CENTRAL HEALTH

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.

BOARD OF MANAGERS MEETING
Wednesday, August 26, 4:00 p.m.
Or immediately following the Budget and Finance meeting

Videoconference meeting[1]

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

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

Link to livestream video is available at the URL below (copy and paste into your web browser):
https://www.youtube.com/@tchealthdistrict/streams

The Board 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 Central Health Board will be physically present at the location posted in the meeting notice, all members of the public are free to observe the meeting through the YouTube link provided above and to participate in public comment, if desired, according to the instructions below.

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 August 26, 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. Please leave a voice message with your full name and your request to comment via telephone at the meeting; with the name of the meeting at which you wish to speak; 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 the public hearing or 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 will begin at approximately 5:30 p.m.

CONSENT AGENDA

All matters listed under the CONSENT AGENDA will be considered by the Board of Managers to be routine and will be enacted by one motion. There will be no separate discussion of these items unless members of the Board request specific items be moved from the CONSENT AGENDA to the REGULAR AGENDA for discussion prior to the vote on the motion to adopt the CONSENT AGENDA.

C1. Approve the minutes of the Board of Managers July 29, 2026 meeting.

C2. Receive the July 2026 financial statements for Central Health.

C3. Accept a contribution of $289,995 from Workforce Solutions to support Central Health's participation in the Central Texas Healthcare Academy as recommended by the Budget and Finance Committee.

REGULAR AGENDA[2]

1. Receive and discuss a report from the Board Chair including:
   a. Board meeting mechanics and governance updates. (*Informational Item*)

2. Receive and discuss a report from the President & CEO including:
   a. Strategic Board Alignment;
   b. Clinical Excellence;
   c. Financial Sustainability; and
   d. People and Community. (*Informational Item*)

3. Receive and ratify Central Health investments for July 2026. *(Action Item)*

4. Discuss the Fiscal Year 2027 Central Health budget. (*Informational Item – See Exhibit 1*)

5. Discuss and take appropriate action on Central Health's proposed property tax rate for Fiscal Year 2027. (*Action Item – Roll Call Vote Required – See Exhibit 1*)

6. Set the date, time, and location for the public hearing at which the Central Health Board of Managers will present, and receive comments from the public on the proposed Fiscal Year 2027 tax rate. (*Action Item*)

7. Discuss and take appropriate action on the recommended Central Health Bylaws amendments. (*Action Item*)

8. Review and take appropriate action on the policies necessary for the FY27 budget development process including:

a. General Procurement, and
b. Delegation of Purchasing Duties to Purchasing Authority and Certain Officers. (*Action Item*)

9. Review, discuss, and take appropriate action on a presentation from the Central Health Chief Compliance Officer regarding the process and timing for Board review and approval of District policies. (*Action Item*)

10. Discuss and take appropriate action regarding a compliance update by the Chief Compliance Officer, and receive a report from the Chief Compliance Officer regarding a pending investigation.[3,6] (*Action Item*)

11. Receive, discuss and take appropriate action regarding an update on expansion of the mental health continuum of care and associated partnerships.[3,4] (*Possible Action Item*)

12. Receive and discuss an overview of regulatory issues impacting the Central Health System. [3] (*Informational Item*)

13. Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Le*e, Cause No. D-1-GN-17-005824 in the 345th District Court of Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.[3] (*Informational Item*)

14. Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.[3,5] (*Possible Action Item*)

15. Confirm the next regular Board meeting date, time, and location. (*Informational Item*)

Notes:

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[2] The Board of Managers 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 Board announces that the item will be considered during a closed session.

[3] Possible closed session discussion under Texas Government Code §551.071 (Consultation with Attorney).

[4] Possible closed session discussion under Texas Government Code §551.072 (Deliberation Regarding Real Property).

[5] Possible closed session discussion under Texas Government Code §551.074 (Personnel Matters).

[6] Possible closed session discussion under Texas Health and Safety Code §161.032(b)(2) (Records and Proceedings Confidential).

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Cualquier persona con una discapacidad que planee 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.

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STAYS IN FILE

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EXHIBIT 1
Travis County Healthcare District, dba Central Health
Taxpayer Impact Statement

(Required under Texas Government Code §551.043(c))

This notice informs taxpayers of the potential impact of the proposed budget for Fiscal Year 2026–27, comparing what would be paid under a balanced budget funded at the no-new-revenue tax rate versus the proposed budget and accompanying tax rate.

1. Median Taxable Homestead Value

Prior Year (FY2025-26)	$390,086
Current Year (FY2026-27)	$372,638

2. Tax Rates

No-New-Revenue Tax Rate (FY2026-27)	.118633 per $100 valuation
Proposed Tax Rate (FY2026-27)	.135195 per $100 valuation

3. Estimated Annual Tax Bill Comparison

Scenario	Tax Rate	Estimated Tax Bill	Difference from No-New-Revenue
Prior Year (FY2025-26)	.118023	$460.39	
No-New-Revenue Tax Rate (FY2026-27)	.118633	$442.07	
Proposed Tax Rate (FY2026-27)	.135195	$503.79	$61.72

Calculations:

- Prior Year Tax Bill = ($390,086 ÷ 100) × .118023 = $460.39
- No-New-Revenue Tax Bill = ($372,638 ÷ 100) × .118633 = $442.07
- Proposed Tax Bill = ($372,638 ÷ 100) × .135195 = $503.79

Summary

If Central Health adopts the proposed tax rate of $0.135195 per $100 valuation, the median homestead owner would pay approximately $61.72 more annually compared to the no-new revenue tax rate.

Came to hand and posted on a Bulletin Board in the County Recording Office, Austin, Travis County, Texas on this the 20 day of August 2026
Dyana Limon-Mercado
County Clerk, Travis County, Texas
By Kayla Lopez Deputy
Kayla Lopez

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dyana Limon-Mercado
Dyana Limon-Mercado, County Clerk
Travis County, Texas

202681238

Aug 20, 2026 10:43 AM
Fee: $0.00 **LOPEZK4**

BOARD MEETING

August 26, 2026

AGENDA ITEM C1

Approve the minutes of the Board of Managers July 29, 2026 meeting.

MINUTES OF MEETING – JULY 29, 2026
CENTRAL HEALTH
BOARD OF MANAGERS

On Wednesday, July 29, 2026, a meeting of the Central Health Board of Managers convened in open session at 6:23 p.m. remotely by toll-free videoconference and in person at the Central Health Administrative Offices. Clerk for the meeting was Valerie Guerra.

Board members present at Central Health: Chairperson Rodriguez, Vice Chairperson May, Treasurer Museitif (left at 8:32 p.m.), Secretary Martin, Manager Brinson, Manager Kitchen, Manager Jefferson, and Manager Valadez (left at 8:32 p.m.).

Absent: Manager Motwani

PUBLIC COMMUNICATION

Clerk's Notes: Public Communication began at 6:23 p.m. Chairperson Rodriguez announced that there were no speakers for Public Communication.

CONSENT AGENDA

C1. Approve the minutes of the Board of Managers June 24, 2026 meeting.

C3. Receive the June 2026 financial statements for Central Health.

Manager Valadez moved that the Board approve Consent Agenda Items C1 and C3. Agenda Item C2 was moved to regular agenda.

Manager Martin seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	For
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	Absent
Manager Cynthia Valadez	For

REGULAR AGENDA

C2. Receive and ratify Central Health Investments for June 2026.

Clerk's notes: Discussion on this item began at 6:24 p.m.

Manager Valadez moved to receive and ratify the Central Health Investments for June 2026.

Manager Brinson seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	For

Manager Sedora Jefferson	Abstained
Manager Ann Kitchen	Abstained
Manager Amit Motwani	Absent
Manager Cynthia Valadez	Abstained

1. Receive and discuss a report from the Board Chair including:
   a. Board meeting mechanics and governance updates
   b. July 18, 2026 Board Retreat debrief.

Clerk's Notes: Discussion on this item began at 6:29 p.m. Chairperson Rodriguez shared Board meeting mechanics and governance updates and provided a debrief regarding the July 18, 2026 Board Retreat.

2. Review and take appropriate action on a potential lease of real property and other possible avenues to support direct mental health care and associated partnerships.

Clerk's Notes: Discussion on this item began at 6:37 p.m.

At 6:37 p.m. Chairperson Rodriguez announced that the Board was convening in closed session to discuss agenda item 2 under Texas Government Code §551.071 (Consultation with Attorney), Texas Government Code §551.072. Deliberation Regarding Real Property), and Texas Government Code §551.085 (Governing Board of Certain Providers of Health Care Services).

At 8:57 p.m. the Board returned to open session.

3. Receive and discuss an overview of regulatory issues impacting the Central Health System.

Clerk's Notes: Discussion on this item began at 6:37 p.m.

At 6:37 p.m. Chairperson Rodriguez announced that the Board was convening in closed session to discuss agenda item 3 under Texas Government Code §551.071 (Consultation with Attorney).

At 8:57 p.m. the Board returned to open session.

4. Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Lee,* Cause No. D-1-GN-17-005824 in the 345th District Court of Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.

Clerk's Notes: Discussion on this item began at 6:37 p.m.

At 6:37 p.m. Chairperson Rodriguez announced that the Board was convening in closed session to discuss agenda item 4 under Texas Government Code §551.071 (Consultation with Attorney).

At 8:57 p.m. the Board returned to open session.

5. Receive a briefing and take appropriate action on issues related to *Travis County Healthcare District d/b/a Central Health v. Ascension Texas f/k/a Seton Healthcare Family,* Cause No. D-1-GN-23-000398.

Clerk's Notes: Discussion on this item began at 6:37 p.m.

At 6:37 p.m. Chairperson Rodriguez announced that the Board was convening in closed session to discuss agenda item 5 under Texas Government Code §551.071 (Consultation with Attorney).

At 8:57 p.m. the Board returned to open session.

6. Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.

Clerk's Notes: Discussion on this item began at 6:37 p.m.

At 6:37 p.m. Chairperson Rodriguez announced that the Board was convening in closed session to discuss agenda item 6 under Texas Government Code §551.071 (Consultation with Attorney) and Texas Government Code §551.074 (Personnel Matters).

At 8:57 p.m. the Board returned to open session.

7. Confirm the next regular Board meeting date, time, and location.

Manager Martin moved that the meeting adjourn.

Manager May seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	Absent
Secretary Manuel Martin	For
Manager Cynthia Brinson	For
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	Absent
Manager Cynthia Valadez	Absent

The meeting was adjourned at 8:58 p.m.

ATTESTED TO BY:

Geronimo Rodriguez, Chairperson
Central Health Board of Managers

Manuel Martin, Secretary
Central Health Board of Managers

BOARD MEETING

August 26, 2026

AGENDA ITEM C2

Receive the July 2026 financial statements for Central Health.

Central Health

Financial Statement Presentation
YTD July 2026
Unaudited

Central Health Board of Managers
Budget and Finance Committee

Jeff Knodel, CFO
Nicki Riley, Deputy CFO

Highlights

1. **UT Affiliation Agreement expense for $35M for the current period, payment will go out in August.**
2. **Allocated $6.6M in indirect operating costs to CommunityCare for October through July.**
3. **Sendero High Risk Claims Advance for the current period is $7M, bringing the total balance to $25.8M with interest.**
4. **Fiscal year-to-date collected net property tax revenue is $373.1M, which is 97.4% of the levy versus 97.5% this time last year.**
5. **Direct Services is $45.8M year-to-date, representing 56% of the annual budget.**

   Podiatry - Additional providers onboarded in Q4

   Rheumatology - Additional providers onboarding Q4

   Psychiatry - Credit this month for provider billed to CUC for 50% of October through July for salaries/benefits.

   Behavioral Health - Additional counselors onboarded Q4

   Endocrinology - Currently recruiting additional provider

   Gastroenterology - Additional providers onboarding Q4

   Physical Medicine & Rehab - Additional provider onboarding Q4

   Multidisciplinary - Recruiting ENT provider, Occupational Therapist onboarded in Q4

   Transitions of Care - Additional providers onboarded in Q3 & onboarding in Q4.
6. **Opioid Abatement expenses were $4.9K this month, $1.2M year-to-date, and $673K remaining.**
7. **Grant expenses were $145.8K this month, $683.9K year-to-date, and $9.8K remaining.**

CENTRAL HEALTH
TRAVIS COUNTY HOSPITAL DISTRICT

BALANCE SHEET

ASSETS	7/31/2026	7/31/2025
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	$ 8,179,631	$ 8,005,776
SHORT-TERM INVESTMENTS	640,610,735	617,527,687
ACCOUNTS RECEIVABLE TAX	6,668,530	5,898,652
LEASE RECEIVABLE SHORT-TERM	16,602,703	12,499,342
OTHER RECEIVABLES	41,891,043	48,101,849
TOTAL UNRESTRICTED CURRENT ASSETS	713,952,642	692,033,306
RESTRICTED CASH & INVESTMENTS		
TCHD LPPF CASH & INVESTMENTS	68,754,818	32,131,424
OPIOID FUNDS	1,997,559	3,503,580
GRANTS	982,800	-
CAPITAL PROJECTS	357,494,365	201,944,223
TOTAL RESTRICTED CASH & INVESTMENTS	429,229,542	237,579,227
TOTAL CURRENT ASSETS	1,143,182,184	929,612,533
LONG TERM ASSETS		
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*	310,315,614	237,565,929
TOTAL LONG TERM ASSETS	442,398,614	361,648,929
TOTAL CAPITAL ASSETS, NET OF DEPRECIATION	318,583,077	221,861,093
TOTAL ASSETS	**1,904,163,875**	**1,513,122,555**

BALANCE SHEET, CONT.

LIABILITIES	7/31/2026	7/31/2025
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 63,407,402	$ 62,107,486
SALARIES & BENEFITS PAYABLE	14,538,463	13,329,756
SHORT-TERM LEASE & SUBSCRIPTION LIABILITIES*	3,962,239	6,032,561
SHORT-TERM DEBT SERVICE PAYABLE	19,033,077	10,938,559
SHORT-TERM DEFERRED REVENUE	1,605,317	-
SHORT-TERM DEFERRED TAX REVENUE	5,580,020	4,631,479
TOTAL CURRENT LIABILITIES	108,126,518	97,039,841
RESTRICTED OR NONCURRENT LIABILITIES		
FUNDS HELD FOR TCHD LPPF	68,754,818	32,131,424
LONG-TERM DEBT SERVICE PAYABLE	407,725,798	151,774,790
LONG-TERM LEASE & SUBSCRIPTION LIABILITIES*	50,110,340	50,140,670
LONG-TERM DEFERRED REVENUE*	293,632,954	225,062,826
TOTAL RESTRICTED OR NONCURRENT LIABILITES	820,223,910	459,109,710
TOTAL LIABILITIES	**928,350,428**	**556,149,551**
NET ASSETS		
RESTRICTED FOR CAPITAL ASSETS	211,023,214	303,488,562
RESTRICTED FOR OPIOID SETTLEMENT	1,997,559	3,503,580
RESTRICTED FOR EMERGENCY RESERVE	70,165,232	60,120,090
RESTRICTED FOR GRANTS	982,800	-
RESTRICTED FOR HEALTH CENTER	12,000,000	-
UNRESTRICTED	679,644,642	589,860,772
TOTAL NET ASSETS	**975,813,447**	**956,973,004**
LIABILITIES AND NET ASSETS	**$ 1,904,163,875**	**$ 1,513,122,555**

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

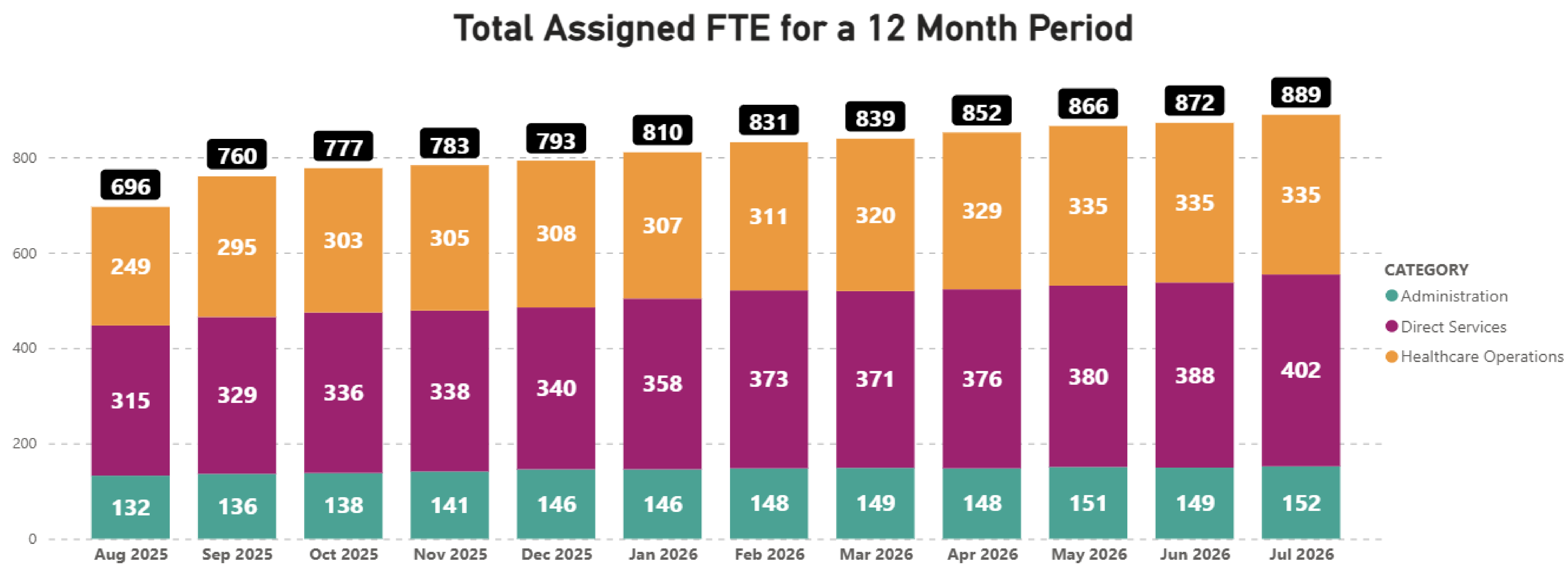
SOURCES AND USES	Actuals Jul 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
UNRESTRICTED SOURCES					
PROPERTY TAX REVENUE	$ 263,765	$ 373,554,078	$ 378,061,940	99%	$ 341,930,253
LEASE REVENUE	839,172	8,081,093	10,424,005	78%	12,807,905
OTHER REVENUE	3,869,653	37,852,408	25,900,000	146%	59,073,031
NET TOBACCO SETTLEMENT REVENUE	-	7,681,630	5,000,000	154%	6,817,278
PATIENT REVENUE	38,825	332,724	1,000,000	33%	294,236
TOTAL UNRESTRICTED SOURCES	**5,011,415**	**427,501,934**	**420,385,945**	**102%**	**420,922,704**
RESTRICTED SOURCES					
GRANT REVENUE	145,818	683,867	1,666,667	41%	-
OPIOID SETTLEMENT REVENUE	-	864,743	1,873,501	46%	1,108,668
TOTAL RESTRICTED SOURCES	**145,818**	**1,548,610**	**3,540,167**	**44%**	**1,108,668**
TOTAL SOURCES	**5,157,233**	**429,050,544**	**423,926,112**	**101%**	**422,031,372**
USES OF FUNDS					
HEALTHCARE DELIVERY PROGRAM	29,091,786	304,524,972	433,984,684	70%	224,259,932
ADMINISTRATIVE PROGRAM	2,365,838	29,537,186	46,369,507	64%	27,022,403
UT AFFILIATION AGREEMENT	35,000,000	35,000,000	35,000,000	100%	35,000,000
OTHER FINANCING USES	-	22,045,142	37,045,142	60%	61,381,015
TOTAL USES	**66,457,624**	**391,107,300**	**552,399,333**	**71%**	**347,663,350**
RESTRICTED USES					
GRANT EXPENSES	145,818	683,867	1,666,667	41%	-
OPIOID ABATEMENT EXPENSE	4,918	1,200,788	1,873,501	64%	2,188,787
TOTAL RESTRICTED USES	**150,736**	**1,884,656**	**3,540,167**	**53%**	**2,188,787**
TOTAL USES	**66,608,360**	**392,991,955**	**555,939,500**	**71%**	**349,852,137**
EXCESS SOURCES / (USES)	**$ (61,300,392)**	**$ 37,943,244**	**$ (128,473,221)**		**$ 74,368,022**

HEALTHCARE DELIVERY	Actuals Jul 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
PURCHASED HEALTHCARE SERVICES					
PRIMARY CARE	$ 8,405,995	$ 84,764,495	$ 103,446,258	82%	$ 64,244,583
SPECIALTY CARE	2,592,050	23,964,236	37,348,000	64%	22,028,035
SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE	4,123,284	26,242,210	40,274,000	65%	19,740,695
PHARMACY	1,527,166	13,300,361	19,500,000	68%	13,260,507
POST ACUTE CARE	918,282	6,527,028	9,350,000	70%	5,776,216
COMMUNITY HEALTHCARE INITIATIVES FUND	103,428	613,504	1,000,000	61%	149,125
PURCHASED HEALTHCARE SERVICES	17,670,204	155,411,834	210,918,258	74%	125,199,162
DIRECT SERVICES	4,948,303	45,839,841	81,599,137	56%	31,939,751
SUBTOTAL HEALTHCARE SERVICES	22,618,507	201,251,676	292,517,395	69%	157,138,913
HEALTHCARE OPERATIONS & SUPPORT					
HEALTHCARE SERVICES MANAGEMENT	1,609,839	14,092,237	22,937,604	61%	14,556,173
ELIGIBILTY & ENROLLMENT	(537,449)	8,487,297	14,382,578	59%	5,347,708
AFFORDABLE CARE ACT SUBSIDY	1,457,179	13,877,801	19,671,820	71%	9,229,887
TECH SUPPORT	784,207	28,590,538	35,053,003	82%	21,916,630
FACILITIES SUPPORT	1,600,888	15,542,601	26,959,958	58%	10,716,937
SENDERO RISK-BASED CAPITAL TRANSFER	-	8,000,000	8,000,000	100%	-
DEBT SERVICE	1,558,615	14,682,821	14,462,326	102%	5,353,684
HEALTHCARE OPERATIONS & SUPPORT	6,473,280	103,273,296	141,467,289	73%	67,121,019
TOTAL HEALTHCARE DELIVERY	**$ 29,091,786**	**$ 304,524,972**	**$ 433,984,684**	**70%**	**$ 224,259,932**

CENTRAL HEALTH
TRAVIS COUNTY HOSPITAL DISTRICT

DIRECT SERVICES		Actuals Jul 2026		Actuals FY 2026 YTD		Budget FY 2026	Percent of Budget Used		Actuals FY 2025 YTD
Multidisciplinary, Diagnostics and Other	$	593,465	$	4,942,342	$	8,545,939	58%	$	2,461,411
Clinical Support		1,034,990		9,998,166		17,898,272	56%		8,210,574
Endocrinology		54,695		499,216		883,764	56%		41,923
Rheumatology		70,644		643,614		2,041,389	32%		125,454
Cardiology		167,814		1,567,133		2,442,156	64%		1,242,133
Gastroenterology		322,803		2,229,641		4,266,275	52%		1,601,053
Nephrology		75,024		729,272		1,449,087	50%		552,400
Neurology		-		5,000		354,559	1%		7,701
Podiatry		173,930		1,008,810		2,364,183	43%		1,879,420
Pulmonology		104,084		967,613		1,915,923	51%		757,431
Palliative Care		61,798		623,687		1,027,374	61%		597,016
Pharmacy		116,460		1,161,190		2,980,011	39%		713,595
Behavorial Health		163,103		1,471,701		2,115,947	70%		721,286
Patient Navigation Center		714,897		5,929,242		7,563,164	78%		5,410,198
Physical Medication & Rehab		47,312		518,075		270,771	191%		-
Psychiatry		4,078		906,096		3,221,828	28%		361,741
Medical Respite		392,798		3,972,905		7,424,291	54%		1,436,404
Bridge Program		182,295		2,076,649		3,235,245	64%		1,054,328
Transition of Care		668,111		6,589,490		11,598,960	57%		4,765,684
Total Direct Services	**$**	**4,948,303**	**$**	**45,839,841**	**$**	**81,599,137**	**56%**	**$**	**31,939,751**

SPECIALTY CARE	Actuals Jul 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
Ancillary Services	$ 312,545	$ 2,801,125	$ 4,633,000	60%	$ 1,160,062
Cardiology	106,447	668,959	800,000	84%	948,380
Dental	320,835	2,907,353	4,000,000	73%	3,068,109
Dermatology	88,743	851,350	1,100,000	77%	798,916
Durable Medical Equipment	59,952	724,084	1,410,000	51%	635,924
Endocrinology	85,541	725,506	800,000	91%	700,781
Ear, Nose & Throat	24,166	634,427	1,525,000	42%	1,122,041
Gastroenterology	199,176	2,713,944	2,950,000	92%	2,130,924
General Surgery	7,458	98,676	250,000	39%	214,692
Gynecology	154,421	1,496,510	2,200,000	68%	1,807,474
Musculoskeletal	327,837	2,472,481	2,525,000	98%	1,957,409
Neurology	8,333	83,332	100,000	83%	43,179
Nephrology/Dialysis	52,131	915,889	1,850,000	50%	790,942
Oncology	287,716	1,691,345	2,850,000	59%	1,492,683
Ophthalmology	203,857	1,776,791	5,370,000	33%	1,847,935
Physical Medication & Rehab	17,771	151,117	150,000	101%	109,943
Podiatry	70,833	708,332	850,000	83%	1,203,378
Pulmonology	72,455	719,194	1,050,000	68%	566,068
Econsults	17,957	185,738	275,000	68%	28,640
Rheumatology	33,333	333,332	400,000	83%	225,643
Sexual & Reproductive Service	140,544	1,304,751	2,260,000	58%	1,174,914
Total Specialty Care	**$ 2,592,050**	**$ 23,964,236**	**$ 37,348,000**	**64%**	**$ 22,028,035**



Administration		Direct Services		Healthcare Operations	
Office of CEO	Communications	All Service Lines	Electronic Health Records	Clinical Executive Team	Tech Support
Executives - BOM	Government Affairs	Navigation		Provider Reimbursement & Network Services	Facility Support
Finance/Procurement	Compliance	Clinical Management		Quality Assess & Performance (QAP)	Eligibility
People Department	Legal	Revenue Cycle		Community Engagement	
Strategy		Clinical Education and Trainees		Healthcare Planning	

BOARD MEETING

August 26, 2026

AGENDA ITEM C3

Receive the Accept a contribution of $289,995 from Workforce Solutions to support Central Health's participation in the Central Texas Healthcare Academy as recommended by the Budget and Finance Committee.

CENTRAL HEALTH

M E M O R A N D U M

To: Central Health Board of Managers

From: Carol Wang, Director of Education and Research; Kim Gabbitas, Grants Manager

CC: Patrick Lee, President & CEO

Date: August 12, 2026

Re: Accepting Contribution from Workforce Solutions – ACTION ITEM

Overview:

Central Health staff recommends the Board of Managers take action to accept a pledged contribution of $289,995 from Workforce Solutions to support Central Health's participation in the Central Texas Healthcare Academy.

Synopsis:

The Central Texas Healthcare Partnership (CTHP) is a collaboration between Workforce Solutions, Austin Community College, Central Health, Baylor Scott & White, Ascension Seton, and St. David's HealthCare, that works to create pathways to education and employment in the healthcare industry. Its mission is to sustain and grow the Central Texas healthcare workforce while expanding pathways to economic mobility for local residents.

In 2026, the CTHP, launched the Central Texas Healthcare Academy. This education and workforce development program pairs high school students with healthcare industry partners where they will benefit from engagement and learning opportunities from nursing to health information technology. As an industry partner to the academy, Central Health and CommUnityCare, will provide student clinical rotation and observership opportunities, as well as speaking engagements with schools, to provide their students an overview of different healthcare professions.

To support Central Health's involvement in the academy, Workforce Solutions has pledged up to $289,995 for a dedicated Program Coordinator at Central Health. The coordinator will connect students enrolled in the Central Texas Healthcare Academy to industry engagement opportunities at Central Health, and partner with other CTHP organizations to create uniform and standardized pathways to education and employment.

Fiscal Impact:

Central Health will receive up to $289,995 from Workforce Solutions.

CENTRAL HEALTH

Action Requested:

Central Health staff request the Board of Managers take action to accept a contribution of $289,995 from Workforce Solutions to support Central Health's participation in the Central Texas Healthcare Academy.

CENTRAL HEALTH

Central Texas Healthcare Academy

Central Texas Healthcare Partnership

Dr. Carol Wang, Director of Education and Research

Kim Gabbitas, Grants Manager

August 12, 2026

Central Texas HEALTHCARE ACADEMY

Train for a Career with a Future

Austin Community College, in collaboration with the Central Texas Healthcare Partnership, now offers a new dual credit programs that trains high school students in five exciting careers that support the region's growing healthcare industry.

Program Benefits Program Benefits

Academy students gets a world-class college education, access to support services, and graduate high school career-ready.

Choose from Five Career Paths Benefits

Professional Nursing
Diagnostic Medical Imaging
Surgical Technology
Health Information Technology

Tuition is Free

Hands-on Learning

Real-World Connections

Strong Starting Pay

Central Texas

HEALTHCARE ACADEMY

How it Works

You begin taking classes in 9th grade, with the potential to earn a certificate by the time you graduate high school. You can go straight into your career or continue your college education with ACC.

9th Grade → 10th Grade → 11th Grade → 12th Grade → Start Your Career - or - Keep Going

- Basic classes, labs, and hands-on experiences
- Select your career program
- Start your program track and connect with professionals
- Earn 36 college credits/certificate
- Graduate and start your career or keep going with ACC

CENTRAL TEXAS HEALTHCARE ACADEMY

AUSTIN COMMUNITY COLLEGE DISTRICT

St David's HealthCare

Ascension

BaylorScott&White HEALTH

CENTRAL HEALTH

Central Health’s Role

- **Participate in speaking engagements and lead educational and outreach events on nursing and allied health professions**
- **Provide opportunities for clinical rotations and observership opportunities (starting in Year 3)**
- **Develop and support uniform pathways to education and employment in the health care industry**

Budget & Payment Schedule

	Workforce Solutions	Central Health	Annual Total
Year 1 (2026-2027)	$86,000	$0	$86,000
Year 2 (2027-2028)	$88,580	$0	$88,580
Year 3 (2028-2029)	$68,428	$22,812	$91,240
Year 4 (2029-2030)	$46,987	$46,987	$93,974
Contract Term Total*	$289,995	$69,799	$359,794

This table represents the contractual maximum amount payable by Workforce Solutions and assumes a 3% salary increase for the position year-over-year.

Thank You

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 1

Receive and discuss a report from the Board Chair including:
a. Board meeting mechanics and governance updates. (*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	August 26, 2026
Who will present the agenda item? (Name, Title)	Chair Rodriguez
General Item Description	1. Receive and discuss a report from the Board Chair including: a. Board meeting mechanics and governance updates.
Is this an informational or action item?	Informational Item
Fiscal Impact	
Recommended Motion (if needed – action item)	

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

1) Chair Rodriguez will give a verbal update.
2)
3)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Verbal Update
Estimated time needed for presentation & questions?	10 minutes
Is closed session recommended? (Consult with attorneys.)	No
Form Prepared By/Date Submitted:	Briana Harris, Aug 19, 2026

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 2

Receive and discuss a report from the President & CEO including:
a. Strategic Board Alignment;
b. Clinical Excellence;
c. Financial Sustainability; and
d. People and Community. (*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	August 26, 2026
Who will present the agenda item? (Name, Title)	Dr. Pat Lee, President & CEO
General Item Description	CEO Monthly Update
Is this an informational or action item?	Informational
Fiscal Impact	None
Recommended Motion (if needed – action item)	None

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

1) Clinical & Operations Update
2) Workforce & Organizational Culture Update
3) Stakeholder & Community Engagement Update
4)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Verbal report-out – one-pager and community engagement report attached
Estimated time needed for presentation & questions?	15 minutes
Is closed session recommended? (Consult with attorneys.)	No
Form Prepared By/Date Submitted:	Katie Pastor 8/18/2026

AUGUST 2026
CEO Monthly Update: Major Milestones Across the Central Health System

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Clinical, Operational & Facilities Updates

- Administration of First Buprenorphine Injections for Patients with Opioid Use Disorder Across the Central Health System
- Celebrating One Year of the Medical Respite Program at the Clinical Education Center Downtown & Launch of Mental Health Peer Support Services Within Medical Respite
- Patient-Centered Facility Design Workshop for Future Cameron Road Center
- Community Lead Screening Event in Austin's Colony/Hornsby Bend Neighborhood
- Conclusion of Summer Lunch Program
- Approval of Medicaid Enrollment Application

Workforce & Organizational Culture Updates

- Kickoff of GUIDE with Love Pathway II Training
- Continuous Improvement Team & System Integration Update
- Met FY26 Goal to Resolve Ten Areas of System Duplication

Stakeholder & Community Engagement Updates

- Paid Media Segments on Local News Networks to Support Local Central Health Awareness
- Presentation at Epic UGM Safety Net Forum – August 17
- Q4 Travis County Commissioners Court Presentation – August 20
- FY27 Budget-Focused CEO Roundtable – August 26

COMMUNITY ENGAGEMENT REPORT

JULY 2026

Below is a summary of Community Engagement and Outreach initiatives within the Central Health Communications Department over the last month, across July and August 2026. It is not an exhaustive list.

Lunch N' Learn – Overdose Prevention Champions (Friday, July 31)

Co-hosted by Community Health Champions, Central Health and CommUnityCare recently hosted a virtual presentation introducing the new Overdose Prevention Champions, a collaborative initiative focused on advancing overdose prevention, reducing stigma, expanding access to harm-reduction resources, and promoting healthier communities. The virtual presentation included an overview of the initiative followed by a Q&A, with Spanish-language interpretation available.

More than 50 community members and partners, including CommUnityCare Board Chair Guy Swenson, joined the presentation via Zoom.

Community Health Champion Alumni – Health Equity Coffee Club (Tuesday, August 11)

The August meeting of the Community Health Champion Health Equity Coffee Club featured a bilingual presentation by Isela Guerra highlighting the upcoming Vivir Con Ganas (VCG) event and the Central Health FY27 Proposed Budget Community Conversation. The presentation was delivered in both English and Spanish, with participants using the Google Translate mobile app to support real-time participation across languages. The meeting also included a budget overview, primarily presented in English, with non-English-speaking members using a live translation app to participate. There were a total of 9 Community Health Champion alumni attendees.

Community Health Champions Fall Kickoff Celebration (Thursday, August 13)

Central Health welcomed 40 Community Health Champions to the fall cohort kickoff luncheon at Lazarus Brewing Co. The informal gathering provided an opportunity for the new participants to connect, build relationships, and begin the new cohort together in a welcoming environment. The event included lunch and informal networking, helping strengthen connections among Community Health Champions as they begin their continued role as trusted community ambassadors.

Vitals & Vibes (Sunday, August 16)

Central Health and Community Health Champion Charlene Gregory hosted Vitals & Vibes at David Chapel Church, bringing together seven exhibitors and Austin Public Health (APH) to connect 125 faith-based community members with health resources. The event provided an opportunity for residents to learn more about the Central Health System, access health resources, and receive A1C and blood pressure screenings through APH. The initiative was originally championed by former Board Manager Shannon Jones and continues to strengthen Central Health's presence and relationships within faith-based and African American communities. **Exhibitors**: Black Men's Health Clinic, UT Center for Memory and Aging, Calah

Cares, Austin Public Health, Central Health System, National Council of Negro Women (NCNW), and John L. Clark III, Medicare Planning Specialist.

Volunteer Opportunity: Vivir Con Ganas Advisory Committees (Monday, Aug 17 & Friday, Aug 21)

Vivir Con Ganas Advisory Committee members joined Central Health for two hands-on volunteer sessions to prepare for the upcoming health expo. Members assembled swag bags and giveaways for attendees and created floral arrangements for the event centerpieces. The sessions were intentionally held on different days of the week, a Monday and a Friday, to provide flexibility and maximize participation among Advisory Committee members. This hands-on engagement strengthened member involvement and helped build shared ownership of the event.

Grassroots Outreach

The outreach team has been expanding access to coverage by offering MAP application assistance through their partnership with faith-based organizations including Austin Reconciliation Church, University Presbyterian Church, and Central Presbyterian Church. They also focused on grassroots outreach for the Monday, August 31 FY27 Proposed Budget Community Conversation, Vivir Con Ganas on Saturday, September 12 and on partnering with new organizations to offer application assistance on site.

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 3

Receive and ratify Central Health investments for July 2026. *(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	August 26, 2026
Who will present the agenda item? (Name, Title)	Chair Rodriguez
Notetaker (Name, Title)	
General Item Description	Receive and ratify Central Health investments for July 2026.
Is this an informational or action item?	Action
Fiscal Impact	
Recommended Motion (if needed – action item)	Ratify the Central Health investments for July 2026.

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

1)
2)
3)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	July investment report
Estimated time needed for presentation & questions?	5 minutes
Is closed session recommended? (Consult with attorneys.)	No
Form Prepared By/Date Submitted:	Briana Harris/August 19, 2026

AGENDA ITEM #________

STATE OF TEXAS

COUNTY OF TRAVIS

CENTRAL HEALTH

Whereas, it appears to the Board of Managers of the Central Health, Travis County, Texas that there are sufficient funds on hand over and above those of immediate need for operating demand,

Now, Therefore, the Board of Managers hereby orders

1.) that the County Treasurer of Travis County, Texas, acting on behalf of Central Health, execute the investment of these funds in the total amount of $116,218,448.40 in legally authorized securities as stipulated in the Travis County Healthcare District Investment and Collateral Policy for the periods as indicated in Attachment A, which consists of 11 pages.

2.) that the County Treasurer, acting on behalf of Central Health, take and hold in safekeeping all individual security investment instruments, relinquishing same only by order of the Board of Managers or for surrender at maturity.

Date: August 26, 2026

____
CHAIR, BOARD OF MANAGERS

______________________________ VICE CHAIR, BOARD OF MANAGERS	______________________________ MANAGER
______________________________ MANAGER	______________________________ MANAGER
______________________________ MANAGER	______________________________ MANAGER
______________________________ MANAGER	______________________________ MANAGER

Central Health
Investment Department
Security Transaction Form

Date: 7/1/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description:	Texas Class	Fund Name:	Central Health
Par Value:	$155,000.00	Safekeeping No.:	N/A
CPN/DISC Rate:	N/A	Price:	100%
Maturity Date:	N/A	Bond Eq Yield:	3.7801%
Principal:	$155,000.00	Purchased Thru:	Texas Class
Accured Int:	N/A	Broker:	N/A
Total Due:	$155,000.00	CUSIP #:	N/A
Trade Date:	7/1/2026	Settlement Date:	7/1/2026

Authorized by: James Matlock
Cash / Investment Manager

Central Health
Investment Department
Security Transaction Form

Date: 7/7/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description:	Texas Class	Fund Name:	Central Health
Par Value:	$45,000,000.00	Safekeeping No.:	N/A
CPN/DISC Rate:	N/A	Price:	100%
Maturity Date:	N/A	Bond Eq Yield:	3.7780%
Principal:	$45,000,000.00	Purchased Thru:	Texas Class
Accured Int:	N/A	Broker:	N/A
Total Due:	$45,000,000.00	CUSIP #:	N/A
Trade Date:	7/7/2026	Settlement Date:	7/7/2026

Authorized by: James Matlock
Cash / Investment Manager

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE:	7/8/2026
TIME:	11:43 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	Tx TERM July 27	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 12,000,000.00	SAFEKEEPING NO:	N/A
OUPON / DISCOUNT RATE	4.370%	PRICE:	100.0000000
MATURITY DATE:	7/6/2027	US TREASURY CONVENTION YLD	4.3700%
PRINCIPAL:	$ 12,000,000.00	PURCHASED THROUGH:	TexasDAILY
ACCRUED INT:	$ 0.00	BROKER:	N/A
TOTAL DUE:	$ 12,000,000.00	CUSIP #:	TXTERM070627
TRADE DATE:	7/8/2026	SETTLEMENT DATE:	7/9/2026

AUTHORIZED BY: Reagan Haines

Central Health
Investment Department
Security Transaction Form

Date: 7/13/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description:	Texas Class	Fund Name:	Central Health
Par Value:	$10,389,000.00	Safekeeping No.:	N/A
CPN/DISC Rate:	N/A	Price:	100%
Maturity Date:	N/A	Bond Eq Yield:	3.7341%
Principal:	$10,389,000.00	Purchased Thru:	Texas Class
Accured Int:	N/A	Broker:	N/A
Total Due:	$10,389,000.00	CUSIP #:	N/A
Trade Date:	7/13/2026	Settlement Date:	7/13/2026

Authorized by: James Matlock

Cash / Investment Manager

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE:	7/1/2026
TIME:	9:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLMC Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 10,000,000.00	SAFEKEEPING NO:	P 31317
OUPON / DISCOUNT RATE	4.625%	PRICE:	100.0000000
MATURITY DATE:	7/15/2030	US TREASURY CONVENTION YLD	4.6250%
PRINCIPAL:	$ 10,000,000.00	PURCHASED THROUGH:	CastleOak
ACCRUED INT:	$ 0.00	BROKER:	Susan Schiefelbein
TOTAL DUE:	$ 10,000,000.00	CUSIP #:	3134HC4E6
TRADE DATE:	7/1/2026	SETTLEMENT DATE:	7/15/2026

AUTHORIZED BY: Reagan Gaines

Central Health
Investment Department
Security Transaction Form

Date: 7/16/2026
Time: 10:30

The following transaction was executed on behalf of Central Health:

Description:	TexPool Bond Proceeds to Operating	Fund Name:	Central Health
Par Value:	$3,736,025.09	Safekeeping No.:	N/A
CPN/DISC Rate:	N/A	Price:	100%
Maturity Date:	N/A	Bond Eq Yield:	3.6612%
Principal:	$3,736,025.09	Purchased Thru:	TexPool Bond Proceeds to Operating
Accured Int:	N/A	Broker:	N/A
Total Due:	$3,736,025.09	CUSIP #:	N/A
Trade Date:	7/16/2026	Settlement Date:	7/16/2026

Authorized by: James Matlock
Cash / Investment Manager

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE:	7/16/2026
TIME:	9:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLMC Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 12,445,000.00	SAFEKEEPING NO:	P 31317
OUPON / DISCOUNT RATE	3.875%	PRICE:	98.8400000
MATURITY DATE:	9/11/2029	US TREASURY CONVENTION YLD	4.2710%
PRINCIPAL:	$ 12,300,638.00	PURCHASED THROUGH:	Stifel
ACCRUED INT:	$ 168,785.31	BROKER:	Mike Bell
TOTAL DUE:	$ 12,469,423.31	CUSIP #:	3134HCWD7
TRADE DATE:	7/16/2026	SETTLEMENT DATE:	7/17/2026

AUTHORIZED BY: Reagan Grimes

Central Health
Investment Department
Security Transaction Form

Date: 7/22/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description:	Texas Class	Fund Name:	Central Health
Par Value:	$119,000.00	Safekeeping No.:	N/A
CPN/DISC Rate:	N/A	Price:	100%
Maturity Date:	N/A	Bond Eq Yield:	3.7709%
Principal:	$119,000.00	Purchased Thru:	Texas Class
Accured Int:	N/A	Broker:	N/A
Total Due:	$119,000.00	CUSIP #:	N/A
Trade Date:	7/22/2026	Settlement Date:	7/22/2026

Authorized by: James Matlock
Cash / Investment Manager

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 7/16/2026

TIME: 9:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLB Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 12,000,000.00	SAFEKEEPING NO:	P 31317
OUPON / DISCOUNT RATE	4.630%	PRICE:	100.0000000
MATURITY DATE:	10/23/2029	US TREASURY CONVENTION YLD	4.6300%
PRINCIPAL:	$ 12,000,000.00	PURCHASED THROUGH:	Keybanc
ACCRUED INT:	$ 0.00	BROKER:	Ken Kauftheil
TOTAL DUE:	$ 12,000,000.00	CUSIP #:	3130BBLN3
TRADE DATE:	7/16/2026	SETTLEMENT DATE:	7/23/2026

AUTHORIZED BY: Reagan Gaines

Central Health
Investment Department
Security Transaction Form

Date: 7/28/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description:	Texas Class	Fund Name:	Central Health
Par Value:	$9,920,000.00	Safekeeping No.:	N/A
CPN/DISC Rate:	N/A	Price:	100%
Maturity Date:	N/A	Bond Eq Yield:	3.7998%
Principal:	$9,920,000.00	Purchased Thru:	Texas Class
Accured Int:	N/A	Broker:	N/A
Total Due:	$9,920,000.00	CUSIP #:	N/A
Trade Date:	7/28/2026	Settlement Date:	7/28/2026

Authorized by: James Matlock
Cash / Investment Manager

Central Health
Investment Department
Security Transaction Form

Date: 7/31/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description:	Texas Class	Fund Name:	Central Health
Par Value:	$430,000.00	Safekeeping No.:	N/A
CPN/DISC Rate:	N/A	Price:	100%
Maturity Date:	N/A	Bond Eq Yield:	3.8171%
Principal:	$430,000.00	Purchased Thru:	Texas Class
Accured Int:	N/A	Broker:	N/A
Total Due:	$430,000.00	CUSIP #:	N/A
Trade Date:	7/31/2026	Settlement Date:	7/31/2026

Authorized by: James Matlock
Cash / Investment Manager

CENTRAL HEALTH MONTHLY INVESTMENT REPORT
PORTFOLIO STATISTICS

DATE: July 31, 2026

By Fund Type			
Operating	$	749,339,872.48	70.09%
LPPF		68,729,090.42	6.43%
Bond Proceeds		251,027,458.30	23.48%
Other		-	0.00%
Total Portfolio	$	1,069,096,421.20	100.00%

By Security Type			
Operating-			
TexasDAILY	$	170,121.08	0.02%
TexasDAILY Select	$	123,391,172.02	16.47%
TexPool	$	18,856,161.42	2.52%
TexSTAR	$	177,954.11	0.02%
TexCLASS	$	66,718,139.63	8.90%
TexasTERM CP		72,000,000.00	9.61%
Non-Int Bearing Bank Account		378,284.01	0.05%
Certificates of Deposit		-	0.00%
Treasury Securities		23,830,781.25	3.18%
Government Agencies		418,731,842.36	55.88%
Commercial Paper		-	0.00%
Municipal Bonds		25,085,416.60	3.35%
Total	$	749,339,872.48	100.00%
LPPF-			
TexPool		68,729,090.42	100.00%
Total	$	68,729,090.42	100.00%
Bond Proceeds-			
TexPool	$	251,027,458.30	100.00%
Total	$	251,027,458.30	100.00%

Compared to Policy Limits			Actual %	Guidelines
TexasDAILY		170,121.08	0.02%	30.00%
TexasDAILY Select		123,391,172.02	11.55%	30.00%
TexPool		338,612,710.14	31.68%	50.00%
TexSTAR		177,954.11	0.02%	30.00%
TexCLASS		66,718,139.63	6.24%	30.00%
TexasTERM CP		72,000,000.00	6.74%	30.00%
Total LGIPS	$	601,070,096.98	56.24%	70.00%
Certificates of Deposit		-	0.00%	50.00%
Treasury Securities		23,830,781.25	2.23%	100.00%
Government Agencies		418,731,842.36	39.18%	75.00%
Commercial Paper		-	0.00%	20.00%
Municipal Bonds		25,085,416.60	2.35%	20.00%
	$	1,068,718,137.19	100.00%	

CENTRAL HEALTH MONTHLY INVESTMENT REPORT

Commercial Paper by Entity as a Percentage of Portfolio

	$ -	0.00%	20.00%

Municipal Bonds by Entity as a Percentage of Portfolio

City of Frisco, TX GO	$ 1,850,464.00	0.25%	5.00%
CO Hsg & Fin Rev	$ 500,000.00	0.07%	5.00%
LA Unified SD - GO	$ 6,039,360.00	0.81%	5.00%
St of Washington - GO	$ 8,840,872.60	1.18%	5.00%
State of Hawaii - GO	$ 2,812,170.00	0.38%	5.00%
TX Pub Fin Auth	$ 5,042,550.00	0.67%	5.00%
	$ 25,085,416.60	3.35%	25.00%

Investment Revenue & Accrued Interest	July-26	Fiscal YTD
Interest/Dividends-		
TexasDAILY	$ 525.01	$ 203,658.81
TexasDAILY Select	$ 542,293.02	$ 6,793,198.98
TexPool	1,081,141.18	$ 11,612,100.30
TexSTAR	545.59	$ 6,424.59
TexCLASS	143,791.54	$ 144,139.63
TexasTERM CP	0.00	$ -
Certificates of Deposit	0.00	$ -
Treasury Securities	0.00	$ 217,500.00
Government Agencies	1,816,850.00	$ 13,928,089.37
Commercial Paper	0.00	$ -
Municipal Bonds	132,690.00	$ 1,043,997.56
	$ 3,717,836.34	$ 33,949,109.24
Discounts, Premiums, & Accrued Interest		
TexasTERM CP	$ 228,003.30	$ 842,926.03
-less previous accruals	0.00	$ -
Certificates of Deposit	0.00	$ -
-less previous accruals	0.00	$ -
Treasury Securities	78,895.92	$ 348,208.11
-less previous accruals	0.00	$ (233,417.92)
Government Agencies	1,350,092.56	$ 11,823,695.76
-less previous accruals	(1,699,483.36)	$(12,272,813.62)
Commercial Paper	0.00	$ -
-less previous accruals	0.00	$ -
Municipal Bonds	66,850.01	$ 857,557.52
-less previous accruals	(110,782.70)	$ (920,008.13)
	$ (86,424.27)	$ 446,147.75
Total Investment Revenue & Accrued Interest	$ 3,631,412.07	$ 34,395,256.99

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 4

Discuss the Fiscal Year 2027 Central Health budget. (*Informational Item – See Exhibit 1*)

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	August 27, 2025
Who will present the agenda item? (Name, Title)	Jeff Knodel, Chief Financial Officer; Nicki Riley, Deputy Chief Financial Officer; Jon Morgan, Chief Operating Officer; Monica Crowley, Chief Strategic Officer and Senior Counsel
General Item Description	Receive and discuss a presentation on the proposed FY27 tax rate and budget for Central Health.
Is this an informational or action item?	Action Item
Fiscal Impact	
Recommended Motion (if needed – action item)	Approve the FY27 Proposed Ad Valorem Tax Rate for Public Notice and approve the public hearing time and location.

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

1) Staff will present the proposed FY27 tax rate and budget for Central Health and address remaining questions submitted by the Board.
2) Following this Budget and Finance Committee presentation, in the Board of Managers meeting, action will be requested to approve the FY2027 Proposed Ad Valorem Tax Rate for Public Notice and approve the public hearing time and location.
3)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	PowerPoint presentation
Estimated time needed for presentation & questions?	45 minutes
Is closed session recommended? (Consult with attorneys.)	No
Form Prepared By/Date Submitted:	Jeff Knodel, 8/19/2026

FY 2027 Proposed Budget & Tax Rate

Budget and Finance Committee Meeting

August 26, 2026

Presenters:

Jeff Knodel - Chief Financial Officer

Nicki Riley – Deputy Chief Financial Officer

Jon Morgan – Chief Operating Officer

Monica Crowley – Chief Strategy Officer and Sr. Counsel

Agenda

- Propose Tax Rate for Public Notice
- Approve the Public Hearing Time and Location

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4 events
with Travis County Commissioners, including Aug. 31 with Judge

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in-Person Attendees

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Fall 2025
1 Cohort · 5 Workshops
40 Graduates

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3 Cohorts · 5 Workshops
35 Graduates

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26.1M
Impressions

223,118
Engagements

Multi-Channel
Social Media, Email Marketing, and Paid Media

Taxpayer Impact to the Median Homestead Under Each Scenario

	FY26	FY27 – Proposed Budget		
	Approved	NNR	6%	8%
M&O Rate	0.113569	11.6607	12.3603	12.5935
Debt Service Rate	0.004454	0.9260	0.9260	0.9260
Total Rate	0.118023	12.5867	13.2863	13.5195
Median Value	$390,086	$372,638	$372,638	$372,638
M&O Amount	$443	$435	$461	$469
Debt Service Amount	$17	$35	$35	$35
Total Tax Amount	$460	$470	$496	$504
Annual Increase to the Median Homestead Taxpayer		$10	$36	$44

Overview

Three Budget/Tax Rate Scenarios

- Increased Property Tax Revenue
  - 8% - $49.3M
  - 6% - $42M
  - NNR – $19.8M

Overall Impact

- **No New Revenue (NNR):** Required by Travis County Commissioners' Court Financial Order; will result in reductions of approximately $12M of funding for strategic priorities and $23M in operational reductions; forego employee salary/merit-based increases; and reserves falling significantly below targeted levels and potentially impedes future services

- **6% Over NNR:** Advances commitment to strategic priorities in the Health Equity Plan of $27.3M; at the low end of targeted reserve levels, limits financial flexibility

- **8% Over NNR:** Advances commitment to strategic priorities in the Health Equity Plan of $27.3M; provides financial flexibility to respond to future/unexpected needs through sufficient reserves

DESCRIPTION	FY 2026 APPROVED BUDGET	FY 2027 BUDGET 8%	FY 2027 BUDGET 6%	FY 2027 BUDGET NNR
TAX RATE	**0.118023**	**0.135195**	**0.132863**	**0.125867**
Beginning Balance (Contingency Reserve)	451,192,875	437,446,142	437,446,142	437,446,142
UNRESTRICTED REVENUE				
Property Taxes	378,061,940	427,392,411	420,020,251	397,903,773
Lease Revenue	10,424,005	10,999,906	10,999,906	10,999,906
Tobacco Litigation Settlement	5,000,000	7,000,000	7,000,000	7,000,000
Patient Revenue	1,000,000	3,000,000	3,000,000	3,000,000
Other	25,900,000	26,640,000	26,640,000	26,640,000
Other Financing Sources		91,000,000	91,000,000	91,000,000
TOTAL UNRESTRICTED REVENUE	**420,385,945**	**566,032,317**	**558,660,157**	**536,543,679**
RESTRICTED REVENUE				
Available Restricted Revenue	3,540,167	734,581	734,581	734,581
AVAILABLE RESOURCES	**875,118,987**	**1,004,213,040**	**996,840,880**	**974,724,402**
UNRESTRICTED EXPENSE				
Healthcare Delivery	433,984,684	513,187,419	513,187,419	477,916,884
Administration	46,369,507	45,904,060	45,904,060	41,337,783
UT Affiliation Agreement	35,000,000	35,000,000	35,000,000	35,000,000
Other Financing Uses	37,045,142	13,902,218	13,902,218	7,549,578
TOTAL UNRESTRICTED EXPENSES	**552,399,333**	**607,993,697**	**607,993,697**	**561,804,245**
RESTRICTED EXPENSE				
All Restricted Expenses	3,540,167	734,581	734,581	734,581
TOTAL ALL EXPENSES	**555,939,500**	**608,728,278**	**608,728,278**	**562,538,826**
Appropriated Contingency Reserve Budget	319,179,487	395,484,762	388,112,602	412,185,576
TOTAL USES WITH ENDING BALANCE	**875,118,987**	**1,004,213,040**	**996,840,880**	**974,724,402**
RESERVE Balances				
Public Health Center Reserve	12,000,000	12,000,000	12,000,000	12,000,000
Emergency Reserve	68,165,232	81,154,650	81,154,650	74,801,810
Contingency Reserve	319,179,487	395,484,762	388,112,602	412,185,576

Attachment B

Network and Direct Health Care Services

FY 2027 Network Health Care Services Overview

- CommUnityCare - $117.5M
- Other FQHCs in Primary Care: Lone Star Circle of Care (LSCC), People's Community Clinic (PCC) - $21.4M
- Integral Care - $31.3M
- Sobering Center - $600K
- LSCC, PCC, Aeschbach, African American Youth Harvest Foundation and other contracted services - $10.7M
- Post Acute – Additional bed capacity to support patient need

FY 2027 Direct Health Care Services Overview

- Hancock Phase 2 opening in January 2027
- Additional complex primary care team at the Travis County jail
- Increasing utilization of medical respite beds at CEC
- Expanding addiction care teams and service infrastructure

DESCRIPTION	FY 2026 APPROVED BUDGET	FY 2027 PROPOSED BUDGET 8/26/2026
HEALTH CARE DELIVERY		
Network Health Care Services		
Primary Care: Medical, Dental, & Behavioral Health	103,446,258	125,128,410
Specialty Care: including Specialty Dental	37,348,000	36,857,000
Behavioral Health	40,274,000	42,671,750
Post Acute Care	9,350,000	12,485,000
Pharmacy	19,500,000	21,268,000
Community Health Care Initiatives Fund	1,000,000	1,000,000
Purchased Health Care Services	**210,918,258**	**239,410,160**
Direct Health Care Services		
Therapy and Counseling	2,115,947	2,479,527
Psychiatry & Addiction Care	3,221,828	4,112,166
Cardiology	2,442,156	3,158,187
Endocrinology	883,764	1,228,845
Gastroenterology	4,266,275	5,245,100
Nephrology	1,449,087	1,917,511
Neurology	354,559	1,235,174
Podiatry	2,364,183	3,296,207
Pulmonology	1,915,923	1,123,647
Rheumatology	2,041,389	1,451,215
Palliative Care	1,027,374	899,732
Pharmacy	2,980,011	1,783,337
Physical Medicine & Rehab	270,771	1,375,320
Transitions of Care	11,598,960	15,155,152
Medical Respite	10,659,536	13,397,921
Diagnostics and Other services	8,545,939	13,621,843
Patient Navigation	7,563,164	9,006,055
Clinical Support	17,898,272	15,624,926
Direct Health Care Services Total	**81,599,137**	**96,111,864**
Total Health Care Services	**292,517,395**	**335,522,024**

Attachment B

Health Care Operations & Support and Administration

Budgets for AI projects

- $900K in consulting for Artificial Intelligence (AI) Development
- $216K for an Artificial Intelligence (AI) recruiting and benefits software.

DESCRIPTION	FY 2026 APPROVED BUDGET	FY 2027 PROPOSED BUDGET 8/26/2026
Health Care Operations & Support		
Salary & Benefits	52,476,460	47,986,591
ACA Healthcare Premium Assistance Programs	19,671,820	19,452,516
Consulting	970,000	941,000
AI Development Consulting		900,000
Purchased Services	10,305,800	6,536,328
Outreach & Education	5,348,420	4,614,992
Health & Wellness Services		713,000
Information Technology & Services	13,764,300	18,918,250
Leases, Utilities, Security &Maintenance	14,181,693	15,815,131
Travel, training and professional development	1,422,100	1,096,204
Other operating expenses	864,370	970,829
Debt service - principal retirement	8,320,000	11,240,000
Debt service - interest	6,142,326	18,480,556
Transfer to Sendero Risk-Based Capital	8,000,000	30,000,000
Total Health Care Operations & Support	**141,467,289**	**177,665,395**
Total Health Care Delivery	**433,984,684**	**513,187,419**
ADMINISTRATION		
Salary and Benefits	28,252,193	27,283,249
Legal	5,505,000	5,026,500
Consulting	3,246,250	3,817,285
Purchased Services	1,532,666	982,324
Outreach and Education	539,580	200,815
Information Technology & Services	2,009,155	2,019,413
AI Recruiting and Benefits Software		215,500
Leases, Utilities, Security and Maintenance	195,000	390,531
Travel, training and professional development	1,370,085	1,546,438
Other operating expenses	663,875	1,018,838
Appraisal District Svcs	1,841,217	2,130,984
Tax Collection Expense	1,214,486	1,272,185
Total Administration	**46,369,507**	**45,904,060**

Attachment B

Other Uses

Other Uses Overview

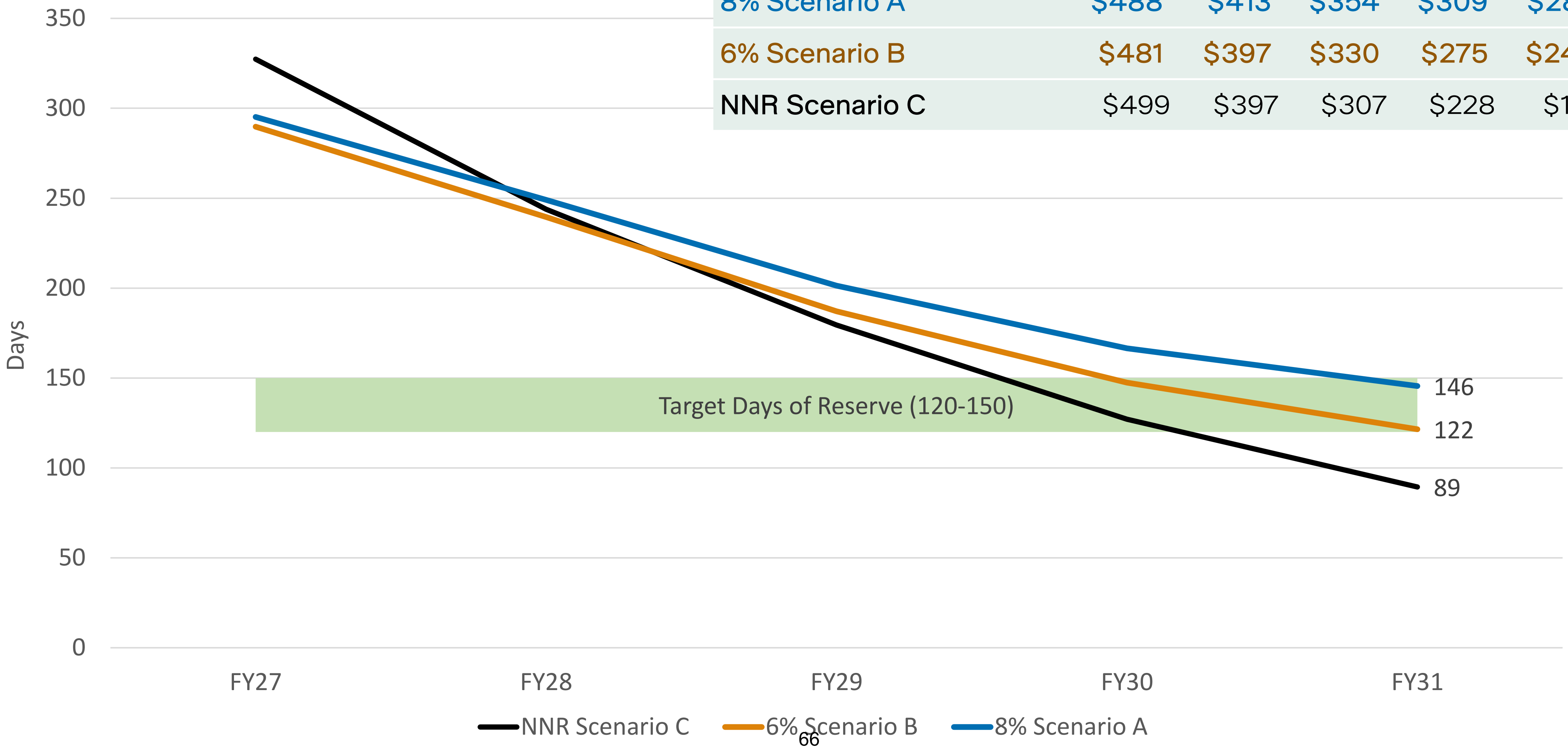
- Other Financing Uses decreased ($23.1M)
  - FY26 budget had a one-time transfer to create the Public Health Reserve and $15M transfer to the capital fund for capital projects.
  - FY27 budget includes slight increase to Emergency Reserve and start up funding for Central Health BOM approved Foundation.

DESCRIPTION	FY 2026 APPROVED BUDGET	FY 2027 PROPOSED BUDGET 8/26/2026
UT Affiliation Agreement	35,000,000	35,000,000
OTHER FINANCING USES		
Transfer to capital projects	15,000,000	-
Transfer to Public Health Center Reserve	12,000,000	-
Transfer to Emergency Reserve	10,045,142	12,989,418
Transfer to Central Health Foundation		912,800
TOTAL UNRESTRICTED EXPENSES	**552,399,332**	**607,993,697**
RESTRICTED USES		
All Restricted Expenses	3,540,167	734,581
TOTAL ALL EXPENSES	**555,939,500**	**608,728,278**
RESERVES		
Contingency Reserves	319,179,487	395,484,762
TOTAL USES WITH ENDING BALANCE	**875,118,987**	**1,004,213,040**

Tax Rate Scenarios

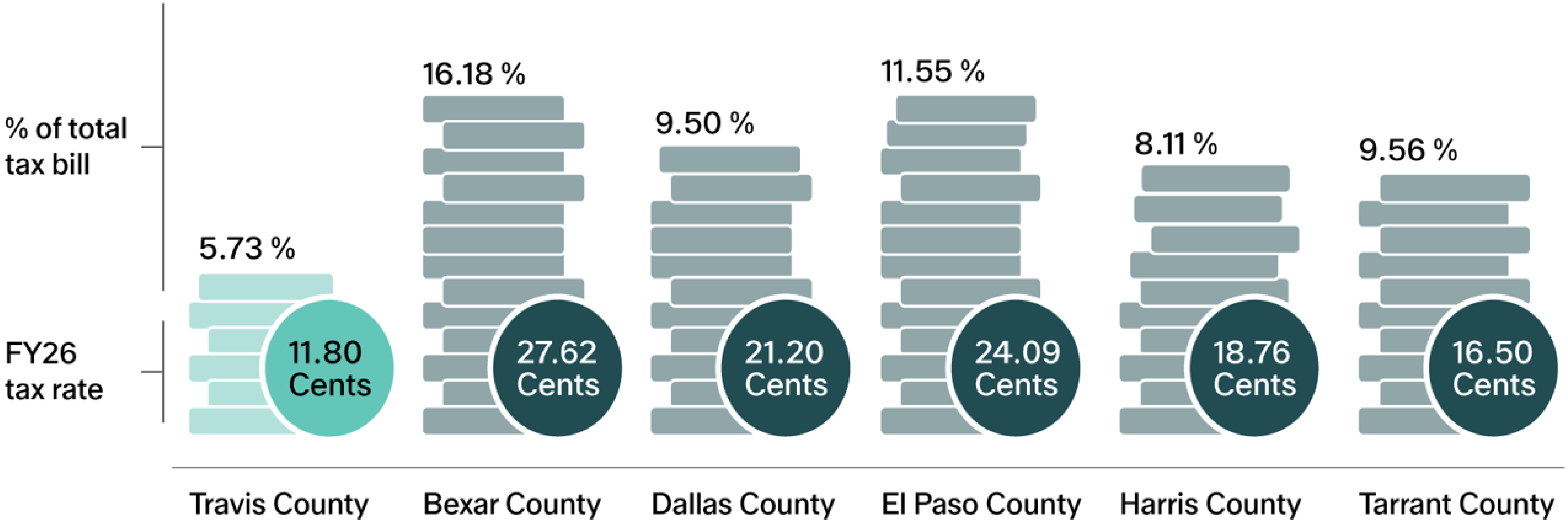
(Impact on Days of Reserves Available)
FY28-31 (8% Year-Over-Year)

Total Reserve Balances (in millions)	**FY27**	**FY28**	**FY29**	**FY30**	**FY31**
8% Scenario A	$488	$413	$354	$309	$285
6% Scenario B	$481	$397	$330	$275	$240
NNR Scenario C	$499	$397	$307	$228	$166



Hospital District Tax Impact Comparisons

(FY 2026 Adopted Tax Rates by District)



Responses to Board Budget Questions

- **Staff appreciates the Board's questions and continued support throughout the budget process.**

- **Staff is developing responses to the remaining questions, and additional information will be provided at the Board meeting.**

Requested Action

Actions on the agenda items will be taken at the Board of Managers Meeting

- Approve the FY 2027 Proposed Ad Valorem Tax Rate for Public Notice
- Approve the Public Hearing Time and Location

Thank You

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 5

Discuss and take appropriate action on Central Health's proposed property tax rate for Fiscal Year 2027. (*Action Item – Roll Call Vote Required – See Exhibit 1*)

AGENDA ITEM SUBMISSION FORM

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Is this an informational or action item?	Action Item
Fiscal Impact	
Recommended Motion (if needed – action item)	Approve the FY27 Proposed Ad Valorem Tax Rate for Public Notice and approve the public hearing time and location.

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2) Following this Budget and Finance Committee presentation, in the Board of Managers meeting, action will be requested to approve the FY2027 Proposed Ad Valorem Tax Rate for Public Notice and approve the public hearing time and location.
3)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	PowerPoint presentation
Estimated time needed for presentation & questions?	45 minutes
Is closed session recommended? (Consult with attorneys.)	No
Form Prepared By/Date Submitted:	Jeff Knodel, 8/19/2026

FY 2027 Proposed Budget & Tax Rate

Budget and Finance Committee Meeting

August 26, 2026

Presenters:

Jeff Knodel - Chief Financial Officer

Nicki Riley – Deputy Chief Financial Officer

Jon Morgan – Chief Operating Officer

Monica Crowley – Chief Strategy Officer and Sr. Counsel

Agenda

- Propose Tax Rate for Public Notice
- Approve the Public Hearing Time and Location

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  - NNR – $19.8M

Overall Impact

- **No New Revenue (NNR):** Required by Travis County Commissioners' Court Financial Order; will result in reductions of approximately $12M of funding for strategic priorities and $23M in operational reductions; forego employee salary/merit-based increases; and reserves falling significantly below targeted levels and potentially impedes future services

- **6% Over NNR:** Advances commitment to strategic priorities in the Health Equity Plan of $27.3M; at the low end of targeted reserve levels, limits financial flexibility

- **8% Over NNR:** Advances commitment to strategic priorities in the Health Equity Plan of $27.3M; provides financial flexibility to respond to future/unexpected needs through sufficient reserves

DESCRIPTION	FY 2026 APPROVED BUDGET	FY 2027 BUDGET 8%	FY 2027 BUDGET 6%	FY 2027 BUDGET NNR
TAX RATE	**0.118023**	**0.135195**	**0.132863**	**0.125867**
Beginning Balance (Contingency Reserve)	451,192,875	437,446,142	437,446,142	437,446,142
UNRESTRICTED REVENUE				
Property Taxes	378,061,940	427,392,411	420,020,251	397,903,773
Lease Revenue	10,424,005	10,999,906	10,999,906	10,999,906
Tobacco Litigation Settlement	5,000,000	7,000,000	7,000,000	7,000,000
Patient Revenue	1,000,000	3,000,000	3,000,000	3,000,000
Other	25,900,000	26,640,000	26,640,000	26,640,000
Other Financing Sources		91,000,000	91,000,000	91,000,000
TOTAL UNRESTRICTED REVENUE	**420,385,945**	**566,032,317**	**558,660,157**	**536,543,679**
RESTRICTED REVENUE				
Available Restricted Revenue	3,540,167	734,581	734,581	734,581
AVAILABLE RESOURCES	**875,118,987**	**1,004,213,040**	**996,840,880**	**974,724,402**
UNRESTRICTED EXPENSE				
Healthcare Delivery	433,984,684	513,187,419	513,187,419	477,916,884
Administration	46,369,507	45,904,060	45,904,060	41,337,783
UT Affiliation Agreement	35,000,000	35,000,000	35,000,000	35,000,000
Other Financing Uses	37,045,142	13,902,218	13,902,218	7,549,578
TOTAL UNRESTRICTED EXPENSES	**552,399,333**	**607,993,697**	**607,993,697**	**561,804,245**
RESTRICTED EXPENSE				
All Restricted Expenses	3,540,167	734,581	734,581	734,581
TOTAL ALL EXPENSES	**555,939,500**	**608,728,278**	**608,728,278**	**562,538,826**
Appropriated Contingency Reserve Budget	319,179,487	395,484,762	388,112,602	412,185,576
TOTAL USES WITH ENDING BALANCE	**875,118,987**	**1,004,213,040**	**996,840,880**	**974,724,402**
RESERVE Balances				
Public Health Center Reserve	12,000,000	12,000,000	12,000,000	12,000,000
Emergency Reserve	68,165,232	81,154,650	81,154,650	74,801,810
Contingency Reserve	319,179,487	395,484,762	388,112,602	412,185,576

Attachment B

Network and Direct Health Care Services

FY 2027 Network Health Care Services Overview

- CommUnityCare - $117.5M
- Other FQHCs in Primary Care: Lone Star Circle of Care (LSCC), People's Community Clinic (PCC) - $21.4M
- Integral Care - $31.3M
- Sobering Center - $600K
- LSCC, PCC, Aeschbach, African American Youth Harvest Foundation and other contracted services - $10.7M
- Post Acute – Additional bed capacity to support patient need

FY 2027 Direct Health Care Services Overview

- Hancock Phase 2 opening in January 2027
- Additional complex primary care team at the Travis County jail
- Increasing utilization of medical respite beds at CEC
- Expanding addiction care teams and service infrastructure

DESCRIPTION	FY 2026 APPROVED BUDGET	FY 2027 PROPOSED BUDGET 8/26/2026
HEALTH CARE DELIVERY		
Network Health Care Services		
Primary Care: Medical, Dental, & Behavioral Health	103,446,258	125,128,410
Specialty Care: including Specialty Dental	37,348,000	36,857,000
Behavioral Health	40,274,000	42,671,750
Post Acute Care	9,350,000	12,485,000
Pharmacy	19,500,000	21,268,000
Community Health Care Initiatives Fund	1,000,000	1,000,000
Purchased Health Care Services	**210,918,258**	**239,410,160**
Direct Health Care Services		
Therapy and Counseling	2,115,947	2,479,527
Psychiatry & Addiction Care	3,221,828	4,112,166
Cardiology	2,442,156	3,158,187
Endocrinology	883,764	1,228,845
Gastroenterology	4,266,275	5,245,100
Nephrology	1,449,087	1,917,511
Neurology	354,559	1,235,174
Podiatry	2,364,183	3,296,207
Pulmonology	1,915,923	1,123,647
Rheumatology	2,041,389	1,451,215
Palliative Care	1,027,374	899,732
Pharmacy	2,980,011	1,783,337
Physical Medicine & Rehab	270,771	1,375,320
Transitions of Care	11,598,960	15,155,152
Medical Respite	10,659,536	13,397,921
Diagnostics and Other services	8,545,939	13,621,843
Patient Navigation	7,563,164	9,006,055
Clinical Support	17,898,272	15,624,926
Direct Health Care Services Total	**81,599,137**	**96,111,864**
Total Health Care Services	**292,517,395**	**335,522,024**

Attachment B

Health Care Operations & Support and Administration

Budgets for AI projects

- $900K in consulting for Artificial Intelligence (AI) Development
- $216K for an Artificial Intelligence (AI) recruiting and benefits software.

DESCRIPTION	FY 2026 APPROVED BUDGET	FY 2027 PROPOSED BUDGET 8/26/2026
Health Care Operations & Support		
Salary & Benefits	52,476,460	47,986,591
ACA Healthcare Premium Assistance Programs	19,671,820	19,452,516
Consulting	970,000	941,000
AI Development Consulting		900,000
Purchased Services	10,305,800	6,536,328
Outreach & Education	5,348,420	4,614,992
Health & Wellness Services		713,000
Information Technology & Services	13,764,300	18,918,250
Leases, Utilities, Security &Maintenance	14,181,693	15,815,131
Travel, training and professional development	1,422,100	1,096,204
Other operating expenses	864,370	970,829
Debt service - principal retirement	8,320,000	11,240,000
Debt service - interest	6,142,326	18,480,556
Transfer to Sendero Risk-Based Capital	8,000,000	30,000,000
Total Health Care Operations & Support	**141,467,289**	**177,665,395**
Total Health Care Delivery	**433,984,684**	**513,187,419**
ADMINISTRATION		
Salary and Benefits	28,252,193	27,283,249
Legal	5,505,000	5,026,500
Consulting	3,246,250	3,817,285
Purchased Services	1,532,666	982,324
Outreach and Education	539,580	200,815
Information Technology & Services	2,009,155	2,019,413
AI Recruiting and Benefits Software		215,500
Leases, Utilities, Security and Maintenance	195,000	390,531
Travel, training and professional development	1,370,085	1,546,438
Other operating expenses	663,875	1,018,838
Appraisal District Svcs	1,841,217	2,130,984
Tax Collection Expense	1,214,486	1,272,185
Total Administration	**46,369,507**	**45,904,060**

Attachment B
Other Uses

Other Uses Overview

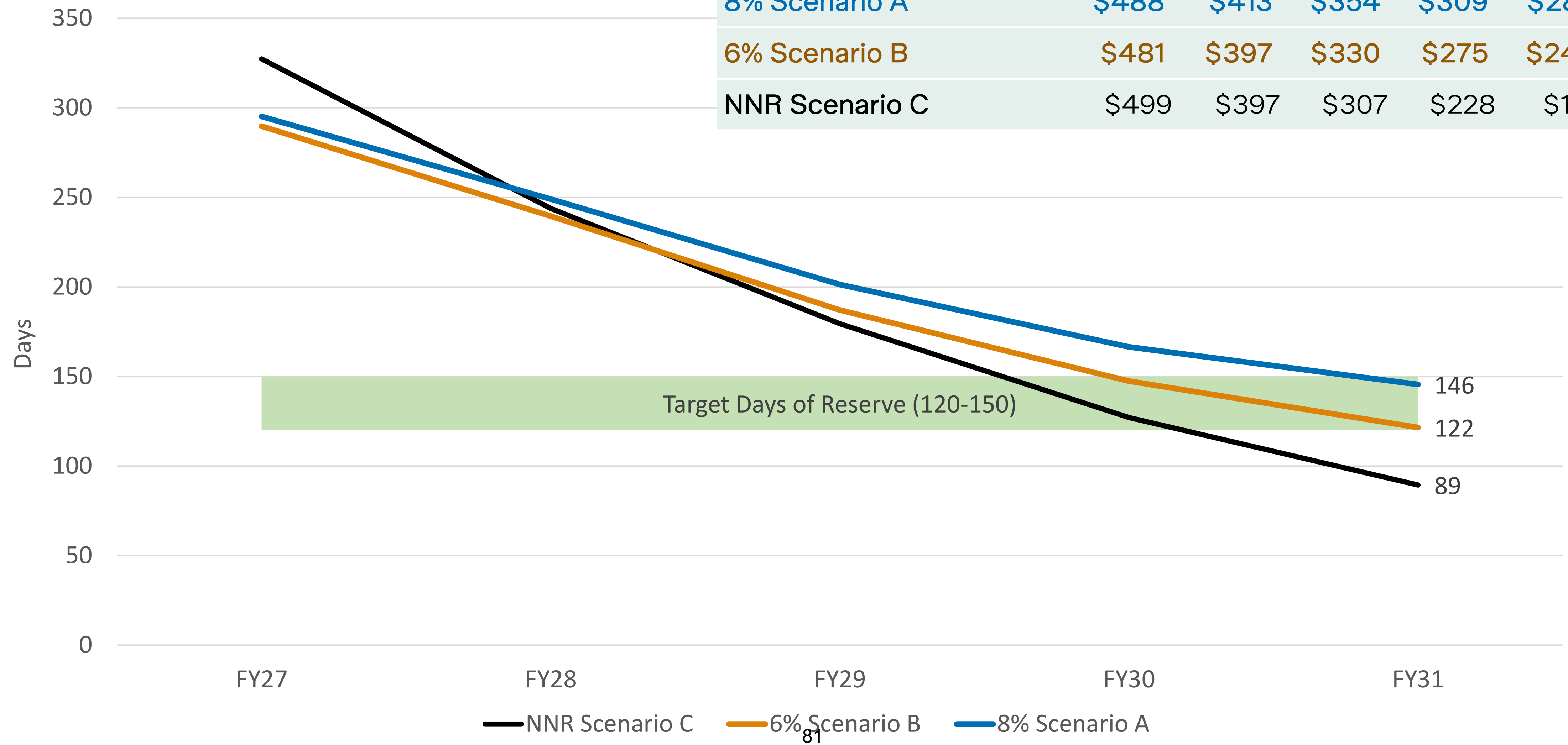
- Other Financing Uses decreased ($23.1M)
  - FY26 budget had a one-time transfer to create the Public Health Reserve and $15M transfer to the capital fund for capital projects.
  - FY27 budget includes slight increase to Emergency Reserve and start up funding for Central Health BOM approved Foundation.

DESCRIPTION	FY 2026 APPROVED BUDGET	FY 2027 PROPOSED BUDGET 8/26/2026
UT Affiliation Agreement	35,000,000	35,000,000
OTHER FINANCING USES		
Transfer to capital projects	15,000,000	-
Transfer to Public Health Center Reserve	12,000,000	-
Transfer to Emergency Reserve	10,045,142	12,989,418
Transfer to Central Health Foundation		912,800
TOTAL UNRESTRICTED EXPENSES	**552,399,332**	**607,993,697**
RESTRICTED USES		
All Restricted Expenses	3,540,167	734,581
TOTAL ALL EXPENSES	**555,939,500**	**608,728,278**
RESERVES		
Contingency Reserves	319,179,487	395,484,762
TOTAL USES WITH ENDING BALANCE	**875,118,987**	**1,004,213,040**

Tax Rate Scenarios

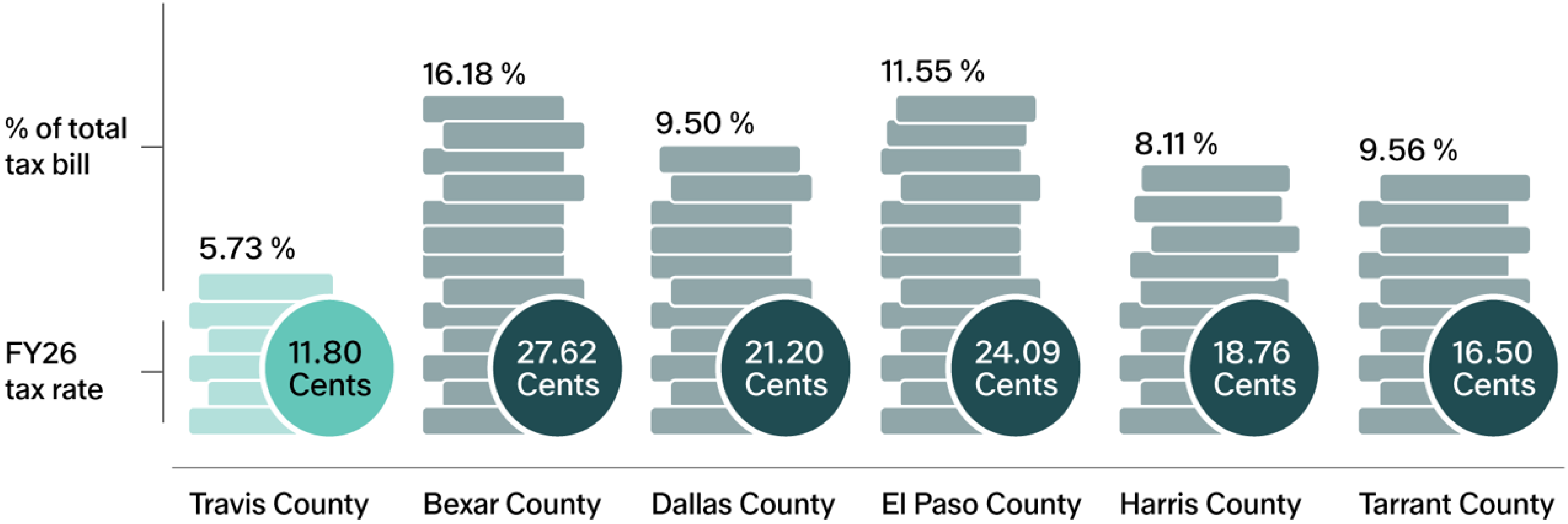
(Impact on Days of Reserves Available)
FY28-31 (8% Year-Over-Year)

Total Reserve Balances (in millions)	FY27	FY28	FY29	FY30	FY31
8% Scenario A	$488	$413	$354	$309	$285
6% Scenario B	$481	$397	$330	$275	$240
NNR Scenario C	$499	$397	$307	$228	$166



Hospital District Tax Impact Comparisons

(FY 2026 Adopted Tax Rates by District)



Responses to Board Budget Questions

- **Staff appreciates the Board's questions and continued support throughout the budget process.**

- **Staff is developing responses to the remaining questions, and additional information will be provided at the Board meeting.**

Requested Action

Actions on the agenda items will be taken at the Board of Managers Meeting

- Approve the FY 2027 Proposed Ad Valorem Tax Rate for Public Notice
- Approve the Public Hearing Time and Location

Thank You

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 6

Set the date, time, and location for the public hearing at which the Central Health Board of Managers will present, and receive comments from the public on the proposed Fiscal Year 2027 tax rate. (*Action Item*)

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 7

Discuss and take appropriate action on the recommended Central Health Bylaws amendments. (*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	August 26, 2026
Who will present the agenda item? (Name, Title)	Chair Rodriguez
Notetaker (Name, Title)	
General Item Description	Discuss and take appropriate action on the recommended Central Health Bylaws amendments.
Is this an informational or action item?	Action
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) Chair Rodriguez will provide an update on the process and timeline for approval.
2)
3)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Memo- sent attorney client privilege
Estimated time needed for presentation & questions?	5 minutes
Is closed session recommended? (Consult with attorneys.)	
Form Prepared By/Date Submitted:	Briana Harris/August 19, 2026

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 8

Review and take appropriate action on the policies necessary for the FY27 budget development process including:

a. General Procurement, and
b. Delegation of Purchasing Duties to Purchasing Authority and Certain Officers. (*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	August 26, 2026
Who will present the agenda item? (Name, Title)	Chair Rodriguez
Notetaker (Name, Title)	
General Item Description	Review and take appropriate action on the policies necessary for the FY27 budget development process including: a. General Procurement, and *b.* Delegation of Purchasing Duties to Purchasing Authority and Certain Officers. (*Action Item*)
Is this an informational or action item?	Action
Fiscal Impact	
Recommended Motion (if needed – action item)	

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

1) Chair Rodriguez will provide an update on the process and timeline for approval.
2)
3)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Memo - sent attorney client privilege
Estimated time needed for presentation & questions?	5 minutes
Is closed session recommended? (Consult with attorneys.)	

Form Prepared By/Date Submitted: ______________________________

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 9

Review, discuss, and take appropriate action on a presentation from the Central Health Chief Compliance Officer regarding the process and timing for Board review and approval of District policies. (*Action Item*)

CENTRAL HEALTH

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	8/26/2026
Who will present the agenda item? (Name, Title)	Nakia Smith, Chief Compliance & Risk Officer
Notetaker (Name, Title)	
General Item Description	Proposed Policy Governance Framework
Is this an informational or action item?	Action Item
Fiscal Impact	None anticipated
Recommended Motion (if needed – action item)	Motion to approve the proposed Policy Governance Framework and authorize management to incorporate the approved governance structure into the existing Policy on Policies.

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

1) Feedback sought on the proposed approval criteria and the phase implementation timeline (priority board-level policies).
2)
3)
4)
5)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Policy Governance Framework presentation & Policy Approval Matrix
Estimated time needed for presentation & questions?	20
Is closed session recommended? (Consult with attorneys.)	No

Form Prepared By/Date Submitted: Nakia Smith, August 19, 2026

CENTRAL HEALTH

Policy Governance Framework

August 26, 2026

Nakia Smith, Chief Compliance & Risk Officer

Central Health's policy landscape has grown organically over time; without a documented framework distinguishing which policies require Board level governance versus operational management.

OIG Compliance Program Guidance — Element 1: *"Implementing Written Policies, Procedures, and Standards of Conduct" is the first of the seven elements of an effective compliance program; a consistent, well governed policy structure is a recognized regulatory expectation, not just a best practice.*

TODAY

An Undefined Approval Structure

Policy approval has developed informally over time, without a documented structure distinguishing governance level policies from operational ones.

Bylaws Sec. (H): *the Board "approves...policies...unless otherwise delegated to the President and CEO." This delegation option has not yet been formalized in practice.*

THE OPPORTUNITY

Differentiate by risk and impact

- Compliance completed a full inventory of existing policies and procedures
- Assessed which documents warrant Board approval on legal, regulatory, fiduciary, and risk grounds
- Used to demonstrate how proposed criteria apply across the existing policy portfolio

PROPOSED

A tiered governance framework

- Three clear categories: Board Policies, Management Policies (or Admin Directives), Standard Operating Procedures
- Board authority and fiduciary oversight fully preserved
- Board visibility maintained through a centralized inventory and quarterly reporting

PROPOSED POLICY GOVERNANCE FRAMEWORK

Three Categories of Governing Documents

TIER 1

Board Policies

Establish governance requirements, regulatory obligations, strategic direction, and organizational expectations requiring Board oversight and approval.

Approved by: Board of Managers

TIER 2

Management Policies

Administrative directives approved under delegated executive authority. Implement Board Policies and govern operational areas delegated to management.

Approved by: CEO / Delegated Executive Authority

TIER 3

Standard Operating Procedures

Detailed instructions, workflows, and processes used by departments and staff to carry out day-to-day operational activities.

Approved by: Responsible Department

What Stays With the Board

Board approval is required whenever governance oversight is mandated by:

APPROVAL TRIGGERS

- Regulatory or accreditation agencies (e.g., CMS, HRSA, Joint Commission)
- The Texas Health and Safety Code
- The Texas Administrative Code
- The explicit direction of the Board
- CEO/designee determination; organizational impact, enterprise risk, regulatory exposure, financial significance, strategic importance, or reputational considerations

GOVERNANCE TOPIC AREAS

- Governance & fiduciary responsibilities
- Financial management & budget oversight
- Delegation of authority
- Procurement & contracting authority
- Enterprise risk management
- Compliance
- Fraud, Waste & Abuse
- Non-Retaliation
- HIPAA Privacy & Security
- Human Resources governance

Note: Policies governing the practice of medicine are reviewed and approved by the Medical Executive Board (MEB), consistent with Texas Occupations Code Title 3, Subtitle B.

** See Sample Policy Approval Matrix for policy categories*

What Moves to Delegated Authority

MANAGEMENT POLICIES

Approved under delegated executive authority. Implement Board Policies and govern operational areas delegated to management; remains subject to policy governance and quarterly Board reporting.

Examples:

- Routine purchase order processing
- Vendor management requirements
- Contract routing processes
- Information technology standards
- Capital budget procedures
- Facilities management requirements
- Operational & administrative standards

STANDARD OPERATING PROCEDURES

Detailed instructions, workflows, and processes used by departments and staff to carry out operational activities. Reviewed periodically by the responsible department.

For clinical operations:

May include standing orders, clinical practice guidelines, and similar operational documents; approved through applicable medical governance processes.

Not Board-approved; owned and maintained at the department level, consistent with the Policy on Policies.

Discretionary review, anytime

The Board may request review of any Board Policy, Management Policy, or SOP at its discretion no policy is placed permanently out of reach.

Centralized inventory

Compliance maintains a complete inventory of organizational policies across all three tiers.

Quarterly reporting

The Board receives quarterly reporting on all policy activity newly issued, revised, retired, or reclassified Management Policies and SOPs.

Mandatory review cycles

Board Policies: at least every 3 years (or more often as law, regulation, or accreditation requires). Management Policies: at least every 3 years. SOPs: reviewed periodically by the responsible department.

RECOMMENDATION

Action Requested & Next Steps

ACTION REQUESTED

Board approval of the proposed Policy Governance Framework, and authorization to incorporate the approved governance structure into the existing Policy on Policies.

UPON APPROVAL, MANAGEMENT WILL:

- Implement the framework and maintain a centralized policy inventory
- Continue presenting Board-level policies for review/approval per law, regulation, Board direction, and risk considerations
- Provide quarterly reporting on Management Policy and SOP activity for Board visibility and oversight

NEXT STEPS

1

Policy Prioritization

In alignment with Board and Executive Committee input, develop a prioritized inventory of Board level policies focusing first on high-impact areas: finance, delegation of authority, contracting, compliance, and required regulatory policies.

2

Implementation Timeline

Establish a phased review and approval timeline, targeting completion of priority Board-level policies by the end of Q2 FY27 / December 31, 2026, as directed.

CENTRAL HEALTH

Central Health Policy Approval Matrix

Approval authority by policy category for Board discussion

Policy Category	Board Approval	CEO / Executive Approval	Committee Review
Board Bylaws	Approve	No	Board of Manager Meeting
Board Governance Policies	Approve	No	Board of Manager Meeting
Delegation of Authority Policy	Approve	No	Board of Manager Meeting
Board Committee Charters	Approve	No	Board of Manager Meeting
Code of Conduct	Approve	Approve	Executive Committee / Compliance Committee
Compliance Program Charter	Approve	No	Executive Committee / Compliance Committee
Compliance Program Policies	Approve	No	Executive Committee / Compliance Committee
Privacy & HIPAA Governance Policies	Approve	No	Executive Committee / Compliance Committee
Enterprise Risk Management (ERM) Framework	Approve	Approve	Finance & Audit / Compliance Committee
Cybersecurity Governance Framework	Approve	Approve	Finance & Audit Committee
Information Security Governance Policy	Approve	Approve	Finance & Audit Committee
Strategic Plan	Approve	Approve	Strategic Planning Committee
Community Health Needs Assessment Framework	Approve	Approve	Strategic Planning Committee
Annual Operating Budget	Approve	Approve	Budget & Finance Committee
Capital Budget	Approve	Approve	Budget & Finance Committee
Investment Policy	Approve	Approve	Budget & Finance Committee
Debt Management Policy	Approve	Approve	Budget & Finance Committee
Purchasing Policy	Approve	Approve	Budget & Finance Committee
Contracting Authority Policy	Approve	Approve	Budget & Finance Committee
Quality Oversight Framework	Approve	Approve	Medical Executive Board (as applicable)
Patient Safety Program Framework	Approve	Approve	Medical Executive Board (as applicable)
Human Resources Policy (Executive Officers)	Approve	Approve	Board of Manager Meeting
Executive Compensation Policy	Approve	Approve	Board of Manager Meeting
CEO Performance Evaluation Policy	Approve	No	Board of Manager Meeting
CEO Succession Planning Policy	Approve	No	Board of Manager Meeting
Employee Handbook	Material revisions only	Approve	Board of Manager Meeting as applicable
Administrative Policies	Delegated Oversight	Approve	As required
Operational Policies	Delegated Oversight	Approve	As required
Department Procedures	Delegated Oversight	Approve	None
Department SOPs	Delegated Oversight	Approve	None
Standards, Protocols, Guidelines	Delegated Oversight	Approve	As required
Checklists, Work Instructions	No	Approve	None
Forms	No	Approve	As required

Summary

Board Approval required	**26**
Delegated to management oversight	**5**
No Board approval required	**2**
Total policy categories	**33**

Legend

Approve	*Board or CEO holds independent approval authority*
Delegated Oversight	*Board approval delegated to CEO/Management*
No	*No approval required at this level*

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 10

Discuss and take appropriate action regarding a compliance update by the Chief Compliance Officer, and receive a report from the Chief Compliance Officer regarding a pending investigation.[3,6] (*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	8/26/2026
Who will present the agenda item? (Name, Title)	Nakia Smith, Chief Compliance & Risk Officer
Notetaker (Name, Title)	
General Item Description	Quarterly compliance program update covering FY2026 Q3 risk assessment, audit & monitoring plan, and work plan activities reported against the Office of Inspector General (OIG) Seven Elements framework.
Is this an informational or action item?	Action Item
Fiscal Impact	None anticipated
Recommended Motion (if needed – action item)	Receive and approve the FY2026 Baseline Risk Assessment, Audit & Monitoring Plan and Work Plan, as received by the Central Health Compliance Committee.

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

1) Risk Assessment was reviewed by the CH Compliance Committee and Executive Committee of the Board. Top risk focused areas are being presented.
2) Compliance program continues to mature and focus on aligning the program against the OIG seven elements of an effective compliance program.
3) Board approval requested to finalize the FY2026-2027 work plan and audit plan items; feedback welcome on risk prioritization and reporting cadence.
4) Receive a report from the Chief Compliance Officer regarding a pending investigation.
5)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Q3 FY2026 Compliance Update Deck – Appendix includes high risk register, Privacy Investigations, Compliance Investigations, Conflict of Interest, and FY2026 Audit Plan update
Estimated time needed for presentation & questions?	20
	Pending investigation requires closed session

CENTRAL HEALTH

Is closed session recommended? (Consult with attorneys.)	
Form Prepared By/Date Submitted:	Nakia Smith, August 19, 2026

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 11

Receive, discuss and take appropriate action regarding an update on expansion of the mental health continuum of care and associated partnerships.[3,4] (*Possible Action Item*)

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 12

Receive and discuss an overview of regulatory issues impacting the Central Health System.[3] (*Informational Item*)

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 13

Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Le*e, Cause No. D-1-GN-17-005824 in the 345th District Court of Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.[3] (*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	August 26, 2026
Who will present the agenda item? (Name, Title)	Monica Crowley, EVP & Chief Strategy Officer
General Item Description	Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Lee,* Cause No. D-1-GN-17-005824 in the 345th District Court of Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.
Is this an informational or action item?	Informational
Fiscal Impact	N/A
Recommended Motion (if needed – action item)	N/A

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

1) Briefing with legal counsel as needed. Please note that this agenda item will be taken up at the discretion of the chair based on status of the situation at the time of the meeting.
2)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Verbal update
Estimated time needed for presentation & questions?	10 minutes
Is closed session recommended? (Consult with attorneys.)	Yes
Form Prepared By/Date Submitted:	Valerie Guerra/ August 19, 2026

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 14

Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.[3,5] (*Possible 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	August 26, 2026
Who will present the agenda item? (Name, Title)	
General Item Description	Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.
Is this an informational or action item?	Action
Fiscal Impact	
Recommended Motion (if needed – action item)	As needed

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

1) This item will be taken up in closed session.
2)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Verbal update
Estimated time needed for presentation & questions?	15
Is closed session recommended? (Consult with attorneys.)	Yes
Form Prepared By/Date Submitted:	Briana Harris/Aug 19, 2026

BOARD MEETING

August 26, 2026

REGULAR AGENDA ITEM 15

Confirm the next regular Board meeting date, time, and location. (*Informational Item*)