



**Balance Sheet (Assets) – Slide 3**

**Current Assets**

Cash and Cash Equivalents – \$1.6M

Short-term Investments – Short-term investments were \$97.6M at month-end, which is net of restricted investments of \$6.3M for capital acquisitions.

Ad Valorem Taxes Receivable – \$1.25M balance is composed of:

Gross Tax Receivables	\$5.05M
Taxable Assessed Valuation Adjustment	(1.6)M
Est. Allowance For Doubtful collections	<u>(2.2)M</u>
<b>Total Taxes Receivable</b>	<b>\$1.25M</b>

Other Receivables – Other receivables total \$12.3M and consists of intercompany balances:

- CommUnityCare - \$5.5M
- Sendero - \$513K
- Community Care Collaborative - \$5.8M
- and interest receivable of \$263K

Prepaid Expenses – \$1.1M balance composed of:

- Prepaid insurance and software - \$501K
- Prepaid ICC dues - \$103K
- Prepaid expenses - \$474K

**Total Current Assets – \$113.9M**

**Noncurrent Assets**

Investments Restricted for Capital Acquisition – \$6.3M in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$35.0M (unchanged)

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

Sendero Surplus Debenture – \$17.1M (unchanged)



Capital Assets – \$116.1M, net of accumulated depreciation

**Total Assets – \$292.4M**

## **Balance Sheet (Liabilities and Net Assets) – Slide 4**

### **Current Liabilities**

Accounts Payable – Major components of the \$1.3M balance are:

- \$537K in vendor invoices at month-end, and
- \$804K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$507K 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 – \$7.0M

Debt Service Payable, Short-Term – \$1.2M balance is comprised of \$149K in accrued interest and \$1M in Certificates of Obligation Payable.

Capital Lease Obligation, Short-Term – \$99K related to medical equipment leased at Southeast Health and Wellness Center.

Deferred Tax Revenue – \$1.2M for the uncollected portion of the 2017 tax levy.

Other Deferred Revenue – \$0 for FY 2018. \$6.2M for FY 2017 due to Seton for UMCBC rent.

**Total Current Liabilities – \$11.4M**

### **Noncurrent Liabilities**

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

Capital Lease Obligation, Long-Term – \$122K related to medical equipment leased at Southeast Health and Wellness Center.



**Total Noncurrent Liabilities – \$8.5M**

**Total Liabilities – \$19.9M**

**Net Assets**

Unrestricted Net Assets – \$156.5M

Investment in Capital Assets – \$116.0M

**Total Net Assets – \$272.5M**

**Total Liabilities and Net Assets – \$292.4M**

**Sources and Uses Report – Slide 5**

July financials → Ten months, 83.3% of the fiscal year

**Sources**

Property Tax Revenue – Net property tax revenue for the month of July was \$254K. Net revenue includes \$212K current month’s collections, less \$724 in adjustments for prior year delinquent taxes. Current year’s collections were 99.68% of the fiscal 2018 budget.

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

Other Revenue – \$222K interest income on investments.

**Uses of Funds**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$918K for the month. Reduction due to FY17 accrual reversal:

Gross HCD expenses	\$1,520,437
FY17 Accrual Reversals	<u>(602,028)</u>
Total HCD Delivery	\$ 918,409



July 2018 Preliminary Monthly Financial Statements (unaudited)

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Administration Program – \$431K in expense for the month, which includes:

- Personnel costs – \$324K
- Legal fees – \$37K
- Consulting services – \$15K
- Other general and administrative – \$55K

Tax Collection Expenses – \$2K

**Excess Sources Over (Under) Uses** – Net assets decreased by \$389K in July. Year-to-date, net assets have increased by \$45.8M.

### **Healthcare Delivery Expense – Slide 6**

Provider Costs – Healthcare delivery providers' expense for July totaled (\$523K), which includes:

- Primary care – \$51K
- DSRIP Project Expense – (\$625K)
- Medical Administration – \$51K

Healthcare Delivery Operating Cost – \$530K in expenses for the month and includes:

- Personnel costs – \$382K
- Consulting services – \$30K
- Legal fees – \$19K
- Other services and purchased goods – \$99K

Other Costs – \$328K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$99K
- ACA Enrollment and Subsidy – \$199K
- Debt Service – \$30K

**Total Healthcare Delivery for the month of July was \$918K.**

Total HCD is lower in July 2018 due to \$602K FY17 accrual reversal for DSRIP Project expenses.



CENTRAL HEALTH

# Central Health

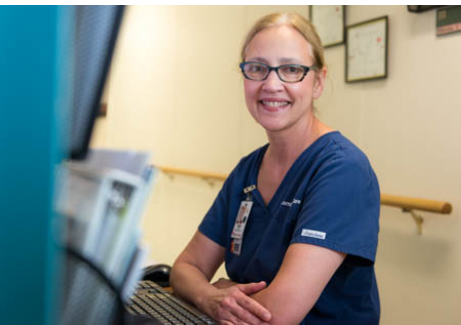
## Financial Statement Presentation

FY 2018 – as of July 31, 2018

Central Health Budget and Finance Committee

August 29, 2018

Jeff Knodel, VP of Financial Strategies





# July 2018 Financial Highlights

- Through the first ten months of fiscal year 2018.
- Sent Intergovernmental Transfer of \$582 thousand
- Year-to-date, collected net property tax revenue of \$181.2 million (99.7% of fiscal 2018 budget).
- Collected 98.71% of the adjusted tax levy.



**Balance Sheet**  
**As of July 31, 2018**  
*(Page 1 of 2, Assets)*

	<u>FY 2018</u>	<u>FY 2017</u>
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	1,600,644	2,662,721
Short-term investments	97,667,269	106,066,959
Ad valorem taxes receivable	1,245,192	890,647
Other receivables	12,316,380	2,394,997
Prepaid expenses	1,100,538	37,114
Total Current Assets	<u>113,930,023</u>	<u>112,052,438</u>
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,328,247	7,022,145
Sendero paid-in-capital	35,000,000	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	<u>62,411,247</u>	<u>63,105,145</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	132,393,816	132,367,730
Equipment and furniture	8,909,710	8,886,216
Construction in progress	2,685,252	2,033,273
Less accumulated depreciation	(39,668,857)	(35,155,076)
Total Capital Assets	<u>116,090,105</u>	<u>119,902,327</u>
<b>Total Assets</b>	<u><u>292,431,375</u></u>	<u><u>295,059,910</u></u>



**Balance Sheet**  
**As of July 31, 2018**  
*(Page 2 of 2, Liabilities and Net Assets)*

	<u>FY 2018</u>	<u>FY 2017</u>
<b>Liabilities</b>		
Current Liabilities		
Accounts payable	1,340,841	1,717,472
Salaries and benefits payable	507,128	608,102
Other Payables	7,063,190	4,134,489
Debt service payable, short-term	1,179,665	1,160,998
Capital Lease Obligation, Short-Term	99,498	82,395
Deferred tax revenue	1,224,919	1,151,987
Other deferred revenue	0	6,199,295
Total Current Liabilities	<u>11,415,241</u>	<u>15,054,738</u>
Noncurrent Liabilities		
Debt service payable, long-term	8,350,000	9,380,000
Capital Lease Obligation, Long-Term	122,048	206,123
Total Noncurrent Liabilities	<u>8,472,048</u>	<u>9,586,123</u>
Total Liabilities	<u>19,887,289</u>	<u>24,640,861</u>
<b>Net Assets</b>		
Unrestricted	156,453,982	150,516,722
Investment in Capital Assets	116,090,105	119,902,327
Total Net Assets	<u>272,544,087</u>	<u>270,419,049</u>
<b>Liabilities and Net Assets</b>	<u><u>292,431,375</u></u>	<u><u>295,059,910</u></u>





**Sources and Uses Report**  
**Fiscal Year-to-Date through July 31, 2018**  
*(Excludes Depreciation Expense)*

	<u>This Month</u>	<u>Fiscal Year to Date</u>	<u>Fiscal Year Budget</u>	<u>Percent of Budget Used</u>	<u>Prior Year to Date</u>
<b>Sources</b>					
Property Tax Revenue	254,086	181,263,434	181,839,054	99.68%	169,586,448
Lease Revenue	857,841	9,028,409	10,303,467	87.62%	25,700,210
Other Revenue	222,175	1,714,176	400,000	428.54%	832,523
Tobacco Settlement Revenue	-	3,426,346	1,800,000	190.35%	3,510,614
Contingency Reserve (Appropriated) <sup>(1)</sup>	-	51,560,311	43,482,960	118.6%	51,876,745
<b>Total Sources</b>	<b>1,334,102</b>	<b>246,992,676</b>	<b>237,825,481</b>	<b>103.9%</b>	<b>251,506,540</b>
<b>Uses of Funds</b>					
<b>Total Healthcare Delivery</b>	<b>918,409</b>	<b>171,380,529</b>	<b>227,029,206</b>	<b>75.49%</b>	<b>149,067,012</b>
<b>Administrative Program</b>					
Salaries and benefits	324,379	2,982,848	4,413,183	68.06%	3,003,375
Legal Fees	36,904	640,627	926,200	69.16%	803,577
Consulting Fees	14,702	741,927	1,208,800	61.37%	168,534
Other Purchased Goods and Services	54,773	1,370,200	2,595,333	52.79%	1,312,285
<b>Total Administrative Program</b>	<b>430,758</b>	<b>5,735,602</b>	<b>9,143,516</b>	<b>62.73%</b>	<b>5,287,771</b>
Tax Collection Expenses	1,828	1,534,643	1,652,760	92.85%	1,443,921
<b>Total Uses</b>	<b>1,350,995</b>	<b>178,650,774</b>	<b>237,825,481</b>	<b>75.12%</b>	<b>155,798,704</b>
<b>Excess Sources Over (Under) Uses</b>	<b>(16,893)</b>	<b>68,341,902</b>	-		<b>95,707,836</b>

(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 July 31, 2018 (Excludes Depreciation Expense)

	Actual - This Month	Actual - Fiscal Year to Date	Budget - Fiscal Year Total	Percent Consumption of Annual Budget	Actual - Prior Year to Date
<b>Intergovernmental Transfers (IGTs) <sup>(1)</sup></b>	<b>582,414</b>	<b>113,205,673</b>	<b>142,920,000</b>	<b>79.2%</b>	<b>106,745,176</b>
<b>Provider Costs</b>					
Primary Care	50,793	589,778	1,731,800	34.1%	488,380
DSRIP Project Expense	(625,028)	(39,043)	-	0.0%	1,295,606
Charity Care <sup>(6)</sup>	-	1,062,933	4,251,733	25.0%	3,543,111
New Healthcare Initiatives	-	-	500,000	0.0%	-
Member Payment to CCC <sup>(2)</sup>	-	15,000,000	29,245,166	51.3%	20,000,000
Medical Administration	51,440	514,396	666,657	77.2%	617,275
<b>Subtotal Provider Costs</b>	<b>(522,795)</b>	<b>17,128,064</b>	<b>36,395,356</b>	<b>47.06%</b>	<b>25,944,372</b>
<b>Service Expansion Funds <sup>(3)</sup></b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>0.00%</b>	<b>-</b>
<b>Total IGTs and Provider Costs</b>	<b>59,619</b>	<b>130,333,737</b>	<b>181,315,356</b>	<b>71.9%</b>	<b>132,689,548</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	382,058	2,929,781	3,897,517	75.2%	2,586,087
Consulting Services	30,249	48,346	389,000	12.43%	157,593
Legal Fees	19,216	60,378	31,200	193.5%	42,281
Other Services and Purchased Goods <sup>(4)</sup>	98,584	1,456,955	3,894,185	37.4%	1,397,501
<b>Subtotal HCD Operating Costs</b>	<b>530,107</b>	<b>4,495,460</b>	<b>8,211,902</b>	<b>54.74%</b>	<b>4,183,462</b>
<b>Other Costs</b>					
UMCB Campus Redevelopment <sup>(4)</sup>	99,717	1,785,331	4,360,644	40.9%	861,445
ACA Enrollment and Subsidy	199,033	2,037,416	2,700,000	75.5%	1,146,055
Debt Service	29,933	1,310,663	1,372,795	95.5%	1,306,502
<b>Subtotal Other Costs</b>	<b>328,683</b>	<b>5,133,410</b>	<b>8,433,439</b>	<b>60.87%</b>	<b>3,314,002</b>
<b>Subtotal Reserves, Appropriated Uses and Transfers</b>	<b>-</b>	<b>31,417,922</b>	<b>29,068,509</b>	<b>108.08%</b>	<b>8,880,000</b>
<b>Total Healthcare Delivery</b>	<b>918,409</b>	<b>171,380,529</b>	<b>227,029,206</b>	<b>75.49%</b>	<b>149,067,012</b>

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

<sup>(2)</sup> 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.

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

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

<sup>(5)</sup> Seton.



## Recap of FY18 IGT Payments Actuals Through July 31, 2018

<i>\$ in millions</i>	<b>This Month</b>	<b>Fiscal Year-To-Date</b>	<b>Fiscal Year Budget</b>	<b>Under (Over) Budget</b>
Private UC	-	16.0	24.0	8.0
UMCB UC	-	12.7	25.0	12.3
DSH	-	34.0	35.0	1.0
DSRIP - CCC	0.2	24.6	29.3	4.7
DSRIP - UMCB, Dell Children's	0.2	25.7	29.0	3.3
DSRIP - St. David's	0.1	0.3	0.6	0.3
<b>Total</b>	<b>0.6</b>	<b>113.2</b>	<b>142.9</b>	<b>29.7</b>



# Questions? Comments?