

Joint Powers Commission



Regular Meeting- May 2, 2024

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Closed session items will be handed out in closed session.

High quality for every patient, every day!

Sierra Vista Hospital
 Joint Powers Commission Agenda
 May 2, 2024 @ 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

Phillip Mortensen, **Vice Chair**
 Cathy Harmon, Member
 Kim Skinner, Member
 Vacant, City Manager

City of T or C

Rolf Hechler, Member
 Amanda Forister, Member
 Ingo Hoepfner, 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

Cathy Luenenborg, 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

AGENDA ITEMS	PRESENTER	ACTION REQUIRED
4. Approval of Agenda	Jim Paxon, Chairperson	Action
5. Approval of Minutes	Jim Paxon, Chairperson	Action
A. January 25, 2024 Regular Meeting Minutes		
B. March 14, 2024 JPC & GB Joint Meeting Minutes		
6. Public Comment – Limit 3 minutes		
7. Old Business	Jim Paxon, Chairperson	
None		
8. New Business	Jim Paxon, Chairperson	
A. First Quarter Financial Report	Ming Huang, CFO	Report/Action
B. CEO Report	Frank Corcoran, CEO	Report
C. Governing Board Report	Bruce Swingle, GB Chair	Report

Sierra Vista Hospital
Joint Powers Commission Agenda
May 2, 2024 @ 2:00

Motion to close for Executive Session:

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. Master Facility Plan Options	Frank Corcoran	Information
B. Cerner Update	Frank Corcoran	Information
C. Board Education	Lisa Boston	Information

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. Master Facility Plan Options	No Action Needed
B. Cerner Update	No Action Needed
C. Board Education	No Action Needed

11. Other

Next Meeting- August 2024 (after Governing Board Annual meeting TBD)

12. Adjournment

Action

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 25, 2024 @ 1:00pm

1. The Joint Powers Commission of Sierra Vista Hospital met January 25, 2024 at 1:00pm in the boardroom at Sierra Vista Hospital for a regular meeting. Jim Paxon, Chairperson, called the meeting to order at 1:10pm.

2. **Pledge of Allegiance** Jim Paxon, Chairperson

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

Joint Powers Commission

Attendees: City of Elephant Butte

Kim Skinner, Present
Phillip Mortensen, **Vice Chair, by phone**
Cathy Harmon, Present

City of T or C

Rolf Hechler, Present
Amanda Forister, Member, Present
Ingo Hoepfner, Member, Present
Angie Gonzales, City Manager, Absent

Sierra County

Travis Day, Absent
Jim Paxon, **Chair**, Present
Hank Hopkins, Absent
Amber Vaughn, County Manager, Present

Village of Williamsburg

Vacant, Member
Magorie Powey, Present
Deb Stubblefield, Present
Amanda Cardona, Absent

Sierra Vista Hospital

Frank Corcoran, CEO, Present
Ming Huang, CFO, Present
Sheila Adams, CNO, Absent
Bruce Swingle, **Governing Board Chair**, Present
Heather Johnson, HIM

AGENDA ITEMS

PRESENTER

ACTION REQUIRED

4. Approval of Agenda Jim Paxon, Chairperson

Jim Paxon noted, as indicated on the agenda, the JPC will move into Executive Session at 2:00 and finish any open session agenda items after Executive Session.

Magorie Powey motioned approval of the agenda. Kim Skinner seconded. Motion carried unanimously.

5. Approval of Minutes Jim Paxon, Chairperson

A. October 19, 2023 Regular Meeting Minutes

Deb Stubblefield motioned approval of the October 19, 2023 minutes. Kim Skinner seconded. Motion carried unanimously.

6. Public Comment –

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 25, 2024 @ 1:00pm

None

7. Old Business

Jim Paxon, Chairperson

None

8. New Business

A. Finances 101 - Frank Corcoran, CEO, handed out an enlarged copy of the December Income statement and Twelve-month income statement. Frank discussed gross patient revenue, deductions from revenue, total deductions, net revenue, other and non-operating revenue, total revenue, expenses, total operating expenses, EBITDA, deductions from EBITDA including depreciation, amortization, interest and tax, net loss, and net income. Operational revenue (EBITDA) is the line that is most important line to look at. Year to date, EBITDA is \$1,280,490, gross patient revenue is \$32,537,994, and total operating revenue is \$18,398,094.

No other business operates the way a hospital does. We cannot pass on the increase in goods, supplies, surgical equipment, food, etc. to the patient. Last year, 2/3rds of New Mexico hospitals lost money. They were negative from operations. We are in the 1/3rd that made money last year.

The twelve-month income statement will show you the running total for each month. Gross patient revenue has been at or over \$5 million each month with the exception of last February. Operating revenue is typically going to be about 50%.

Discussion was held regarding the VA and Medicare compensation to hospitals.

B. Fourth Quarter Financial Report - Ming Huang, CFO, reported that in October we had gross patient revenue of \$5,222,493. After subtracting deductions, our net patient revenue was \$2,681,731. Total expenses were \$3,093,428. EBITDA (total operating revenue less total operating expenses) was \$337,470. In November, gross patient revenue was \$5,186,012. Net patient revenue was \$2,456,727. Total operating revenue was \$2,845,491. Total expenses were \$2,785,412. EBITDA for November was \$60,079. Gross patient revenue in December was \$5,607,692. Net patient revenue was \$2,584,897. Total operating revenue was \$3,302,050. Total operating expenses were \$3,130,349. EBITDA was \$171,700. Year to date, July through December, EBITDA is \$1,280,490. Total cash at the end of December was \$9,179,324.

Kim Skinner motioned to approve the fourth quarter financial report. Deb Stubblefield seconded. Motion carried unanimously.

C. Audit Report - Ming Huang, CFO, stated that we submitted the audit report to the State. They have accepted our report. There were two minor findings last year: one for the expenses budget and one for our retirement plan. The corrections will be made this year.

Kim Skinner motioned to approve audit report. Deb Stubblefield seconded. Motion carried unanimously.

D. Budget Adjustment - Ming Huang, CFO, reported that we have increased revenue by \$1,500,000 due to the Pharmacy 340B program, the interest on our investments and the increase in Gross receipts tax revenue this year. We have also increased our supply expenses by \$500,000 for the 340B program and \$2,000,000 for contract services due to usage of two computer systems with the Cerner conversion.

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 25, 2024 @ 1:00pm

Kim Skinner motioned to approve the budget adjustment. Deb Stubblefield seconded. Motion carried unanimously.

E. CEO Report - Frank Corcoran, CEO, stated that we are still looking for a psychiatrist to round out our Behavioral Health services. We have a tele-psychiatrist that is helping with our clinic patients currently. The clinic is working with the VA and their behavioral health needs.

We had our annual Fire, Lab, and Dietary surveys last month. There were 13 fire findings that were minor and fixable, compared to the 400 findings in the past. There were two minor findings with the lab and two minor findings in dietary.

Arena tele-health will possibly be assisting us with pulmonology services in the clinic. We already have the equipment to make this happen and there is a real need for this as most patients are waiting six months to see a provider in Las Cruces. The walk-in clinic is averaging 15 patients per day Wednesday through Friday and five on Saturdays.

We plan to go live with our Cerner conversion on January 29th. The conversion will affect our collections as the old system (Athena) finishes up and the new system (Cerner) starts up. We pay Athena a percentage of collections; we pay Cerner a fixed fee for services. Cash will drop during this transition period, that is expected. The patient portal will be switching over as well with some patient education on what you can and cannot do with the portal.

Last year, Senate Bill 7, an \$80 million fund for hospitals, passed. We didn't get anything from it. Only one of the 11 rural hospitals received any money from that bill.

1. HDAA Legislation - Frank Corcoran, CEO, explained that this is this years bill. It doesn't have a number at this time. The New Mexico Hospital Association created this bill to do away with HAP/TAP funds that have dwindled down due to large hospitals taking more of the TAP funds. TAP payments are based on Medicaid volume. Larger hospitals have larger Medicaid volumes than rural hospitals and therefore, receive more of the Medicaid payment. This is not what the HAP/TAP program was intended for. This bill before the legislature is basically an assessment tax on all hospitals in New Mexico that would pay a fee on inpatient beds that are non-Medicare and a percentage of our outpatient revenue. If all hospitals contributed to or paid into this assessment it would be about \$326 million. This would go into a federal matching program and would return to us in Federal matching funds of \$1.2 billion. For Sierra Vista Hospital, based on last year's data, we would pay \$125 per day or approximately \$99,000. Our outpatient revenue tax is 5.2% or \$775,000 for a total of \$875,000 that would go into the matching fund, and we would receive \$7 million after fees. 43 states participate in this program already.

Senate Bill 161 is a stimulus of up to \$3 million to stabilize the 11 independent and non-corporate rural hospitals in New Mexico until the HDAA bill can go into effect in 2025.

2:00pm Philip Mortensen Motioned to close for Executive Session. Magorie Powey seconded.

9. Executive Session – In accordance with Open Meetings Act, NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 7 and 9 the JPC will vote to close the meeting to discuss the following items:

10-15-1 (H) 7 – Attorney Client Privilege/ Pending Litigation

A. Risk Report

Heather Johnson, HIM

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

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 25, 2024 @ 1:00pm

A. PreReal Presentation James Prendamano

Roll call vote:

Philip Mortensen – Y	Cathy Harmon – Y	Kim Skinner – Y
Jim Paxon – Y	Rolf Hechler – Y	Amanda Forister – Y
Ingo Hoepfner – Y	Magorie Powey – Y	Deb Stubblefield - Y

Governing Board Chairperson, Bruce Swingle, excused himself from closed session.

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) 7 – Attorney Client Privilege/ Pending Litigation

A. Risk Report No Action Required

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

A. PreReal Presentation James Prendamano No Action Required

F. Board Education - Lisa Boston, Interim Consultant, discussed with the JPC their fiduciary duties and responsibilities in addition to duty of care, conflict of interest, duty of obedience, accountability to stakeholders and duty of confidentiality.

G. Governing Board Report - Bruce Swingle, GB Chair, stated that there are some new board members who don't understand all of the finances and how they work. Frank's Finance 101 really helps and makes sense. The Finance Committee has developed a matrix of key indicators that will help us with trends because one month does not make a hospital. The revenue at the hospital has never been higher. The new services are helping to bring in that revenue. The problem is that we are getting reimbursed at .50 cents on the dollar. New Mexico has the highest Medicaid enrollment rate and the lowest reimbursement rate in the United States. 65% of our patients are Medicare, 15% are Medicaid, 10% are commercial and 10% are uncompensated care. Getting a reduced return on our expenses is a problem. The dynamics of the state, Medicare and Medicaid are detrimental to a rural critical access hospital. In 2022, according to the data supplied in the auditor supplemental packet, the average New Mexico hospital had 56 to 59 days cash on hand. At that time, we had 120 days cash on hand. Right now, we have 98. Three rural hospitals in New Mexico have 5 days cash on hand today.

We need to provide our CEO all of the tools he needs to do his job.

We did receive the first half property tax mil levy monies.

11. Other

Next regular JPC meeting will be held on ~~Tuesday~~, Thursday May 2, 2024 at 2:00.

12. Adjournment

Deb Stubblefield motioned to adjourn. Magorie Powey seconded. Motion carried unanimously.

Sierra Vista Hospital
Joint Powers Commission and Governing Board Special Meeting Minutes
March 14, 2024 @ 1:00pm

1. Call to Order JPC and Governing Board

The Joint Powers Commission and Governing Board of Sierra Vista Hospital met March 14, 2024 at 1:00pm at the Elephant Butte RV Resort Event Center for a special meeting. Jim Paxon, JPC Chairperson, and Bruce Swingle, GB Chairperson called the meeting to order at 1:04pm.

2. Pledge of Allegiance

All

3. Roll Call

Jennifer Burns, Recording Secretary

ATTENDEES:

JOINT POWERS COMMISSION

CITY OF ELEPHANT BUTTE

Cathy Harmon- Present
Kim Skinner - Present
Phillip Mortensen- By phone
Vacant, City Manager

CITY OF T O R C

Rolf Hechler - Present
Amanda Forister- By phone
Ingo Hoepfner - Present
Angie Gonzales, Ex-O- Absent

SIERRA COUNTY

Travis Day- By phone
Jim Paxon- Chair, Present
Hank Hopkins- By phone
Amber Vaughn- By phone

VILLAGE OF WILLIAMSBURG

Cathy Luenenborg- Present
Magorie Powey- Present
Deb Stubblefield- Present
Amanda Cardona- Absent

ATTENDEES:

GOVERNING BOARD

COUNTY

Kathi Pape, **Vice Chair**- Present
Serina Bartoo, Present
Shawnee R. Williams, Present

ELEPHANT BUTTE

Katharine Elverum, Present
Vacant

CITY OF T O R C

Bruce Swingle, **Chair**, Present
Jesus Baray, Present
Greg D'Amour, Present

EX-OFFICIO

Frank Corcoran, CEO
Amanda Cardona, VCW
Vacant, EB
Amber Vaughn, County
Angie Gonzales, City
Jim Paxon, JPC Chair

VILLAGE OF WILLIAMSBURG

Denise Addie, Absent

Sierra Vista Hospital
Joint Powers Commission and Governing Board Special Meeting Minutes
March 14, 2024 @ 1:00pm

Jim Paxon, JPC Chairperson

Date

Bruce Swingle, Governing Board Chairperson

Date

DRAFT



Financial Analysis

January 31st, 2024

Days Cash on Hand for January 2024 are 97 (\$9,258,328)

Accounts Receivable Net days are 31

Accounts Payable days are 28

Hospital Excess Revenue over Expense

The **Net Income** for the month of January was (\$503,788) vs. a Budget Income of (\$305,685).

Hospital Gross Revenue for January was \$5,538,569 or \$143,278 more than budget. Patient Days were 122 – 5 more than December, RHC visits were 842 – 1 more than December and ER visits were 728 – 27 more than December.

Revenue Deductions for January were \$3,023,455 or \$328,388 more than budget.

Other Operating Revenue was \$229,241.

Non-Operating Revenue was \$354,985, including \$167,348 of Mill Levy.

Hospital Operating Expenses for January were \$3,173,548 which were over budget by \$141,726. Contract Services expenses were over budget due to the productivity incentive of \$100,000 for the surgery group. Other Operating expenses included \$37,500 of CRNA recruitment fees.

EBITDA for January was (\$74,087) vs. a Budget of \$111,566. YTD EBITDA is \$1,206,403 vs. a Budget of \$773,767.

The Bond Coverage Ratio in January was 49% vs. an expected ratio of 130%.



Financial Analysis

February 29th, 2024

Days Cash on Hand for February 2024 are 90 (\$8,601,693)

Accounts Receivable Net days are 33

Accounts Payable days are 23

Hospital Excess Revenue over Expense

The **Net Income** for the month of February was (\$1,038,813) vs. a Budget Income of (\$285,964).

Hospital Gross Revenue for February was \$4,240,399 or \$806,809 less than budget. Patient Days were 142 – 20 more than January, RHC visits were 814 – 28 less than January and ER visits were 670 – 58 less than January.

Revenue Deductions for February were \$2,526,902 or \$5,710 more than budget.

Other Operating Revenue was \$283,130.

Non-Operating Revenue was \$196,225.

Hospital Operating Expenses for February were \$2,851,302 which were over budget by \$15,082. Supplies expenses were under budget because of the conversion that we were not able to charge to departments. Contract Services expenses were over budget due to the productivity incentive of \$125,000 for the surgery group.

EBITDA for February was (\$656,551) vs. a Budget of \$104,369. YTD EBITDA is \$549,851 vs. a Budget of \$878,136.

The Bond Coverage Ratio in February was -22% vs. an expected ratio of 130%.



Financial Analysis

March 31st, 2024

Days Cash on Hand for March 2024 are 82 (\$7,816,019)

Accounts Receivable Net days are 53

Accounts Payable days are 30

Hospital Excess Revenue over Expense

The **Net Income** for the month of March was (\$469,449) vs. a Budget Income of (\$305,685).

Hospital Gross Revenue for March was \$5,255,478 or \$139,813 less than budget. Patient Days were 116 – 26 less than February, RHC visits were 707 – 107 less than February and ER visits were 667 – 3 less than February.

Revenue Deductions for March were \$2,695,138.

Other Operating Revenue was \$121,589.

Non-Operating Revenue was \$165,153.

Hospital Operating Expenses for March were \$2,914,947 which were under budget by \$116,875. Supplies expenses were under budget because of the conversion that we were not able to charge to departments.

EBITDA for March was (\$67,865) vs. a Budget of \$111,566. YTD EBITDA is \$481,986 vs. a Budget of \$989,702.

The **Bond Coverage Ratio** in March was -27% vs. an expected ratio of 130%.

Sierra Vista Hospital
INCOME STATEMENT by Month
March 31, 2024

Description	6/30/2024	5/31/2024	4/30/2024	3/31/2024	2/29/2024	1/31/2024	12/31/2023	11/30/2023	10/31/2023	9/30/2023	8/31/2023	Month Ending 7/31/2023
Revenues												
Gross Patient Revenue	\$	\$ 5,255,478	\$ 4,240,399	\$ 5,538,569	\$ 5,607,692	\$ 5,186,012	\$ 5,222,493	\$ 5,434,928	\$ 5,149,321	\$ 5,397,549	\$ 5,997,549	\$ 5,149,321
Revenue Deductions												
Contractual Allowances		2,436,641	2,107,232	2,631,191	2,568,110	2,367,421	2,016,948	2,388,517	2,610,179	2,800,771	2,800,771	2,610,179
Bad Debt		134,293	267,486	262,860	334,838	282,315	276,140	313,140	251,113	251,113	251,113	239,981
Other Deductions		124,204	152,185	129,404	120,046	84,881	247,890	38,828	92,221	81,452	92,221	81,452
Total Revenue Deductions		\$ 2,695,138	\$ 2,526,902	\$ 3,023,455	\$ 3,022,995	\$ 2,734,617	\$ 2,540,978	\$ 2,740,486	\$ 2,931,613	\$ 3,144,106	\$ 3,144,106	\$ 2,931,613
Other Patient Revenue		0	1,899	122	200	5,332	217	2,420	3,030	9,278	9,278	3,030
Net Patient Revenue		\$ 2,560,340	\$ 1,715,396	\$ 2,515,235	\$ 2,584,697	\$ 2,456,727	\$ 2,681,731	\$ 2,696,862	\$ 2,802,721	\$ 2,802,721	\$ 2,802,721	\$ 2,220,738
Gross % Net %		49%	40%	45%	46%	47%	51%	50%	47%	47%	47%	43%
Other Operating Revenue		121,589	283,130	229,241	212,676	211,662	575,484	170,261	206,464	149,121	206,464	149,121
Non-Operating Revenue		165,153	196,225	354,985	504,477	177,102	173,683	201,679	199,315	172,494	199,315	172,494
Total Operating Revenue		\$ 2,847,082	\$ 2,194,750	\$ 3,099,461	\$ 3,302,050	\$ 2,845,491	\$ 3,430,898	\$ 3,068,803	\$ 3,208,500	\$ 3,208,500	\$ 3,208,500	\$ 2,542,353
Expenses												
Salaries & Benefits		\$ 1,342,407	\$ 1,256,661	\$ 1,319,351	\$ 1,236,827	\$ 1,196,782	\$ 1,244,935	\$ 1,228,153	\$ 1,228,723	\$ 1,228,153	\$ 1,228,723	\$ 1,217,628
Salaries		1,104,636	1,034,276	1,115,860	1,035,765	951,588	1,056,153	1,007,467	1,005,620	1,007,467	1,005,620	1,016,209
Benefits		194,115	191,366	181,278	173,232	213,386	157,893	201,610	204,408	204,408	204,408	185,996
Other Salary & Benefit Expense		43,656	31,019	22,213	27,830	31,808	30,890	19,076	18,695	18,695	18,695	15,424
Supplies		114,459	99,180	202,691	184,005	185,034	412,362	195,362	169,487	169,487	169,487	129,245
Contract Services		1,022,335	1,106,058	1,151,016	1,240,400	949,010	1,014,421	961,100	899,231	899,231	899,231	793,494
Professional Fees		183,410	177,735	187,317	181,410	181,459	183,410	181,459	183,201	181,459	183,201	181,846
Leases/Rentals		10,046	11,355	6,116	5,880	7,305	5,952	13,275	38,504	38,504	38,504	24,804
Utilities		41,540	36,049	58,300	55,264	46,973	45,686	56,201	66,553	66,553	66,553	48,620
Repairs / Maintenance		71,850	49,461	82,734	75,830	73,960	103,070	64,352	56,822	56,822	56,822	72,280
Insurance		87,752	90,569	88,962	87,772	89,526	48,216	87,776	88,136	87,776	88,136	88,136
Other Operating Expenses		41,147	24,234	77,061	62,961	55,363	35,375	34,383	23,728	35,917	35,917	23,728
Total Operating Expenses		\$ 2,914,947	\$ 2,851,302	\$ 3,173,548	\$ 3,130,349	\$ 2,785,412	\$ 3,093,428	\$ 2,822,061	\$ 3,093,428	\$ 2,822,061	\$ 2,706,574	\$ 2,579,781
EBITDA		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
EBITDA Margin		-2%	-30%	-2%	-2%	5%	10%	8%	16%	16%	16%	-1%
Non - Operating Expenses		\$ 290,571	\$ 274,022	\$ 291,365	\$ 296,249	\$ 287,219	\$ 325,263	\$ 281,177	\$ 286,623	\$ 281,177	\$ 286,623	\$ 284,371
Depreciation and Amortization		73,727	74,936	73,766	73,785	75,137	73,823	74,647	75,119	74,647	75,119	73,290
Interest		37,287	33,304	64,570	52,019	53,053	42,236	51,511	57,882	51,511	57,882	51,763
Tax/Other		\$ 401,585	\$ 382,262	\$ 429,701	\$ 422,053	\$ 415,409	\$ 441,322	\$ 407,335	\$ 419,625	\$ 407,335	\$ 419,625	\$ 409,424
Total Non Operating Expenses		\$ 469,449	\$ 1,038,813	\$ 503,788	\$ 250,353	\$ 355,329	\$ 103,852	\$ 160,594	\$ 82,302	\$ 160,594	\$ 82,302	\$ 46,852
NET INCOME (LOSS)		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Income Margin		16%	47%	16%	6%	12%	3%	5%	3%	5%	3%	18%

Sierra Vista Hospital
TWELVE MONTH INCOME STATEMENT
March 31, 2024

Description	3/31/2024	Month Ending 2/29/2024	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	Month Ending 6/30/2023	Month Ending 5/31/2023	Month Ending 4/30/2023
Revenues												
Gross Patient Revenue	\$ 5,255,478	\$ 4,240,399	\$ 5,538,569	\$ 5,607,692	\$ 5,186,012	\$ 5,222,493	\$ 5,434,928	\$ 5,937,549	\$ 5,149,321	\$ 5,370,369	\$ 6,288,038	\$ 5,376,911
Revenue Deductions	2,436,641	2,107,232	2,631,191	2,568,110	2,367,421	2,016,948	2,388,517	2,800,771	2,610,179	2,336,509	3,151,993	2,695,301
Contractual Allowances	134,293	267,486	262,860	334,838	282,315	276,140	313,140	251,113	239,981	226,311	80,846	244,607
Bad Debt	124,204	152,185	129,404	120,046	84,881	247,890	38,828	92,221	81,452	80,618	167,255	96,442
Other Deductions	\$ 2,695,138	\$ 2,526,902	\$ 3,023,455	\$ 3,022,995	\$ 2,734,617	\$ 2,540,978	\$ 2,740,486	\$ 3,144,106	\$ 2,931,613	\$ 2,643,438	\$ 3,400,094	\$ 3,036,350
Other Patient Revenue	0	1,899	122	200	5,332	217	2,420	9,278	3,030	3,827	18,824	154
Net Patient Revenue	\$ 2,560,340	\$ 1,715,396	\$ 2,515,235	\$ 2,584,897	\$ 2,456,727	\$ 2,681,731	\$ 2,696,862	\$ 2,802,721	\$ 2,220,738	\$ 2,730,758	\$ 2,906,768	\$ 2,340,716
Gross to Net %	49%	40%	45%	46%	47%	51%	50%	47%	43%	51%	46%	44%
Other Operating Revenue	121,589	283,130	229,241	212,676	211,662	575,484	170,261	206,464	149,121	(316,557)	48,929	24,907
Non-Operating Revenue	165,153	196,225	354,985	504,477	177,102	173,683	201,679	199,315	172,494	195,034	116,886	57,418
Total Operating Revenue	\$ 2,847,082	\$ 2,194,750	\$ 3,099,461	\$ 3,302,050	\$ 2,845,491	\$ 3,430,898	\$ 3,068,803	\$ 3,208,500	\$ 2,542,353	\$ 2,607,235	\$ 3,072,583	\$ 2,423,040
Expenses												
Salaries & Benefits	1,342,407	1,256,661	1,319,351	1,236,827	1,196,782	1,244,935	1,228,153	1,228,723	1,217,628	1,522,451	1,254,038	1,244,453
Salaries	1,104,636	1,034,276	1,115,860	1,035,765	951,588	1,056,153	1,007,467	1,005,620	1,016,209	993,810	1,034,473	989,714
Benefits	194,115	191,366	181,278	173,232	213,386	157,893	201,610	204,408	185,996	503,276	186,135	229,716
Other Salary & Benefit Expense	43,656	31,019	22,213	27,830	31,808	30,890	19,076	18,695	15,424	25,366	33,431	25,023
Supplies	114,459	99,180	202,691	184,005	185,034	412,362	195,362	169,487	129,245	240,382	144,630	153,123
Contract Services	1,022,335	1,106,058	1,151,016	1,240,400	949,010	1,014,421	961,100	839,231	793,494	901,427	1,138,421	908,444
Professional Fees	183,410	177,735	187,317	181,410	181,459	183,410	181,459	183,201	181,846	181,669	181,847	181,668
Leases/Rentals	10,046	11,355	6,116	5,880	7,305	5,952	13,275	38,504	24,804	25,128	24,485	10,500
Utilities	41,540	36,049	58,300	55,264	46,973	45,686	56,201	66,553	48,620	41,833	40,994	36,232
Repairs / Maintenance	71,850	49,461	82,734	75,830	73,960	103,070	64,352	56,822	72,280	71,619	77,231	85,760
Insurance	87,752	90,569	88,962	87,772	89,526	48,216	87,776	88,136	88,136	76,543	76,907	77,715
Other Operating Expenses	41,147	24,234	77,061	62,961	55,363	35,375	34,383	35,917	23,728	40,716	32,453	135,508
Total Operating Expenses	\$2,914,947	\$2,851,302	\$3,173,548	\$3,130,349	\$2,785,412	\$3,093,428	\$2,822,061	\$2,706,574	\$2,579,781	\$3,101,768	\$2,971,006	\$2,833,397
EBITDA	(\$67,865)	(\$656,551)	(\$74,087)	\$171,700	\$60,079	\$337,470	\$246,741	\$501,926	(\$37,428)	(\$494,533)	\$101,577	(\$410,357)
EBITDA Margin	-2%	-30%	-2%	5%	2%	10%	8%	16%	-1%	-19.0%	3%	-17%
Non - Operating Expenses												
Depreciation and Amortization	290,571	274,022	291,365	296,249	287,219	325,263	281,177	286,623	284,371	352,158	294,248	294,081
Interest	73,727	74,936	73,766	73,785	75,137	73,823	74,647	75,119	73,290	135,720	74,926	73,320
Tax/Other	37,287	33,304	64,570	52,019	53,053	42,236	51,511	57,882	51,763	56,769	56,598	55,636
Total Non Operating Expenses	\$401,585	\$382,262	\$429,701	\$422,053	\$415,409	\$441,322	\$407,335	\$419,625	\$409,424	\$544,646	\$425,772	\$423,037
NET INCOME (LOSS)	(\$469,449)	(\$1,038,813)	(\$503,788)	(\$250,353)	(\$355,329)	(\$103,852)	(\$160,594)	\$82,302	(\$446,852)	(\$1,039,179)	(\$324,195)	(\$833,394)
Net Income Margin	(16%)	(47%)	(16%)	(8%)	(12%)	(3%)	(5%)	3%	(18%)	(39.9%)	(11%)	(34%)

Sierra Vista Hospital
BALANCE SHEET
March 31, 2024

March 31, 2024 (Unaudited)	DESCRIPTION	June 30, 2023
	Assets	
	Current Assets	
\$ 7,552,729	Cash and Liquid Capital	\$ 10,246,815
\$ 263,290	US Bank Clearing	\$ 98,103
\$ 7,816,019	Total Cash	\$ 10,348,345
\$ 12,605,898	Accounts Receivable - Gross	\$ 7,263,177
\$ 8,278,501	Contractual Allowance	\$ 5,240,610
\$ 4,327,397	Total Accounts Receivable, Net of Allowance	\$ 2,022,567
\$ 1,215,969	Other Receivables	\$ 960,302
\$ 552,392	Inventory	\$ 436,861
\$ 317,491	Prepaid Expense	\$ 74,946
\$ 14,229,267	Total Current Assets	\$ 13,839,594
	Long Term Assets	
\$ 54,154,032	Fixed Assets	\$ 55,003,729
\$ 19,343,964	Accumulated Depreciation	\$ 17,995,002
\$ -	Construction in Progress	\$ -
\$ 34,810,068	Total Fixed Assets, Net of Depreciation	\$ 37,003,829
\$ 34,810,068	Total Long Term Assets	\$ 37,003,829
\$ 2,982,299	New Hospital Loan	\$ 2,018,590
\$ 52,021,634	Total Assets	\$ 52,862,013
	Liabilities & Equity	
	Current Liabilities	
\$ 1,622,045	Account Payable	\$ 1,213,024
\$ 836,584	Interest Payable	\$ 144,504
\$ 21,916	Accrued Taxes	\$ 52,244
\$ 961,295	Accrued Payroll and Related	\$ 1,104,431
\$ 150,000	Cost Report Settlement	\$ (235,000)
\$ 3,591,841	Total Current Liabilities	\$ 2,279,202
	Long term Liabilities	
\$ 24,721,141	Long Term Notes Payable	\$ 24,756,827
\$ 24,721,141	Total Long Term Liabilities	\$ 24,756,827
\$ 1,596,261	Unapplied Liabilities	\$ 386,523
\$ 250,846	Capital Equipment Lease	\$ 331,184
\$ 30,160,089	Total Liabilities	\$ 27,753,736
\$ 25,108,277	Retained Earnings	\$ 26,147,456
\$ (3,246,731)	Net Income	\$ (1,039,179)
\$ 52,021,634	Total Liabilities and Equity	\$ 52,862,013

Sierra Vista Hospital
BALANCE SHEET by Month
March 31, 2024

	6/30/2024	5/31/2024	4/30/2024	3/31/2024	2/29/2024	1/31/2024	12/31/2023	11/30/2023	10/31/2023	9/30/2023	8/31/2023	Month Ending 7/31/2023
Assets												
Current Assets												
Cash and Liquid Capital				7,552,729	8,478,291	9,011,826	9,065,658	8,781,884	9,283,253	9,018,432	9,088,598	8,814,096
US Bank Clearing				263,290	123,402	246,502	113,665	239,352	96,854	167,145	206,091	189,137
Total Cash	\$0	\$0	\$0	\$7,816,019	\$8,601,693	\$9,258,328	\$9,179,324	\$9,021,236	\$9,382,107	\$9,185,577	\$9,294,689	\$9,003,233
Accounts Receivable - Gross				12,605,898	9,182,052	8,665,549	8,812,027	8,576,599	8,051,189	7,277,291	7,050,448	7,173,889
Contractual Allowance				8,278,501	6,523,017	6,024,493	6,020,980	6,043,644	5,523,938	5,271,905	5,380,258	5,496,707
Total Accounts Receivable, Net of Allowance	\$ -	\$ -	\$ -	\$ 4,327,397	\$ 2,659,035	\$ 2,641,056	\$ 2,791,047	\$ 2,532,955	\$ 2,527,251	\$ 2,005,386	\$ 1,670,190	\$ 1,677,182
Other Receivables				1,215,969	1,121,561	1,345,557	1,159,284	1,116,408	1,009,246	1,541,978	1,376,084	1,113,914
Inventory				552,392	562,463	444,184	455,096	452,192	455,096	458,260	458,260	466,260
Prepaid Expense				317,491	364,966	464,464	539,757	572,397	673,023	737,994	837,451	861,579
Total Current Assets	\$0	\$0	\$0	\$14,229,267	\$13,309,719	\$14,159,589	\$14,125,320	\$13,695,188	\$14,046,723	\$13,928,939	\$13,636,661	\$13,122,168
Long Term Assets												
Fixed Assets				54,154,032	54,149,228	54,142,557	54,117,912	55,290,258	55,253,629	55,191,824	55,069,696	55,069,696
Accumulated Depreciation				19,343,964	19,053,393	18,779,371	18,488,006	19,464,554	19,177,335	18,852,072	18,570,895	18,284,271
Total Fixed Assets, Net of Depreciation	\$ -	\$ -	\$ -	\$ 34,810,068	\$ 35,095,835	\$ 35,363,186	\$ 35,629,906	\$ 35,825,704	\$ 36,076,294	\$ 36,339,752	\$ 36,498,801	\$ 36,785,425
Total Long Term Assets				\$ -	\$ -	\$ -	\$ 35,629,906	\$ 35,825,704	\$ 36,076,294	\$ 36,339,752	\$ 36,498,801	\$ 36,785,425
New Hospital Loan				2,982,299	2,863,239	2,743,432	2,623,120	2,504,097	2,384,413	2,264,783	2,144,494	2,141,206
Total Assets	\$ -	\$ -	\$ -	\$ 52,021,634	\$ 51,268,792	\$ 52,260,207	\$ 52,378,346	\$ 52,024,989	\$ 52,507,430	\$ 52,533,475	\$ 52,279,956	\$ 52,048,799
Liabilities & Equity												
Current Liabilities												
Account Payable				1,622,045	1,276,130	1,522,379	1,434,567	1,100,656	1,218,715	1,432,808	1,102,481	1,144,254
Interest Payable				836,584	759,686	682,789	605,891	528,993	452,095	375,197	298,299	221,402
Accrued Taxes				21,916	32,804	55,019	50,058	50,367	40,326	50,201	54,176	50,464
Accrued Payroll and Related Cost Report Settlement				961,295	824,159	812,714	681,275	965,152	1,059,893	800,596	821,798	718,994
Total Current Liabilities	\$0	\$0	\$0	\$3,591,841	\$3,042,779	\$3,222,899	\$2,921,791	\$2,410,168	\$2,556,029	\$2,423,803	\$2,041,755	\$1,900,113
Long term Liabilities												
Long Term Notes Payable				24,721,141	24,725,106	24,729,071	24,733,036	24,737,001	24,740,967	24,744,932	24,748,897	24,752,862
Total Long Term Liabilities	\$0	\$0	\$0	\$24,721,141	\$24,725,106	\$24,729,071	\$24,733,036	\$24,737,001	\$24,740,967	\$24,744,932	\$24,748,897	\$24,752,862
Unapplied Liabilities				1,596,261	915,703	663,810	571,979	472,622	449,702	476,889	435,728	405,055
Capital Equipment/Lease				250,846	254,209	274,616	277,941	281,246	301,452	304,719	309,850	329,344
Total Liabilities	\$0	\$0	\$0	\$30,160,089	\$28,937,797	\$28,890,396	\$28,504,747	\$27,901,038	\$28,028,150	\$27,950,342	\$27,536,231	\$27,387,374
Retained Earnings				\$25,108,277	\$25,108,277	\$25,108,277	\$25,108,277	\$25,108,277	\$25,108,277	\$25,108,277	\$25,108,277	\$25,108,277
Net income				(\$3,246,731)	(\$2,777,282)	(\$1,738,466)	(\$1,234,678)	(\$984,325)	(\$628,996)	(\$525,144)	(\$364,551)	(\$446,852)
Total Liabilities and Equity	\$0	\$0	\$0	\$52,021,634	\$51,268,792	\$52,260,207	\$52,378,346	\$52,024,989	\$52,507,430	\$52,533,475	\$52,279,956	\$52,048,799

CEO Report

Frank Corcoran

04/24/2024

1. **Behavioral Health Project Update:** interviewing a psychiatrist this week from Duke.
2. **RHC Update/Provider Recruitment:** Working on Tele-Health Pulmonology. Hired a new Clinic Practice Director, starting 4-29-24, Sabrina Alvord.
3. **IT System Replacement** – Continuing to work through Cerner implementation issues, billing, registration, radiology.
4. **Med-Malpractice:** Continuing to search for Insurance Coverage, our policy ends June 30th.
5. **CRNA:** Working on CRNA recruiting.
6. **Washington DC Visit:** Update
7. **SB 161 and SB 17:** Update
8. **NMHA Strategic Planning and Board Education June 12-14 at the Blake**
9. **EMS Training**

