue includes \$116M current month's collections; \$42K Penalties and Interest; and (\$176K) in adjustment for prior year delinquent taxes.

Lease Revenue – \$1.6M for Downtown Campus, Cameron, Hancock Clinic, and land leases

Investment & Other Revenue/Expense – \$2.2M primarily for investment income

Uses of Funds – Total \$17M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$15M for the month and \$40M YTD compared to \$28M FY23 YTD.

Administration Program – \$2.3M in expense for the month

Excess Sources/(Uses) – \$102.5M current month. Current YTD is \$78.6M compared to \$66M FY23 YTD.



CENTRAL HEALTH

Central Health

Financial Statement Presentation

FY 2024 – as of December 31, 2023
(Preliminary)

Central Health Board of Managers

Budget and Finance Committee

February 21, 2023

Jeff Knodel CFO

Patti Bethke, Controller



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- December fiscal year-to-date collected net property tax revenue is \$121 million (37.6%), compared to \$115 million (40.1%) year-to-date December 2022 of the adjusted tax levy.
- Healthcare Delivery is \$40 million for the year as of 12/31/2023, compared to \$28 million last year.
- Sendero Capital payment of \$12 million to maintain sufficient capital levels required by Texas Department of Insurance.
- TCHD LPPF total restricted balance of LPPF as of 12/31/2023 is \$85 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.



	Preliminary as of 12/31/2023	as of 12/31/2022
ASSETS		
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	5,776,087	2,280,034
SHORT TERM INVESTMENTS	546,753,671	439,376,291
LEASE RECEIVABLE SHORT TERM*	12,570,255	10,695,053
ACCOUNTS RECEIVABLE TAX	215,439,115	186,486,289
OTHER RECEIVABLES	5,415,361	5,678,702
TOTAL UNRESTRICTED CURRENT ASSETS	<u>785,954,489</u>	<u>644,516,369</u>
RESTRICTED CASH & INVESTMENTS		
RESTRICTED TCHD LPPF CASH & INVESTMENT	84,529,279	22,871,244
RESTRICTED FOR CAPITAL ACQUISITION	179,900,135	112,029,101
TOTAL RESTRICTED CASH & INVESTMENTS	<u>264,429,414</u>	<u>134,900,345</u>
TOTAL CURRENT ASSETS	<u>1,050,383,903</u>	<u>779,416,714</u>
LONG TERM ASSETS		
SENDERO PAID-IN CAPITAL	83,000,000	71,000,000
SENDERO SURPLUS DEBENTURE	37,083,000	37,083,000
ADVANCE RECEIVABLE	4,000,000	4,000,000
LEASE RECEIVABLE LONG TERM*	237,793,880	237,596,533
TOTAL LONG TERM ASSETS	<u>361,876,880</u>	<u>349,679,533</u>
TOTAL CAPITAL ASSETS, NET of DEPRECIATION	<u>163,849,309</u>	<u>131,023,984</u>
TOTAL ASSETS	<u>1,576,110,093</u>	<u>1,260,120,232</u>
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	11,911,153	18,483,720
SALARIES & BENEFITS PAYABLE	7,582,799	3,373,962
DEBT SERVICE PAYABLE	10,083,274	5,066,339
DEFERRED TAX REVENUE	200,677,077	171,339,244
TOTAL CURRENT LIABILITIES	<u>230,254,303</u>	<u>198,263,265</u>
RESTRICTED OR NONCURRENT LIABILITIES		
FUNDS HELD FOR TCHD LPPF	85,130,953	22,871,243
DEBT SERVICE PAYABLE	168,335,820	75,782,821
LEASE & SUBSCRIPTION LIABILITIES*	53,293,850	43,108,369
DEFERRED REVENUE*	234,986,585	239,944,507
TOTAL RESTRICTED OR NONCURRENT LIABILITIES	<u>541,747,208</u>	<u>381,706,940</u>
TOTAL LIABILITIES	<u>772,001,511</u>	<u>579,970,205</u>
NET ASSETS		
RESTRICTED FOR CAPITAL ASSETS	244,838,394	160,082,360
RESTRICTED	46,739,076	38,719,836
UNRESTRICTED	512,531,112	481,347,831
TOTAL NET ASSETS	<u>804,108,582</u>	<u>680,150,027</u>
LIABILITIES AND NET ASSETS	<u>1,576,110,093</u>	<u>1,260,120,232</u>

* New GASB87 & GASB96 reporting requirement for leases and Subscription-Based Information Technology Arrangements.

Note: Report may contain rounding variances



SOURCES / USES	DEC 2023	FY24 YTD	FY24 Budget	Percent of Budget Used	FY23 YTD
SOURCES					
PROPERTY TAX REVENUE	116,174,085	120,827,174	312,456,814	39%	114,738,458
LEASE REVENUE	1,577,961	4,908,505	12,022,497	41%	4,678,215
INVESTMENT & OTHER REVENUE	2,231,901	6,186,685	7,500,000	82%	2,679,150
TOBACCO SETTLEMENT REVENUE	0	0	4,500,000	0%	0
TOTAL SOURCES	119,983,946	131,922,364	336,479,311	39%	122,095,824
USES OF FUNDS					
HEALTHCARE DELIVERY PROGRAM	15,137,621	39,952,545	295,246,807	13.5%	27,770,599
ADMINISTRATIVE PROGRAM	2,300,032	5,317,403	28,647,030	17.2%	5,249,253
UT AFFILIATION AGREEMENT	0	0	35,000,000	0.0%	0
TRANSFERS OUT	0	8,019,240	8,019,240	100.0%	23,000,000
TOTAL USES	17,437,653	53,289,188	366,913,077	7.7%	56,019,852
EXCESS SOURCES / (USES)	102,546,293	78,633,175	(30,433,766)		66,075,972
RESERVE BALANCES:					
EMERGENCY RESERVE		46,739,076	46,739,076		38,719,836
CONTINGENCY RESERVE			377,296,303		TBD



Details for Health Care Delivery on the following slides.



HEALTHCARE DELIVERY SUMMARY	DEC 2023	FY24 YTD	FY24 Budget	Percent of Budget Used	FY23 YTD
PURCHASED HEALTHCARE SERVICES					
PRIMARY CARE	4,478,866	14,546,474	71,782,200	20%	11,911,311
SPECIALTY CARE, INCLD DENTAL	2,374,659	3,764,351	30,188,000	12%	2,392,705
SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE	657,739	1,497,164	20,675,000	7%	135,484
PHARMACY	1,018,913	2,348,280	18,000,000	13%	1,643,991
POST ACUTE CARE	400,228	1,028,665	7,250,000	14%	368,804
COMMUNITY HEALTHCARE INITIATIVES FUND	23,400	23,400	875,000	3%	9,360
INMATE HEALTH	0	0	2,000,000	0%	0
SUBTOTAL PURCHASED HEALTHCARE SERVICES	8,953,806	23,208,334	150,770,200	15%	16,461,655
DIRECT SERVICES - SPECIALTY CARE	607,795	1,334,868	29,276,374	5%	25,707
MAP ELIGIBILITY - INCREASE IN PERIOD	0	0	1,000,000	0%	0
SUBTOTAL HEALTHCARE SERVICES	9,561,601	24,543,202	181,046,574	14%	16,487,362
ACA PREMIUM ASSIST	1,016,745	3,160,532	18,587,364	17%	3,148,522
HEALTHCARE FACILITIES AND CAMPUS REDEVELOPMENT	249,809	708,790	2,957,400	24%	539,901
HEALTHCARE OPERATIONS & SUPPORT	3,750,657	9,863,593	71,689,007	14%	7,197,780
DEBT, RESERVES AND TRANSFERS	558,809	1,676,428	20,966,462	8%	397,033
TOTAL HEALTHCARE DELIVERY	15,137,621	39,952,545	295,246,807	14%	27,770,598



HEALTHCARE DELIVERY - SPECIALTY CARE PURCHASED SERVICES	DEC 2023	FY24 YTD	FY2024 BUDGET	Percent of Budget Used	FY2023 YTD	Comments
HCD-Ancillary Services	203,436	240,153	2,998,000	8%	96,101	Includes additional services: Anesthesia, Mammography, DME, Prosthetics
HCD-Cardiology	24,685	104,285	1,215,000	9%	83,401	
HCD-Dental	375,622	520,940	1,500,000	35%	270,623	
HCD-Dermatology	63,917	231,525	915,000	25%	172,935	
HCD-Dialysis	277,864	283,594	3,000,000	9%	112,262	New Service late FY22
HCD-Endocrinology	31,392	161,525	830,000	19%	182,110	Service Expansion
HCD-Ear, Nose & Throat ENT	72,986	102,228	900,000	11%	27,271	Provider Vacancy
HCD-Gastroenterology	71,350	310,438	2,030,000	15%	208,823	Service Expansion
HCD-General Surgery	17,773	24,755	600,000	4%	43,934	
HCD-Gynecology	108,649	261,499	1,550,000	17%	42,380	
HCD-Infectious Disease	0	0	100,000	0%	0	
HCD-Musculoskeletal	498,500	543,920	2,500,000	22%	209,644	
HCD-Nephrology	8,100	28,600	200,000	14%	13,667	
HCD-Neurology	3,550	13,650	100,000	14%	3,450	
HCD-Oncology	29,169	36,176	2,900,000	1%	67,082	
HCD-Ophthalmology	365,539	417,630	3,100,000	13%	354,077	
HCD-Podiatry	64,141	172,521	1,300,000	13%	252,838	
HCD-Project Access	0	0	330,000	0%	0	Agreement Inactive
HCD-Pulmonology	23,568	78,268	425,000	18%	83,000	
HCD-Referral Management	0	25,000	585,000	4%	69,231	
HCD-Rheumatology	27,850	66,950	300,000	22%	42,825	
HCD-Sexual & Reproductive Svc	106,570	140,693	2,210,000	6%	57,053	
HCD-Specialty Care Reserve	0	0	300,000	0%	0	
HCD-Urology	0	0	300,000	0%	0	Agreement Inactive
Total Healthcare Delivery - Specialty Care	2,374,659	3,764,351	30,188,000	12%	2,392,705	



Questions ? Comments ?