

Sierra Vista Hospital  
Regular/ Annual Joint Powers Commission Minutes  
August 4, 2022 @ 2:00pm

1. The Joint Powers Commission of Sierra Vista Hospital met August 4, 2022 at 2:00pm in the boardroom at Sierra Vista Hospital for a regular/ annual meeting. Travis Day, Chairperson, called the meeting to order at 2:12pm.

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

3. **Roll Call** Jennifer Burns, (Temporary) Recorder

**Joint Powers Commission**

**Attendees: City of Elephant Butte**

Edna Trager, Present by phone  
Kim Skinner, Present by phone  
Phillip Mortensen, Mayor, Absent  
Stephen Archuleta, City Manager, Absent

**City of T or C**

Rolf Hechler, Present  
Destiny Mitchell, Present  
Shelly Harrelson, Member, Absent  
Bruce Swingle, Ex-O, Present

**Sierra County**

Travis Day, **Chair**, Present  
Jim Paxon, Present  
Hank Hopkins, Present  
Charlene Webb, Ex-O, Present

**Village of Williamsburg**

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

**Sierra Vista Hospital**

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

**AGENDA ITEMS**

**PRESENTER**

**ACTION REQUIRED**

**4. Approval of Agenda**

Travis Day, Chairperson

Deb Stubblefield motioned to approve the agenda. Rolf Hechler seconded. Motion carried unanimously.

**5. Approval of Minutes**

A. April 21, 2022 Regular Meeting Minutes

Jim Paxon motioned to approve the April 21, 2022 minutes. Hank Hopkins seconded. Motion carried unanimously.

**6. Public Comment- 3-minute limit**

None

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**7. Old Business**

None

Travis Day, Chairperson

**8. New Business**

**A. Election of Officers**

Travis Day, Chairperson

1. Chairperson

Jim Paxon motioned to retain Travis Day as Chairperson. Hank Hopkins seconded. Motion carried unanimously.

2. Vice Chairperson

Kim Skinner motioned to nominate Deb Stubblefield as Vice Chairperson. Majie Powey seconded. Motion carried unanimously.

**B. Appointment of Recording Secretary** Frank Corcoran, CEO

1. Introduction of Melissa Forsythe

Frank Corcoran introduced Assistant to the CNO and CFO, Melissa Forsythe to the JPC and recommended she be appointed as Recording Secretary.

Deb Stubblefield motioned to appoint Melissa Forsythe as Recording Secretary. Hank Hopkins seconded. Motion carried unanimously.

**C. Nondiscrimination Resolution 22-102**

English and Spanish

Hank Hopkins motioned to approve Resolution 22-102 English and Spanish. Deb Stubblefield seconded. Motion carried unanimously.

**D. Open Meetings Act Resolution 22-103**

Jennifer Burns noted a change to number 2 and number 4. The notice location within the hospital is no longer at the west elevators as that is not a high traffic public area in the old facility. Meeting notices are now posted near the receptionist desk at the front entrance of the hospital.

Jim Paxon motioned to approve Resolution 22-103 with changes. Rolf Hechler seconded. Motion carried unanimously.

**E. Public Records Request Resolution 22-104**

Hank Hopkins motioned to approve Resolution 22-104. Deb Stubblefield seconded. Motion carried unanimously.

**F. Meeting Schedule FY22/23**

Jennifer Burns stated that meetings have been held at 2:00pm on the third Thursday of April, July, October, and January.

Rolf Hechler motioned to continue with the above meeting schedule. Jim Paxon seconded. Motion carried unanimously.

**G. Review of JPC Policies**

Hank Hopkins motioned to approve the JPC Policies. Jim Paxon seconded. Motion carried unanimously.

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**H. June Financial Report-** Ming Huang, CFO, on page 22, income statement, gross patient revenue in June was \$4,213,781. Net operating revenue was \$2,532,599. Total operating expenses in June were \$2,341,368. EBITDA is positive at \$191,231 and an EBITDA margin of 8%. Due to higher depreciation expenses, we have a net loss of (\$247,096) in June.

Year to date, EBITDA is \$6,280,034 which equals a 19% margin. Our net income for FY22 is \$1,338,373.

On page 25, balance sheet, total cash in the bank at the end of June was \$12,393,003. We have paid \$954,129 to the tunnel project and will have a remaining balance of \$288,000 when the project is finished.

**I. Fourth Quarter financial report**

1. Resolution 22-110

Deb Stubblefield motioned to approve Resolution 22-110. Hank Hopkins seconded. Motion carried unanimously.

**J. Budget Revision/ Variance FY22-** Ming Huang, CFO, on page 28 of the packet. The following changes will be made to FY22. Revenue will be increased by \$4 million; expenses will also be increased by \$4 million which includes salary expenses, contract services and cost of supplies.

1. Resolution 22-103

Jim Paxon motioned to approve Resolution 22-103. Rolf Hechler seconded. Motion carried unanimously.

**K. Final Budget FY23-** Ming Huang, CFO, on page 30 is the proposed budget for FY23. Patient revenue is increased considering the new services that will be starting this year. New services include surgery, telehealth, and cardiology. We will also increase expenses. The EBITDA projection is \$4,385,747 which equals a 13% margin. Because depreciation expenses will still be high, we project a net loss of (\$525,104).

1. Resolution 22-104

Deb Stubblefield motioned to approve Resolution 22-104. Hank Hopkins seconded. Motion carried unanimously.

**L. Capital Equipment Disposal-** Ming Huang, CFO, on page 32 is a list of the equipment that has reached end of life, doesn't work anymore, or is outdated. We will send this list to the State for approval and then dispose of the equipment. Some of the equipment can be sold, some can be donated to schools. No action required.

**M. Moreton Capital Investment-** Ming Huang, CFO, three months ago the Governing Board approved investing \$6 million with Moreton Capital Markets in treasury bills. At the end of June, we had a \$4,774 gain. As of today (maturity date) we have a gain of \$11,434. We will continue to invest in the treasury bills. No action required.

**N. Approval of Bylaws Revisions-** Frank Corcoran, CEO/ Bruce Swingle, GB Chair- On page JPC 48, Bruce explained that the Compliance Officer will meet with board members only at the annual

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meeting in July to let them know about any issues that may be of concern in addition to meeting with the board in full quarterly. On page 49, item 7.2 Governing Board responsibilities to the CEO, the evaluation of the CEO will be done annually in May so that, if the evaluation includes a salary increase, the increase can be considered in the budget for the following year.

Jim Paxon motioned to approve the revisions to the Bylaws. Deb Stubblefield seconded. Motion carried unanimously.

**O. CEO Report-** Frank Corcoran, CEO, we have two new physicians coming in to work in the clinic, Dr. Palin, and Dr. Seufer. Both will start in August and are Family Practice physicians. Dr. Adkins is still out on leave. We have signed a contract with a surgical group that will provide services four days per week. We have signed an agreement with Memorial Medical Center to bring Cardiologist here one day per week. They will see patients in our clinic, we will do all of the diagnostics, but procedures will be done at Memorial. Follow-ups will be done here. We are working with a group to provide sleep studies. Sleep studies could generate \$300,000 annually for the hospital. Telehealth including tele-neurology, tele-psychiatry and tele-internal medicine services have or will be starting after credentialing. Dr. V has been helping us in the clinic through telehealth. Telehealth services will allow us to keep some of the patients that we currently have to transfer out.

Quality is our focus throughout the hospital in every department. QHR conducted a mock survey to determine where we are at and where we need to be to achieve Joint Commission accreditation. There are two things that we will not pass on: the old building and the EHR (electronic health record). We are currently in the process of choosing a new EHR and have narrowed it down to two vendors. We have brought in a temporary Quality Director through QHR to set up a quality program. Hospitals that perform better get reimbursed better.

COVID at the end of July was at 18% positivity rate. This does not indicate what the county rate is. Symptoms are more like a cold with this round of COVID and it last for four to five days. We haven't had as many hospitalizations with the new variant. Staff are tested every week and we have 10 out with COVID right now. Since May 15<sup>th</sup> we have had 29 employees positive with COVID.

There are only three companies in New Mexico providing malpractice insurance to health care facilities due to the increased requirement up to \$7 million. This doesn't apply to us, but we did have to find a new carrier through our broker, HUB. The coverage will cost us about \$100,000 more per year.

We have two new board members and two recently new members. QHR will do some board education for us in August and then in September education will focus on critical access hospitals.

Regarding the old building, Frank would like to call a special meeting of the Governing Board and JPC within the next two weeks to discuss the options.

**P. Governing Board Report-** Bruce Swingle, Chairperson Governing Board, explained the changes made to the employees retirement plan, the recent evaluation of the CEO and QHR's management of the hospital. Discussion was held regarding the Special Hospital District from the Governing Board's side and continuing education for all board members.

**Q. Creation of Special Hospital District-** Travis Day, Chair, gave a brief history of the efforts in the past to create a special hospital district in Sierra County. Moving forward, community education will be very important to getting the SHD accomplished. Jim Paxon feels that misinformation was the

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downfall of the effort on the last attempt. Further, it is better for Frank to have five bosses instead of 21. The people of Sierra County should elect the members of the board. Signatures for the next election would have to be obtained by the end of May next year to make this a ballot issue. Majie Powey asked for a presentation so that all entities have the same information about SHD to help eliminate confusion within the community. Travis recommended that a member from each entity work together as a committee on the talking points and literature to hand out.

This topic will be added to the Joint meeting of the JPC and Governing Board. Rolf Hechler asked if there was a formal process, perhaps a resolution, stating the commitment of the JPC to get this done. Travis stated that a resolution was passed and is still on the books. A resolution will be created and presented at the joint meeting. Bruce Swingle stated that a couple of the Governing Board members will need more education and a little time to get on board with this idea. The dialogue will be appreciated.

Frank stated that David Johnson (hospital attorney) has retired but Deb Mann, is very familiar with this topic. In addition, Dan Weaks (hospital association) would be able to explain the benefits of becoming a special hospital district. Both will be asked to attend the meeting.

Frank introduced LJ Baker, Interim HR Director.

Jim Paxon motioned to close the meeting and read the following: Deb Stubblefield seconded.

**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 Options Frank Corcoran, CEO

Roll call to close meeting- Jennifer Burns

Edna Trager- Y (left the meeting at this time) Rolf Hechler- Y

Kim Skinner- Y Destiny Mitchell- Y (left the meeting at this time)

Majie Powey- Y Deb Stubblefield- Y

Jim Paxon- Y Hank Hopkins- Y

Travis Day- Y

Motion carried unanimously.

**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 Options

No Action

**11. Other**

Next regular meeting- October 20, 2022 at 2:00.

**12. Adjournment**

Deb Stubblefield motioned to adjourn. Hank Hopkins seconded. Motion carried unanimously.

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10/27/22

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Travis Day, JPC Chairperson