



Balance Sheet (Assets) – Slide 3

Current Assets

Cash and Cash Equivalents – \$1.6 million

Short-term Investments – Short-term investments were \$99.5 million at month-end, which is net of restricted investments of \$6.4 million for capital acquisitions.

Ad Valorem Taxes Receivable – \$1.5 million balance is composed of the 2017 tax levy of \$2.9 million, delinquent prior years' taxes of \$2.2 million, and tax distributions in transit from the Travis County Tax Office of \$80 thousand, partially offset by estimated allowances for doubtful collections and adjustments of \$3.7 million.

Other Receivables – Other receivables total \$11.4 million and consists of intercompany balances of \$11.2 million, and interest receivable of \$238K.

Prepaid Expenses – \$611K balance composed of \$600K prepaid accounts payables and appraisal and collection fees, and \$11K in deposits.

Total Current Assets – \$114.7 million

Noncurrent Assets

Investments Restricted for Capital Acquisition – \$6.4 million in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$61.0 million

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

Sendero Surplus Debenture – \$17.1 million (unchanged)

Capital Assets – \$116.4 million, net of accumulated depreciation.

Total Assets – \$319.5 million



Balance Sheet (Liabilities and Net Assets) – Slide 4

Current Liabilities

Accounts Payable – Major components of the \$1.8 million balance are:

- \$1.7 million in vendor invoices at month-end, and
- \$109K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$487K 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 – \$7.0 million in other payables is comprised of the amount due to Seton for Charity Care and the distribution of the tobacco settlement proceeds.

Debt Service Payable, Short-Term – \$1.1 million balance is comprised of \$119K is accrued interest and \$1.0 million is Certificates of Obligation Payable.

Capital Lease Obligation, Short-Term – \$90K related to medical equipment leased at Southeast Health and Wellness Center.

Deferred Tax Revenue – \$1.5 million for the uncollected portion of the 2017 tax levy.

Total Current Liabilities – \$12.1 million

Noncurrent Liabilities

Debt Service Payable, Long-Term – \$8.3 million balance of the \$16 million in Series 2011 Certificates of Obligation, reduced by eight principal payments made to date. This debt was issued for the North Central clinic and the Southeast Health and Wellness Center.

Capital Lease Obligation, Long-Term – \$129K related to medical equipment leased at Southeast Health and Wellness Center.

Total Noncurrent Liabilities – \$8.4 million

Total Liabilities – \$20.7 million



Net Assets

Unrestricted Net Assets – \$182.5 million

Investment in Capital Assets – \$116.4 million

Total Net Assets – \$298.9 million

Total Liabilities and Net Assets – \$319.5 million

Sources and Uses Report – Slide 5

June financials → Nine months, 75.0% of the fiscal year

Sources

Property Tax Revenue – Net property tax revenue for the month of June was \$258K. Net revenue includes \$301K current month's collections, less \$43K in adjustments for prior year delinquent taxes. Current year's collections were 99.5 % of the fiscal 2018 budget.

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

Other Revenue – \$214K interest income on investments.

Uses of Funds

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$30.2 million for the month.

Administration Program – \$571K in expense for the month, which includes:

- Personnel costs – \$293K
- Legal fees – \$78K
- Consulting services – \$21K
- Other general and administrative – \$179K

Tax Collection Expenses – \$2K

Excess Sources Over (Under) Uses – Net assets decreased by \$29.4K in June. Year-to-date, net assets have increased by \$94.3 million.



Healthcare Delivery Expense – Slide 6

Provider Costs – Healthcare delivery providers' expense for June totaled \$15.0 million, which includes:

- Primary care – \$11K
- Member Payment to CCC - \$15.0 million

Healthcare Delivery Operating Cost – \$523K in expenses for the month and includes:

- Personnel costs – \$308K
- Consulting services – \$25K
- Legal fees – \$15K
- Other services and purchased goods – \$175K

Other Costs – \$788K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$580K
- ACA Enrollment and Subsidy – \$177K
- Debt Service – \$29K

Total Healthcare Delivery for the month of June was \$30.2 million.



CENTRAL HEALTH

Central Health

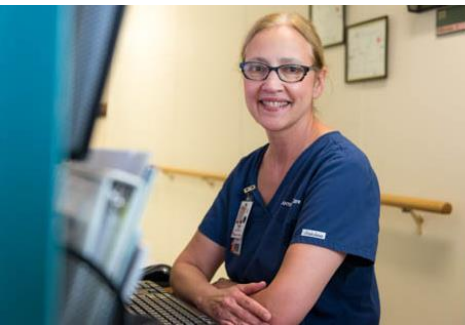
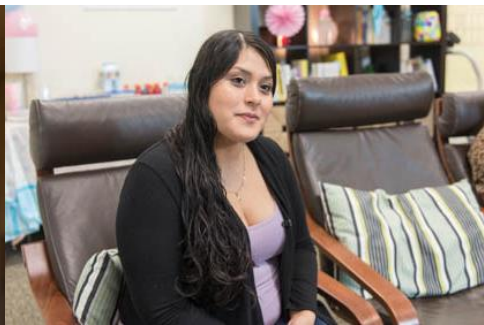
Financial Statement Presentation

FY 2018 – as of June 30, 2018

Central Health Budget and Finance Committee

July 17, 2018

Lisa Owens, VP of Financial Operations





June 2018 Financial Highlights

- Through the first nine months of fiscal year 2018.
- Sent Intergovernmental Transfer of \$13.9 million, related to Disproportionate Share, in June.
- Paid CCC for Member Payment, \$15.0 million.
- Year-to-date, collected net property tax revenue of \$181.0 million (99.5% of fiscal 2018 budget).
- Collected 98.58% of the adjusted tax levy.



Balance Sheet
As of June 30, 2018
(Page 1 of 2, Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Assets		
Current Assets		
Cash and cash equivalents	1,600,789	2,600,959
Short-term investments	99,495,398	123,814,993
Ad valorem taxes receivable	1,542,599	1,170,108
Other receivables	11,455,568	4,667,218
Prepaid expenses	611,901	41,672
Total Current Assets	114,706,255	132,294,950
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,429,810	7,049,098
Sendero paid-in-capital	61,000,000	35,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	17,083,000	17,083,000
Total Noncurrent or restricted cash and investments	88,512,810	63,132,098
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	132,393,816	132,398,348
Equipment and furniture	8,909,710	10,302,221
Construction in progress	2,585,884	2,003,347
Less accumulated depreciation	(39,296,472)	(36,225,203)
Total Capital Assets	116,363,122	120,248,897
Total Assets	319,582,187	315,675,945



Balance Sheet
As of June 30, 2018
(Page 2 of 2, Liabilities and Net Assets)

	<u>FY 2018</u>	<u>FY 2017</u>
Liabilities		
Current Liabilities		
Accounts payable	1,869,890	20,857,625
Salaries and benefits payable	487,919	664,269
Other Payables	7,063,190	3,780,177
Debt service payable, short-term	1,149,732	1,128,798
Capital Lease Obligation, Short-Term	90,703	86,375
Deferred tax revenue	1,508,270	1,423,075
Other deferred revenue	-	3,174,900
Total Current Liabilities	<u>12,169,704</u>	<u>31,115,219</u>
Noncurrent Liabilities		
Debt service payable, long-term	8,350,000	9,380,000
Capital Lease Obligation, Long-Term	129,120	213,053
Total Noncurrent Liabilities	<u>8,479,120</u>	<u>9,593,053</u>
Total Liabilities	<u>20,648,824</u>	<u>40,708,272</u>
Net Assets		
Unrestricted	182,570,242	154,718,776
Investment in Capital Assets	116,363,121	120,248,897
Total Net Assets	<u>298,933,363</u>	<u>274,967,673</u>
Liabilities and Net Assets	<u><u>319,582,187</u></u>	<u><u>315,675,945</u></u>



Sources and Uses Report

Fiscal Year-to-Date through June 30, 2018

(Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Sources					
Property Tax Revenue	257,599	181,009,348	181,839,054	99.5%	169,342,278
Lease Revenue	857,841	8,170,568	10,303,467	79.3%	25,549,705
Other Revenue	213,741	1,492,001	400,000	373.0%	709,221
Tobacco Settlement Revenue	-	3,426,346	1,800,000	190.4%	3,510,614
Contingency Reserve (Appropriated) ⁽¹⁾	-	51,560,311	43,482,960	118.6%	51,876,745
Total Sources	1,329,181	245,658,574	237,825,481	103.3%	250,988,563
Uses of Funds					
Total Healthcare Delivery	30,211,924	144,462,120	227,029,206	63.63%	144,717,330
Administrative Program					
Salaries and benefits	292,973	2,658,469	4,413,183	60.24%	2,845,625
Legal Fees	77,796	603,723	926,200	65.18%	731,093
Consulting Fees	21,700	727,225	1,208,800	60.16%	152,175
Other Purchased Goods and Services	179,393	1,315,427	2,595,333	50.68%	1,223,870
Total Administrative Program	571,862	5,304,844	9,143,516	58.02%	4,952,763
Tax Collection Expenses	2,151	1,532,815	1,652,760	92.74%	1,443,009
Total Uses	30,785,937	151,299,779	237,825,481	63.62%	151,113,102
Excess Sources Over (Under) Uses	(29,456,756)	94,358,795	-		99,875,461

(1) Emergency reserve (not included within the Contingency Reserve) is \$29,895,000 at fiscal year-end 2017.



Healthcare Delivery Expense Fiscal Year-to-Date through June 30, 2018 (Excludes Depreciation Expense)

	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Percent of Budget Used	Prior Year-To-Date
Intergovernmental Transfers (IGTs) ⁽¹⁾	13,889,203	112,623,259	142,920,000	78.8%	103,815,820
Provider Costs					
Primary Care	11,463	538,985	1,731,800	31.1%	438,750
DSRIP Project Expense	-	585,985	-	0.0%	901,816
Charity Care ⁽⁵⁾	-	1,062,933	4,251,733	25.0%	3,188,800
New Healthcare Initiatives ⁽⁴⁾	-	-	500,000	0.0%	-
Member Payment to CCC ⁽²⁾	15,000,000	15,000,000	29,245,166	51.3%	20,000,000
Medical Administration	-	462,956	666,657	69.4%	462,956
Subtotal Provider Costs	15,011,463	17,650,859	36,395,356	48.50%	24,992,322
Service Expansion Funds ⁽³⁾	-	-	2,000,000	0.00%	-
Total IGTs and Provider Costs	28,900,666	130,274,118	181,315,356	71.8%	128,808,142
Healthcare Delivery Operating Costs					
Salaries and benefits	307,936	2,547,724	3,897,517	65.4%	2,475,013
Consulting Services	24,636	18,097	389,000	4.65%	126,382
Legal Fees	15,279	41,162	31,200	131.9%	37,223
Other Services and Purchased Goods	175,077	1,358,370	3,894,185	34.9%	1,262,772
Subtotal HCD Operating Costs	522,928	3,965,353	8,211,902	48.29%	3,901,390
Other Costs					
UMCB Campus Redevelopment	580,964	1,685,615	4,360,644	38.7%	780,741
ACA Enrollment and Subsidy	177,433	1,838,382	2,700,000	68.1%	1,072,755
Debt Service	29,933	1,280,730	1,372,795	93.3%	1,274,302
Subtotal Other Costs	788,330	4,804,727	8,433,439	56.97%	3,127,798
Reserves, Appropriated Uses and Transfers	-	5,417,922	29,068,509	18.64%	8,880,000
Total Healthcare Delivery	30,211,924	144,462,120	227,029,206	63.63%	144,717,330

⁽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.

⁽³⁾ In February 2018, the Board of Managers appropriated \$200K to the CCC.

⁽⁴⁾ In March 2018 the Board of Mangers appropriated \$400K to potential Pay for Success project to support Permanent Supportive Housing.

⁽⁵⁾ Seton.



Recap of FY18 IGT Payments Actuals Through June 30, 2018

<i>\$ in millions</i>	This Month	Fiscal Year-To-Date	Fiscal Year Budget	Under (Over) Budget
Private UC	-	16.0	24.0	8.0
UMCB UC	-	12.7	25.0	12.3
DSH	13.9	33.9	35.0	1.1
DSRIP - CCC	-	24.4	29.3	4.9
DSRIP - UMCB, Dell Children's	-	25.4	29.0	3.6
DSRIP - St. David's	-	0.2	0.6	0.4
Total	13.9	112.6	142.9	30.3



Questions? Comments?