



August 2020 Preliminary Monthly Financial Statements (unaudited)

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Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – \$1.3M compared to \$1.2M August 2019

Short-term Investments – Short-term investments were \$192M at month-end and restricted investments of \$7.9M for capital acquisitions.

Ad Valorem Taxes Receivable – \$2.3M balance is composed of:

Gross Tax Receivables	\$ 7.1M
Taxable Assessed Valuation Adjustment	(2.4)M
Est. Allowance for Doubtful collections	(2.4)M
Total Taxes Receivable	\$ 2.3M

Other Receivables – Other receivables total \$3.1M and consists of intercompany balances:

- CommUnityCare - \$986K
- Sendero - \$805K
- Community Care Collaborative - \$1.1M
- Accrued Interest \$189K

Prepaid Expenses – \$391K balance composed of:

- Prepaid Insurance - \$114K
- TCAD Appraisal Fees - \$79K
- ICC - \$51K
- Software - \$76K
- Memberships/Subscriptions - \$47K
- Deposits - \$24K

Total Current Assets – \$199M



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Balance Sheet (Assets) – Slide 4 (continued)

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – \$7.9M in short-term securities restricted for capital acquisition.

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

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

Sendero Surplus Debenture – \$37.1M (unchanged)

Restricted TCHD LPPF Cash & Investments - \$6.2M

Capital Assets – \$110M, net of accumulated depreciation

Total Assets – **\$435M**



Current Liabilities – Slide 5

Accounts Payable – Major components of the \$10.4M balance are:

- \$7.4M estimated IBNR for healthcare services.
- \$1.4M estimated healthcare delivery costs.
- \$1.6M in month-end vendor invoices due.

Salaries and Benefits Payable – \$2.2M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off and various fringe benefit amounts withheld and not yet paid.

Other Payables – \$36K includes capital lease obligation related to medical equipment leased at Southeast Health and Wellness Center.

Debt Service Payable, Short-Term – \$1.2M in Certificates of Obligation Payable.

Deferred Tax Revenue - \$2.0M

Other Deferred Revenue - \$610K consists of the lease revenue \$610K for Block 164 Yr3 (FY21) from 2033 LLP

Total Current Liabilities – \$16M



Restricted or Noncurrent Liabilities – Slide 5 (continued)

Funds held for TCHD LPPF - \$6.2M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$6.1M balance of the \$7.285M in General Obligation Bonds, Series 2020. This debt was originally issued in 2011 for the North Central clinic. Due annually on 3/1.

Total Restricted or Noncurrent Liabilities – \$12M

Total Liabilities – \$28.8M

Net Assets

Unrestricted Net Assets – \$297M

Investment in Capital Assets – \$110M

Total Net Assets – \$406M

Total Liabilities and Net Assets – \$435M



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Sources and Uses Report – Slide 6

August financials → eleven months of the fiscal year, 92% of the fiscal year.

Sources – Total \$1.0M for the month

Property Tax Revenue – Net property tax revenue for the month was \$61K. Net revenue includes \$146K current month's collections and \$800 in unclaimed foreclosures, less \$86K in adjustments for prior year delinquent taxes.

Lease Revenue – \$858K recorded for Seton lease payment and the UT ground lease.

Other Revenue – \$125K investment income for the month, \$2.3M YTD, compared to \$2.6M YTD last year.

Uses of Funds – Total \$10.7M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$9.7M for the month and \$139M YTD compared to \$185M YTD thru August 2019.

Administration Program – \$851K in expense for the month, which includes:

- Personnel costs – \$433K
- Consulting services – \$170K
- Legal fees – \$124K
- Other general and administrative – \$124K

Tax Collection Expenses – \$79K for the month.

Excess Sources/(Uses) – \$(9.6)M in August. Current YTD is \$148M compared to prior year 2019 YTD of \$76M.



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Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total \$9.7M August; \$139M YTD compared to \$185M August 2019.

Intergovernmental Transfers (“IGT’s”) – YTD \$48M compared to \$118M last year.

Healthcare Services – Healthcare delivery providers’ expense for August totaled \$7.6M, which includes:

- Primary care – \$5.9M
- Specialty Care (including Dental and Behavioral Health) – \$915K
- Pharmacy - \$725K
- All Other Healthcare Services - \$121K

ACA Premium Assist, Education, Enrollment – \$856K in expenses for the month.

Healthcare Facilities and Campus Redevelopment - \$48K in expense for the month and \$3.5M YTD.

Healthcare Delivery Operating Cost – \$1.2M in expenses for the month and includes:

- Personnel costs – \$858K
- Consulting Services – \$15K
- Legal Fees - \$7K
- Other services and purchased goods – \$291K

Debt, Reserves and Transfer – \$8K in Debt Service expense for the month

Total Healthcare Delivery - for the month of August was \$9.7M.



Central Health

Financial Statement Presentation

FY 2020 – as of Aug 31, 2020 (Preliminary)

Central Health Board of Managers

September 23, 2020

Lisa Owens, Deputy CFO



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Note: HCD = Health Care Delivery



- Year-to-date through August, collected net property tax revenue is \$213 million compared to \$197 million as of August 2019.
- Tax collected through August 2020 is 98% of the adjusted tax levy compared to 99% as of August 2019.
- Healthcare Delivery is \$139 million for the eleven months ending 08/31/2020.
- GAAP reporting Net Assets increased \$74 million year-over-year.
- TCHD LPPF total restricted balance of LPPF as of 08/31/2020 is \$6 million.

GAAP: Generally Accepted Accounting Principles refer to a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board. GAAP primary focus is to improve clarity, consistency, and comparability of the communication of financial information.



Assets	Preliminary as	
	of 8/31/2020	as of 8/31/2019
Current Assets		
Cash and cash equivalents	1,259,890	1,198,135
Short-term investments	192,072,883	108,334,307
Ad valorem taxes receivable	2,323,133	1,589,199
Other receivables	3,109,698	3,653,620
Prepaid expenses	390,551	291,558
Total Current Assets	199,156,155	115,066,819
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	7,901,549	6,164,210
Sendero paid-in-capital	71,000,000	71,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	37,083,000	37,083,000
Restricted TCHD LPPF Cash & Investments	6,208,615	26,163,693
Total Restricted Cash and Investments or Noncurrent	126,193,164	144,410,903
Capital Assets		
Land	12,598,612	12,546,211
Buildings and improvements	130,702,304	134,395,476
Equipment and furniture	9,612,935	9,494,278
Construction in progress	3,826,290	1,667,771
Less accumulated depreciation	(47,057,317)	(43,998,333)
Total Capital Assets	109,682,824	114,105,403
Total Assets	435,032,143	373,583,124



	Preliminary	
	as of	as of
Liabilities	8/31/2020	8/31/2019
Current Liabilities		
Accounts payable	10,436,849	2,750,715
Salaries and benefits payable	2,185,125	1,408,362
Other Payables	36,320	91,418
Debt service payable, short-term	1,180,000	1,065,000
Deferred tax revenue	2,013,680	1,324,092
Other deferred revenue	610,000	8,278
Total Current Liabilities	16,461,974	6,647,865
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	6,208,615	26,163,693
Debt service payable, long-term	6,105,000	7,285,000
Deferred Revenue	-	1,220,000
Total Restricted of Noncurrent Liabilities	12,313,615	34,668,693
Total Liabilities	28,775,589	41,316,558
Net Assets		
Unrestricted	296,573,730	218,161,164
Investment in Capital Assets	109,682,824	114,105,403
Total Net Assets	406,256,554	332,266,566
Liabilities and Net Assets	435,032,143	373,583,124



Sources / Uses	Aug 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Sources					
Property Tax Revenue	61,024	213,403,940	214,906,371	99%	196,736,807
Lease Revenue	857,841	10,984,679	13,749,848	80%	12,316,278
Other Revenue	125,391	2,304,977	2,150,000	107%	2,592,841
Tobacco Settlement Revenue	-	3,819,376	3,500,000	109%	3,523,773
Contingency Reserve (Carryforward)	-	64,898,396	56,499,497	115%	52,648,775
Total Sources	1,044,256	295,411,368	290,805,716	102%	267,818,474
Uses of Funds					
Healthcare Delivery	9,721,497	139,278,800	278,017,581	50%	184,529,465
Administrative Program					
Salaries and benefits	432,785	4,323,439	5,903,601	73%	3,716,219
Consulting Fees	170,517	485,605	1,187,720	41%	222,293
Legal Fees	124,123	1,004,819	1,390,820	72%	682,163
Other Purchase Goods and Services	124,020	1,039,327	2,417,737	43%	1,058,636
Total Administrative Program	851,445	6,853,190	10,899,878	63%	5,679,311
Tax Collection Expenses	79,124	1,686,062	1,888,258	89%	1,558,687
Total Uses	10,652,066	147,818,052	290,805,716	51%	191,767,463
Excess Sources / (Uses)	(9,607,810)	147,593,316			76,051,011



Healthcare Delivery Summary	Aug 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Inter-Governmental Transfers (IGTs)	-	47,787,969	61,694,651	77%	117,958,420
Healthcare Services					
Member Payment to CCC	-	-	-	0%	24,210,000
Primary Care - (see detail on Slide 11)	5,874,709	40,735,785	50,270,000	81%	613,723
Specialty Care, incld Dental & Behavioral Health	915,738	5,226,419	9,823,856	53%	-
Pharmacy	725,875	8,845,757	11,600,000	76%	-
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	121,471	1,030,274	5,269,990	20%	1,247,510
Indigent Care & Hospital Performance Incentive	-	-	52,925,000	0%	-
Subtotal Healthcare Services	7,637,793	55,838,235	135,288,846	41%	26,071,233
ACA Premium Assist, Education, Enrollment	856,300	8,720,496	9,856,120	88%	4,923,312
Healthcare Facilities and Campus Redevelopment	48,163	3,484,748	10,996,170	32%	5,196,119
Healthcare Delivery Operating Costs	1,171,591	12,808,084	26,044,728	49%	5,197,496
Debt, Reserves and Transfers	7,650	10,639,268	34,137,066	31%	25,182,885
Total Healthcare Delivery	9,721,497	139,278,800	278,017,581	50%	184,529,465



Details for Health Care Delivery on the following slides.



Healthcare Delivery - Detail	Aug 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Intergovernmental Transfers (IGTs)					
Private - Uncompensated Care	-	-	-	0%	15,228,042
DSMC - Uncompensated Care	-	(907,876)	-	0%	14,256,758
DSH - Disproportionate Share	-	27,866,991	36,120,000	77%	33,431,254
DSRIP - CCC	-	20,828,854	25,574,651	81%	32,150,830
DSRIP - DSMC, Dell Children's	-	-	-	0%	22,207,318
DSRIP - St. David's	-	-	-	0%	684,218
Subtotal Intergovernmental Transfers (IGTs)	-	47,787,969	61,694,651	77%	117,958,420
Healthcare Services					
Member Payment to CCC	-	-	-	0%	24,210,000
Primary Care - (see detail on Slide 11)	5,874,709	40,735,785	50,270,000	81%	613,723
Specialty Care, incld Dental - (see detail on Slide 12)	856,351	4,720,843	8,940,000	53%	-
Specialty Care, Behavioral Health	59,387	505,576	883,856	57%	-
Pharmacy	725,875	8,845,757	11,600,000	76%	-
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	70,031	411,939	1,950,000	21%	-
Health care services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	51,440	565,835	719,990	79%	565,835
Primary & Specialty Care Reserves	-	52,500	2,000,000	3%	681,675
Indigent Care	-	-	50,225,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
Subtotal Healthcare Services	7,637,793	55,838,235	135,288,846	41%	26,071,233

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Healthcare Delivery Detail (continued)	Aug 2020	FY20 YTD	FY20 Budget	Percent of Budget Used	FY19 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	658,600	6,169,603	7,000,000	88%	2,274,147
CHAP Program	184,661	1,979,883	2,251,800	88%	1,854,221
ACA Enrollment and Education Services	13,039	571,010	604,320	94%	794,944
Subtotal ACA & Premium Assist Program	856,300	8,720,496	9,856,120	88%	4,923,312
Healthcare Facilities and Campus					
Salaries and benefits	18,946	321,701	432,555	74%	322,466
Consulting Services	-	-	5,872,788		79,067
Legal Fees	9,534	180,145	234,000	77%	163,960
Other Goods & Svc incl. UT Ground Lease	19,683	2,982,902	4,456,827	67%	4,630,626
Subtotal Healthcare Facilities and Campus	48,163	3,484,748	10,996,170	32%	5,196,119
Healthcare Delivery Operating Costs					
Salaries and benefits	857,544	8,763,303	15,367,495	57%	3,567,292
Consulting Services	15,403	57,218	1,073,000	5%	83,357
Legal Fees	7,220	105,580	184,500	57%	109,600
Other Services and Purchased Goods	291,424	3,881,983	9,419,733	41%	1,437,247
Subtotal HCD Operating Cost	1,171,591	12,808,084	26,044,728	49%	5,197,496
Debt Service, Reserves and Transfers					
Debt Service	7,650	1,282,978	1,373,283	93%	1,342,885
FY2020 Capital reserve	-	2,950,000	2,950,000	100%	2,840,000
FY2020 Emergency reserve	-	6,406,290	6,406,290	100%	1,000,000
FY2020 Sendero Risk Based Capital	-	-	-		20,000,000
FY2020 Contingency reserve appropriation			23,407,493		-
Subtotal Debt, Reserves and Transfers	7,650	10,639,268	34,137,066	31%	25,182,885
Total Healthcare Delivery	9,721,497	139,278,800	278,017,581	50%	184,529,465



Healthcare Delivery - Primary Care	Aug 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Primary Care				
CommUnity Care	5,276,538	34,567,423	39,000,000	89%
Lone Star Circle of Care	453,506	4,838,603	6,400,000	76%
People's Community Clinic	104,774	1,674,444	2,500,000	67%
Other Primary Care	39,891	(344,685)	2,370,000	-15%
Subtotal Primary Care Services	5,874,709	40,735,785	50,270,000	81%

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Healthcare Delivery - Specialty Care	Aug 2020	FY20 YTD	FY20 Budget	Percent of Budget Used
Specialty Care				
Ancillary Services	7,022	21,340	100,000	21%
Cardiology	19,814	99,820	150,000	67%
Consultation Services	0	0	75,000	0%
Dental Specialty	48,956	792,937	1,000,000	79%
Dermatology	385,798	718,813	550,000	131%
Durable Medical Equipment	64	17,050	115,000	15%
Ear, Nose & Throat ENT	37,459	304,088	400,000	76%
Endocrinology	43,889	199,255	300,000	66%
Gastroenterology	94,008	722,559	1,650,000	44%
General Surgery	12,299	132,979	300,000	44%
Gynecology IPU	416	11,890	100,000	12%
Nephrology	0	0	200,000	0%
Oncology	36,074	375,206	700,000	54%
Ophthalmology	53,950	707,945	1,725,000	41%
Orthotics & Prosthetics	13,381	113,014	200,000	57%
Podiatry	15,158	59,725	250,000	24%
Pulmonology	56,170	267,998	375,000	71%
Rheumatology	22,959	113,429	150,000	76%
Specialty Care	(663)	34,037	450,000	8%
Wound Care	9,595	28,757	150,000	19%
Total Specialty Care	856,349	4,720,842	8,940,000	53%



Questions ? Comments ?