

# Joint Powers Commission

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## Regular Meeting- October 19, 2023

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**Sierra Vista Hospital  
Joint Powers Commission Agenda  
October 19, 2023 @ 2:00**

**Purpose:** Regular Meeting

**Location:** Sierra Vista Hospital Boardroom

**Time:** 2:00

- |                         |                                     |
|-------------------------|-------------------------------------|
| 1. Call to Order        | Jim Paxon, Chairperson              |
| 2. Pledge of Allegiance | Jim Paxon, Chairperson              |
| 3. Roll Call            | Jennifer Burns, Recording Secretary |

**Joint Powers Commission**

**Attendees: City of Elephant Butte**

Edna Trager, Member  
Kim Skinner, Member  
Phillip Mortensen, **Vice Chair**  
John Mascaro, City Manager, Ex-O

**City of T or C**

Rolf Hechler, Member  
Destiny Mitchell, Member  
Shelly Harrelson, Member  
Angie Gonzales, City Manager, Ex-O

**Sierra County**

Travis Day, Member  
Jim Paxon, **Chairperson**  
Hank Hopkins, Member  
Amber Vaughn, County Manager, Ex-O

**Village of Williamsburg**

Vacant, Member  
Magorie Powey, Member  
Deb Stubblefield, Member  
Amanda Cardona, VCW, Ex-O

**Sierra Vista Hospital**

Frank Corcoran, CEO  
Ming Huang, CFO  
Sheila Adams, CNO  
Bruce Swingle, Governing Board Chair

<b>AGENDA ITEMS</b>	<b>PRESENTER</b>	<b>ACTION REQUIRED</b>
<b>4. Approval of Agenda</b>	Jim Paxon, Chairperson	Action
<b>5. Approval of Minutes</b> A. August 3, 2023 Regular/ Annual Meeting Minutes	Jim Paxon, Chairperson	Action
<b>6. Public Comment – Limit 3 minutes</b>		
<b>7. Old Business</b> None	Jim Paxon, Chairperson	
<b>8. New Business</b>	Jim Paxon, Chairperson	
A. July & August Financial Report	Ming Huang, CFO	Report/Action
B. CEO Report	Frank Corcoran, CEO	Report
C. Governing Board Report	Bruce Swingle, GB Chair	Report

Motion to close for Executive Session:

Sierra Vista Hospital  
Joint Powers Commission Agenda  
October 19, 2023 @ 2:00

**9. Executive Session – In accordance with Open Meetings Act, NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 9 the JPC will vote to close the meeting to discuss the following items:**

**10-15-1 (H) 9 - Public Hospital Board – Strategic and long-range business plans**

A. Old Building Update

Frank Corcoran, CEO

**10. Re-Open Meeting – As required by Section 10-15-1 (J), NMSA 1978 matters discussed in executive session were limited only to those specified in the motion to close the meeting.**

**10-15-1 (H) 9 - Public Hospital Board – Strategic and long-range business plans**

A. Old Building Update

Report Only

**11. Other**

Next Meeting- January 18, 2024 @ 2:00pm

**12. Adjournment**

Action

Sierra Vista Hospital  
Regular/ Annual Joint Powers Commission Minutes  
August 3, 2023 @ 2:00pm

1. The Joint Powers Commission of Sierra Vista Hospital met August 3, 2023 at 2:00pm in the boardroom at Sierra Vista Hospital for a regular/ annual meeting. Travis Day, Chairperson, called the meeting to order at 2:02pm.

2. **Pledge of Allegiance** Travis Day, Chairperson

3. **Roll Call** Jennifer Burns, Recorder

**Joint Powers Commission**

**Attendees: City of Elephant Butte**

Edna Trager, by phone  
Kim Skinner, by phone  
Phillip Mortensen, Mayor, by phone  
John Mascaro, City Manager, Absent

**City of T or C**

Rolf Hechler, Present  
Destiny Mitchell, Absent  
Shelly Harrelson, Member, Absent  
Angie Gonzales, City Manager, Absent

**Sierra County**

Travis Day, by phone  
Jim Paxon, Present  
Hank Hopkins, by phone  
Amber Vaughn, County Manager, Absent

**Village of Williamsburg**

Vacant, Member  
Magorie Powey, Present  
Deb Stubblefield, by phone  
Amanda Cardona, Ex-O, Absent

**Sierra Vista Hospital**

Frank Corcoran, CEO, Present  
Ming Huang, CFO, Present  
Sheila Adams, CNO, Present  
LJ Baker, HR Director, Present  
Bruce Swingle, **Governing Board Chair**, Present

**AGENDA ITEMS**

**PRESENTER**

**ACTION REQUIRED**

**4. Approval of Agenda** - Travis Day, Chairperson, requested that the agenda be amended so that new business item B. Election of Officers immediately follows approval of the agenda.

Majie Powey motioned to amend the agenda as requested. Rolf Hechler seconded. Motion carried unanimously.

B. Election of Officers - Travis Day, Chairperson, stated that he would like to step down from the Chair position and opened nominations.

1. Chairperson

Kim Skinner motioned that Jim Paxon become Chairperson. Majie Powey seconded. There were no other nominations and no opposition. Travis Day turned the meeting over to Jim Paxon, Chairperson, who opened nominations for Vice Chairperson.

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Regular/ Annual Joint Powers Commission Minutes  
August 3, 2023 @ 2:00pm

2. Vice Chairperson-

Majie Powey motioned to retain Deb Stubblefield as Vice Chairperson. Phillip Mortensen seconded. Deb Stubblefield stated that if someone else is interested in the position that's fine, if not, she'll do it. Phillip Mortensen stated that he would step up. Rolf Hechler nominated Phillip Mortensen for the position of Vice Chairperson. Majie Powey seconded. Deb Stubblefield withdrew. Motion for Phillip Mortensen carried unanimously.

**5. Approval of Minutes - Jim Paxon, Chairperson**

A. April 20, 2023 Regular Meeting Minutes

Rolf Hechler motioned to approve the April 20, 2023 minutes. Phillip Mortensen seconded. Motion carried unanimously.

**6. Public Comment – None**

**7. Old Business - Jim Paxon, Chairperson**

1. Special Hospital District Update – Travis Day reported that we came up short in our submission of signatures to the County Clerk. There may be an extended time frame so that we can continue to gather signatures. The County Clerk indicated that there were many duplicate signatures, and some petitions were copied and submitted by multiple individuals. We were about 300 signatures short. Jim Paxon stated that it is time to move on.

**8. New Business - Jim Paxon, Chairperson**

A. VA Presentation – Kenneth Shaw, Administrator and Mary Schnieder, Assistant Administrator addresses the JPC regarding establishing a working relationship with the hospital, bringing more employees and younger families to our area, how to change our community image together and moving forward.

C. Appointment of Recording Secretary - Frank Corcoran, CEO, for now, Jennifer Burns will be the recording Secretary for an undetermined amount of time.

D. Nondiscrimination Resolution 23-102 - Jim Paxon, Chairperson

English and Spanish

Phillip Mortensen motioned to approve Resolution 23-102. Majie Powey seconded. Motion carried unanimously.

E. Open Meetings Act Resolution 23-103

Rolf Hechler motioned to approve Resolution 23-103. Deb Stubblefield seconded. Motion carried unanimously.

F. Public Records Request Resolution 23-104

Rolf Hechler motioned to approve Resolution 23-104. Majie Powey seconded. Motion carried unanimously.

Sierra Vista Hospital  
Regular/ Annual Joint Powers Commission Minutes  
August 3, 2023 @ 2:00pm

G. Meeting Schedule FY23/24

- A. October 19, 2023 @ 2:00
- B. January 18, 2024 @ 2:00
- C. April 18, 2024 @ 2:00
- D. August 5, 2024 @ 2:00 (After GB Annual in July)

Rolf Hechler motioned to accept the meeting schedule for FY23/24. Majie Powey seconded. Motion carried unanimously.

H. Review of JPC Policies – Jim Paxon stated that on page JPC17, Governing Board Appointments, under number 2; there is no language in this sentence that states that when the Board Members term expires, they are no longer on the board. If not reappointed they are no longer a member. Kim Skinner explained how the City of Elephant Butte appoints their board members. She suggested that the recording secretary notify the JPC Chairperson in May of those members that are terminating in June.

It was agreed that wording would be added to number 2. “The recording secretary will notify the Chairperson of the JPC in April of any terminating appointments to the Governing Board.

Kim Skinner motioned to approve as revised the Governing Board Appointment Policy. Rolf Hechler seconded. Motion carried unanimously.

I. June Financial Report - Ming Huang, CFO, the 12-month income statement is on page JPC27. In April, we had gross patient revenue of \$5,376,911 with a net total operating revenue of \$2,423,040. Total operating expenses were \$2,833,397. We ended the month of April with EBITDA of (\$410,357). In May, gross patient revenue was \$6,288,038. Total net operating revenue was \$3,072,583 and total operating expenses were \$2,971,006. We ended the month with EBITDA of \$101,577. For June, gross patient revenue was \$5,370,369. Total net operating revenue was \$2,643,643 and total operating expense was \$2,995,084. We ended the month of June with EBITDA of (\$351,441).

For fiscal year 2023, we have total EBITDA earnings of \$1,299,632. We had three months with negative earnings and nine with positive earnings.

Majie Powey motioned to accept the June/ Fourth Quarter report. Rolf Hechler seconded. Motion carried unanimously.

J. Fourth Quarter financial report – included in report above.

1. Resolution 23-110

Phillip Mortensen motioned to approve Resolution 23-110. Rolf Hechler seconded. Motion carried unanimously.

K. Budget Revision/ Variance FY23

1. Resolution 23-103

This first Resolution has already been signed by Travis Day. It is included today for information only. No action required.

L. Budget Revision/ Variance (B) FY23 - Ming Huang, CFO

1. Resolution 23-103 (B)

Sierra Vista Hospital  
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August 3, 2023 @ 2:00pm

Rolf Hechler motioned to approve budget revision and Resolution 23-103 (B). Majie Powey seconded. Motion carried unanimously.

M. Final Budget FY2024 - Ming Huang, CFO, stated that for FY24 we have budgeted \$63,699,238 for patient revenue and total operating revenue of \$35,612,260. Total operating expense is budgeted at \$33,295,057 with earnings of \$2,317,204. Because of higher depreciation expenses we will have a net income loss of (\$2,609,057). Operationally the hospital is in the black. Depreciation on the new building is high. Bruce Swingle stated that net revenue in May was the first month that the hospital has ever reached \$6.3 million. For the year, there are six months that are over \$5 million. Revenue is coming in with new lines of services. It will take time for the revenue from those new service lines to start flowing in. In addition, when we switch to our new EHR, we will keep more of what we make because Cerner doesn't take a percentage of our revenue like Athena does not. They take a flat rate.

1. Resolution 23-104

Kim Skinner motioned to accept final budget FY2024 and Resolution 23-104. Rolf Hechler seconded. Motion carried unanimously.

*Note: Bruce Swingle asked if he may give his Governing Board report as he has a Zoom meeting to get to. He was allowed to give his report at this time.*

P. Governing Board Report - Bruce Swingle, Chairperson, reported that the Governing Board made changes to the Bylaws that include the Mission / Vision Statement, values, and guiding principles. Language was deleted that was found to be redundant or repeated throughout the document. The board is struggling with attendance of some members. The bylaws state that members are expected to attend 80% of the meetings and that isn't happening in some cases. This is not a change, but it is a concern that the JPC should be aware of. Standing and sub committees have been revised so that the chairperson does not attend all committee meetings and the membership can then be four members. Language was changed so that the CEO can make purchase in accordance with the New Mexico Procurement Code instead of being limited to \$20,000.

The Governing Board was disappointed with the lack of signatures for the SHD.

Elections for Chairperson, Vice Chair and Secretary will take place at the August meeting.

1. Bylaws Revision

Kim Skinner motioned to accept the revisions discussed and made to the Bylaws by the Governing Board. Phillip Mortensen seconded. Motion carried unanimously.

N. Investment Report - Ming Huang, CFO, we had \$8 million in our money market and treasury bill account at the beginning of the year. At the end of June, we had \$8,161,284.20.

O. CEO Report - Frank Corcoran, CEO, reported that at the end of the year, we made \$1.3 million from operations. During the year, we added two new Physicians in the clinic, we started a surgery program, we have a Cardiologist coming once per month and soon will be increasing to three times per month, we added sleep study. All of these things took a lot of work and effort and funding. We will focus on growing these service.

We are in the process of converting our EHR (electronic health records) from Athena to Cerner. This is a huge project. We will be doing more marketing to help grow the programs we have put in

Sierra Vista Hospital  
Regular/ Annual Joint Powers Commission Minutes  
August 3, 2023 @ 2:00pm

place. Press Ganey does our patient satisfaction surveys for the ER and MedSurg. They will also do this for surgical services.

We have one behavioral health practitioner that is leaving but we have a Locums coming in to cover that gap until we can find a permanent one. We have a telepsych helping to cover as well. We want to bring in a clinical psychologist that can do group counseling and core behaviors. We have a new nurse practitioner that will be starting so that we can extend hours and do walk-in services. If your provider is booked three weeks out but you need to see someone today, you can see the walk-in practitioner, no appointment necessary, and then see your regular practitioner in three weeks.

Our generator went out and we are purchasing a new one. We have brought in water tanks for back up water when the city has a break or shut down. Several sewage pipes have failed in the old building. Eventually, something will break that we can't fix, and we will have to evacuate this building. Over \$700,000 was put into this old building last year trying to keep it going.

We are in a partnership with Western Sky and The Olive Tree for crisis intervention in the field. If EMS or the police encounter a behavioral health crisis, we have a tablet that connects our first responders to a crisis intervention person to de-escalate the patient. If we can de-escalate the patient and not bring them into the ER, they will have an appointment in our clinic with behavioral health within two to three days.

Surgical services are going very well. Clinical appointments, scopes and endoscopes are above expectations. Actual surgeries are below expectations, but we will be starting a marketing campaign to promote the surgeon and program.

Our conversion from Athena to Cerner is on track for a "go live" the first week of November. When we go live, we expect to see a drop in cash for about 90 days as the old system continues collection on old business and the new systems starts collection on new business.

Last year, our insurance premium including property, malpractice, vehicles, etc. was \$810,537.76. This year it went up to \$925,415.31. Our broker approached 19 insurance providers, only two were willing to work with us. Many providers have pulled out of the state due recent legislative decisions. We chose Coverys because we have worked with them before.

Rolf Hechler stated that the city is considering using a lobbyist. Frank explained that the New Mexico Hospital Association is our lobbyist.

Rolf Hechler motioned to move into Executive Session and read the following stipulation. Phillip Mortensen seconded. Motion carried unanimously.

**9. Executive Session – In accordance with Open Meetings Act, NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 9 the JPC will vote to close the meeting to discuss the following items:**

**10-15-1 (H) 9 - Public Hospital Board**

A. Sale of Sierra Vista Hospital

Discussion Only

*Rolf Hechler read the following stipulation-*

**10. Re-Open Meeting – As required by Section 10-15-1 (J), NMSA 1978 matters discussed in executive session were limited only to those specified in the motion to close the meeting.**

**10-15-1 (H) 9 - Public Hospital Board**



Sierra Vista Hospital  
Regular/ Annual Joint Powers Commission Minutes  
August 3, 2023 @ 2:00pm

A. Sale of Sierra Vista Hospital  
No Action Required

**11. Other**

Next Meeting- October 19, 2023 @ 2:00pm

**12. Adjournment**

Majie Powey motioned to adjourn. Phillip Mortensen seconded. Motion carried unanimously.



## **Financial Analysis**

**July 31<sup>st</sup>, 2023**

**Days Cash on Hand** for July 2023 are 101 (\$8,997,941)

**Accounts Receivable Net** days are 22

**Accounts Payable** days are 22

### **Hospital Excess Revenue over Expense**

The **Net Income** for the month of July was (\$466,852) vs. a Budget Income of (\$221,591).

**Hospital Gross Revenue** for July was \$5,149,321 or \$260,752 less than budget. Patient Days were 68 – 40 less than June, Outpatient Visits were 1,136 – 134 more than June, RHC visits were 747 – 194 less than June and ER visits were 712 – 73 more than June.

**Revenue Deductions** for July were \$2,931,613 or \$229,161 more than budget.

**Other Operating Revenue** was \$149,121.

**Non-Operating Revenue** was \$172,494.

**Hospital Operating Expenses** for July were \$2,579,781 which were under budget by \$248,018.

**EBITDA** for July was (\$37,428) vs. a Budget of \$196,804. YTD EBITDA is (\$37,428) vs. a Budget of \$196,804.

**The Bond Coverage Ratio** in July was -31% vs. an expected ratio of 130%.



## **Financial Analysis**

**August 31<sup>st</sup>, 2023**

**Days Cash on Hand** for August 2023 are 105 (\$9,294,689)

**Accounts Receivable Net** days are 20

**Accounts Payable** days are 22

### **Hospital Excess Revenue over Expense**

The **Net Income** for the month of August was \$82,302 vs. a Budget Income of (\$221,591).

**Hospital Gross Revenue** for August was \$5,937,549 or \$527,477 more than budget. Patient Days were 52 – 16 less than July, Outpatient Visits were 872 – 264 less than July, RHC visits were 1,037 – 290 more than July and ER visits were 765 – 53 more than July.

**Revenue Deductions** for August were \$3,144,106 or \$441,654 more than budget.

**Other Operating Revenue** was \$206,464, including \$149,992 of pharmacy 340B revenue.

**Non-Operating Revenue** was \$199,315.

**Hospital Operating Expenses** for August were \$2,706,574 which were under budget by \$121,226.

**EBITDA** for August was \$501,926 vs. a Budget of \$305,123. YTD EBITDA is \$464,498 vs. a Budget of \$393,607.

**The Bond Coverage Ratio** in August was 167% vs. an expected ratio of 130%.

Sierra Vista Hospital  
INCOME STATEMENT  
August 31, 2023

	MONTH				YEAR TO DATE					
	Actual 8/31/23	Budget 8/31/23	Variance to Budget	Prior Year 8/31/22	Variance to Prior Year	Actual 8/31/23	Budget 8/31/23	Variance to Budget	Prior Year 8/31/22	Variance to Prior Year
	<b>DESCRIPTION</b>									
\$	5,937,549	5,410,072	\$ 527,477	4,897,013	\$1,040,536	\$ 11,086,870	10,820,145	\$ 266,725	9,610,314	\$1,476,556
\$	2,800,771	2,383,744	417,027	2,464,567	\$336,204	5,410,951	4,767,489	643,462	4,704,853	\$706,098
\$	251,113	215,136	35,977	216,838	\$34,276	491,094	430,271	60,823	414,078	\$77,016
\$	92,221	103,572	(11,350)	140,839	(\$48,618)	173,674	207,143	(33,470)	229,286	(55,612)
\$	3,144,106	2,702,451	\$ 441,654	2,822,244	\$ 321,862	\$ 6,075,719	\$ 5,404,903	\$ 670,816	\$ 5,348,216	\$ 727,502
\$	9,278	2,042	7,236	3,043	\$6,235	12,308	4,084	8,224	3,101	9,207
\$	2,802,721	2,709,663	\$ 93,059	\$2,077,812	\$724,909	\$ 5,023,459	\$ 5,419,325	\$ (395,866)	\$ 4,265,198	\$ 758,261
	47%	50%	(3%)	42%	5%	45%	50%	(5%)	44%	1%
\$	206,464	166,220	40,244	183,822	\$22,642	355,585	332,441	23,144	353,857	1,728
\$	199,315	148,720	50,595	285,973	(\$86,658)	371,809	297,440	74,369	434,098	(62,290)
\$	3,208,500	3,024,603	\$ 183,897	\$ 2,547,607	\$ 660,893	\$ 5,750,853	\$ 6,049,206	\$ (298,353)	\$ 5,053,153	\$ 697,699
	<b>Expenses</b>									
\$	1,228,723	\$1,330,901	(\$102,178)	\$1,099,943	\$128,780	\$2,446,351	\$2,661,802	(215,451)	\$2,220,263	\$226,089
\$	1,005,620	1,100,285	(94,666)	891,515	114,105	2,021,828	2,200,571	(178,743)	1,825,981	195,847
\$	204,408	207,910	(3,502)	185,721	18,687	390,404	415,820	(25,416)	345,182	45,222
\$	18,695	22,706	(4,011)	22,707	(4,012)	34,119	45,411	(11,292)	49,100	(14,981)
\$	169,487	161,736	7,751	150,029	19,458	298,732	323,471	(24,739)	280,241	\$18,491
\$	839,231	840,474	(1,243)	583,126	256,105	1,632,724	1,680,948	(48,223)	1,218,613	\$414,112
\$	183,201	184,306	(1,105)	180,366	2,835	365,047	368,611	(3,564)	360,733	\$4,314
\$	38,504	9,268	29,236	9,411	29,093	63,308	18,537	44,771	19,832	\$43,476
\$	66,553	39,208	27,345	42,610	23,943	115,173	78,416	36,757	93,469	\$21,704
\$	56,822	65,136	(8,314)	48,769	8,054	129,103	130,272	(1,170)	78,910	\$50,192
\$	88,136	87,210	926	79,477	8,659	176,273	174,420	1,853	157,260	\$19,013
\$	35,917	109,561	(73,644)	45,241	(\$9,325)	59,644	219,122	(159,478)	72,147	\$12,502
\$	\$2,706,574	\$2,827,799	(\$121,226)	2,238,971	\$467,602	\$5,286,354	\$5,655,599	(\$369,244)	\$4,501,467	\$784,887
\$	\$501,926	\$196,804	\$305,123	\$308,636	\$193,290.81	\$464,498	\$393,607	\$70,891	\$551,687	(\$87,188)
	16%	7%	9%	12%	4%	8%	7%	2%	11%	(3%)
\$	286,623	\$291,880	(\$5,257)	\$284,522	\$2,102	570,994	\$583,761	(12,766)	\$569,022	\$1,973
\$	75,119	75,349	(\$229)	75,427	(\$308)	148,410	150,698	(2,288)	\$148,833	(\$423)
\$	57,882	51,166	\$6,716	43,713	\$14,169	109,645	102,331	7,314	\$85,837	\$23,808
\$	\$419,625	\$418,395	\$1,230	\$403,662	\$15,962	\$829,049	\$836,790	(\$7,741)	\$803,691	\$25,358
\$	\$82,302	(\$221,591)	\$303,893	(\$95,027)	\$177,328	(\$364,551)	(\$443,182)	\$78,632	(\$252,005)	(\$112,546)
	3%	(7%)	10%	(4%)	6%	(6%)	(7%)	1%	(5%)	(1%)

Sierra Vista Hospital  
INCOME STATEMENT by Month  
August 31, 2023

Description	Month Ending 6/30/2024	Month Ending 5/31/2024	Month Ending 4/30/2024	Month Ending 3/31/2024	Month Ending 2/28/2024	Month Ending 1/31/2024	Month Ending 12/31/2023	Month Ending 11/30/2023	Month Ending 10/31/2023	Month Ending 9/30/2023	Month Ending 8/31/2023	Month Ending 7/31/2023
<b>Revenues</b>												
Gross Patient Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,937,549	\$5,149,321
Revenue Deductions												
Contractual Allowances												
Bad Debt												
Other Deductions												
<b>Total Revenue Deductions</b>												
Other Patient Revenue												
<b>Net Patient Revenue</b>												
Gross to Net %												
Other Operating Revenue												
Non-Operating Revenue												
<b>Total Operating Revenue</b>												
<b>Expenses</b>												
Salaries & Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,228,723	\$1,217,628
Salaries												
Benefits												
Other Salary & Benefit Expense												
Supplies												
Contract Services												
Professional Fees												
Leases/Rentals												
Utilities												
Repairs / Maintenance												
Insurance												
Other Operating Expenses												
<b>Total Operating Expenses</b>												
<b>EBITDA</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,706,574	\$2,579,781
<b>EBITDA Margin</b>												-1%
<b>Non - Operating Expenses</b>												
Depreciation and Amortization												
Interest												
Tax/Other												
<b>Total Non Operating Expenses</b>												
<b>NET INCOME (LOSS)</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$82,302	(\$446,852)
<b>Net Income Margin</b>												(1.6%)

Sierra Vista Hospital  
 TWELVE MONTH INCOME STATEMENT  
 August 31, 2023

Description	Month Ending 8/31/2023	Month Ending 7/31/2023	Month Ending 6/30/2023	Month Ending 5/31/2023	Month Ending 4/30/2023	Month Ending 3/31/2023	Month Ending 2/28/2023	Month Ending 1/31/2023	Month Ending 12/31/2022	Month Ending 11/30/2022	Month Ending 10/31/2022	Month Ending 9/30/2022
<b>Revenues</b>												
Gross Patient Revenue	\$ 5,937,549	\$ 5,149,321	\$ 5,376,911	\$ 5,307,092	\$ 4,549,211	\$ 5,165,758	\$ 4,667,505	\$ 5,314,315	\$ 5,093,059	\$ 4,273,541		
Contractual Allowances	2,800,771	2,610,179	2,695,301	2,289,972	1,814,723	2,120,473	2,210,856	2,412,093	2,495,591	1,975,761		
Bad Debt	251,113	239,981	80,846	244,607	196,488	188,500	227,839	90,154	283,657	263,472		
Other Deductions	92,221	81,452	167,255	96,442	112,703	97,226	69,802	142,331	88,865	128,587		
<b>Total Revenue Deductions</b>	<b>\$ 3,144,106</b>	<b>\$ 2,931,613</b>	<b>\$ 3,400,094</b>	<b>\$ 2,599,163</b>	<b>\$ 2,100,450</b>	<b>\$ 2,418,114</b>	<b>\$ 2,443,341</b>	<b>\$ 2,784,615</b>	<b>\$ 2,887,649</b>	<b>\$ 2,228,864</b>		
Other Patient Revenue	9,278	3,030	18,824	154	1,472	3,356	2,202	27	4,366			
<b>Net Patient Revenue</b>	<b>\$ 2,802,721</b>	<b>\$ 2,220,738</b>	<b>\$ 2,906,768</b>	<b>\$ 2,707,935</b>	<b>\$ 2,450,232</b>	<b>\$ 2,751,000</b>	<b>\$ 2,229,516</b>	<b>\$ 2,529,727</b>	<b>\$ 2,207,611</b>	<b>\$ 2,049,043</b>		
Gross to Net %	47%	43%	46%	44%	54%	53%	48%	48%	43%	48%		
Other Operating Revenue	206,464	149,121	48,929	191,665	143,649	122,435	161,664	168,134	142,078	322,559		
Non-Operating Revenue	199,315	172,494	116,886	123,230	114,504	162,867	213,425	156,372	135,314	31,923		
<b>Total Operating Revenue</b>	<b>\$ 3,208,500</b>	<b>\$ 2,542,353</b>	<b>\$ 3,072,583</b>	<b>\$ 3,022,830</b>	<b>\$ 2,708,386</b>	<b>\$ 3,036,303</b>	<b>\$ 2,604,604</b>	<b>\$ 2,854,233</b>	<b>\$ 2,485,004</b>	<b>\$ 2,403,525</b>		
<b>Expenses</b>												
<b>Salaries &amp; Benefits</b>	<b>1,228,723</b>	<b>1,217,628</b>	<b>1,254,038</b>	<b>1,267,204</b>	<b>1,208,507</b>	<b>1,316,706</b>	<b>1,165,013</b>	<b>1,107,334</b>	<b>1,164,042</b>	<b>1,180,350</b>		
Salaries	1,005,620	1,016,209	1,034,473	1,007,694	1,005,741	1,085,374	963,610	897,576	959,534	928,471		
Benefits	204,408	185,996	186,135	231,654	185,073	209,913	183,709	186,701	190,504	220,894		
Other Salary & Benefit Expense	18,695	15,424	33,431	27,856	17,692	21,418	17,694	23,057	14,004	30,985		
Supplies	169,487	129,245	144,630	153,123	145,574	159,611	216,154	170,929	143,508	127,032		
Contract Services	839,231	793,494	875,127	1,079,524	824,458	644,493	680,378	759,436	631,234	735,150		
Professional Fees	183,201	181,846	181,847	183,621	177,452	183,930	178,636	184,377	180,160	177,798		
Leases/Rentals	38,504	24,804	24,485	10,500	10,606	9,203	9,334	5,400	7,514	9,050		
Utilities	66,553	48,620	40,994	33,977	32,531	32,041	29,350	32,695	46,475	38,432		
Repairs / Maintenance	56,822	72,280	68,712	65,840	86,468	67,748	54,759	73,937	34,975	57,920		
Insurance	88,136	88,136	76,907	76,878	79,176	77,715	76,549	76,743	45,873	78,159		
Other Operating Expenses	35,917	23,728	32,453	30,130	41,476	30,987	82,661	27,562	20,073	46,932		
<b>Total Operating Expenses</b>	<b>\$2,706,574</b>	<b>\$2,579,781</b>	<b>\$2,971,006</b>	<b>\$2,922,115</b>	<b>\$2,606,248</b>	<b>\$2,522,434</b>	<b>\$2,492,833</b>	<b>\$2,438,413</b>	<b>\$2,273,853</b>	<b>\$2,450,824</b>		
<b>EBITDA</b>	<b>\$501,926</b>	<b>(\$37,428)</b>	<b>\$101,577</b>	<b>\$100,715</b>	<b>\$102,138</b>	<b>\$513,869</b>	<b>\$111,771</b>	<b>\$415,820</b>	<b>\$211,151</b>	<b>(\$47,299)</b>		
<b>EBITDA Margin</b>	<b>16%</b>	<b>-1%</b>	<b>3%</b>	<b>-17%</b>	<b>4%</b>	<b>17%</b>	<b>4%</b>	<b>15%</b>	<b>8%</b>	<b>-2%</b>		
<b>Non - Operating Expenses</b>												
Depreciation and Amortization	286,623	284,371	294,248	286,746	286,443	286,009	285,517	285,517	285,285	285,258		
Interest	75,119	73,290	74,926	77,117	75,095	73,349	73,359	71,474	73,377	73,387		
Tax/Other	57,882	51,763	56,598	69,921	53,165	34,842	56,135	56,785	45,182	48,047		
<b>Total Non Operating Expenses</b>	<b>\$419,625</b>	<b>\$409,424</b>	<b>\$425,772</b>	<b>\$433,785</b>	<b>\$414,702</b>	<b>\$394,200</b>	<b>\$415,011</b>	<b>\$413,777</b>	<b>\$403,844</b>	<b>\$406,692</b>		
<b>NET INCOME (LOSS)</b>	<b>\$82,302</b>	<b>(\$446,852)</b>	<b>(\$324,195)</b>	<b>(\$333,070)</b>	<b>(\$312,564)</b>	<b>\$119,670</b>	<b>(\$303,240)</b>	<b>\$2,043</b>	<b>(\$192,693)</b>	<b>(\$453,991)</b>		
<b>Net Income Margin</b>	<b>3%</b>	<b>(18%)</b>	<b>(11%)</b>	<b>(11%)</b>	<b>(12%)</b>	<b>4%</b>	<b>(12%)</b>	<b>0%</b>	<b>(8%)</b>	<b>(19%)</b>		

Sierra Vista Hospital  
BALANCE SHEET  
August 31, 2023

August 31, 2023 (Unaudited)	DESCRIPTION	June 30, 2023 (Unaudited)
	<b>Assets</b>	
	<b>Current Assets</b>	
\$ 9,088,598	Cash and Liquid Capital	\$ 10,306,457
\$ 206,091	US Bank Clearing	\$ 41,888
\$ <b>9,294,689</b>	<b>Total Cash</b>	\$ <b>10,348,345</b>
\$ 7,050,448	Accounts Receivable - Gross	\$ 7,259,750
\$ 5,380,258	Contractual Allowance	\$ 5,240,610
\$ <b>1,670,190</b>	<b>Total Accounts Receivable, Net of Allowance</b>	\$ <b>2,019,140</b>
\$ 1,376,084	Other Receivables	\$ 1,253,297
\$ 458,248	Inventory	\$ 493,782
\$ 837,451	Prepaid Expense	\$ 74,946
\$ <b>13,636,661</b>	<b>Total Current Assets</b>	\$ <b>14,189,511</b>
	<b>Long Term Assets</b>	
\$ 54,967,225	Fixed Assets	\$ 54,900,548
\$ 18,565,997	Accumulated Depreciation	\$ 17,988,245
\$ -	Construction in Progress	\$ -
\$ <b>36,401,229</b>	<b>Total Fixed Assets, Net of Depreciation</b>	\$ <b>36,912,303</b>
\$ <b>36,401,229</b>	<b>Total Long Term Assets</b>	\$ <b>36,912,303</b>
\$ <b>2,144,494</b>	<b>New Hospital Loan</b>	\$ <b>3,550,962</b>
\$ <b>52,182,384</b>	<b>Total Assets</b>	\$ <b>54,652,776</b>
	<b>Liabilities &amp; Equity</b>	
	<b>Current Liabilities</b>	
\$ 1,036,515	Account Payable	\$ 1,149,490
\$ 298,299	Interest Payable	\$ 1,063,234
\$ 54,176	Accrued Taxes	\$ 52,244
\$ 821,798	Accrued Payroll and Related	\$ 1,104,431
\$ (267,000)	Cost Report Settlement	\$ (50,000)
\$ <b>1,943,789</b>	<b>Total Current Liabilities</b>	\$ <b>3,319,399</b>
	<b>Long term Liabilities</b>	
\$ 24,748,897	Long Term Notes Payable	\$ 25,362,166
\$ <b>24,748,897</b>	<b>Total Long Term Liabilities</b>	\$ <b>25,362,166</b>
\$ <b>435,728</b>	<b>Unapplied Liabilities</b>	\$ <b>405,813</b>
\$ <b>275,588</b>	<b>Capital Equipment Lease</b>	\$ <b>239,247</b>
\$ <b>27,404,002</b>	<b>Total Liabilities</b>	\$ <b>29,326,624</b>
\$ 25,142,933	Retained Earnings	\$ 26,147,456
\$ (364,551)	Net Income	\$ (821,305)
\$ <b>52,182,384</b>	<b>Total Liabilities and Equity</b>	\$ <b>54,652,776</b>

Sierra Vista Hospital  
BALANCE SHEET by Month  
August 31, 2023

	Month Ending 6/30/2024	Month Ending 5/31/2024	Month Ending 4/30/2024	Month Ending 3/31/2024	Month Ending 2/28/2024	Month Ending 1/31/2024	Month Ending 12/31/2023	Month Ending 11/30/2023	Month Ending 10/31/2023	Month Ending 9/30/2023	Month Ending 8/31/2023	Month Ending 7/31/2023
<b>Assets</b>												
<b>Current Assets</b>												
Cash and Liquid Capital											9,088,598	8,810,481
US Bank Clearing											206,091	189,137
<b>Total Cash</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,294,689	\$8,999,618
Accounts Receivable --Gross											7,050,448	7,177,504
Contractual Allowance											5,380,258	5,496,707
<b>Total Accounts Receivable, Net of Allowance</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,670,190	\$ 1,680,797
Other Receivables											1,376,084	1,113,914
Inventory											458,248	466,260
Prepaid Expense											837,451	861,579
<b>Total Current Assets</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,636,661	\$13,122,168
<b>Long Term Assets</b>												
<b>Fixed Assets</b>												
Accumulated Depreciation											54,967,225	54,967,225
<b>Total Fixed Assets, Net of Depreciation</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	18,565,997	18,279,373
<b>Total Long Term Assets</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	36,401,229	36,687,852
New Hospital Loan												
<b>Total Assets</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,144,494	\$ 2,141,206
<b>Liabilities &amp; Equity</b>												
<b>Current Liabilities</b>												
Account Payable											1,036,515	1,078,288
Interest Payable											298,299	221,402
Accrued Taxes											54,176	50,464
Accrued Payroll and Related Cost Report Settlement											821,798	718,994
<b>Total Current Liabilities</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,943,789	(\$267,000)
<b>Long term Liabilities</b>												
Long Term Notes Payable											24,748,897	24,752,862
<b>Total Long Term Liabilities</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,748,897	\$24,752,862
<b>Unapplied Liabilities</b>												
Capital Equipment Lease											435,728	405,055
<b>Total Liabilities</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,404,002	\$27,255,146
Retained Earnings - Net Income											\$25,142,933	\$25,142,933
											(\$364,551)	(\$446,852)
<b>Total Liabilities and Equity</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$52,182,384	\$51,951,226



Sierra Vista Hospital

8/31/2023

**Reserves**

Medicare Liability ("Cost Report Settlement" on Balance Sheet)

Cost Report Bad Debt Write-Off Reserve/General Reserve

FY23 Cost Report Receivable

8/31/2023	Notation
(150,000)	
417,000	
<b>Total Liability</b>	<b>267,000</b>

## CEO Report

Frank Corcoran

10/11/23

1. **RHC Update/ Provider Recruitment:** Walk-In-Clinic is off to a great start, seeing an average of 10 patients per day and 5 on Saturdays.
2. **EOC Update:** The new generator is in place.
3. **Tele-med Update:** Exploring adding additional services such as infectious Disease, Endocrine, Pulmonology, and Hematology.
4. **IT System Replacement and Support Services Update:** IT-2 testing failed financial test. "Go live" has been moved to the last week of January.
5. **Rural Health Care Delivery Fund (SB7):** Applying for expansion of services funding for Surgery- Pain, Wound Care, Community EMS, Tele-Medicine. The funds offset operational loss for up to 3 years for new or expanded services.
6. **Quality Awards:** We have received 2 awards from the NMHA for quality recognizing our Community EMS and Dr. Walker.
7. **CMS Survey from the DOH:** We were surveyed last month by CMS and DOH. We received 2 finding and both have been addressed.