



Balance Sheet (Assets) – Slide 1

Current Assets

Cash and Cash Equivalents – \$2.6 million

Short-term Investments – Short-term investments were \$47.8 million at month-end, which is net of restricted investments of \$5.4 million for capital acquisitions and \$6.0 million for future Sendero paid-in capital.

Ad Valorem Taxes Receivable – \$162.7 million balance is composed of the 2016 tax levy of \$161.5 million, delinquent prior years' taxes of \$2.5 million, and tax distributions in transit from the Travis County Tax Office of \$1.3 million, offset by estimated allowances for doubtful collections and adjustments of \$2.6 million.

Other Receivables – Other receivables total \$1.5 million and consist primarily of intercompany balances of \$1.5 million and interest receivable of \$32K.

Prepaid Expenses – \$760K balance composed of \$13K unamortized insurance, \$736K appraisal and collection fees, and \$11K in deposits.

Total Current Assets – \$215.4 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$5.4 million in short-term securities restricted for capital acquisition.

Investments Restricted for Future Sendero Paid-in Capital – \$6.0 million

Sendero Paid-in Capital – \$29.0 million (unchanged)

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$122.8 million, net of accumulated depreciation.

Total Assets – \$399.7 million



Balance Sheet (Liabilities and Net Assets) – Slide 2

Current Liabilities

Accounts Payable – Major components of the \$2.1 million balance are:

- \$1.1 million in vendor invoices at month-end, and
- \$1.0 million in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$1.0 million balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued leave balances and various fringe benefit amounts withheld and not yet disbursed.

Other Payables – \$1.8 million in other payables is comprised of the amount due to Seton for Charity Care of \$1.5 million and capital lease obligation of \$337k.

Debt Service Payable, Short Term – \$1.1 million balance consists of the annual principal payment and accrued interest on the Series 2011 Certificates of Obligation.

Deferred Tax Revenue – \$161.2 million for the uncollected portion of the 2016 tax levy.

Other Deferred Revenue – \$3.2 million – Seton's December 2016 lease payment received in current month.

Total Current Liabilities – \$170.4 million

Noncurrent Liabilities

Debt Service Payable, Long Term – \$10.4 million balance of the \$16 million in Series 2011 Certificates of Obligation, reduced by five principal payments made to date. This debt was issued for the North Central clinic and the Southeast Health and Wellness Center.

Total Liabilities – \$180.8 million

Net Assets

Unrestricted Net Assets – \$96.1 million

Investment in Capital Assets – \$122.8 million

Total Net Assets – \$218.9 million

Total Liabilities and Net Assets – \$399.7 million



Sources and Uses Report – Slide 3

November financials → 16.7% of the fiscal year

Sources

Property Tax Revenue – \$9.0 million was collected during the month, or 5.4% of the 2016 levy.

Lease Revenue – \$3.2 million recorded for Seton lease payment.

Other Revenue – \$24K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$8.5 million for the month.

Administration Program – \$647K in expense for the month, which includes:

- Personnel costs – \$310K
- Legal fees – \$139K
- Consulting services – \$23K
- Other general and administrative – \$175K

Tax Collection Expenses – \$71K

Excess Sources Over (Under) Uses – Net assets increased by \$3.0 million in November. Year-to-date, net assets decreased by \$41.9 million, which includes the preliminary, audited contingency reserve balance of \$51.6 million.

Healthcare Delivery Expense – Slide 4

Intergovernmental Transfers (IGTs) – IGTs for November totaled \$7.0 million.

Provider Costs – Healthcare delivery providers' expense for November totaled \$908K and includes \$49K for primary care, \$275K for DSRIP project expense, \$354K for charity care, and \$229K for medical administration.



Healthcare Delivery Operating Cost – \$376K in expense for the month, which includes:

- Personnel costs – \$233K
- Consulting services – \$46K
- Legal fees – \$2K
- Other services and purchased goods – \$95K

Other Costs – \$182K balance comprised of \$49K related to UMCB Campus Redevelopment, \$99K for ACA enrollment and subsidy costs, and \$34K in debt service for interest on the \$16 million Series 2011 Certificates of Obligation.

Total Healthcare Delivery for the month of November was \$8.5 million.

Recap of FY17 IGT Payments – Slide 5

IGT expense, all related to Disproportionate Share totaled \$7.0 million in November.



Balance Sheet
As of November 30, 2016
(Page 1 of 2, Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 2,600,631	\$ 3,052,831
Short-Term Investments	47,798,332	74,589,852
Ad Valorem Taxes Receivable	162,663,967	160,692,958
Other Receivables	1,545,347	4,177,458
Prepaid Expenses	760,083	777,188
Total Current Assets	<u>215,368,360</u>	<u>243,290,287</u>
Noncurrent or Restricted Cash and Investments		
Restricted for Capital Acquisition	5,433,292	9,137,194
Restricted for Future Sendero Paid-In Capital	6,000,000	9,083,000
Sendero Paid-In Capital	29,000,000	29,000,000
Working Capital Advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	17,083,000	8,000,000
Total Noncurrent or Restricted Cash and Investments	<u>61,516,292</u>	<u>59,220,194</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and Improvements	125,105,331	117,819,446
Equipment and Furniture	9,067,035	7,103,606
Construction In Progress	10,311,858	16,192,579
Less Accumulated Depreciation	<u>(33,487,180)</u>	<u>(29,145,633)</u>
Total Capital Assets	<u>122,767,228</u>	<u>123,740,181</u>
Total Assets	<u>\$ 399,651,880</u>	<u>\$ 426,250,662</u>



Balance Sheet
As of November 30, 2016
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2017</u>	<u>FY 2016</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 2,061,681	\$ 4,079,631
Salaries and Benefits Payable	1,040,263	955,019
Other Payables	1,796,885	12,165,083
Debt Service Payable, Short-Term	1,077,302	1,057,100
Deferred Tax Revenue	161,239,799	159,565,995
Other Deferred Revenue	3,174,900	3,014,837
Total Current Liabilities	<u>170,390,830</u>	<u>180,837,665</u>
Noncurrent Liabilities		
Debt Service Payable, Long-Term	<u>10,380,000</u>	<u>11,355,000</u>
Total Liabilities	<u>180,770,830</u>	<u>192,192,665</u>
Net Assets		
Unrestricted	96,113,822	110,340,079
Investment in Capital Assets	<u>122,767,228</u>	<u>123,717,918</u>
Total Net Assets	<u>218,881,050</u>	<u>234,057,997</u>
Liabilities and Net Assets	<u>\$ 399,651,880</u>	<u>\$ 426,250,662</u>



Sources and Uses Report

Fiscal Year-to-Date through November 30, 2016

(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Sources:					
Property Tax Revenue	\$ 8,987,412	\$ 10,580,393	\$ 169,806,722	6.2%	\$ 2,310,022
Seton Lease Revenue	3,174,900	6,349,800	31,544,675	20.1%	5,728,664
Other Revenue	24,326	49,311	400,000	12.3%	35,790
Tobacco Settlement Revenue	-	-	1,800,000	0.0%	-
Contingency Reserve ⁽¹⁾	-	51,613,131	36,600,000	141.0%	-
Total Sources	\$ 12,186,638	\$ 68,592,635	\$ 240,151,397	28.6%	\$ 8,074,476
Uses of Funds:					
Total Healthcare Delivery Program	\$ 8,459,635	\$ 25,446,473	\$ 229,738,205	11.1%	\$ 40,830,142
Administration Program					
Personnel Salary and Benefits	\$ 310,137	\$ 611,721	\$ 4,268,817	14.3%	\$ 566,521
Other Purchased Goods and Services:					
Legal Fees	139,183	237,183	1,166,500	20.3%	46,420
Consulting Services	22,748	35,623	1,038,000	3.4%	45,255
Other General and Administrative	174,938	293,584	2,453,284	12.0%	7,186
Subtotal Other Purchased Goods and Services	\$ 336,869	\$ 566,390	\$ 4,657,784	12.2%	\$ 98,861
Total Administration Program	\$ 647,006	\$ 1,178,111	\$ 8,926,601	13.2%	\$ 748,119
Tax Collection Expenses	\$ 71,218	\$ 86,745	\$ 1,486,591	5.8%	\$ 82,737
Total Uses	\$ 9,177,859	\$ 26,711,329	\$ 240,151,397	11.1%	\$ 41,578,261
Excess Sources Over (Under) Uses	\$ 3,008,779	\$ 41,881,306	\$ -		\$ (33,503,785)

(1) Preliminary, unaudited.



Healthcare Delivery Expense
Fiscal Year-to-Date through November 30, 2016
(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Intergovernmental Transfers (IGTs) ⁽¹⁾	\$ 6,993,673	\$ 13,979,097	\$ 141,570,000	9.9%	\$ 28,492,301
Provider Costs					
Primary Care	48,930	97,680	585,000	16.7%	94,441
DSRIP Project Expense	275,434	275,434	-	N/A	-
Charity Care	354,311	708,622	4,251,733	16.7%	708,622
Member Payment to CCC ⁽²⁾	-	-	26,245,166	0.0%	-
Medical Administration	228,940	457,879	617,275	74.2%	174,219
Subtotal Provider Costs	\$ 907,615	\$ 1,539,615	\$ 31,699,174	4.9%	\$ 977,282
Service Expansion Funds	-	-	2,000,000	0.0%	-
Total IGTs and Provider Costs	\$ 7,901,288	\$ 15,518,712	\$ 175,269,174	8.9%	\$ 29,469,583
Healthcare Delivery Operating Cost					
Personnel Costs	233,220	465,553	3,871,685	12.0%	280,038
Consulting Services	46,389	56,200	334,000	16.8%	37,453
Legal Fees	2,174	5,174	25,000	20.7%	925
Other Services and Purchased Goods	94,641	197,727	3,222,215	6.1%	203,532
Subtotal HCD Operating Cost	\$ 376,423	\$ 724,653	\$ 7,452,900	9.7%	\$ 521,948
Other Costs					
UMCB Campus Redevelopment	48,943	58,943	2,047,675	2.9%	-
ACA Enrollment/Subsidy	98,880	195,963	2,745,000	7.1%	227,932
Debt Service	34,101	68,202	1,372,803	5.0%	71,400
Subtotal Other Costs	\$ 181,924	\$ 323,108	\$ 6,165,478	5.2%	\$ 299,332
Reserves, Appropriated Uses and Transfers					
Subtotal Reserves, Appropriated Uses and Transfers	\$ -	\$ 8,880,000	\$ 40,850,653	21.7%	\$ 10,539,279
Total Healthcare Delivery	\$ 8,459,635	\$ 25,446,473	\$ 229,738,205	11.1%	\$ 40,830,142

(1) Budget includes allocated portion of the contingency reserve appropriation, for IGT timing differences.

(2) Final contributions will be subject to provisions of the MSA, which requires the parties to collaborate to adequately fund the CCC, but leaves the amount of funding up to each parties' discretion. Each member contribution could be more or less than the budget, depending upon a variety of factors.



Recap of FY17 IGT Payments
Actuals Through November 30, 2016

<i>\$ in millions</i>	Fiscal Year Budget	This Month	Fiscal Year-To-Date	Under (Over) Budget
Private UC	27.9	-	-	27.9
UMCB UC	25.0	-	-	25.0
DSH	32.5	7.0	14.0	18.5
DSRIP - CCC	29.3	-	-	29.3
DSRIP - UMCB and Dell	26.3	-	-	26.3
DSRIP - St. David's	0.6	-	-	0.6
Total	141.6	7.0	14.0	127.6

(1) Allocated portion of the contingency reserve appropriation, for IGT timing differences.



Questions? Comments?