

Joint Powers Commission



Regular Meeting- January 26, 2023

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Sierra Vista Hospital
 Joint Powers Commission Agenda
 January 26, 2023 @ 2:00

Purpose: Regular Meeting

Location: Sierra Vista Hospital Boardroom

Time: 2:00

1. Call to Order Travis Day, Chairperson
2. Pledge of Allegiance Travis Day, Chairperson
3. Roll Call Melissa Forsythe, Recording Secretary

Joint Powers Commission

Attendees: City of Elephant Butte

Edna Trager, Member
 Kim Skinner, Member
 Phillip Mortensen, Mayor
 John Mascaro, City Manager, Ex-O

City of T or C

Rolf Hechler, Member
 Destiny Mitchell, Member
 Shelly Harrelson, Member
 Bruce Swingle, City Manager, Ex-O

Sierra County

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

Village of Williamsburg

Vacant, Member
 Magorie Powey, Member
 Deb Stubblefield, **Vice Chair**
 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	Travis Day, Chairperson	Action
5. Approval of Minutes	Travis Day, Chairperson	Action
A. October 27, 2022, Regular Meeting Minutes		
6. Public Comment – Limit 3 minutes		
7. Old Business	Travis Day, Chairperson	
8. New Business	Travis Day, Chairperson	
A. Financial Report	Ming Huang, CFO	Report/Action
B. CEO Report	Frank Corcoran, CEO	Report/Action
C. Governing Board Report	Bruce Swingle, Chair	Report/Action
D. Special Hospital District	Travis Day, Chairperson	Report/Action
1. The Creation of a District		
E. Mill Levy	Travis Day, Chairperson	Report/Action

Sierra Vista Hospital
 Regular Joint Powers Commission Minutes
 October 27, 2022 @ 2:00pm

1. The Joint Powers Commission of Sierra Vista Hospital met October 27, 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 2:04pm.

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

3. **Roll Call** Melissa Forsythe, Recorder

Joint Powers Commission

Attendees: City of Elephant Butte

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

City of T or C

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

Sierra County

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

Village of Williamsburg

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

Sierra Vista Hospital

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

AGENDA ITEMS

PRESENTER

ACTION REQUIRED

4. Approval of Agenda

Travis Day, Chairperson

Phillip Mortensen motioned to approve the agenda. Jim Paxon seconded. Motion carried unanimously.

5. Approval of Minutes

A. August 4, 2022, Regular Meeting Minutes

Edna Trager motioned to approve the August 4, 2022, minutes. Hank Hopkins seconded. Motion carried unanimously.

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
October 27, 2022 @ 2:00pm

6. Public Comment- 3-minute limit

None

7. Old Business

Travis Day, Chairperson

None

8. New Business

A. June Financial Report- Ming Huang, CFO, reported the following,

Hospital Gross Revenue for July was \$4,713,301 Revenue Deductions for July were \$2,525,973. Other Operation Revenue was \$170,035. Non-Operation Revenue was \$148,126. Hospital Operation Expenses for July were \$2,262,496. EBITDA for July was \$243,051.

Hospital Gross Revenue for August was \$4,897,013. Revenue Deductions for August were \$2,822,244. Other Operation Revenue was \$183,822. Non-Operation Revenue was 285,973. Hospital Operation Expenses for August were \$2,238,971. EBITDA for August was \$308,636.

Hospital Gross Revenue for September was \$4,273,541 Revenue Deductions for September were \$2,228,864. Other Operation Revenue was \$322,559. Non-Operation Revenue was \$31,923. Hospital Operation Expenses for September were \$2,450,824. EBITDA for September was (\$47,229).

Year to date income statement is attached for review

11 million is our average bank balance

Frank discussed the following report on Six-month intervals going back 18 months - Clinic Visits at 3,791, Rehab Services 1,235, ED visits 4,286, Total admissions 138 (acute 116, swing 22). # Lab test 111,784, #Radiology Exams 5,870. Gross Revenue \$26,877,306, Total Deductions \$14,037,850, Bad Debt \$831,957, Net Patient Revenue \$13,046,167, Total Operation Expenses \$14,066,495, Salaries \$ Benefits \$6,514,780, Contract Services \$4,271,398, Supplies \$918,989, EBITDA \$3,123,841. 148 days cash on hand. 90 days of above is solid. Frank wants to be at 150 days. Cash on hand 10.2 – 11 million. Deep dive occurring now.

B. CEO Report- Frank Corcoran, CEO- QHR report completed weekly and discussing the following,

Provider Recruitment, 2 new physicians are in. DrA. Palin, Dr. Seufer. We have to get credentials with all the payers. We currently have credentials for Medicare and Medicaid, so we are scheduling those patients to see the doctors. Once credentialing is completed with Blue Cross, Presbyterian we can schedule them too. So now we have two physicians and two nurse practitioners (four clinicians) here at SVH. Dr. Palin and Dr. Seufer both see children. New Behavior Health NP -Dawn O'keefe is on board. She is suboxone trained (if you're on opioid and want to get off. The pill blocks the pain receptors. You must be compliant. take the pill every day. She also can administer the injection which lasts 30 days.

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
October 27, 2022 @ 2:00pm

Environmental Care – Plant operations. Hired new director of Plant, Gerald (Jerry) Schwind. Starts next week sometime. Joint Commission accreditation, 60% of survey is environmental care – he’s gone through last 2 – 3 surveys without findings. 75% findings in accreditation survey is environmental care. He’s here to get us up to Joint Commission accreditations standards which are higher than CMS standards. The tunnel project is almost complete. Fiberoptic line and another line still going through the tunnel (data support) disconnect those. Fill in with concrete. We’ll be done. Create a culvert to use in the future.

Surgical Services wanting to start November 15th. Working on getting him credentialed. Dr. Frank Walker. Clinic appointments will be opened. She does scopes/general surgery. We still need anesthesia. ASSG has an anesthesiologist that can come, start the program, use for two months then tailer down to CRNA’s. Important to our cost reports. Better cost report analysis with CRNS’s than anesthesiologist.

County Fair Vaccination – just under 100 vaccinations given. Flu and Bivalent vaccines offered along with waters.

5K Run, 88 participants. Next year to have golf tournament in conjunction.

Economic Impact Study – New Mill Levy posted in paper. QHR we ran reports – what’s the economic impact of the hospital to the county. We have direct and indirect. Direct benefits to the county is \$57,645, 000 and total benefits is \$74,935,000. Mill Levy does not create new taxes. We need to post Sierra Square, County Facebook, County website. Post Democrat and Republican pages both. Mill Levy means to the hospital \$650,000 a year. Last years bottom line was \$1.3 million, that’s half of our bottom line so important to keep that going.

Coffee Shop to open Tues. Cafeteria to stay open till 11:00pm. Police officers to come in as well, to eat free!

Looking into weapons systems detection. Metal detection being looked into. No armed guard on duty here at SVH. Looking into a noncommissioned police car to place on property. Bruce to look into it.

340B Federal Ruling - Government pricing for medications (rebate). We made \$1.1 million in profit last year.

Looking into VA contract. Ming looking into contact issue. Ben Archer refuses to send anyone to SVH. Talk to contracting officer on the government side. Ben Archer will send all patients to Las Cruces or Albuquerque rather than to SVH. We may need to see about getting on provider list and or looking into VA contract.

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
October 27, 2022 @ 2:00pm

C. Governing Board Report- Bruce Swingle, Chairperson Governing Board, The Resolution for the Supporting the Creation of a Special Hospital District will be on the agenda for the next meeting, right after Thanksgiving. Members seem to all be supportive. Mill Levy being promoted in the community. Really bad year with all the bond questions, constitutional amendments. Overload on the public. Hospital focused on quality and accreditation. Mill Levy expired last year. If Mill Levy passes, at 7 years we need to get it authorized, we have to stay on top of this.

D. Special Hospital District- Resolution included in packet emailed out and also passed out. Discussion was had at the joint meeting with Governing Board Members and Joint Powers Commission. Hospital Association is also in support of resolution. Amendments to be made.

Phillip Mortensen Motion to approve resolution as state with amendments, Magorie Powey seconded, Roll Call vote on Resolution –

Edna Trager- Y	Jim Paxon- Y
Kim Skinner- Y	Magorie Powey- Y
Phillip Mortensen – Y	Deb Stubblefield- Y
Rolf Hechler- Y	Travis Day- Y
Destiny Mitchell- Y	

Vote passes Unanimously - Revisions to be made and sent out to Recorder for gathering of all signatures. Copies to be sent to Governing Board as well.

E. Mill Levy – Make sure the Mill Levy message continues to be positive.

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 item

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

- A. Strategic and Long-Range Business Plans
1. Dingus Financial Audit Ming Huang, CFO
 2. Van Patten Property Frank Corcoran, CEO

Motion to close for executive session brought by Jim Paxton, Rolf Hechler seconded,

Roll call to close meeting- Travis Day

Edna Trager- Y	Jim Paxon- Y
Kim Skinner- Y	Magorie Powey- Y
Phillip Mortensen – Y	Deb Stubblefield- Y
Rolf Hechler- Y	Travis Day- Y
Destiny Mitchell- Y	

Motion carried, now in executive 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.

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
October 27, 2022 @ 2:00pm

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

A. Strategic and Long-Range Business Plans

- | | | |
|---------------------------|---------------------|--------|
| 1. Dingus Financial Audit | Ming Huang, CFO | Report |
| 2. Van Patten Property | Frank Corcoran, CEO | Report |

11. Other

Next meeting- January 26, 2023, at 2:00.

12. Adjournment

Phillip Mortensen motioned to adjourn, Magori Powey seconded.

Motion carried unanimously.

Travis Day, JPC Chairperson



Financial Analysis

October 31st, 2022

Days Cash on Hand for October 2022 are 147 (137 available)

Accounts Receivable Net days are 26

Accounts Payable days are 39

Hospital Excess Revenue over Expense

The **Net Income** for the month of October was (\$192,693) vs. a Budget Income of (\$44,598).

Hospital Gross Revenue for October was \$5,093,059 or \$451,941 more than budget. Patient Days were 93 – 33 less than September. RHC visits were 601 – 59 more than September, Outpatient Visits were 1056 – 306 more than September, and ER visits were 661 – 38 less than September.

Revenue Deductions for October were \$2,887,649 or \$742,593 more than budget.

Other Operating Revenue was \$142,078

Non-Operating Revenue was \$135,314.

Hospital Operating Expenses for October were \$2,273,853. Compared to Budget, expenses were under Budget by \$252,007. Contract services were under budget by \$75,554 and supply expenses were under budget by \$48,577.

EBITDA for October was \$211,151 vs. a Budget of \$372,488. YTD EBITDA is \$715,538 vs. a Budget of \$1,477,936.

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



Financial Analysis

November 30th, 2022

Days Cash on Hand for November 2022 are 147 (139 available)

Accounts Receivable Net days are 22

Accounts Payable days are 26

Hospital Excess Revenue over Expense

The **Net Income** for the month of November was \$2,043 vs. a Budget Income of (\$43,159).

Hospital Gross Revenue for November was \$5,314,315 or \$822,911 more than budget. Patient Days were 162 – 69 more than October. RHC visits were 744 – 143 more than October, Outpatient Visits were 825 – 231 less than October, and ER visits were 757 – 96 more than October.

Revenue Deductions for November were \$2,784,615 or \$708,754 more than budget.

Other Operating Revenue was \$168,134.

Non-Operating Revenue was \$156,372.

Hospital Operating Expenses for November were \$2,438,413. Compared to Budget, expenses were under Budget by \$5,967. Contract services were over budget by \$75,447 due to placement fee of new Plant Operations Director and international nurses of \$44,587.50 and air flow testing and balancing of \$21,400.

EBITDA for November was \$415,820 vs. a Budget of \$360,472. YTD EBITDA is \$1,131,358 vs. a Budget of \$1,838,408.

The **Bond Coverage Ratio** in November was 165% vs. an expected ratio of 130%.



Financial Analysis

December 31st, 2022

Days Cash on Hand for December 2022 are 138

Accounts Receivable Net days are 21

Accounts Payable days are 24

Hospital Excess Revenue over Expense

The **Net Income** for the month of December was (\$303,240) vs. a Budget Income of (\$44,598).

Hospital Gross Revenue for December was \$4,667,505 or \$26,387 more than budget. Patient Days were 124 – 38 less than November. RHC visits were 716 – 28 less than November, Outpatient Visits were 1,103 – 278 more than November, and ER visits were 755 – 2 less than November.

Revenue Deductions for December were \$2,443,341 or \$298,284 more than budget.

Other Operating Revenue was \$161,664.

Non-Operating Revenue was \$213,425, including trauma grant of \$17,600, donation from Community Health Foundation of \$17,792.88, and interest income of \$ 23,001.21.

Hospital Operating Expenses for December were \$2,492,833. Compared to Budget, expenses were under Budget by \$33,026. Other operating expenses were over budget by \$44,582 due to legal settlement of \$50,000.

EBITDA for December was \$111,771 vs. a Budget of \$372,488. YTD EBITDA is \$1,243,130 vs. a Budget of \$2,210,896.

The Bond Coverage Ratio in December was 370% vs. an expected ratio of 130%.

Sierra Vista Hospital
INCOME STATEMENT
December 31, 2022

MONTH					YEAR TO DATE					
Actual 12/31/22	Budget 12/31/22	Variance to Budget	Prior Year 12/31/21	Variance to Prior Year	DESCRIPTION	Actual 12/31/22	Budget 12/31/22	Variance to Budget	Prior Year 12/31/21	Variance to Prior Year
\$ 4,667,505	\$ 4,641,117	\$ 26,387	\$ 4,185,011	\$ 482,493	Gross Patient Revenue	\$ 28,958,733	\$ 27,547,276	\$ 1,411,457	\$ 26,132,156	\$ 2,826,577
\$ 2,210,856	1,950,025	260,831	1,529,498	\$681,358	Revenue Deductions					
\$ 90,154	134,708	(44,554)	147,779	(\$57,625)	Contractual Allowances	13,799,153	11,574,345	2,224,809	10,426,989	\$3,372,164
\$ 142,331	60,323	82,008	36,850	\$105,481	Bad Debt	1,253,439	799,558	453,881	931,356	\$322,083
\$ 2,443,341	\$ 2,145,056	\$ 298,284	\$ 1,714,126	\$ 729,214	Other Deductions	640,093	358,046	282,047	349,559	290,534
\$ 5,352	18,162	(12,810)	(2,256)	\$7,608	Total Revenue Deductions	\$ 15,692,685	\$ 12,731,948	\$ 2,960,737	\$ 11,707,904	\$ 3,984,782
\$ 2,229,516	\$ 2,514,223	\$ (284,707)	\$ 2,468,629	(\$239,114)	Other Patient Revenue	15,047	107,798	(92,751)	5,181	9,866
48%	54%	(6%)	59%	(11%)	Net Patient Revenue	\$ 13,281,095	\$ 14,923,126	\$ (1,642,031)	\$ 14,429,433	\$ (1,148,338)
\$ 161,664	208,214	(46,551)	245,623	(\$83,960)	Gross to Net %	46%	54%	(8%)	55%	(9%)
\$ 213,425	175,911	37,514	524,485	(\$311,060)	Other Operating Revenue	1,148,292	1,235,853	(87,562)	1,450,374	(302,082)
\$ 2,604,604	\$ 2,898,348	\$ (293,743)	\$ 3,238,738	\$ (634,133)	Non-Operating Revenue	971,132	1,044,115	(72,983)	2,195,375	(1,224,242)
					Total Operating Revenue	\$ 15,400,519	\$ 17,203,094	\$ (1,802,575)	\$ 18,075,182	(2,674,663)
\$ 1,165,013	\$1,198,972	(\$33,959)	\$1,115,403	\$49,610	Expenses					
\$ 963,610	1,004,964	(41,354)	933,787	29,823	Salaries & Benefits	\$6,837,002	\$7,116,479	(279,478)	\$6,421,473	\$415,528
\$ 183,709	174,769	8,940	168,877	14,832	Salaries	5,575,173	5,964,947	(389,773)	5,391,720	183,453
\$ 17,694	19,239	(1,545)	12,739	4,955	Benefits	1,126,989	1,037,338	89,651	931,299	195,690
\$ 216,154	192,086	24,069	180,104	36,051	Other Salary & Benefit Expense	134,840	114,195	20,645	98,454	36,385
\$ 680,378	706,788	(26,410)	590,882	89,495	Supplies	937,865	1,140,121	(202,257)	1,030,883	(\$93,018)
\$ 178,636	214,586	(35,950)	180,370	(1,734)	Contract Services	4,024,810	4,195,128	(170,318)	3,150,072	\$874,738
\$ 9,334	7,725	1,608	12,959	(3,625)	Professional Fees	1,081,704	1,273,673	(191,968)	1,062,648	\$19,056
\$ 29,350	36,713	(7,363)	33,143	(3,793)	Leases/Rentals	51,130	45,854	5,275	46,016	\$5,113
\$ 54,759	54,250	509	47,157	7,602	Utilities	240,421	217,910	22,511	227,607	\$12,814
\$ 76,549	76,661	(112)	69,939	6,610	Repairs / Maintenance	300,501	321,997	(21,496)	357,369	(\$56,868)
\$ 82,661	38,079	44,582	92,642	(\$9,981)	Insurance	434,582	455,021	(20,439)	385,506	\$49,077
\$2,492,833	\$2,525,860	(\$33,026)	2,322,599	\$170,235	Other Operating Expenses	249,375	226,015	23,360	287,511	(\$38,136)
\$111,771	\$372,488	(\$260,717)	\$916,139	(\$804,367.67)	Total Operating Expenses	\$14,157,390	\$14,992,199	(\$834,809)	\$12,969,085	\$1,188,305
4%	13%	(9%)	28%	(24%)	EBITDA	\$1,243,130	\$2,210,896	(\$967,766)	\$5,106,097	(\$3,862,968)
\$ 285,517	\$294,249	(\$8,732)	\$289,084	(\$3,566)	EBITDA Margin	8%	13%	(5%)	28%	(20%)
\$ 73,359	75,627	(\$2,269)	73,469	(\$111)	Non - Operating Expenses					
\$ 56,135	47,209	\$8,925	51,431	\$4,704	Depreciation and Amortization	1,710,600	\$1,746,511	(35,911)	\$1,729,320	(\$18,720)
\$415,011	\$417,086	(\$2,075)	\$413,984	\$1,026	Interest	440,430	448,885	(8,455)	\$445,954	(\$5,524)
(\$303,240)	(\$44,598)	(\$258,642)	\$502,154	(\$805,394)	Tax/Other	291,985	280,211	11,774	\$282,010	\$9,975
(12%)	(2%)	(10%)	16%	(27%)	Total Non Operating Expense	\$2,443,015	\$2,475,607	(\$32,592)	\$2,457,284	(\$14,268)
					NET INCOME (LOSS)	(\$1,199,886)	(\$264,712)	(\$935,174)	\$2,648,814	(\$3,848,699)
					Net Income Margin	(8%)	(2%)	(6%)	15%	(22%)

Sierra Vista Hospital
INCOME STATEMENT by Month
December 31, 2022

Description	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	Month Ending 8/31/2022	Month Ending 7/31/2022
Revenues												
Gross Patient Revenue							\$ 4,667,505	\$ 5,314,315	\$ 5,093,059	\$ 4,273,541	\$ 4,897,013	\$ 4,713,301
Revenue Deductions												
Contractual Allowances							2,210,856	2,412,093	2,495,591	1,975,761	2,464,567	2,240,286
Bad Debt							90,154	283,657	263,472	202,078	216,898	197,240
Other Deductions							142,331	88,865	128,587	51,025	140,839	88,447
Total Revenue Deductions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,443,341	\$ 2,784,615	\$ 2,887,649	\$ 2,228,864	\$ 2,822,244	\$ 2,525,973
Other Patient Revenue							5,352	27	2,202	4,366	3,043	58
Net Patient Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,229,516	\$ 2,529,727	\$ 2,207,611	\$ 2,049,043	\$ 2,077,812	\$ 2,187,386
Gross to Net %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	48%	48%	43%	48%	42%	46%
Other Operating Revenue							161,664	168,134	142,078	322,559	183,822	170,035
Non-Operating Revenue							213,425	156,372	135,314	31,923	285,973	148,126
Total Operating Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,604,604	\$ 2,854,233	\$ 2,485,004	\$ 2,403,525	\$ 2,547,607	\$ 2,505,546
Expenses												
Salaries & Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$1,165,013	\$1,107,334	\$1,164,042	\$1,180,350	\$1,099,943	\$1,120,320
Salaries							963,610	897,576	959,534	928,471	891,515	934,466
Benefits							183,709	186,701	190,504	220,894	185,721	159,461
Other Salary & Benefit Expense							17,694	23,057	14,004	30,985	22,707	26,399
Supplies							216,154	170,929	143,508	127,032	150,029	130,212
Contract Services							680,378	759,436	631,234	735,150	583,126	635,487
Professional Fees							178,636	184,377	180,160	177,798	180,366	180,368
Leases/Rentals							9,334	5,400	7,514	9,050	9,411	10,421
Utilities							29,350	32,695	46,475	38,432	42,610	50,859
Repairs / Maintenance							54,759	73,937	34,975	57,920	48,769	30,142
Insurance							76,549	76,743	45,873	78,159	79,477	77,783
Other Operating Expenses							82,661	27,562	20,073	46,932	45,241	26,905
Total Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$2,492,833	\$2,438,413	\$2,273,853	\$2,450,824	\$2,238,971	\$2,262,496
EBITDA	\$0	\$0	\$0	\$0	\$0	\$0	\$111,771	\$415,820	\$211,151	(\$47,299)	\$308,636	\$243,051
EBITDA Margin	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	4%	15%	8%	-2%	12%	10%
Non - Operating Expenses												
Depreciation and Amortization							\$285,517	\$285,517	\$285,285	\$285,258	\$284,522	\$284,500
Interest							73,359	71,474	73,377	73,387	75,427	73,406
Tax/Other							56,135	56,785	45,182	48,047	43,713	42,123
Total Non Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$415,011	\$413,777	\$403,844	\$406,692	\$403,662	\$400,029
NET INCOME (LOSS)	\$0	\$0	\$0	\$0	\$0	\$0	(\$303,240)	\$2,043	(\$192,693)	(\$453,991)	(\$95,027)	(\$156,978)
Net Income Margin	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(12%)	0%	(8%)	(19%)	(4%)	(6%)

Sierra Vista Hospital
TWELVE MONTH INCOME STATEMENT
December 31, 2022

	Month Ending 12/31/2022	Month Ending 11/30/2022	Month Ending 10/31/2022	Month Ending 9/30/2022	Month Ending 8/31/2022	Month Ending 7/31/2022	Month Ending 6/30/2022	Month Ending 5/31/2022	Month Ending 4/30/2022	Month Ending 3/31/2022	Month Ending 2/28/2022	Month Ending 1/31/2022
Description												
Revenues												
Gross Patient Revenue	\$ 4,667,505	\$ 5,314,315	\$ 5,093,059	\$ 4,273,541	\$ 4,897,013	\$ 4,713,301	\$ 4,213,781	\$ 4,711,436	\$ 4,225,491	\$ 4,116,284	\$ 3,575,083	\$ 4,257,015
Revenue Deductions												
Contractual Allowances	2,210,856	2,412,093	2,495,591	1,975,761	2,464,567	2,240,286	1,934,982	2,148,729	2,054,060	1,733,039	1,831,356	1,473,918
Bad Debt	90,154	283,657	263,472	202,078	216,838	197,240	180,600	77,177	107,657	52,445	124,185	30,998
Other Deductions	142,331	88,865	128,587	51,025	140,839	88,447	132,022	108,432	58,653	101,839	34,833	69,482
Total Revenue Deductions	\$ 2,443,341	\$ 2,784,615	\$ 2,887,649	\$ 2,228,864	\$ 2,822,244	\$ 2,525,973	\$ 2,247,604	\$ 2,334,337	\$ 2,220,370	\$ 1,887,323	\$ 1,990,374	\$ 1,574,398
Other Patient Revenue	5,352	27	2,202	4,366	3,043	58	471	12	202,366	761	2,439	2,411
Net Patient Revenue	\$ 2,229,516	\$ 2,529,727	\$ 2,207,611	\$ 2,049,043	\$ 2,077,812	\$ 2,187,386	\$ 1,966,649	\$ 2,377,111	\$ 2,207,487	\$ 2,229,722	\$ 1,587,148	\$ 2,685,027
Gross to Net %	48%	48%	43%	48%	42%	46%	46.7%	50%	52%	54%	44%	63%
Other Operating Revenue	161,664	168,134	142,078	322,559	183,822	170,035	244,617	(764,593)	253,020	229,154	407,705	236,475
Non-Operating Revenue	213,425	156,372	135,314	31,923	285,973	148,126	321,334	538,200	207,887	210,151	126,373	136,923
Total Operating Revenue	\$ 2,604,604	\$ 2,854,233	\$ 2,485,004	\$ 2,403,525	\$ 2,547,607	\$ 2,505,546	\$ 2,532,599	\$ 2,150,719	\$ 2,668,394	\$ 2,669,027	\$ 2,121,225	\$ 3,058,426
Expenses												
Salaries & Benefits	1,165,013	1,107,334	1,164,042	1,180,350	1,099,943	1,120,320	1,016,942	1,075,424	1,130,204	1,071,947	1,090,915	1,187,631
Salaries	963,610	897,576	959,534	928,471	891,515	934,466	827,216	883,393	841,508	884,152	935,149	994,277
Benefits	183,709	186,701	190,504	220,894	185,721	159,461	165,628	172,534	251,025	174,881	150,964	184,486
Other Salary & Benefit Expense	17,694	23,057	14,004	30,985	22,707	26,393	24,098	19,497	37,671	12,915	4,802	8,868
Supplies	216,154	170,929	143,508	127,032	150,029	130,212	191,130	123,361	137,324	186,932	145,782	135,106
Contract Services	680,378	759,436	631,234	735,150	583,126	635,487	720,752	820,249	797,908	713,877	581,223	533,176
Professional Fees	178,636	184,377	180,160	177,798	180,366	180,368	178,417	180,370	178,417	180,370	174,511	180,370
Leases/Rentals	9,334	5,400	7,514	9,050	9,411	10,421	9,125	4,921	9,571	11,210	3,103	6,377
Utilities	29,350	32,695	46,475	38,432	42,610	50,859	49,790	48,261	36,822	30,623	32,989	32,182
Repairs / Maintenance	54,759	73,937	34,975	57,920	48,769	30,142	63,485	60,516	41,785	56,795	94,507	48,475
Insurance	76,549	76,743	45,873	78,159	79,477	77,783	67,825	68,149	68,351	67,827	68,149	70,297
Other Operating Expenses	82,661	27,562	20,073	46,932	45,241	26,905	43,903	46,048	40,398	36,002	33,489	43,145
Total Operating Expenses	\$2,492,833	\$2,438,413	\$2,273,853	\$2,450,824	\$2,238,971	\$2,262,496	\$2,341,368	\$2,427,299	\$2,440,778	\$2,355,583	\$2,224,667	\$2,236,758
EBITDA	\$111,771	\$415,820	\$211,151	(\$47,299)	\$308,636	\$243,051	\$191,231	(\$276,579)	\$227,616	\$313,444	(\$103,442)	\$821,667
EBITDA Margin	4%	15%	8%	-2%	12%	10%	7.6%	-13%	9%	12%	-5%	27%
Non - Operating Expenses												
Depreciation and Amortization	285,517	285,517	285,285	285,258	284,522	284,500	309,965	290,430	290,430	289,899	288,723	288,751
Interest	73,359	71,474	73,377	73,387	75,427	73,406	73,415	75,591	75,735	73,442	73,451	73,460
Tax/Other	56,135	56,785	45,182	48,047	43,713	42,123	54,948	44,937	42,004	47,582	44,305	47,309
Total Non Operating Expenses	\$415,011	\$413,777	\$403,844	\$406,692	\$403,662	\$400,029	\$438,327	\$410,958	\$408,169	\$410,923	\$406,479	\$409,521
NET INCOME (LOSS)	(\$303,240)	\$2,043	(\$192,693)	(\$453,991)	(\$95,027)	(\$156,978)	(\$247,096)	(\$687,537)	(\$180,554)	(\$97,479)	(\$509,921)	\$412,147
Net Income Margin	(12%)	0%	(8%)	(19%)	(4%)	(6%)	(9.8%)	(32%)	(7%)	(4%)	(24%)	13%

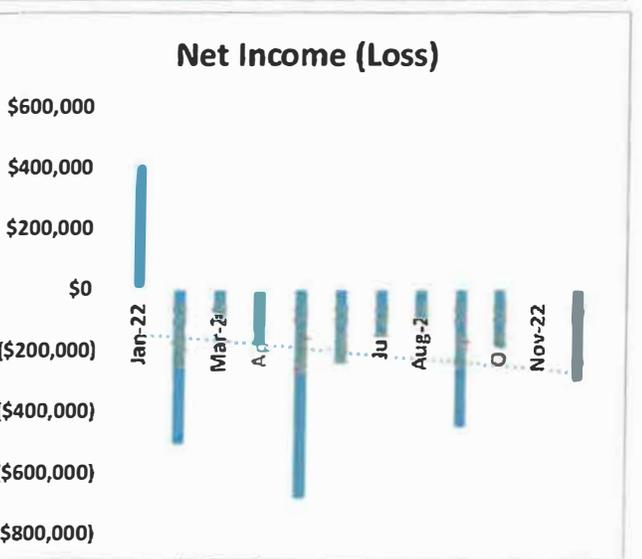
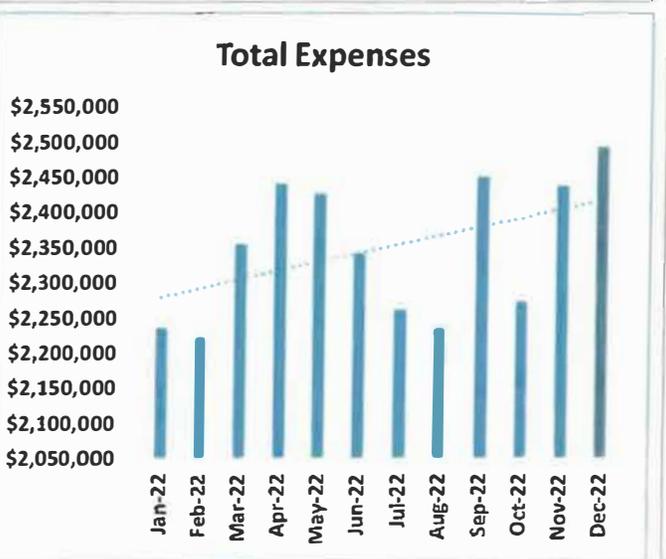
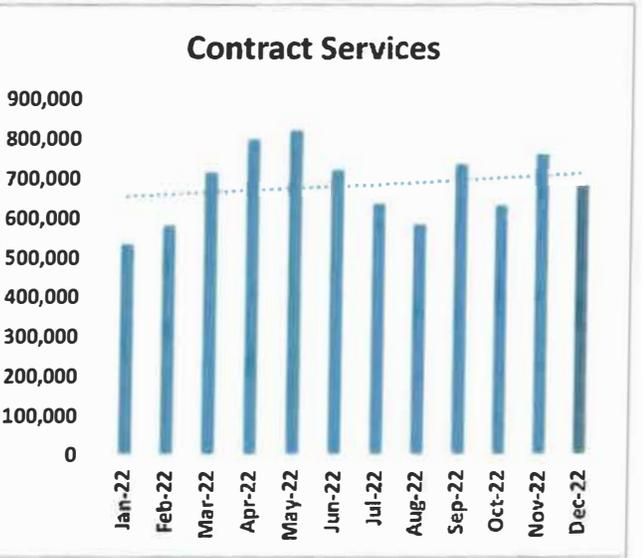
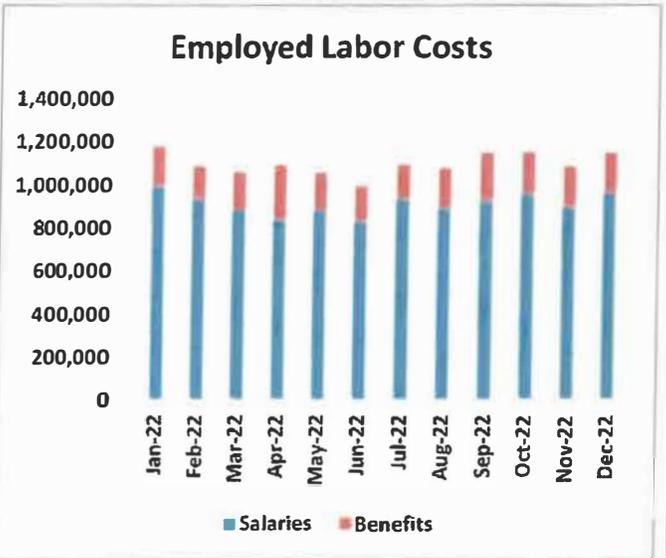
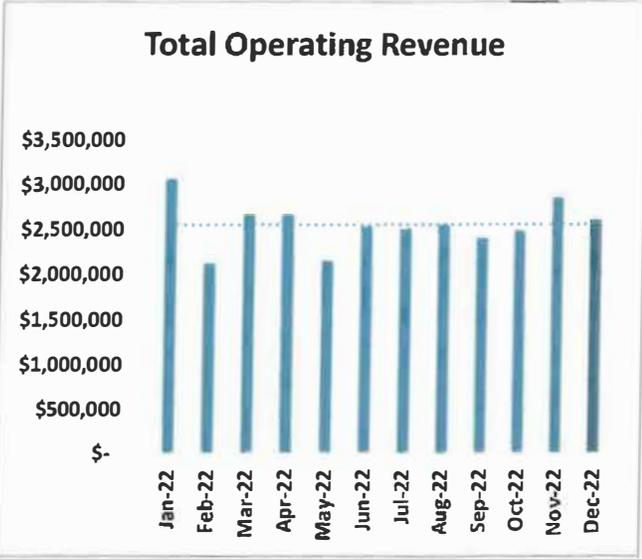
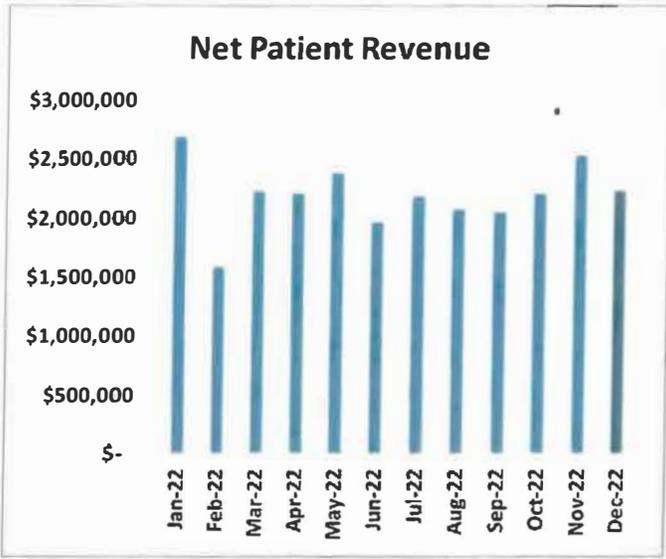
**Sierra Vista Hospital
BALANCE SHEET
December 31, 2022**

December 31, 2022 (Unaudited)	DESCRIPTION	June 30, 2022
	Assets	
	Current Assets	
\$ 10,630,085	Cash and Liquid Capital	\$ 11,860,878
\$ 139,927	US Bank Clearing	\$ 535,046
\$ 10,770,012	Total Cash	\$ 12,395,924
\$ 5,651,607	Accounts Receivable - Gross	\$ 5,393,178
\$ 4,154,945	Contractual Allowance	\$ 3,689,594
\$ 1,496,662	Total Accounts Receivable, Net of Allowance	\$ 1,703,584
\$ 1,394,847	Other Receivables	\$ 843,919
\$ 461,722	Inventory	\$ 389,634
\$ 525,759	Prepaid Expense	\$ 183,210
\$ 14,649,002	Total Current Assets	\$ 15,516,271
	Long Term Assets	
\$ 53,468,923	Fixed Assets	\$ 53,822,297
\$ 16,200,215	Accumulated Depreciation	\$ 15,063,598
\$ 1,123,717	Construction in Progress	\$ 954,129
\$ 38,392,425	Total Fixed Assets, Net of Depreciation	\$ 39,712,828
\$ 38,392,425	Total Long Term Assets	\$ 39,712,828
\$ 2,833,001	New Hospital Loan	\$ 2,104,724
\$ 55,874,428	Total Assets	\$ 57,333,823
	Liabilities & Equity	
	Current Liabilities	
\$ 965,912	Account Payable	\$ 1,373,828
\$ 601,847	Interest Payable	\$ 140,460
\$ 52,675	Accrued Taxes	\$ 48,661
\$ 574,838	Accrued Payroll and Related	\$ 842,615
\$ (220,000)	Cost Report Settlement	\$ (220,000)
\$ 1,975,272	Total Current Liabilities	\$ 2,185,564
	Long term Liabilities	
\$ 25,385,957	Long Term Notes Payable	\$ 25,409,748
\$ 25,385,957	Total Long Term Liabilities	\$ 25,409,748
\$ 366,253	Unapplied Liabilities	\$ 381,324
\$ 315,937	Capital Equipment Lease	\$ 326,293
\$ 28,043,420	Total Liabilities	\$ 28,302,929
\$ 28,134,248	Retained Earnings	\$ 29,175,814
\$ (303,240)	Net Income	\$ (144,920)
\$ 55,874,428	Total Liabilities and Equity	\$ 57,333,823

Sierra Vista Hospital
BALANCE SHEET by Month
December 31, 2022

	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	Month Ending 8/31/2022	Month Ending 7/31/2022
Assets												
Current Assets												
Cash and Liquid Capital							10,630,085	11,058,338	11,005,147	11,072,851	10,914,121	11,428,972
US Bank Clearing							139,927	282,639	208,513	284,908	264,173	127,111
Total Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$10,770,012	\$11,340,977	\$11,213,660	\$11,357,759	\$11,178,294	\$11,556,083
Accounts Receivable - Gross							5,651,607	6,212,324	6,430,226	5,705,367	6,125,679	6,106,512
Contractual Allowance							4,154,945	4,636,886	4,586,176	4,134,549	4,411,696	4,053,349
Total Accounts Receivable, Net of Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,496,662	\$ 1,575,438	\$ 1,844,050	\$ 1,570,818	\$ 1,713,983	\$ 2,053,163
Other Receivables							1,394,847	1,187,681	1,245,509	1,139,931	1,227,596	954,046
Inventory							461,722	424,413	409,330	404,454	394,317	413,617
Prepaid Expense							525,759	588,715	665,926	747,826	803,417	714,451
Total Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$14,649,002	\$15,117,224	\$15,378,476	\$15,220,788	\$15,317,608	\$15,691,360
Long Term Assets												
Fixed Assets							53,468,923	53,966,312	53,964,425	53,934,715	53,925,687	53,827,497
Accumulated Depreciation							16,200,215	16,488,680	16,203,163	15,917,877	15,632,619	15,348,098
Construction in Progress							1,123,717	1,123,717	1,123,717	954,129	954,129	954,129
Total Fixed Assets, Net of Depreciation							\$ 38,392,425	\$ 38,601,349	\$ 38,884,980	\$ 38,970,966	\$ 39,247,196	\$ 39,433,528
Total Long Term Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,392,425	\$ 38,601,349	\$ 38,884,980	\$ 38,970,966	\$ 39,247,196	\$ 39,433,528
New Hospital Loan							\$ 2,833,001	\$ 2,712,708	\$ 2,591,947	\$ 2,470,692	\$ 2,349,111	\$ 2,226,887
Total Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,874,428	\$ 56,431,282	\$ 56,855,403	\$ 56,662,446	\$ 56,913,915	\$ 57,351,775
Liabilities & Equity												
Current Liabilities												
Account Payable							965,912	1,041,377	1,483,953	1,395,318	1,201,861	1,676,257
Interest Payable							601,847	524,949	448,052	371,154	294,256	217,358
Accrued Taxes							52,675	55,803	42,682	47,197	43,713	41,187
Accrued Payroll and Related Cost Report Settlement							574,838	848,733	937,805	739,021	723,262	641,244
Total Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$1,975,272	\$2,250,862	\$2,692,492	\$2,332,690	\$2,043,092	\$2,356,046
Long term Liabilities												
Long Term Notes Payable							25,385,957	25,389,922	25,393,887	25,397,852	25,401,818	25,405,783
Total Long Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$25,385,957	\$25,389,922	\$25,393,887	\$25,397,852	\$25,401,818	\$25,405,783
Unapplied Liabilities												
Capital Equipment Lease							366,253	338,540	333,705	302,139	383,505	391,462
Total Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$28,043,420	\$28,297,034	\$28,723,198	\$28,337,548	\$28,135,026	\$28,477,859
Retained Earnings							\$28,134,248	\$28,132,205	\$28,324,898	\$28,778,889	\$28,873,916	\$29,030,894
Net Income							(\$303,240)	\$2,043	(\$192,693)	(\$453,991)	(\$95,027)	(\$156,978)
Total Liabilities and Equity	\$0	\$0	\$0	\$0	\$0	\$0	\$55,874,428	\$56,431,282	\$56,855,403	\$56,662,446	\$56,913,915	\$57,351,775

Financial Trends



Sierra Vista Hospital

12/31/2022

Reserves

	12/31/2022	Notation
Medicare Liability ("Cost Report Settlement" on Balance Sheet)		
FY22 Cost Report Receivable	370,000	
FY21 Cost Report Bad Debt Write-Off Reserve/General Reserve	<u>(150,000)</u>	
Total Liability	<u>220,000</u>	