



**Our Vision**

Central Texas is a model healthy community.

**Our Mission**

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**BUDGET AND FINANCE COMMITTEE MEETING  
Wednesday, February 25, 2026 4:00 p.m.**

**Videoconference meeting<sup>1</sup>**

**A quorum of the Committee and the presiding officer will be present at:**

Central Health Administrative Offices  
1111 E. Cesar Chavez St.  
Austin, Texas 78702  
Board Room

Members of the public may attend the meeting at the address above, or observe and participate in the meeting by connecting to the Zoom meeting link listed below (copy and paste into your web browser):

<https://us06web.zoom.us/j/83185998629?pwd=aGxkCbFtAOAsk1jQs0wDaGn7ucaeyUY.1>

Meeting ID: 831 8599 8629

Passcode: 281121

Links to livestream video are available at the URL below (copy and paste into your web browser):

<https://www.youtube.com/@tchealthdistrict/streams>

Or to participate by telephone only:

Dial: (346) 248 7799

Meeting ID: 831 8599 8629

Passcode: 281121

The Committee may meet via videoconference with a quorum present in person and will allow public participation via videoconference and telephone as allowed under the Open Meetings Act. Although a quorum of the Committee will be physically present at the location posted in this meeting notice, all members of the public are free to observe the meeting virtually and participate in public comment, if desired, through the virtual meeting link or telephone number listed on this meeting notice.

A member of the public who wishes to make comments virtually during the Public Communication portion of the meeting must properly register with Central Health **no later than 2:30 p.m. on February 25, 2026**. Registration can be completed in one of three ways:

- Complete the virtual sign-in form at <https://www.centralhealth.net/meeting-sign-up/>;
- Call 512-978-9190 and leave a voice message with your full name, your request to comment via telephone, videoconference, or in-person at the meeting; or
- Sign-in at the front desk on the day of the meeting, prior to the start of the meeting.

Individuals who register to speak on the website or by telephone will receive a confirmation email and/or phone call by staff with instructions on how to join the meeting and participate in public communication.

### **PUBLIC COMMUNICATION**

Public Communication rules for Central Health Board and Committee meetings include setting a fixed amount of time per person to speak and limiting Board and Committee responses to public inquiries, if any, to statements of specific factual information or existing policy. The Public Communication portion of the meeting is expected to begin at approximately 5:30 p.m., unless a member of the public wishes to comment on a specific item on this agenda.

### **COMMITTEE AGENDA<sup>2</sup>**

1. Approve the minutes of the January 28, 2026 Budget and Finance Committee meeting. (*Action Item*)
2. Receive a presentation on, review, and take appropriate action on the Central Health Fiscal Year 2025 financial audit and receive a presentation on the audit results of Central Health's component units (Sendero Health Plans Inc. and CommUnityCare Health Center). (*Action Item*)
3. Receive the January 2026 financial statements for Central Health. (*Informational Item*)
4. Receive the January 2026 financial statements for CommUnityCare Health Centers. (*Informational Item*)
5. Confirm the next Budget and Finance Committee meeting date, time, and location. (*Informational Item*)

<sup>1</sup> This meeting may include one or more members of the Budget and Finance Committee participating by videoconference. It is the intent of the presiding officer to be physically present and preside over the meeting at Central Health Headquarters, 1111 Cesar Chavez, Austin, Texas 78702. This meeting location will be open to the public during the open portions of the meeting, and any member participating by videoconference shall be visible and audible to the public members in attendance whenever the member is speaking. **Members of the public are strongly encouraged to participate remotely through the toll-free videoconference link or telephone number provided.**

<sup>2</sup> The Budget and Finance Committee may take items in an order that differs from the posted order and may consider any item posted on the agenda in a closed session if the item involves issues that require consideration in a closed session and the Committee announces that the item will be considered during

a closed session. A quorum of Central Health's Board of Managers may convene or participate via videoconference to discuss matters on the Committee agenda, and any Committee actions will be in conformance with the Central Health Bylaws.

Any individual with a disability who plans to attend or view this meeting and requires auxiliary aids or services should notify Central Health as far in advance of the meeting day as possible, but no less than two days in advance, so that appropriate arrangements can be made. Notice should be given to the Board Governance Manager by telephone at (512) 978-8049.

Cualquier persona con una discapacidad que planea asistir o ver esta reunión y requiera ayudas o servicios auxiliares debe notificar a Central Health con la mayor anticipación posible de la reunión, pero no menos de dos días de anticipación, para que se puedan hacer los arreglos apropiados. Se debe notificar al Gerente de Gobierno de la Junta por teléfono al (512) 978-8049.

**STAYS IN FILE****CENTRAL HEALTH****Our Vision**

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Came to hand and posted on a Bulletin Board in the  
County Recording Office, Austin, Travis County, Texas on this the  
17 day of Feb 2026  
Dyana Limon-Mercado  
County Clerk, Travis County, Texas  
By [Signature] **JE** Deputy



**FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS**

*Dyana Limon-Mercado*  
**Dyana Limon-Mercado, County Clerk  
Travis County, Texas**

**202680278**

**Feb 17, 2026 03:09 PM  
Fee: \$0.00 NUNEZJ**



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## **BUDGET & FINANCE COMMITTEE MEETING**

### **February 25, 2026**

## **AGENDA ITEM 1**

Approve the minutes of the January 28, 2026 Budget and Finance Committee meeting. (*Action Item*)

MINUTES OF MEETING – JANUARY 28, 2026  
CENTRAL HEALTH  
BUDGET AND FINANCE COMMITTEE

On Wednesday, January 28, 2026, a meeting of the Central Health Budget and Finance Committee convened in open session at 4:04 p.m. in person at the Central Health Administrative Offices and remotely by toll-free videoconference. Clerk for the meeting was Valerie Guerra.

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**Committee members present in person:** Chair Museitif, Manager Martin, Manager Rodriguez, Manager May, Manager Kitchen, Manager Brinson (arrived at 4:09 p.m.), and Manager Jefferson (arrived at 4:14 p.m.), Manager Motwani (arrived in-person at 5:08)

**Committee members present via audio and video:** Manager Motwani (4:15 – 5:07 p.m.)

**Absent:** Manager Valadez

**COMMITTEE AGENDA**

**1. Approve the minutes of the October 22, 2025 Budget and Finance Committee meeting.**

**Clerk’s Notes:** Discussion on this item began at 4:07 p.m.

Manager Museitif moved that the Committee approve the minutes of the October 22, 2025 Budget and Finance Committee meeting.

Manager May seconded the motion.

Chairperson Museitif	For
Manager Martin	For
Manager Motwani	Absent
Manager Valadez	Absent
Manager Rodriguez	For
Manager May	For
Manager Kitchen	For
Manager Brinson	Absent
Manager Jefferson	Absent

**2. Receive an update on Central Health’s Series 2025 Debt Issuance.**

**Clerk’s Notes:** Discussion on this item began at 4:08 p.m. Jeff Knodel, Chief Financial Officer, and Blake Roberts, Financial Advisor from Public Financial Management, Inc., reported that Central Health received multiple buyers and bids for the Certificates of Obligation and that the sale proceeded smoothly.

**3. Receive the December 2025 financial statements for Central Health.**

**Clerk’s Notes:** Discussion on this item began at 4:15 p.m. Nicki Riley, Deputy Chief Financial Officer, shared five highlights from December 2025: Certificates of Obligation to fund four projects, property tax revenue, direct services, opioid-related expenditures, and Sendero high-risk claims advance.

**4. Receive the December 2025 financial statements for CommUnityCare Health Centers.**

**Clerk's Notes:** Discussion on this item began at 4:28 p.m. Dr. Nick Yagoda, CommUnityCare CEO, and Tara Trower, CommUnityCare Deputy CEO, presented an update highlighting a strong balance sheet at the end of the first quarter of 2026 and noted financial improvements compared to FY2025.

**5. Discuss, and provide guidance to staff, on a policy related to Central Health's consideration of funding requests from community organizations.**

**Clerk's Notes:** Discussion on this item began at 4:36 p.m. Perla Cavazos, Deputy Administrator, requested board input on a policy related to Central Health's consideration of funding requests from community organizations, and said staff would return at a later date with a draft policy.

**6. Receive and discuss financial and operational updates from Sendero Health Plans.**

**Clerk's Notes:** Discussion on this item began at 4:56 p.m.

At 4:56 p.m. Chairperson Museitif announced that the Committee was convening in closed session to discuss agenda item 6 under Texas Government Code §551.085 (Governing Board of Certain Providers of Health Care Services) and Texas Government Code §551.071 (Consultation with Attorney).

At 5:12 p.m. the Committee returned to open session.

**7. Confirm the next Budget and Finance Committee meeting date, time, and location.**

Manager Martin moved that the Committee adjourn.

Manager May seconded the motion.

Chairperson Museitif	For
Manager Martin	For
Manager Motwani	For
Manager Valadez	Absent
Manager Rodriguez	For
Manager May	For
Manager Kitchen	For
Manager Brinson	For
Manager Jefferson	For

The meeting was adjourned at 5:13 p.m.

ATTESTED TO BY:

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Maram Museitif, Chairperson  
Central Health Budget and Finance Committee

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Manuel Martin, Secretary  
Central Health Board of Managers



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## **BUDGET & FINANCE COMMITTEE MEETING**

### **February 25, 2026**

## **AGENDA ITEM 2**

Receive a presentation on, review, and take appropriate action on the Central Health Fiscal Year 2025 financial audit and receive a presentation on the audit results of Central Health's component units (Sendero Health Plans Inc. and CommUnityCare Health Center). (*Action Item*)



## AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date 2/25/2026

Who will present the agenda item? (Name, Title) Jeff Knodel, CFO;  
Nicki Riley, Deputy CFO

General Item Description Receive a presentation on, review, and take appropriate action on the Central Health Fiscal Year 2025 financial audit and receive a presentation on the audit results of Central Health's component units (Sendero Health Plans Inc. and CommUnityCare Health Center). (Action Item)

Is this an informational or action item? Action

Fiscal Impact N/A

Recommended Motion (if needed – action item) Accept Central Health's Fiscal Year 2025 Audited Financial Statements

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Central Health received an Unmodified Opinion (aka Clean Opinion).
- 2) There were no audit findings.
- 3) There were no internal control deficiencies.

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Presentation from Maxwell Locke and Ritter, Central Health's external auditors

Estimated time needed for presentation & questions? 20 min

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Nicki Riley on 2/17/2026

# Central Health

**Financial Statements and Supplemental  
Information as of and for the Year Ended  
September 30, 2025  
and Independent Auditors' Report**

Prepared for:  
Central Health

Presented by:  
Maxwell Locke & Ritter



# Agenda Slide

Overview of the Audit Report

Independent Auditors' Report

Internal Controls

Central Health Financial Statements (one year presentation)

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows

Other Financial Highlights

Governance Letters

CommUnityCare



# Overview of the Audit Report

Central Health's financial statements consist of the financials of Central Health as well as its discretely presented component units. A separate audit for each component unit was conducted independent of the Central Health audit.

## **Contents of the Audit Report:**

- Independent Auditors' Report
- Management's Discussion & Analysis
- Basic Financial Statements:
  - Statement of Net Position
  - Statement of Revenues, Expenses, and Changes in Net Position
  - Statement of Cash Flows
  - Notes to the Financial Statements
- Independent Auditors' Report on Internal Control and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*

## **Component Units:**

- CommUnityCare
- Sendero Health Plans, Inc.
- Community Care Collaborative

# Independent Auditors' Report: Central Health

## Unmodified opinion

- Also known as a “clean” opinion and the best opinion that can be received on audited financial statements.

### Independent Auditors' Report

To the Board of Managers of  
Travis County Healthcare District dba Central Health:

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Travis County Healthcare District (dba and hereinafter referred to as “Central Health”), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Central Health’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of Central Health, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

# Internal Controls- Central Health

**We did not identify any deficiencies in internal control that we consider to be material weaknesses:**

- A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.
- A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.
- A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

# Summary of Financial Results: Central Health

Year-over-year, net position has increased by \$77.7M or 9%.

Total assets increased by \$77.5M, mostly due to an increase in CIP for the new administrative headquarters at the Hanock Center in Northeast Austin.

Current liabilities increased by \$8.3M, \$4.2M increase due to salaries and benefits payable (driven by increase in employees) and \$2.0M related to IBNR

Net investment in capital assets increased by \$42M, driven by CIP capitalized during the year.

Statement of Net Position (Primary Government Only)			
	2025	2024	% Change
Current Assets	\$615,940,085	\$616,539,077	<1%
Noncurrent assets	\$544,076,237	\$533,952,162	2%
Capital assets	\$248,744,808	\$180,741,742	38%
<b>Total Assets</b>	<b>\$1,408,761,130</b>	<b>\$1,331,232,981</b>	<b>6%</b>
Current Liabilities	\$69,501,450	\$61,212,943	14%
Noncurrent liabilities and deferred inflows of resources	\$432,055,299	\$440,515,191	(2%)
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$501,556,749</b>	<b>\$501,728,134</b>	<b>0%</b>
Net position:			
Net investment in capital assets	\$127,032,703	\$84,621,972	50%
Restricted for capital outlay	\$79,857,386	\$43,502,791	84%
Restricted for opioid remediation efforts	\$2,919,365	\$4,664,833	(37%)
Restricted in escrow	\$200,000	\$0	100%
Unrestricted	\$697,194,927	\$696,715,251	<1%
<b>Total net position</b>	<b>\$907,204,381</b>	<b>\$829,504,847</b>	<b>9%</b>

# Summary of Financial Results: Central Health

Operating revenues decreased by \$4.0M, mainly due to CEC lease ending.

Operating expenses increased by \$77.0M, due to increase in healthcare delivery expenses (driven by increase in number of locations and added services).

Statement of Revenues, Expenses, and Changes in Net Position (Primary Government Only)			
	2025	2024	% Change
Operating revenues:			
Lease revenue	\$12,966,615	\$17,057,617	(24%)
Ground sublease revenue	\$2,392,045	\$2,356,885	1%
Grant revenue	\$84,120	-	100%
<b>Total operating revenues</b>	<b>\$15,442,780</b>	<b>\$19,414,502</b>	<b>(20%)</b>
Operating expenses:			
Health care delivery	\$267,990,212	\$199,697,169	34%
Administrative expense	\$29,938,659	\$22,078,920	36%
UT affiliation	\$35,000,000	\$35,000,000	0%
Depreciation and amortization	\$10,981,672	\$10,165,960	8%
<b>Total operating expenses</b>	<b>\$343,910,543</b>	<b>\$266,942,049</b>	<b>29%</b>
<b>Net operating loss</b>	<b>(\$328,467,763)</b>	<b>\$(247,527,547)</b>	<b>33%</b>

# Summary of Financial Results: Central Health

Nonoperating revenues increased by \$48.3M primarily due to tax revenue increasing by \$28.8M (higher tax rate for FY25) and a \$21.3M gain on sale of capital assets for the sale of David Powell location.

## Statement of Revenues, Expenses, and Changes in Net Position (continued) (Primary Government Only)

	2025	2024	% Change
Nonoperating revenues, net:			
Net ad valorem tax revenue	\$341,040,674	\$312,161,403	9%
Investment income	\$38,129,195	\$44,394,284	(14%)
Net tobacco settlement revenue	\$6,817,278	\$5,194,413	31%
Opioid settlement revenue	\$1,108,668	\$4,664,833	(76%)
Interest expense	(\$8,424,651)	\$(8,719,908)	(3%)
Gain/(Loss) on disposal of capital assets	\$21,244,723	(\$92,435)	(23,083%)
Other revenue, net	\$6,251,410	\$112,771	5,443%
<b>Total nonoperating revenues, net</b>	<b>\$406,167,297</b>	<b>\$357,715,361</b>	<b>14%</b>
<b>Change in net position</b>	<b>\$77,699,534</b>	<b>\$110,187,814</b>	<b>(29%)</b>
Total net position - beginning of year	\$829,504,847	\$719,317,033	15%
<b>Total net position - end of year</b>	<b>\$907,204,381</b>	<b>\$829,504,847</b>	<b>9%</b>

## Other Financial Highlights

- **As of year end, Central Health's bank balances were fully collateralized and/or protected by FDIC insurance**
- **Investments are in compliance with Central Health's investment policy which complies with the Public Funds Investment Act**
- **Central Health had outstanding Certificates of Obligation and General Obligation Bonds of \$157,670,000, of which \$8,320,000 in principal is due in fiscal year 2026**

# Governance Letter

(required communications to those charged with governance)

- **Qualitative Aspects of Accounting Practices**
  - No new accounting policies were adopted during the year ended September 30, 2025
- **Difficulties Encountered in Performing the Audit**
  - There were no difficulties encountered in performing and completing our audit.
- **Adjustments Identified During the Audit**
  - No significant misstatements were detected as a result of our audit procedures.
- **Disagreements with Management**
  - There were no disagreements with management that arose during the course of our audit.

# CommUnityCare

**Independent Auditors' Report  
And Financial Statements  
as of and for the Year Ended  
September 30, 2025**



# Independent Auditors' Report - CommUnityCare

## **Unmodified opinion**

- Also known as a “clean” opinion and the best opinion that can be received on audited financial statements.

## **Independent Auditors' Report**

To the Board of Directors of  
Central Texas Community Health Centers, Inc. (dba CommUnityCare):

## **Opinion**

We have audited the financial statements of Central Texas Community Health Centers, Inc. (dba and hereinafter referred to as “CommUnityCare”), a component unit of Travis County Healthcare District (dba Central Health), (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statements of operations and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of CommUnityCare as of September 30, 2025 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

# Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

## **Internal Control Over Financial Reporting**

- During our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses.

## **Compliance and Other Matters**

- The results of our tests of CommUnityCare's compliance with certain provisions of laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

# Independent Auditors' Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance Required by the Uniform Guidance and Texas Grant Management Standards


## **Opinion on Each Major Federal and State Program**

- CommUnityCare complied, in all material respects, with the compliance requirements that could have a direct and material effect on each of its major federal and state programs.

## **Report on Internal Control Over Compliance**

- We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

# Thank you!

 512-370-3200

 [PPatel@mlrpc.com](mailto:PPatel@mlrpc.com)

 [facebook.com/MaxLocRit](https://facebook.com/MaxLocRit)

 [linkedin.com/company/maxlocrit](https://linkedin.com/company/maxlocrit)

 [instagram.com/MaxLocRit](https://instagram.com/MaxLocRit)





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## **BUDGET & FINANCE COMMITTEE MEETING**

**February 25, 2026**

### **AGENDA ITEM 3**

Receive the January 2026 financial statements for Central Health. (*Informational Item*)



### AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date February 25, 2026

Who will present the agenda item? (Name, Title) Nicki Riley, Deputy CFO

General Item Description Receive the January 2026 financial statements for Central Health.

Is this an informational or action item? Informational Item

Fiscal Impact \_\_\_\_\_

Recommended Motion (if needed – action item) N/A

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Staff will present CH January financials.
- 2) \_\_\_\_\_

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Presentation

Estimated time needed for presentation & questions? 10 minutes

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Valerie Guerra/February 17, 2026



**CENTRAL HEALTH**  
TRAVIS COUNTY HOSPITAL DISTRICT

## **Central Health**

Financial Statement Presentation

YTD January 2026

*Unaudited*

## **Central Health Board of Managers Budget and Finance Committee**

Jeff Knodel, CFO

Nicki Riley, Deputy CFO



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Slide 3 - Highlights

Slide 4 & 5 - Balance Sheet

Slide 6 - Sources & Uses

Slide 7 - Healthcare Delivery

Slide 8 & 9 - Direct Services

Slide 10 - Specialty Care

Slide 11 - FTE Utilization

## Highlights

1. Fiscal year-to-date collected net property tax revenue is \$328.5M, which is 85.6% of the adjusted levy versus 90.1% this time last year.
2. Direct Services is \$17.2M year-to-date, representing 21% of the annual budget. The top three are:
  - a. Physical Medication & Rehab - 58%
  - b. Patient Navigation Center - 30%
  - c. Bridge Program - 26%
3. Specialty Services is \$6.4M year-to-date, representing 17% of the annual budget. The top three are:
  - a. Dental - 33%
  - b. Ear, Nose, & Throat (ENT) - 32%
  - c. Musculoskeletal - 24%
4. Sendero High Risk Claims Advance for the current period is \$8.0M, bringing the total balance to \$13.2M with interest.
5. Ending Community Homelessness Coalition (ECHO) program expenses were \$164.2K year-to-date.

<b>BALANCE SHEET</b>	<b>1/31/2026</b>	<b>1/31/2025</b>
<b>CURRENT ASSETS</b>		
CASH AND CASH EQUIVALENTS	60,849,237	6,386,962
SHORT TERM INVESTMENTS	726,151,183	721,735,747
LEASE RECEIVABLE SHORT TERM	16,195,125	11,874,525
ACCOUNTS RECEIVABLE TAX	56,389,322	77,872,905
OTHER RECEIVABLES	23,481,956	37,327,824
<b>TOTAL UNRESTRICTED CURRENT ASSETS</b>	<b>883,066,823</b>	<b>855,197,963</b>
<b>RESTRICTED CASH &amp; INVESTMENTS</b>		
RESTRICTED TCHD LPPF CASH & INVESTMENTS	47,628,384	74,456,337
RESTRICTED OPIOID FUNDS	2,197,191	4,664,833
RESTRICTED FOR CAPITAL ACQUISITION	396,476,974	207,150,351
<b>TOTAL RESTRICTED CASH &amp; INVESTMENTS</b>	<b>446,302,549</b>	<b>286,271,521</b>
<b>TOTAL CURRENT ASSETS</b>	<b>1,329,369,372</b>	<b>1,141,469,484</b>
<b>LONG TERM ASSETS</b>		
SENDERO PAID-IN CAPITAL	91,000,000	83,000,000
SENDERO SURPLUS DEBENTURE	37,083,000	37,083,000
ADVANCE RECEIVABLE	4,000,000	4,000,000
LEASE RECEIVABLE LONG TERM*	442,805,533	237,723,187
<b>TOTAL LONG TERM ASSETS</b>	<b>574,888,533</b>	<b>361,806,187</b>
<b>TOTAL CAPITAL ASSETS, NET OF DEPRECIATION</b>	<b>288,544,987</b>	<b>185,647,783</b>
<b>TOTAL ASSETS</b>	<b>2,192,802,892</b>	<b>1,688,923,454</b>

<b>LIABILITIES</b>	<b>1/31/2026</b>	<b>1/31/2025</b>
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	39,438,504	25,273,800
SALARIES & BENEFITS PAYABLE	14,716,734	10,043,117
SHORT-TERM DEBT SERVICE PAYABLE	12,527,088	10,770,126
DEFERRED TAX REVENUE	54,154,414	33,901,470
<b>TOTAL CURRENT LIABILITIES</b>	<b>120,836,740</b>	<b>79,988,513</b>
<b>RESTRICTED OR NONCURRENT LIABILITIES</b>		
FUNDS HELD FOR TCHD LPPF	47,628,384	74,456,337
LONG-TERM DEBT SERVICE PAYABLE	419,085,794	160,164,288
LEASE & SUBSCRIPTION LIABILITIES*	53,887,152	55,299,090
DEFERRED REVENUE*	429,197,479	227,061,119
<b>TOTAL RESTRICTED OR NONCURRENT LIABILITIES</b>	<b>949,798,809</b>	<b>516,980,834</b>
<b>TOTAL LIABILITIES</b>	<b>1,070,635,549</b>	<b>596,969,347</b>
<b>NET ASSETS</b>		
RESTRICTED FOR CAPITAL ASSETS	500,709,001	238,254,258
RESTRICTED FOR OPIOID SETTLEMENT	2,197,191	4,664,833
RESTRICTED FOR EMERGENCY RESERVE	58,165,232	60,120,090
RESTRICTED HEALTH CENTER	12,000,000	-
UNRESTRICTED	549,095,919	788,914,926
<b>TOTAL NET ASSETS</b>	<b>1,122,167,343</b>	<b>1,091,954,107</b>
<b>LIABILITIES AND NET ASSETS</b>	<b>\$ 2,192,802,892</b>	<b>\$ 1,688,923,454</b>

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

<b>SOURCES AND USES</b>	<b>Actuals Jan 2026</b>	<b>Actuals FY 2026 YTD</b>	<b>Budget FY 2026</b>	<b>Percent of Budget Used</b>	<b>Actuals FY 2025 YTD</b>
<b>SOURCES</b>					
PROPERTY TAX REVENUE	177,492,042	328,535,653	378,061,940	87%	316,604,208
LEASE REVENUE	883,546	3,026,782	10,424,005	29%	5,121,552
OTHER REVENUE	3,510,895	11,287,888	25,900,000	44%	32,381,396
NET TOBACCO SETTLEMENT REVENUE	-	-	5,000,000	0%	-
PATIENT REVENUE	(1,377)	153,139	1,000,000	15%	51,266
<b>TOTAL SOURCES</b>	<b>181,885,107</b>	<b>343,003,463</b>	<b>420,385,945</b>	<b>82%</b>	<b>354,158,422</b>
<b>USES OF FUNDS</b>					
HEALTHCARE DELIVERY PROGRAM	30,633,919	124,303,241	433,984,684	29%	78,437,653
ADMINISTRATIVE PROGRAM	3,811,866	12,094,660	46,369,507	26%	10,051,987
UT AFFILIATION AGREEMENT	-	-	35,000,000	0%	-
OTHER FINANCING USES	-	22,045,142	37,045,142	60%	61,381,015
OPIOID ABATEMENT EXPENSE	60,865	147,796	1,873,501	8%	-
ECHO EXPENSE	164,229	164,229	1,666,667	10%	-
<b>TOTAL USES</b>	<b>34,670,880</b>	<b>158,755,068</b>	<b>555,939,500</b>	<b>29%</b>	<b>149,870,655</b>
<b>EXCESS SOURCES / (USES)</b>	<b>\$ 147,214,227</b>	<b>\$ 184,248,395</b>	<b>\$ (135,553,555)</b>		<b>\$ 204,287,768</b>

	Actuals Jan 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
<b>HEALTHCARE DELIVERY</b>					
<b>PURCHASED HEALTHCARE SERVICES</b>					
PRIMARY CARE	9,293,806	37,181,205	103,446,258	36%	22,341,883
SPECIALTY CARE	1,462,140	6,499,499	37,348,000	17%	8,633,712
SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE	2,350,498	9,459,138	40,274,000	23%	6,218,057
PHARMACY	2,403,398	6,149,439	19,500,000	32%	5,387,590
POST ACUTE CARE	394,109	1,885,394	9,350,000	20%	2,025,305
COMMUNITY HEALTHCARE INITIATIVES FUND	3,571	4,031	1,000,000	0%	149,125
<b>PURCHASED HEALTHCARE SERVICES</b>	<b>15,907,521</b>	<b>61,178,707</b>	<b>210,918,258</b>	<b>29%</b>	<b>44,755,672</b>
<b>DIRECT SERVICES</b>	<b>4,275,157</b>	<b>17,198,372</b>	<b>81,599,137</b>	<b>21%</b>	<b>9,756,428</b>
<b>SUBTOTAL HEALTHCARE SERVICES</b>	<b>20,182,678</b>	<b>78,377,078</b>	<b>292,517,395</b>	<b>27%</b>	<b>54,512,100</b>
<b>HEALTHCARE OPERATIONS &amp; SUPPORT</b>					
HEALTHCARE OPERATIONS & SUPPORT	1,187,317	4,947,962	22,937,604	22%	6,039,500
ELIGIBILITY & ENROLLMENT	999,977	4,024,141	14,382,578	28%	5,697,358
AFFORDABLE CARE ACT SUBSIDY	1,557,432	5,681,312	19,671,820	29%	(780,779)
TECH SUPPORT	2,966,423	12,638,891	35,053,003	36%	7,820,220
FACILITIES SUPPORT	1,654,471	5,387,553	26,959,958	20%	3,003,550
SENDERO RISK-BASED CAPITAL TRANSFER	-	8,000,000	8,000,000	100%	-
DEBT SERVICE	2,085,621	5,246,304	14,462,326	36%	2,145,705
<b>HEALTHCARE OPERATIONS &amp; SUPPORT</b>	<b>10,451,241</b>	<b>45,926,163</b>	<b>141,467,289</b>	<b>32%</b>	<b>23,925,553</b>
<b>TOTAL HEALTHCARE DELIVERY</b>	<b>\$ 30,633,919</b>	<b>\$ 124,303,241</b>	<b>\$ 433,984,684</b>	<b>29%</b>	<b>\$ 78,437,653</b>



<b>DIRECT SERVICES</b>	<b>Actuals Jan 2026</b>	<b>Actuals FY 2026 YTD</b>	<b>Budget FY 2026</b>	<b>Percent of Budget Used</b>	<b>Actuals FY 2025 YTD</b>
Multidisciplinary, Diagnostics and Other	398,178	1,834,384	8,545,939	21%	451,214
Clinical Support	950,848	3,658,915	17,898,272	20%	2,491,413
Endocrinology	64,332	182,740	883,764	21%	13,906
Rheumatology	59,092	241,284	2,041,389	12%	-
Cardiology	131,454	620,067	2,442,156	25%	544,395
Gastroenterology	157,234	642,270	4,266,275	15%	451,464
Nephrology	81,913	338,304	1,449,087	23%	211,716
Neurology	-	5,000	354,559	1%	174,402
Podiatry	70,904	401,663	2,364,183	17%	471,259
Pulmonology	97,153	370,033	1,915,923	19%	310,919
Palliative Care	64,507	261,002	1,027,374	25%	200,566
Pharmacy	98,604	456,001	2,980,011	15%	260,061
Behavioral Health	160,143	533,921	2,115,947	25%	254,801
Patient Navigation Center	535,670	2,278,314	7,563,164	30%	1,577,227
Physical Medication & Rehab	143,114	157,494	270,771	58%	-
Psychiatry	82,909	365,896	3,221,828	11%	70,373
Medical Respite	400,715	1,416,132	7,424,291	19%	333,392
Bridge Program	224,427	841,484	3,235,245	26%	266,601
Transition of Care	553,961	2,479,011	11,598,960	21%	1,672,720
In Kind Expenses - Naloxone	-	114,459	-	0%	-
<b>Total Direct Services</b>	<b>\$ 4,275,157</b>	<b>\$ 17,198,372</b>	<b>\$ 81,599,137</b>	<b>21%</b>	<b>\$ 9,756,428</b>

Note: Patient Counts may be adjusted in prior months.

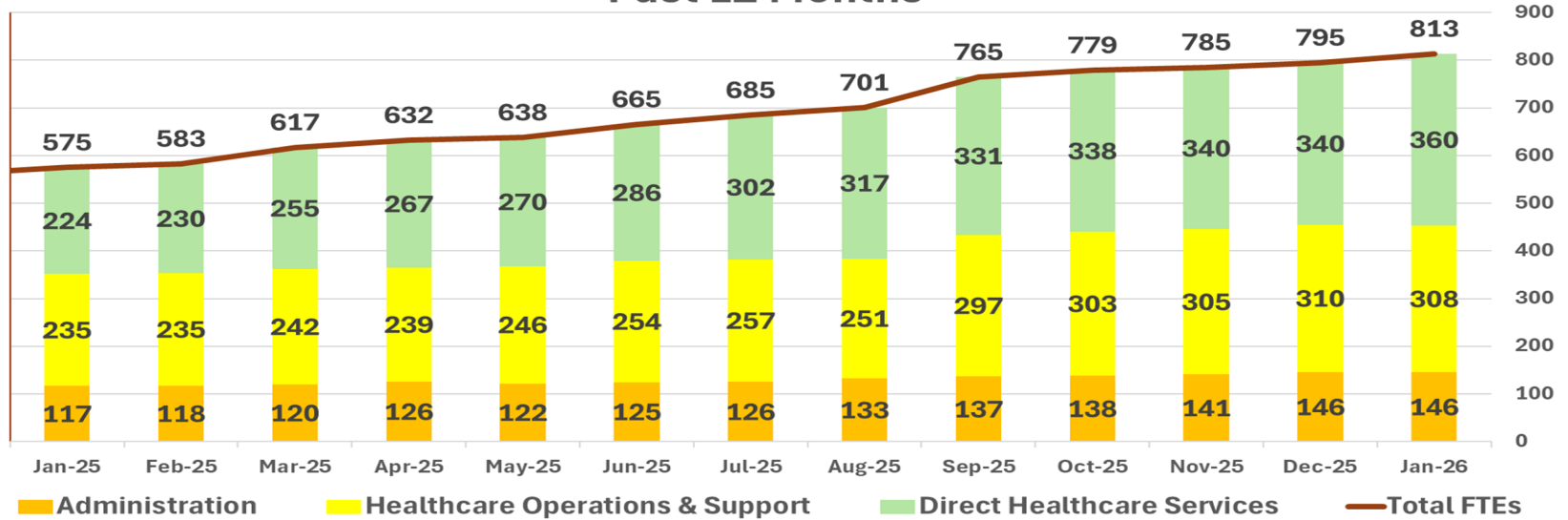


<b>DIRECT SERVICES</b>	<b>Actual FTEs</b>	<b>Budget FTEs</b>	<b>Co Hires</b>	<b>Jan 2026 Unique Patient Count</b>	<b>FY 2026 Unique Patient Count</b>	<b>Jan 2026 Encounter Patient Count</b>	<b>FY 2026 Encounter Patient Count</b>	<b>Service Line Start Date</b>
Multidisciplinary, Diagnostics and Other	27	40	0.7	697	1,908	779	2,936	Various
Clinical Support	85	121	0.0	-	-	-	-	N/A
Endocrinology	4	6	0.0	76	185	96	371	N/A
Rheumatology	4	7	0.8	100	253	104	394	N/A
Cardiology	8	11	0.0	159	452	173	694	9/30/2024
Gastroenterology	9	14	1.7	227	749	243	1,126	10/2/2023
Nephrology	7	8	0.2	156	389	183	620	2/1/2024
Neurology	0	3	0.0	-	-	-	-	N/A
Podiatry	8	11	0.0	174	480	232	974	10/23/2023
Pulmonology	8	10	0.0	108	425	114	539	10/2/2023
Palliative Care	6	7	0.0	77	164	86	347	2/5/2024
Pharmacy	10	12	0.0	101	240	122	504	4/3/2024
Behavioral Health	12	20	0.0	111	231	175	748	3/20/2024
Patient Navigation Center	58	66	0.0	-	-	14,631	56,010	N/A
Physical Medication & Rehab	2	4	0.5	140	258	189	535	N/A
Psychiatry	5	13	0.0	74	128	85	339	10/3/2024
Medical Respite	37	52	0.0	50	69	382	1,134	8/23/2023
Bridge Program	19	31	0.5	199	445	287	1,026	N/A
Transition of Care	53	80	0.0	500	1,231	623	1,696	11/15/2023
In Kind Expenses - Naloxone	0	0	0.0	-	-	-	-	N/A
<b>Total Direct Services</b>	<b>360</b>	<b>514</b>	<b>4.4</b>	<b>2,949</b>	<b>7,607</b>	<b>18,504</b>	<b>69,993</b>	

Note: Patient Counts may be adjusted in prior months.

<b>SPECIALTY CARE</b>	<b>Actuals Jan 2026</b>	<b>Actuals FY 2026 YTD</b>	<b>Budget FY 2026</b>	<b>Percent of Budget Used</b>	<b>Actuals FY 2025 YTD</b>
Ancillary Services	226,073	962,307	4,633,000	21%	502,342
Cardiology	(18,875)	129,125	800,000	16%	336,116
Dental	232,000	1,301,609	4,000,000	33%	1,120,332
Dermatology	2,038	7,438	1,100,000	1%	382,250
Durable Medical Equipment	129,370	226,006	1,410,000	16%	330,718
Endocrinology	-	-	800,000	0%	314,400
Ear, Nose & Throat	90,499	366,430	1,525,000	24%	570,000
Gastroenterology	67,525	427,774	2,950,000	15%	559,813
General Surgery	16,000	55,000	250,000	22%	56,296
Gynecology	25,000	100,000	2,200,000	5%	735,724
Musculoskeletal	215,610	817,410	2,525,000	32%	469,320
Neurology	-	-	100,000	0%	27,813
Nephrology/Dialysis	40,725	413,099	1,850,000	22%	550,322
Oncology	101,474	391,745	2,850,000	14%	580,723
Ophthalmology	197,288	737,067	5,370,000	14%	758,015
Physical Medication & Rehab	8,500	34,000	150,000	23%	196,380
Podiatry	-	-	850,000	0%	309,560
Pulmonology	48,355	183,630	1,050,000	17%	304,780
Referral Management	3,120	7,620	275,000	3%	14,400
Rheumatology	-	-	400,000	0%	111,938
Sexual & Reproductive Service	77,436	339,239	2,260,000	15%	402,469
<b>Total Specialty Care</b>	<b>\$ 1,462,140</b>	<b>\$ 6,499,499</b>	<b>\$ 37,348,000</b>	<b>17%</b>	<b>\$ 8,633,712</b>

### Number of FTEs by Program Past 12 Months





**Our Vision**

Central Texas is a model healthy community.

**Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

**Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Right by All* - By being open, anti-racist, equity-minded, and respectful in discourse, we honor those around us and do right by all people.

*Collaboration* - We partner with others to improve the health of our community.

## **BUDGET & FINANCE COMMITTEE MEETING**

### **February 25, 2026**

## **AGENDA ITEM 4**

Receive the January 2026 financial statements for CommUnityCare Health Centers. (*Informational Item*)



## AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date February 25, 2025

Who will present the agenda item? (Name, Title) Joy Sloan, Chief Financial Officer

General Item Description Receive the January 2026 financial statements for CommUnityCare Health Centers.

Is this an informational or action item? Informational Item

Fiscal Impact \_\_\_\_\_

Recommended Motion (if needed – action item) N/A

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Staff will present CUC January financials.
- 2) \_\_\_\_\_

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Presentation

Estimated time needed for presentation & questions? 10 minutes

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Valerie Guerra/February 17, 2026



# January 2026 Financial Report for CommUnityCare

Joy Sloan, CFO CommUnityCare



# January 2026– Surplus for the month was \$1.4M

Summary: Statement of Activities							
Description	Current Month 01/31/2026	Prior Month 12/31/2025	YTD Actual 01/31/2026	YTD Budget	YTD Variance from Budget	% Variance	Prior FYTD 01/31/2025
Pharmacy Revenue	5.6M	6.3M	24.0M	27.0M	-3.0M	-11.0%	25.8M
Pharmacy Supplies	4.0M	4.7M	17.3M	21.0M	-3.7M	-17.6%	18.0M
Pharmacy Net	1.6M	1.6M	6.7M	6.0M	0.7M	12.2%	7.8M
<b>Operating Revenue</b>							
Net Third Party Revenue	5.5M	5.8M	24.2M	23.3M	0.8M	3.5%	20.2M
CH MDBS Revenue	4.7M	3.9M	17.1M	25.9M	-8.8M	-34.0%	18.9M
Total Patient Service Revenue	10.2M	9.8M	41.3M	49.3M	-8.0M	-16.3%	39.1M
Grant Revenue	1.4M	1.4M	5.6M	5.5M	0.1M	2.1%	5.2M
CH Contract Revenue	3.4M	4.3M	15.7M	7.0M	8.7M	124.4%	6.1M
Total Operating Revenue	15.0M	15.5M	62.6M	61.7M	0.8M	1.3%	50.5M
<b>Expense</b>							
Wages and Benefits	11.3M	12.5M	48.4M	51.9M	-3.6M	-6.9%	47.9M
Contract Labor	0.6M	0.9M	2.5M	3.0M	-0.6M	-18.3%	2.2M
Direct Care Expense	1.1M	1.2M	4.9M	4.4M	0.4M	10.1%	4.6M
Indirect Care Expense	1.3M	1.5M	5.2M	4.6M	0.6M	13.4%	4.2M
Occupancy Expense	0.8M	0.8M	3.0M	3.2M	-0.2M	-6.5%	3.3M
Depreciation Expense	0.1M	0.1M	0.3M	0.3M	0.0M	-3.2%	0.3M
Total Expense	15.2M	16.9M	64.3M	67.6M	-3.3M	-4.8%	62.5M
<b>Net Operating Surplus/(loss)</b>	<b>1.4M</b>	<b>0.2M</b>	<b>5.0M</b>	<b>0.2M</b>	<b>4.8M</b>	<b>3008.2%</b>	<b>-4.3M</b>
Non Operating Rev/Exp	0.1M	0.1M	0.3M	0.1M	0.2M	209.9%	0.2M
<b>Net Surplus/(loss)</b>	<b>1.4M</b>	<b>0.3M</b>	<b>5.3M</b>	<b>0.3M</b>	<b>5.0M</b>	<b>1932.7%</b>	<b>-4.1M</b>
<b>Gross cost per encounter-excluding Bad Debt</b>	<b>\$ 451.65</b>	<b>\$ 487.12</b>	<b>\$ 459.06</b>	<b>\$ 454.20</b>	<b>\$ 4.86</b>	<b>1.1%</b>	<b>\$ 466.90</b>
Medical cost per Medical Encounter	\$ 255.96	\$ 273.46	\$ 261.35				\$ 259.23
Dental cost per Dental Encounter	\$ 223.32	\$ 226.88	\$ 219.48				\$ 221.17
Pediatrics Cost per Encounter	\$ 206.80	\$ 211.11	\$ 207.86				\$ 201.17
HIV/Aids Cost per Encounter	\$ 554.74	\$ 712.19	\$ 652.44				\$ 492.12
Homeless Cost per Encounter	\$ 579.88	\$ 551.96	\$ 571.53				\$ 537.97
<b>Net Pharmacy Revenue per Medical Encounter</b>	<b>\$ 31.09</b>	<b>\$ 29.21</b>	<b>\$ 31.89</b>	<b>\$ 21.52</b>	<b>\$ 10.37</b>	<b>48.19%</b>	<b>\$ 46.00</b>

Pharmacy Margin is showing improvement this fiscal year.

Our Medicaid reimbursement rate is more in line with our costs after the last rate increase.

Wages are running under budget as we grow and fill openings

# January ended with a strong balance sheet

## Summary: Statement of Financial Position

Description	Current Month 01/31/2026	Prior Month 12/31/2025	Variance	Fiscal Year 2025	Variance	Target
Cash and Investments	\$26.8M	\$26.3M	\$0.5M	\$25.3M	\$1.5M	
Accounts Receivable	\$16.6M	\$16.0M	\$0.6M	\$15.6M	\$1.0M	
Non Current Assets	\$2.7M	\$2.8M	-\$0.1M	\$2.2M	\$0.5M	
Long Term Assets	\$36.2M	\$36.3M	-\$0.1M	\$36.4M	-\$0.2M	
Current Liabilities	\$19.1M	\$19.6M	-\$0.5M	\$21.6M	-\$2.5M	
Long Term Liabilities	\$10.4M	\$10.4M	\$0.0M	\$10.4M	\$0.0M	
Net Assets	\$52.8M	\$51.4M	\$1.4M	\$47.5M	\$5.3M	
Days Cash on Hand	39	39	0.8	37	2.0	60
Current Ratio(Assets/Liabilities)	2.28	2.16	0.11	1.89	0.38	2.00
Debt to Equity Ratio (total liabilities/net assets)	0.56	0.58	(0.03)	0.67	(0.12)	<1.0

- Days cash on hand ended at 39 days, with cash up \$500K from December. AR increased slightly because of improved pharmacy margins and outstanding Grant receivable.
- Liabilities have decreased as we continue timely payment to vendors.
- Our current ratio (Assets/liabilities) is now over 2.0, indicating a strong cash position.

# January incurred 1.5 days of closure due to winter storm

- Positive trends
  - Total encounters outpace last year
  - We have seen 4,000 more people than this time last year.
  - Provider utilization increased from prior year, increasing access.
  - Providers exceeding 90% of targeted encounters continues to climb, increasing access.
- Headwinds:
  - Medical Provider openings are hovering around 11% (18.21 currently)
  - Women's health and pediatric provider openings affect Medicaid encounter volumes

Encounters, Performance and Payers					
Description	Year to Date	Budget FYTD	Variance	%	Prior Year to Date
<b>Medical Encounters</b>					
Family Practice	59,787	68,512	(8,725)	-12.7%	53,419
Internal Medicine	15,247	15,559	(312)	-2.0%	15,674
Women's Health	13,896	16,923	(3,027)	-17.9%	14,909
Pediatrics	37,864	41,245	(3,381)	-8.2%	38,410
Specialty Care	9,686	8,083	1,603	19.8%	10,051
<b>Total Medical</b>	<b>136,480</b>	<b>150,323</b>	<b>(13,843)</b>	<b>-9.2%</b>	<b>132,463</b>
<b>Dental Encounters</b>					
General Dentistry	21,706	18,943	2,763	14.6%	18,529
Pediatric Dentistry	4,945	7,386	(2,441)	-33.1%	6,308
<b>Total Dental</b>	<b>26,651</b>	<b>26,329</b>	<b>322</b>	<b>1.2%</b>	<b>24,837</b>
<b>Behavioral Health</b>					
<b>Therapy</b>	2,857	3,924	(1,067)	-27.2%	3,254
<b>Total Encounters</b>	<b>177,793</b>	<b>195,049</b>	<b>(17,256)</b>	<b>-8.8%</b>	<b>172,454</b>
Clinic Operating Days	81	82	(1.0)	-1.2%	84
Encounters by Working Day					
Medical	1,684.9	1,833.2	(148.3)	-8.1%	1,586.4
Behavioral Health	145.7	176.5	(30.8)	-17.4%	142.5
Dental	329.0	321.1	7.9	2.5%	297.4
Therapy	35.3	47.8	(12.6)	-26.3%	39.0
<b>Total</b>	<b>2,195.0</b>	<b>2,378.6</b>	<b>(183.7)</b>	<b>-7.7%</b>	<b>2,065.3</b>
Provider Utilization % (including Overbooks)	90.0%				85.6%
Medical Provider positions open	18.21				17.13
FT Providers exceeding encounter target-90%	55.9%				48.0%
Unduplicated Patients (fiscal year count)	90,028				86,204
% Patients new to the practice	5.7%				6.1%



**COMMUNITYCARE™**  
HEALTH CENTERS

**Thank you!**



**Our Vision**

Central Texas is a model healthy community.

**Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

**Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Right by All* - By being open, anti-racist, equity-minded, and respectful in discourse, we honor those around us and do right by all people.

*Collaboration* - We partner with others to improve the health of our community.

## **BUDGET & FINANCE COMMITTEE MEETING**

### **February 25, 2026**

## **AGENDA ITEM 5**

Confirm the next Budget and Finance Committee meeting date, time, and location. (*Informational Item*)