



Travis County Commissioners Court Agenda Request

Meeting Date: 9/17/2013

Prepared By/Phone Number: Patricia A. Young Brown, Central Health
President and CEO/978-8100

Elected/Appointed Official/Dept. Head:

Commissioners Court Sponsor: Judge Biscoe

AGENDA LANGUAGE:

CONSIDER AND TAKE APPROPRIATE ACTION ON THE TRAVIS
COUNTY HEALTHCARE DISTRICT D/B/A CENTRAL HEALTH FISCAL
YEAR 2014 BUDGET.

BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS:

See attached memorandum.

STAFF RECOMMENDATIONS:

See attached memorandum.

ISSUES AND OPPORTUNITIES:

See attached memorandum.

FISCAL IMPACT AND SOURCE OF FUNDING:

N/A

REQUIRED AUTHORIZATIONS:

County Attorney's Office

County Attorney's Office

Planning and Budget Office

Planning and Budget Office

County Judge's Office

Beth Devery, Assistant County Attorney

John Hille, Assistant County Attorney

Leslie Browder, County Executive

Jessica Rio, Budget Director

David Salazar, Executive Assistant



MEMORANDUM

TO: The Honorable Sam Biscoe, Travis County Judge
The Honorable Ron Davis, Travis County Commissioner, Precinct 1
The Honorable Bruce Todd, Travis County Commissioner, Precinct 2
The Honorable Gerald Daugherty, Travis County Commissioner, Precinct 3
The Honorable Margaret Gomez, Travis County Commissioner, Precinct 4

FROM: Rosie Mendoza, Board Chairperson

DATE: September 12, 2013

RE: Fiscal Year 2014 Proposed Budget and Tax Rate

Central Health will make its third and final presentation to the Travis County Commissioners Court on its Fiscal Year (FY) 2014 budget and FY 2014 tax rate on September 17, 2013. During the previous FY 2014 budget and tax rate presentations made to the Court on July 16, 2013, and on September 10, 2013, members requested additional information about both Central Health and the Community Care Collaborative, Central Health's new partnership with the Seton Healthcare Family and Austin Travis County Integral Care. Central Health provided follow-up information in response to the July 16 inquiries on August 28, 2013.

Today we submit the information requested at the September 10 presentation and are including with this memo: (1) a detailed listing and contract amounts of the organizations providing services for the CCC, and (2) additional FY 2014 budget information for Central Health and the CCC. In addition, we will provide an executive summary explaining the Community Care Collaborative (CCC).

Central Health's Board of Managers approved the Central Health FY 2014 budget and tax rate on September 11, 2013, at its publicly held board meeting. During that same meeting, the Board also approved the FY 2014 budget for the CCC and the FY 2014 budget for Sendero Health Plans, Inc., Central Health's affiliated health maintenance organization.

The Board understood early in Central Health's budgeting process that FY 2014 posed a new level of services and complexity and it provided a number of opportunities during the budget process for the public and the media to hear discussion of the 2014 budget, including Budget and Finance committee meetings held over the course of several months; two public hearings; Citizen's Communication opportunities at Central Health board meetings; and CCC advisory committee and board meetings. In addition, individual Board members had numerous one-on-one meetings with staff to ensure they were prepared for the public discussion.



CENTRAL HEALTH

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Going beyond the immediate question of the FY 2014 budget, Central Health has worked diligently to keep the public informed over the last two years about what we were doing relative to the 1115 waiver and the 10 in 10 initiative that will soon bring a medical school to the UT campus and a new teaching hospital for Travis County residents.

These are both critical elements of a new delivery system of care for the indigent population we serve, and bringing them into place, along with a new master agreement with Central Health and Seton, was challenging in a number of ways, particularly given the current state of healthcare regulation.

Because of these efforts and its careful consideration, the Central Health Board of Managers supports the FY 2014 budget and FY 2014 tax rate. We request your favorable consideration of these items on September 17, 2013, and we thank you for your interest and passion in supporting the health of the residents of Travis County.



**Proposed Fiscal Year 2014 Budget and Amended Fiscal Year 2013 Budget
Revenue and Expense Summary**

DESCRIPTION	FY 2014 PROPOSED BUDGET	FY 2013 AMENDED BUDGET
TAX RATE	0.129	0.078946
SOURCES OF FUNDS		
Property tax revenue	139,000,000	79,944,069
Seton lease revenue	32,321,472	30,926,640
Interest revenue	400,000	200,000
Tobacco settlement revenue	1,200,000	1,900,000
Contribution from reserves	-	29,695,551
Contribution from HMO risk-based capital	2,200,000	-
Contingency appropriation	44,657,687	-
TOTAL SOURCES	<u>219,779,159</u>	<u>142,666,260</u>
USES OF FUNDS		
Healthcare delivery program	210,610,705	134,204,886
Administration program	9,168,454	8,461,374
TOTAL USES	<u>219,779,159</u>	<u>142,666,260</u>
FISCAL YEAR END RESERVE BALANCES		
Capital reserve	2,930,811	-
HMO risk-based capital reserve	12,883,000	15,083,000
Contingency reserve	-	13,344,255
Emergency reserve	25,975,721	37,289,153
TOTAL RESERVES	<u>41,789,532</u>	<u>65,716,408</u>



**Proposed Fiscal Year 2014 Budget and Amended Fiscal Year 2013 Budget
Expense Detail**

DESCRIPTION	FY 2014 PRELIMINARY BUDGET	FY 2013 AMENDED BUDGET
HEALTHCARE DELIVERY		
Intergovernmental transfer - private UC	27,900,000	27,900,000
Intergovernmental transfer - UMCB UC	30,000,000	25,000,000
Intergovernmental transfer - Disproportionate Share	20,000,000	-
Intergovernmental transfer - Seton DSRIP	20,200,000	-
Intergovernmental transfer - CCC DSRIP	24,200,000	-
Total intergovernmental transfers	122,300,000	52,900,000
ATCIC	7,925,319	7,925,319
Planned Parenthood	400,000	400,000
Seton charity care	4,251,733	4,018,605
ICC - membership and Medicaid	806,035	
Other provider contracts	-	61,701,640
Eligibility and medical management personnel	1,985,585	1,780,512
Eligibility and medical management operating	820,432	1,022,432
Sendero risk-based capital	2,200,000	-
Debt service	1,369,949	1,456,378
Service expansion	5,000,000	3,000,000
Transfer to capital	4,500,000	-
Indigent care payment to CCC	15,200,000	-
Contingency appropriation	43,851,652	-
Total healthcare delivery	210,610,705	134,204,886
ADMINISTRATION		
Personnel expenses	4,010,396	3,298,751
Operating expenses	4,236,336	4,236,336
Tax collection	921,722	926,287
Total administration	9,168,454	8,461,374
TOTAL EXPENSE	219,779,159	142,666,260



CENTRAL HEALTH

Attachment C
Fiscal Year 2014 Proposed Budget
Executive Summary

Who We Are

The Travis County Healthcare District (doing business as “Central Health”) was created by vote of the Travis County electorate in May 2004. Its purpose is the provision of medical and hospital care to indigent residents of Travis County, a responsibility that was previously shared by Travis County and the City of Austin prior to Central Health’s creation. Its enabling legislation is Chapter 281 of the Texas Health and Safety Code, which provides most of the statutory framework within which Texas hospital districts operate.

From its inception in fiscal year 2005, Central Health has worked to fulfill its mission – *to create access to healthcare for those who need it most*. During that time, Central Health has steadily increased the provision of primary care services to its covered population and has worked with a variety of healthcare providers and stakeholders to augment and improve the healthcare safety net here in Travis County. Central Health has the statutory obligation to provide health care to residents who are at or below 21% of the federal poverty level (FPL – currently \$4,946 for a family of four); however, Central Health also provides a Medical Access Program (MAP program) with a full benefit package to a population of eligible residents who are at or below 100% of the FPL.

1115 Medicaid Waiver and 10 in 10 Initiative

Central Health owns the University Medical Center Brackenridge (UMCB) facility, which is operated by the Seton Healthcare Family under a long-term lease arrangement, initially with the City of Austin in 1995 and now with Central Health. UMCB serves as the safety-net hospital in Travis County that provides acute and specialty care to our Medical Access Program population as well as trauma services to all residents in an 11-county region.

Since Central Health began operations in 2004, Seton and Central Health have collaborated to provide a continuum of healthcare services, with Central Health focusing on primary, specialty and behavioral health care. While we have made some progress in our efforts to integrate the healthcare delivery system, there is still much to be done to ensure care is delivered at the right time and the right place.

In July 2011, the Texas Health and Human Services Commission (HHSC) announced the implementation of the Texas Healthcare Transformation and Quality Improvement Program, also called the 1115 Medicaid waiver. The waiver is intended to accomplish two things: one, to preserve the source of federal funding for the Upper Payment Limit program and two, to provide additional federal funds for transformative projects that enhance healthcare delivery through the Delivery System Reform and Incentive Payment (DSRIP) program.

Around the same time, in September 2011, a number of public and private sector entities began work on a “10 in 10” initiative to accomplish ten projects over ten years that will benefit Travis County and Central Texas, including: implementing an integrated delivery system to provide enhanced primary care, specialty care, behavioral health services, and women’s health services;



CENTRAL HEALTH

Attachment C Fiscal Year 2014 Proposed Budget Executive Summary

building a medical school; and, building a modern teaching hospital. To take advantage of the momentum created by this initiative and to maximize the additional federal funding available through the waiver, the Central Health Board of Managers authorized a tax ratification election held on November 6, 2012, to increase Central Health's tax rate by five cents. The voters approved this increase, most of which will be used as a local match for the 1115 waiver, with the rest capitalizing the Community Care Collaborative (CCC), a 501(c)(3) corporation through which Central Health and Seton will jointly manage the safety net system. To that end, Central Health and Seton have entered into a Master Agreement to fund and operate the CCC.

For more information on Central Health, the 1115 waiver, the Community Care Collaborative, or the Master Agreement with Seton, please go to the Central Health website at www.centralhealth.net or call (512) 978-8000.

Fiscal Year 2014 Operating Budget

Central Health's current tax rate (fiscal year 2013) is 7.8946 cents per \$100 of assessed value. This 2014 budget includes a total tax rate of 12.9 cents per \$100 of assessed value, as required under State law pursuant to the tax ratification election held on November 6, 2012. The total rate includes an operating tax rate of 12.77 cents and a debt service rate of .13 cents. The debt service tax rate will provide debt service funds for Certificates of Obligation that funded the purchase and partial renovation of the Southeast Health and Wellness Center and a portion of the construction cost of Central Health's North Central Community Health Center, the remainder of which was funded with Federal grant dollars.

Central Health's operating budget has several sources of funds, with property tax being by far the largest (\$139 million – 80% of total revenue of \$173.8 million). The second largest revenue source is Seton lease revenue for UMCB.

Central Health budgets its expenditures in two programs, the larger one being Healthcare Delivery (96% of total appropriations) and a smaller program of Administration (4% of total appropriations). The Travis County Commissioners Court approves Central Health's budget appropriations at the program level. See the attached budget summary (Attachment A) for a full list of sources and of uses by program, as well as expected reserve balances at the end of the 2014 fiscal year.

Following is a more detailed discussion of Central Health's 2014 expenditure budget, shown by program and activity, which can be seen on Attachment B.

Healthcare Delivery Program

This program consists of the following sub-programs or activities:



Attachment C
Fiscal Year 2014 Proposed Budget
Executive Summary

Intergovernmental Transfers (IGTs)

This activity funds the local match for three types of federal supplemental hospital payment programs:

1. Uncompensated Care (“UC”) – reimburses public and private hospitals that treat significant numbers of Medicaid or uninsured patients. Central Health makes uncompensated care IGTs for St. David’s and Seton private hospitals and for UMCB.
2. Disproportionate Share (“DSH”) – similar to Uncompensated Care, this program reimburses public and private hospitals that treat a disproportionate share of Medicaid or uninsured patients. Most of the local match for all Texas hospitals, both public and private, that participate in this program is made by seven hospital districts across the state, including Central Health.
3. Delivery System Reform Incentive Payment (“DSRIP”) – provides federal funding for projects that transform the healthcare delivery system by making it more accessible, more integrated, and less costly. This funding is through the 1115 Medicaid waiver, the Texas Health Care Transformation and Quality Improvement Program that began on September 1, 2011. Central Health makes an IGT for the hospital-based DSRIP programs carried out by Seton and also for the remaining delivery system DSRIP programs carried out by the CCC

Appropriations at the program level can be moved from one activity to another administratively, through the authority delegated by the Board of Managers to the Central Health President and CEO. In educating the Travis County voters for the November 2012 tax ratification election, Central Health committed to using its healthcare delivery funds first to make IGTs that will leverage additional federal funds and opportunities to enhance service delivery. To that end, Central Health may use funds in other healthcare delivery activities for IGT if there are additional opportunities to do so.

Payment to the Community Care Collaborative (CCC)

This Central Health activity funds primary, specialty, and other services for the MAP program, primarily through contracts with a number of safety-net providers. These contracts were previously administered by Central Health, but in 2014 Central Health and Seton will jointly manage most of them in the CCC. Funding and administering these contracts in the CCC will provide for an integrated delivery system through which all providers can be better coordinated.

Other Healthcare Delivery Activities

Other activities in the 2014 Healthcare Delivery Program are as follows:

- Payments to Austin Travis County Integral Care and Planned Parenthood;



Attachment C
Fiscal Year 2014 Proposed Budget
Executive Summary

- Seton charity care payment;
- Payments to the Integrated Care Collaboration;
- Eligibility and medical management staff and operating costs;
- Funding risk-based capital needs for Central Health's Medicaid HMO, Sendero;
- Debt service; and
- A transfer to the capital reserve for renovations of the Southeast Health and Wellness Center.

The final activity in the 2014 Healthcare Delivery Program is an appropriation of Central Health's estimated 2014 contingency reserve of \$43.8 million. This appropriation provides flexibility for Central Health to handle the uncertain timing of IGTs in the 1115 waiver program without a mid-year budget amendment. It is unlikely that this entire amount will be needed and whatever is not spent in 2014 will fall to the contingency reserve ending balance. Amounts that are spent in 2014 will be replenished in future years.

Administration Program

This program funds the activities that allow Central Health to function as a governmental entity and a healthcare financing entity, e.g. financial, legal, human resource, facility management, and planning and communications activities. Personnel expense has increased about \$700,000 from 2013 to 2014 due to the addition of three full-time and two part-time positions for administration of the CCC and the 1115 waiver. Also included in the change in personnel costs are projected increases for employee health insurance and a one and ½ percent pay-for-performance increase. Operating expenses remain the same in 2014 as in 2013.

Reserve Policies

Central Health maintains four separate reserves, with a policy for each: an emergency reserve, a contingency reserve, a capital reserve, and a reserve for HMO risk-based capital.

There are two changes to Central Health's reserve policies in this 2014 budget. One change is to the contingency reserve – to allow for appropriation of this reserve to deal with IGT timing issues, as discussed above in the Healthcare Delivery Program section.

The second change is to the emergency reserve. Given that Central Health's most stable revenue source, property tax, is also by far its largest now (80% of total revenues), management recommends reducing the emergency reserve from 33% to 15% of budgeted expenditures. At this level, Central Health still has relatively higher reserves than most local governments.

Attachment D more fully describes each of the four reserve policies.



**Attachment D
Fiscal Year 2014 Proposed Budget
Reserve Policies**

Emergency Reserve Policy

Central Health's emergency reserve will serve as a funding source for dire necessities that arise from unusual circumstances, e.g. natural disasters, pandemics, or severe business disruptions. The emergency reserve will normally be set at 55 days of working capital, equal to approximately 15% of budgeted ongoing expenses. The amount of the emergency reserve will be set annually through adoption of the budget.

Contingency Reserve Policy

The contingency reserve will serve as a funding source for one-time expenditures or for ongoing expenditures when needed for cyclical or temporary structural deficits. Cyclical deficits are caused by temporary decreases in revenue or by one-time, nonrecurring expenses that cannot be funded through current revenue. Structural deficits are caused by an excess of projected annual expense over projected annual revenue over periods of several fiscal years. Contingency reserves may be used as part of a plan for correcting structural deficits; however, the plan should also include structural fixes such as permanent increases to revenue and/or permanent reductions to expense.

The contingency reserve may also serve as a source of supplemental appropriation that can be used for Intergovernmental Transfers, depending on circumstances and amounts available. The Intergovernmental Transfers are unpredictable and are often misaligned with Central Health's fiscal year.

Capital Reserve Policy

A capital reserve will be established to fund capital assets or projects that will not be funded through the issuance of debt or through a grant. The capital reserve will be established in October, the first month of the fiscal year, by moving investment balances from current assets to noncurrent assets in the amount needed to fund the capital reserve. Changes may be made to the capital reserve during the year if, for example, other funding is obtained for a portion of the capital budget: in this case, the capital reserve would be decreased by moving the amount of the grant from noncurrent assets (investments) back to current assets.

HMO Risk-Based Capital Reserve Policy

Central Health will set up a risk-based capital reserve to be used for paid-in capital payments to Sendero Health Plans, Inc., the Medicaid managed care nonprofit corporation established in 2011. This reserve will be shown in the noncurrent asset section of Central Health's balance sheet and will not be part of working capital or fund balance. This fund will be used to provide risk-based capital to Sendero. Payments will be made based on the level of enrollment and on claims experience, as recommended by the Sendero actuary.

CCC Approved Budget – FY14

	Preliminary Budget
<u>Sources</u>	
Estimated DSRIP Revenue	49,152,105
Estimated Payments for Indigent Healthcare:	
Seton (1)	60,000,000
Central Health (1)	15,200,000
Operations Contingency	10,518,916
Total Sources	134,871,021
<u>Uses</u>	
Healthcare Delivery	73,283,490
DSRIP Project Costs	21,587,531
Permitted Investments - UT	35,000,000
Emergency Reserve	5,000,000
Total Uses	134,871,021
Ending Balance	<u><u>0</u></u>

(1) Final contributions will be subject to provisions of the Master Agreement, 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 estimate, depending upon a variety of factors.

Provider Contract Services

Provider	Amount	Provider	Amount
Blackstock	262,045	Project Access	330,000
Paul Bass Specialty	462,000	Austin Cancer Centers	334,000
Paul Bass Continuity	709,647	SIMS Foundation	265,000
Insure-a-Kid	35,000	Dental Services	596,711
CommUnityCare	45,730,910		
El Buen	1,800,000	United Way	700,000
Lone Star Cir of Care	4,364,995	EMS	696,822
Sendero	3,500,000	Front Steps	300,000
People's Clinic	1,398,000	Orthotics	27,000
Volunteer Healthcare Clinic	100,000	UMCB Pharmacy	171,670
Urgent Care	166,000	Other	103,000
Specialty Care - Vision	235,277	Total	<u>62,288,077</u>

In addition, DSRIP projects will contract with numerous providers in FY 2014. The Central Health Board of Managers is required to approve contracts that exceed \$100,000.



CENTRAL HEALTH

Central Health 2014 Proposed Budget

September 17, 2013
Travis County Commissioner's Court



Presentation Overview

- Two items for consideration of approval
 - FY 2014 Property tax rate
 - FY 2014 Central Health budget



Challenges in FY 2014

- Necessity to transform the Healthcare Delivery System in Travis County
- Central Health does not operate UMCB
- Participation in the Medicaid 1115 Waiver



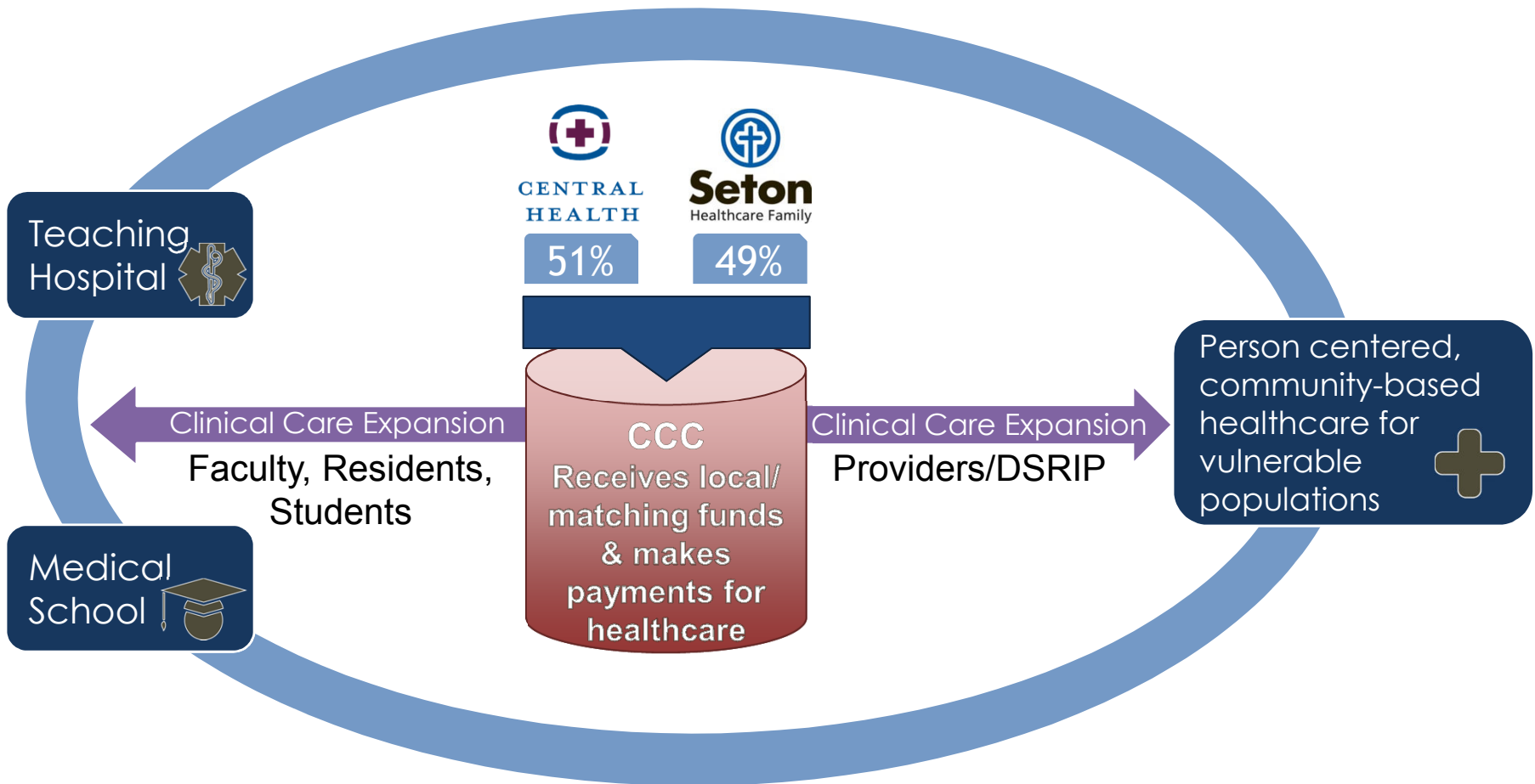
Responding to Challenges

- Approval of Master Agreement
 - Creates the Community Care Collaborative
 - Central Health Board retains reserved powers
 - Commits the construction of a new teaching hospital to open in 2017
- Approval of Memorandum of Understanding
 - Intention of all parties to build UT Medical School with first class to start in 2016
- 30 DSRIP Projects
 - New and enhanced healthcare delivery system in Travis County

Overall, the necessary components of an Integrated Delivery System have begun



Transforming the Way We Deliver Health Care: The Integrated Delivery System





Central Health Property Tax Rate

- Voter-approved tax increase – 7.8946 cents to 12.9 cents
- The 2014 tax rate is not a policy issue. Chapter 281 of the Texas Health and Safety Code requires us to set it at 12.9 cents per \$100 of valuation: *“If a majority of the votes cast in the election favor the proposition, the tax rate for the specified tax year is the rate approved by the voters, . . .”*

	<u>FY 2013</u>	<u>FY 2014</u>	<u>Increase</u>
Avg Tax Value	\$214,216	\$222,431	\$8,215
Avg Property Tax	\$169	\$287	\$118



Property Tax Rate

- Operations Tax Rate
 - 12.77 cents per \$100
 - Used primarily for delivering healthcare services to Travis County residents
- Debt Service Rate
 - 0.13 cents per \$100
 - Annual debt service
- Total rate of 12.9 cents per \$100



Central Health Budget – FY 14

(in millions)

SOURCES OF FUNDS

FY 2014

Property tax revenue	139.0
Seton lease revenue	32.3
Interest revenue	0.4
Tobacco settlement revenue	1.2
Contingency Reserve Appropriation	44.7
Contribution from HMO Reserve	<u>2.2</u>
TOTAL SOURCES	<u>219.8</u>

USES OF FUNDS

Healthcare delivery	210.6
Administration	<u>9.2</u>
TOTAL USES	<u>219.8</u>



Use of Additional Tax Revenue

- Voter-approved tax increase – 7.8946 cents to 12.9 cents
- This rate increase results in additional revenue of about \$59 million, to be used for expanded healthcare services to the under & uninsured:

IGTs for 30 DSRIP projects	\$44.4
Payment to CCC for healthcare services	<u>\$15.2</u>
	\$59.6



Budget Approval Status

- September 11 – Central Health Board approved FY 2014 budget
- September 17 – Commissioner’s Court consideration of Central Health FY 2014 budget

**TRAVIS COUNTY HEALTHCARE DISTRICT D/B/A
CENTRAL HEALTH
BOARD OF MANAGERS**

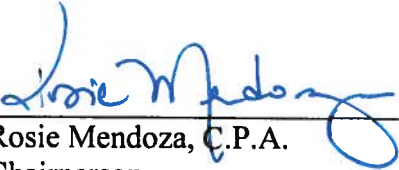
RESOLUTION ADOPTING THE FISCAL YEAR 2014 BUDGET

The Travis County Healthcare District Board of Managers hereby adopts the Travis County Healthcare District Fiscal Year 2014 Budget, consisting of this resolution, the Travis County Healthcare District Fiscal Year 2014 Budget Revenue and Expense Program Summary (attached as Attachment A), and the Travis County Healthcare District Fiscal Year 2014 Budget Expense Detail (attached as Attachment B), all incorporated herein by reference as if set out in full, subject to the following provisions:

1. The attached Travis County Healthcare District Fiscal Year 2014 Budget Revenue and Expense Program Summary shall be the official budget of the Travis County Healthcare District for Fiscal Year 2014. This budget and any changes thereto must be approved by the Travis County Commissioners Court before they become effective.
2. Expenditures made pursuant to the Travis County Healthcare District Fiscal Year 2014 Budget shall be controlled by the Travis County Healthcare District Fiscal Year 2014 Budget Revenue and Expense Program Summary. All expenditures by or on behalf of the Travis County Healthcare District pursuant to the Travis County Healthcare District 2014 Budget shall be made in strict compliance with the Travis County Healthcare District Fiscal Year 2014 Budget Revenue and Expense Program Summary as hereby adopted or as amended from time-to-time by the Travis County Healthcare District Board of Managers.

ADOPTED this 11th day of September, 2013.

TRAVIS COUNTY HEALTHCARE DISTRICT BOARD OF MANAGERS



Rosie Mendoza, C.P.A.
Chairperson

ORDER OF TRAVIS COUNTY COMMISSIONERS COURT

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

At a regular meeting of the Travis County Commissioners Court held on September 17, 2013,

on motion made by: _____, and

seconded by: _____,

the following Order related to the budget of the Travis County Healthcare District d/b/a Central Health was adopted:

WHEREAS, the Commissioners Court has by Order dated September 17, 2013 set the tax rate and levied taxes based on the tax requirements identified in Travis County Healthcare District's budget for the fiscal year beginning October 1, 2013; and

WHEREAS, in accordance with the Revised Statutes of the State of Texas, a budget summary has been prepared to cover all proposed expenditures of the Travis County Healthcare District for the period beginning October 1, 2013 and ending September 30, 2014, which is attached to this Order as Attachment A; and

WHEREAS, after careful consideration of the budget, it appears to the Commissioners Court that this budget is in the best interests of Travis County Healthcare District for the period for which appropriations are made in it, and that it should be adopted and approved;

THEREFORE, the Travis County Commissioners Court orders that the budget for the Travis County Healthcare District for the period beginning October 1, 2013 and ending September 30, 2014, as stated in Travis County Healthcare District Fiscal Year 2014 Budget Revenue and Expense Program Summary (attached as Attachment A), is hereby finally approved and adopted for that period.

Except as herein provided, no expenditures of the funds of Travis County Healthcare District shall be made for that period, except in strict compliance with this budget, unless it is amended according to the laws of the State of Texas.

DONE IN OPEN MEETING on September 17, 2013.

-SIGNATURE PAGE FOLLOWS-

Samuel T. Biscoe, County Judge

Ron Davis
Commissioner, Precinct 1

Bruce Todd
Commissioner, Precinct 2

Gerald Daugherty
Commissioner, Precinct 3

Margaret Gómez
Commissioner, Precinct 4